



**KOMITI ITI MAHERE Ā-NGAHURUTANGA/  
MAHERE Ā-TAU  
LONG TERM PLAN/ANNUAL PLAN  
SUBCOMMITTEE**

9 December 2024

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

**Monday 16 December 2024 commencing at 2:00 pm**

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

**Membership**

Mayor C Barry (Chair)

Deputy Mayor T Lewis

Cr G Barratt

Cr K Brown

Cr S Edwards

Cr K Morgan

Cr N Shaw

Cr G Tupou

Cr J Briggs

Cr B Dyer

Cr A Mitchell

Cr C Parkin

Cr T Stallinger

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**Have your say**

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

## KOMITI ITI MAHERE Ā-NGAHURUTANGA/MAHERE Ā-TAU LONG TERM PLAN / ANNUAL PLAN SUBCOMMITTEE

<b>Chair:</b>	Mayor Campbell Barry
<b>Deputy Chair:</b>	Deputy Mayor Tui Lewis
<b>Membership:</b>	All Councillors (11)
<b>Quorum:</b>	Half of the membership
<b>Meeting Cycle:</b>	Meets on an eight-weekly basis or as required during the LTP/ AP process
<b>Reports to:</b>	Council

### **PURPOSE:**

To carry out all necessary considerations and hearings, precedent to the Council's final adoption of Long Term Plans (LTP) and Annual Plans (AP) which give effect to the strategic direction and outcomes set by the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee through setting levels of service, funding priorities, the performance framework and budgets.

#### **Determine:**

- Development of a framework and timetable for the LTP and AP processes.
- The nature and scope of engagement and public consultation required.
- Statements to the media.
- Such other matters as the subcommittee considers appropriate and which fall within its Terms of Reference.
- Informal engagement with the community, and the hearing of any formal public submissions.
- Consideration of submissions on Hutt City Council's Assessment of Water and Sanitary Services.

#### **Consider and make recommendations to Council:**

- Levels of service, funding priorities, performance framework, budgets, rating levels and policies required as part of the LTP or AP, excluding any policies recommended to Council by the Komiti Ratonga Rangatōpū me te Rautaki | Policy, Finance and Strategy Committee.
- Consultation documents.
- Council's proposed and final LTP.
- Council's proposed and final AP.
- Final content and wording, and adoption of the final Hutt City Council Assessment of Water and Sanitary Services.



**HUTT CITY COUNCIL**

**KOMITI ITI MAHERE Ā-NGAHURUTANGA / MAHERE Ā-TAU**  
**LONG TERM PLAN/ANNUAL PLAN SUBCOMMITTEE**

Meeting to be held in the Council Chambers,  
2nd Floor, 30 Laings Road, Lower Hutt on  
Monday 16 December 2024 commencing at 2:00 pm.

**ORDER PAPER**

**PUBLIC BUSINESS**

**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Whakataka te hau ki te uru  
Whakataka te hau ki te  
tonga  
Kia mākinakina ki uta  
Kia mātaratara ki tai  
E hī ake ana te atakura  
He tio, he huka, he hau hū  
Tihei mauri ora.

*Cease the winds from the west  
Cease the winds from the south  
Let the breeze blow over the land  
Let the breeze blow over the ocean  
Let the red-tipped dawn come with  
a sharpened air.  
A touch of frost, a promise of a  
glorious day.*

**2. APOLOGIES**

No apologies have been received.

**3. PUBLIC COMMENT**

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

**4. CONFLICT OF INTEREST DECLARATIONS**

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

**5. RECOMMENDATIONS TO TE KAUNIHERA O TE AWA KAIRANGI**  
**COUNCIL - 16 December 2024**

- a) Draft Annual Plan 2025-26 Financial aspects

Report No. LTPAP2024/5/357 by the Head of Strategy and Policy

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**CHAIR'S RECOMMENDATION:**

“That the recommendations contained in the report be discussed.”

## b) Investment in Water Services

Report No. LTPAP2024/5/358 by the Strategic Advisor 217

CHAIR'S RECOMMENDATION:

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

## c) National Land Transport Programme 2024-27 Publication report back and implications

Report No. LTPAP2024/5/359 by the Transport Advisor 246

CHAIR'S RECOMMENDATION:

"That recommendations parts 1-5a contained in the report be endorsed and part 6a-b contained in the report be endorsed."

## d) Draft Annual Plan 2025-26 - Rating Policy decisions

Report No. LTPAP2024/5/360 by the Manager Finance Transaction Services 266

CHAIR'S RECOMMENDATION:

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

**6. QUESTIONS**

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

**7. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA**

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

Kathryn Stannard  
**HEAD OF DEMOCRATIC SERVICES**



## Long Term Plan/Annual Plan Subcommittee

28 November 2024

Report no: LTPAP2024/5/357

### Draft Annual Plan 2025-26 Financial aspects

#### Purpose of Report

1. The purpose of this report is to further progress decisions in relation to the finance aspects of the Draft Annual Plan 2025-26.

#### Recommendations

That the Subcommittee recommends that Council:

- (1) notes that there are a range of financial risks associated with potential legislative changes, the capital programme, operating expenditure, and the proposed revenue settings;
- (2) considers the budget matters as detailed in tables 4, 5 and 6 and provides direction to officers in the preparation of the Draft Annual Plan 2025-26;
- (3) considers the capital project schedules as detailed in Appendix 3 attached to the report and provides direction to officers in the preparation of the Draft Annual Plan 2025-26;
- (4) notes the changes to the balanced operating budget target as defined in our Financial Strategy and changes to the prudence benchmark per the legislative requirements of the Local Government Act and Financial Reporting and Prudence Regulations 2014 as outlined in Section E of the report;
- (5) considers the rates revenue increases presented in Section F of this report and provides early direction to officers in the preparation of the Draft Annual Plan 2025-26;
- (6) considers the targeted rates for Wastewater and Water Supply presented in Section F of this report and provides direction to officers in the preparation of the Draft Annual Plan 2025-26;
- (7) considers the targeted rates for Refuse, Recycling and Green Waste presented in Section F of this report and provides direction to officers in the preparation of the Draft Annual Plan 2025-26;
- (8) considers the proposed fees and charges in appendix 2 attached to the report and provides direction to officers in the preparation of the Draft Annual Plan 2025-26;

- (9) agrees in principle to run a light-touch engagement process on the Draft Annual Plan 2025-26;
- (10) notes that more detail on the communication and engagement approach for DAP26 will be presented in February 2025 when Council decisions are further progressed;
- (11) provides direction to officers on any areas where levels of service reduction efforts should be directed in order to reduce the rates increase impacts for 2025-26; and
- (12) considers any further direction and guidance to be provided to officers ahead of preparation of the Draft Annual Plan 2025-26.

### Acronyms

DAP26 – Draft Annual Plan 2025-2026

LTP – Long Term Plan 2024-2034

Capex – Capital expenditure

Opex – Operating expenditure

LGA – Local Government Act 2002

CCOs – Council Controlled Organisations (Urban Plus Ltd, Seaview Marina Ltd)

Rates SUIP – separately used or inhabitable part

### Section A: Background – Council decisions and direction to-date

- 2. In June 2024 Council agreed to its LTP, which focused on continuing to get the basics right by investing in core infrastructure such as our ageing water network and transport infrastructure.
- 3. To continue delivering on the LTP, officers are preparing the Draft Annual Plan for 2025-2026 (DAP26).
- 4. These challenges were set out at the Council meeting on 26 August 2024, where the high-level approach, early direction and guidance was provided by Council to officers for DAP26. At a high level the following resolutions were passed by Council:
  - *Agreement to high level financial assumptions around inflation, cost of borrowings, revenue, employee costs etc.;*
  - *Carryovers of unspent budgets from 2023-24 to later years;*
  - *Noted that there may be inflationary cost pressures impacting on Council operations and capital investment programme and that officers would undertake work on potential offsetting mechanisms for Council consideration, such as non-rates funding sources, savings, rephasing and reprioritisation of work programmes;*
  - *Noted the risks relating to a downgrade of Council's Standard and Poors Credit Rating; and*

- *Noted the potential increase in depreciation costs based on the revaluation of three waters assets as part of the Annual Report 2023-2024 and that further advice would be provided.*
5. Following these decisions and directions of Council, officers have been progressing the review and update DAP26 budgets. This has included the update of projected inflation and interest rate assumptions, the update of budgets to reflect unavoidable increases (such as known contractual cost escalations), employee cost changes to reflect organisational requirements around safety and services, depreciation changes and other justifiable changes to budgets. In late August 2024, our Standard and Poors Credit Rating was downgraded to an AA- with flow on impacts of higher borrowing costs.
  6. There has also been an extensive effort made regarding reprioritisation of investment and finding offsetting solutions to the cost pressures identified through the budget review process. This work has enabled the current projected result presented here which shows no changes to the rates increase for 2025-26 from that projected in year 2 of the LTP.

### **Section B - High Level Plan for Draft Annual Plan 2025-26**

7. Table 1 sets out the timeline for DAP26 process as agreed to by Council.

Table 1: High Level Plan

Activity	Date	Status
Council agrees high level plan and approach to DAP26, including key assumptions	26-Aug-24	Complete
Council Briefing on budget review process	27-Nov-24	Complete
Council initial decisions on budgets for DAP26 and early direction on engagement approach	16- Dec-24	Today
Council briefing on engagement approach/content and DAP26 financials	3-Feb-25	Not Started
Council agrees to final DAP26 content and approves engagement approach and content	24-Feb-25	Not Started
Council adopts DAP26 and engagement material for the engagement process	25-Mar-25	Not Started
Community engagement	April 2025	Not Started
Council receives the feedback analysis for engagement.	14-May-25	Not Started
Council provides initial direction and progresses decisions to support DAP26 being finalised	16-May-25	Not Started
Council meets to make final decisions	4-Jun-25	Not Started
Council adopts Annual Plan 2025-26 and sets the rates	27-Jun-25	Not Started

## Section C – budget review process

### Risks and challenges

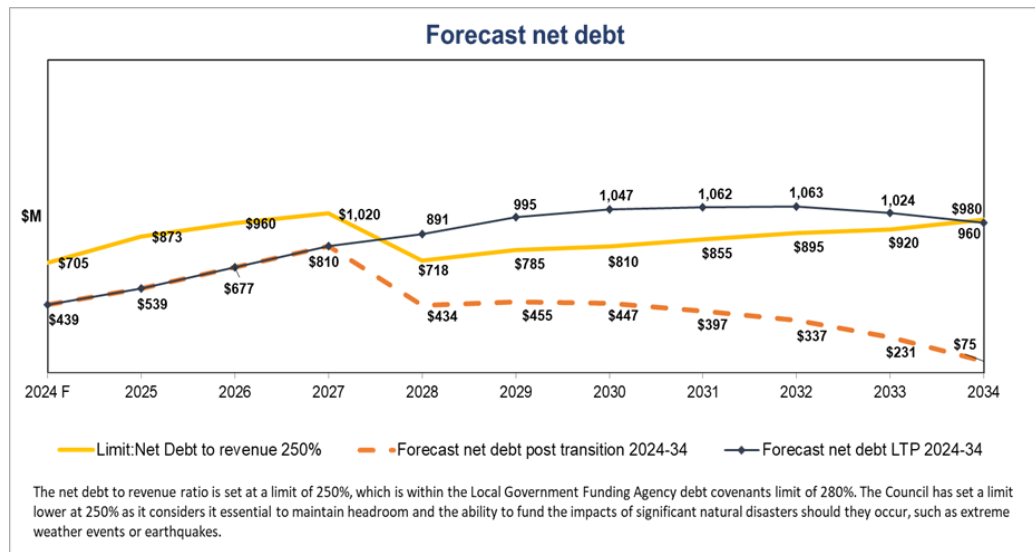
8. DAP26 is being prepared in a challenging economic climate with continuing cost pressures across the board in the form of revenue decreases largely due to volume reductions, government subsidy reductions, increased costs for infrastructure projects, and a higher cost of borrowing compared with the LTP.
9. The inherent key challenges for Council remain the same and are summarised as:
  - a) infrastructure deficit - Council owns a lot of ageing assets which require significant investment
  - b) affordability constraints - Council must consider carefully what it invests in to ensure the best return on investment for the community today and for future residents
  - c) borrowing capacity – rising costs across the board increasing debt funding required and the consequent need to prioritise the investment options in order to manage the debt.
  - d) cost of living challenges for the community and challenges with the affordability of rates charges.
10. Base budgets have not been updated for future contract renewals due to uncertainties around costs; the procurement approach taken will focus on achieving value for money and achieving current budgeted levels. Ricoh Sports Centre arrangements are uncertain at the time of writing this report as the new operator and agreement is yet to be finalised. There will be a focus on understanding costs associated with these matters together with service level options, so that advice can be presented to Council to support decisions for these when further information is known. Council may need to make choices on service level reductions to offset higher costs than budgeted.
11. Council will need to prioritise what it wants to do and what it is prepared to ask our community to pay for, given the cost-of-living challenges. A range of savings were built into budgets through the LTP, totalling \$38M over ten years. This was achieved through range of measures including withdrawal and delaying of some programmes and reducing some services, together with some increases to fees and charges like parking and leases. Further savings have been included as a part of DAP26 review to minimise rates impacts. Any additional savings would require service level reductions.
12. There was significant effort made through the LTP process to consider trade-offs and choices ahead of agreeing the LTP. This included exploration of a range of service level reductions which were not progressed due to elected member feedback. Elected members could choose to re-visit these through this DAP26 process.
13. Officers are aware that some councils in the region are working through options to reduce the rates increase compared to the LTP. For example, by delaying capital investment plans and reducing service levels etc. There is likely to be community consultation on these proposed changes.

14. Officers are seeking direction from elected members on areas where any service level reduction efforts should be targeted for DAP26.

Water services reform

15. We are facing an environment with continuing legislative changes and uncertainty. The change with the most significance for DAP26 is around the Water Services Reform.
16. The government's "Local Water Done Well" programme has been progressing and Councils in the Wellington region are working together in support of this. Water Service Delivery Plans are due for delivery to the government in September 2025. Ahead of this, public consultation on the plans will take place around March/April 2025. Refer Council report 29 October 2024 entitled "Water Services Delivery Plan and Delivery Model".
17. The government and the Local Government Funding Agency (LGFA) announced changes to financing arrangements in August 2024 which have immediate effect and will benefit future Water Services CCOs established. This includes bespoke covenant arrangements to enable higher levels of borrowings, being the equivalent of up to 500% debt to revenue ratios. This is significantly higher than the current 280% limit and will enable increased investment in water service networks. There is a requirement that the Council shareholder(s) provide security to the CCOs, which is likely to be way of a guarantee.
18. Recent changes to the LGFA foundation policies will assist high growth councils and any Council which might require short term emergency assistance with financing. The changes enable LGFA to grant a bespoke net debt/total revenue covenant higher than the current limit of 280%, up to a new limit of 350%. LGFA will consider applications from Tier 1 and Tier 2 local authorities under the National Policy Statement on Urban Development where the increase in borrowing capacity will be used to invest in growth infrastructure. LGFA has indicated that based on councils LTP 2024-2034, they would expect five Tier 1 and 2 councils to make an application for these bespoke arrangements; Hutt City Council (HCC) is not included as one of these five entities. Ahead of the preparation of the next LTP, officers plan to explore this further with LGFA to better understand the HCC position. Most growth-related infrastructure for HCC is in three waters and expected to transfer to a new water services CCO.
19. Some early modelling has been completed based on LTP budgets to determine the impact of water services reform on Council. This indicates the position post reform is likely to be much more favourable, but that position is dependent on a number of assumptions around repayment of debt and transition activities. Refer to Appendix 4 attached to the report.

Graph 1 The comparison of projected debt pre and post transition based on the LTP is presented below, together with the debt to revenue limit post transition



20. Based on the range of uncertainties as to the impacts of the changes and timing, at this point it remains appropriate to continue to assume Council will continue to operate the three water services and therefore will include three waters in DAP26 forecasts and planning. Further advice on the position post reform will be provided as more clarity is obtained on assumptions and timelines.

#### Base budget changes

21. Table 2 shows the final BERL inflation projections as approved for the LTP compared to the final BERL adjusters received in October 2024.
22. Officer advice is to update the inflation adjusters with the most up to date BERL projections for DAP26.

Table 2: Inflation adjusters

	2026	2027	2028	2029	2030	2031	2032	2033	2034
Inflation rates in LTP (Source: BERL LGCI 2022)	2.20%	2.30%	2.30%	2.20%	2.10%	2.00%	2.00%	1.90%	1.90%
Final inflation rates for DAP26 (Source: BERL LGCI 2023)	2.20%	3.20%	3.00%	2.80%	2.60%	2.40%	2.30%	2.20%	2.10%



### Interest rates

23. Specialist treasury advice is informing DAP26. An initial base interest rate assumption comparison for borrowings is proposed in table 3. This is based on information from Council's treasury portfolio and market conditions as of October 2024 and will be reviewed regularly due to the continuing volatility in market conditions.
24. Officer advice is to change the assumptions in line with the latest advice as presented in table 3 below. This will be reviewed and updated for impacts of any DAP26 budget projections such as Wellington water advice and reported back to this subcommittee in February.

Table 3: Proposed assumption for interest costs of borrowings

	2026	2027	2028	2029	2030	2031	2032	2033	2034
LTP cost of borrowings (average 4.96%)	4.68%	4.75%	4.83%	4.93%	5.06%	5.12%	5.19%	5.31%	5.43%
Final updated cost of borrowings (average 5.03%)	4.46%	4.49%	4.72%	4.93%	5.14%	5.33%	5.37%	5.51%	5.70%

25. Staff budgets have been updated to reflect changes in a range of areas based on actual operational requirements around safety and service as well as impacts of living wage adjustments. These costs are partially recovered through higher fees and charges.
26. Operating costs were updated for known and unavoidable cost increases such as depreciation, insurance, contract costs, IT costs. In areas that operate on a high fee funded model, such as the landfill, these costs increases are largely offset by fee increases.
27. Operating revenue has been updated for known changes and minimum cost recovery.
28. After the Corporate Leadership Team (CLT) completed the initial review of budgets, it was evident that the financial projections were showing:
- that there would be an impact to rates in 2025-26 unless further savings or offsets were found.
  - Achievement of a balanced budget in 2028-29 as planned per LTP is not possible largely due to the impacts of depreciation unless there were large rates revenue increases to fund the higher depreciation. Advice around this is included in section D, Table 4 unavoidable budget matters.
  - The above may have further negative impact on our Standards and Poors Credit Rating which was last assessed in August 2024 to be an AA- with a negative outlook, down from the previous AA with a negative outlook. This is off the back of the LTP which much higher debt projections.

29. As a result, CLT progressed through further detailed budget reviews to find solutions that would achieve a DAP26 that was aligned to the direction and expectations of Council as set out on 26 August 2024 and better aligned with the Financial Strategy.
30. Considering the inflationary pressures and the need to lessen the impact of significant rates rises on our community, budget savings were already built into the budgets through LTP. These comprised a range of budget cuts across a wide range of areas and included legal, travel and accommodation, promotion and publicity, equipment purchases, postage/courier costs, cleaning services etc.
31. Through the LTP a reduction to the proposed staffing requirements were also put in place. This included holding off on the recruitment of vacant positions, removing some vacant positions from budgets permanently, adjusting the vacancy assumptions and reducing training budgets. A 5.5% (LTP 6%) vacancy assumption rate has been applied to DAP26 budgets, which means the budget presented is not a fully staffed budget.
32. Further work was carried out by officers and CLT to offset the rates impact, including project deferrals, cost reductions, additional fee reviews and inclusion of a savings target of \$500k from 2025-26 on an ongoing basis. All these measures have allowed the rates revenue increase required for 2025-26 to remain as 13.4% (after growth) as approved per the LTP.
33. Section D provides the details of proposed budget decisions for Council because of the budget review process.

#### **Section D – Budget matters for consideration**

34. Despite the cost savings built into budgets and identified through the budget review process, there are a range of decisions/direction that Council is requested to make, to progress the development of DAP26:
  - Budget updates for latest information or unavoidable cost escalations, requiring Council confirmation are detailed in table 4.
  - Budget updates requiring direction from Council are detailed in table 5.
  - Budget rephrasing requiring decisions from Council are detailed in table 6.
33. Council is requested to consider each of the budget matters in tables 4, 5 and 6 and provide direction to officers. The tables include a brief description and the financial impact. Further details on each of the budget matters is contained in Appendix 1 attached to the report.
34. Section E provides further details of impact of the budget changes on the balanced operating budget, debt projections, rates revenue funding requirements and alignment to the Financial Strategy.

Table 4: Unavoidable cost increases

	Brief Description	Financial impact and officer recommendation	Further information
1	<p><u>Depreciation</u></p> <p>Accounting standards require Council to regularly revalue assets to a fair value, the latest one was performed for year ending 30 June 2024. This saw significantly increased values for our assets, particularly in Three Waters. As this is an accounting standards requirement and calculation, the budgets for depreciation will need to be increased in line with the revaluation impacts.</p> <p>The LTP projected that Council will not achieve the balanced operating budget target until 2029 per the HCC metric but met it in all years per Section 100 of the LGA and Financial Reporting and Prudence (FRP) Regulations. This is now not met until 2028 per the legislative metrics and until 2033 per the HCC metric.</p>	<p>Opex increase of \$26.3M in 2024-25 (\$437.1M over 10 years).</p> <p>Officers recommend that Council agrees to the proposed budget changes to be included in DAP26</p>	Refer to Appendix 1, item 1
2	<p><u>Employee costs</u></p> <p>Changes to operational resourcing requirements to maintain service levels and safety standards as well as impacts of living wage adjustments have resulted in additional staffing cost requirements. Adjustment to the vacancy assumption from 6% down to 5.5% due to lower attrition and slower labour market.</p>	<p>Opex increase of \$0.9M in 2025-26 (\$7M over 10 years).</p> <p>Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.</p>	Refer to Appendix 1, item 2

Table 5: Budget matters for consideration by Council

	Brief Description	Financial impact and officer recommendation	Further information
1.	<p><u>National Land Transport Programme (NLTP) reduction of funding</u></p> <p>The NLTP 2024-27 publication includes \$25.1M shortfall in funding of Transport Maintenance, Operations and renewals programme against the LTP for the three years. This impacts a range of operating activities and capital projects. The recommended option 2 includes retaining Council funded portion in some activities/projects to enable core work to be carried out and some service level reductions. There are also additional options, 2a and 2b for safety works and Footpath renewals, which would be fully council funded included in the separate report.</p>	<p>Opex of \$0.01M in 2024-25 (\$0.1M over 10 years). Revenue of \$0.01M in 2024-25 (\$0.1M over 10 years). Capex of \$0.01M in 2024-25 (\$0.1M over 10 years). Rates impact of 0.7% in 2025-26 which has been offset through savings and revenue budgets as per the fees and charges settings proposed.</p> <p>Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.</p>	Refer to separate report in agenda.
2.	<p><u>Silverstream landfill</u></p> <p>Project budget needs to be increased due to consent requirements, accelerated works due to landfill nearing capacity quicker than anticipated and cost escalation. The revenue proposed already includes interest cost impact of the capex.</p>	<p>Opex increase of \$1.42M in 2025-26 (\$40.4M over 9 years). Revenue increase of \$0.68M in 2025-26 (\$34.47M over 9 years). Capex increase of \$2M in 2024-25 (\$23.2M over 10 years).</p> <p>Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.</p>	Refer to Appendix 1, item 3

3.	<p><u>Tupua Horo Nuku</u></p> <p>Cost escalation anticipated for project. No allowance sought through budget change request for revenue as the additional subsidy funding is still to be negotiated.</p>	<p>Capex budget increase of \$1.2M in 2024-25 (\$1.92M total). Proposed to be offset through a transfer of budget from Cross Valley connections programme.</p> <p>Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.</p>	<p>Refer to Appendix 1, item 4</p>
4.	<p><u>Three Waters</u></p> <p>A range of changes are proposed in the separate report for both operating and capital programme by Wellington Water.</p>	<p>Opex increase of \$3M in 2025-26 for work on the Regional water services delivery plan.</p> <p>Capex decrease of \$14.2M across 2024-26 with an increase of \$29.9M in 2026-27. Increase of \$23.4M over 10 years up to 2034.</p> <p>Subsidy revenue decrease of \$4.2M across 2024-26 with an increase of \$5.06M in 2026-27. Increase of \$10M over 10 years up to 2034.</p> <p>Indicative smoothed rates impact of 0.3% per year from 2026-27 to offset costs of interest on additional capex.</p> <p>Officers recommend that Council considers the options and funding decisions set out in the separate report and provides direction on the budget changes to be included in DAP26.</p>	<p>Refer to separate report in agenda.</p>

5.	<u>Rating policy – Voluntary targeted rates</u> Council can cover the up-front cost of repair works to private properties water pipes and recover this through a targeted rate over a number of years.	No impact to budgets.  Officers recommend that Council agrees to the proposed budget changes in the separate report to be included in DAP26 including minor changes to the Revenue and Financing Policy and Funding Impact Statements.	Refer to separate report in agenda.
6.	<u>Rating policy – Rates instalments</u> Reduce the number of instalments from 6 to 4 to save print and post costs.	Savings of \$50k per year.  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to separate report in agenda.
7.	<u>Rating policy – Jackson Street programme</u> Council considering increase to the area that contributes to the Jackson Street Targeted rate and the amount of the targeted rate	No impact on budgets.  Officers recommend that Council considers the proposed changes and provides direction for DAP26.	Refer to separate report in agenda.

Table 6: Budget rephasing for consideration by Council

	Brief Description	Financial impact and officer recommendation	Further information
8.	<u>Reserves Development budget rephasing</u> Change in timing due to delay expected in a reserve development project.	\$0.5M capex rephased from 2024-25 to 2025-26.  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 5
9.	<u>Petone Wharf budget rephasing</u> Initial report on project options expected to cost less than budgeted in 2024-25.	\$0.25M capex rephased from 2024-25 to 2025-26.  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 6
10.	<u>Petone Library Renewal budget rephasing</u> Change in timing due to delays in project expected to align with Moerā library work completion.	\$1M capex rephased from 2024-25 to 2025-26.  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 7

	Brief Description	Financial impact and officer recommendation	Further information
11.	<u>Eastern Hutt Road resilience budget rephasing</u> Change in timing due to delays expected in project.	Revenue reduction of \$3.92M in 2024-25 (minor inflationary increase of \$0.13M over 9 years). Capex reduction of \$7.69M in 2024-25 (minor inflationary increase of \$0.26M over 9 years).  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 8
12.	<u>Cross Valley Connections budget rephasing</u> Change in timing due to delays related to funding decisions and programme reassessment. Project also has no approved NZTA subsidy funding over 2024-2027 and the assumed subsidy is proposed to be removed.	Revenue reduction of \$1.74M in 2024-25 (\$2.35M over 3 years). Capex reduction of \$2M in 2024-25 and not carried over to our years to offset cost pressure in Tupua Horo Nuku.  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 9
13.	<u>Te Wai Takamori o Te Awa Kairangi (formerly RiverLink)</u>  Change in timing due to delays expected in project because of changes to delivery mechanisms to minimise cost increases.	Revenue reduction of \$10.7M in 2024-25 (\$38.15M overall up to 2031). Capex reduction of \$19.8M in 2024-25 (\$38.14M overall up to 2031)  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 10
14.	<u>IAF budget rephasing</u> Change in timing due to delays expected in project because of scoping changes to minimise cost increases.	Revenue reduction of \$11.85M in 2024-25 (net nil impact overall up to 2029). Capex reduction of \$12.96M in 2024-25 (net nil impact overall up to 2029)  Officers recommend that Council agrees to the proposed budget changes to be included in DAP26.	Refer to Appendix 1, item 11

### Fees and charges

35. User fees and charges are an important aspect of how we fund Council facilities and services. Setting fees and charges at an appropriate level is important to pay for cost of Council's activities and to ensure the distribution of benefits is fair. Where there are direct identifiable benefits, the proportion of costs associated with those benefits should be recovered by the users.
36. At the Council meeting on 26 August 2024, Council endorsed the key assumption that there is an increase to fees and charges to reflect assumed salary increases together with the impacts of other operational cost changes. It was also noted that there will be some exclusions, such as fees and charges set by bylaw or other legislative means.
37. Proposed fees and charges included in Appendix 3 have been prepared considering this expectation. Council is requested to review these proposed fees and charges and endorse these. Additional information to support fee changes being proposed is also included in Appendix 3 for those that are higher than base increases.

### Growth related revenue

38. Council approved the Development contributions policy through the LTP and the assumption that these would be increased by PPI each year, this is already factored into the budget projections through the LTP, and the updated development contribution charges will be included in the communication through DAP26 consultation.
39. Growth in the rating base: Rating unit growth and related rates revenue growth are assumed for DAP26 to be 0.9% per annum. This is largely consistent with the historical trend over the last few years and forecast growth in dwellings by Sense partners for Lower Hutt and remains unchanged from the LTP.

### CCO impacts on budgets.

40. Seaview Marina Ltd (SML): The potential sale of the breakwater to SML is being investigated. If it were to proceed there will be impacts on the timing of SML borrowing facilities for DAP26. Breakwater lease revenue received by Council of \$124k per annum would also be impacted.
41. When the detailed work is undertaken for the UPL and SML Statement of Intent, there will be further understanding of the borrowing facility requirements in February 2025, and related advice will be presented to Council.

## **Section E – Projected impact of the proposed budget changes**

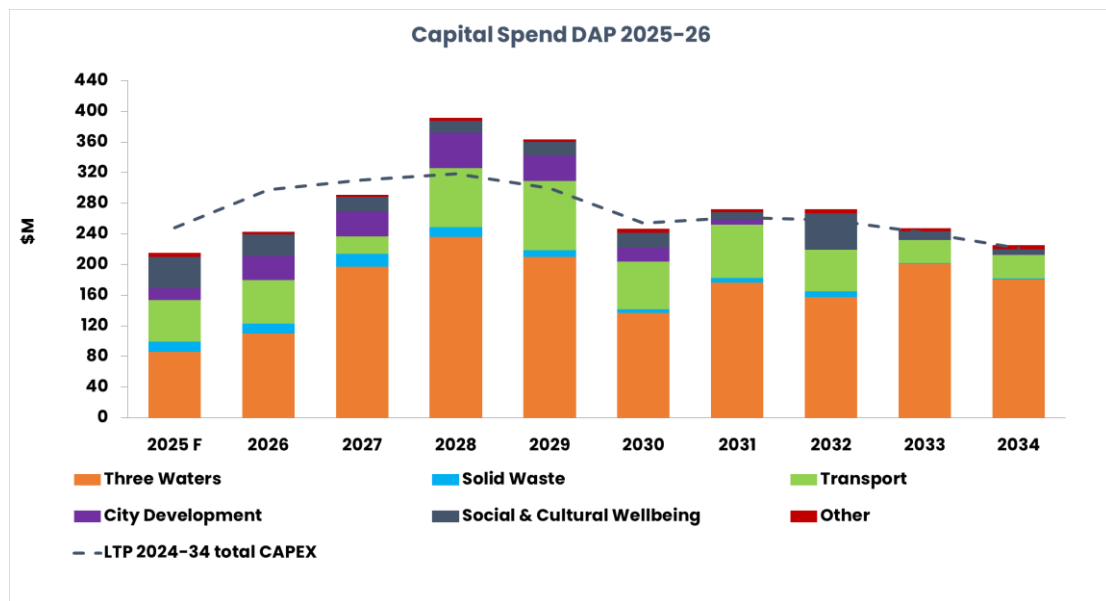
42. Based on financial modelling completed after DAP26 budget review process, the information that follows provides early indicative impacts of the changes. Further work is still to be completed to review and analyse changes related to the Three waters and traffic safety/footpaths updates which have been included in the high-level modelling for the purposes of this report.



### Capital investment

43. The capital programme for DAP26 totals \$2.741 M and includes \$1.110M renewals, \$1.178M new capital and \$453M growth related works.
44. Graph 2 shows the current capital programme. Capex has increased by \$28M in DAP26 compared to LTP. This is largely due to carryover adjustments related to 2023-24, updated budgets for capital rephasing per table 6 and inflationary changes.

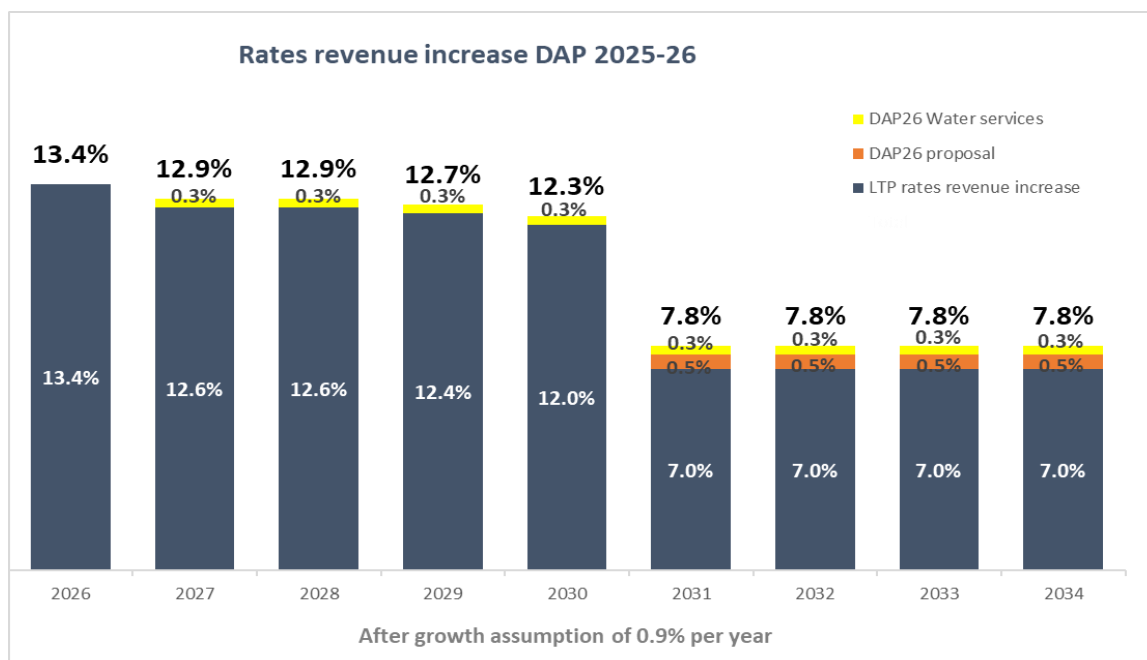
Graph 2: Capital investment plan, comparison of DAP26 with LTP (includes Three waters funding proposals and traffic safety/footpaths)



### Financial strategy considerations

45. Rates increase is assumed to remain at the level approved per the LTP in 2025-26. In later years slight increases are proposed to offset impacts of higher interest costs on rephased capital programme as well as impacts of the Three waters and Transport proposals. The rates impact has been smoothed over 2027-2034. Refer to graph below.

Graph 3: Rates revenue increases, comparison of DAP26 with LTP (includes Three waters funding proposals and traffic safety/footpaths)



46. Table 7 and 8 below provide comparisons of each of the scenarios modelled, to the Financial Strategy debt limits, balanced budget, and rates impact for the average residential property.

Table 7: Financial projections compared to Financial Strategy debt limits

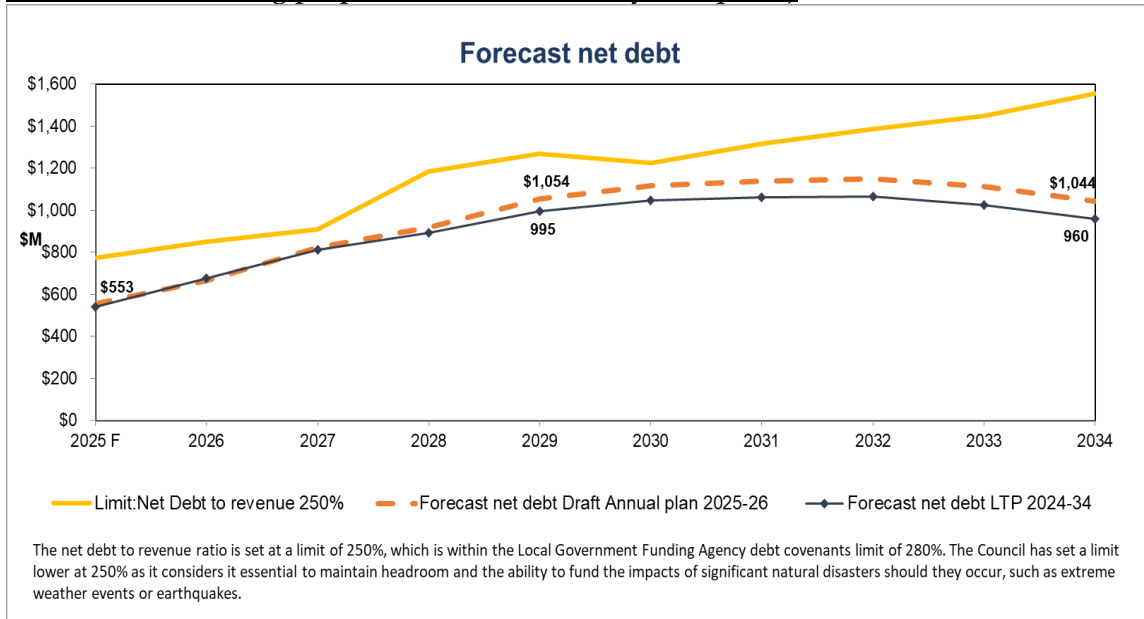
Financial strategy debt limits	HCC limit	13.4% + growth
Net debt to revenue peak, Headroom at peak debt	250%	228% \$108M
Net interest to rates revenue peak	25%	16.3%
Net interest to revenue peak	15%	11.7%

47. The table below outlines the initial financial projections including the proposed rates revenue levels.

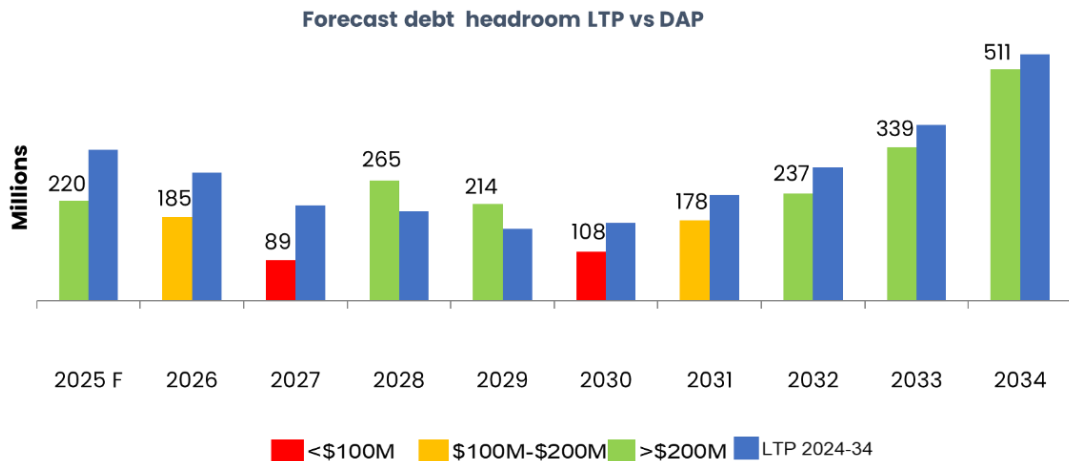
Table 8: Other Financial Strategy considerations for rates revenue increases

Other considerations	DAP proposal
<u>Rates increase limit.</u> LTP - 13.4% (after growth)	13.4% (after growth)
<u>Balanced operating budget metric HCC</u> LTP target – 2028-29, refer graph 6	Moves out by 5 years to 2032-33
<u>Balanced operating budget metric LGA and FRP</u> LTP - Met in all years, refer graph 7	Met from 2028

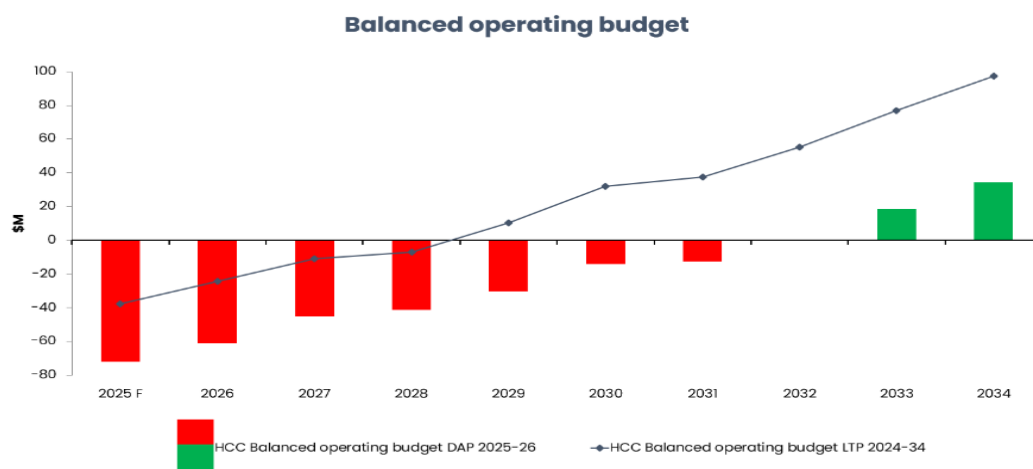
**Graph 4: Projected net debt to revenue, comparison of DAP26 and LTP (includes Three waters funding proposals and traffic safety/footpaths)**



**Graph 5: Projected net debt to revenue, comparison of DAP26 and LTP (includes Three waters funding proposals and traffic safety/footpaths)**

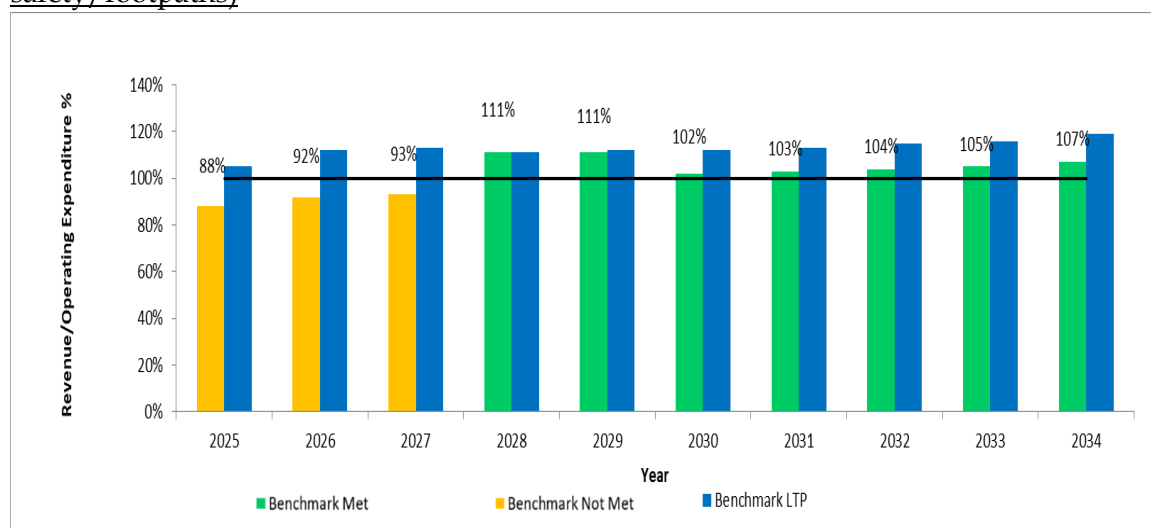


Graph 6: Projected balanced operating budget HCC benchmark, comparison of DAP26 and LTP (includes Three waters funding proposals and traffic safety/footpaths)



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

Graph 7: Balanced budget prudential benchmark methodology, comparison of DAP26 and LTP (includes Three waters funding proposals and traffic safety/footpaths)



48. Balanced operating budget target per the HCC metric moves out by 5 years to 2032-33 (Graph 6) and the legislative prudence benchmark around balanced budget is not met until 2028 (Graph 7).
49. The funding of depreciation is acknowledged through our Financial Strategy which recognises that we run deficits from a balanced operating budget perspective mainly due to revenues not covering the full cost of depreciation. The Council is moving progressively towards achieving a balanced operating budget by using the financial levers of fees and charges, development and financial contributions, efficiencies, debt repayment and rates setting etc. to achieve this.

50. Officer advice is that Council can resolve that it is financially prudent to have an unbalanced operating budget under both these metrics, as revenues are increasing over the 10 years of the LTP, and repayment of debt is occurring to avoid a significant impact on future ratepayers. The projected balanced operating budget position does not impact Council's ability to maintain its levels of service and undertake asset renewals and is consistent with the Revenue and Financing Policy. As such, the proposed approach to DAP26 complies with Section 100 of the LGA.
51. Council is requested to consider the recommendations provided around balanced operating budget considerations and provide direction to officers in the preparation of DAP26. Whilst the scenario that has been modelled and presented here includes assumptions of no further funding for depreciation above that included in the LTP, Council could instruct officers to proceed with further options.

### Section F – Early indicative rating impact for DAP26

52. This plan is being prepared in a challenging economic climate with escalating cost pressures across Council services and higher cost of borrowing compared to LTP. The community is also facing inflation and cost of living challenges.
53. The rates projections in table 9 provide early indicative modelling based on the 13.4% overall rates revenue increase plus 0.9% for growth in the 2025-26 year.
54. Assuming all decisions are approved as per officer advice the rates revenue rise equates to an average increase of \$10.01 per week per household or an average increase of \$521 per annum. Investment in Three Waters infrastructure makes up around 54% (\$281) of the average \$521 per annum rise. The remaining \$240 covers cost increases for all the other services provided (including transport, parks, community facilities, rubbish, recycling etc.).

Table 9: Early indicative rates impact for DAP26 by property category

Property Category	1 July 2025 Capital Value	2024-2025 Rates Actual	2025-2026 Rates Proposed	\$ Change annual	\$ Change Amount Weekly	% Change
Average Residential	\$815,000	\$3,910	\$4,431	\$521	\$10.01	13.3%
Average Commercial Central	\$2,350,000	\$22,994	\$25,953	\$2,959	\$56.90	12.9%
Average Commercial Suburban	\$2,418,000	\$19,425	\$21,652	\$2,227	\$42.83	11.5%
Average Rural (no water or wastewater)	\$1,247,000	\$2,694	\$2,964	\$270	\$5.19	10.0%
Utilities	\$3,262,068	\$28,467	\$31,481	\$3,014	\$57.96	10.6%

### Wastewater and water supply targeted rates

55. DAP26 proposes further investment in three waters above that which was planned previously. The proposed increase in targeted rate for 2025-26 to fund the work programme for wastewater and water supply is detailed in table 10.

Table 10: Proposed targeted rates for water supply and wastewater DAP26 (excluding changes proposed per Three waters advice)

Rate	2024-2025 Rates	2025-2026 proposed Rates	Proposed change
Wastewater – per rating unit or SUIP	\$746	\$893	\$147
Water supply – per rating unit of SUIP	\$766	\$900	\$134

### Waste Services targeted rates.

56. Forecast costs of the services have been reviewed against actual information and reflect actual contract inflationary adjustments and costs of disposal increases resulting from waste levy and general higher disposal costs compared to assumptions applied through the LTP. These are detailed in Appendix 3 additional information for Kerbside collection services.
57. The increases proposed by officers are detailed in table 11. No increase is proposed for the recycling service to continue to incentivise low waste users. The green waste service is an opt in service.

Table 11: Proposed targeted rates for waste services DAP26.

Rate	2024-2025 Rates	2025-2026 proposed Rates	Proposed change
Refuse 80L – per SUIP	\$192	\$222	\$30
Refuse 120L – per SUIP	\$128	\$153	\$25
Refuse 240L – per SUIP	\$384	\$444	\$60
Recycling – per SUIP	\$130	\$130	\$0
Green waste – per SUIP	\$115	\$120	\$5

58. Table 12 provides further detailed breakdown of an average residential property by suburb.

Table 12: Average residential rates impact by suburb

Residential Suburb	Capital Value 1 July 2024	2024-2025 Rates	2025-2026 proposed Rates	\$ Change Annual	\$ Change Weekly	% Change
ALICETOWN	\$899,500	\$4,125	\$4,668	\$543	\$10.44	13.16%
AVALON	\$760,000	\$3,770	\$4,276	\$507	\$9.75	13.44%
BELMONT	\$972,500	\$4,311	\$4,872	\$562	\$10.80	13.03%
BOULCOTT	\$922,500	\$4,184	\$4,732	\$549	\$10.55	13.12%
DAYS BAY	\$1,294,500	\$5,131	\$5,775	\$645	\$12.39	12.56%
EASTBOURNE	\$1,217,800	\$4,936	\$5,560	\$625	\$12.01	12.66%
EPUNI	\$834,900	\$3,960	\$4,487	\$526	\$10.12	13.28%
FAIRFIELD	\$818,300	\$3,918	\$4,440	\$522	\$10.04	13.32%
HARBOUR VIEW	\$912,100	\$4,157	\$4,703	\$546	\$10.50	13.13%
HAYWARDS	\$632,500	\$3,445	\$3,919	\$474	\$9.11	13.76%
HUTT CENTRAL	\$1,080,800	\$4,587	\$5,176	\$589	\$11.34	12.85%
KELSON	\$879,600	\$4,074	\$4,612	\$538	\$10.34	13.20%
KOROKORO	\$1,023,900	\$4,442	\$5,017	\$575	\$11.05	12.94%
LOWRY BAY	\$1,661,600	\$6,066	\$6,805	\$739	\$14.21	12.18%
MANOR PARK	\$896,400	\$4,117	\$4,659	\$542	\$10.42	13.16%
MAUNGARAKI	\$932,800	\$4,210	\$4,761	\$551	\$10.60	13.10%
MELLING	\$766,900	\$3,787	\$4,296	\$509	\$9.78	13.43%
MOERA	\$648,200	\$3,485	\$3,963	\$478	\$9.19	13.72%
NAENAE	\$659,200	\$3,513	\$3,994	\$481	\$9.25	13.69%
NORMANDALE	\$896,200	\$4,117	\$4,658	\$542	\$10.42	13.16%
PETONE	\$950,800	\$4,256	\$4,812	\$556	\$10.69	13.06%
POINT HOWARD	\$1,185,100	\$4,852	\$5,469	\$616	\$11.85	12.70%
STOKES VALLEY	\$648,800	\$3,486	\$3,965	\$478	\$9.20	13.71%
TAITĀ	\$661,400	\$3,519	\$4,000	\$481	\$9.26	13.68%
WAINUIOMATA	\$630,100	\$3,439	\$3,912	\$473	\$9.10	13.76%
WAIWHETU	\$802,800	\$3,879	\$4,396	\$518	\$9.96	13.35%
WATERLOO	\$887,700	\$4,095	\$4,635	\$540	\$10.38	13.18%
WOBURN	\$1,283,900	\$5,104	\$5,746	\$642	\$12.34	12.57%
YORK BAY	\$1,128,100	\$4,707	\$5,309	\$602	\$11.57	12.78%

## Section G – Community consultation

59. Section 95 of the Local Government Act 2002 provides an option for councils not to run a Special Consultation Process on their Annual Plan if the plan includes no significant or material changes to what was agreed in their most recent Long-Term Plan.
60. Officers have assessed the proposed changes included in this report and consider that there is currently no material variation to Council's 2024-34 Long-Term Plan. As such, officers recommend running a 'light touch' engagement (not a formal consultation process) for DAP26.
61. Officers will prepare a communications and engagement plan to support a light-touch approach to engagement, including:
  - a. communication sent out to every ratepayer informing them of changes in DAP26;
  - b. online engagement tools and social media content;
  - c. specific information online about rates and changes; and
  - d. printed information available at our hubs and libraries.
62. Undertaking a light touch approach to engagement on DAP26 will create an opportunity in March and April 2025 to run a focused consultation process on options for water reform.
63. More detail on the communication and engagement approach for DAP26 will be presented in February 2025 when Council decisions are further progressed.

### Next steps

64. Following decisions by the LTP/ Annual Plan Subcommittee at this meeting, officers will be preparing DAP26 final budgets for consideration and approval.
65. The financial projections included in this report are indicative and require further review and analysis. There may be other updates to the budgets due to new information.
66. The updated budgets based on decisions today and any new information will be presented to the LTP Subcommittee on 24 February 2025.

### Climate Change Impact and Considerations

67. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.
68. DAP26 directly responds to the need to achieve emission reductions, by embedding emission reductions in a range of initiatives. For example, Council's investment in Te Ngaengae Pool includes that the new building would not use natural gas for heating and instead utilise alternative low-carbon energy sources. DAP26 also includes a number of projects to reduce emissions, including the decarbonisation of Council facilities (including pools and the Dowse).



### Legal Considerations

69. The most relevant legislation includes the Local Government Act 2002, Local Government (Rating) Act 2002 and the Rating Valuations Act 1998.

### Financial Considerations

70. No other financial considerations other than those contained in this report.

### Appendices

No.	Title	Page
1 <a href="#">↓</a>	Detailed information to support budget decisions	28
2 <a href="#">↓</a>	Fees and charges Draft Annual Plan 2025-26	65
3 <a href="#">↓</a>	Financial statements and capital project listings	160
4 <a href="#">↓</a>	Regional water services update - LTP 2024-34 modelling	210

**Author:** Richard Hardie  
Head of Strategy and Policy

**Author:** Deepu Nunnian  
Manager Financial Planning & Performance

**Reviewed By:** Jenny Livschitz  
Group Chief Financial Officer

**Reviewed By:** Jarred Griffiths  
Director Strategy and Engagement

**Approved By:** Jo Miller  
Chief Executive

## Detailed information to support budget decisions

### Unavoidable changes

- 1) Depreciation
- 2) Employee costs

### Budget changes

- 3) Silverstream Landfill – Annual review
- 4) Tupua Horo Nuku cost escalation

### Budget rephasing

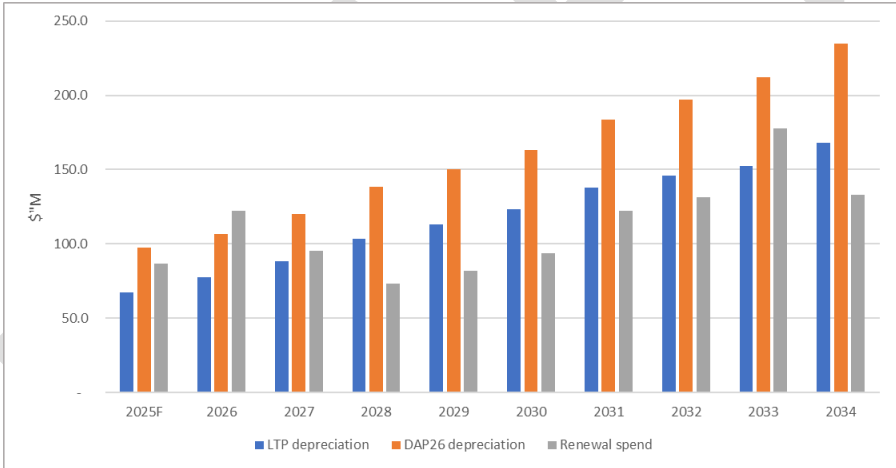
- 5) Reserves Development budget rephasing
- 6) Petone Wharf budget rephasing
- 7) Petone Library Renewal budget rephasing
- 8) Eastern Hutt Road resilience budget rephasing
- 9) Cross Valley Connections budget rephasing
- 10) Te Wai Takamori o Te Awa Kairangi (formerly RiverLink) budget rephasing
- 11) IAF budget rephasing

## Unavoidable changes

### 1) Depreciation

Business unit	All of Council
LTP (Long Term Plan) Activity	All of Council
Project/Programme	All of Council
Budget type (Capital/Operating)	Operating expenditure
Requested by:	Manager Financial Performance and Planning, Manager Financial Accounting
Approved by director:	Group Chief Financial Officer
<b>1</b>	<b>Description and background</b>
<p>Accounting standards require Council to regularly revalue assets to a fair value. This is done at least once every three years, unless there are indicators that fair values have moved significantly during the interim periods. The most recent valuation was completed on 31 May 2024, and is reported in the Annual Report 2023-24. For this valuation, WSP was appointed to revalue the three water assets, with the remaining assets revalued by Aon. The appointment of WSP as valuer for three water assets was done in conjunction with Wellington City Council and Upper Hutt City Council, and as part of the broader water reform work programme.</p> <p>The overall impact of the recent valuations across all assets was:</p> <ul style="list-style-type: none"> <li>- asset values increased from \$1,787.8M to \$3,144.2M, being a \$1,356.3M increase or 76%.</li> <li>- depreciation increased from \$67.3M to \$93.6M in 2024/25 (\$26.3M or 39%), or \$437M over ten years.</li> </ul> <p>The largest asset value increases occurred across the three water network, mainly due to:</p> <ol style="list-style-type: none"> <li>a. Increases in quantity of assets (additions, renewals and vesting)</li> <li>b. Increases in unit rates (material costs based on contract pricing and indexing)</li> <li>c. Increase in on-costs (other materials, installation, fittings, proximity to materials and Wellington's unique procurement model via Wellington Water Ltd)</li> <li>d. Improved information gathered and used since the last valuation, including (and not limited to) pipe size, condition and depth assessments.</li> </ol> <p>The increase in unit rates has by far been the main contributor to the valuation increases. Council via Wellington Water Limited supplied a sample of three waters reticulation capital works contract schedules to the valuer. These contract schedules were analysed and compared against the pipe unit rates proposed by WSP and cost information gathered from other similar local authorities to arrive at appropriate rates to apply across the networks.</p> <p>It should be noted that Wellington City Council saw a substantial increase in asset values during their 2022 valuation. Their annual report disclosed that there was a substantial uplift in three waters infrastructure of 93% which was an abnormally high increase due to a range of factors such as earthworks costs, material costs, health and safety, traffic management costs, covid supply chain impacts etc.</p>	

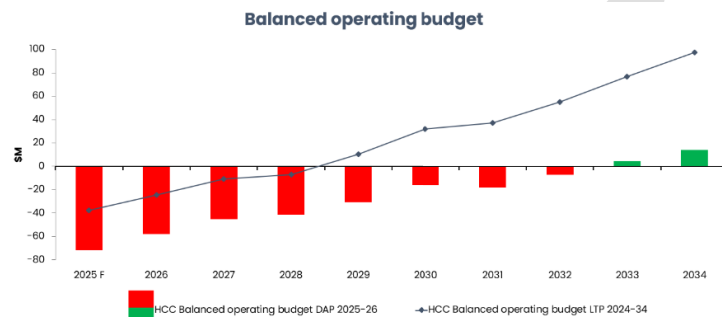


4	Funding and Financial implications																																												
<p>Depreciation spreads the capital cost of assets over their useful lives, so that each generation of ratepayers pays for their share of the use of the asset. As depreciation is an operating expense in the budget that accounts can provide for eventual replacement or renewal of council assets based on a number of assumptions.</p> <p>Depreciation is allocated evenly over the life of over the group of assets, these compares with renewals which are lumpy. By not providing sufficient revenue (funding for depreciation) may place a burden on future ratepayers, who have to pay for the asset replacement.</p> <p>The calculation of depreciation is regularly updated based on asset revaluations. The graph below presents a comparison of depreciation budgets set through the LTP compared to the updated budgets for the DAP26 based on the results of the recent revaluation. It also includes the renewal capital budgets as a comparator. The LTP had renewals lower than depreciation, and also did not fully fund depreciation as evidenced through the balanced budget target being achieved in 2029.</p> <p><u>Graph 1 : Comparison of LTP depreciation and the updated depreciation following revaluation, with comparison to capital renewals budgets</u></p> <div><table><caption>Estimated data for Graph 1: Comparison of LTP depreciation and the updated depreciation following revaluation, with comparison to capital renewals budgets (\$'M)</caption><thead><tr><th>Year</th><th>LTP depreciation</th><th>DAP26 depreciation</th><th>Renewal spend</th></tr></thead><tbody><tr><td>2025F</td><td>70.0</td><td>100.0</td><td>90.0</td></tr><tr><td>2026</td><td>80.0</td><td>110.0</td><td>120.0</td></tr><tr><td>2027</td><td>90.0</td><td>120.0</td><td>100.0</td></tr><tr><td>2028</td><td>100.0</td><td>140.0</td><td>80.0</td></tr><tr><td>2029</td><td>110.0</td><td>150.0</td><td>90.0</td></tr><tr><td>2030</td><td>120.0</td><td>160.0</td><td>100.0</td></tr><tr><td>2031</td><td>130.0</td><td>180.0</td><td>120.0</td></tr><tr><td>2032</td><td>140.0</td><td>190.0</td><td>130.0</td></tr><tr><td>2033</td><td>150.0</td><td>210.0</td><td>170.0</td></tr><tr><td>2034</td><td>170.0</td><td>240.0</td><td>135.0</td></tr></tbody></table></div> <p><u>Impacts for Financial Strategy</u></p> <p>Indicative financial modelling shows the much higher depreciation expense would impact on our balanced budget projections, with the target year for achieving a balanced budget moving out several years (from 2029 to 2033). This is because our operating expenditure would exceed operating revenue.</p> <p>The updated balanced operating budget in 2024-25 would be a \$64.4M deficit, compared to a \$42M deficit in the revised budget. The following actions are proposed to manage deficits over the next 10 years:</p> <ul style="list-style-type: none"><li>• Maintain the assumption that operating revenue levels, including rates revenue, will be retained at the current projected levels to ensure the balanced operating budget target can be reached by 2033, i.e. any cost increases in future years would need to have a</li></ul>		Year	LTP depreciation	DAP26 depreciation	Renewal spend	2025F	70.0	100.0	90.0	2026	80.0	110.0	120.0	2027	90.0	120.0	100.0	2028	100.0	140.0	80.0	2029	110.0	150.0	90.0	2030	120.0	160.0	100.0	2031	130.0	180.0	120.0	2032	140.0	190.0	130.0	2033	150.0	210.0	170.0	2034	170.0	240.0	135.0
Year	LTP depreciation	DAP26 depreciation	Renewal spend																																										
2025F	70.0	100.0	90.0																																										
2026	80.0	110.0	120.0																																										
2027	90.0	120.0	100.0																																										
2028	100.0	140.0	80.0																																										
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2033	150.0	210.0	170.0																																										
2034	170.0	240.0	135.0																																										

funding source where reasonable and practical so impact on the balanced operating budget is limited.

- Continue to explore new revenue sources to offset cost pressures
- Continue work on efficiencies and ways of working to reduce costs and make savings
- Continue work on contract management and procurement to enable improved outcomes cost avoidance and value for money
- Continue to prioritise and take part in government initiatives for funding infrastructure projects to reduce the burden on Council.

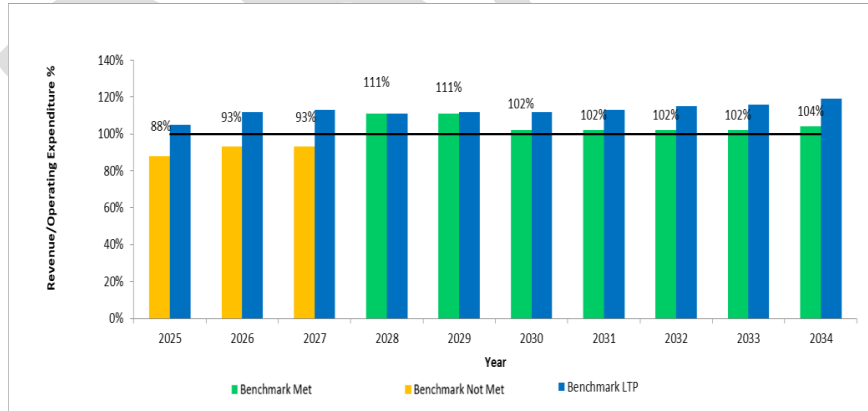
**Graph 2: Balanced operating budget projection (HCC benchmark)**



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

There is also an impact to the legislative balanced budget requirement and the prudence benchmark in that the benchmark would not be met for until 2028 as presented in the graph below.

**Graph 3: Balanced budget per prudential benchmark methodology**



There will also be flow on impacts to all the Activity, Funding Impact and Financial statements as a result of changes to depreciation expense projections.

Through the preparation of the LTP, there were significant challenges in the economic context (such as inflationary impacts on service delivery and high interest cost of borrowings) as well affordability

concerns for ratepayers. The Financial Strategy in the LTP struck a balance of the various factors of debt, revenue and capital investment. For the DAP26 it is proposed that there is no rates revenue increases proposed to offset the increase in depreciation expense but rather that this is reviewed through the next LTP. The Council may however choose to review and increase the levels of renewal capital expenditure through the DAP26 process, and this should be done at an activity level – for example in the advice from Wellington Water Ltd on asset renewals (refer separate agenda item).

Through the next LTP, the options Council could consider would be

- To fully rates fund depreciation based on the renewals capital programme level with the balance remaining unfunded,
- Or to move to a level higher than this over time, for example with incremental rates increases phased in.

Our Financial Strategy acknowledges that we run deficits from a balanced operating budget perspective mainly due to revenues not covering the full cost of depreciation. The Council is moving progressively towards achieving a balanced operating budget by using the financial levers of fees and charges, development and financial contributions, efficiencies, debt repayment and rates setting etc to achieve this.

The LTP projected that Council will not achieve the balanced operating budget target for a number of years. This period would now be extended by five years due to the impacts of the additional depreciation costs.

Officer advice is that Council can resolve that it is financially prudent to have an unbalanced operating budget until 2032/33, as revenues are increasing over the 10 years of the Long Term Plan and repayment of the debt is occurring to avoid a significant impact on future ratepayers. The projected balanced operating budget position does not impact Council's ability to maintain its levels of service and undertake asset renewals and is consistent with the Revenue and Financing Policy.

Section 101 of the Act requires all local authorities to "manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community."

*Section 100 subsection 1 of the Act states:*

- 1) *A local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses."*

*Section 100, then goes on to say:*

- 2) *Despite subsection (1), a local authority may set projected operating revenues at a different level from that required by that subsection if the local authority resolves that it is financially prudent to do so, having regard to –*
  - a) *the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long-term plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and*
  - b) *the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and*
  - c) *the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and*

<p><i>d) the funding and financial policies adopted under section 102.</i></p> <p>The draft Annual Plan 2025/26 complies with the legislative requirements set out above, and the changes to the depreciation budgets do not impact this legislative compliance.</p> <p>Renewal budget – WWL unit rates are built into the LTP budgets as per their advice on project costing and the renewal spend should not be significantly impacted by the revaluation.</p>	
<b>5</b>	<b>Risks and mitigation plans</b>
<p>As the proposed approach for DAP26 will lead to operating expenditure being greater than operating revenue, (which is inconsistent with Section 100 of the LGA) Council will need to formally agree the approach by resolving it is financially prudent having regard to the requirements of Section 100 of the LGA.</p>	
<b>6</b>	<b>Key assumptions</b>
<p>Continuation of Financial Strategy approach per LTP.</p>	



Further budget information (\$M)

The budget change by year for depreciation budgeted through the LTP vs renewals and the full depreciation expense are outlined below.

Table 1: Depreciation budgeted through LTP vs renewal projections

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<b>Total</b>
Long Term Plan 2024-2034 - Depreciation	67.3	77.4	88.3	103.5	112.9	123.1	138.1	146.0	152.6	168.2	<b>1,177.4</b>
Annual Plan 2025-2026 - Renewal spend	88.2	120.7*	95.3	73.4	81.7	93.9	122.3	131.2	177.6	132.9	<b>1,117.2</b>
Variance	(20.9)	(43.3)	(7.0)	30.1	31.2	29.2	15.8	14.8	(25.0)	35.3	<b>60.2</b>

\*Year two includes more renewal spend on Wastewater and Parks and reserves projects.

Table 2: Depreciation budgeted through LTP vs updated depreciation projections for DAP26

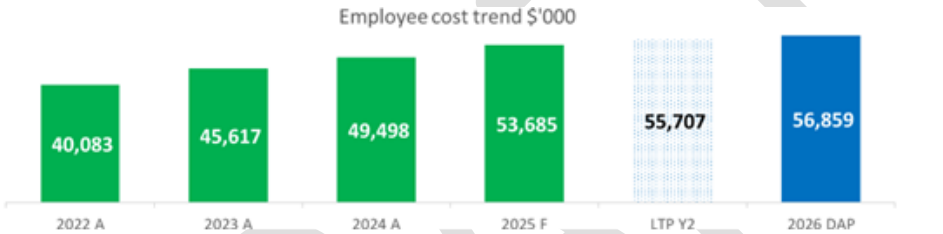
The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<b>Total</b>
Long Term Plan 2024-2034 - Depreciation	67.3	77.4	88.3	103.5	112.9	123.1	138.1	146.0	152.6	168.2	<b>1,177.4</b>
Annual Plan 2025-2026 - Depreciation	93.6	108.6	119.5	136.5	151.1	166.0	186.4	200.0	215.3	237.7	<b>1,614.6</b>
Variance	(26.3)	(31.2)	(31.2)	(32.9)	(38.2)	(42.9)	(48.2)	(54.0)	(62.7)	(69.5)	<b>(437.1)</b>

Table 3: Renewal spend vs updated depreciation projections for DAP26

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<b>Total</b>
Annual Plan 2025-2026 - Depreciation	93.6	108.6	119.5	136.5	151.1	166.0	186.4	200.0	215.3	237.7	<b>1,614.6</b>
Annual Plan 2025-2026 - Renewal spend	88.2	120.7*	95.3	73.4	81.7	93.9	122.3	131.2	177.6	132.9	<b>1,117.2</b>
Variance	5.4	(12.1)	24.2	63.1	69.4	72.1	64.1	68.8	37.7	104.8	<b>497.4</b>

\*Year two includes more renewal spend on Wastewater and Parks and reserves projects.

## 2) Employee costs

Business unit	All of Council														
LTP (Long Term Plan) Activity	All of Council														
Project/Programme	All of Council														
Budget type (Capital/Operating)	Operating														
<b>1</b>	<b>Description and background</b>														
<p>Graph 1 presents the employee costs incurred since 2021/22 through to the projected draft Annual Plan 2025/26 (DAP26). These costs have been increasing steadily during this period largely due to the increased operational scope and associated capacity required, as well as increased capability required to support a growing city with a significantly increased capital investment programme. Market movements have also had impacts.</p> <p><u>Graph 1 – Staff cost trend over five-year period, including comparison of LTP year 2 (2025-26) compared to Draft Annual Plan 2025-26.</u></p>  <table border="1"> <caption>Employee cost trend \$'000</caption> <thead> <tr> <th>Year</th> <th>Cost (\$'000)</th> </tr> </thead> <tbody> <tr> <td>2022 A</td> <td>40,083</td> </tr> <tr> <td>2023 A</td> <td>45,617</td> </tr> <tr> <td>2024 A</td> <td>49,498</td> </tr> <tr> <td>2025 F</td> <td>53,685</td> </tr> <tr> <td>LTP Y2</td> <td>55,707</td> </tr> <tr> <td>2026 DAP</td> <td>56,859</td> </tr> </tbody> </table> <p>Further details on the key reasons for the increased staffing costs over five-year period:</p> <ul style="list-style-type: none"> <li>• Higher resourcing required for areas where there is offsetting fee income, such as regulatory services.</li> <li>• Decisions of Council to increase service levels, such as Go Digital programme, Strategy and Policy, Events, Rangatahi engagement, Te Tira Māori, new refuse and recycling etc.</li> <li>• Increased organisational capacity and capability to support capital investment programme, such as EPMO, Communications &amp; Engagement, Democratic Services, Finance, Procurement etc.</li> <li>• New facilities opening, such as Te Ngaengae Pool.</li> <li>• Annual staff salary increases budgeted at higher levels over last few years due to market conditions (e.g. 2024 these were 4.5% and in 2023, 5% with lower increases in prior years)</li> <li>• Living wage annual increases.</li> </ul>		Year	Cost (\$'000)	2022 A	40,083	2023 A	45,617	2024 A	49,498	2025 F	53,685	LTP Y2	55,707	2026 DAP	56,859
Year	Cost (\$'000)														
2022 A	40,083														
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2024 A	49,498														
2025 F	53,685														
LTP Y2	55,707														
2026 DAP	56,859														

- Market factors, such as constrained capacity and capability, driving up cost of staff resources. In addition, market pressures over the last 2 to 3 years as a result of broader public sector pay levels and therefore salary expectations in Wellington resulting in incoming HCC employees being appointed higher in range. Noting a recent market adjustment due to economic factors in the Wellington market.

#### Annual Plan 2025/26

As part of the preparation process for Annual Plan 2025/26 there has been a detailed review undertaken of employee positions and budgets. This was completed by Business Unit Leads, People and Capability and Finance. This process highlighted a number of discrepancies and enabled us to resolve these and improve the accuracy of data being used for budgeting purposes. The implementation of a new HRIS and payroll solution in 2025 is expected to enable improvements in accuracy, reliability and efficiencies of staffing data.

For DAP26 there is an increase in employee costs of \$0.92M higher than what was in the LTP year 2. This is largely due to increases in updated establishment costs and impacts of actual living wage adjustments for Hubs, libraries and pools impacting Community Partnering and Support and Connectivity, Creativity, Learning and Recreation. There is also higher costs in Corporate Support mainly due to move from consultants/contractors to fixed term roles, such as Go Digital. These increases are partially offset by reductions in Regulatory services linked to lower revenue forecasts and contract expiry for WCC animal services.

<b>2</b>	<b>Alignment to Long Term Plan strategic priority areas and desired outcomes sought</b>
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<i>Tick the boxes that apply</i>	<b>Provide “future-fit” infrastructure</b>	<b>Enable a liveable city and vibrant neighbourhoods</b>	<b>Support and enhance the environment</b>
<b>In partnership</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>With climate change at front of mind</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Being financially sustainable</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>3</b>	<b>Community engagement</b>
Long term plan 2024-2034 included public consultation process and the Annual Plan 2025/26 has a planned community engagement process.	
<b>4</b>	<b>Funding and Financial implications</b>
The funding sources of staffing costs is from (1) fees and charges (2) government grants and subsidies (3) from debt where staff resources are attributable to capital projects (4) from rates revenue.	
<b>5</b>	<b>Risks and mitigation plans</b>
There are a range of variables for employee costs which may impact the accuracy of projected costs. These include labour market conditions and the availability of the skills and capability required to deliver work programmes, and the ability to attract and retain staff.	
<b>6</b>	<b>Key assumptions</b>
<ul style="list-style-type: none"> <li>The salary increase of 3.5% has been assumed for 2025/26 with 0.5% of this allocated to support areas where higher increases are likely such as living wage. This aligns with the LTP.</li> <li>The vacancy assumption is at 5.5% (adjusted down from 6% due to lower attrition levels and slower labour market).</li> <li>Staff salary capitalisation continues with projected \$2M in 2025/26, slightly down from assumed \$2.4M in the LTP.</li> </ul>	

#### Further budget information (\$M)

Table 1:

The presented figures are: Inflated										
\$M	<u>2025/ 26</u>	<u>2026/ 27</u>	<u>2027/ 28</u>	<u>2028/ 29</u>	<u>2029/ 30</u>	<u>2030/ 31</u>	<u>2031/ 32</u>	<u>2032/ 33</u>	<u>2033/ 34</u>	<b>Total</b>
Long Term Plan 2024-2034	55.71	56.49	57.89	59.37	60.83	62.34	63.93	65.50	67.03	<b>549.09</b>
Annual Plan 2025-2026	56.63	57.16	58.48	59.95	61.60	63.14	64.75	66.33	67.98	<b>556.02</b>
Variance	(0.92)	(0.67)	(0.59)	(0.58)	(0.77)	(0.80)	(0.82)	(0.83)	(0.95)	<b>(6.93)</b>

## Budget changes

### 3) Silverstream Landfill – Annual review

Business unit		Climate and Waste	
LTP Activity		Solid waste	
Project/Programme		Silverstream Landfill	
Budget type (Capital/Operating)		Operating and Capital	
Requested by:		Jörn Scherzer & Geoff Roberts	5/11/2024
Approved by director:		Alison Geddes	5/11/2024
1	Brief project description		
<p>For Silverstream Landfill, changes to operational and capital expenditure budgets are proposed to account for operational cost increases (e.g. waste levy increases) and capital cost increases (due to the costs associated with completing the next phase of the landfill, to cater for future waste disposal).</p> <p>In addition, pricing is reviewed from time to time, to ensure that the landfill does not unnecessarily attract waste from outside the city and region.</p>			
2	Alignment to Long Term Plan priority areas and desired outcomes sought		
<p>Silverstream landfill receives residual waste that currently cannot practically be diverted or recycled. The landfill is a Class A landfill that must meet various strict regulatory, siting, design, and operational requirements, and has in place a power plant and flare to maximise methane destruction, in line with Council’s goal to care and protect our environment.</p>			
3	Community engagement		
<p>None has been undertaken yet. If approved by Council, landfill charges will have to be consulted on as part of the Annual Plan process. As price increases are proposed, it will be important to communicate with the community clearly on the reasons. It will also be important to publicise our efforts to improve the recovery of resources, and the ability for residents and businesses to receive discounted fees if they divert reusable and recyclable items.</p>			
4	Overview of project costs		
<p><b>Landfill construction (capex)</b></p> <p>The anticipated cost of continuing to develop capacity at Silverstream Landfill over the next 10 years is significantly higher than as per the current LTP budgets. It was not possible to estimate these costs as part of the development of the LTP 2024-34 as work to design the next phase of the landfill was still under way.</p> <p>Detailed design and pricing for the next 5 years of development is now at hand and we can forecast the development costs over years 5 – 10 with a reasonable level of confidence. The combined effect is a \$21.3M increase (uninflated) in capital required over 10 years, made up of the following amounts. Inflated capital is an increase of \$23.2M</p>			

Cost	Driver	Due to...
<b>\$4.0M</b>	Increase in Phase 3 enabling design and construction costs	<ul style="list-style-type: none"> <li>Significant scope change for phase 3 enabling works and associated earth works (tipping pad, access road, sequencing)</li> <li>Additional ecological requirements (lizard salvaging and complex tree removal)</li> <li>Additional toe bund buttress to ensure landfill stability</li> </ul>
<b>\$2.5M</b>	Acceleration of works brings new scope into LTP timeframe	<ul style="list-style-type: none"> <li>Increased filling rates as a result of higher than forecast waste volumes, Slope 12 is required in the current landfill phase. This would otherwise not have been built until the 2040s.</li> </ul>
<b>\$3.9M</b>	Increase in Phase 3 Slopes 1-5 Construction costs	<ul style="list-style-type: none"> <li>There was a significant increase in complexity and associated construction cost with phase 3 slopes 1-5. The cost shown is the minimum estimated increase in cost from that allowed for in the previous LTP. This is based on tender prices, which are still confidential.</li> </ul>
<b>\$3.2M</b>	Additional contingency due to construction costs increasing	<ul style="list-style-type: none"> <li>An increased allowance for uncertainty and risk, a % of the construction costs, so as costs rise so does the contingency</li> </ul>
<b>\$2.5M</b>	Phase 3 western stormwater letdown	<ul style="list-style-type: none"> <li>Due to site topography and climate change-driven rainfall intensities, a larger more robust structural solution was required for the western perimeter letdown than was allowed for in the consented design with higher construction costs. This structure must be fit for purpose for the remainder of the landfill life and beyond.</li> </ul>
<b>\$2.1M</b>	Industry construction cost escalation since 2022/23	<ul style="list-style-type: none"> <li>Over the last two years since the costs were last reviewed in 2022, construction cost escalation has exceeded HCC inflation allowances by about 5%. By bringing all costs into 2024 NZD this has increased the overall forecast LTP cost.</li> </ul>

<b>\$0.7M</b>	Other requirements	<ul style="list-style-type: none"> <li>A small amount of new work and other ongoing costs these include:</li> <li>Required gas ring main extension for Phase 3 gas collection (\$300k)</li> <li>dam improvements for consent compliance with stormwater management (\$100k) due to Phase 3 development moving closer to the Dam</li> <li>In accordance with the DOC Wildlife permit, pest management has been allowed for at the lizard relocation site (~300k over 10yrs)</li> </ul>
<b>\$2.3M</b>	Asbestos disposal cell construction cost increase to meet consent requirements.	<ul style="list-style-type: none"> <li>Original cost estimates were based on the construction of an unlined cell (prior to consenting). To get consent for this work we needed to include a lining and a leachate collection system. Additionally, the consent conditions for erosion and sediment control and stream works are more stringent than the rest of the landfill construction with an associated increase in construction costs. The cost increase value shown here (\$2.3M) is only for the next 10 years, additional costs will need to be allowed for outside of this 10yr period.</li> </ul>
<b>\$21.3M</b>	<b>TOTAL</b>	

The phasing of proposed costs vs current LTP costs, inflated, is shown in Table 4 (landfill construction) and Table 5 (asbestos cell).

#### **Landfill operation (opex)**

HCC has a model to assist with setting the fees and charges for the use of Silverstream Landfill, to ensure they are set at a level to recover costs for operating and capital expenditure. In addition, pricing is set to ensure that the landfill does not unnecessarily attract waste from outside the Hutt Valley and Wellington region, or specific waste streams.

The following changes are proposed:

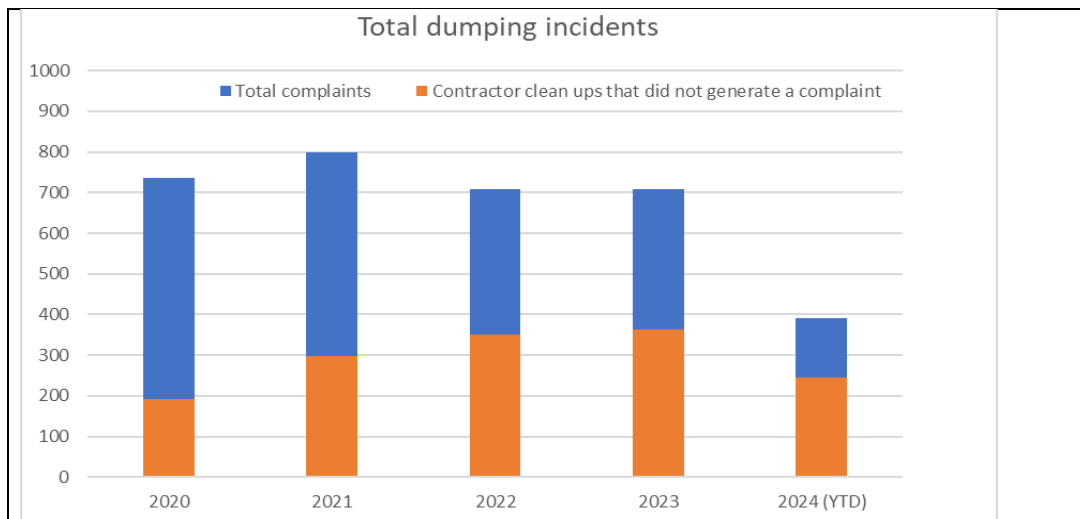
#### **General refuse charges (any mixed rubbish loads)**

Service	2024-2025 Minimum charge	2024-2025 Cost per tonne	2025-2026 Minimum charge	2025-2026 Cost per tonne
All light vehicles (cars, vans, utilities, including those with trailers)	\$25.00	\$260.00	<b>\$25</b>	<b>\$288</b>
All other vehicles	\$120.00	\$260.00	<b>\$120</b>	<b>\$288</b>

**Green waste charges** [Includes all garden waste. Green waste must not be mixed with general refuse. Only applies to vehicles that can access the transfer station.]

Service	2024-2025 Minimum charge	2024-2025 Cost per tonne	2025-2026 Minimum charge	2025-2026 Cost per tonne
All vehicles	\$15.00	\$126.50	\$15	\$130
Special and hazardous waste charges				
Service	2024-2025 Minimum charge	2024-2025 Cost per tonne	2025-2026 Minimum charge	2025-2026 Cost per tonne
Household hazardous waste (household quantities only, normal charges otherwise apply)	Free	Free	Free	Free
Tyres (cost applies to any disposal involving more than four tyres)	\$1,000	\$2,000	1,030	\$2,060
Polystyrene (prior approval required)	\$2,500	\$5,000	\$2,575	\$5,150
Special waste – general (prior approval required)	\$170	\$346	\$189	\$378
Special waste – contaminated soil (prior approval required; price on application for larger volumes)	\$250	\$500	\$255	\$510
Asbestos (prior approval required; price on application for larger volumes)	\$188	\$366	\$199	\$398
5	How the spend will be funded			
Capital works are funded by debt, albeit landfill charges are set at a rate to recover all costs from landfill users (rather than ratepayers), including depreciation and interest. Operational costs are recovered through landfill fees and charges.				
6	Risks and mitigation plans			
Illegal dumping:				
While landfill fees have increased year on year in the last few years (e.g. in response to the waste levy, etc) and there are complaints that this leads to an increase in illegal dumping incidents, there is no evidence of this occurring. The figure below shows total incidents (litter and illegal dumping) based on the number of complaints received, and any contractor-initiated clean ups that did not generate a complaint.				





However, while there is no evidence of illegal dumping increasing in response to cost increases over the last few years, a risk remains that this may occur, at least temporarily.

#### *Cost impacts on residents and businesses*

The increasing cost to dispose of waste can impact residents and businesses. However, the increasing costs to dispose of waste (e.g. due to the waste levy and other drivers) will also make alternatives more cost competitive, as is already the case in other countries (e.g. recovery of contaminated soil, etc).

Residents and businesses can reduce the impact of landfill cost increases by minimising the generation of waste (waste avoidance, designing out waste) and diverting more recyclable and recoverable materials such as green waste, metals, and reusable products (e.g. at the Zero Waste Hub at Silverstream transfer station a discount is also available when users divert certain materials and products).

#### **7 Key assumptions**

Operational budgets have been estimated based on estimated waste disposal volumes, which in turn have been estimated based on recent waste volumes received (about 150,000t per annum). For now, the landfill's net revenue position continues to be positive, generating a net operating surplus of about \$15M per year.

From 2026/27, we assume that waste volumes will reduce over time, due to the expected diversion of construction and demolition waste (e.g. a diversion facility in Porirua is currently under development) and other waste minimisation initiatives. As diversion cannot be estimated with certainty, disposal tonnage is assumed to reduce by 2% per annum. While this will have a negative effect on revenue, unless offset by further price increases, the reduction in disposal tonnage will have long term benefits due to the extension of Silverstream Landfill's remaining life.

Further budget information (\$M)Table 1: Revenue budgets\*

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>Total</u>
Long Term Plan 2024-2034	35.57	37.16	38.46	39.73	40.96	42.15	43.31	44.42	45.49	46.55	413.80
Annual Plan 2025-2026	35.57	37.84	40.46	42.97	44.67	46.40	47.99	49.66	50.76	51.95	448.27
Variance	0.00	0.68	2.00	3.24	3.71	4.25	4.68	5.24	5.27	5.40	34.47

\*Includes internal charges related to revenue from Kerbside collection and Transport street cleaning

Table 2: Operating expenditure budgets

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>Total</u>
Long Term Plan 2024-2034	20.46	21.18	21.66	22.09	22.49	22.87	23.24	23.57	23.88	24.18	225.61
Annual Plan 2025-2026	20.46	22.60	24.39	26.07	26.96	27.71	28.44	29.28	29.76	30.35	266.01
Variance	0.00	(1.42)	(2.73)	(3.98)	(4.47)	(4.85)	(5.20)	(5.71)	(5.88)	(6.16)	(40.40)

Table 3: Net operating impact

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>Total</u>
Long Term Plan 2024-2034	15.11	15.97	16.80	17.64	18.47	19.28	20.07	20.85	21.61	22.36	188.18
Annual Plan 2025-2026	15.11	15.24	16.07	16.90	17.71	18.69	19.55	20.38	21.00	21.60	182.26
Variance	0.00	(0.73)	(0.73)	(0.74)	(0.76)	(0.60)	(0.52)	(0.47)	(0.61)	(0.76)	(5.93)

Table 4: Capital expenditure budgets (Landfill – Phase 3 construction)

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	Total
Long Term Plan 2024-2034	7.01	8.77	4.71	2.18	4.28	3.61	4.65	0.42	4.07	0.34	40.06
Annual Plan 2025-2026	11.02	11.66	6.35	7.32	6.15	4.57	5.89	5.97	0.66	0.80	60.40
Variance	(4.01)	(2.89)	(1.64)	(5.14)	(1.87)	(0.96)	(1.24)	(5.54)	3.41	(0.46)	(20.34)

Table 5: Capital expenditure budgets (asbestos cell)

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	Total
Long Term Plan 2024-2034	2.07	-	-	1.77	-	-	-	-	-	-	3.85
Annual Plan 2025-2026	0.05	-	3.10	0.00	2.32	-	-	1.20	-	-	6.67
Variance	2.02	-	(3.10)	1.77	(2.32)	-	-	(1.20)	-	-	(2.83)

## 4) Tupua Horo Nuku cost escalation

Business unit		Transport																	
LTP Activity		Transport																	
Project/Programme		Tupua Horo Nuku																	
Budget type		Capital																	
Requested by:		Paul Hewitt	31/10/2024																
Approved by director:		Jon Kingsbury	31/10/2024																
1	Brief project description (problem/opportunity statement)																		
<p>The project is a 4.4 kilometre walking and cycling path that will run along Marine Drive in two sections, between Ngau Matau   Point Howard and the northern end of Oruamatoro   Days Bay, and the southern end of Days Bay to Eastbourne. In the future, it will also link to other paths and regional routes such as the Remutaka Cycle Trail, and a future network of walking and cycle paths around Te Whanganui-a-Tara   Wellington Harbour.</p> <p>The shared path project also includes new seawalls for improved protection from storms and waves. Construction of the path will enhance the environment where possible and will provide a base for future resilience work on the road and underground services.</p> <p>Benefits will be measured by a reduction in carbon emissions and cars on the roads and greater numbers of walkers and cyclists using the path</p>																			
2	Alignment to Long Term Plan strategic priority areas and desired outcomes sought																		
<table><tr><td></td><td>Provide “future-fit” infrastructure</td><td>Enable a liveable city and vibrant neighbourhoods</td><td>Support and enhance the environment</td></tr><tr><td>In partnership</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>With climate change at front of mind</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Being financially sustainable</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr></table>					Provide “future-fit” infrastructure	Enable a liveable city and vibrant neighbourhoods	Support and enhance the environment	In partnership	✓	✓	✓	With climate change at front of mind	✓	✓	✓	Being financially sustainable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Provide “future-fit” infrastructure	Enable a liveable city and vibrant neighbourhoods	Support and enhance the environment																
In partnership	✓	✓	✓																
With climate change at front of mind	✓	✓	✓																
Being financially sustainable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																
<p>Tupua Horo Nuku will improve safety, create thriving business areas, reduce congestion and vehicle operating costs, increase recreation and tourism opportunities and positively benefit the health and wellbeing of the community.</p> <p>It will provide a safe and connected walking and cycling route along Marine Drive, providing enhanced connections:</p> <ul style="list-style-type: none"><li>• Within the individual bays (for recreation and access)</li><li>• Between different bays (to shops, schools, and recreation)</li><li>• To and from Lower Hutt and beyond (to work, school or for recreation)</li><li>• To other regional cycle routes, including the Great Harbour Way/Te Aranui o Pōneke walking/cycling route and the proposed extension of the Remutaka Cycle Trail.</li></ul>																			

<b>3</b>	<b>Community engagement</b>										
The project is committed to keeping the community engaged through the different phases of the project. Examples of this are through public consultation on urban design plans and regular attendance at the Eastbourne Community Board meetings.											
<b>4</b>	<b>Climate change risks/impacts</b>										
The new seawall will improve the resilience of the Eastern Bays by providing protection against storms and waves, along with coastal erosion along Marine Drive.											
<b>5</b>	<b>Growth/Demand considerations</b>										
Not Applicable											
<b>6</b>	<b>Overview of project costs</b>										
<p>Revised costs in February 2023 saw the cost to complete increase from \$30M to \$79.95M. An increase of Councils contribution from \$18M to \$25.5M was put forward to the community via the Annual Plan consultation period.</p> <p>Proposals to increase funding arrangements with partners New Zealand Transport Agency (NZTA) and Crown Infrastructure Partners (CIP) were also sought with the following numbers as final:</p> <ol style="list-style-type: none"> <li>1. Council approved an increase to \$24,475,500.00.</li> <li>2. NZTA contribution \$25,474,500.00.</li> <li>3. CIP amendment to the agreement: \$15M to \$30M, <i>dependant</i> on additional co-funding of \$54,450,000.00, including \$4.5M contingency to the project.</li> </ol> <p>Project costs have been allowed for in the project Target Outturn Cost (TOC). The project is now at a point where the final cost escalation can be forecast and reported.</p> <p>Tupua Horo Nuku is tracking towards a forecast final cost of \$81.87M, representing an increase of \$1.92M on Long-Term Plan 2024-34. This is proposed to be funded through a transfer of budget from the Cross Valley Connections project which is in the early planning stages while awaiting funding outcome decisions from central government.</p> <p>The forecast total project cost is \$84.2M which includes the Alliance's pain/loss share of the cost.</p>											
<b>7</b>	<b>How the spend will be funded (rates, grants, third party revenue, development contribution, debt)</b>										
The additional budget increase is to be funded by council debt, as the funding contributions from CIP and NZTA are to remain unchanged as per the agreed splits, shown below:											
<table> <tr> <th>Partner</th><th>Contribution (\$'M)</th></tr> <tr> <td>CIP</td><td>30.0</td></tr> <tr> <td>NZTA (Waka Kotahi)</td><td>25.3</td></tr> <tr> <td>HCC</td><td>26.57</td></tr> <tr> <td><b>Total project cost</b></td><td><b>81.87</b></td></tr> </table>		Partner	Contribution (\$'M)	CIP	30.0	NZTA (Waka Kotahi)	25.3	HCC	26.57	<b>Total project cost</b>	<b>81.87</b>
Partner	Contribution (\$'M)										
CIP	30.0										
NZTA (Waka Kotahi)	25.3										
HCC	26.57										
<b>Total project cost</b>	<b>81.87</b>										

	Spend to 2024	35.8
	Remaining project cost	46.1
<b>8</b>	<b>Risks and mitigation plans</b>	
	Programme dependency. The Alliance continues to seek programme gains, with traffic management being an emerging opportunity incrementally realised.	
<b>9</b>	<b>Key assumptions</b>	
	There is no change to scope therefore no increase on the work programme.	

Further budget information (\$M) – All budgets are inflated.

Table 1: Revenue budgets

\$M	<u>2024/25</u>	<u>2025/26</u>	<u>Total</u>
Long Term Plan 2024-2034	16.28	16.28	<b>32.56</b>
Annual Plan 2025-2026	16.28	16.28	<b>32.56</b>
Variance	-	-	-

Table 2: Capital expenditure budgets

\$M	<u>2024/25</u>	<u>2025/26</u>	<u>Total</u>
Long Term Plan 2024-2034	22.70	21.48	<b>44.18</b>
Annual Plan 2025-2026	23.86	22.23	<b>46.10</b>
Variance	(1.16)	(0.76)	<b>(1.92)</b>

Table 3: Net Cost

\$M	<u>2024/25</u>	<u>2025/26</u>	<u>Total</u>
Long Term Plan 2024-2034	6.46	12.93	<b>19.39</b>
Annual Plan 2025-2026	7.59	5.96	<b>13.55</b>
Variance	(1.16)	(0.76)	<b>(1.92)</b>

## Budget rephasing

### 5) Reserves Development budget rephasing

Business unit	Parks and reserves	
LTP Activity	Open spaces, parks and reserves	
Project/Programme	Reserves Development (Reserves Investment Strategy)	
Budget type	Capital	
Requested by:	Arthur Nelson	31/10/2024
Approved by director:	Andrea Blackshaw	31/10/2024
<b>1. Brief description of the project</b>		
<p>The Reserve Development budget for 2024-2025 is \$7.7M and is composed of 19 smaller projects ranging from \$0.1M to \$1M.</p> <p>The Black Creek improvement program, which is one of the 19 programs, requires further consultation and development.</p> <p>On this basis it is proposed to move the project into 2025-2026. This will have the effect of reducing the capital budget for Reserves Development in 2024-25 by \$0.5M to \$7.25M.</p>		
<b>2. Reason for change in timing</b>		
Additional work on scoping the project and additional consultation is required to deliver a significant improvement to the site concerned.		
<b>3. Overview of project costs</b>		
Net nil impact.		
<b>4. Key assumptions around delivery and risks</b>		
<p>As the Reserves Development programme is made of multiple projects, there runs a potential risk of overspends.</p> <p>The key assumption is that each individual project stays within their allocated budget, and that no additional expenditure is required to complete the projects to be delivered in 2024-25.</p> <p>There is also a risk that the budget allocated and moved to 2025-26 for the Black Creek improvement project is not sufficient to deliver the outcome in full, any changes to scoping or budget will be brought back for further decisions at the time.</p>		

Further budget information (\$M) Table 1: Capital expenditure budgets

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<b>Total</b>
Long Term Plan 2024-2034	7.75	4.80	2.75	4.45	5.55	0.30	0.20	0.10	0.05	-	<b>25.92</b>
Annual Plan 2025-2026	7.25	5.31	2.75	4.45	5.55	0.30	0.20	0.10	0.05	-	<b>25.93</b>
Variance	0.50	(0.51)	-	-	-	-	-	-	-	-	<b>(0.01)</b>



**6) Petone Wharf budget rephasing**

Business unit	Parks and reserves	
LTP Activity	Open spaces, parks and reserves	
Project/Programme	Reserves Development (Reserves Investment Strategy)	
Budget type	Capital	
Requested by:	Arthur Nelson	31/10/2024
Approved by director:	Andrea Blackshaw	31/10/2024
<b>1. Brief description of the project</b>		
<p>At its meeting of the Long-Term Plan/ Annual Plan Subcommittee of 17th May 2024 Council directed Officers to –</p> <ul style="list-style-type: none"> <li>(a) commission an independent report to consider the options for Petone Wharf, including the merits of different technology, heritage aspects, lifetime costs and associated risks;</li> <li>(b) agreed for the report to be considered by the Petone Community Board and the Pito One Steering Group for feedback, before being considered by Council for a decision on which option to progress;</li> <li>(c) agreed to budget a maximum cap of \$12m in the LTP 2024-34 for Petone Wharf, and any options explored through the independent process must not exceed this budget.</li> </ul> <p>The options report will be completed in 2024-25 with the physical works completed over 2025-26 and 2026-27.</p>		
<b>2. Reason for change in timing</b>		
<p>Phasing of this budget was done during the development of the LTP.</p> <p>More is known now around the timing and cost of the first deliverable. The initial options report that needs to be produced prior to the decision being taken about repair/remediation of the wharf is likely to cost less than \$477,000 thereby allowing \$250,000 of the 2024-25 budget to be moved into next financial year being 2025-26.</p>		
<b>5. Overview of project costs</b>		
Net nil impact.		
<b>3. Key assumptions around delivery and risks</b>		
<p>As there is a lot of ambiguity surrounding the project, some of which may be answered by the initial options report, there is a risk of the allocated budget is not sufficient for the project.</p> <p>There is also a risk of this project may not be delivered within the timeframe set.</p>		

Further budget information (\$M)Table 4: Capital expenditure budgets

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>Total</u>
Long Term Plan 2024-2034	0.73	6.00	5.30	-	-	-	-	-	-	-	12.00
Annual Plan 2025-2026	0.48	6.26	5.30	-	-	-	-	-	-	-	12.01
Variance	0.25	(0.26)	-	-	-	-	-	-	-	-	(0.01)

## 7) Petone Library Renewal budget rephasing

Business unit	Libraries	
LTP Activity	Connectivity, creativity, learning and recreation	
Project/Programme	Petone Library Renewal	
Budget type	Capital	
Requested by:	JoAnn Ransom & Alannah Laban	31/10/2024
Approved by director:	Andrea Blackshaw	1/11/2024
<b>1. Brief description of the project</b>		
<p>Petone Library requires extensive repairs due to issues with water tightness and toxic mould.</p> <p>Hutt City Council's Long Term Plan 2024-34 process consulted on Petone Library as part of the wider Petone Assets. In the draft LTP Council's preference was to invest \$10M to upgrade or replace the library to provide a modern, multipurpose, future-proofed community hub.</p> <p>In the final LTP \$5M was allocated for repair the existing building. This work is budgeted over two financial years; 2024-25 &amp; 2025-26.</p>		
<b>2. Reason for change in timing</b>		
<p>This project is contingent upon the works at Moera Library being completed. This is to ensure the Petone community still has access to Library services at Moera while works at Petone are being completed.</p> <p>The new Moera Hub is now proposed to open in January 2025 so Petone Library works are not expected to begin until after this date.</p>		
<b>3. Overview of project costs</b>		
<p>Officers engaged a Quantity Survey firm to determine cost, however these are indicative only and are based on known scope, existing alternatives and Officer judgement. The \$5M budget is based on the option to repair the existing building. Rough costings breakdown:</p> <ul style="list-style-type: none"> <li>• Preliminary &amp; General costs - \$1.18M</li> <li>• Structural Works - \$200k</li> <li>• Internal refurbishment - \$1.92M</li> <li>• Regulatory, margins &amp; contingency - \$1.7M</li> </ul> <p>These figures are from 2023-24. Any deferment will need to allow for CPI adjustments.</p> <p>No design has been developed and the price is based on an equivalent per m<sup>2</sup> and typical unit rates for the works. No allowance for temporary relocation of library staff or library services has been made.</p>		

**4. Key assumptions around delivery and risks**

As mentioned in reason for change in timing, this project is contingent upon the works at Moera Library being completed.

The new Moera Hub is now proposed to open in January 2025 so Petone Library works are not expected to begin until after this date. It is assumed the project can be delivered within this budget. If not, this project may need to return to Council for further consideration.

Further budget information (\$M)Table 4: Capital expenditure budgets

The presented figures are: Inflated											
\$M	<u>2024</u> <u>/25</u>	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033/</u> <u>34</u>	<u>Total</u>
Long Term Plan 2024-2034	2.50	2.50	-	-	-	-	-	-	-	-	5.00
Annual Plan 2025-2026	1.50	3.52	-	-	-	-	-	-	-	-	5.02
Variance	1.00	(1.02)	-	-	-	-	-	-	-	-	(0.02)

## 8) Eastern Hutt Road resilience budget rephasing

Business unit	Transport	
LTP Activity	Sustainability & resilience	
Project/Programme	Network Resilience – Eastern Hutt Road	
Budget type	Capital	
Requested by:	Paul Hewitt	31/10/2024
Approved by director:	Jon Kingsbury	31/10/2024
<b>5. Brief description of the project</b>		
<p>In July 2022, Eastern Hutt Road experienced significant landslides due to heavy rainfall. The initial response to subsequent engineering assessments identified three sites for completion under Stage 2 of the programme (Remediation). In 2023, the Council initiated a Single Stage Business Case (SSBC) to address resilience concerns along the wider corridor – this will be Stage 3 of the programme (Resilience). The SSBC was submitted to NZTA in November 2023.</p> <p>While awaiting a decision from NZTA on the SSBC, Council has committed funding to advance the investigation and detailed design of two sites due to the risks posed to road users. Pending a funding decision from NZTA and a procurement exemption, construction of Slope 15a/b is expected to begin by February 2025.</p> <p>The priority of the SSBC remains on delivering improved resilience for the local road network, ensuring that Eastern Hutt Road, a critical lifeline route, always remains accessible and operational. The area has been prone to significant landslides, highlighting the urgency of the work being undertaken to safeguard and strengthen the road network. The planned improvements to Eastern Hutt Road will also offer a resilient alternative travel route to SH2.</p>		
<b>6. Reason for change in timing</b>		
<p>The SSBC was submitted to NZTA in November 2023 and assessed against the previous Government Policy Statement (GPS). Given that the SSBC aligned better with the draft GPS for 2024–2034 than with the previous version, NZTA recommended delaying the Investment Quality Assessment until the 2024–2034 GPS is adopted, increasing the likelihood of securing funding. An Addendum has been prepared aligning the SSBC with GPS 2024/34 for NZTA Investment Quality Assurance assessment.</p> <p>NZTA approval of funding assistance is contingent on approval of an addendum to the SSBC. Officers have been in engagement, and NZTA is reviewing the addendum for progressing to funding approval.</p>		
<b>7. Overview of project costs</b>		
<p>The SSBC assessed 29 sites and assigned an Assessed Risk Level* (ARL) score to each site. ENGEO was engaged to provide detailed cost estimates, which were independently assessed by Bond CM. In the 12 months since the SSBC submission, officers have revisited the</p>		

prioritisation of sites and the current staging and costing of the preferred option (17 sites) is summarised in the below table:

Stage	ARL Scores	No. of Sites	Cost	Timeframe
Stage 1A & 1B	1, 2	10	\$27.87M	FY2024/25 to FY2027/28
Stage 2A	2,3	7	\$12.67M	FY2028/29 to FY2030/31
		<b>17</b>	<b>\$40.54M</b>	

*Assessed Risk Level (ARL) system. In accordance with Waka Kotahi risk tolerability criteria, ARL 1 and 2 sites have risks that are typically considered to be intolerable. ARL3 are considered marginally acceptable.*

#### **8. Key assumptions around delivery and risks**

- Sites with an ARL 1 or 2 rating are active risks. There are 10 sites in this category. If the landslides were to occur, it would lead to possible closure of Eastern Hutt Road while the material is cleared, and risk assessment of the landslide is conducted.
- In its current state, EHR is at risk of not being able to perform its role as a regionally significant route due to the resilience issues being experienced.

If NZTA approves less than a 51% share of \$40.54M, the project would need to be rescoped (reducing the amount of sites that are addressed) or Council would need to consider providing further investment, or other capital works would need to be reconsidered.

Further budget information (\$M)Table 1: Revenue budgets (includes \$1.3M Better Off Funding grant revenue in 2024-25)

The presented figures are: Inflated								
\$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>	<u>Total</u>
Long Term Plan 2024-2034	6.14	5.89	-	-	2.86	3.09	3.20	21.17
Annual Plan 2025-2026	2.22	6.33	2.35	1.99	2.42	1.79	4.20	21.30
Variance	(3.92)	0.44	2.35	1.99	(0.44)	(1.30)	1.00	0.13

Table 2: Capital expenditure budgets

The presented figures are: Inflated								
\$M (Inflated)	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>	<u>Total</u>
Long Term Plan 2024-2034	10.81	11.55	-	-	5.60	6.05	6.27	40.28
Annual Plan 2025-2026	3.12	12.42	4.60	3.91	4.74	3.50	8.24	40.54
Variance	7.69	(0.87)	(4.60)	(3.91)	0.86	2.55	(1.97)	(0.26)

Table 3: Net Cost to Council

The presented figures are: Inflated								
\$M (Inflated)	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>	<u>Total</u>
Long Term Plan 2024-2034	4.67	5.66	-	-	2.74	2.96	3.07	19.11
Annual Plan 2025-2026	0.90	6.09	2.25	1.92	2.32	1.72	4.04	19.24
Variance	3.77	(0.43)	(2.25)	(1.92)	0.42	1.25	(0.97)	(0.13)

## 9) Cross Valley Connections budget rephasing

Business unit	City Delivery	
LTP Activity	Transport	
Project/Programme	Cross Valley Connections (CVC)	
Budget type	Capital	
Requested by:	Eddie Anand	31/10/2024
Approved by director:	Jon Kingsbury	31/10/2024
<b>1. Brief description of the project</b>		
The Cross Valley Connections is a programme of projects for improvements to walking, cycling, public transport and roading infrastructure in Lower Hutt proposed to be delivered in stages.		
<b>2. Reason for change in timing</b>		
<p>Signals for changes in NLTF funding priority were received from the new Government and NZTA in early 2024, with the Government Policy Statement July 2024 (GPS) confirming the new the funding priorities for Government and NZTA. Council has been required to wait for clear direction and assess what this means to our delivery plan for Cross Valley Connections.</p> <p>NZTA are now delivering and understood to be funding the Cross Valley Link project (CVL), a significant project within the Cross Valley Connections programme. The GPS has also reduced the priority and funding available for Walking, Cycling, and Public Transport projects, which are the remainder of the Cross Valley Connection programme projects. As a result, the Cross Valley Connections progress has been delayed to await the Government decisions and NZTA delivery plan for CVL, while also requiring to review the delivery plan for the remainder of the CVC programme.</p>		
<b>3. Overview of project costs</b>		
2024/25 is expected to see only costs for project initiation incurred. Activities include project management and technical advice. There is no funding approved for the first three years of the NLTP for this project and the assumed subsidy of \$2.35M is proposed to be removed. \$2M of the capital budget will be used to offset the cost escalation for Tupua Horo Nuku.		
<b>4. Key assumptions around delivery and risks</b>		
<p>CVL, if continued to be fully funded by NZTA presents limited delivery risk regarding funding. Council involvement is important to ensure we achieves the outcome sought from CVL, but also the integration with the wider CVC programme.</p> <p>The team is developing the Project Plan to reflect the changes in NZTA approach and HCC requirements to deliver and fund the remainder of the CVC programme of works.</p>		



## Further budget information (\$M)

Table 1: Revenue budgets

The presented figures are: Inflated									
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Long Term Plan 2024-2034	1.74	0.61	-	23.83	27.81	14.54	14.67	12.47	95.67
Annual Plan 2025-2026	-	-	-	23.83	27.81	14.54	14.67	12.47	93.38
Variance	(1.74)	(0.61)	-	-	-	-	-	-	2.35

Table 2: Capital expenditure budgets

The presented figures are: Inflated									
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Long Term Plan 2024-2034	2.52	1.35	-	47.06	54.66	28.44	28.56	24.17	186.75
Annual Plan 2025-2026	0.52	1.35	-	47.06	54.66	28.44	28.56	24.17	184.75
Variance	2.00	-	-	-	-	-	-	-	2.00

**10) Te Wai Takamori o Te Awa Kairangi (formerly RiverLink) budget rephasing**

Business unit	City Delivery	
LTP Activity	City Development	
Project/Programme	Te Wai Takamori o Te Awa Kairangi (formerly RiverLink)	
Budget type	Capital	
Requested by:	Eddie Anand	31/10/2024
Approved by director:	Jon Kingsbury	31/10/2024
<b>1. Brief description of the project</b>		
<p>Te Wai Takamori o Te Awa Kairangi (formerly RiverLink) is a transformational project for Te Awa Kairangi ki Tai – Lower Hutt. It is a partnership between Hutt City Council, Greater Wellington Regional Council, New Zealand Transport Agency Waka Kotahi, and iwi mana whenua.</p> <p>It consists of crucial flood protection work to increase the standard and resilience of flood defences throughout the CBD, improvements to state highway and local roads with a new Melling interchange, and urban revitalisation works including streetscaping, a City Link Bridge to connect the relocated Melling Station to the CBD, and Riverbank Park and carpark works.</p>		
<b>2. Reason for change in timing</b>		
<p>In March 2024, Hutt City Council and Greater Wellington Regional Council opted to explore alternative delivery methods in response to ongoing affordability pressures. The ongoing affordability pressures from NZTA and the appointed Alliance resulted in a delay in the IPAA phase, now expected to conclude in December 2024.</p> <p>The partners have been focusing on the development of a coordinated delivery plan to balance the priorities of work and allow all partners to achieve their desired outcomes while minimising interface risk. Affordability and assurance of risk has resulted in delays in developing the agreements between partners.</p>		
<b>3. Overview of project costs</b>		
<p>The preferred funding option is shown in table below and was approved by Council in November 2024. This option is based on Council delivering the City Link Bridge (and tie ins), Streetscapes, Riverbank Park, Replacement Car Park, and up to two intersections. The Alliance will deliver the Queens Dr/High St intersection to conclude later than previously communicated.</p> <p>All numbers have been adjusted using the standard BERL cost adjustors. These numbers may need to be adjusted further once there is more certainty around the cost estimates and the phasing.</p>		

Overall project budget has been reduced to \$168M. This reflects the decrease in subsidy for the bridge as well as delivery changes as approved by Council.

#### 4. Key assumptions around delivery and risks

LTP Budget assumed NZTA funding assistance for Intersections and City Link Bridge. Neither activity has been approved and Officers will continue to pursue these for inclusion in the NLTP. It is expected that a final decision will be made at the NZTA board meeting in December 2024.

In June 2024, partner CE's endorsed working towards delivery of a scenario which largely aligns with the proposed rephased LTP, and work has been underway to further develop that scenario to inform commercial agreements.

#### Further budget information (\$M)

Table 1: Subsidy revenue budgets

\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Long Term Plan 2024-2034	12.23	18.36	14.15	6.68	3.41	-	-	54.84
Annual Plan 2025-2026	1.53	3.56	3.55	4.63	3.41	-	-	16.68
Variance	(10.70)	(14.80)	(10.60)	(2.05)	-	-	-	(38.15)

Table 2: Capital expenditure budgets

\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Long Term Plan 2024-2034	26.05	44.90	46.30	41.32	30.97	10.96	5.57	206.07
Annual Plan 2025-2026	7.25	27.18	31.13	45.81	33.06	17.11	6.39	167.93
Variance	18.80	17.72	15.17	(4.49)	(2.09)	(6.15)	(0.82)	38.14

Table 3: Net Cost to Council

\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Long Term Plan 2024-2034	13.82	26.54	32.15	34.63	27.57	10.96	5.57	151.24
Annual Plan 2025-2026	5.72	22.87	32.53	45.19	27.57	10.96	6.39	151.24
Variance	8.10	3.67	(0.38)	(10.56)	-	-	(0.82)	-

**11) IAF budget rephasing**

Business unit	Business support and city growth	
LTP Activity	Stormwater	
Project/Programme	Valley Floor Infrastructure – Stormwater and Wastewater	
Budget type	Capital	
Requested by:	Eddie Anand	31/10/2024
Approved by director:	Jon Kingsbury	31/10/2024
<b>6. Brief description of the project</b>		
<p>In June 2021, the New Zealand government announced the IAF. Council secured IAF funding support to deliver enabling infrastructure projects to facilitate the construction of up to 3,520 new houses on the Lower Hutt Valley floor. The total budget as part of the funding bid is \$174M including Kāinga Ora contribution of \$98.9M for the stormwater project. Council has committed to funding the remaining through development contributions and rates.</p> <p>In May 2024, the Infrastructure and Regulatory Committee endorsed the preferred stormwater option (Option 1B) and the preferred wastewater option to complete the Stage 1 works.</p>		
<b>7. Reason for change in timing</b>		
<p>Following the conclusion of the Stage I (Feasibility), officers have been in discussions with Kainga Ora, to reach agreement on the amended scope. An outcome of the proposed amendment is that Stage 2 (Pre-implementation), initially expected to take 9 months and conclude by December 2024, is now expected to take approximately 2 years and to conclude no earlier than June 2026. The revised timeline also aligns with the revised timings of the Melling Bridge being delivered by NZTA Waka Kotahi. The change in scope also requires Council to engage in fresh consultation with landowners and developers.</p> <p>Kainga Ora has indicated that it is agreeable to the amended scope and officers are in the process of preparing a variation to the funding agreement.</p>		
<b>8. Overview of project costs</b>		
<p>Tonkin and Taylor undertook a cost estimation exercise on the preferred option in April 2024. Alta Consulting reviewed these estimations and officers have then applied Wellington Water cost estimation manual to guide the final cost estimates level.</p> <p>The current costs are as endorsed by Council in July 2024.</p>		
<b>9. Key assumptions around delivery and risks</b>		

1. The table below shows summary of the top four project risks:

Description	Planned Mitigation
Unable to complete Private Property Acquisition	Commence Property acquisition planning process at the outset of Stage 2. Commence discussions with property owners affected, identify options and viable solutions. Review programme timeline
Insufficient total funding for preferred Stormwater and Wastewater solutions	At Stage 2, we will seek to reduce Project costs by 10%. Opportunity with contractor to reduce plant/labour cost and opportunity to engage with Wellington Water for departures to reduce material costs through design development.
Te Awa Kairangi Alliance does not proceed with the new bridge in time or at all – impact on wastewater rising main	Ongoing coordination with the alliance around updated programme. Look at alternative options for wastewater crossings such as through a temporary connection through Ewen bridge or other options.
Greater Wellington Regional Council relitigates existing Riverlink Stormwater outlet consent	Maintain relationship with Greater Wellington Regional Council. Ongoing engagement in Stage 2 design and consent application development.

## 2. Funding At-Risk

Kāinga Ora has informed Council that it is seeking to reduce its contribution from \$98.90M to \$72.0M for the agreed delivery option for stormwater (Option 1B). The balance of the contribution (\$26.90M) is being treated as at-risk funding, on which Kāinga Ora will consider requests to release to Council in the event of costs for the agreed delivery option for stormwater, or, subject to Ministerial approval, to allocate for the wastewater projects. Officers opted to retain the funding in the Long-Term Plan budget.

Further budget information (\$M) - All figures presented are inflatedTable 1: IAF grant revenue budget

\$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>Total</u>
Long Term Plan 2024-2034	13.14	25.91	40.43	19.38	-	98.86
Annual Plan 2025-2026	1.29	4.41	6.39	49.38	37.39	98.86
Variance	(11.85)	(21.50)	(34.04)	30.00	37.39	-

Table 2: Capital expenditure budget Stormwater

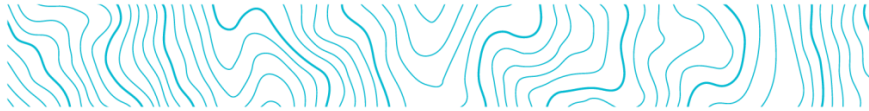
\$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>Total</u>
Long Term Plan 2024-2034	12.56	30.44	44.08	25.75	-	112.83
Annual Plan 2025-2026	2.45	9.04	12.45	44.44	44.45	112.83
Variance	10.11	21.40	31.63	(18.69)	(44.45)	-

Table 3: Capital expenditure budget Wastewater

\$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>Total</u>
Long Term Plan 2024-2034	4.17	18.79	21.95	13.95	-	58.86
Annual Plan 2025-2026	1.32	4.87	6.70	22.98	22.99	58.86
Variance	2.85	13.92	15.25	(9.03)	(22.99)	-

Table 4: Net Cost to Council

\$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>Total</u>
Long Term Plan 2024-2034	3.59	23.32	25.6	20.32	-	72.83
Annual Plan 2025-2026	2.48	9.5	12.76	18.04	30.05	72.83
Variance	1.11	13.82	12.84	2.28	(30.05)	-



## Draft Fees and charges

The following is a consolidated list of Council's fees and charges. All fees and charges include Goods and Services Tax (GST).

**Note:** These are the proposed fees and charges for 2025-26. These fees and charges will be confirmed when the Annual Plan is adopted, and will take effect from 1 July 2025. They may be subject to change before 30 June 2025.

### Animal Services

#### Registration fees

Registration type	2024-2025	2025-2026
Entire dog - paid by 31 July	\$174.00	\$189.00
Neutered dog - paid by 31 July	\$133.00	\$133.00
Entire dog - paid after 31 July	\$231.00	\$246.00
Neutered dog - paid after 31 July	\$190.00	\$190.00
Responsible Dog Owner (RDO) status	\$87.00	\$90.00
Responsible Dog Owner (RDO) status - paid after 31 July	\$231.00 (Entire) \$190 (Neutered dog)	\$246.00 (Entire) \$190 (Neutered dog)
Classified "Dangerous" dog - paid by 31 July	\$190.00	\$220.00
Classified "Dangerous" dog - paid after 31 July	\$272.00	\$300.00
Disability assist dogs	Free	Free
Working dogs	\$87.00	\$90.00
Working dogs (Secondary dogs)	\$45.00	\$47.00

#### Impounding and Sustenance Fees for Registered dogs

Offence	2024-2025	2025-2026
First impounding	\$112.00	\$116.00
Second impounding in same registration year	\$180.00	\$192.00
Daily sustenance fee (per day, per dog)	\$27.00	\$28.00
After hours call out	\$46.00	\$90.00
Seizure fee	\$90.00	\$100.00

**Impounding and** Sustenance Fees for Unregistered dogs

Offence	2024-2025	2025-2026
First impounding	\$135.00	\$145.00
Second impounding in same registration year	\$223.00	N/A - registration is required for return of dog at first impounding
Daily sustenance fee (per day, per dog)	\$27.00	\$28.00
After hours call out	\$46.00	\$90.00
Seizure fee	\$135.00	\$145.00

**Additional Services**

Infringement fees set in the **Dog Control Act 1996** apply.

Service	2024-2025	2025-2026
Microchipping	\$46.00	\$46.00
Replacement Registration Tag	\$14.00	\$14.00
Responsible Dog Owner Property Inspection Administration Fee	\$72.00	\$72.00
Dog Boarding (dangerous dogs/emergency situations only)	\$42.00 per day	\$42.00 per day
Euthanasia at owner's request - Up to 20 kg	\$192.00	\$192.00
Euthanasia at owner's request - 21 to 40 kg	\$238.00	\$238.00
Euthanasia at owner's request - 41 kg +	\$285.00	\$285.00
Dog disposal/surrender fee (plus sustenance fee if required)	\$56.00	\$56.00
Licence fee for keeping more than 2 dogs	\$72.00	\$72.00
Requested dog pick-up/delivery	\$72.00	\$72.00
After-hours collection fee (Dog disposal/surrender)	\$90.00	\$90.00

**Council Archives**

There is no charge for inspecting physical items on-site at Council offices.  
Please note: Researchers can use their own camera to take images when  
inspecting physical items on-site at Council offices.

**Search Fees**

For information on a topic where we search the Council Archives on your behalf



Service	2024-2025	2025-2026
First hour of research	Free of charge	Free of charge
For each additional half hour of staff time or part thereof	\$40.00	\$40.00

### Reproduction Fees

Reproductions are provided as high-quality, scanned images via email.  
Reproductions are subject to the physical condition, type of item and any copyright conditions.

Reproduction	2024-2025	2025-2026
Scanning A3 and A4 - up to 20 pages	Free of charge	Free of charge
Scanning A3 and A4 - over 20 pages Fee per half hour of staff time or part thereof	\$40.00	\$40.00
Reproduction of items larger than A3 are charged based on size, original format and physical condition.	Charges will be notified and agreed before reproduction is carried out.	Charges will be notified and agreed before reproduction is carried out.

### Boat sheds

Description	2024-2025	2025-2026
Boat shed	Independent valuation on a square metre basis	Independent valuation on a square metre basis

### Cemetery fees and charges

#### Plot purchase and maintenance

Service	2024-2025	2025-2026
Child (1 to 12 years)	\$798.00	\$838.00
Infant (under 1 year)	\$176.00	\$185.00
Ashes	\$715.00	\$750.00
Ashes garden, Taitā and Wainuiomata	\$1,155.00	\$1,212.50
Memorial tree plots, Block 18	\$1,160.00	\$1,218.00
Ponga trail, Block 19	\$930.00	\$976.50

**Interment fees**

Service	2024-2025	2025-2026
Adult	\$968.00	\$1,016.50
Child (1 to 12 years)	\$627.00	\$658.00
Infant (under 1 year)	\$176.00	\$185.00
Ashes	\$132.00	\$138.50

**RSA Veterans**

Service	2024-2025	2025-2026
Burial plot purchase	Free	Free
Burial interment fee	\$968.00	\$1,016.50
Ashes plot purchase	Free	Free
Ashes interment fee	\$132.00	\$138.50
Ashes interment (memorial wall)	\$132.00	\$138.50

**Disinterments and re-interments**

Service	2024-2025	2025-2026
Burial (body)*	Price on enquiry	Price on enquiry
Ashes**	Price on enquiry	Price on enquiry
Re-interments <b>Note:</b> Re-interments are to be charged as for interment fees.	Price on enquiry	Price on enquiry

**Special fees and charges**

Service	2024-2025	2025-2026
Outside district fees**	\$1,298.00	\$1,363.00
Outside district fee children under 12**	\$1,138.00	\$1,195.00
Outside district fee RSA**	\$1,298.00	\$1,363.00
Outside district fee ashes**	\$930.00	\$976.50
Casket larger than standard	\$286.00	\$300.00
Extra depth (90cm)	\$231.00	\$243.00
Weekend interment - casket	\$495.00	\$520.00
Weekend interment - ashes	\$242.00	\$254.00
Plaque/Memorial fees	\$97.00	\$102.00
Plot cancellation fee	\$63.00	\$66.00

Service	2024-2025	2025-2026
Transfer of exclusive right	\$63.00	\$66.00
Breaking of concrete	Actual cost	Actual cost
Search fee: Per entry (up to 30 minutes)	\$29.00	\$30.50

**Note:** Reimbursement for unused plots is calculated at the rate originally paid for the plot.

\*These figures are indicative only and the actual cost may differ depending on the nature of the disinterment.

\*\*Applies to all plot purchases, where deceased has lived outside the city for the last five or more years.

Encroachment on Hutt City Council land		
Service	2024-2025	2025-2026
Application fee (new applications)	\$335.00	\$343.00
Application fee (alterations to existing use)	\$335.00	\$343.00
Change to current licence holder	\$111.70	\$115.00
Gardens	\$128.20	\$131.00
Garage (per car park)	\$143.75	\$147.00
Drainage reserve	\$64.10	\$66.00
Pavement	\$64.10	\$66.00
Commercial	Assessed by Council at a market rate	Assessed by Council at a market rate

**Note:** Council is currently reviewing its Encroachment Policy, including the annual licence fees. The fees noted above for gardens, garage (per car park), drainage reserve, and pavement are the current fees. Council reserves the right to alter the licence scope and fee in link with any future Encroachment Policy adopted by Council

Engineering records and land information services		
Print Size/Service	2024-2025	2025-2026
A0	\$6.00 – 80 gsm bond \$9.00 – 95 gsm coated	\$6.00 – 80 gsm bond \$9.00 – 95 gsm coated
A1	\$3.00 – 80 gsm bond \$5.00 – 95 gsm coated	\$6.00 – 80 gsm bond \$9.00 – 95 gsm coated
A2	\$2.00 – 80 gsm bond \$3.00 – 95 gsm coated	\$2.00 – 80 gsm bond \$3.00 – 95 gsm coated

Print Size/Service	2024-2025	2025-2026
A3	\$1.30 – 80 gsm bond \$1.40 – 95 gsm coated	\$1.30 – 80 gsm bond \$1.40 – 95 gsm coated
A4	\$1.00 – 80 gsm bond \$1.00 – 95 gsm coated	\$1.30 – 80 gsm bond \$1.40 – 95 gsm coated
Geospatial team – hourly rate	\$79.00 per hour	\$79.00 per hour

### Resource consents

All fees include GST and are payable under section 36 of the Resource Management Act 1991.

Our fees are divided into three parts and will be invoiced in stages.

- Application Deposit
- Intermediate Invoices
- Final Invoice

The resource consent Application Deposit covers only part the cost of processing your application and is a deposit for work that will take place.

Monthly Intermediate Invoices are sent if your application is approved and cover fees for:

- additional processing fees
- consultants', advisors' and specialists' fees covering a range of expertise e.g. heritage, geotechnical, ecological, noise control, traffic management etc
- Costs related to public notification and hearings, such as venue hire, photocopying, catering and postage
- monitoring fees while the work is underway, including site visits, research, photos, communications and administration

The Final Invoice takes into account the deposit already paid, any further payments for the services mentioned above and any discounts owed to you.

Consents that run over statutory timeframes will be discounted in accordance with provisions in Section 36AA of the Resource Management Act.

**Non-complying, discretionary, restricted discretionary and controlled applications**

<b>Application type</b>	<b>2024-2025 Processing &amp; Administration</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Processing &amp; Administration</b>	<b>2025-2026 Fee</b>
Pre-application meetings		\$255 per hour with planner, engineer or monitoring officer \$150 per hour with business support including administration and planning technician time  Consultants charged at actual cost		\$270 per hour with planner, engineer or monitoring officer \$165 per hour with business support including administration and planning technician time  Consultants charged at actual cost  Pre-application advice from Wellington Water \$270 per hour
Notified application - hearing required	Processing: up to 50 hours	\$12,750.00 Additional fee of \$1,000.00 for applications requiring notification in a daily newspaper	Processing: up to 50 hours	\$13,500.00 Additional fee of \$1,000.00 for applications requiring notification in a daily newspaper
Limited notification	Processing: up to 35 hours	\$9,330.00	Processing: up to 35 hours	\$9,885.00

<b>Application type</b>	<b>2024-2025 Processing &amp; Administration</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Processing &amp; Administration</b>	<b>2025-2026 Fee</b>
	Business Support: 1 hour Monitoring : 1 hour		Business Support: 1 hour Monitoring : 1 hour	
Non-notified resource consent	Processing: up to 9 hours Business Support: 1 hour Monitoring : 1 hour	\$2,700.00	Processing: up to 9 hours Business Support: 1 hour Monitoring : 1 hour	\$2,865.00
Non-notified resource consent - residential additions and alterations	Processing: up to 7 hours Business Support: 1 hour Monitoring : 1 hour	\$2,190.00	Processing: up to 7 hours Business Support: 1 hour Monitoring : 1 hour	\$2,325.00
Boundary deemed permitted activities	Processing: up to 3 hours Business Support: 1 hour	\$915.00	Processing: up to 3 hours Business Support: 1 hour	\$975.00
Marginal or temporary activity exemptions	Processing: up to 3 hours Business Support: 1 hour	\$915.00	Processing: up to 3 hours Business Support: 1 hour	\$975.00
All additional processing or monitoring time by planner, engineer, Wellington Water or monitoring officer		\$255.00 per hour		\$270.00 per hour

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
All additional business support time		\$150.00 per hour		\$165.00 per hour
Hearing commissioner time shall be recovered for time spent in hearings and deliberating		<p><b>Council Commissioners</b> :</p> <p>Chair: \$116.00 per hour</p> <p>Members: \$93.00 per hour</p> <p><i>Note: the above fees are set in accordance with Local Government Members Determination</i></p> <p><b>Independent Commissioners</b> :</p> <p>Chair: Actual Cost</p> <p>Member of hearing panel: Actual Cost</p>		<p><b>Council Commissioners</b> :</p> <p>Chair: \$116.00 per hour</p> <p>Members: \$93.00 per hour</p> <p><i>Note: the above fees are set in accordance with Local Government Members Determination</i></p>
Fast Track – non-notified consents only – issued within 10 days <b>Note:</b> conditions apply, applications will be		Two times the normal fee Additional processing time: \$510.00 per hour		Two times the normal fee Additional processing time: \$540.00 per hour

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
accepted on a case-by-case basis				
Fast Track - non-notified consents only - issued within 5 days <b>Note:</b> conditions apply, applications will be accepted on a case-by-case basis		Three times the normal fee Additional processing time: \$765.00 per hour		Three times the normal fee Additional processing time: \$810.00 per hour

**Subdivisions (including unit title and cross lease)**

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
Pre-application meeting		\$255 per hour with planner, engineer or monitoring officer  \$150 per hour with business support including administration and planning technician time  Consultants		\$270 per hour with planner, engineer or monitoring officer  \$165 per hour with business support including administration and planning technician time  Consultants



<b>Application type</b>	<b>2024-2025 Processing &amp; Administration</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Processing &amp; Administration</b>	<b>2025-2026 Fee</b>
		charged at actual cost		charged at actual cost
Notified application - hearing required	Processing: up to 50 hours	\$12,750.00 Additional fee of \$1,000.00 for applications requiring notification in a daily newspaper	Processing: up to 50 hours	\$13,500.00 Additional fee of \$1,000.00 for applications requiring notification in a daily newspaper
Limited notification	Processing: Up to 35 hours Monitoring: 1 hour	\$9,180.00	Processing: Up to 35 hours Monitoring: 1 hour	\$9,885.00
Subdivision consent including land use consent for up to three lots	Processing: Up to 17 hours Business Support: 1 hour Monitoring: 1 hour	\$4,740.00	Processing: Up to 17 hours Business Support: 1 hour Monitoring: 1 hour	\$5,025.00
Subdivision consent including land use consent for four or more lots	Processing: Up to 27 hours Business Support: 1 hour Monitoring: 1 hour	\$7,290.00	Processing: Up to 27 hours Business Support: 1 hour Monitoring: 1 hour	\$7,725.00
Subdivision consent	Processing: Up to 13 hours Business Support: 1 hour Monitoring: 1 hour	\$3,720.00	Processing: Up to 13 hours Business Support: 1 hour Monitoring: 1 hour	\$3,945.00
Certificate under section 223 and/or	Processing: Up to 3 hours	\$915.00	Processing: Up to 3 hours	\$975.00

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
224 of the RMA	Business Support: 1 hour		Business Support: 1 hour	
Certificate under section 226 of the RMA	Processing: Up to 6 hours Business Support: 1 hour	\$1,680.00	Processing: Up to 6 hours Business Support: 1 hour	\$1,785.00
Section 241 and 243 RMA application	Processing: Up to 6 hours Business Support: 1 hour	\$1,680.00	Processing: Up to 6 hours Business Support: 1 hour	\$1,785.00
Rights of way	Processing: Up to 6 hours Business Support: 1 hour	\$1,680.00	Processing: Up to 6 hours Business Support: 1 hour	\$1,785.00
Rights of way sealing fee	Processing: Up to 2 hours Business Support: 1 hour	\$660.00	Processing: Up to 2 hours Business Support: 1 hour	\$705.00
All additional processing or monitoring time by planner, engineer, Wellington Water or monitoring officer		\$255.00 per hour		\$270.00 per hour
All additional business support time		\$150.00 per hour		\$165.00 per hour
Hearing commissioner time shall be recovered for time spent		<b>Council Commissioners</b> : Chair: \$116.00 per hour		<b>Council Commissioners</b> : Chair: \$116.00 per hour

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
in hearings and deliberating		<p>Members: \$93.00 per hour</p> <p><i>Note: the above fees are set in accordance with Local Government Members Determination</i></p> <p><b>Independent Commissioners</b></p> <p>:</p> <p>Chair: Actual Cost</p> <p>Member of hearing panel: Actual Cost</p>		<p>Members: \$93.00 per hour</p> <p><i>Note: the above fees are set in accordance with Local Government Members Determination</i></p> <p><b>Independent Commissioners</b></p> <p>:</p> <p>Chair: Actual Cost</p> <p>Member of hearing panel: Actual Cost</p>

**Other Fees**

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
Sec 139A Existing Use Certificate application	Processing: Up to 6 hours Business Support: 1 hour	\$1,680.00	Processing: Up to 6 hours Business Support: 1 hour	\$1,785.00
Certificate of Compliance	Processing: Up to 6 hours Business Support: 1 hour	\$1,680.00	Processing: Up to 6 hours Business Support: 1 hour	\$1,785.00
Outline plan or waiver	Processing: Up to 6 hours Business Support: 1 hour Monitoring: 1 inspection	\$1,935.00	Processing: Up to 6 hours Business Support: 1 hour Monitoring: 1 inspection	\$2,055.00

<b>Application type</b>	<b>2024-2025 Processing &amp; Administration</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Processing &amp; Administration</b>	<b>2025-2026 Fee</b>
Section 10 waiver, section 37 waiver, section 125 extension, section 126 cancellation, sections 127 & 128 review (non-notified) RMA	Processing: Up to 6 hours Business Support: 1 hour	\$1,680.00	Processing: Up to 6 hours Business Support: 1 hour	\$1,785.00
Certificate of Use under the Sale and Supply of Alcohol Act 2012	Business Support: Up to 2 hours	\$300.00	Business Support: Up to 2 hours	\$330.00
Sealing fee (for urgent applications for registrable instruments)		\$255.00		\$270.00
Certificate under Overseas Investment Act 1973	Processing: Up to 3 hours	\$765.00	Processing: Up to 3 hours	\$810.00
Cost of disbursements i.e. venue hire, photocopying, catering, postage, public notification		Actual cost		Actual cost
Independent consultants, advisors, specialists		Actual cost invoiced monthly		Actual cost invoiced monthly

Application type	2024-2025 Processing & Administration	2024-2025 Fee	2025-2026 Processing & Administration	2025-2026 Fee
Discharge or withdrawal of registrable instruments		Legal costs: Actual cost  Officer's time: \$255.00 per hour		Legal costs: Actual cost  Officer's time: \$270.00 per hour
Processing request for removal of building line	Processing: Up to 1 hour	\$255.00  Additional time: \$255.00 per hour  Disbursements: Actual cost	Processing: Up to 1 hour	\$270.00  Additional time: \$270.00 per hour  Disbursements: Actual cost
Approval, variation or revocation of easements		Legal costs: Actual cost  Officer's time: \$255.00 per hour		Legal costs: Actual cost  Officer's time: \$270.00 per hour
Bond preparation and/or release	Processing: 2 hours	\$510.00  Additional time: \$255.00 per hour  Disbursements: Actual cost	Processing: 2 hours	\$540.00  Additional time: \$270.00 per hour  Disbursements: Actual cost

### Resource consent terms and late payment

#### *Initial and additional fees*

Fees must be paid before applications are processed and work undertaken by Council. Further charges will be invoiced if additional time is spent processing requests and/or disbursements.

#### *Terms of payment*

Payment of additional fees is due by the 20th of the month following invoice processing.

Late payment will incur:

- an additional administrative fee (lesser than 10% of the overdue amount or \$300.00)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### Building consents

It is possible that Council may migrate its online building consenting function to a new platform which may have implications for building consenting and related fees. Council reserves the right to adjust this fee schedule to take into account any changes in costs incurred by Council from the adoption of a new building consenting platform.

### Application Fees

Our application fees cover our initial administration, processing and inspection time.

Our application fees include GST.

They don't include:

- additional administration, processing and inspection fees
- disbursement costs
- consultants' fees (at cost)
- the BRANZ levy (\$1 per \$1,000 for works valued at \$20,000 and over)  
SUBJECT TO CHANGE
- the Ministry of Business, Innovation and Employment (MBIE) levy (\$1.75 per \$1,000 for works valued at \$65,000 and over). SUBJECT TO CHANGE

We'll let you know the details of these additional fees once the application process is complete.

### Hardcopy Consents

Your approved consents will be sent electronically unless you request a hardcopy.

Additional fees will apply in the following situations:

- Consent applications submitted in hardcopy
- Hardcopy issued of approved Minor Works Consent
- Hardcopy issued of approved Residential Consent
- Hardcopy issued of approved Commercial Consent

### Building Consent Applications

Application Type	2024-2025 Processing & Inspections included	2024-2025 Fees	2025-2026 Processing & Inspections included	2025-2026 Fees
Pre-application meetings		Residential: \$230.00 per hour  Commercial: \$250.00 per hour	up to 1 hour processing and 1 hour meeting time for residential and commercial.	Residential: \$500.00 Additional time: \$250.00 per hour  Commercial: \$540.00 Additional time: \$270.00 per hour
			up to 2 hours processing and 2 hours meeting time for Fire Engineering Brief (FEB)	\$1,080.00 Additional time: \$270.00 per hour
Digital lodgement fee	Not charged for Free standing and inbuilt wood burners, Minor works building consents, Schedule 1 exemptions, Extension of time requests and Code Compliance Certificates applications	Residential: \$100.00 (below \$500,000 value of work)  \$175.00 (incl and above \$500,000 value of work)  Commercial: \$250.00 (below \$500,000 value of work)  \$500.00 (incl and above \$500,000 value of work)		Digital lodgement fee: new structure for 2025-2026 (refer to the information below)

<b>Application Type</b>	<b>2024-2025 Processing &amp; Inspections included</b>	<b>2024-2025 Fees</b>	<b>2025-2026 Processing &amp; Inspections included</b>	<b>2025-2026 Fees</b>
Digital lodgement fee: Parent Application Form 2		N/A  Digital lodgement: new fee structure for 2025-2026	Application for Project Information Memorandum and/or building consent  Not charged for inbuilt and free standing fires.	\$80.00 fixed fee - value of work less than \$125,000  0.075% multiplier for value of work equal to or greater than \$125,000
			Project Information Memorandum Only - Application for Project Information Memorandum	\$80.00 fixed fee
Digital lodgement fee: Form 8		N/A  Digital lodgement: new fee structure for 2025-2026	Application for Certificate of Acceptance	\$80.00 fixed fee - value of work less than \$125,000  \$350.00 fixed fee value of work equal to or greater than \$125,000
Digital lodgement fee: Amendment Application Form 2		N/A  Digital lodgement: new fee structure for 2025-2026	Application for amendment to a building consent.  Note: changes in value of work – to be charged as per the new value of work	\$80.00 fixed fee - value of work less than \$125,000  0.075% multiplier for value of work equal to or



<b>Application Type</b>	<b>2024-2025 Processing &amp; Inspections included</b>	<b>2024-2025 Fees</b>	<b>2025-2026 Processing &amp; Inspections included</b>	<b>2025-2026 Fees</b>
			Not charged for inbuilt and free standing fires.	greater than \$125,000
Digital lodgement fee: Supporting Application Form 15		N/A  Digital lodgement: new fee structure for 2025-2026	Application for Certificate of Public Use	\$80.00 fixed fee
Digital lodgement fee: Other Application		N/A  Digital lodgement: new fee structure for 2025-2026	Applications for an exemption to a building consent	\$80.00 fixed fee
Free standing and Inbuilt fire Fast Track - five days	1.5 hours processing, 1 hour inspection time and 0.5 hours admin time	Residential \$657.50 Commercial \$707.50	1.5 hours processing, 0.5 hours admin and 1 hour inspection time	Residential: \$707.50 Commercial: \$757.50
Minor works (minor drainage)	up to 2 hours processing, 0.5 hours admin and 2 hours inspection time	Residential \$1,002.50 Commercial \$1,082.50	up to 2 hours processing, 0.5 hours admin and 2 hours inspection time	Residential: \$1,082.50 Commercial: \$1,162.50
To >\$5,000	up to 3 hours processing, 0.5 hours admin and 2 hours	Residential \$1,232.50 Commercial \$1,332.50	up to 3 hours processing, 0.5 hours admin and 2 hours inspection time	Residential: \$1,332.50 Commercial: \$1,432.50

<b>Application Type</b>	<b>2024-2025 Processing &amp; Inspections included</b>	<b>2024-2025 Fees</b>	<b>2025-2026 Processing &amp; Inspections included</b>	<b>2025-2026 Fees</b>
	inspection time			
To \$10,000	up to 5 hours processing, 1 hour admin and 2 hours inspection time	Residential \$1,775.00 Commercial \$1,915.00	up to 5 hours processing, 1 hour admin and 2 hours inspection time	Residential: \$1,915.00 Commercial: \$2,055.00
To \$19,999	up to 5.5 hours processing, 1.5 hours admin and 3 hours inspection time	Residential \$2,202.50 Commercial \$2,372.50	up to 5.5 hours processing, 1.5 hours admin and 3 hours inspection time	Residential: \$2,372.50 Commercial: \$2,542.50
To \$50,000	up to 7 hours processing, 1.5 hours admin and 4 hours inspection time	Residential \$2,777.50 Commercial \$2,997.50	up to 7 hours processing, 1.5 hours admin and 4 hours inspection time	Residential: \$2,997.50 Commercial: \$3,217.50
To \$100,000	up to 8 hours processing, 1.5 hours admin and 5 hours inspection time	Residential \$3,237.50 Commercial \$3,437.50	up to 8 hours processing, 1.5 hours admin and 5 hours inspection time	Residential: \$3,497.50 Commercial: \$3,757.50
To \$200,000	up to 10 hours processing, 1.5 hours admin and 6 hours	Residential \$3,927.50 Commercial \$4,247.50	up to 10 hours processing, 1.5 hours admin and 6 hours inspection time	Residential: \$4,247.50 Commercial: \$4,567.50

<b>Application Type</b>	<b>2024-2025 Processing &amp; Inspections included</b>	<b>2024-2025 Fees</b>	<b>2025-2026 Processing &amp; Inspections included</b>	<b>2025-2026 Fees</b>
	inspection time			
To \$300,000	up to 11 hours processing, 1.5 hours admin and 7 hours inspection time	Residential \$4,387.50 Commercial \$4,747.50	up to 11 hours processing, 1.5 hours admin and 7 hours inspection time	Residential: \$4,747.50 Commercial: \$5,107.50
To \$500,000	up to 12 hours processing, 2.5 hours admin and 8 hours inspection time	Residential \$5,012.50 Commercial \$5,412.50	up to 12 hours processing, 2.5 hours admin and 8 hours inspection time	Residential: \$5,412.50 Commercial: \$5,812.50
To \$1,000,000	up to 16 hours processing, 2.5 hours admin and 8 hours inspection time	Residential \$5,932.50 Commercial \$6,412.50	up to 16 hours processing, 2.5 hours admin and 8 hours inspection time	Residential: \$6,412.50 Commercial: \$6,892.50
To \$2,000,000	up to 20 hours processing, 2.5 hours admin and 9 hours inspection time	Residential \$7,082.50 Commercial \$7,662.50	up to 20 hours processing, 2.5 hours admin and 9 hours inspection time	Residential: \$7,662.50 Commercial: \$8,242.50
Over \$2,000,000	up to 22 hours processing, 3 hours admin and 10	Residential \$7,855.00 Commercial \$8,495.00	up to 22 hours processing, 3 hours admin and 10 hours inspection time	Residential: \$8,495.00 Commercial: \$9,135.00

<b>Application Type</b>	<b>2024-2025 Processing &amp; Inspections included</b>	<b>2024-2025 Fees</b>	<b>2025-2026 Processing &amp; Inspections included</b>	<b>2025-2026 Fees</b>
	hours inspection time			
Schedule 1 exemption - minor works including exemption for blown insulation	up to 1 hour processing and 1 hour admin	Residential: \$395.00 Additional time: \$230.00 per hour  Commercial: \$415.00 Additional time: \$250.00 per hour	up to 1 hour processing and 1 hour admin time	Residential: \$415.00 Additional time: \$250.00 per hour  Commercial: \$435.00 Additional time: \$270.00 per hour
Schedule 1 exemption - all others	up to 4 hours processing and 1 hour admin	Residential: \$1,085.00 Additional time: \$230.00 per hour Commercial: \$1,165.00 Additional time: \$250.00 per hour	up to 4 hours processing and 1 hour admin time	Residential: \$1,165.00 Additional time: \$250.00 per hour Commercial: \$1,245.00 Additional time: \$270.00 per hour
Certificate for Public Use	up to 2 hours processing, 1 hour admin and 1 hour inspection time	Residential: \$855.00 Additional time: \$230.00 per hour Commercial: \$915.00 Additional time: \$250.00 per hour	up to 2 hours processing, 1 hour admin and 1 hour inspection time	Residential: \$915.00 Additional time: \$250.00 per hour Commercial: \$975.00 Additional time: \$270.00 per hour
Fast Track - processed		Two times application fee		Two times application fee

Application Type	2024-2025 Processing & Inspections included	2024-2025 Fees	2025-2026 Processing & Inspections included	2025-2026 Fees
within 10 working days (conditions apply - applications will be accepted on a case-by-case basis only)		Additional time: Residential: \$460.00 per hour Commercial: \$500.00 per hour		Additional time: Residential: \$500.00 per hour Commercial: \$540.00 per hour
Extension of time		Residential: \$460.00 Commercial: \$500.00		Residential: \$500.00 Commercial: \$540.00
Notice to fix		Residential: \$230.00 Additional time: \$230.00 per hour Commercial: \$250.00 Additional time: \$250.00 per hour		Residential: \$250.00 Additional time: \$250.00 per hour Commercial: \$270.00 Additional time: \$270.00 per hour
Owner supplied information		\$230.00 per hour		Residential: \$250.00 per hour Commercial: \$270.00 per hour
Project Information Memorandum (PIM)	up to 2 hours processing and 1 hour admin time	Residential: \$625.00 Additional time: \$230.00 per hour Commercial:	up to 2 hours processing and 1 hour admin time	Residential: \$665.00 Additional time: \$250.00 per hour

Application Type	2024-2025 Processing & Inspections included	2024-2025 Fees	2025-2026 Processing & Inspections included	2025-2026 Fees
		\$665.00 Additional time: \$250.00 per hour		Commercial: \$705.00 Additional time: \$270.00 per hour

### Building Consent fee terms and late payment

#### Initial Fees and Additional Fees

Initial fees can be paid anytime from the invoice being received and must be paid before approved applications are issued by Council. The processing of your application will continue when you receive the invoice. Further charges will be invoiced for disbursements and if additional time is spent processing the application.

#### Terms of Payment

Payment of additional consenting, administration, disbursements and consultants' fees shall be paid before application is issued. Additional inspection fees shall be paid before Code Compliance Certificate is issued.

Late payment will incur:

- an additional administrative fee - lesser of 10% of the overdue amount or \$357.50
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

#### Other Fees

Fee type	2024-2025 Fees	2025-2026 Fees
Restricted Building Work (for works \$20,000 and over)	\$115.00	\$125.00
BCA Accreditation Levy (for works \$20,000 and over)	Residential: \$65.00 Commercial: \$80.00	\$1.00 per \$1,000.00 project value (non-refundable)
Code Compliance Certificate (Application Fee for all building work included in an issued building consent,	Residential: \$510 (includes 1.5 hours of processing, 1 hour of admin) Additional time: \$230 per hour	Residential: \$540.00 (includes 1.5 hours of processing, 1 hour of admin) Additional time: \$250.00 per hour

Fee type	2024-2025 Fees	2025-2026 Fees
excluding freestanding and in-built fires)	Commercial: \$1,040 (includes 3.5 hours of processing, 1 hour of admin) Additional time: \$250 per hour	Commercial: \$1,110.00 (includes 3.5 hours of processing, 1 hour of admin) Additional time: \$270.00 per hour
Code of Compliance Certificates (CCC) for building consents older than 5 years	N/A New fee for 2025-2026	Residential: \$1,040.00 (includes 1.5 hours of processing, 1 hour of admin, 1 hour inspection time and CCC hardcopy lodgement fee \$250.00) Additional time: \$250.00 per hour  Commercial: \$1,650.00 (includes 3.5 hours of processing, 1 hour of admin, 1 hour inspection time and CCC hardcopy lodgement fee \$270.00) Additional time: \$270.00 per hour
All additional processing and admin (per hour) - except where a different rate is listed	Admin only: \$165.00 Residential: \$230.00 Commercial: \$250.00	Admin only: \$165.00 Residential: \$250.00 Commercial: \$270.00
Building inspections – minimum charge of 1 hour per inspection	Residential: \$230.00 Additional time: \$230.00 per hour	Residential: \$250.00 Additional time: \$250.00 per hour

Fee type	2024-2025 Fees	2025-2026 Fees
	Commercial: \$250.00 Additional time: \$250.00 per hour	Commercial: \$270.00 Additional time: \$270.00 per hour
Amendment to building consent including B2 Durability Modification	Residential: \$625.00 (includes 2 hours processing and 1 hour admin) Additional time: \$230.00 per hour Commercial: \$665.00 (includes 2 hours processing and 1 hour admin) Additional time: \$250.00 per hour	Residential: 665.00 (includes 2 hours processing and 1 hour admin) Additional time: \$250.00 per hour Commercial: \$705.00 (includes 2 hours processing and 1 hour admin) Additional time: \$270.00 per hour
Section 72 - building on land subject to natural hazards	Residential: actual cost Commercial: actual cost (Processing time covered in initial fee)	Residential: actual cost Commercial: actual cost (Processing time covered in initial fee)
Section 75 - building on two or more allotments	Residential: actual cost Commercial: actual cost (Processing time covered in initial fee)	Residential: actual cost Commercial: actual cost (Processing time covered in initial fee)
Structural checking fee	Actual cost	Actual cost

### Environmental Sustainability Initiatives

Initiative	2024-2025 Fees	2025-2026 Fees
Eco Design Advisor home assessment & advice	Free	Free
Advice on building to Homestar or Passive House requirements	Free	Free



Initiative	2024–2025 Fees	2025–2026 Fees
Consents for: <ul style="list-style-type: none"> <li>Domestic solar hot water heating panels</li> <li>Solar water heating systems</li> <li>Hot water heat pump systems</li> <li>Hot water systems, i.e. wetbacks associated with wood pellet stoves or low-emission wood burners</li> <li>Replacing gas water heater with resistive electric or heat-pump hot water heater</li> </ul>	Free of charge for five hours of initial processing and one monitoring inspection, after which standard charges for the category of consent will apply, i.e. <ul style="list-style-type: none"> <li>Residential: \$230.00 per hour</li> </ul>	Free of charge for five hours of initial processing and one monitoring inspection, after which standard charges for the category of consent will apply, i.e. <ul style="list-style-type: none"> <li>Residential: \$250.00 per hour</li> </ul>

### Certificate of Acceptance (COA)

Value of works	2024–2025 Fees	2025–2026 Fees
Works under \$100,000	<p>\$1,300.00 and normal building consent fee and any levies required e.g. for MBIE</p> <p>Additional time: Residential: \$230.00 per hour Commercial: \$250.00 per hour</p> <p>Additional processing time will be charged at the end of the process</p>	<p>\$1,300.00 and normal building consent fee and any levies required e.g. for MBIE</p> <p>Additional time: Residential: \$250.00 per hour Commercial: \$270.00 per hour</p> <p>Additional processing time will be charged at the end of the process</p>
Works \$100,000 and over	<p>\$3,800.00 and normal building consent fee and any levies required e.g. for MBIE</p> <p>Additional time: Residential: \$230.00 per hour Commercial: \$250.00 per hour</p> <p>Additional processing time will be charged at the end of the process</p>	<p>\$3,800.00 and normal building consent fee and any levies required e.g. for MBIE</p> <p>Additional time: Residential: \$250.00 per hour Commercial: \$270.00 per hour</p> <p>Additional processing time will be charged at the end of the process</p>

**Compliance Schedule (CS), Building Warrant of Fitness (BWOF) and Enforcement**

<b>Fee type</b>	<b>2024-25 Processing included</b>	<b>2024-2025 Fees</b>	<b>2025-2026 Processing included</b>	<b>2025-2026 Fees</b>
BWOF Registration: 1-2 specified systems	0.5 hours	\$115.00	0.5 hours	\$135.00
BWOF Registration: 3-8 specified systems	1 hour	\$250.00	1 hour	\$270.00
BWOF Registration: 9 or more specified systems	2 hours	\$500.00	2 hours	\$540.00
Residential cable car Registration		\$115.00 per hour		This fee for 2025-2026 is covered under BWOF Registration: 1-2 specified systems
BWOF/CS audit		\$250.00 per hour		\$270.00 per hour
BWOF/CS audit follow up		N/A New fee for 2025-2026		\$270.00 per hour
New CS or amendment to CS		\$250.00 per hour		\$270.00 per hour
Notice to fix		Residential: \$230.00 per hour  Commercial: \$250.00 per hour		Residential: \$250.00 per hour  Commercial: \$270.00 per hour

Fee type	2024-25 Processing included	2024-2025 Fees	2025-2026 Processing included	2025-2026 Fees
Dangerous, affected, or insanitary building notice		N/A New fee for 2025-2026		Residential: \$250.00 per hour  Commercial: \$270.00 per hour
Additional time - except where a different rate is listed		\$250.00 per hour		\$270.00 per hour
Infringement notice		N/A New fee for 2025-2026		\$270.00 per hour plus the fee as per <a href="#">Schedule 1, Building (Infringement Offences, Fees, and Forms) Regulations 2007</a>

### Building Warrant of Fitness fee terms

Registration fees must be paid between the Building Warrant of Fitness renewal date and the 20th of the following month.

### Late Payments

If payment is not received by the 20th of the month following the renewal date of your Building Warrant of Fitness, the following will apply:

- an additional administrative fee - lesser of 10% of the overdue amount or \$357.50
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### Building Warrant of Fitness Audit fee terms

#### Terms of payment

Payment to be made before the 20th of the following month.

#### Late payment

If payment is not received by the 20th of the month following, the following will apply:

- an additional administrative fee - lesser of 10% of the overdue amount or \$357.50

- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### Earthquake Prone Buildings

Fee type	2024–2025 Fees	2025–2026 Fees
Issuing Earthquake Prone Building Notice	\$250 per hour	\$270.00 per hour
Extension of time	\$250.00 per hour	\$270.00 per hour
Exemption	\$250.00 per hour	\$270.00 per hour
Additional time	\$250.00 per hour	\$270.00 per hour
Earthquake prone building on MBIE register	\$250.00 per building	\$270.00 per building

### Residential Pools

Fee type	2024–2025 Fees	2025–2026 Fees
Pool audit inspection (including empty pools)	\$230.00 per hour	\$250.00 per hour
Pool re-inspection	\$115.00 per 0.5 hour	\$125.00 per 0.5 hour
Pools receipt of IQPI report	\$115.00 (first 0.5 hour) Additional time: \$230.00 per hour	\$125.00 (first 0.5 hour) Additional time: \$250.00 per hour
Applications for waivers under section 67A of the Building Act 2004	\$400.00 Additional time: \$230.00 per hour	\$400.00 Additional time: \$250.00 per hour
Notice to fix	\$230.00 per hour	\$250.00 per hour

### Pools late payment terms

If payment is not received by the 20th of the month following the date of the invoice, the following will apply:

- an additional administrative fee – lesser of 10% of the overdue amount or \$357.50
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

### Hardcopy lodgements and documents issued for consent

Fee type	2024-2025 Fees	2025-2026 Fees
Consent lodgement fee – hardcopy including electronic – not submitted via HCC’s Online Consent system. Excludes: Freestanding and Inbuilt fires	Residential: \$460.00 Commercial: \$500.00	Residential: \$500.00 Commercial: \$540.00
Code Compliance Certificate (CCC) Lodgement fee (hardcopy including electronic not submitted via HCC’s Online Consent system)  Excludes: Freestanding and Inbuilt fires.  For building consents older than 5 years – see separate fee type in the “Other fees” fee table.	N/A New fee for 2025-2026	Residential: \$250.00 Commercial: \$270.00
Residential Consent (printed approved documents) – processing	\$230.00 per hour	\$250.00 per hour
Commercial Consent (printed approved documents) – processing	\$250.00 per hour	\$270.00 per hour

### Application Fee Refunds

You can withdraw your building consent application before it has been granted by Council.

If you withdraw or cancel your application, any refund will reflect the time our team have already spent processing it.

**Building information**

Service	2024-2025 Fee	2025-2026 Fee
Approved building permit and building consent information	Available free on our website	Available free on our website
Request for building information sent by mail	First 30 minutes free Additional time \$115.00 per half hour	First 30 minutes free Additional time \$125.00 per half hour
Request for building information hard copy	\$2.15 per A4 \$3.50 per A3	\$2.15 per A4 \$3.50 per A3
Plumbing and drainage plan	Available free on our website	Available free on our website
Aerial photography	Available free on our website	Available free on our website
A4 colour aerial photo	\$4.50	\$4.50
A3 colour aerial photo	\$7.50	\$7.50
Certificate of Title	\$35.00	\$35.00
Interests/document e.g. transfer, easement, covenant, lease	\$31.50	\$31.50

**LIMS**

All fees include GST.

Service	2024-2025 Fee	2025-2026 Fee
Residential property LIM	\$475.00	\$500.00
Commercial property LIM (base fee - includes 8 hours processing time)	\$1,250.00	\$1,280.00
Additional processing (per hour)	\$205.00	\$210.00
Fast Track – residential only, processed within five working days (conditions apply, applications will be accepted on a case-by-case basis)	\$800.00 when available	\$825.00 when available
<b>Completed LIM</b> Your LIM will be sent electronically. A fee will apply if a hard copy is requested.		
Hardcopy LIM	\$60.00	\$60.00

**LIM/Property Information terms and late payment***Initial fees and additional fees*

Fees must be paid before applications are processed and work is undertaken by Council.

Charges for commercial LIMs where additional time is spent processing the application will be invoiced.

*Terms of payment*

Late payment will incur:

- an additional administrative fee (10% of the overdue amount)
- all costs and expenses (including debt collection or legal fees) associated with recovery of the overdue amount.

*LIM Application fee refunds*

If your application is withdrawn a refund may be given based on the amount of time already spent processing the LIM. Fast Track applications are not eligible for refunds.

	Refund amount	Percentage of original fee
<b>Residential</b>		
Within 24 hours of applying	Full refund	100%
Within 1-3 days of receipt of application	\$250.00	50%
Within 4-6 days of receipt of application	\$187.50	37.5%
7-10 days of receipt of application	\$ Nil	0%
<b>Commercial</b>		
Within 24 hours of applying	Full refund	100%
Within 1-3 days of receipt of application	\$640	50%
Within 4-6 days of receipt of application	\$480	37.5%
7-10 days of receipt of application	\$ Nil	0%

**Development Contributions**

Service	2024-2025 Fee	2025-2026 Fee
Remission, Reconsideration and special assessment deposit Fee	\$400.00	\$400.00
Objection Deposit	\$3,000.00	\$3,000.00
Development contribution objections	All actual and reasonable costs in accordance with section 150A of the Local Government Act 2002	
Any independent consultants that are required to assist with remissions, reconsideration or special assessment requests will be charged at actual cost.		

Service	2024-2025 Fee	2025-2026 Fee
Full details of the development contributions charges and their makeup can be found in the Council's <i>Development and Financial Contributions Policy</i> which is updated through each Annual/Long-term planning cycle and consulted on where significant changes to the policy are made.		

### Environmental health

Food Act 2014 Registration	2024-2025 Fee	2025-2026 Fee
Application for registration of Food Control Plan (FCP) based on a template or model issued by MPI	\$390.00 (includes 2 hours processing)	\$430.00 (includes 2 hours processing)
Application for registration of a business subject to a plan or model for National Programmes	\$390.00 (includes 2 hours processing)	\$430.00 (includes 2 hours processing)
Application for renewal of registration	\$195.00 (includes 1 hour processing)	\$215.00 (includes 1 hour processing)
Application for amendment to registration	\$195.00 (includes 1 hour processing)	\$215.00 (includes 1 hour processing)
Significant amendment to Food Control Plan	\$195.00 (includes 1 hour processing)	\$215.00 (includes 1 hour processing)
Additional time	\$195.00 per hour	\$215.00 per hour

Food Act 2014 Verification	2024-2025 Fee	2025-2026 Fee
Verification of a Food Control Plan (FCP) based on a template or model issued by MPI	\$195.00 per hour for all verification activities, including travel time.	\$215.00 per hour for all verification activities, including travel time.
Verification of a plan or model for National Programme 3 (NP3)	\$195.00 per hour for all verification activities, including travel time.	\$215.00 per hour for all verification activities, including travel time.
Verification of a plan or model for National Programme 2 or 1	\$195.00 per hour for all verification activities, including travel time.	\$215.00 per hour for all verification activities, including travel time.



<b>Food Act 2014 Verification</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
Cancellation of a verification within 3 days without acceptable reason	\$195.00	\$215.00
Inability to verify an FCP or National Programme at the scheduled time, or to carry out the verification due to the absence of key personnel, or the FCP, or records not being available	\$195.00 in addition to any time spent, at \$195.00 per hour	\$215.00 in addition to any time spent, at \$215.00 per hour

<b>Food Act 2014 Compliance</b>	<b>2024-2025 Fee</b>	<b>2024-2025 Timing of Payment</b>	<b>2025-2026 Fee</b>	<b>2025-2026 Timing of Payment</b>
Issue of Improvement Notice or Notice of Direction	\$195.00 per hour of activity	Payable on invoice	\$215.00 per hour of activity	Payable on invoice
Food	\$195.00 per hour of activity	\$195.00 payable on application Remainder payable on invoice	\$215.00 per hour of activity	\$215.00 payable on application Remainder payable on invoice
All other services and compliance/monitoring activities for which a fee may be set under the Food Act. This includes follow up visits to close out corrective actions, review of (successful) appeals/submissions to verification outcomes, surrender, suspension and revocation of registration.	\$195.00 per hour of activity	Payable on invoice	\$215.00 per hour of activity	Payable on invoice

<b>Additional Fees</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
FCP template and record blanks (photocopy and bound)	\$35.00	\$35.00
Replacement diary (photocopy and bound)	\$35.00	\$35.00
NP guidance and record blanks (photocopy and bound)	\$35.00	\$35.00
Thermometer	\$35.00	\$35.00
Change of ownership (non-food premises)	\$195.00	\$215.00
General administration fee	\$195.00 per hour	\$215.00 per hour
Hardcopy application fee where no online/electronic option is available	\$90.00	\$90.00

<b>Amusement devices (temporary approval)</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
For one device, for the first 7 days of proposed operation or part thereof	\$11.50	\$11.50
For each additional device operated by the same owner, for the first 7 days or part thereof	\$2.30	\$2.30
For each device, for each further period of 7 days or part thereof	\$1.15	\$1.15

<b>Appearance Industries Bylaw 2020</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
Registration fee for an Appearance Industry application	\$290.00 (which includes up to 1.5 hour of inspection, administration, and travel time)	\$320.00 (which includes up to 1.5 hour of inspection, administration, and travel time)
Registration fee for a combined Hairdresser/Appearance Industry application	\$390.00 (which includes up to two hours of inspection, administration, and travel time)	\$430.00 (which includes up to two hours of inspection, administration, and travel time)
Additional time for registration/inspection and investigation of justified complaints	\$195.00 per hour	\$215.00 per hour

<b>Appearance Industries Bylaw 2020</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
under the Appearance Industries Bylaw		

<b>Gambling venue and board venue</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
Class 4 Gambling Venue and Board Venue applications (includes 2 hours of processing)	\$390.00	\$430.00
Additional processing time	\$195.00 per hour	\$215.00 per hour

<b>Noise Control</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
Seizure fine (stereo equipment)	\$180.00 and \$1.00 per day after the 1st month of storage	\$180.00 and \$1.00 per day after the 1st month of storage
Subsequent seizures (stereo equipment) within the same property within a 6 month period	\$300.00 and \$1.00 per day after the 1st month of storage	\$300.00 and \$1.00 per day after the 1st month of storage
Security alarms – daytime attendances	Payable on invoice	Payable on invoice
Security alarms – after hours attendances	Payable on invoice	Payable on invoice
Consultancy and survey fee	\$195.00 per hour	\$215.00 per hour

<b>Premises licences (non-food)</b>	<b>2024-2025 Fee</b>	<b>2025-2026 Fee</b>
Travelling shops (no food)	\$195.00	\$215.00
Hairdressers	\$270.00	\$300.00
Camping Grounds	\$345.00	\$380.00
Hawkers (not including inside parks)	\$195.00	\$215.00
Permanent amusement devices	\$195.00	\$215.00
Mortuaries	\$270.00	\$300.00
Offensive Trades	\$270.00	\$300.00
Change of ownership (non-food premises)	\$195.00	\$215.00

Premises licences (non-food)	2024-2025 Fee	2025-2026 Fee
Hardcopy application fee where no online/electronic option is available	\$90.00	\$90.00
Late application administration fee for Special Licences (all classes)	\$120.00	\$130.00

### Alcohol licencing fees

#### Fees by cost/risk score

Risk Category	Cost/risk score	2024-25 Application Fee	2024-25 Annual Fee	2025-26 Application Fee	2025-26 Annual Fee
Very Low	0-2	\$699.20	\$305.90	\$840	\$367
Low	3-5	\$1,158.05	\$742.90	\$1,505	\$965
Medium	6-15	\$1,551.35	\$1,201.75	\$2,143	\$1,682
High	16-25	\$1,944.65	\$1,966.50	\$2,916	\$2,949
Very High	26+	\$2,294.25	\$2,731.25	\$3,670	\$4,370

### Special licences

Application fees for special licences are calculated according to the size and frequency of the event or events covered by the special licence.

Special licence class	Type/number of events	2024-2025 Fee	2025-2026 Fee
Class 1	<ul style="list-style-type: none"> <li>1x large size event (400+ people)</li> <li>OR</li> <li>more than 3 medium events (100-400 people)</li> <li>OR</li> <li>more than 12 small events (less than 100 people)</li> </ul>	\$1,092.50	\$1,748
Class 2	<ul style="list-style-type: none"> <li>1-3 medium events (100-400 people)</li> <li>OR</li> <li>3-12 small events (less than 100 people)</li> </ul>	\$393.30	\$589
Class 3	<ul style="list-style-type: none"> <li>1-2 small events (less than 100 people)</li> </ul>	\$120.15	\$132

**Other fees**

Description	2024-2025 Fee	2025-2026 Fee
Manager's certificate - new or renewal application	\$316.25	\$316.25
Temporary Authority (3 month term)	\$563.75	\$789.00
Appeal to Alcohol Regulatory and Licensing Authority (ARLA)	\$517.50	\$672.00
Public Notice for Alcohol Licence applications (Council website)	\$155.00	\$155.00

**Environmental policy****Requests for changes to District Plan**

All actual costs related to the proposed plan change, including Council officers' time, will be borne by the applicant as follows:

Fee type	2024-2025 Fee	2025-2026 Fee
Requests for Change to District Plan (deposit)	\$12,750.00 Processing: up to 50 hours	\$13,500.00 Processing: up to 50 hours
All work undertaken by Council's officers in connection with the request for the change shall be charged against the deposit at:	Business Support: \$150.00 per hour Planner: \$255.00 per hour	Business Support: \$165.00 per hour Planner: \$270.00 per hour
Hearing Commissioner time shall be recovered for time spent in hearings and deliberating. <b>Council Commissioners:</b> Chair: Members: <b>Independent Commissioners:</b> Chair: Member of hearing panel:	\$116.00 per hour \$93.00 per hour <i>Note: the above fees are set in accordance with Local Government Members Determination</i>  Actual cost Actual cost	\$116.00 per hour \$93.00 per hour <i>Note: the above fees are set in accordance with Local Government Members Determination</i>  Actual cost Actual cost

Please note:

- If the proposed change is notified publicly, advertising charges will be actual costs payable by the applicant.

- All information requested by the Council shall be supplied at the applicant's cost.
- All work undertaken by independent consultants, advisors and/or specialists in connection with the request for the change shall be charged at the actual costs plus disbursements against the deposit.
- Actual costs of any external venue or equipment hire to run a successful hearing shall be borne by the applicant.

#### **Notice of Requirement and Alterations to Notices of Requirement**

All actual costs related to the requirement, including Council officers' time, will be borne by the Requiring Authority as follows:

<b>Fee type</b>	<b>2024–2025 Fee</b>	<b>2025–2026 Fee</b>
Notice of Requirement and Alterations to Notices of Requirement (deposit)	\$12,750.00 Processing: up to 50 hours	\$13,500.00 Processing: up to 50 hours
All work undertaken by Council officers in connection with the requirement shall be charged against the deposit at:	Business Support: \$150.00 per hour  Planner: \$255.00 per hour	Business Support: \$165.00 per hour  Planner: \$270.00 per hour
Hearing Commissioner time shall be recovered for time spent in hearings and deliberating. <b>Council Commissioners:</b> Chair Members <b>Independent Commissioners:</b> Chair Member of hearing panel	\$116.00 per hour \$93.00 per hour <i>Note: the above fees are set in accordance with Local Government Members Determination</i>  Actual cost Actual cost	\$116.00 per hour \$93.00 per hour <i>Note: the above fees are set in accordance with Local Government Members Determination</i>  Actual cost Actual cost

Please note:

- If the requirement is notified publicly, advertising charges will be actual costs payable by the Requiring Authority.
- All information requested by Council shall be supplied at the Requiring Authority's cost.

- All work undertaken by independent consultants, advisors and/or specialists in connection with the requirement shall be charged at the actual costs plus disbursements against the deposit.
- Actual costs of any external venue or equipment hire to run a successful hearing shall be borne by the applicant.

#### Purchasing a printed copy of the District Plan

Service	2024-2025 Fee	2025-2026 Fee
Electronic Copy	<b>Available online</b> free of charge	<b>Available online</b> free of charge
Complete Set	We encourage use of the ePlan. Costs will be dependent on the officer time required. Business Support: \$150.00 per hour Planner: \$255.00 per hour	We encourage use of the ePlan. Costs will be dependent on the officer time required. Business Support: \$165.00 per hour Planner: \$270.00 per hour

#### Landfill

##### General refuse charges (any mixed rubbish loads)

Service	2024-2025 Minimum charge	2024-2025 Cost per tonne	2025-2026 Minimum charge	2025-2026 Cost per tonne
All light vehicles (cars, vans, utilities, including those with trailers)	\$25.00	\$260.00	\$25.00	\$288.00
All other vehicles	\$120.00	\$260.00	\$120.00	\$288.00

##### Green waste charges

Includes all garden waste. Green waste must not be mixed with general refuse. Only applies to vehicles that can access the transfer station.

Service	2024-2025 Minimum charge	2024-2025 Cost per tonne	2025-2026 Minimum charge	2025-2026 Cost per tonne
All vehicles	\$15.00	\$126.50	\$15.00	\$130.00

##### Special and hazardous waste charges

Service	2024-2025 Minimum charge	2024-2025 Cost per tonne	2025- 2026 Minimum charge	2025-2026 Cost per tonne
Household hazardous waste (household quantities only, normal charges otherwise apply)	Free	Free	Free	Free
Tyres (cost applies to any disposal involving more than four tyres)	\$1,000	\$2,000	1,030	\$2,060
Polystyrene (prior approval required)	\$2,500	\$5,000	\$2,575	\$5,150
Special waste - general (prior approval required))	\$170	\$346	\$189	\$378
Asbestos (prior approval required)	\$180	\$366	\$255	\$510
Special waste – contaminated soil (prior approval required)	\$250	\$500	\$199	\$398

### Libraries

Description	2024-2025 Fee	2025-2026 Fee
Interloans (non-urgent) per request	\$15.00	\$16.00
Interloans (urgent)	At cost	At cost
Lost/damaged items	Cost of the item at time of purchase by Hutt City Libraries	Cost of the item at time of purchase by Hutt City Libraries
Hot Picks rental books	\$4 for 2 weeks	\$4 for 2 weeks
Subscription access for anyone living outside the SMART libraries area who does not own a rate-paying property withing the SMART libraries area	\$30 for three months \$60 for six months \$120 for one year	\$30 for three months \$60 for six months \$120 for one year
Photocopying and printing	B&W A4 \$0.20 B&W A3 \$0.40 Colour A4 \$1.00 Colour A3 \$2.00	B&W A4 \$0.20 B&W A3 \$0.40 Colour A4 \$1.00 Colour A3 \$2.00



**Littering infringement****Littering fines (as set by legislation)**

Type of littering	2024-2025 Fee	2025-2026 Fee
<b>Minor littering</b> Including but not limited to: <ul style="list-style-type: none"> <li>• cigarette butts</li> <li>• wrappers/paper</li> <li>• chewing gum</li> <li>• small amount of food waste</li> <li>• take-away food/drink containers</li> <li>• fish and chip papers</li> <li>• plastic drink bottle(s) and aluminium can(s)</li> <li>• domestic/commercial waste in, or by, public litter bins</li> <li>• single small bag of refuse</li> </ul>	\$100.00	\$100.00
<b>Medium littering</b> Including but not limited to: <ul style="list-style-type: none"> <li>• multiple small bags, one to three large bags or boxes of refuse</li> <li>• small furniture items</li> <li>• small amounts of discard due to an insecure load from truck or trailer</li> </ul>	\$200.00	\$200.00
<b>Major littering</b> Including but not limited to: <ul style="list-style-type: none"> <li>• any large volume of household/commercial/ green waste</li> <li>• car parts</li> <li>• large furniture items</li> <li>• four or more large rubbish bags</li> <li>• hazardous rubbish such as used nappies, needles, sanitary pads, broken glass, wood with nails and sharp metals.</li> </ul>	\$400.00	\$400.00

### Official Information

If you're looking for access to information about yourself, this is covered by the Privacy Act 2020 free of charge.

There is no charge for standard requests made under the Local Government Official Information and Meetings Act 1987.

No charges will apply where the information cannot be readily found, or for time spent deciding whether information will be released.

The following charges will apply for non-standard requests made under the Local Government Official Information and Meetings Act 1987.

Charges will be notified and agreed with the requester before any copying, scanning, collation or redaction is carried out.

A charge may be modified or waived at the discretion of a general manager:

- if the information is in the public interest to release,
- if payment might cause financial hardship,
- or where the information assists public organisations in their work.

### Reproduction charges

Fee type	2024-2025 Fee	2025-2026 Fee
Photocopying A3/A4 - up to 20 pages	Free of charge	Free of charge
Photocopying A3/A4 - over 20 pages	\$0.20 per page	\$0.20 per page
Scanning or copying of items larger than A3	Reproduction costs: As notified on request	Reproduction costs: As notified on request
Charged on a case-by-case basis depending on size, original format and condition	Staff time: \$40.00 per half hour	Staff time: \$40.00 per half hour

### Substantial collation and redaction

For requests which require substantial collation, scanning and/or redaction before release (non-standard) the following charges will apply:

Fee type	2024-2025 Fee	2025-2026 Fee
First hour of staff time	Free of charge	Free of charge
Charge per additional half hour of staff time or part thereof	\$40.00	\$40.00
Any external contractor time as required	Actual cost	Actual cost

### Expense charges

All charges will need to be paid before you receive the information you have requested. All charges incurred will be fixed so to recover the actual costs involved, including:

- Photocopying – the first 20 pages are free. Every A4 page after that will be charged at 20 cents.
- Producing a document by computer or similar equipment
- Reproducing a photograph, film, video or audio recording
- Viewing or hearing a visual or audio recording
- Providing a copy of any map, plan or other document larger than A4
- Retrieval of information offsite or any situation where a direct charge is incurred in providing the information

### Parking

Pay and display meters operate between 9am and 5pm, Monday to Friday.

You can pay:

- with coins or by credit card.
- through the free PayMyPark website or app – pay your parking from your smartphone and extend your time remotely.
- with a SmartPark in-car meters that you can top-up online.

Parking Zone	2024–25 Zone Conditions	2024–2025 Charges	2025–26 Zone Conditions	2025–2026 Charges
Shoppers (Green HC2) Zone	<ul style="list-style-type: none"> <li>☒ Two-hour maximum parking duration outside of signposted restrictions</li> <li>☒ 9am–5pm</li> <li>☒ Public holidays unrestricted Enforcement 7 days per week</li> </ul>	\$3.00 per hour	<ul style="list-style-type: none"> <li>☒ Two-hour maximum parking duration outside of signposted restrictions</li> <li>☒ 9am–5pm</li> <li>☒ Public holidays unrestricted Enforcement 7 days per week</li> </ul>	\$3.50 per hour
Commuter (Yellow HC3) Zone	<ul style="list-style-type: none"> <li>☒ No daily maximum parking duration</li> </ul>	\$3.00 per hour \$10.00	<ul style="list-style-type: none"> <li>☒ No daily maximum parking</li> </ul>	\$3.50 per hour \$10.50

Parking Zone	2024-25 Zone Conditions	2024-2025 Charges	2025-26 Zone Conditions	2025-2026 Charges
	outside of signposted restrictions ☒ 9am-5pm ☒ Public holidays unrestricted Enforcement 7 days per week	maximum daily charge	duration outside of signposted restrictions ☒ 9am-5pm ☒ Public holidays unrestricted Enforcement 7 days per week	maximum daily charge
Commuter (Orange HC4) Zone	☒ No daily maximum parking duration outside of signposted restrictions ☒ 9am-5pm ☒ Public holidays unrestricted Enforcement 7 days per week	\$3.00 per hour \$10.00 maximum daily charge	☒ No daily maximum parking duration outside of signposted restrictions ☒ 9am-5pm ☒ Public holidays unrestricted Enforcement 7 days per week	\$3.00 per hour \$10.00 maximum daily charge
Shoppers / Commuter (Purple HC5) Zone	☒ Four-hour maximum parking duration outside of signposted restrictions ☒ 9am-5pm ☒ Public holidays unrestricted Enforcement 7 days per week	\$3.00 per hour	Four-hour maximum parking duration outside of signposted restrictions ☒ 9am-5pm ☒ Public holidays unrestricted	\$3.50 per hour

Parking Zone	2024-25 Zone Conditions	2024-2025 Charges	2025-26 Zone Conditions	2025-2026 Charges
			Enforcement 7 days per week	
Riverbank car park (Light Blue) Zone	<input checked="" type="checkbox"/> No daily maximum parking duration <input checked="" type="checkbox"/> Public holidays unrestricted Enforcement 7 days per week	\$3.00 per hour \$10.00 maximum daily charge Monthly pass*: \$150.00	<input checked="" type="checkbox"/> No daily maximum parking duration <input checked="" type="checkbox"/> Public holidays unrestricted Enforcement 7 days per week	\$3.50 per hour \$10.50 maximum daily charge Monthly pass*: \$53.00 Retire reduced pass for Dec 25 / Jan 26

\*Riverbank car park monthly passes reduced in price for December and January. Passes can be purchased from Council's building at 30 Laings Road in Lower Hutt or the PayMyPark App.

### Infringements for metered parking

Government made recent announcements with increases to the below fees from 1 October 2024. [Click to read their announcement.](#)

Infringement	2024-2025 Charge	2025-2026 Charge
Parked in a metered area without paying the required fee	\$70.00	\$70.00
Parking on a mobility car park without displaying a valid mobility pass card	\$750.00	\$750.00
Overstaying excess time	2024-2025 Charge	2025-2026 Charge
Less than 30 minutes	\$20.00	\$20.00
More than 30 minutes but less than 1 hour	\$25.00	\$25.00
More than 1 hour but less than 2 hours	\$36.00	\$36.00
More than 2 hours but less than 4 hours	\$51.00	\$51.00

Overstaying excess time	2024-2025 Charge	2025-2026 Charge
More than 4 hours but less than 6 hours	\$71.00	\$71.00
More than 6 hours	\$97.00	\$97.00

### EV charging stations

Description	2024-2025 Charge	2025-2026 Charge
If pricing based on power consumption only (\$/kWh)	Maximum cost per kWh: \$0.75/kWh	Maximum cost per kWh: \$0.75/kWh
If combined pricing based on power consumption and time (\$/kWh and \$/min)	Maximum cost per kWh when charging: \$0.31 Maximum cost per minute when charging: \$0.31	Maximum cost per kWh when charging: \$0.31 Maximum cost per minute when charging: \$0.31
Idle fees (\$/min)	Maximum cost per minute when not charging: \$1	Maximum cost per minute when not charging: \$1

### Kerbside rubbish and recycling

Service change	2024-2025 Charge	2025-2026 Charge
Additional/replacement/new wheelie bin for rubbish	\$115.00	\$115.00
Additional/replacement/new wheelie bin for recycling	\$115.00	\$115.00
Additional/replacement/new glass crate	\$45.00	\$45.00
Additional/replacement/new wheelie bins for rubbish and recycling and glass crate	\$170.00	\$170.00

Service fees apply for any bin changes except downsizing of rubbish bins and upsizing of recycling bins.

**Roading****Roading fees and charges**

<b>Subdivision inspection &amp; approval charges</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Boundary adjustment	\$320.00	\$327.00
All business support/administration	\$200.00 per hour	\$204.00 per hour
All processing or monitoring by engineer	\$250.00 per hour	\$255.00 per hour
All processing or monitoring by senior/principal engineer	\$320.00 per hour	\$327.00 per hour

<b>Privately installed motor crossing charges</b>	<b>2024-2025 charge</b>	<b>2024-2025 Admin/inspection charge</b>	<b>2025-2026 charge</b>	<b>2025-2026 Admin/inspection charge</b>
Deposit for privately installed crossing (\$336.00 refunded upon satisfactory completion of crossing)	\$336.00	\$223.35	Remove Service	
Deposit for installation of a Heavy Duty or Extra Heavy Duty vehicle crossing (\$569.00 refunded upon satisfactory completion of crossing)	\$569.00	\$223.35	Remove Service	
Fee for compliance of installation on completion.		New fee in 2025-26		\$228.00

**Corridor Access Requests**

In accordance with Clause 6.5 Corridor Manager Cost Recovery in the National Code, Council is able to recover costs in administering and monitoring Corridor Access Requests (CAR) consent compliance.

Since 1 July 2015 Hutt City Council aligns itself with Upper Hutt City Council's fees and charges for processing CAR. This includes charging a fee for texturizing seal coats where trenches are located within the carriageway.

Request type	2024-2025 Charge	2025-2026 Charge
Corridor Access Request – Minor Work (per CAR request)	\$228.00	\$233.00
Corridor Access Request – Major Work (per CAR request)	\$260.00	\$266.00
Corridor Access Request – Project Work (per CAR request)	\$1,392.00	\$1,423.00
Fee the texturizing seal coat of a trench in carriageway	\$9.20/m <sup>2</sup>	\$9.50
Re-inspection Fee	\$228.00	\$233.00
Additional Call out Inspection Fee	New fee in 2025-26	\$130.00 per hour
<b>Cancellation &amp; Reinstatements</b>		
Work Access Permit Extension	\$110.00	\$112.50
Traffic Management Plan Amendment	\$110.00	\$112.50
Road Closure Request	\$165.00	\$169.00
Global Corridor Access Request (GTMP)	\$458.00	\$468.00
<b>Non-conformance Penalty Fees</b>		
Minor	\$275.00	\$281.00
Major	\$880.00	\$900.00
Non-notification Penalty	\$330.00	\$337.50
Overdue Corridor Access Request	New fee in 2025-26	\$70.00 per week
<b>Overweight Vehicles</b>		
Annual Permit Renewals	New fee in 2025-26	\$350.00
Single to 5-trip Permit	New fee in 2025-26	\$150.00
<b>Other Services</b>		
Skip bin or container on road reserve within corridor access	\$88.00	\$90.00 pe week
Penalty for non-conformance	New fee in 2025-26	\$300.00

### Signboard hire and production costs



There are four signboards located in Lower Hutt that can be hired out by the week. The weekly hire fees include installation and removal costs. Total price for hiring is weekly hire fee plus production costs plus GST.

All prices are exclusive of GST.

#### 2025–2026 Charges

Signboard location	Side A hire per week	Side A production per booking	Side B Hire per week	Side B production per booking
Ewen Bridge	\$158.00	\$179.00	\$158.00	\$179.00
Waione Street Bridge, Seaview	\$158.00	\$179.00	\$112.00	\$179.00
Kennedy Good Bridge, Avalon	\$158.00	\$179.00	\$112.00	\$179.00
Cambridge Terrace, Naenae	\$112.00	\$179.00	\$112.00	\$179.00
All four signboards	\$588.00	\$179.00	\$496.00	\$726.00

#### 2024–2025 Charges

Signboard location	Side A hire per week	Side A production per booking	Side B Hire per week	Side B production per booking
Ewen Bridge	\$155.00	\$175.00	\$155.00	\$175.00
Waione Street Bridge, Seaview	\$155.00	\$175.00	\$110.00	\$175.00
Kennedy Good Bridge, Avalon	\$155.00	\$175.00	\$110.00	\$175.00
Cambridge Terrace, Naenae	\$110.00	\$175.00	\$110.00	\$175.00
All four signboards	\$575.00	\$710.00	\$485.00	\$710.00

### Sportsfields and parks

#### Season charges

Set to recover the percentage of operating cost identified below plus the full operating cost of ancillary services:

	2025–2026
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Recovery rates percentage	Level 1	Level 2	Level 3	Children	Training/Winter
<b>Sports</b>	30%	20%	10%	5%	5%
<b>Cricket/Croquet</b>	25%	15%	10%	5%	N/A

	2024–2025				
Recovery rates percentage	Level 1	Level 2	Level 3	Children	Training/Winter
<b>Sports</b>	30%	20%	10%	5%	5%
<b>Cricket/Croquet</b>	25%	15%	10%	5%	N/A

### One-off or single day hire

We charge 10 per cent of the season charge per game, or 15 per cent of the season charge per day if the game lasts three hours or longer.

### Special events charges

We charge fees for hiring out sportsgrounds for events and other special events. Our fees and charges include goods and services tax (GST).

Service	2024–2025 Charge	2025–2026 Charge
Events and commercial operators	Get in touch	Get in touch
Picnic bookings (30 or more people)	\$58.00	\$61.00
Filming	\$470 per day	\$493.50
Marquees for picnics/promotions – small	\$116.00	\$121.50
Marquees for picnics/promotions – up to 50m <sup>2</sup>	\$232.00	\$243.50
Marquees for picnics/promotions – up to 100m <sup>2</sup>	\$470.00	\$493.50
Marquees for picnics/promotions – larger	\$707.00	\$742.50
Weddings	\$116.00	\$121.50
Hire of rooms, social facilities and training fields	Get in touch	Get in touch
No. 1 field at Hutt Recreation Ground	Get in touch	Get in touch

**Note:** We give priority to season-long bookings over casual bookings.

### Swimming Pools

<b>Casual Rates</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Adult (without community services card)	\$7.00	\$7.40
Adult (with community services card)	\$5.50	\$5.80
Child – Under ten with Community Service Card	Free from 1 October 2024	Free
Child – Ten and over	\$5.00	\$5.30
Student (with ID)	\$5.50	\$5.80
Over 65s	\$5.50	\$5.80
Accessibility (for people with disability)	\$5.50	\$5.80
Spectator (non-supervising adult)	\$3.00	\$3.20
Family pass (two adults/four children)	\$25.00	\$26.00
Zoom Tube	\$5.50	\$5.80
Liquid Fitness Class	\$9.50	\$10.00
Easy Move or Nifties Class (selected pools)	\$6.50	\$7.00
Private Spa/Sauna and Swim (selected pools)	\$9.00	\$9.50
Shower only	\$4.00	\$4.20
Supervising Adult for child under 10	Free	Free

<b>Concession Rates</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Adult 10 swim	\$63.00	\$66.50
Adult 30 swim	\$182.00	\$191.00
Accessibility 10 swim (for people with disability) Carers or support people assisting receive free admission	\$43.00	\$52.50
Child 10 swim	\$45.00	\$47.50
Child 30 swim	\$130.00	\$136.50

<b>Concession Rates</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Over 65s, Student (with ID) and Adult with community services card 10 swim	\$47.70	\$52.50
Over 65s, Student (with ID) and Adult with community services card 30 swim	\$137.80	\$150.80
Liquid Fitness 10 Class	\$86.50	\$90.00
Easy Move or Nifties Class 10 Class	\$58.50	\$62.00
Recreation programmes 10 classes	\$65.00	\$68.00

<b>Gym and Swim Memberships</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Swim only	\$12.00	\$12.50
Swim and Gym	\$17.00	\$18.00
Community Card Green Prescription	\$13.50	\$14.50

<b>Pool hire</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Regular hire (25 metres per hour)	\$80.00	\$84.00
Casual hire (25 metres per hour)	\$143.00	\$147.50
Regular hire (50 metres per hour) - Wainuiomata pool	\$175.00	\$184.00
Casual hire (50 metres per hour) - Wainuiomata pool	\$292.00	\$306.00
Lane charge (25 metres per hour)	\$28.00	\$29.50

<b>School groups</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Group hire for lessons (per head)	\$2.00	\$2.50

<b>Meeting rooms</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Casual hire (per hour)	\$30.00	\$31.50

### **Venue Hire – Community Halls and Neighbourhood Hubs**

#### **Principles:**

- Spaces should be optimised, multi-purpose and flexible and serve a wide

range of activity,

- Given population growth, increased residential density and the loss of other community spaces (churches etc), spaces need to be fairly shared across different groups (some historic arrangements may need to be revisited and quotas applied to enable this),
- Charges should reflect the type of activity taking place,
- Charges should be within Council's Revenue and Finance Policy guidelines.

<b>Rate Categories</b>	<b>Description</b>
<u>Commercial rate – Base Rate</u>	<u>Charged to business and groups that are generating revenue from their activity beyond cost recovery of the event.</u>
<u>Significant individual benefit rate – 80% of Base Rate</u>	<u>Private events that are not open to all – eg: weddings, parties, celebrations and faith-based groups. This includes churches.</u>
<u>Community rate 50% of Base Rate</u>	<u>Community group for community benefit and does not charge attendees per session beyond cost recovery.</u>
<u>Partner rate 0%-50% of Base Rate</u>	<u>Activities which are open and free to attend and/or developed or delivered in partnership with Council and/or deliver strongly to Council's equity priority and / or focus areas of wellbeing activity may – at officers discretion – be reduced down to 0%</u>

### Community halls:

Hourly rates for hall hire are set out below.

- Annual EOI process to identify regular hirers wanting access to the same space, selection by assessment and / or ballot.
- Most bookings require refundable bonds.

<b>Moera, Eastbourne, Belmont, Treadwell and Wainuiomata Community halls</b>	<b>2024–2025 Charge</b>			<b>2025–2026 Charge</b>		
	<b>Community</b>	<b>Individual Benefit</b>	<b>Commercial</b>	<b>Community</b>	<b>Individual Benefit</b>	<b>Commercial</b>
Monday – Friday	\$20.00	\$33.00	\$42.00	\$22.00	\$35.00	\$43.50

Weekends and public holidays	\$24.00	\$38.00	\$48.00	\$25.00	\$39.50	\$49.50
<b>Russell Keown House</b>	<b>2024–2025 Charge</b>			<b>2025–2026 Charge</b>		
	<b>Community</b>	<b>Individual Benefit</b>	<b>Commercial</b>	<b>Community</b>	<b>Individual Benefit</b>	<b>Commercial</b>
Per hour	\$13.00	\$21.00	\$26.00	\$13.50	\$21.50	\$27.00
Up to 4 hours	\$21.00	\$33.00	\$42.00	\$22.00	\$35.00	\$43.50
Full day	\$36.50	\$58.00	\$73.00	\$37.50	\$60.00	\$75.00
<b>Minoh House</b>	<b>2024–2025 Charge</b>			<b>2025–2026 Charge</b>		
	<b>Community</b>	<b>Individual Benefit</b>	<b>Commercial</b>	<b>Community</b>	<b>Individual Benefit</b>	<b>Commercial</b>
Education Session	\$78.00	\$125.00	\$156.00	\$78.00	\$125.00	\$156.00
Half day	\$130.00	\$208.00	\$260.00	\$130.00	\$208.00	\$260.00
Full day	\$260.00	\$416.00	\$520.00	\$260.00	\$416.00	\$520.00
Social Events	\$260.00	\$416.00	\$520.00	\$260.00	\$416.00	\$520.00

#### Neighbourhood Hub Bookable Spaces

- Includes AV for where AV is supplied,
- Weekend bookings between 7am Saturday and 7pm Sunday attract a 10% premium,
- Some bookings require refundable bonds,
- Annual EOI process to identify regular hirers wanting access to the same space, selection by assessment and / or ballot.

Meeting rooms in Neighbourhood Hubs	2024–2025 Charge			2025–2026 Charge		
	Community	Individual Benefit	Commercial	Community	Individual Benefit	Commercial
Eastbourne – small	\$16.50	\$26.00	\$32.50	\$17.00	\$27.00	\$33.50
Koraunui – small	\$16.50	\$26.00	\$32.50	\$17.00	\$27.00	\$33.50

Meeting rooms in Neighbourhood Hubs	2024–2025 Charge			2025–2026 Charge		
	Community	Individual Benefit	Commercial	Community	Individual Benefit	Commercial
Walter Nash – small	\$16.50	\$26.00	\$32.50	\$17.00	\$27.00	\$33.50
Wainuiomata – small	\$16.50	\$26.00	\$32.50	\$17.00	\$27.00	\$33.50
Wainuiomata – medium	\$19.00	\$30.00	\$38.00	\$19.50	\$31.00	\$39.00
Petone – Boardroom	\$19.00	\$30.00	\$38.00	\$19.50	\$31.00	\$39.00
Eastbourne – Boardroom	\$19.00	\$30.00	\$38.00	\$19.50	\$31.00	\$39.00
Koraunui – medium A	\$19.00	\$30.00	\$38.00	\$19.50	\$31.00	\$39.00
Koraunui – medium B	\$19.00	\$30.00	\$38.00	\$19.50	\$31.00	\$39.00
Koraunui – Large A	\$32.50	\$52.00	\$65.00	\$33.50	\$53.50	\$67.00
Koraunui – Large B	\$32.50	\$52.00	\$65.00	\$33.50	\$53.50	\$67.00
Koraunui – Large A& B	\$65.00	\$104.00	\$130.00	\$67.00	\$107.00	\$134.00
Walter Nash – large	\$32.50	\$52.00	\$65.00	\$33.50	\$53.50	\$67.00
Walter Nash – large combined	\$65.00	\$104.00	\$130.00	\$67.00	\$107.00	\$134.00

Walter Nash Courts	2024–2025 Charge		2025–2026 Charge	
	Discounted: M-F 6am–6pm & S&S 6pm–10pm	Standard: M-F 6pm–10pm & S&S 7am–6pm	Discounted: M-F 6am–6pm & S&S 6pm–10pm	Standard: M-F 6pm–10pm & S&S 7am–6pm
One court	\$45.00	\$64.00	\$46.00	\$66.00
Two courts	\$80.00	\$114.00	\$82.50	\$117.50
Three courts	\$115.00	\$164.00	\$119.00	\$169.00

Four courts	\$150.00	\$214.00	\$155.50	\$220.50
Five courts	\$185.00	\$264.00	\$192.00	\$272.00

Walter Nash Stadiums	2024–2025 Charge			2025–2026 Charge		
	Community	Individual Benefit	Commercial	Community	Individual Benefit	Commercial
Front stadium – all day	\$1,040	\$1,664	\$2,080	\$1,070	\$1,715	\$2,142
Front stadium – ½ day	\$520	\$832	\$1,040	\$535	\$856	\$1,070
Back stadium – full day	\$780	\$1,248	\$1,560	\$803	\$1,285	\$1,607
Back stadium – ½ day	\$390	\$624	\$780	\$400	\$642	\$803
Full facility – all day	\$2,340	\$3,744	\$4,680	\$2,410	\$3,856	\$4,820
Full facility – ½ day	\$1,625	\$2,600	\$3,250	\$1,674	\$2,678	\$3,348

Note: Charges are for venue only with separate charges applying for equipment, cleaning, security etc on enquiry.

### Little Theatre

All Little Theatre bookings will require refundable bonds

Hours and sessions	2024–2025	
	Monday to Friday	Weekends and public holidays
Full Day Hire (8am–11pm)	\$420	\$575
Per hour after 11 pm	\$95	\$135



Hours and sessions	2024–2025	
	Monday to Friday	Weekends and public holidays
Note: 25% discount for community organisations.		
Site induction (new charge in 2023–24)	\$225 per event	
Post event reset and tech check	\$225 per event	
Site cleaning	\$172.50 per event	
Technician*	\$75 hourly	
*Minimum three hours,		

Hours and sessions	2025–2026	
	Monday to Friday	Weekends and public holidays
Full Day Hire (8am–11pm)	\$435	\$595
Per hour after 11 pm	\$100	\$140
Note: 25% discount for community organisations.		
Site induction (new charge in 2023–24)	\$225	
Post event reset and tech check	\$225	
Site cleaning	\$180	
Technician*	\$75	
*Minimum three hours,		

### Dowse Museum

Some bookings require refundable bonds.

Room charges (per hour)	2024–2025	2025–2026
James Coe 1	\$75.00	\$78.00
James Coe 2	\$65.00	\$68.00
Foyer	\$70.00	\$72.00
Meeting room	\$40.00	\$42.00
Courtyard	\$40.00	\$42.00
James Coe Centre (JC1+JC2)	\$125.00	\$132.00
<b>Staff charges (per hour)</b>		
Duty Manager	\$40.00	\$42.00
Bar Staff/After Hours	\$35.00	\$36.00
Security Staff	\$60.00	\$62.00

<b>Room charges (per hour)</b>	<b>2024–2025</b>	<b>2025–2026</b>
<b>Discount rates</b>		
Hutt City Council	20%	20%
Community	60%	60%
Post event cleaning cost (new charge in 2023–24)	\$50.00	

**Trade waste user charges**

	<b>2024–2025</b>	<b>2025–2026</b>
Flow	\$0.579 per cubic metre	\$0.60 per cubic metre
Total suspended solids	\$1.256 per kilogram	\$1.30 per kilogram
COD (chemical oxygen demand)	\$0.440 per kilogram	\$0.45 per kilogram

**Trade waste class**

	<b>2024–2025</b>		<b>2025–2026</b>	
	<b>Consent Fees</b>	<b>Consent + \$175 if conditional consent required</b>	<b>Consent Fees</b>	<b>Consent + \$185 if conditional consent required</b>
Class 1: High risk	\$1,845.00	\$2,020.00	\$1,900.00	\$2,085.00
Class 2: Moderate risk	\$935.00	\$1,110.00	\$965.00	\$1,150.00
Class 3: Low risk	\$520.00	\$695.00	\$535.00	\$735.00
Class 4: Minimal risk	\$280.00	\$455.00	\$290.00	\$475.00
Class 5: Minimal risk low flow	\$135.00	N/A	\$140.00	N/A
Application fee		\$105		\$110.00
Re-inspection fee		\$130.00		\$135.00
Late payment additional fee		\$110.00		\$115.00
Transfer additional fee		\$55.00		\$60.00

**Service Connection Applications**

<b>Service Connection</b>	<b>2024–2025 Fees</b>	<b>2025–2026 Fees</b>
Sewer/Wastewater	\$140.00	\$145.00
Stormwater	\$140.00	\$145.00
Water	\$140.00	\$145.00

**Water**

	2023–2024	2024–2025
Fee for use of water by builders on unmetered industrial and commercial sites	\$140.00	\$145.00
<b>Charge for ordinary supply Class 2 Water</b>		
Minimum charge per cubic metre	\$4.25	\$4.75
<b>Water supplied by hydrant</b>		
Per cubic metre	\$4.25	\$4.75
Minimum charge	\$140.00	\$145.00

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**Additional information for proposed fee changes**

- 1. Kerbside collection service**
- 2. Resource Consent and District Plan**
- 3. Building Control**
- 4. Environmental Protection Animal services**
- 5. Neighbourhoods and Communities fee changes**
- 6. Transport fee changes**

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## Additional information for proposed fee changes

### 1. Kerbside collection service

Business unit		Refuse, Recycling & Green Waste
LTP Activity		Solid waste
Project/Programme		Kerbside collection service cost and rates
Budget type (Capital/Operating)		Operating
Requested by:		Jörn Scherzer5/11/2024
Approved by director:		Alison Geddes5/11/2024
1	Brief project description	
Hutt City Council operates a kerbside collection service for rubbish, recycling and optional green waste, funded by targeted rates. Each year, the cost of operation of the service is assessed, in order to inform the setting of targeted rates for each service stream for the following financial year.		
2	Alignment to Long Term Plan priority areas and desired outcomes sought	
Council’s kerbside collection service is a key basic service, in line with Council’s LTP. A key objective of the service is to reduce waste and the need for landfilling, by diverting recyclable and recoverable materials.		
3	Community engagement	
If approved by Council, the proposed targeted rates will have to be consulted on as part of the 25/26 Annual Plan.		
4	Overview of project costs	
HCC has a model to assist with setting targeted rates for the rubbish and recycling service, to ensure they are set at a level to recover costs for:		
<ul style="list-style-type: none"><li>• Collection</li><li>• Disposal associated with refuse, and recycling processing</li><li>• Overheads and staff costs to support the service</li><li>• Other operational support work, such as education and behaviour change work to incentivise improved recycling behaviours</li></ul>		

**Proposed targeted rates**

In order to recover the costs of the kerbside services, the following changes are proposed to the targeted rates (annual figures rounded), as shown in the table below.

Service stream	Current 2024/25 rates	Proposed 2025/26 rates
Rubbish 80l bin	\$128	\$153
Rubbish 120l bin	\$192	\$222
Rubbish 240l bin	\$384	\$444
Recycling 120/240l	\$130	\$130
Green waste 240l	\$115	\$120

**Effect of targeted rate changes on household waste management costs**

Looking at the combined household costs for rubbish and recycling services, net costs change as follows:

Household type	Current 2024/25 cost	Weekly cost 2024/25	Proposed 2025/26 cost	Weekly cost 2025/26	% change	Weekly change
Rubbish 80l bin & Recycling	\$258	\$4.96	\$283	\$5.44	9.7%	\$0.48
Rubbish 120l bin & Recycling	\$322	\$6.19	\$352	\$6.77	9.3%	\$0.58
Rubbish 240l bin & recycling	\$514	\$9.88	\$574	\$11.04	11.7%	\$1.15
Rubbish 120l bin & Recycling & opt-in Green waste	\$437	\$8.40	\$472	\$9.08	8.0%	\$0.67

While the lower cost of the 80l bin incentivises waste minimisation, it will be important to avoid the funding gap between the 80l and 120l bin becoming too large, particularly if more and more people opt to downsize their bins for free. The proposed targeted rate for servicing the 80l bin under-recovers costs by about \$40 per property, due to a high share of fixed costs for collection costs.

**Cost drivers**

The key reasons for cost increases are as follows:

The kerbside collection contract is subject to cost escalation based on a combination of the producer and labour cost index. This has been nearly double compared to Council's inflation assumptions for 2025/26.

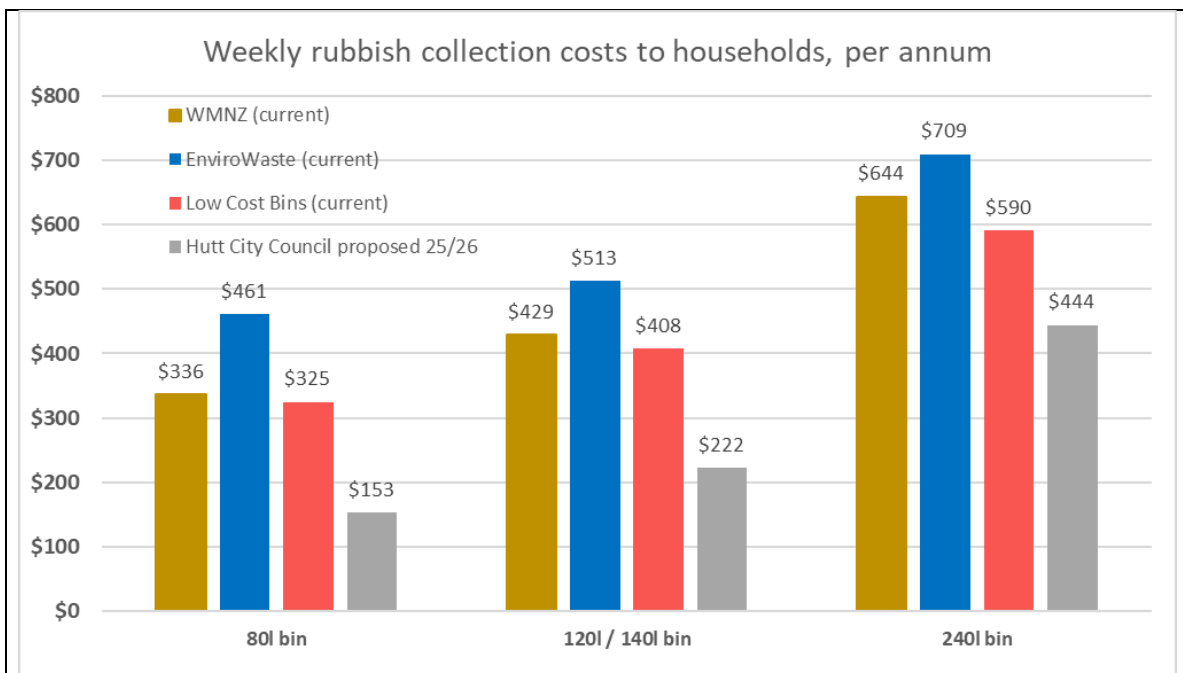
The disposal cost at Silverstream Landfill, which applies to the rubbish collection service stream, continues to increase above original assumptions (refer also the separate budget change request regarding capital expenditure at Silverstream landfill). This is due to a further increase in the waste levy from \$60/t to \$65/t, and additional increased depreciation costs in light of the additional capital required to continue constructing the landfill and a shortening of the remaining landfill life.

However, these cost increases also incentivise alternatives, including the use of Council's recycling service for recyclable materials, the green waste service for the diversion of garden waste, and other resource recovery services, such as other private resource recovery services (e.g. metal recyclers), and social enterprises (e.g. Earthlink).

**Comparison of costs with neighbouring cities**

Despite the cost increases for rubbish collection, Lower Hutt's rates-funded rubbish collection service continues to be significantly more cost effective than what households pay in neighbouring cities that still rely on private service providers (Wellington, Porirua and Upper Hutt). The cost difference varies between about 20% and 50%, depending on bin size.

The table below shows the cost per bin size, for weekly collections, for different service providers compared to the proposed targeted rate for Lower Hutt.



Note:

- Prices for private collections were for sample properties in Upper Hutt, Porirua and Wellington, as at 30 October 2024; for Low Cost Bins, prices differed slightly between cities, an average cost has been used
- Private service costs for 2025/26 not yet known but they are likely to be higher than current costs
- For two of the three private providers, annual costs are about 10% higher if households pay more frequently (e.g. monthly)

<b>5</b>	<b>How the spend will be funded (rates, grants, third party revenue, development contribution, debt)</b>
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Targeted rates, and fees for bin change requests and new properties

<b>6</b>	<b>Risks and mitigation plans</b>
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There will be a communications plan for the consultation regarding the Annual Plan, and relevant messages will be developed regarding the price changes for kerbside collection.

<b>7</b>	<b>Key assumptions</b>
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- There is an allowance for cost increases due to inflationary pressures in the WMNZ/HCC contract. Our contract cost with WMNZ increases based on a combination of the Producer Price Index and the Labour Cost Index.
- The increase in the waste levy for disposal, and the increased costs associated with continuing to construct Silverstream landfill, impacts on the total refuse costs of the kerbside service.



Further budget information (\$M)Table 1: Revenue budgets

The presented figures are: Inflated										
\$M	<u>2025/ 26</u>	<u>2026/ 27</u>	<u>2027/ 28</u>	<u>2028/ 29</u>	<u>2029/ 30</u>	<u>2030/ 31</u>	<u>2031/ 32</u>	<u>2032/ 33</u>	<u>2033/ 34</u>	<u>Total</u>
Long Term Plan 2024-2034	13.73	14.04	19.41	19.90	20.39	20.88	21.36	21.85	22.33	173.90
Annual Plan 2025-2026	14.95	15.66	21.20	21.86	22.49	23.08	23.65	24.21	24.75	191.85
Variance	1.22	1.62	1.79	1.96	2.10	2.20	2.29	2.36	2.42	17.94

Table 2: Operating expenditure budgets

The presented figures are: Inflated										
\$M	<u>2025/ 26</u>	<u>2026/ 27</u>	<u>2027/ 28</u>	<u>2028/ 29</u>	<u>2029/ 30</u>	<u>2030/ 31</u>	<u>2031/ 32</u>	<u>2032/ 33</u>	<u>2033/ 34</u>	<u>Total</u>
Long Term Plan 2024-2034	13.55	13.85	19.18	19.66	20.14	20.62	21.10	21.59	22.07	171.75
Annual Plan 2025-2026	14.97	15.46	20.93	21.59	22.24	22.85	23.45	24.02	24.59	190.10
Variance	(1.42)	(1.61)	(1.75)	(1.93)	(2.10)	(2.23)	(2.35)	(2.43)	(2.52)	(18.34)

Table 3: - Net operating impact

The presented figures are: Inflated										
\$M	<u>2025/ 26</u>	<u>2026/ 27</u>	<u>2027/ 28</u>	<u>2028/ 29</u>	<u>2029/ 30</u>	<u>2030/ 31</u>	<u>2031/ 32</u>	<u>2032/ 33</u>	<u>2033/ 34</u>	<u>Total</u>
Long Term Plan 2024-2034	0.18	0.19	0.23	0.24	0.25	0.26	0.26	0.26	0.26	2.14
Annual Plan 2025-2026	(0.02)	0.20	0.27	0.27	0.25	0.23	0.20	0.19	0.16	1.75
Variance	(0.20)	0.01	0.04	0.03	(0.00)	(0.03)	(0.06)	(0.07)	(0.10)	(0.39)

## 2. Resource Consent and District Plan

Business unit:	Planning	
LTP Activity:	City Development and Regulatory Services	
Project/Programme	Planning Policy and Resource Consents	
Budget type	Operating	
Requested by:	Tim Johnstone	4/11/2024
Approved by director:	Alison Geddes	4/11/2024

1

Brief project description (problem/opportunity statement)

The Planning Business Unit includes the following teams:

- Policy Planning
- Resource Consents and Compliance
- Subdivision Engineering

The core function of these teams is to manage land use, subdivision and development in the city through the District Plan and through the resource consent, monitoring and compliance processes. They also manage impacts on the three waters network from new development, and make sure that new development is appropriately serviced.

For Resource Consents (including Subdivision Engineering) the budgeted revenue for 2025/26 of \$3.2M is just above the LTP Y2 revenue of \$3.1M. This includes a proposed fee increase from 1 July 2025 to offset additional operating costs for the Subdivision Engineering team (\$242k). These additional costs largely relate to the transfer of the Subdivision Engineering Team from Economy and Development to Environment and Sustainability in late 2023 which happened concurrently at the time when the LTP budget forecasting work was being carried out. The proposed increased fees would increase 25/26 revenue by \$185K (\$2.2M over 10 years) as shown below.

\$000	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	Total
Resource Consents	100	103	106	109	112	114	117	119	121	123	1,125
Subdivision engineering	85	88	90	96	101	109	117	129	141	159	1,115
Variance	185	191	197	205	213	223	234	248	262	282	2,240

There are also additional resourcing costs for the Policy Planning team (\$176k) as a result of filling long-term vacancies in this team. The Policy Planning Team is responsible for maintaining and reviewing the District Plan. This includes responding to national and regional directions, and administering any private plan change requests. The work of this

<p>team is largely funded by rates, but the fees associated with any private plan change requests are fully recoverable from the plan change requester.</p> <p>For the whole Planning Business Unit, including the proposed fee increases, there is an unfavourable net variance to LTP Yr2 of \$184k. Without the fee increase this variance would be even more unfavourable.</p>				
2	<b>Alignment to Long Term Plan strategic priority areas and desired outcomes sought</b>			
	<i>Tick the boxes that apply</i>	<b>Provide “future-fit” infrastructure</b>	<b>Enable a liveable city and vibrant neighbourhoods</b>	<b>Support and enhance the environment</b>
	<b>In partnership</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<b>With climate change at front of mind</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<b>Being financially sustainable</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	<b>Community engagement</b>			
<p>Community engagement for fee increases will be provided for through the Annual Plan consultation process.</p>				
4	<b>Climate change risks/impacts</b>			
<p>Planning are required to factor in the risks and impacts of climate change on infrastructure, zoning and planning decisions.</p>				
5	<b>Growth/Demand considerations</b>			
<p>Consenting and development activity is highly dependent on economic conditions. Current forecasting indicates that 2025 should see the start of a period of steady economic growth. The revenue predictions set out in this paper are based on a typical number of 400 consents being received in a year. This number is a sound estimate based on previous years, but it is possible that more or less consents could be received based on the economic conditions at any given time.</p>				

6	<b>Overview of revenue implication</b>
<p>A summary of new fees and why is outlined below:</p> <ul style="list-style-type: none"> <li>• A new fee is proposed: pre-application advice from Wellington Water \$270 per hour. The reason for this new fee is to cover the actual costs of this advice noting that Hutt City Council pays Wellington Water to provide this service as part of the overall operating expenditure agreement between HCC and WWL.</li> <li>• Fees for all resource consent related activities are proposed to be increased from \$255 per hour to \$270 per hour to offset increased costs and maintain compliance with Councils Revenue and Financing Policy.</li> </ul> <p>Fees for existing admin activities are proposed to increase from \$150 per hour to \$165 per hour to be in alignment with Building Consents.</p> <p>Modelling a range of fee increase scenarios has been undertaken in keeping with the policy range of 60-79% cost recovery set out in Councils Revenue and Financing Policy. The fee option of \$270 per hour would equate to 64% cost recovery. Maintaining the current fee of \$255 per hour would equate 61% cost recovery. A fee increase to \$265 per hour would equate to 63% cost recovery. In comparison to the current hourly rates of other neighbouring councils:</p> <ul style="list-style-type: none"> <li>• Wellington City Council is \$261.50 and have indicated this will increase for 2025 / 26 but are not able to advise by how much at this stage.</li> <li>• Upper Hutt City Council is \$185 and have indicated this is likely to increase to \$200 - \$215.</li> <li>• Porirua City Council is \$222 and have not yet determined if this will increase.</li> </ul>	
7	<b>How the spend will be funded (rates, grants, third party revenue, development contribution, debt)</b>
<p>Fees is the only source of funding other than rates.</p> <p>Not increasing the fees would add approximately 0.10% to rates.</p>	
8	<b>Risks and mitigation plans</b>
<p>The risk of increasing fees too high is that it will make development unviable, however it is noted that resource consent fees are a relatively small part of the overall development costs, and that there are many other factors that impact on development viability. The risk of not increasing fees is that Council will not achieve its cost recovery target resulting in a greater burden on rates.</p>	

There are also risks relating to additional costs associated with the reform of the Resource Management Act, and additional costs from a suite of new National and Regional direction that Council will need to respond to and implement. It is difficult at this time to quantify the costs to Council and when these costs will be incurred as we wait for more announcements and information from Central and Regional Government. The Policy Planning team continue to monitor and respond to information as we receive it.

9	<b>Key assumptions</b>
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It's assumed that a slow economic market will improve in 2025.	
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Further budget information (\$M)Table 1: Revenue budgets

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>2034</u> <u>/35</u>	<u>Total</u>
Long Term Plan 2024-2034	3.09	3.16	3.24	3.31	3.38	3.44	3.51	3.58	3.65	3.72	<b>34.07</b>
Annual Plan 2025-2026	3.21	3.31	3.41	3.50	3.59	3.68	3.78	3.87	3.96	4.05	<b>36.35</b>
Variance	0.12	0.15	0.17	0.20	0.22	0.24	0.26	0.29	0.30	0.33	<b>2.28</b>

Table 2: Operating expenditure budgets

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>2034</u> <u>/35</u>	<u>Total</u>
Long Term Plan 2024-2034	5.30	4.70	4.48	4.61	4.66	4.78	4.95	5.01	5.12	5.31	<b>48.94</b>
Annual Plan 2025-2026	5.60*	5.03	4.83	4.98	5.04	5.16	5.36	5.42	5.55	5.76	<b>52.74</b>
Variance	(0.30)	(0.33)	(0.35)	(0.36)	(0.38)	(0.39)	(0.40)	(0.42)	(0.43)	(0.45)	<b>(3.80)</b>

\*Related to one-off district plan costs

Table 3: - Net operating impact

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028/</u> <u>29</u>	<u>2029/</u> <u>30</u>	<u>2030/</u> <u>31</u>	<u>2031/</u> <u>32</u>	<u>2032</u> <u>/33</u>	<u>2033/</u> <u>34</u>	<u>2034/</u> <u>35</u>	<u>Total</u>
Long Term Plan 2024-2034	(2.21)	(1.54)	(1.25)	(1.31)	(1.29)	(1.33)	(1.44)	(1.43)	(1.48)	(1.60)	<b>(14.86)</b>
Annual Plan 2025-2026	(2.39)	(1.72)	(1.42)	(1.47)	(1.44)	(1.48)	(1.58)	(1.56)	(1.60)	(1.72)	<b>(16.38)</b>
Variance	(0.18)	(0.19)	(0.17)	(0.16)	(0.15)	(0.14)	(0.14)	(0.13)	(0.13)	(0.12)	<b>(1.52)</b>

**3. Building Control**

Business unit		Building Control	
LTP (Long Term Plan) Activity		Regulatory services	
Project/Programme		Building Control	
Budget type (Capital/Operating)		Revenue and Operating expenditure	
Requested by:		Richard Barton	31/10/2024
Approved by director:		Alison Geddes	31/10/2024
1	Brief project description (problem/opportunity statement)		
<p>At the time of forecasting for LTP year 1, it was predicted that economic conditions would improve and that this would result in consenting numbers growing over the next three years. Building consenting revenue accounts for approximately 80% of the Building Consent Authorities total revenue.</p> <p>The reverse of this occurred and rolling recession has depressed the housing and development market and led to a stagnation in consent numbers. The previously predicted revenue targets for the BCA for LTP year 1 are not being met and LTP year 2 revenue is not expected to be met.</p> <p>In response to this, the BCA has significantly reduced its operating costs and increased the team’s productivity. Reducing operating costs has resulted in several business improvement projects being cancelled. While this approach is manageable in the short term, it poses increasing risk to maintaining IANZ accreditation over the longer term.</p> <p>New forecast data for the 25/26 Annual Plan predicts a \$1.18M reduction in revenue, prior to any fee increases, for the BCA compared to LTP Yr2. To balance the books, we are proposing a second year of constricted spending and an increase in building consenting fees.</p> <p>Additional unplanned costs have also been a factor in proposing to increase fees. Our IT provider (Objective) have indicated that Go Get will become end-of-life in March 2026. The team has added \$100k of additional costs to the LTP year 2 budgets to cover transition to a new IT system.</p>			

Objective have already indicated an increase in the per consent digital fee that the customer pays from July 2025. It is proposed that this increase is also included in the fees schedule.

The LTP Yr 2 has \$7.29m projected revenue which is not achievable with the current market conditions, therefore projected revenue (without the fee increase) for 25/26 would be \$5.98m. The fee increase helps address this shortfall by \$540k in 25/26. The remaining shortfall is offset by reducing contracting/consultant costs.

<b>2</b>	<b>Alignment to Long Term Plan strategic priority areas and desired outcomes sought</b>
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<i>Tick the boxes that apply</i>	<b>Provide “future-fit” infrastructure</b>	<b>Enable a liveable city and vibrant neighbourhoods</b>	<b>Support and enhance the environment</b>
<b>In partnership</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>With climate change at front of mind</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Being financially sustainable</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>3</b>	<b>Community engagement</b>
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The BCA holds quarterly meetings with a range of key sector stakeholders which will be used for consultation about proposed fee increases.

<b>4</b>	<b>Climate change risks/impacts</b>
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The risk of climate change is increasing the build costs in many parts of the city as adaptations need to be factored in such as stormwater storage or raising ground floor levels.

<b>5</b>	<b>Growth/Demand considerations</b>
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<p>As above, while the current conditions are difficult for the housing and development community, signs of growth in the sector are starting to be seen. Consent numbers have plateaued but are starting to increase. Economic modelling predicts slow and consistent growth over the next 3 years.</p>	
<b>6</b>	<b>Overview of revenue implication</b>
<p>See section 1 above.</p> <p>All costs have been reduced to minimum and there is still a budget deficit due to a reduction in building consent numbers associated with weaker than previously forecasted economic conditions. We are proposing to increase the hourly rate to \$250 per hour for residential and \$270 per hour for commercial.</p> <p>Each Council set different criteria in their fees schedule, so it is difficult to draw an exact comparison. However the following hourly rates are advertised for the FY 24/25:</p> <ul style="list-style-type: none"> <li>• Porirua City Council \$225 per hour (both residential and commercial)</li> <li>• Wellington City Council \$271.50 per hour (both residential and commercial)</li> </ul>	
<b>7</b>	<b>How the spend will be funded (rates, grants, third party revenue, development contribution, debt)</b>
<p>New building consent fee proposed changes include:</p> <p>Raising Residential and Commercial processing by \$20 per hour - projected to realise approximately \$400k of additional revenue.</p> <p>Increasing the BCA levy to \$1 per \$1,000 of work – projected to realise \$140k of additional revenue to help cover the true costs of maintaining BCA accreditation.</p>	

<p>Changes to the digital lodgement fee to align with Objectives new pricing and passthrough increased costs to the customer.</p> <p>The rates impact of not increasing the fee would be approximately 0.3% in 2025-26.</p>	
<b>8</b>	<b>Risks and mitigation plans</b>
<p>The risk of not increasing fees will result in the likelihood that the BCA will run at approximately \$540k deficit for FY 25/26. Actions have already been taken to increase team productivity by around 30% and to significantly reduce costs and these are already included in the calculations. There are no further cost savings available to explore and team productivity is largely maximised. Considerations have been given to reducing service levels, however as we are a regulatory function there would be significant risks in doing this.</p> <p>The risk of economic conditions not improving will likely result in a further revenue reduction, this can largely be offset by a reduction in the need for contractors, however this is already stripped back.</p> <p>The risk that the BCA is not able to be agile in recruiting additional FTEs as market conditions change will result in increased costs leading to a budget deficit. The BCA will develop business cases as required and seek approval through the Workforce Panel.</p>	
<b>9</b>	<b>Key assumptions</b>
<p>That economic conditions will continue to improve with slow and steady growth over the next 3 years.</p> <p>That it wouldn't be prudent to plan for a \$540k deficit when the option to increase fees is available.</p>	

Further budget information (\$M)Table 1: Revenue budgets

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033/</u> <u>34</u>	<u>2034</u> <u>/35</u>	<u>Total</u>
Long Term Plan 2024-2034	7.29	7.52	7.73	7.96	8.17	8.41	8.60	8.85	9.05	9.25	82.84
Annual Plan 2025-2026	6.52	6.60	6.83	7.08	7.31	7.57	7.75	8.04	8.24	8.45	74.37
Variance	(0.78)	(0.92)	(0.90)	(0.88)	(0.87)	(0.85)	(0.85)	(0.81)	(0.81)	(0.81)	(8.47)

Table 2: Operating expenditure budgets

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>2034</u> <u>/35</u>	<u>Total</u>
Long Term Plan 2024-2034	7.21	7.43	7.60	7.78	7.96	8.14	8.33	8.51	8.71	8.90	80.57
Annual Plan 2025-2026	6.44	6.56	6.73	6.90	7.08	7.25	7.43	7.60	7.78	7.97	71.74
Variance	0.77	0.87	0.87	0.88	0.88	0.89	0.90	0.91	0.92	0.94	8.83

Table 3: - Net operating impact

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>2034</u> <u>/35</u>	<u>Total</u>
Long Term Plan 2024-2034	0.09	0.09	0.12	0.18	0.21	0.27	0.28	0.34	0.34	0.35	2.28
Annual Plan 2025-2026	0.08	0.04	0.10	0.19	0.24	0.32	0.32	0.43	0.45	0.47	2.65
Variance	(0.01)	(0.05)	(0.02)	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.4

#### 4. Environmental Protection Animal services

Environmental Protection fee changes – Animal services		
Business unit:	Environmental Protection	
LTP (Long Term Plan) Activity:	Regulatory services	
Project/Programme:	Animal Services	
Budget type (Capital/Operating):	Revenue and Operating expenditure	
Requested by:	Justin Roberts	31/10/2024
Approved by director:	Alison Geddes	31/10/2024
1	Brief project description (problem/opportunity statement)	
<p>The dog registration fees are under review for adjustment for the 25/26 financial year. Officers have undertaken a full review and have proposed to adjust fees outside of the usual CPI adjustment. Revenue and cost recovery is one of the considerations, but compliance and encouraging behavioural change is the main objective.</p> <p>The fees are structured with incentives embedded. If customers register by 31 July, they get a discounted price. If their dog is desexed, they get a further discount. If a customer has been deemed an RDO (Responsible Dog Owner), then they enjoy even cheaper rates, as the assumption is that their dogs put little to no pressure on the service.</p> <p>In order to improve the efficacy of the incentive, officers have proposed to actually reduce the 25/26 fee for a desexed dog (by 3-4%) and add extra weight to the fee for an entire dog (6-9%), so that there is more incentive for customers to desex their dogs. The goal is to reduce the number of unplanned litters being produced and puppies being handed around the community to people who may not be equipped to be a responsible pet owner. If the goal is achieved, the service could see a slight reduction in the upwards trend in revenue but with a better community outcome. This would be balanced by reduced pressure on an already strained service.</p> <p>Animal Services is also proposing to tidy up other aspects. For example, there should not be a second impounding fee for <u>unregistered</u> dogs. Registration is required if owners want their impounded dog released.</p>		

The fees for 'Afterhours call-outs' are proposed to be raised significantly, in order to cover the cost of the service (currently contracted out).

Finally, the registration fee for 'Classified "Dangerous" Dogs' is currently too similar compared to the standard dog fee. If registered on time, the cost to register a 'Dangerous' dog is currently \$190 (the normal fee is \$174). If registration is late, the fee to register a 'Dangerous' dog is \$231, which is identical to the standard fee after July.

It is proposed that this fee be raised to \$220 for on-time payment, and \$300 for the standard fee if paid after July. This is to better deter customers from owning/ keeping these breeds. If paid on time, the proposed new fee is less than PCC (\$228) and well below UHCC (\$405) for a dangerous dog. The Act allows for an additional fee of 50% over normal registration fees.

<b>2</b>	<b>Alignment to Long Term Plan strategic priority areas and desired outcomes sought</b>
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<i>Tick the boxes that apply</i>	<b>Provide "future-fit" infrastructure</b>	<b>Enable a liveable city and vibrant neighbourhoods</b>	<b>Support and enhance the environment</b>
<b>In partnership</b>	<input type="checkbox"/>	✓	<input type="checkbox"/>
<b>With climate change at front of mind</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Being financially sustainable</b>	<input type="checkbox"/>	✓	✓

The new proposed fees are intended to ensure that 1) resourcing keeps pace with the dog population, and 2) the costs to deliver the service are being appropriately recovered from the pet owners who put the most pressure on the service.

<b>3</b>	<b>Community engagement</b>
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<p>The Dog Control Bylaw 2015 is due for its 10-year review. The pre-engagement survey was released on the 17<sup>th</sup> of October 2024. Through this process, officers expect to get a picture of what the community wants/ doesn't want. If the community demands more regulatory resourcing, this will require funding.</p>	
<b>4</b>	<b>Climate change risks/impact</b>
<p>Climate change has resulted in more frequent, and more intense, severe weather events in New Zealand. If/when one of these events were to occur in the Hutt, Animal Services would be relied upon to attend to stranded or roaming dogs while first responders focus on the human element.</p> <p>Animal Services needs to be appropriately resourced to be effective. This will require equipment and training. The team recently attended Emergency Management training run by HUHA and many lessons have been learned.</p>	
<b>5</b>	<b>Growth/Demand considerations</b>
<p>Although the number of active dogs is slightly down from the previous year (10,284 as compared to 10,390), the demand on the Service is ever growing. Much of this has been attributed as a 'hang-over' from COVID, whereby many people became pet owners to combat loneliness during lockdown.</p> <p>When the lockdowns were lifted, the result was not only an increase in the dog population, but also an increase in the number of dogs that hadn't been properly socialised with other people or other dogs. It has been hypothesised that this has been the cause of the increase in dog related incidents.</p> <p>The other factor is the governments legislative push towards housing 'intensification' in the RMA planning and development space. This has resulted in more people living in closer proximity to each other, in houses/ properties that are not necessarily suited to accommodate dogs. This may be linked to an increase in dog barking complaints.</p>	

6

Overview of revenue implication

As stated above, if the goal of the incentive structure is achieved (i.e., more customers have their dogs de-sexed in order enjoy cheaper fees), the Service could see a slight reduction in the upwards trend in revenue. However, this would also hopefully correspond with a lower demand on the service.

As of October 2024, the revenue collected for the 24/25 dog registration season is \$1.38M. This is up \$130k from the previous year.

It is projected that dog registration revenue will be approximately \$1.5M in 25/26, compared to \$1.3M in LTP Yr2. This is based on prior year actuals as well as the impact of fee changes increasing an additional \$90k per year. The fees changes proposed below are largely to encourage behaviour change as outlined in section 1 above.

Total Animal revenue in 25/26 is \$1.71M compared to \$2.51M in LTP Yr2. WCC contract has been removed in the AP25/26 as the contract ends in March 2025.

**Proposed Fees for 25/26:**

Registration type	Current Fee	Proposed 25/26 fees	% increase proposed on current fee
Entire dog - paid by 31 July	\$174	\$189	9%
Neutered dog - paid by 31 July	\$133	128	-4%
Entire dog - paid after 31 July	\$231	\$246	6%
Neutered dog - paid after 31 July	\$190	185	-3%

Responsible Dog Owner (RDO) status		\$87	<b>\$90</b>	3%
Responsible Dog Owner (RDO) status - paid after 31 July	Entire	\$231	<b>\$246</b>	6%
	Neutered	\$190	<b>185</b>	<b>-3%</b>
Classified "Dangerous" dog - paid by 31 July		\$190	<b>220</b>	16%
Classified "Dangerous" dog - paid after 31 July		\$231	<b>\$300</b>	30%
Disability assist dogs		Free	<b>Free</b>	<b>Free</b>
Working dogs		\$87	<b>\$90</b>	3%
Working dogs (Secondary dogs)		\$45	<b>\$47</b>	3%

#### Impounding and Sustenance Fees for Registered dogs

Offence	Current Fee	Proposed 25/26 fees	% increase proposed on current fee
First impounding	\$112.00	<b>\$116</b>	4%
Second impounding in same registration year	\$180.00	<b>\$192</b>	7%
Daily sustenance fee (per day, per dog)	\$27.00	<b>\$28</b>	4%
After hours call out	\$46.00	<b>\$90</b>	96% (increased due to costs)
Seizure fee	\$90.00	<b>\$100</b>	11%

#### Impounding and Sustenance Fees for Unregistered dogs



Offence	Current Fee	Proposed 25/26 fees	% increase proposed on current fee
First impounding	\$135	\$145	7%
Second impounding in same registration year	\$223.00	N/A - registration is required for return of dog	N/A
Daily sustenance fee (per day, per dog)	\$27	\$28	4%
After hours call out	\$46	\$90	96% (increased due to costs)
Seizure fee	\$135	\$145	7%
7	How the spend will be funded (rates, grants, third party revenue, development contribution, debt)		
Funded through fee increases.			
8	Risks and mitigation plans		
<p>Existing risks relate to dog owners not paying dog registration on time, increasing council debt against revenue. This is being mitigated by 30 and 60 day reminders for payment and if the debt goes beyond 90 days it is referred to a debt collection agency. The Animal Services Manager has also made a decision to issue infringement fines to customers who haven't paid, in addition to the outstanding registration fee.</p> <p>Another risk is a significant emergency event that displaces many dogs at once.</p>			
9	Key assumptions		
It's assumed revenue will come down over time (although this needs to be proportionate with population growth of dog ownership) as dog owners are incentivised to be responsible dog owners.			

Further budget information (\$M)Table 1: Revenue budgets

The presented figures are: Inflated											
\$M	<u>2025/ 26</u>	<u>2026 /27</u>	<u>2027 /28</u>	<u>2028 /29</u>	<u>2029 /30</u>	<u>2030/ 31</u>	<u>2031 /32</u>	<u>2032 /33</u>	<u>2033 /34</u>	<u>2034 /35</u>	<u>Total 1</u>
Long Term Plan 2024-2034	2.51	2.57	2.62	2.68	2.74	2.79	2.85	2.90	2.96	3.01	<b>27.64</b>
Annual Plan 2025-2026	1.71 *	1.67	1.72	1.77	1.82	1.86	1.91	1.95	1.99	2.03	<b>18.44</b>
Variance	(0.80)	(0.89)	(0.90)	(0.91)	(0.92)	(0.93)	(0.94)	(0.96)	(0.97)	(0.98)	<b>(9.20)</b>

Table 2: Operating expenditure budgets

The presented figures are: Inflated											
\$M	<u>2025 /26</u>	<u>2026 /27</u>	<u>2027 /28</u>	<u>2028 /29</u>	<u>2029 /30</u>	<u>2030 /31</u>	<u>2031 /32</u>	<u>2032 /33</u>	<u>2033 /34</u>	<u>2034 /35</u>	<u>Total</u>
Long Term Plan 2024-2034	2.12	2.18	2.24	2.30	2.35	2.41	2.46	2.52	2.58	2.67	<b>23.83</b>
Annual Plan 2025-2026	1.50	1.56	1.60	1.64	1.69	1.73	1.77	1.81	1.85	1.88	<b>17.04</b>
Variance	0.62	0.62	0.64	0.65	0.66	0.68	0.69	0.71	0.72	0.79	<b>6.79</b>

Table 3: - Net operating impact

The presented figures are: Inflated											
\$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<u>2034</u> <u>/35</u>	<u>Total</u>
Long Term Plan 2024-2034	0.38	0.38	0.38	0.39	0.39	0.39	0.39	0.39	0.38	0.34	<b>3.81</b>
Annual Plan 2025-2026	0.21	0.11	0.12	0.13	0.13	0.14	0.14	0.14	0.13	0.15	<b>1.40</b>
Variance	(0.17)	(0.27)	(0.26)	(0.26)	(0.26)	(0.25)	(0.25)	(0.25)	(0.25)	(0.20)	<b>(2.41)</b>

**5. Neighbourhoods and Communities fee changes**

Business unit	Neighbourhood & Communities														
LTP Activity	Open Spaces, Parks & Reserves; Community Partnering & Support and Connectivity, Creativity, Learning & Recreation														
Project/Programme	User Fees and Charges														
Budget type	Operating														
Requested by:	Andrea Blackshaw	30/10/2024													
Approved by director:	Andrea Blackshaw	30/10/2024													
<b>1</b>	<b>Brief project description (problem/opportunity statement)</b>														
<p>A review of the 2025-26 Annual Plan (LTP Y2) was completed to ensure that it still reflects the priorities and programmes that was set out to be delivered in the LTP 2024-2034.</p> <p>The impact of a slow economic recovery and increased costs above and beyond inflation is resulting in the need to increase the operating budget, which will require a further increase of the user charges and fees within the Neighbourhood &amp; Communities services above the 2.2% increase outlined in the LTP.</p> <p>The proposed increase in fees is between 3% to 5% for the different services within the directorate. In Hubs and Libraries, this represents an additional \$183k revenue. In the other areas, the increase will offset the impact of aggressive growth assumptions (increase in volumes) for paid services which may not be viable in the current economic climate.</p>															
<b>2</b>	<b>Alignment to Long Term Plan strategic priority areas and desired outcomes sought</b>														
<table border="1"> <thead> <tr> <th><i>Tick the boxes that apply</i></th> <th><b>Provide “future-fit” infrastructure</b></th> <th><b>Enable a liveable city and vibrant neighbourhoods</b></th> <th><b>Support and enhance the environment</b></th> </tr> </thead> <tbody> <tr> <td><b>In partnership</b></td> <td>✓</td> <td>✓</td> <td>✓</td> </tr> <tr> <td><b>With climate change at front of mind</b></td> <td>✓</td> <td>✓</td> <td>✓</td> </tr> </tbody> </table>				<i>Tick the boxes that apply</i>	<b>Provide “future-fit” infrastructure</b>	<b>Enable a liveable city and vibrant neighbourhoods</b>	<b>Support and enhance the environment</b>	<b>In partnership</b>	✓	✓	✓	<b>With climate change at front of mind</b>	✓	✓	✓
<i>Tick the boxes that apply</i>	<b>Provide “future-fit” infrastructure</b>	<b>Enable a liveable city and vibrant neighbourhoods</b>	<b>Support and enhance the environment</b>												
<b>In partnership</b>	✓	✓	✓												
<b>With climate change at front of mind</b>	✓	✓	✓												

Being financially sustainable	✓	✓	✓
<p>The Neighbourhood and Communities Directorate comprises of the following teams:</p> <ul style="list-style-type: none"><li>• Aquatics</li><li>• Hubs &amp; Libraries</li><li>• Parks &amp; Reserves</li><li>• Arts &amp; Culture</li><li>• Connected Communities</li></ul> <p>The core function of these teams is to support social and cultural outcomes through providing spaces and places, services people need, activities to support wellbeing and through connecting and harnessing collective impact in neighbourhoods and communities. Additionally, the Parks and Reserves team supports the environmental outcomes sought by Council and community.</p>			
3	Community engagement		
<p>The proposed fees and user charges will be included in the 2025-26 annual plan consultation process. In general, the fees and user charges for the services and facilities are proposed to be increased by 3%-5% to offset the costs of providing access to these facilities and services at current service levels and to fairly balance costs between people who uses the services and spaces and all rate payers.</p>			
4	Climate change risks/impacts		
<p>Some work in the Parks and Reserves team aims to mitigate the impacts of climate change. Additionally, the impact of climate change is requiring changes to service levels in some areas (e.g.: the need for more sports field drainage). It is important that the cost of these workstreams is reflected in fees and charges, and that there is a fair balance between people who use the services and spaces and all rate payers.</p>			
5	Growth/Demand considerations		

The population growth in Hutt City averaged 1.0% over the past 5 years to 2023, and this trend is expected to continue. Additionally, there is demand for services and spaces from new groups and for new activities as our city becomes more multi-cultural, particularly for free leisure activities.

In the current economic environment, these cost pressures are unavoidable and cannot be met within the existing budget.

It is important that fees and charges reflect a fair balance between people who benefit from the services and spaces, and all rate payers.

Officers are implementing a strategic shift towards more community-led activity in our spaces and places which will enable them to be optimised without significant additional cost to rate payers, and over time this should help off-set future cost increases.

<b>6</b>	<b>Overview of revenue implication</b>
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The Business Units continuously review the operating model to ensure efficient delivery of services and keeps affordability and equal access at the forefront of any decisions impacting charges to the community.

Significant work was done on this as part of the LTP 2024-25 including through the Assets Review, and fees and charges are being re-set to better reflect cost recovery and a fair balance between people benefitting from the space or service, and general rate payers.

Additionally, as the cost of providing services increases, increases to fees and charges are required to maintain alignment with the Revenue and Financing Policy which determines levels of cost recovery. Maintaining service levels while not increasing fees and charges will impact the ability to meet the required level of cost recovery.

Not increasing fees and charges will result in an increased need for general rates funding to provide for these services or a drop in service levels – e.g. reduced opening hours, reduced community engagement and responsiveness.

The below table depicts the key user charges and fees that have been adjusted higher than inflationary rate.

Activity	Key user charges and fees adjusted
----------	------------------------------------

Open Spaces, Parks & Reserves	Cemetery fees, special events charges
Connectivity, Creativity, Learning & Recreation	Library interloans, swimming pool entries, hire fees and gym memberships, venue hire (the Dowse, Little Theatre)

Note, as part of the Annual Plan 2025-26 review, Officers also reviewed and realigned some revenue streams to the appropriate activities (from Community Partnering & Support to Connectivity, Creativity, Learning & Recreation) to better reflect the income/costs to the nature of activity (libraries).

The changes in user charges and fees are adjusted to meet the budgeted revenue and costs set out in the LTP and have a minimal incremental revenue impact to the 2025-26 Annual Plan budget, in anticipation that the aggressive volume growth assumptions will not be eventuating in the current economic climate, as paid services volume remains static while demand for free services will become more attractive (i.e. library programmes, playgrounds).

7	How the spend will be funded (rates, grants, third party revenue, development contribution, debt)
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These services are predominantly rates-funded, with cost recovery through fees and charges, and the ratio of cost recovery determined by the Revenue and Financing Policy. Refer to the Fees and charges document for details of the fees changed.

The proposed increase of the user fees and charges is estimated to generate \$0.25M revenue (representing 0.14% rates impact) to offset costs, broken down as below, which would otherwise need to be rates funded:

Activity	Revenue impact	Indicative rates impact %
Open Spaces, Parks & Reserves	\$0.05M	0.03%
Connectivity, Creativity, Learning & Recreation	\$0.20M	0.11%

These changes are already factored into budgets.

8	<b>Risks and mitigation plans</b>
<p>The risk of increasing fees and user charges is it could lead to a loss of volume/usage as affordability becomes an issue.</p> <p>However, there are already in-built mitigation within our services, to ensure equity of community use, for example – children under 5 and children under 10 with a community services card swim free, community rates for hiring spaces and places etc.</p> <p>Striking a balance between recovering enough to offset costs to minimise rates impacts and delivering the service will remain a constant issue which will always be at the forefront of any proposed solutions.</p>	
9	<b>Key assumptions</b>
<p>The shift to more community-led activation of our spaces and places will be critical to ensuring they can continue to be provided in a way that makes them accessible to community. Officers are also continually looked for partnerships with other providers will enable both to deliver and achieve efficiencies.</p>	



Further budget information (\$M)

Table 1: Open Spaces, Parks &amp; Reserves user fees and charges revenue budgets

The presented figures are: Inflated										
\$M	2025/ 26	2026 /27	2027 /28	2028 /29	2029 /30	2030 /31	2031 /32	2032 /33	2033 /34	<u>Total</u>
Long Term Plan 2024-2034	1.81	2.01	2.06	1.95	1.99	2.03	2.08	2.12	2.16	<b>18.21</b>
Annual Plan 2025-2026	1.81	2.01	2.06	1.95	1.99	2.03	2.08	2.12	2.16	<b>18.21</b>
Variance	-	-	-	-	-	-	-	-	-	-

Table 2: Community Partnering &amp; Support – Budget change represents a transfer to CCLR activity below to better align to where costs are incurred.

The presented figures are: Inflated										
\$M	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30	2030/ 31	2031/ 32	2032/ 33	2033/ 34	<u>Total</u>
Long Term Plan 2024-2034	0.52	0.53	0.54	0.55	0.56	0.57	0.58	0.59	0.61	<b>5.05</b>
Annual Plan 2025-2026	0.10	0.10	0.10	0.09	0.09	0.09	0.10	0.10	0.10	<b>0.88</b>
Variance	(0.42)	(0.43)	(0.44)	(0.46)	(0.47)	(0.48)	(0.48)	(0.49)	(0.51)	<b>(4.18)</b>

Table 3: Connectivity, Creativity, Learning &amp; Recreation user fees and charges revenue budgets

The presented figures are: Inflated										
\$M	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30	2030/ 31	2031/ 32	2032/ 33	2033/ 34	<u>Total</u>
Long Term Plan 2024-2034	6.30	6.51	6.71	6.88	7.07	7.24	7.41	7.58	7.73	<b>63.40</b>
Annual Plan 2025-2026	6.72	6.94	7.14	7.34	7.53	7.71	7.89	8.07	8.24	<b>67.57</b>
Variance	0.42	0.43	0.44	0.46	0.47	0.48	0.48	0.49	0.51	<b>4.18</b>

**6. Transport fee changes**

Business unit		Transport	
LTP Activity		Transport	
Project/Programme		Transport new fees	
Budget type		Operating	
Requested by:		Paul Hewitt	31/10/2024
Approved by director:		Jon Kingsbury	6/11/2024
1	Brief description of the project		
<p>Council's costs to maintain roads, footpaths and transport services have significantly increased due to inflationary pressures and proposed changes to subsidies as recently advised by New Zealand Transport Authority, Waka Kotahi.</p> <p>Additional revenue is needed to offset these increased costs and maintain and improve the condition of the transport network, making it safe and accessible, and to progress vital projects in the transport network.</p> <p>It is proposed that all current fees be increased by inflation. These are covered in the schedule of proposed increases to fees and charges that will be presented to Council as part of the Draft 2025-26 Annual Plan.</p> <p>In addition to current fees and charges this report is seeking Council approval to introduce a number of new fees and charges as explained below and set out in this report.</p> <p><b>Proposed Fee Changes</b></p> <p>1. <b><u>Vehicle Crossing Fees:</u></b></p> <ul style="list-style-type: none"><li>It is proposed that Council remove the service for our contractors to complete the installation of driveway crossings given the quoted cost at Council rate presently exceeds the contractor fee. At present Fulton Hogan carry out these quoted installations, based on their rates. Reviewing crossings installed between February 2023 and May 2024, nine quotes were accepted.</li><li>Removing the service will also remove the need for a deposit. There are no costs to Council with this change and removing the service based on the crossings installed over this time would provide Council a saving of about \$43K.</li></ul>			

<ul style="list-style-type: none"> <li>A Council compliance inspection would continue, with a fee charged for this service.</li> </ul> <p>2. <b><u>Corridor Access Fees:</u></b></p> <ul style="list-style-type: none"> <li>It is proposed that new fees be introduced essentially to cover costs incurred in inspections and monitoring. These include:</li> </ul> <p>Additional Call Out Inspection Fee Overdue Corridor Access Request Overweight Vehicles Annual Permit Renewals Overweight Vehicles Single To 5 Trip Permit</p> <p>3. <b><u>Other Services:</u></b></p> <p><b><u>Skip Bin Permits:</u></b> There is currently a fee for placement of a skip bin on road reserve. It is proposed that a new penalty fee be introduced for non-conformance to encourage compliance and reduce level of enforcement.</p>	
2	<b>Alignment to Long Term Plan priority areas and desired outcomes sought</b>
Fee changes ensure we remain financially sustainable and able to deliver on basic transport infrastructure.	
3	<b>Community engagement</b>
The proposed fees will be consulted on through the Annual Plan consultation process.	
4	<b>Overview of fees and revenue budget</b>
<p>The proposed fee changes is estimated to result in additional revenue of \$0.2M in 2025-26 and \$2.2M over the next 9 years. This has a rates impact of \$0.11%.</p> <p><b><u>Schedule of Proposed Fees:</u></b></p>	

<b>Privately installed motor crossing charges</b>	<b>2024-2025 charge</b>	<b>2025-2026 charge</b>
Deposit for privately installed crossing (\$336.00 refunded upon satisfactory completion of crossing) Fee for compliance of installation on completion.	\$336.00	Remove Service
Deposit for installation of a Heavy Duty or Extra Heavy Duty vehicle crossing (\$569.00 refunded upon satisfactory completion of crossing) Fee for compliance of installation on completion.	\$569.00	Remove Service

<b>Request type</b>	<b>2024-2025 Charge</b>	<b>2025-2026 Charge</b>
Corridor Access Request -additional Call out inspection Fee		\$130.00 per hour
Overdue Corridor Access Request		\$70.00 per week
Overweight Vehicles - Annual Permit Renewals		\$350.00
Overweight Vehicles - Single to 5-trip Permit		\$150.00
Skip Bin On Road Reserve within corridor access - penalty for non-conformance		\$300.00
Public hoarding boards fee (excludes election hoardings)		\$100.00
Public hoardings boards - penalty for non-conformance.		\$300.00

<b>5</b>	<b>How the spend will be funded</b>
All costs to implement and administer fees will be managed with existing budgets.	
<b>6</b>	<b>Risks and mitigation plans</b>
None	
<b>7</b>	<b>Key assumptions</b>
None	

The following table shows the expected increase in revenue for inclusion in the Draft 2025-26 Annual Plan compared to the 2024-34 Long Term Plan.

Note: Budget is yet to be validated by finance.

Table 1: Revenue budgets

Inflated \$M	<u>2025</u> <u>/26</u>	<u>2026</u> <u>/27</u>	<u>2027</u> <u>/28</u>	<u>2028</u> <u>/29</u>	<u>2029</u> <u>/30</u>	<u>2030</u> <u>/31</u>	<u>2031</u> <u>/32</u>	<u>2032</u> <u>/33</u>	<u>2033</u> <u>/34</u>	<b>Total</b>
Long Term Plan 2024-2034	0.62	0.63	0.65	0.66	0.67	0.69	0.70	0.71	0.73	<b>6.06</b>
Annual Plan 2025- 2026	0.82	0.85	0.87	0.90	0.92	0.94	0.96	0.99	1.01	<b>8.26</b>
Variance	0.20	0.22	0.22	0.24	0.25	0.25	0.26	0.28	0.28	<b>2.20</b>

# **Activity statements and Capital project listings for Draft Annual Plan 2025– 26**

**Note: Excludes impacts of Water services proposals and  
Transport safety/footpaths programme.**

## WATER SUPPLY – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	6,010	6,682	7,103	7,440	7,660	7,907	8,175	8,240	8,475	8,670
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	1,822	3,138	3,819	3,828	3,769	4,446	4,154	3,876	3,734	3,757
Vested assets	127	129	133	137	141	145	148	152	155	159
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>7,959</b>	<b>9,949</b>	<b>11,055</b>	<b>11,405</b>	<b>11,570</b>	<b>12,498</b>	<b>12,477</b>	<b>12,268</b>	<b>12,364</b>	<b>12,586</b>
<b>EXPENDITURE</b>										
Employee costs	-	-	-	-	-	-	-	-	-	-
Operating costs	34,045	36,163	38,575	40,701	41,931	43,575	45,459	46,193	47,552	48,697
Support costs/internal charges	622	592	608	641	639	661	707	692	707	751
Interest expenditure	2,761	3,467	5,235	8,261	11,813	14,427	16,052	16,470	17,221	20,136
Depreciation	15,617	17,068	18,338	21,256	24,008	26,128	28,521	29,789	31,026	34,028
<b>Total expenditure</b>	<b>53,045</b>	<b>57,290</b>	<b>62,756</b>	<b>70,859</b>	<b>78,391</b>	<b>84,791</b>	<b>90,739</b>	<b>93,144</b>	<b>96,506</b>	<b>103,612</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(45,086)</b>	<b>(47,341)</b>	<b>(51,701)</b>	<b>(59,454)</b>	<b>(66,821)</b>	<b>(72,293)</b>	<b>(78,262)</b>	<b>(80,876)</b>	<b>(84,142)</b>	<b>(91,026)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>26,240</b>	<b>26,823</b>	<b>48,660</b>	<b>83,769</b>	<b>80,800</b>	<b>44,380</b>	<b>35,487</b>	<b>35,686</b>	<b>34,400</b>	<b>67,080</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(45,086)	(47,341)	(51,701)	(59,454)	(66,821)	(72,293)	(78,262)	(80,876)	(84,142)	(91,026)
Add capital contributions	(1,822)	(3,138)	(3,819)	(3,828)	(3,769)	(4,446)	(4,154)	(3,876)	(3,734)	(3,757)
Rate funded debt/(debt repayment)	19,014	17,508	17,603	19,678	20,445	19,073	16,100	8,488	-	-
<b>Total rates funding requirement</b>	<b>(27,894)</b>	<b>(32,971)</b>	<b>(37,917)</b>	<b>(43,604)</b>	<b>(50,145)</b>	<b>(57,666)</b>	<b>(66,316)</b>	<b>(76,264)</b>	<b>(87,876)</b>	<b>(94,783)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	(106)	(106)	(21,721)	(42,456)	(34,641)	(7,261)	(117)	(120)	(245)	(2,004)
Capital to improve level of service	(8,629)	(8,878)	(20,416)	(26,141)	(27,583)	(10,991)	(3,313)	(3,530)	(2,369)	(8,767)
Capital to replace existing assets	(17,505)	(17,839)	(6,523)	(15,172)	(18,576)	(26,128)	(32,057)	(32,036)	(31,786)	(56,309)
Less capital contributions	1,822	3,138	3,819	3,828	3,769	4,446	4,154	3,876	3,734	3,757
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	15,617	17,068	18,338	21,256	24,008	26,128	28,521	29,789	31,026	34,028
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	(19,014)	(17,508)	(17,603)	(19,678)	(20,445)	(19,073)	(16,100)	(8,488)	-	-
<b>Total loan (funding)/repayment</b>	<b>(27,815)</b>	<b>(24,125)</b>	<b>(44,106)</b>	<b>(78,363)</b>	<b>(73,468)</b>	<b>(32,879)</b>	<b>(18,912)</b>	<b>(10,509)</b>	<b>360</b>	<b>(29,295)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(55,709)</b>	<b>(57,096)</b>	<b>(82,023)</b>	<b>(121,967)</b>	<b>(123,613)</b>	<b>(90,545)</b>	<b>(85,228)</b>	<b>(86,773)</b>	<b>(87,516)</b>	<b>(124,078)</b>

Capital projects										
Water Supply	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to meet additional demand</b>										
Network Upgrades WS Growth	106	106	109	109	112	115	117	120	245	2,004
Reservoir Upgrades WS Growth	-	-	21,611	42,347	34,530	7,146	-	-	-	-
<b>Capital projects to replace existing assets</b>										
Reactive Pump Station Renewals	382	235	120	325	131	715	1,213	82	84	189
Reactive Reservoir Renewals	2,353	2,221	270	420	872	6,012	12,140	12,899	12,570	16,934
Control Systems Renewals WS	53	32	33	33	56	34	35	36	37	38
Network Renewals WS	14,717	15,351	6,101	14,394	17,517	19,367	18,669	19,019	19,095	39,148
<b>Capital projects to improve level of service</b>										
Critical Pipelines Seismic Upgrade	-	-	-	-	-	-	-	-	-	1,103
Data Collection WS	1,439	63	65	1,043	1,122	1,549	1,293	1,385	74	75
Network Upgrade WS	2,680	406	53	58	1,734	1,822	1,958	2,102	2,255	5,669
Reservoir Upgrades WS	719	21	22	22	22	23	24	4	-	1,879
Water Resilience	2,316	1,093	1,128	1,347	1,600	2,387	39	40	40	41
Universal Water Meters	1,474	7,294	19,148	23,671	23,104	5,211	-	-	-	-
<b>Total</b>	<b>26,240</b>	<b>26,822</b>	<b>48,660</b>	<b>83,769</b>	<b>80,800</b>	<b>44,380</b>	<b>35,488</b>	<b>35,686</b>	<b>34,400</b>	<b>67,081</b>



## WASTEWATER- PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	1,248	1,276	1,316	1,356	1,394	1,430	1,464	1,498	1,531	1,563
Operating subsidies	3,971	4,094	4,249	4,367	4,523	4,671	4,621	4,727	4,831	4,935
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	2,144	3,869	5,051	5,346	5,496	6,739	6,568	6,358	6,218	6,260
Vested assets	127	129	133	137	141	145	148	152	155	159
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>7,490</b>	<b>9,368</b>	<b>10,749</b>	<b>11,206</b>	<b>11,554</b>	<b>12,985</b>	<b>12,801</b>	<b>12,735</b>	<b>12,735</b>	<b>12,917</b>
<b>EXPENDITURE</b>										
Employee costs	-	-	-	-	-	-	-	-	-	-
Operating costs	23,014	24,041	24,992	26,188	27,284	27,993	28,294	29,177	30,015	30,912
Support costs/internal charges	1,122	1,091	1,122	1,178	1,182	1,219	1,290	1,277	1,305	1,373
Interest expenditure	3,792	4,866	6,952	8,088	8,831	9,392	9,982	9,086	9,688	8,979
Depreciation	24,924	33,431	39,755	46,781	51,232	55,549	63,686	71,707	82,187	94,283
<b>Total expenditure</b>	<b>52,852</b>	<b>63,429</b>	<b>72,821</b>	<b>82,235</b>	<b>88,529</b>	<b>94,153</b>	<b>103,252</b>	<b>111,247</b>	<b>123,195</b>	<b>135,547</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(45,362)</b>	<b>(54,061)</b>	<b>(62,072)</b>	<b>(71,029)</b>	<b>(76,975)</b>	<b>(81,168)</b>	<b>(90,451)</b>	<b>(98,512)</b>	<b>(110,460)</b>	<b>(122,630)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>52,926</b>	<b>71,506</b>	<b>99,645</b>	<b>73,940</b>	<b>68,379</b>	<b>72,571</b>	<b>108,843</b>	<b>90,735</b>	<b>131,079</b>	<b>87,378</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(45,362)	(54,061)	(62,072)	(71,029)	(76,975)	(81,168)	(90,451)	(98,512)	(110,460)	(122,630)
Add capital contributions	(2,144)	(3,869)	(5,051)	(5,346)	(5,496)	(6,739)	(6,568)	(6,358)	(6,218)	(6,260)
Rate funded debt/(debt repayment)	16,964	21,830	22,719	22,203	16,922	7,938	1,056	(6,447)	-	-
<b>Total rates funding requirement</b>	<b>(30,542)</b>	<b>(36,100)</b>	<b>(44,404)</b>	<b>(54,172)</b>	<b>(65,549)</b>	<b>(79,969)</b>	<b>(95,963)</b>	<b>(111,317)</b>	<b>(116,678)</b>	<b>(128,890)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	(9,695)	(6,441)	(10,483)	(28,922)	(30,824)	(12,471)	(7,143)	(120)	(123)	(7,947)
Capital to improve level of service	(8,384)	(2,006)	(29,997)	(14,815)	(4,701)	(26,251)	(37,673)	(15,940)	(13,277)	(26,234)
Capital to replace existing assets	(34,847)	(63,059)	(59,165)	(30,203)	(32,854)	(33,849)	(64,027)	(74,675)	(117,679)	(53,197)
Less capital contributions	2,144	3,869	5,051	5,346	5,496	6,739	6,568	6,358	6,218	6,260
Less UHCC capital contribution	10,216	18,341	24,178	11,784	9,552	16,267	25,771	22,275	34,327	4,114
Less depreciation	24,924	33,431	39,755	46,781	51,232	55,549	63,686	71,707	82,187	94,283
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	(16,964)	(21,830)	(22,719)	(22,203)	(16,922)	(7,938)	(1,056)	6,447	-	-
<b>Total loan (funding)/repayment</b>	<b>(32,606)</b>	<b>(37,695)</b>	<b>(53,380)</b>	<b>(32,232)</b>	<b>(19,021)</b>	<b>(1,954)</b>	<b>(13,874)</b>	<b>16,052</b>	<b>(8,347)</b>	<b>17,279</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(63,148)</b>	<b>(73,795)</b>	<b>(97,784)</b>	<b>(86,404)</b>	<b>(84,570)</b>	<b>(81,923)</b>	<b>(109,837)</b>	<b>(95,265)</b>	<b>(125,025)</b>	<b>(111,611)</b>

Capital projects										
Wastewater	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to meet additional demand</b>										
Network Renewals WW Growth	106	106	109	109	112	115	117	120	123	125
Network Upgrades WW Growth	7,193	946	3,132	3,136	7,172	12,357	7,026	-	-	1,984
Wastewater Valley Floor Infrastructure Growth	1,313	4,869	6,701	22,988	22,988	-	-	-	-	-
Pump Station Upgrades WW Growth	-	-	540	2,689	553	-	-	-	-	1,640
Wastewater Storage JV Project	1,083	520	-	-	-	-	-	-	-	4,197
<b>Capital projects to replace existing assets</b>										
Network Renewals WW	8,954	3,163	3,917	4,107	4,221	4,331	4,435	4,537	4,637	47,343
Pump Station Upgrades WW	70	79	2,358	41	42	43	88	90	92	94
Trunk DBO JV asset replacement and Capacity upgr	25,823	59,446	52,890	24,318	24,962	10,959	58,683	70,048	112,950	5,760
Trunk DBO Network Cyclic Replacement	-	370	-	-	-	-	-	-	-	-
Trunk Resource Consent Renewals	-	-	-	1,358	2,066	3,094	821	-	-	-
Joint Venture trunk reticulation DBO network cyclic re	-	-	-	-	-	11,412	-	-	-	-
Seaview WWTP JV sludge Handling Renewal and Ca	-	-	-	380	1,563	4,010	-	-	-	-
<b>Capital projects to improve level of service</b>										
Network Upgrades WW	1,238	1,206	2,294	1,591	1,452	1,503	11,275	11,739	11,805	22,477
Trunk Main Outfall Pipeline Overflow Mitigation	700	800	140	105	1,015	1,833	2,933	4,201	1,472	3,757
Joint Venture Trunk Reticulation DBO network Cyclic	6,446	-	27,564	13,118	2,233	22,915	23,465	-	-	-
<b>Total</b>	<b>52,926</b>	<b>71,506</b>	<b>99,646</b>	<b>73,940</b>	<b>68,379</b>	<b>72,571</b>	<b>108,844</b>	<b>90,735</b>	<b>131,079</b>	<b>87,378</b>

**STORMWATER – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE****For the year ending 30 June**

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	13	13	13	14	14	15	15	15	16	16
Operating subsidies	9	9	10	10	10	11	11	11	11	12
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	1,299	4,410	6,392	49,364	37,440	-	-	-	-	-
Development & financial contributions	484	906	1,257	1,376	1,433	1,777	1,761	1,718	1,661	1,637
Vested assets	127	129	133	137	141	145	148	152	155	159
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>1,932</b>	<b>5,467</b>	<b>7,805</b>	<b>50,901</b>	<b>39,038</b>	<b>1,948</b>	<b>1,935</b>	<b>1,896</b>	<b>1,843</b>	<b>1,824</b>
<b>EXPENDITURE</b>										
Employee costs	-	-	-	-	-	-	-	-	-	-
Operating costs	7,863	8,298	8,907	9,527	10,036	10,600	11,116	11,605	12,074	12,606
Support costs/internal charges	486	465	477	503	502	519	554	544	556	589
Interest expenditure	749	839	609	44	90	454	848	1,106	1,528	1,352
Depreciation	19,013	19,390	19,634	20,780	22,653	24,809	26,858	27,625	28,437	30,571
<b>Total expenditure</b>	<b>28,111</b>	<b>28,992</b>	<b>29,627</b>	<b>30,854</b>	<b>33,281</b>	<b>36,382</b>	<b>39,376</b>	<b>40,880</b>	<b>42,595</b>	<b>45,118</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(26,179)</b>	<b>(23,525)</b>	<b>(21,822)</b>	<b>20,047</b>	<b>5,757</b>	<b>(34,434)</b>	<b>(37,441)</b>	<b>(38,984)</b>	<b>(40,752)</b>	<b>(43,294)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>10,033</b>	<b>23,105</b>	<b>18,815</b>	<b>52,408</b>	<b>65,011</b>	<b>29,574</b>	<b>32,862</b>	<b>31,779</b>	<b>34,938</b>	<b>31,292</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(26,179)	(23,525)	(21,822)	20,047	5,757	(34,434)	(37,441)	(38,984)	(40,752)	(43,294)
Add capital contributions	(1,783)	(5,316)	(7,649)	(50,740)	(38,873)	(1,777)	(1,761)	(1,718)	(1,661)	(1,637)
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(27,962)</b>	<b>(28,841)</b>	<b>(29,471)</b>	<b>(30,693)</b>	<b>(33,116)</b>	<b>(36,211)</b>	<b>(39,202)</b>	<b>(40,702)</b>	<b>(42,413)</b>	<b>(44,931)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	(4,142)	(12,108)	(13,050)	(45,342)	(49,803)	(6,070)	(9,468)	(9,686)	(6,256)	(1,378)
Capital to improve level of service	(4,723)	(6,638)	(4,892)	(5,326)	(5,745)	(15,419)	(20,668)	(21,679)	(25,411)	(29,697)
Capital to replace existing assets	(1,168)	(4,359)	(873)	(1,740)	(9,463)	(8,085)	(2,726)	(414)	(3,271)	(217)
Less capital contributions	1,783	5,316	7,649	50,740	38,873	1,777	1,761	1,718	1,661	1,637
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	19,013	19,390	19,634	20,780	22,653	24,809	26,858	27,625	28,437	30,571
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>10,763</b>	<b>1,601</b>	<b>8,468</b>	<b>19,112</b>	<b>(3,485)</b>	<b>(2,988)</b>	<b>(4,243)</b>	<b>(2,436)</b>	<b>(4,840)</b>	<b>916</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(17,199)</b>	<b>(27,240)</b>	<b>(21,003)</b>	<b>(11,581)</b>	<b>(36,601)</b>	<b>(39,199)</b>	<b>(43,445)</b>	<b>(43,138)</b>	<b>(47,253)</b>	<b>(44,015)</b>

Capital projects										
Stormwater	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to meet additional demand</b>										
Stormwater development Projects	635	2,221	109	109	112	115	117	120	123	125
Network Upgrades SW Growth	1,058	846	491	790	5,249	5,956	9,351	9,566	6,134	1,252
Stormwater Valley Floor Infrastructure Growth	2,449	9,040	12,449	44,443	44,443	-	-	-	-	-
<b>Capital projects to replace existing assets</b>										
Control Systems renewals SW	21	11	11	11	11	23	12	12	12	25
Network Renewals SW	971	4,237	710	54	223	4,721	-	-	-	-
Pump Station Reactive Renewals SW	176	111	151	1,675	9,228	3,342	2,714	402	3,258	192
<b>Capital projects to improve level of service</b>										
Beach Stormwater Outlets	-	-	5	-	-	-	-	-	-	-
Dowse Drive Stormwater Improvement	32	-	-	-	-	-	-	-	-	-
Network Upgrades SW	3,104	5,263	4,123	5,208	5,721	15,298	20,668	21,679	25,411	29,697
Pump Station Upgrades SW	1,058	846	218	118	23	120	-	-	-	-
Stormwater consenting project	529	529	546	-	-	-	-	-	-	-
<b>Total</b>	<b>10,033</b>	<b>23,104</b>	<b>18,815</b>	<b>52,408</b>	<b>65,010</b>	<b>29,574</b>	<b>32,862</b>	<b>31,778</b>	<b>34,938</b>	<b>31,292</b>

**SOLID WASTE – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE****For the year ending 30 June**

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	32,475	33,237	35,380	37,421	38,768	39,941	41,083	42,304	43,249	44,254
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	500	-	2,500	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	30	31	32	33	34	34	35	36	37	38
<b>Total revenue</b>	<b>33,005</b>	<b>33,268</b>	<b>37,912</b>	<b>37,454</b>	<b>38,802</b>	<b>39,975</b>	<b>41,118</b>	<b>42,340</b>	<b>43,286</b>	<b>44,292</b>
<b>EXPENDITURE</b>										
Employee costs	400	503	520	533	547	560	574	589	604	619
Operating costs	29,075	29,399	30,652	37,091	38,020	38,713	39,440	40,143	41,073	41,964
Support costs/internal charges	527	494	522	566	576	616	682	674	691	755
Interest expenditure	731	752	899	1,008	1,022	839	882	904	924	955
Depreciation	2,474	2,862	3,175	3,424	3,670	3,874	4,039	4,243	4,365	4,390
<b>Total expenditure</b>	<b>33,207</b>	<b>34,010</b>	<b>35,768</b>	<b>42,622</b>	<b>43,835</b>	<b>44,602</b>	<b>45,617</b>	<b>46,553</b>	<b>47,657</b>	<b>48,683</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(202)</b>	<b>(742)</b>	<b>2,144</b>	<b>(5,168)</b>	<b>(5,033)</b>	<b>(4,627)</b>	<b>(4,499)</b>	<b>(4,213)</b>	<b>(4,371)</b>	<b>(4,391)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>13,008</b>	<b>12,684</b>	<b>17,035</b>	<b>12,424</b>	<b>8,470</b>	<b>4,570</b>	<b>5,890</b>	<b>7,170</b>	<b>660</b>	<b>800</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(202)	(742)	2,144	(5,168)	(5,033)	(4,627)	(4,499)	(4,213)	(4,371)	(4,391)
Add capital contributions	(500)	-	(2,500)	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	(12,594)	(14,205)	(15,307)	(16,030)	(16,823)	(17,863)	(18,579)	(19,441)	(19,835)	(20,355)
<b>Total rates funding requirement</b>	<b>(13,296)</b>	<b>(14,947)</b>	<b>(15,663)</b>	<b>(21,198)</b>	<b>(21,856)</b>	<b>(22,490)</b>	<b>(23,078)</b>	<b>(23,654)</b>	<b>(24,206)</b>	<b>(24,746)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(13,008)	(12,684)	(17,035)	(12,424)	(8,470)	(4,570)	(5,890)	(7,170)	(660)	(800)
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-
Less capital contributions	500	-	2,500	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	2,474	2,862	3,175	3,424	3,670	3,874	4,039	4,243	4,365	4,390
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	12,594	14,205	15,307	16,030	16,823	17,863	18,579	19,441	19,835	20,355
<b>Total loan (funding)/repayment</b>	<b>2,560</b>	<b>4,383</b>	<b>3,947</b>	<b>7,030</b>	<b>12,023</b>	<b>17,167</b>	<b>16,728</b>	<b>16,514</b>	<b>23,540</b>	<b>23,945</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(10,736)</b>	<b>(10,564)</b>	<b>(11,716)</b>	<b>(14,168)</b>	<b>(9,833)</b>	<b>(5,323)</b>	<b>(6,350)</b>	<b>(7,140)</b>	<b>(666)</b>	<b>(801)</b>

Capital projects										
Solid Waste	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to improve level of service</b>										
Silverstream LF Stg 2 Design & Const	11,020	11,661	6,350	7,320	6,150	4,570	5,890	5,970	660	800
Silverstream Landfill Asbestos Cell	50	-	3,100	-	2,320	-	-	1,200	-	-
Silverstream Landfill Transfer Station	517	-	-	-	-	-	-	-	-	-
Food and Green Waste	-	1,023	7,585	5,103	-	-	-	-	-	-
Silverstream Landfill EV Charging Station	1,421	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,008</b>	<b>12,684</b>	<b>17,035</b>	<b>12,424</b>	<b>8,470</b>	<b>4,570</b>	<b>5,890</b>	<b>7,170</b>	<b>660</b>	<b>800</b>

## SUSTAINABILITY &amp; RESILIENCE – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	122	152	191	237	244	250	256	262	268	274
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	2,191	2,205	2,276	2,344	2,410	2,472	2,532	2,590	2,647	2,703
<b>Total revenue</b>	<b>2,313</b>	<b>2,357</b>	<b>2,467</b>	<b>2,581</b>	<b>2,654</b>	<b>2,722</b>	<b>2,788</b>	<b>2,852</b>	<b>2,915</b>	<b>2,977</b>
<b>EXPENDITURE</b>										
Employee costs	1,168	1,094	1,133	1,161	1,190	1,220	1,250	1,281	1,313	1,346
Operating costs	2,854	2,874	2,958	3,072	3,142	3,224	3,302	3,378	3,453	3,525
Support costs/internal charges	780	730	744	758	797	843	882	909	941	971
Interest expenditure	191	204	219	234	232	252	281	289	303	305
Depreciation	130	134	134	134	131	131	131	130	64	16
<b>Total expenditure</b>	<b>5,123</b>	<b>5,036</b>	<b>5,188</b>	<b>5,359</b>	<b>5,492</b>	<b>5,670</b>	<b>5,846</b>	<b>5,987</b>	<b>6,074</b>	<b>6,163</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(2,810)</b>	<b>(2,679)</b>	<b>(2,721)</b>	<b>(2,778)</b>	<b>(2,838)</b>	<b>(2,948)</b>	<b>(3,058)</b>	<b>(3,135)</b>	<b>(3,159)</b>	<b>(3,186)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>259</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(2,810)	(2,679)	(2,721)	(2,778)	(2,838)	(2,948)	(3,058)	(3,135)	(3,159)	(3,186)
Add capital contributions	-	-	-	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(2,810)</b>	<b>(2,679)</b>	<b>(2,721)</b>	<b>(2,778)</b>	<b>(2,838)</b>	<b>(2,948)</b>	<b>(3,058)</b>	<b>(3,135)</b>	<b>(3,159)</b>	<b>(3,186)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(259)	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	130	134	134	134	131	131	131	130	64	16
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(129)</b>	<b>134</b>	<b>134</b>	<b>134</b>	<b>131</b>	<b>131</b>	<b>131</b>	<b>130</b>	<b>64</b>	<b>16</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(2,939)</b>	<b>(2,545)</b>	<b>(2,587)</b>	<b>(2,644)</b>	<b>(2,707)</b>	<b>(2,817)</b>	<b>(2,927)</b>	<b>(3,005)</b>	<b>(3,095)</b>	<b>(3,170)</b>

Capital projects										
Sustainability & Resilience	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Capital projects to improve level of service										
105 Western Hutt Road ERT Facility	259	-	-	-	-	-	-	-	-	-
Total	259	-	-	-	-	-	-	-	-	-



## REGULATORY SERVICES – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	11,475	12,616	12,895	13,315	13,754	14,158	14,576	14,911	15,350	15,707
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	2,293	151	154	158	165	167	171	177	179	182
<b>Total revenue</b>	<b>13,768</b>	<b>12,767</b>	<b>13,049</b>	<b>13,473</b>	<b>13,919</b>	<b>14,325</b>	<b>14,747</b>	<b>15,088</b>	<b>15,529</b>	<b>15,889</b>
<b>EXPENDITURE</b>										
Employee costs	11,727	11,210	11,602	11,893	12,190	12,495	12,806	13,127	13,455	13,792
Operating costs	3,892	3,682	3,692	3,803	3,927	4,011	4,108	4,221	4,295	4,385
Support costs/internal charges	4,794	3,921	3,932	3,926	4,199	4,527	4,770	4,745	4,832	4,933
Interest expenditure	707	738	794	866	895	980	1,087	1,130	1,194	1,218
Depreciation	415	318	278	209	181	168	177	177	177	184
<b>Total expenditure</b>	<b>21,535</b>	<b>19,869</b>	<b>20,298</b>	<b>20,697</b>	<b>21,392</b>	<b>22,181</b>	<b>22,948</b>	<b>23,400</b>	<b>23,953</b>	<b>24,512</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(7,767)</b>	<b>(7,102)</b>	<b>(7,249)</b>	<b>(7,224)</b>	<b>(7,473)</b>	<b>(7,856)</b>	<b>(8,201)</b>	<b>(8,312)</b>	<b>(8,424)</b>	<b>(8,623)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(7,767)	(7,102)	(7,249)	(7,224)	(7,473)	(7,856)	(8,201)	(8,312)	(8,424)	(8,623)
Add capital contributions	-	-	-	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(7,767)</b>	<b>(7,102)</b>	<b>(7,249)</b>	<b>(7,224)</b>	<b>(7,473)</b>	<b>(7,856)</b>	<b>(8,201)</b>	<b>(8,312)</b>	<b>(8,424)</b>	<b>(8,623)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	415	318	278	209	181	168	177	177	177	184
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>415</b>	<b>318</b>	<b>278</b>	<b>209</b>	<b>181</b>	<b>168</b>	<b>177</b>	<b>177</b>	<b>177</b>	<b>184</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(7,352)</b>	<b>(6,784)</b>	<b>(6,971)</b>	<b>(7,015)</b>	<b>(7,292)</b>	<b>(7,688)</b>	<b>(8,024)</b>	<b>(8,135)</b>	<b>(8,247)</b>	<b>(8,439)</b>

## TRANSPORT – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	7,505	8,743	9,102	9,612	9,880	10,137	10,381	10,619	10,853	11,081
Operating subsidies	5,383	5,147	5,261	8,854	9,101	9,337	9,562	9,781	9,997	10,207
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	17,299	24,277	10,839	37,872	45,674	31,110	35,084	26,722	14,220	14,453
Capital Grants	6,985	5,708	-	-	-	-	-	-	-	-
Development & financial contributions	468	814	1,003	1,019	1,020	1,219	1,150	1,085	1,053	1,061
Vested assets	555	567	585	603	620	636	651	666	681	695
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	576	669	690	711	731	750	768	785	802	819
<b>Total revenue</b>	<b>38,771</b>	<b>45,925</b>	<b>27,480</b>	<b>58,671</b>	<b>67,026</b>	<b>53,189</b>	<b>57,596</b>	<b>49,658</b>	<b>37,606</b>	<b>38,316</b>
<b>EXPENDITURE</b>										
Employee costs	2,542	2,553	2,642	2,755	2,824	2,895	2,967	3,041	3,117	3,195
Operating costs	19,484	20,292	20,953	22,851	23,521	24,140	24,700	25,274	25,838	26,387
Support costs/internal charges	4,917	4,896	4,984	5,062	5,198	5,398	5,614	5,651	5,726	5,923
Interest expenditure	3,526	3,845	3,747	4,018	4,749	5,380	5,635	5,019	3,650	1,510
Depreciation	18,361	20,500	22,081	25,944	30,289	34,771	40,297	43,101	44,939	48,267
<b>Total expenditure</b>	<b>48,830</b>	<b>52,086</b>	<b>54,407</b>	<b>60,630</b>	<b>66,581</b>	<b>72,584</b>	<b>79,213</b>	<b>82,086</b>	<b>83,270</b>	<b>85,282</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(10,059)</b>	<b>(6,161)</b>	<b>(26,927)</b>	<b>(1,959)</b>	<b>445</b>	<b>(19,395)</b>	<b>(21,617)</b>	<b>(32,428)</b>	<b>(45,664)</b>	<b>(46,966)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>53,953</b>	<b>54,304</b>	<b>19,773</b>	<b>77,011</b>	<b>90,635</b>	<b>62,309</b>	<b>70,034</b>	<b>54,195</b>	<b>30,554</b>	<b>31,300</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(10,059)	(6,161)	(26,927)	(1,959)	445	(19,395)	(21,617)	(32,428)	(45,664)	(46,966)
Add capital contributions	(24,752)	(30,799)	(11,842)	(38,891)	(46,694)	(32,329)	(36,234)	(27,807)	(15,273)	(15,514)
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(34,811)</b>	<b>(36,960)</b>	<b>(38,769)</b>	<b>(40,850)</b>	<b>(46,249)</b>	<b>(51,724)</b>	<b>(57,851)</b>	<b>(60,235)</b>	<b>(60,937)</b>	<b>(62,480)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	(596)	(451)	(127)	(6,597)	(7,498)	(6,192)	(6,448)	(6,136)	(4,987)	(5,084)
Capital to improve level of service	(38,156)	(40,766)	(7,062)	(54,945)	(68,550)	(41,366)	(48,485)	(32,707)	(9,877)	(9,963)
Capital to replace existing assets	(15,201)	(13,087)	(12,584)	(15,469)	(14,587)	(14,751)	(15,101)	(15,352)	(15,690)	(16,253)
Less capital contributions	24,752	30,799	11,842	38,891	46,694	32,329	36,234	27,807	15,273	15,514
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	18,361	20,500	22,081	25,944	30,289	34,771	40,297	43,101	44,939	48,267
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(10,840)</b>	<b>(3,005)</b>	<b>14,150</b>	<b>(12,176)</b>	<b>(13,652)</b>	<b>4,791</b>	<b>6,497</b>	<b>16,713</b>	<b>29,658</b>	<b>32,481</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(45,651)</b>	<b>(39,965)</b>	<b>(24,619)</b>	<b>(53,026)</b>	<b>(59,901)</b>	<b>(46,933)</b>	<b>(51,354)</b>	<b>(43,522)</b>	<b>(31,279)</b>	<b>(29,999)</b>

Capital projects										
Transport	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to meet additional demand</b>										
Cross Valley Connections - Growth	174	61	-	2,390	2,792	1,460	1,472	1,249	-	-
Cycling Micro-mobility Programme Growth	240	238	-	241	595	524	666	422	423	424
Minor Safety Works Growth	-	-	-	1	1	1	1	1	1	1
Traffic Safety Improvements Growth	-	-	-	24	24	25	26	26	27	27
Local Area Traffic Management Growth	-	-	-	2	2	2	3	3	3	3
Pedestrian Crossing New Growth	-	-	-	1	1	1	1	1	1	1
Road Network Improvements - Growth	182	152	127	136	174	168	173	234	239	244
Subdivisions Road Improvements	-	-	-	3,802	3,909	4,010	4,106	4,201	4,293	4,384
<b>Capital projects to replace existing assets</b>										
Area Wide Pavement Treatment	4,450	4,555	4,714	8,276	8,507	8,728	8,937	9,143	9,344	9,541
Pavement Surfacing	3,800	3,863	3,959	2,985	3,069	3,149	3,224	3,298	3,371	3,442
Footpath Resurfacing And Replacement	446	455	469	485	498	511	524	536	547	559
Minor Road And Footpath Construction	81	82	85	88	90	92	95	97	99	101
Road Reconstruction	253	258	266	355	365	374	383	392	401	409
Wainuiomata Hill Rd Safety Seal	618	631	650	818	841	863	884	904	924	943
Traffic Signal Replacement	185	189	195	201	207	212	217	222	227	232
Minor Safety Works	-	-	-	59	61	62	64	65	67	68
Pedestrian Crossing Renewal	-	-	-	-	38	39	40	40	41	42
Streetlight Lantern Replacement Programme	256	262	270	279	285	292	297	261	267	273
Streetlight Standard Replacement	321	327	337	349	357	365	372	327	334	341
Carpark Resurfacing	56	57	59	60	62	64	65	67	68	70
Bridge Renewals - Norton Park Ave / Nelson Cres	-	-	-	1,123	-	-	-	-	-	-
Estuary Bridge Corrosion Protection	-	1,067	-	-	-	-	-	-	-	-
Pay & Display Extension	140	-	197	355	208	-	-	-	-	234
Transport Resilience Projects	1,313	1,341	1,384	-	-	-	-	-	-	-
Slip Remediation	3,283	-	-	-	-	-	-	-	-	-

<b>Capital projects to improve level of service</b>										
Cross Valley Connections	346	1,289	-	44,674	51,867	26,979	27,087	22,920	-	-
Reconstruction Improvements	87	89	92	95	97	100	102	105	107	109
Broadband Ducting	23	23	24	25	26	26	27	27	28	29
Land Purchase For Roads	11	11	11	12	12	12	13	13	13	14
Substandard Rds Upgrade	907	311	321	331	340	349	358	723	739	755
Cycling Micromobility Programme	4,860	453	-	3,775	9,321	8,211	10,439	6,607	6,627	6,646
Tupua Horo Nuku Eastern Bays	23,860	22,230	-	-	-	-	-	-	-	-
Traffic Safety Improvements	1,022	1,621	1,121	1,159	1,191	1,222	1,251	1,280	1,309	1,336
Local Area Traffic Management	-	-	-	116	119	122	125	128	131	134
Micromobility Programme	400	1,488	-	-	-	-	-	-	-	-
Pedestrian Crossings - New	-	-	-	31	32	32	33	34	35	35
Road Network Improvements	780	830	893	819	805	812	810	869	888	907
Bridge Seismic Strengthening Cuba St. Overbridge	2,169	-	-	-	-	-	-	-	-	-
Network Resilience - Eastern Hutt Road	3,120	12,420	4,600	3,910	4,740	3,500	8,240	-	-	-
Wainuiomata Coast Road Rehabilitation	570	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>53,952</b>	<b>54,305</b>	<b>19,773</b>	<b>76,975</b>	<b>90,635</b>	<b>62,309</b>	<b>70,034</b>	<b>54,195</b>	<b>30,553</b>	<b>31,300</b>

## CITY DEVELOPMENT – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	87	85	88	90	93	95	98	100	102	104
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	1,530	2,957	4,043	5,794	3,705	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	1,073	1,093	5,640	5,827	6,019	-	-	-	-	-
Other revenue	-	50	52	53	55	56	57	59	60	61
<b>Total revenue</b>	<b>2,690</b>	<b>4,185</b>	<b>9,823</b>	<b>11,764</b>	<b>9,872</b>	<b>151</b>	<b>155</b>	<b>159</b>	<b>162</b>	<b>165</b>
<b>EXPENDITURE</b>										
Employee costs	1,918	2,131	2,206	2,264	2,320	2,378	2,438	2,499	2,561	2,625
Operating costs	10,453	6,771	2,902	2,296	2,210	2,212	2,270	2,392	2,384	2,440
Support costs/internal charges	2,843	2,653	2,700	2,766	2,858	2,997	3,147	3,164	3,242	3,357
Interest expenditure	2,978	4,021	5,405	7,157	8,679	10,541	11,844	12,268	13,167	14,011
Depreciation	-	-	-	-	-	-	-	-	-	-
<b>Total expenditure</b>	<b>18,192</b>	<b>15,576</b>	<b>13,213</b>	<b>14,483</b>	<b>16,067</b>	<b>18,128</b>	<b>19,699</b>	<b>20,323</b>	<b>21,354</b>	<b>22,433</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(15,502)</b>	<b>(11,391)</b>	<b>(3,390)</b>	<b>(2,719)</b>	<b>(6,195)</b>	<b>(17,977)</b>	<b>(19,544)</b>	<b>(20,164)</b>	<b>(21,192)</b>	<b>(22,268)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>15,341</b>	<b>30,919</b>	<b>33,120</b>	<b>46,588</b>	<b>33,354</b>	<b>17,854</b>	<b>6,910</b>	<b>454</b>	<b>968</b>	<b>513</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(15,502)	(11,391)	(3,390)	(2,719)	(6,195)	(17,977)	(19,544)	(20,164)	(21,192)	(22,268)
Add capital contributions	(1,530)	(2,957)	(4,043)	(5,794)	(3,705)	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(17,032)</b>	<b>(14,348)</b>	<b>(7,433)</b>	<b>(8,513)</b>	<b>(9,900)</b>	<b>(17,977)</b>	<b>(19,544)</b>	<b>(20,164)</b>	<b>(21,192)</b>	<b>(22,268)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	(2,039)	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(13,245)	(30,882)	(32,315)	(46,043)	(33,305)	(17,362)	(6,648)	(261)	(267)	(273)
Capital to replace existing assets	(57)	(37)	(805)	(545)	(49)	(492)	(262)	(193)	(701)	(240)
Less capital contributions	1,530	2,957	4,043	5,794	3,705	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	-	-	-	-	-	-	-	-	-	-
Less asset sales	1,073	1,093	5,640	5,827	6,019	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(12,738)</b>	<b>(26,869)</b>	<b>(23,437)</b>	<b>(34,967)</b>	<b>(23,630)</b>	<b>(17,854)</b>	<b>(6,910)</b>	<b>(454)</b>	<b>(968)</b>	<b>(513)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(29,770)</b>	<b>(41,217)</b>	<b>(30,870)</b>	<b>(43,480)</b>	<b>(33,530)</b>	<b>(35,831)</b>	<b>(26,454)</b>	<b>(20,618)</b>	<b>(22,160)</b>	<b>(22,781)</b>

Capital projects										
City Development	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to meet additional demand</b>										
Urban Growth Strategy Improvements	1,539	-	-	-	-	-	-	-	-	-
Wainuiomata Town Centre reserve development	500	-	-	-	-	-	-	-	-	-
<b>Capital projects to replace existing assets</b>										
Civic Events Centre Renewal	57	37	805	545	49	492	262	193	701	240
<b>Capital projects to improve level of service</b>										
Petone 2040	458	222	230	236	243	249	255	261	267	273
Naenae Town Centre Improvements	2,587	-	-	-	-	-	-	-	-	-
Wainuiomata Queen Street Development	100	-	-	-	-	-	-	-	-	-
Te Wai Takamori o Te Awa Kairangi (RiverLink)	10,100	30,659	32,085	45,806	33,062	17,112	6,393	-	-	-
<b>Total</b>	<b>15,341</b>	<b>30,919</b>	<b>33,120</b>	<b>46,587</b>	<b>33,354</b>	<b>17,854</b>	<b>6,910</b>	<b>454</b>	<b>968</b>	<b>513</b>

## COMMUNITY PARTNERING &amp; SUPPORT – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	518	98	102	105	90	92	94	97	99	101
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	5	6	6	6	6	6	6	7	7	7
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	1,031	1,043	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>1,554</b>	<b>1,147</b>	<b>108</b>	<b>111</b>	<b>96</b>	<b>98</b>	<b>100</b>	<b>104</b>	<b>106</b>	<b>108</b>
<b>EXPENDITURE</b>										
Employee costs	4,284	4,473	3,830	3,925	4,024	4,124	4,227	4,333	4,441	4,552
Operating costs	5,431	4,687	4,791	4,913	4,918	5,053	5,169	5,295	5,422	5,535
Support costs/internal charges	4,772	4,258	4,325	4,326	4,579	4,902	5,153	5,172	5,189	5,390
Interest expenditure	851	906	989	1,060	999	1,237	1,301	1,284	1,225	1,015
Depreciation	1,625	1,708	1,796	2,080	2,226	2,453	2,874	2,949	3,186	3,627
<b>Total expenditure</b>	<b>16,963</b>	<b>16,032</b>	<b>15,731</b>	<b>16,304</b>	<b>16,746</b>	<b>17,769</b>	<b>18,724</b>	<b>19,033</b>	<b>19,463</b>	<b>20,119</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(15,409)</b>	<b>(14,885)</b>	<b>(15,623)</b>	<b>(16,193)</b>	<b>(16,650)</b>	<b>(17,671)</b>	<b>(18,624)</b>	<b>(18,929)</b>	<b>(19,357)</b>	<b>(20,011)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>1,412</b>	<b>1,005</b>	<b>1,474</b>	<b>2,054</b>	<b>568</b>	<b>4,314</b>	<b>864</b>	<b>1,144</b>	<b>698</b>	<b>766</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(15,409)	(14,885)	(15,623)	(16,193)	(16,650)	(17,671)	(18,624)	(18,929)	(19,357)	(20,011)
Add capital contributions	-	-	-	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(15,409)</b>	<b>(14,885)</b>	<b>(15,623)</b>	<b>(16,193)</b>	<b>(16,650)</b>	<b>(17,671)</b>	<b>(18,624)</b>	<b>(18,929)</b>	<b>(19,357)</b>	<b>(20,011)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(729)	(61)	(530)	(112)	(67)	(1,075)	(6)	(72)	(617)	(7)
Capital to replace existing assets	(683)	(944)	(944)	(1,942)	(501)	(3,239)	(858)	(1,072)	(81)	(759)
Less capital contributions	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	1,625	1,708	1,796	2,080	2,226	2,453	2,874	2,949	3,186	3,627
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>213</b>	<b>703</b>	<b>322</b>	<b>26</b>	<b>1,658</b>	<b>(1,861)</b>	<b>2,010</b>	<b>1,805</b>	<b>2,488</b>	<b>2,861</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(15,196)</b>	<b>(14,182)</b>	<b>(15,301)</b>	<b>(16,167)</b>	<b>(14,992)</b>	<b>(19,532)</b>	<b>(16,614)</b>	<b>(17,124)</b>	<b>(16,869)</b>	<b>(17,150)</b>

Capital projects										
Community Partnering & Support	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Draft Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to replace existing assets</b>										
Belmont Memorial Hall Renewal	-	23	6	68	1	137	-	54	-	15
Eastbourne Hall Renewal	18	66	34	99	2	130	4	220	-	47
Epuni Hall Renewal	34	54	24	31	1	142	-	25	-	28
Wainuiomata Memorial Hall Renewal	1	33	10	47	8	93	8	59	7	11
Maungaraki Hall Renewal	55	35	205	30	-	413	106	2	-	39
Walter Nash Centre Renewal	111	184	221	532	1	1,111	583	265	-	262
Stokes Valley Hub Renewal	1	73	67	230	15	291	2	150	5	48
Wainuiomata Hub Renewal	15	76	58	322	4	257	1	122	1	80
Community Hubs - Furniture & Equipment Replacement	5	5	5	5	370	6	6	6	6	6
CCTV Replacement	123	33	34	35	36	50	38	39	40	136
Community Houses Building Renewal	72	182	93	309	30	313	12	112	13	-
Moera Community Hall Renewal	74	50	8	89	0	53	43	4	-	28
Treadwell Community Hall Renewal	33	54	24	31	25	27	19	12	9	28
Hardwick-Smith Lounge Renewal	137	17	93	19	-	-	-	-	-	-
Hutt Art Society Renewal	5	59	61	92	9	216	37	2	-	31
<b>Capital projects to improve level of service</b>										
Walter Nash Centre Equipment and Fitout	95	-	-	106	-	-	-	-	-	-
Walter NashTaita Centre Furniture	53	-	-	-	-	-	-	-	-	-
Community Hubs - Building Improvements	5	6	6	6	6	6	6	7	7	7
Decarbonisation Energy Conversion	-	-	-	-	-	499	-	-	-	-
Community Panel Projects	576	-	525	-	-	570	-	-	610	-
Community Houses	-	56	-	-	61	-	-	65	-	-
<b>Total</b>	<b>1,412</b>	<b>1,005</b>	<b>1,475</b>	<b>2,054</b>	<b>567</b>	<b>4,314</b>	<b>865</b>	<b>1,144</b>	<b>697</b>	<b>766</b>



## OPEN SPACES, PARKS &amp; RECREATION – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast	Annual Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	1,652	1,806	2,029	2,092	1,992	2,046	2,097	2,148	2,198	2,246
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	6	6	6	7	7	7	7	7	7	7
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	112	115	118	122	125	128	131	135	137	140
<b>Total revenue</b>	<b>4,770</b>	<b>4,927</b>	<b>5,153</b>	<b>5,221</b>	<b>5,124</b>	<b>5,181</b>	<b>5,235</b>	<b>5,290</b>	<b>5,342</b>	<b>5,393</b>
<b>EXPENDITURE</b>										
Employee costs	1,093	1,099	1,137	1,085	1,112	1,312	1,344	1,378	1,413	1,448
Operating costs	16,737	14,135	14,707	15,326	15,726	16,291	16,821	17,436	18,453	17,132
Support costs/internal charges	1,004	930	955	982	1,007	1,060	1,127	1,120	1,127	1,196
Interest expenditure	1,959	2,540	3,054	3,365	3,793	4,373	4,627	4,706	4,755	4,524
Depreciation	3,704	4,019	4,375	4,920	5,215	5,601	6,112	6,333	6,567	7,122
<b>Total expenditure</b>	<b>24,497</b>	<b>22,723</b>	<b>24,228</b>	<b>25,678</b>	<b>26,853</b>	<b>28,637</b>	<b>30,031</b>	<b>30,973</b>	<b>32,315</b>	<b>31,422</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(19,727)</b>	<b>(17,796)</b>	<b>(19,075)</b>	<b>(20,457)</b>	<b>(21,729)</b>	<b>(23,456)</b>	<b>(24,796)</b>	<b>(25,683)</b>	<b>(26,973)</b>	<b>(26,029)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>15,301</b>	<b>20,183</b>	<b>13,260</b>	<b>9,397</b>	<b>14,554</b>	<b>10,865</b>	<b>5,311</b>	<b>7,089</b>	<b>4,821</b>	<b>3,796</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(19,727)	(17,796)	(19,075)	(20,457)	(21,729)	(23,456)	(24,796)	(25,683)	(26,973)	(26,029)
Add capital contributions	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(22,727)</b>	<b>(20,796)</b>	<b>(22,075)</b>	<b>(23,457)</b>	<b>(24,729)</b>	<b>(26,456)</b>	<b>(27,796)</b>	<b>(28,683)</b>	<b>(29,973)</b>	<b>(29,029)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	(7,476)	(5,310)	(2,750)	(4,450)	(5,550)	(300)	(200)	(100)	(50)	-
Capital to improve level of service	(3,592)	(3,071)	(3,246)	(1,445)	(6,358)	(8,683)	(1,916)	(4,432)	(1,198)	(1,737)
Capital to replace existing assets	(4,233)	(11,802)	(7,264)	(3,502)	(2,646)	(1,882)	(3,195)	(2,557)	(3,573)	(2,059)
Less capital contributions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	3,704	4,019	4,375	4,920	5,215	5,601	6,112	6,333	6,567	7,122
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(8,597)</b>	<b>(13,164)</b>	<b>(5,885)</b>	<b>(1,477)</b>	<b>(6,339)</b>	<b>(2,264)</b>	<b>3,801</b>	<b>2,244</b>	<b>4,746</b>	<b>6,326</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(31,324)</b>	<b>(33,960)</b>	<b>(27,960)</b>	<b>(24,934)</b>	<b>(31,068)</b>	<b>(28,720)</b>	<b>(23,995)</b>	<b>(26,439)</b>	<b>(25,227)</b>	<b>(22,703)</b>

Capital projects										
Open Spaces, Parks, & Reserves	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to meet additional demand</b>										
Reserve Developments	7,250	5,310	2,750	4,450	5,550	300	200	100	50	-
Black Creek reserve development	226	-	-	-	-	-	-	-	-	-
<b>Capital projects to replace existing assets</b>										
Seats & Bins	65	68	73	77	80	85	88	93	97	101
Parks Buildings Capital Renewals	2,147	307	328	677	1,044	140	187	620	1,616	870
Avalon Park Pavilion Renewal	-	-	-	125	-	110	-	74	-	-
Parks Hard Surfaces Renewal	852	896	230	1,011	1,071	673	1,193	923	1,324	452
Playgrounds	223	235	249	262	276	289	300	315	329	343
Petone Wharf	477	6,260	5,500	-	-	-	-	-	-	-
Track Renewal	225	114	121	128	134	141	147	154	160	167
Parks Signage & Interpretation	33	65	37	71	40	42	43	46	47	49
Playgrounds	-	926	-	-	-	-	-	-	-	-
Korohiwa Bus Barn Renewal	10	29	53	89	-	-	-	-	-	-
Hutt Rec Artificial Turf Renewal	-	-	-	500	-	-	-	-	-	-
Hutt Rec Sand Carpet Renewal	-	-	617	-	-	-	-	-	-	-
Petone Grandstand Renewal	200	2,800	-	-	-	-	-	-	-	-
Naenae Bowls Renewal	1	22	28	305	-	329	-	71	-	30
Ricoh Sports Centre Renewal	-	78	29	258	-	74	55	261	-	46
Parks & Reserves Drainage Renewals	-	-	-	-	-	-	1,181	-	-	-

<b>Capital projects to improve level of service</b>										
Parks & Gardens Protection Bollards	10	10	11	11	11	13	14	14	15	16
Avalon Park Development	-	-	118	-	1,447	-	144	-	-	-
Car Park Development	-	-	-	250	-	-	144	-	-	-
Wainuiomata Garden Of Remembrance	224	-	-	-	-	-	-	-	-	-
Jubilee Park Drainage	-	41	-	-	-	-	-	-	-	-
Meadowbank Reserve Development Belmont	230	-	-	-	-	-	-	-	-	-
New Tracks & Track Upgrades	-	111	-	125	-	137	-	150	-	250
Percy Reserve SH2 Development	-	-	21	-	132	-	144	-	-	-
Valley Floor Review Implementation	-	-	-	-	658	690	-	750	-	805
Mountain Bike Park	54	57	61	64	67	70	73	76	80	83
Minoh Friendship House Improvements	1	38	14	75	1	41	0	60	-	31
Toilets Upgrade	500	-	-	-	-	-	-	-	-	-
Naenae Park Changing Rooms	-	-	-	-	-	1,380	-	-	-	-
Sportsville Artificial Playing Surface	-	971	-	-	2,631	-	-	3,001	-	-
Memorial Park Synthetic Turf & Changing Rooms	-	-	281	-	-	-	-	-	-	-
New Cemetery Development, Akatarawa Road	1,275	-	-	-	-	3,437	-	-	-	-
Decarbonisation Energy Conversion (Parks)	218	222	115	-	122	280	-	-	-	-
Taita Cemetery Improvements	-	51	580	-	45	527	-	60	613	-
Percy Secenic Reserve Boardwalk	-	-	137	-	-	-	-	-	-	-
Wainuiomata Garden of Remembrance Improvements	-	-	-	-	45	630	-	-	-	50
Parks & Reserve Drainage Improvements	1,080	1,405	1,804	811	1,089	1,363	1,396	320	491	501
Parks & Reserves Security Improvements	-	164	105	109	112	115	-	-	-	-
<b>Total</b>	<b>15,302</b>	<b>20,183</b>	<b>13,260</b>	<b>9,397</b>	<b>14,553</b>	<b>10,865</b>	<b>5,311</b>	<b>7,089</b>	<b>4,821</b>	<b>3,796</b>

## CONNECTIVITY, CREATIVITY, LEARNING. &amp; RECREATION – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	5,729	6,866	7,092	7,312	7,523	7,726	7,920	8,110	8,299	8,489
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	6,750	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	1,048	913	890	917	942	967	990	1,013	1,035	1,057
<b>Total revenue</b>	<b>13,527</b>	<b>7,779</b>	<b>7,982</b>	<b>8,229</b>	<b>8,465</b>	<b>8,693</b>	<b>8,910</b>	<b>9,123</b>	<b>9,334</b>	<b>9,546</b>
<b>EXPENDITURE</b>										
Employee costs	11,724	13,205	13,672	13,934	14,282	14,639	15,005	15,380	15,765	16,159
Operating costs	8,054	8,297	8,533	8,738	9,014	9,282	9,528	9,749	9,992	10,233
Support costs/internal charges	7,428	6,778	6,839	6,891	7,218	7,615	7,954	7,984	8,171	8,401
Interest expenditure	5,088	5,282	5,620	5,992	5,976	6,425	6,740	8,687	8,930	8,738
Depreciation	6,262	7,831	8,165	8,752	8,651	8,786	9,425	9,927	10,496	11,167
<b>Total expenditure</b>	<b>38,556</b>	<b>41,393</b>	<b>42,829</b>	<b>44,307</b>	<b>45,141</b>	<b>46,747</b>	<b>48,652</b>	<b>51,727</b>	<b>53,354</b>	<b>54,698</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(25,029)</b>	<b>(33,614)</b>	<b>(34,847)</b>	<b>(36,078)</b>	<b>(36,676)</b>	<b>(38,054)</b>	<b>(39,742)</b>	<b>(42,604)</b>	<b>(44,020)</b>	<b>(45,152)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>24,281</b>	<b>7,095</b>	<b>3,932</b>	<b>4,095</b>	<b>2,208</b>	<b>4,581</b>	<b>2,845</b>	<b>39,296</b>	<b>4,457</b>	<b>2,253</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(25,029)	(33,614)	(34,847)	(36,078)	(36,676)	(38,054)	(39,742)	(42,604)	(44,020)	(45,152)
Add capital contributions	(6,750)	-	-	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(31,779)</b>	<b>(33,614)</b>	<b>(34,847)</b>	<b>(36,078)</b>	<b>(36,676)</b>	<b>(38,054)</b>	<b>(39,742)</b>	<b>(42,604)</b>	<b>(44,020)</b>	<b>(45,152)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(14,986)	(956)	(833)	(1,362)	(997)	(1,425)	(842)	(37,591)	(2,278)	(638)
Capital to replace existing assets	(9,295)	(6,139)	(3,099)	(2,733)	(1,211)	(3,156)	(2,003)	(1,705)	(2,179)	(1,615)
Less capital contributions	6,750	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	6,262	7,831	8,165	8,752	8,651	8,786	9,425	9,927	10,496	11,167
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>(11,269)</b>	<b>736</b>	<b>4,233</b>	<b>4,657</b>	<b>6,443</b>	<b>4,205</b>	<b>6,580</b>	<b>(29,369)</b>	<b>6,039</b>	<b>8,914</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(43,048)</b>	<b>(32,878)</b>	<b>(30,614)</b>	<b>(31,421)</b>	<b>(30,233)</b>	<b>(33,849)</b>	<b>(33,162)</b>	<b>(71,973)</b>	<b>(37,981)</b>	<b>(36,238)</b>

Capital projects										
Connectivity, Creativity, Learning, & Recreation	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to replace existing assets</b>										
Dowse Carpets and Soft Furnishings Gallery and Office	20	46	-	35	34	115	-	78	-	-
Dowse Office Furniture and Equipment	-	28	27	55	-	75	47	83	-	-
Dowse Museum Renewal	132	356	314	162	8	330	437	65	12	176
Dowse Gallery Lighting	44	-	69	-	85	-	115	-	107	-
Petone Settlers Museum Building & Plant Renewal	4	9	56	54	7	252	10	27	-	20
Other Pool Projects	4,856	-	-	260	112	393	151	200	111	254
Huia Pool Fitness Suite Equipment Replacement	-	-	-	302	-	-	-	-	341	-
Furniture and Equipment Replacement Programme	437	62	46	126	49	69	52	140	54	76
Replace Library Shelving	163	123	23	163	56	25	26	26	27	28
Libraries Stock Replacement	680	695	702	644	662	626	641	655	670	684
Huia Pool Boiler Replacement, Hydro/LTS Pool	-	998	-	-	-	-	-	-	-	-
Petone Settlers Museum Exhibition Furniture and Fittings	-	-	-	-	61	-	-	78	-	14
Little Theatre Renewal	28	123	106	121	2	172	85	60	-	77
Petone Library Renewal	1,500	3,520	-	-	-	-	-	-	-	-
Moera Library Renewal	1,352	0	34	9	4	6	4	-	1	9
Eastbourne Pool Renewals	10	20	50	76	5	566	-	52	-	18
Stokes Valley Pool Renewals	43	101	1,620	390	125	379	376	126	33	208
Naenae Pool Renewals	-	-	-	-	-	-	-	-	822	-
Naenae Library Renewal	3	18	29	109	1	65	59	27	-	25
Wainuiomata Library Renewal	24	42	22	226	-	83	1	88	1	28

<b>Capital projects to improve level of service</b>										
Dowse Collection Storage Upgrade	-	-	-	-	112	-	-	-	144	-
Dowse New Artworks	54	56	63	65	73	75	83	85	93	95
Dowse Heat Pump	910	-	-	-	-	-	-	-	-	-
Little Theatre Improvements	-	-	103	-	-	-	-	196	-	-
Little Theatre Sound and Lighting Improvements	-	67	-	-	-	37	-	-	200	-
McKenzie Pool Renewals	50	142	99	169	13	258	48	77	40	89
Pools Other Improvement Projects	136	138	-	147	-	-	159	163	207	-
Naenae Pool & Fitness Rebuild	8,847	6	-	-	-	-	-	-	-	-
RFID Robotic Returns Sorter	365	-	-	-	-	-	235	-	-	-
Libraries Buildings Improvements	50	51	53	54	56	115	59	60	61	63
Civic Events Centre Improvements	50	99	50	50	252	254	102	897	200	204
Eastbourne Library/Community Hub Building Improv	28	98	99	27	7	85	1	19	1	33
Naenae Fitness Suite Equipment Purchase	103	-	-	-	-	187	-	-	-	-
Petone Settlers Museum New Lighting and Furnishing	-	-	-	-	-	-	-	-	134	-
Wainuiomata Pool Renewals	19	298	362	67	482	120	152	36,095	25	147
Self Scanning Machines Purchase	-	-	-	-	-	286	-	-	-	-
Stokes Valley Pool Heat Pump	-	-	-	619	-	-	-	-	-	-
Decarbonisation Energy Conversion (Huia Pool)	3,884	-	-	-	-	-	-	-	-	-
Decarbonisation Energy Conversion (Libraries)	490	-	-	-	-	-	-	-	-	-
War Memorial Library Renewal	1	-	3	163	3	8	4	-	1,172	6
<b>Total</b>	<b>24,281</b>	<b>7,095</b>	<b>3,932</b>	<b>4,094</b>	<b>2,208</b>	<b>4,581</b>	<b>2,844</b>	<b>39,296</b>	<b>4,457</b>	<b>2,253</b>

## GOVERNANCE, STRATEGY &amp; PARTNERSHIPS – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>REVENUE</b>										
Rates	-	-	-	-	-	-	-	-	-	-
User charges	-	-	-	-	-	-	-	-	-	-
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
Dividends from CCOs	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	-	199	-	-	218	-	-	234	-	-
<b>Total revenue</b>	<b>-</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>-</b>	<b>-</b>	<b>234</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURE</b>										
Employee costs	1,388	1,428	1,457	1,493	1,552	1,569	1,608	1,672	1,690	1,732
Operating costs	2,188	2,922	2,290	2,372	3,193	2,487	2,562	3,431	2,663	2,735
Support costs/internal charges	4,145	4,046	4,156	4,202	4,380	4,555	4,678	4,779	4,870	4,965
Interest expenditure	-	-	-	-	-	-	-	-	-	-
Depreciation	7	7	4	-	-	-	-	-	-	-
<b>Total expenditure</b>	<b>7,728</b>	<b>8,403</b>	<b>7,907</b>	<b>8,067</b>	<b>9,125</b>	<b>8,611</b>	<b>8,848</b>	<b>9,882</b>	<b>9,223</b>	<b>9,432</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(7,728)</b>	<b>(8,204)</b>	<b>(7,907)</b>	<b>(8,067)</b>	<b>(8,907)</b>	<b>(8,611)</b>	<b>(8,848)</b>	<b>(9,648)</b>	<b>(9,223)</b>	<b>(9,432)</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	(7,728)	(8,204)	(7,907)	(8,067)	(8,907)	(8,611)	(8,848)	(9,648)	(9,223)	(9,432)
Add capital contributions	-	-	-	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	-	-	-	-	-	-	-	-	-	-
<b>Total rates funding requirement</b>	<b>(7,728)</b>	<b>(8,204)</b>	<b>(7,907)</b>	<b>(8,067)</b>	<b>(8,907)</b>	<b>(8,611)</b>	<b>(8,848)</b>	<b>(9,648)</b>	<b>(9,223)</b>	<b>(9,432)</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	-	-	-	-	-	-	-	-	-	-
Capital to replace existing assets	-	-	-	-	-	-	-	-	-	-
Less capital contributions	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	7	7	4	-	-	-	-	-	-	-
Less asset sales	-	-	-	-	-	-	-	-	-	-
Less rate funded debt repayment	-	-	-	-	-	-	-	-	-	-
<b>Total loan (funding)/repayment</b>	<b>7</b>	<b>7</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>(7,721)</b>	<b>(8,197)</b>	<b>(7,903)</b>	<b>(8,067)</b>	<b>(8,907)</b>	<b>(8,611)</b>	<b>(8,848)</b>	<b>(9,648)</b>	<b>(9,223)</b>	<b>(9,432)</b>

## CORPORATE SERVICES – PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>REVENUE</b>										
Rates	183,622	209,880	238,214	270,373	306,332	345,849	373,171	402,652	434,461	468,784
User charges	1,685	1,796	2,143	2,210	2,273	2,334	2,392	2,448	2,503	2,556
Operating subsidies	-	-	-	-	-	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	-	-	-
Capital subsidies	-	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-
Interest earned	4,200	3,478	3,521	3,617	3,647	3,774	3,791	3,810	3,762	3,758
Dividends from CCOs	104	106	110	113	116	119	122	125	128	130
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
Other revenue	418	355	366	377	388	398	407	417	459	469
<b>Total revenue</b>	<b>190,029</b>	<b>215,615</b>	<b>244,354</b>	<b>276,690</b>	<b>312,756</b>	<b>352,474</b>	<b>379,883</b>	<b>409,452</b>	<b>441,313</b>	<b>475,697</b>
<b>EXPENDITURE</b>										
Employee costs	17,443	18,931	18,962	19,424	19,909	20,407	20,916	21,439	21,976	22,525
Operating costs	12,370	7,347	6,621	5,408	4,780	4,137	4,033	3,063	2,454	2,121
Support costs/internal charges	(33,440)	(30,854)	(31,364)	(31,801)	(33,135)	(34,912)	(36,558)	(36,711)	(37,357)	(38,604)
Interest expenditure	4,683	3,890	3,952	4,093	4,194	4,500	4,519	4,674	4,664	4,822
Depreciation	1,099	1,310	1,801	2,192	2,813	3,695	4,248	4,004	3,888	4,007
<b>Total expenditure</b>	<b>2,155</b>	<b>624</b>	<b>(28)</b>	<b>(684)</b>	<b>(1,439)</b>	<b>(2,173)</b>	<b>(2,842)</b>	<b>(3,531)</b>	<b>(4,375)</b>	<b>(5,129)</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>187,874</b>	<b>214,991</b>	<b>244,382</b>	<b>277,374</b>	<b>314,195</b>	<b>354,647</b>	<b>382,725</b>	<b>412,983</b>	<b>445,688</b>	<b>480,826</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>5,528</b>	<b>3,531</b>	<b>2,476</b>	<b>4,002</b>	<b>3,781</b>	<b>5,312</b>	<b>3,911</b>	<b>5,254</b>	<b>4,307</b>	<b>5,467</b>
<b>PROSPECTIVE FUNDING REQUIREMENT</b>										
<b>RATES FUNDING REQUIREMENT</b>										
Surplus/(deficit)	187,874	214,991	244,382	277,374	314,195	354,647	382,725	412,983	445,688	480,826
Add capital contributions	-	-	-	-	-	-	-	-	-	-
Rate funded debt/(debt repayment)	51,883	36,456	19,697	15,453	9,893	12,986	25,498	30,664	21,770	12,705
<b>Total rates funding requirement</b>	<b>239,757</b>	<b>251,447</b>	<b>264,079</b>	<b>292,827</b>	<b>324,088</b>	<b>367,633</b>	<b>408,223</b>	<b>443,647</b>	<b>467,458</b>	<b>493,531</b>
<b>LOAN FUNDING REQUIREMENT</b>										
Capital to meet additional demand	-	-	-	-	-	-	-	-	-	-
Capital to improve level of service	(2,982)	(2,041)	(1,012)	(1,896)	(2,012)	(2,960)	(1,870)	(2,103)	(1,707)	(3,236)
Capital to replace existing assets	(2,546)	(1,490)	(1,464)	(2,106)	(1,769)	(2,352)	(2,041)	(3,151)	(2,600)	(2,231)
Less capital contributions	-	-	-	-	-	-	-	-	-	-
Less UHCC capital contribution	-	-	-	-	-	-	-	-	-	-
Less depreciation	1,099	1,310	1,801	2,192	2,813	3,695	4,248	4,004	3,888	4,007
Less asset sales	451	210	871	462	503	521	1,122	510	553	569
Less rate funded debt repayment	(51,883)	(36,456)	(19,697)	(15,453)	(9,893)	(12,986)	(25,498)	(30,664)	(21,770)	(12,705)
<b>Total loan (funding)/repayment</b>	<b>(55,861)</b>	<b>(38,467)</b>	<b>(19,501)</b>	<b>(16,801)</b>	<b>(10,358)</b>	<b>(14,082)</b>	<b>(24,039)</b>	<b>(31,404)</b>	<b>(21,636)</b>	<b>(13,596)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>183,896</b>	<b>212,980</b>	<b>244,578</b>	<b>276,026</b>	<b>313,730</b>	<b>353,551</b>	<b>384,184</b>	<b>412,243</b>	<b>445,822</b>	<b>479,935</b>



Capital projects										
Corporate Services	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project	Forecast	Draft budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Capital projects to replace existing assets</b>										
Pavilion Renewal	33	45	27	214	1	215	5	1,208	-	38
Civic Administration Building Renewal	7	74	125	276	54	278	164	167	320	162
System Renewal	120	61	-	-	-	137	70	-	-	150
Hardware – IT Infrastructure	532	562	527	823	898	859	946	900	1,371	939
Contingent Facilities Management Fund	1,842	734	758	781	802	823	843	862	881	900
Defibrillators	11	12	24	12	13	26	13	14	28	42
Petone Clock Tower Renewal	-	3	2	-	1	13	-	-	-	1
<b>Capital projects to improve level of service</b>										
Other (IT) Projects	57	63	54	863	834	905	804	961	532	989
Facilities Seismic Strengthening	1,772	-	-	-	-	-	-	-	-	-
Vehicle Purchase	828	1,629	747	816	846	1,826	831	901	929	1,996
IT CCTV	200	204	211	217	223	229	235	240	245	250
The Pavilion Improvements	126	145	-	-	109	-	-	-	-	-
<b>Total</b>	<b>5,528</b>	<b>3,531</b>	<b>2,476</b>	<b>4,001</b>	<b>3,781</b>	<b>5,312</b>	<b>3,911</b>	<b>5,254</b>	<b>4,307</b>	<b>5,467</b>

# **Funding Impact statements for Draft Annual Plan 2025- 26**

**WATER SUPPLY – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates	27,894	32,971	37,917	43,604	50,145	57,666	66,316	76,264	87,876	94,783
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	6,010	6,682	7,103	7,440	7,660	7,907	8,175	8,240	8,475	8,670
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	127	129	133	137	141	145	148	152	155	159
<b>Total operating funding (A)</b>	<b>34,031</b>	<b>39,782</b>	<b>45,153</b>	<b>51,181</b>	<b>57,946</b>	<b>65,718</b>	<b>74,639</b>	<b>84,656</b>	<b>96,506</b>	<b>103,612</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	34,045	36,163	38,575	40,701	41,931	43,575	45,459	46,193	47,552	48,697
Finance costs	2,761	3,467	5,235	8,261	11,813	14,427	16,052	16,470	17,221	20,136
Internal charges and overheads applied	622	592	608	641	639	661	707	692	707	751
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>37,428</b>	<b>40,222</b>	<b>44,418</b>	<b>49,603</b>	<b>54,383</b>	<b>58,663</b>	<b>62,218</b>	<b>63,355</b>	<b>65,480</b>	<b>69,584</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(3,397)</b>	<b>(440)</b>	<b>735</b>	<b>1,578</b>	<b>3,563</b>	<b>7,055</b>	<b>12,421</b>	<b>21,301</b>	<b>31,026</b>	<b>34,028</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	1,822	3,138	3,819	3,828	3,769	4,446	4,154	3,876	3,734	3,757
Increase (decrease) in debt	27,815	24,125	44,106	78,363	73,468	32,879	18,912	10,509	(360)	29,295
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>29,637</b>	<b>27,263</b>	<b>47,925</b>	<b>82,191</b>	<b>77,237</b>	<b>37,325</b>	<b>23,066</b>	<b>14,385</b>	<b>3,374</b>	<b>33,052</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	106	106	21,721	42,456	34,641	7,261	117	120	245	2,004
- to improve level of service	8,629	8,878	20,416	26,141	27,583	10,991	3,313	3,530	2,369	8,767
- to replace existing assets	17,505	17,839	6,523	15,172	18,576	26,128	32,057	32,036	31,786	56,309
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>26,240</b>	<b>26,823</b>	<b>48,660</b>	<b>83,769</b>	<b>80,800</b>	<b>44,380</b>	<b>35,487</b>	<b>35,686</b>	<b>34,400</b>	<b>67,080</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>3,397</b>	<b>440</b>	<b>(735)</b>	<b>(1,578)</b>	<b>(3,563)</b>	<b>(7,055)</b>	<b>(12,421)</b>	<b>(21,301)</b>	<b>(31,026)</b>	<b>(34,028)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**WASTEWATER – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates	30,542	36,100	44,404	54,172	65,549	79,969	95,963	111,317	116,678	128,890
Subsidies and grants for operating purposes	3,971	4,094	4,249	4,367	4,523	4,671	4,621	4,727	4,831	4,935
Fees and charges	1,248	1,276	1,316	1,356	1,394	1,430	1,464	1,498	1,531	1,563
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	127	129	133	137	141	145	148	152	155	159
<b>Total operating funding (A)</b>	<b>35,888</b>	<b>41,599</b>	<b>50,102</b>	<b>60,032</b>	<b>71,607</b>	<b>86,215</b>	<b>102,196</b>	<b>117,694</b>	<b>123,195</b>	<b>135,547</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	23,014	24,041	24,992	26,188	27,284	27,993	28,294	29,177	30,015	30,912
Finance costs	3,792	4,866	6,952	8,088	8,831	9,392	9,982	9,086	9,688	8,979
Internal charges and overheads applied	1,122	1,091	1,122	1,178	1,182	1,219	1,290	1,277	1,305	1,373
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>27,928</b>	<b>29,998</b>	<b>33,066</b>	<b>35,454</b>	<b>37,297</b>	<b>38,604</b>	<b>39,566</b>	<b>39,540</b>	<b>41,008</b>	<b>41,264</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>7,960</b>	<b>11,601</b>	<b>17,036</b>	<b>24,578</b>	<b>34,310</b>	<b>47,611</b>	<b>62,630</b>	<b>78,154</b>	<b>82,187</b>	<b>94,283</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	10,216	18,341	24,178	11,784	9,552	16,267	25,771	22,275	34,327	4,114
Development & financial contributions	2,144	3,869	5,051	5,346	5,496	6,739	6,568	6,358	6,218	6,260
Increase (decrease) in debt	32,606	37,695	53,380	32,232	19,021	1,954	13,874	(16,052)	8,347	(17,279)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>44,966</b>	<b>59,905</b>	<b>82,609</b>	<b>49,362</b>	<b>34,069</b>	<b>24,960</b>	<b>46,213</b>	<b>12,581</b>	<b>48,892</b>	<b>(6,905)</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	9,695	6,441	10,483	28,922	30,824	12,471	7,143	120	123	7,947
- to improve level of service	8,384	2,006	29,997	14,815	4,701	26,251	37,673	15,940	13,277	26,234
- to replace existing assets	34,847	63,059	59,165	30,203	32,854	33,849	64,027	74,675	117,679	53,197
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>52,926</b>	<b>71,506</b>	<b>99,645</b>	<b>73,940</b>	<b>68,379</b>	<b>72,571</b>	<b>108,843</b>	<b>90,735</b>	<b>131,079</b>	<b>87,378</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(7,960)</b>	<b>(11,601)</b>	<b>(17,036)</b>	<b>(24,578)</b>	<b>(34,310)</b>	<b>(47,611)</b>	<b>(62,630)</b>	<b>(78,154)</b>	<b>(82,187)</b>	<b>(94,283)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**STORMWATER – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	18,610	21,673	24,877	26,725	29,961	32,406	33,031	33,516	36,545	40,391
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	9	9	10	10	10	11	11	11	11	12
Fees and charges	13	13	13	14	14	15	15	15	16	16
Internal Charges and Overheads Recovered	9,352	7,168	4,594	3,968	3,155	3,805	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	127	129	133	137	141	145	148	152	155	159
<b>Total operating funding (A)</b>	<b>28,111</b>	<b>28,992</b>	<b>29,627</b>	<b>30,854</b>	<b>33,281</b>	<b>36,382</b>	<b>33,205</b>	<b>33,694</b>	<b>36,727</b>	<b>40,578</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	7,863	8,298	8,907	9,527	10,036	10,600	11,116	11,605	12,074	12,606
Finance costs	749	839	609	44	90	454	848	1,106	1,528	1,352
Internal charges and overheads applied	486	465	477	503	502	519	(5,617)	(6,642)	(5,312)	(3,951)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>9,098</b>	<b>9,602</b>	<b>9,993</b>	<b>10,074</b>	<b>10,628</b>	<b>11,573</b>	<b>6,347</b>	<b>6,069</b>	<b>8,290</b>	<b>10,007</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>19,013</b>	<b>19,390</b>	<b>19,634</b>	<b>20,780</b>	<b>22,653</b>	<b>24,809</b>	<b>26,858</b>	<b>27,625</b>	<b>28,437</b>	<b>30,571</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	1,299	4,410	6,392	49,364	37,440	-	-	-	-	-
Development & financial contributions	484	906	1,257	1,376	1,433	1,777	1,761	1,718	1,661	1,637
Increase (decrease) in debt	(10,763)	(1,601)	(8,468)	(19,112)	3,485	2,988	4,243	2,436	4,840	(916)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(8,980)</b>	<b>3,715</b>	<b>(819)</b>	<b>31,628</b>	<b>42,358</b>	<b>4,765</b>	<b>6,004</b>	<b>4,154</b>	<b>6,501</b>	<b>721</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	4,142	12,108	13,050	45,342	49,803	6,070	9,468	9,686	6,256	1,378
- to improve level of service	4,723	6,638	4,892	5,326	5,745	15,419	20,668	21,679	25,411	29,697
- to replace existing assets	1,168	4,359	873	1,740	9,463	8,085	2,726	414	3,271	217
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>10,033</b>	<b>23,105</b>	<b>18,815</b>	<b>52,408</b>	<b>65,011</b>	<b>29,574</b>	<b>32,862</b>	<b>31,779</b>	<b>34,938</b>	<b>31,292</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(19,013)</b>	<b>(19,390)</b>	<b>(19,634)</b>	<b>(20,780)</b>	<b>(22,653)</b>	<b>(24,809)</b>	<b>(26,858)</b>	<b>(27,625)</b>	<b>(28,437)</b>	<b>(30,571)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SOLID WASTE – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates	13,296	14,947	15,663	21,198	21,856	22,490	23,078	23,654	24,206	24,746
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	32,475	33,237	35,380	37,421	38,768	39,941	41,083	42,304	43,249	44,254
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	30	31	32	33	34	34	35	36	37	38
<b>Total operating funding (A)</b>	<b>45,801</b>	<b>48,215</b>	<b>51,075</b>	<b>58,652</b>	<b>60,658</b>	<b>62,465</b>	<b>64,196</b>	<b>65,994</b>	<b>67,492</b>	<b>69,038</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	29,475	29,902	31,172	37,624	38,567	39,273	40,014	40,732	41,677	42,583
Finance costs	731	752	899	1,008	1,022	839	882	904	924	955
Internal charges and overheads applied	527	494	522	566	576	616	682	674	691	755
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>30,733</b>	<b>31,148</b>	<b>32,593</b>	<b>39,198</b>	<b>40,165</b>	<b>40,728</b>	<b>41,578</b>	<b>42,310</b>	<b>43,292</b>	<b>44,293</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>15,068</b>	<b>17,067</b>	<b>18,482</b>	<b>19,454</b>	<b>20,493</b>	<b>21,737</b>	<b>22,618</b>	<b>23,684</b>	<b>24,200</b>	<b>24,745</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	500	-	2,500	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(2,560)	(4,383)	(3,947)	(7,030)	(12,023)	(17,167)	(16,728)	(16,514)	(23,540)	(23,945)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(2,060)</b>	<b>(4,383)</b>	<b>(1,447)</b>	<b>(7,030)</b>	<b>(12,023)</b>	<b>(17,167)</b>	<b>(16,728)</b>	<b>(16,514)</b>	<b>(23,540)</b>	<b>(23,945)</b>
<b>Application of capital funding</b>										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	13,008	12,684	17,035	12,424	8,470	4,570	5,890	7,170	660	800
- to improve level of service	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>13,008</b>	<b>12,684</b>	<b>17,035</b>	<b>12,424</b>	<b>8,470</b>	<b>4,570</b>	<b>5,890</b>	<b>7,170</b>	<b>660</b>	<b>800</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(15,068)</b>	<b>(17,067)</b>	<b>(18,482)</b>	<b>(19,454)</b>	<b>(20,493)</b>	<b>(21,737)</b>	<b>(22,618)</b>	<b>(23,684)</b>	<b>(24,200)</b>	<b>(24,745)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SUSTAINABILITY & RESILIENCE – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	1,870	2,013	2,297	2,419	2,568	2,638	2,577	2,582	2,722	2,864
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	122	152	191	237	244	250	256	262	268	274
Internal Charges and Overheads Recovered	940	666	424	359	270	310	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2,191	2,205	2,276	2,344	2,410	2,472	2,532	2,590	2,647	2,703
<b>Total operating funding (A)</b>	<b>5,123</b>	<b>5,036</b>	<b>5,188</b>	<b>5,359</b>	<b>5,492</b>	<b>5,670</b>	<b>5,365</b>	<b>5,434</b>	<b>5,637</b>	<b>5,841</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	4,022	3,968	4,091	4,233	4,332	4,444	4,552	4,659	4,766	4,871
Finance costs	191	204	219	234	232	252	281	289	303	305
Internal charges and overheads applied	780	730	744	758	797	843	401	356	504	649
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,993</b>	<b>4,902</b>	<b>5,054</b>	<b>5,225</b>	<b>5,361</b>	<b>5,539</b>	<b>5,234</b>	<b>5,304</b>	<b>5,573</b>	<b>5,825</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>130</b>	<b>134</b>	<b>134</b>	<b>134</b>	<b>131</b>	<b>131</b>	<b>131</b>	<b>130</b>	<b>64</b>	<b>16</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	129	(134)	(134)	(134)	(131)	(131)	(131)	(130)	(64)	(16)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>129</b>	<b>(134)</b>	<b>(134)</b>	<b>(134)</b>	<b>(131)</b>	<b>(131)</b>	<b>(131)</b>	<b>(130)</b>	<b>(64)</b>	<b>(16)</b>
<b>Application of capital funding</b>										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve level of service	259	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>259</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(130)</b>	<b>(134)</b>	<b>(134)</b>	<b>(134)</b>	<b>(131)</b>	<b>(131)</b>	<b>(131)</b>	<b>(130)</b>	<b>(64)</b>	<b>(16)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## REGULATORY SERVICES – FUNDING IMPACT STATEMENT

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	5,170	5,337	6,119	6,290	6,761	7,031	6,910	6,845	7,259	7,752
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	11,475	12,616	12,895	13,315	13,754	14,158	14,576	14,911	15,350	15,707
Internal Charges and Overheads Recovered	2,597	1,765	1,130	934	712	825	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2,293	151	154	158	165	167	171	177	179	182
<b>Total operating funding (A)</b>	<b>21,535</b>	<b>19,869</b>	<b>20,298</b>	<b>20,697</b>	<b>21,392</b>	<b>22,181</b>	<b>21,657</b>	<b>21,933</b>	<b>22,788</b>	<b>23,641</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	15,619	14,892	15,294	15,696	16,117	16,506	16,914	17,348	17,750	18,177
Finance costs	707	738	794	866	895	980	1,087	1,130	1,194	1,218
Internal charges and overheads applied	4,794	3,921	3,932	3,926	4,199	4,527	3,479	3,278	3,667	4,062
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>21,120</b>	<b>19,551</b>	<b>20,020</b>	<b>20,488</b>	<b>21,211</b>	<b>22,013</b>	<b>21,480</b>	<b>21,756</b>	<b>22,611</b>	<b>23,457</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>415</b>	<b>318</b>	<b>278</b>	<b>209</b>	<b>181</b>	<b>168</b>	<b>177</b>	<b>177</b>	<b>177</b>	<b>184</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(415)	(318)	(278)	(209)	(181)	(168)	(177)	(177)	(177)	(184)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(415)</b>	<b>(318)</b>	<b>(278)</b>	<b>(209)</b>	<b>(181)</b>	<b>(168)</b>	<b>(177)</b>	<b>(177)</b>	<b>(177)</b>	<b>(184)</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(415)</b>	<b>(318)</b>	<b>(278)</b>	<b>(209)</b>	<b>(181)</b>	<b>(168)</b>	<b>(177)</b>	<b>(177)</b>	<b>(177)</b>	<b>(184)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**TRANSPORT – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	23,169	27,774	32,725	35,568	41,842	46,289	48,744	49,601	52,506	56,167
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	5,383	5,147	5,261	8,854	9,101	9,337	9,562	9,781	9,997	10,207
Fees and charges	7,505	8,743	9,102	9,612	9,880	10,137	10,381	10,619	10,853	11,081
Internal Charges and Overheads Recovered	11,642	9,186	6,044	5,282	4,407	5,435	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1,131	1,236	1,275	1,314	1,351	1,386	1,419	1,451	1,483	1,514
<b>Total operating funding (A)</b>	<b>48,830</b>	<b>52,086</b>	<b>54,407</b>	<b>60,630</b>	<b>66,581</b>	<b>72,584</b>	<b>70,106</b>	<b>71,452</b>	<b>74,839</b>	<b>78,969</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	22,026	22,845	23,595	25,606	26,345	27,035	27,667	28,315	28,955	29,582
Finance costs	3,526	3,845	3,747	4,018	4,749	5,380	5,635	5,019	3,650	1,510
Internal charges and overheads applied	4,917	4,896	4,984	5,062	5,198	5,398	(3,493)	(4,983)	(2,705)	(390)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>30,469</b>	<b>31,586</b>	<b>32,326</b>	<b>34,686</b>	<b>36,292</b>	<b>37,813</b>	<b>29,809</b>	<b>28,351</b>	<b>29,900</b>	<b>30,702</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>18,361</b>	<b>20,500</b>	<b>22,081</b>	<b>25,944</b>	<b>30,289</b>	<b>34,771</b>	<b>40,297</b>	<b>43,101</b>	<b>44,939</b>	<b>48,267</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	24,284	29,985	10,839	37,872	45,674	31,110	35,084	26,722	14,220	14,453
Development & financial contributions	468	814	1,003	1,019	1,020	1,219	1,150	1,085	1,053	1,061
Increase (decrease) in debt	10,840	3,005	(14,150)	12,176	13,652	(4,791)	(6,497)	(16,713)	(29,658)	(32,481)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>35,592</b>	<b>33,804</b>	<b>(2,308)</b>	<b>51,067</b>	<b>60,346</b>	<b>27,538</b>	<b>29,737</b>	<b>11,094</b>	<b>(14,385)</b>	<b>(16,967)</b>
<b>Application of capital funding</b>										
<b>Capital expenditure</b>										
- to meet additional demand	596	451	127	6,597	7,498	6,192	6,448	6,136	4,987	5,084
- to improve level of service	38,156	40,766	7,062	54,945	68,550	41,366	48,485	32,707	9,877	9,963
- to replace existing assets	15,201	13,087	12,584	15,469	14,587	14,751	15,101	15,352	15,690	16,253
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>53,953</b>	<b>54,304</b>	<b>19,773</b>	<b>77,011</b>	<b>90,635</b>	<b>62,309</b>	<b>70,034</b>	<b>54,195</b>	<b>30,554</b>	<b>31,300</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(18,361)</b>	<b>(20,500)</b>	<b>(22,081)</b>	<b>(25,944)</b>	<b>(30,289)</b>	<b>(34,771)</b>	<b>(40,297)</b>	<b>(43,101)</b>	<b>(44,939)</b>	<b>(48,267)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## CITY DEVELOPMENT – FUNDING IMPACT STATEMENT

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	11,220	10,648	6,121	7,251	8,787	15,916	16,303	16,441	18,086	19,834
Targeted rates	174	178	181	185	188	192	195	198	202	205
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	87	85	88	90	93	95	98	100	102	104
Internal Charges and Overheads Recovered	5,638	3,522	1,131	1,077	925	1,869	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1,073	1,143	5,692	5,880	6,074	56	57	59	60	61
<b>Total operating funding (A)</b>	<b>18,192</b>	<b>15,576</b>	<b>13,213</b>	<b>14,483</b>	<b>16,067</b>	<b>18,128</b>	<b>16,653</b>	<b>16,798</b>	<b>18,450</b>	<b>20,204</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	12,371	8,902	5,108	4,560	4,530	4,590	4,708	4,891	4,945	5,065
Finance costs	2,978	4,021	5,405	7,157	8,679	10,541	11,844	12,268	13,167	14,011
Internal charges and overheads applied	2,843	2,653	2,700	2,766	2,858	2,997	101	(361)	338	1,128
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>18,192</b>	<b>15,576</b>	<b>13,213</b>	<b>14,483</b>	<b>16,067</b>	<b>18,128</b>	<b>16,653</b>	<b>16,798</b>	<b>18,450</b>	<b>20,204</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	1,530	2,957	4,043	5,794	3,705	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	12,738	26,869	23,437	34,967	23,630	17,854	6,910	454	968	513
Gross proceeds from sale of assets	1,073	1,093	5,640	5,827	6,019	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>15,341</b>	<b>30,919</b>	<b>33,120</b>	<b>46,588</b>	<b>33,354</b>	<b>17,854</b>	<b>6,910</b>	<b>454</b>	<b>968</b>	<b>513</b>
<b>Application of capital funding</b>										
<b>Capital expenditure</b>										
- to meet additional demand	2,039	-	-	-	-	-	-	-	-	-
- to improve level of service	13,245	30,882	32,315	46,043	33,305	17,362	6,648	261	267	273
- to replace existing assets	57	37	805	545	49	492	262	193	701	240
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>15,341</b>	<b>30,919</b>	<b>33,120</b>	<b>46,588</b>	<b>33,354</b>	<b>17,854</b>	<b>6,910</b>	<b>454</b>	<b>968</b>	<b>513</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## COMMUNITY PARTNERING &amp; SUPPORT – FUNDING IMPACT STATEMENT

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	10,256	11,186	13,188	14,099	15,064	15,814	15,692	15,587	16,679	17,989
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	5	6	6	6	6	6	6	7	7	7
Fees and charges	518	98	102	105	90	92	94	97	99	101
Internal Charges and Overheads Recovered	5,153	3,699	2,435	2,094	1,586	1,857	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1,031	1,043	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>16,963</b>	<b>16,032</b>	<b>15,731</b>	<b>16,304</b>	<b>16,746</b>	<b>17,769</b>	<b>15,792</b>	<b>15,691</b>	<b>16,785</b>	<b>18,097</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	9,715	9,160	8,621	8,838	8,942	9,177	9,396	9,628	9,863	10,087
Finance costs	851	906	989	1,060	999	1,237	1,301	1,284	1,225	1,015
Internal charges and overheads applied	4,772	4,258	4,325	4,326	4,579	4,902	2,221	1,830	2,511	3,368
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>15,338</b>	<b>14,324</b>	<b>13,935</b>	<b>14,224</b>	<b>14,520</b>	<b>15,316</b>	<b>12,918</b>	<b>12,742</b>	<b>13,599</b>	<b>14,470</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,625</b>	<b>1,708</b>	<b>1,796</b>	<b>2,080</b>	<b>2,226</b>	<b>2,453</b>	<b>2,874</b>	<b>2,949</b>	<b>3,186</b>	<b>3,627</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(213)	(703)	(322)	(26)	(1,658)	1,861	(2,010)	(1,805)	(2,488)	(2,861)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(213)</b>	<b>(703)</b>	<b>(322)</b>	<b>(26)</b>	<b>(1,658)</b>	<b>1,861</b>	<b>(2,010)</b>	<b>(1,805)</b>	<b>(2,488)</b>	<b>(2,861)</b>
<b>Application of capital funding</b>										
<b>Capital expenditure</b>										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve level of service	729	61	530	112	67	1,075	6	72	617	7
- to replace existing assets	683	944	944	1,942	501	3,239	858	1,072	81	759
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,412</b>	<b>1,005</b>	<b>1,474</b>	<b>2,054</b>	<b>568</b>	<b>4,314</b>	<b>864</b>	<b>1,144</b>	<b>698</b>	<b>766</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,625)</b>	<b>(1,708)</b>	<b>(1,796)</b>	<b>(2,080)</b>	<b>(2,226)</b>	<b>(2,453)</b>	<b>(2,874)</b>	<b>(2,949)</b>	<b>(3,186)</b>	<b>(3,627)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**OPEN SPACES, PARKS & RESERVES – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	15,126	15,628	18,634	20,424	22,373	23,676	23,420	23,619	25,826	26,096
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	6	6	6	7	7	7	7	7	7	7
Fees and charges	1,652	1,806	2,029	2,092	1,992	2,046	2,097	2,148	2,198	2,246
Internal Charges and Overheads Recovered	7,601	5,168	3,441	3,033	2,356	2,780	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	112	115	118	122	125	128	131	135	137	140
<b>Total operating funding (A)</b>	<b>24,497</b>	<b>22,723</b>	<b>24,228</b>	<b>25,678</b>	<b>26,853</b>	<b>28,637</b>	<b>25,655</b>	<b>25,909</b>	<b>28,168</b>	<b>28,489</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	17,830	15,234	15,844	16,411	16,838	17,603	18,165	18,814	19,866	18,580
Finance costs	1,959	2,540	3,054	3,365	3,793	4,373	4,627	4,706	4,755	4,524
Internal charges and overheads applied	1,004	930	955	982	1,007	1,060	(3,249)	(3,944)	(3,020)	(1,737)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>20,793</b>	<b>18,704</b>	<b>19,853</b>	<b>20,758</b>	<b>21,638</b>	<b>23,036</b>	<b>19,543</b>	<b>19,576</b>	<b>21,601</b>	<b>21,367</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>3,704</b>	<b>4,019</b>	<b>4,375</b>	<b>4,920</b>	<b>5,215</b>	<b>5,601</b>	<b>6,112</b>	<b>6,333</b>	<b>6,567</b>	<b>7,122</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Increase (decrease) in debt	8,597	13,164	5,885	1,477	6,339	2,264	(3,801)	(2,244)	(4,746)	(6,326)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>11,597</b>	<b>16,164</b>	<b>8,885</b>	<b>4,477</b>	<b>9,339</b>	<b>5,264</b>	<b>(801)</b>	<b>756</b>	<b>(1,746)</b>	<b>(3,326)</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	7,476	5,310	2,750	4,450	5,550	300	200	100	50	-
- to improve level of service	3,592	3,071	3,246	1,445	6,358	8,683	1,916	4,432	1,198	1,737
- to replace existing assets	4,233	11,802	7,264	3,502	2,646	1,882	3,195	2,557	3,573	2,059
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>15,301</b>	<b>20,183</b>	<b>13,260</b>	<b>9,397</b>	<b>14,554</b>	<b>10,865</b>	<b>5,311</b>	<b>7,089</b>	<b>4,821</b>	<b>3,796</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(3,704)</b>	<b>(4,019)</b>	<b>(4,375)</b>	<b>(4,920)</b>	<b>(5,215)</b>	<b>(5,601)</b>	<b>(6,112)</b>	<b>(6,333)</b>	<b>(6,567)</b>	<b>(7,122)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CONNECTIVITY, CREATIVITY, LEARNING. & RECREATION – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	21,151	25,260	29,415	31,413	33,181	34,055	33,486	35,083	37,930	40,590
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	5,729	6,866	7,092	7,312	7,523	7,726	7,920	8,110	8,299	8,489
Internal Charges and Overheads Recovered	10,628	8,354	5,432	4,665	3,495	3,999	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1,048	913	890	917	942	967	990	1,013	1,035	1,057
<b>Total operating funding (A)</b>	<b>38,556</b>	<b>41,393</b>	<b>42,829</b>	<b>44,307</b>	<b>45,141</b>	<b>46,747</b>	<b>42,396</b>	<b>44,206</b>	<b>47,264</b>	<b>50,136</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	19,778	21,502	22,205	22,672	23,296	23,921	24,533	25,129	25,757	26,392
Finance costs	5,088	5,282	5,620	5,992	5,976	6,425	6,740	8,687	8,930	8,738
Internal charges and overheads applied	7,428	6,778	6,839	6,891	7,218	7,615	1,698	463	2,081	3,839
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>32,294</b>	<b>33,562</b>	<b>34,664</b>	<b>35,555</b>	<b>36,490</b>	<b>37,961</b>	<b>32,971</b>	<b>34,279</b>	<b>36,768</b>	<b>38,969</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>6,262</b>	<b>7,831</b>	<b>8,165</b>	<b>8,752</b>	<b>8,651</b>	<b>8,786</b>	<b>9,425</b>	<b>9,927</b>	<b>10,496</b>	<b>11,167</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	6,750	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	11,269	(736)	(4,233)	(4,657)	(6,443)	(4,205)	(6,580)	29,369	(6,039)	(8,914)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>18,019</b>	<b>(736)</b>	<b>(4,233)</b>	<b>(4,657)</b>	<b>(6,443)</b>	<b>(4,205)</b>	<b>(6,580)</b>	<b>29,369</b>	<b>(6,039)</b>	<b>(8,914)</b>
<b>Application of capital funding</b>										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	14,986	956	833	1,362	997	1,425	842	37,591	2,278	638
- to improve level of service	9,295	6,139	3,099	2,733	1,211	3,156	2,003	1,705	2,179	1,615
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>24,281</b>	<b>7,095</b>	<b>3,932</b>	<b>4,095</b>	<b>2,208</b>	<b>4,581</b>	<b>2,845</b>	<b>39,296</b>	<b>4,457</b>	<b>2,253</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(6,262)</b>	<b>(7,831)</b>	<b>(8,165)</b>	<b>(8,752)</b>	<b>(8,651)</b>	<b>(8,786)</b>	<b>(9,425)</b>	<b>(9,927)</b>	<b>(10,496)</b>	<b>(11,167)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**GOVERNANCE, STRATEGY & PARTNERSHIPS – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	5,144	6,165	6,674	7,024	8,058	7,706	7,455	7,945	7,947	8,479
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	2,584	2,039	1,233	1,043	849	905	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	199	-	-	218	-	-	234	-	-
<b>Total operating funding (A)</b>	<b>7,728</b>	<b>8,403</b>	<b>7,907</b>	<b>8,067</b>	<b>9,125</b>	<b>8,611</b>	<b>7,455</b>	<b>8,179</b>	<b>7,947</b>	<b>8,479</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	3,576	4,350	3,747	3,865	4,745	4,056	4,170	5,103	4,353	4,467
Finance costs	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	4,145	4,046	4,156	4,202	4,380	4,555	3,285	3,076	3,594	4,012
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>7,721</b>	<b>8,396</b>	<b>7,903</b>	<b>8,067</b>	<b>9,125</b>	<b>8,611</b>	<b>7,455</b>	<b>8,179</b>	<b>7,947</b>	<b>8,479</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>7</b>	<b>7</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(7)	(7)	(4)	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(7)</b>	<b>(7)</b>	<b>(4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve level of service	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(7)</b>	<b>(7)</b>	<b>(4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CORPORATE SERVICES – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,685	1,796	2,143	2,210	2,273	2,334	2,392	2,448	2,503	2,556
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	4,722	3,939	3,997	4,107	4,151	4,291	4,320	4,352	4,349	4,357
<b>Total operating funding (A)</b>	<b>6,407</b>	<b>5,735</b>	<b>6,140</b>	<b>6,317</b>	<b>6,424</b>	<b>6,625</b>	<b>6,712</b>	<b>6,800</b>	<b>6,852</b>	<b>6,913</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	29,813	26,278	25,583	24,832	24,689	24,544	24,949	24,502	24,430	24,646
Finance costs	4,683	3,890	3,952	4,093	4,194	4,500	4,519	4,674	4,664	4,822
Internal charges and overheads applied	22,695	10,713	(5,499)	(9,347)	(15,379)	(13,128)	(1,506)	4,284	(4,360)	(13,857)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>57,191</b>	<b>40,881</b>	<b>24,036</b>	<b>19,578</b>	<b>13,504</b>	<b>15,916</b>	<b>27,962</b>	<b>33,460</b>	<b>24,734</b>	<b>15,611</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(50,784)</b>	<b>(35,146)</b>	<b>(17,896)</b>	<b>(13,261)</b>	<b>(7,080)</b>	<b>(9,291)</b>	<b>(21,250)</b>	<b>(26,660)</b>	<b>(17,882)</b>	<b>(8,698)</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	55,861	38,467	19,501	16,801	10,358	14,082	24,039	31,404	21,636	13,596
Gross proceeds from sale of assets	451	210	871	462	503	521	1,122	510	553	569
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>56,312</b>	<b>38,677</b>	<b>20,372</b>	<b>17,263</b>	<b>10,861</b>	<b>14,603</b>	<b>25,161</b>	<b>31,914</b>	<b>22,189</b>	<b>14,165</b>
<b>Application of capital funding</b>										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve level of service	2,982	2,041	1,012	1,896	2,012	2,960	1,870	2,103	1,707	3,236
- to replace existing assets	2,546	1,490	1,464	2,106	1,769	2,352	2,041	3,151	2,600	2,231
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>5,528</b>	<b>3,531</b>	<b>2,476</b>	<b>4,002</b>	<b>3,781</b>	<b>5,312</b>	<b>3,911</b>	<b>5,254</b>	<b>4,307</b>	<b>5,467</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>50,784</b>	<b>35,146</b>	<b>17,896</b>	<b>13,261</b>	<b>7,080</b>	<b>9,291</b>	<b>21,250</b>	<b>26,660</b>	<b>17,882</b>	<b>8,698</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**WHOLE OF COUNCIL – FUNDING IMPACT STATEMENT****For the year ending 30 June**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	111,716	125,684	140,050	151,213	168,595	185,531	187,618	191,219	205,500	220,162
Targeted rates	71,906	84,196	98,165	119,159	137,738	160,317	185,552	211,433	228,962	248,624
Subsidies and grants for operating purposes	9,374	9,262	9,532	13,244	13,647	14,032	14,207	14,533	14,853	15,168
Fees and charges	68,519	73,370	77,454	81,204	83,685	86,131	88,551	90,752	92,943	95,061
Interest & dividends from investments	4,304	3,584	3,631	3,730	3,763	3,893	3,913	3,935	3,890	3,888
Local authorities fuel tax, fines, infringement fees, and other receipts	9,708	7,778	11,202	11,556	12,130	6,043	6,186	6,568	6,502	6,641
<b>Total operating funding (A)</b>	<b>275,527</b>	<b>303,874</b>	<b>340,034</b>	<b>380,106</b>	<b>419,558</b>	<b>455,947</b>	<b>486,027</b>	<b>518,440</b>	<b>552,650</b>	<b>589,544</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	229,146	225,537	227,734	240,754	247,654	253,316	259,936	266,096	272,006	276,665
Finance costs	28,016	31,351	37,477	44,187	51,274	58,800	63,797	65,622	67,249	67,568
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>257,162</b>	<b>256,888</b>	<b>265,211</b>	<b>284,941</b>	<b>298,928</b>	<b>312,116</b>	<b>323,733</b>	<b>331,718</b>	<b>339,255</b>	<b>344,233</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>18,365</b>	<b>46,986</b>	<b>74,823</b>	<b>95,165</b>	<b>120,630</b>	<b>143,831</b>	<b>162,294</b>	<b>186,722</b>	<b>213,395</b>	<b>245,311</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	44,579	55,693	47,952	104,814	96,371	47,377	60,855	48,997	48,547	18,567
Development & financial contributions	7,918	11,727	14,130	14,569	14,718	17,181	16,633	16,037	15,666	15,715
Increase (decrease) in debt	145,896	135,446	114,774	144,851	129,519	47,420	32,053	20,536	(31,279)	(49,517)
Gross proceeds from sale of assets	1,524	1,303	6,511	6,289	6,522	521	1,122	510	553	569
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>199,917</b>	<b>204,169</b>	<b>183,367</b>	<b>270,523</b>	<b>247,130</b>	<b>112,499</b>	<b>110,663</b>	<b>86,080</b>	<b>33,487</b>	<b>(14,666)</b>
<b>Application of capital funding</b>										
Capital expenditure										
- to meet additional demand	24,054	24,416	48,131	127,767	128,316	32,294	23,376	16,162	11,661	16,413
- to improve level of service	108,693	107,983	117,338	164,509	157,788	130,102	127,311	125,485	57,661	81,352
- to replace existing assets	85,535	118,756	92,721	73,412	81,656	93,934	122,270	131,155	177,560	132,880
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>218,282</b>	<b>251,155</b>	<b>258,190</b>	<b>365,688</b>	<b>367,760</b>	<b>256,330</b>	<b>272,957</b>	<b>272,802</b>	<b>246,882</b>	<b>230,645</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(18,365)</b>	<b>(46,986)</b>	<b>(74,823)</b>	<b>(95,165)</b>	<b>(120,630)</b>	<b>(143,831)</b>	<b>(162,294)</b>	<b>(186,722)</b>	<b>(213,395)</b>	<b>(245,311)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## RECONCILIATION OF FINANCIAL STATEMENTS TO FUNDING IMPACT STATEMENTS

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
Total revenue from Prospective Statement of Comprehensive Income	317,808	352,953	377,937	487,706	521,094	504,239	537,745	561,199	582,535	619,710
Less capital contributions	(42,281)	(49,079)	(37,904)	(107,599)	(101,537)	(48,291)	(51,717)	(42,759)	(29,886)	(30,168)
<b>Funding Impact Statement Total Operating Funding (A)</b>	275,527	303,874	340,033	380,107	419,557	455,948	486,028	518,440	552,649	589,542
Total expenditure from Prospective Statement of Comprehensive Income	350,794	365,463	384,745	421,411	449,994	478,082	510,103	531,704	554,584	581,892
Less depreciation	(93,631)	(108,578)	(119,536)	(136,472)	(151,069)	(165,965)	(186,368)	(199,985)	(215,332)	(237,662)
<b>Funding Impact Statement Total Applications of Operating Funding (B)</b>	257,163	256,885	265,209	284,939	298,925	312,117	323,735	331,719	339,252	344,230
<b>Funding Impact Statement Surplus (Deficit) of Operating Funding (A-B)</b>	18,364	46,989	74,824	95,168	120,632	143,831	162,293	186,721	213,397	245,312
Net Surplus per Prospective Statement of Comprehensive Income	(32,986)	(12,510)	(6,808)	66,295	71,100	26,157	27,642	29,495	27,951	37,818
Add depreciation expense	93,631	108,578	119,536	136,472	151,069	165,965	186,368	199,985	215,332	237,662
Less capital contributions	(42,281)	(49,079)	(37,904)	(107,599)	(101,537)	(48,291)	(51,717)	(42,759)	(29,886)	(30,168)
<b>Prospective Financial Statement Surplus (Deficit) of Operating Funding (A-B)</b>	18,364	46,989	74,824	95,168	120,632	143,831	162,293	186,721	213,397	245,312
<b>Difference in Operating Surplus (Deficit) (A-B)</b>	-	-	-	-	-	-	-	-	-	-
<b>Total capital sources of funding</b>										
Add capital contributions	42,281	49,079	37,904	107,599	101,537	48,291	51,717	42,759	29,886	30,168
Add depreciation	93,631	108,578	119,536	136,472	151,069	165,965	186,368	199,985	215,332	237,662
Asset sales	1,524	1,303	6,511	6,289	6,522	521	1,122	510	553	569
UHCC subsidy	10,216	18,341	24,178	11,784	9,552	16,267	25,771	22,275	34,327	4,114
Loan funding	70,630	73,854	70,061	103,544	99,080	25,286	7,979	7,273	(33,216)	(41,868)
<b>Prospective Financial Statement Total Sources of Capital Funding (C)</b>	218,282	251,155	258,190	365,688	367,760	256,330	272,957	272,802	246,882	230,645
<b>Funding Impact Statement Total Application of Capital Funding (D)</b>	218,282	251,155	258,190	365,688	367,760	256,330	272,957	272,802	246,882	230,645
<b>Difference in Capital Funding (C - D)</b>	-	-	-	-	-	-	-	-	-	-

# **Financial statements for Draft Annual Plan 2025– 26**

**PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>REVENUE</b>										
Rates funding	111,716	125,684	140,049	151,214	168,594	185,532	187,619	191,219	205,499	220,160
Targeted Rates	71,906	84,196	98,165	119,159	137,738	160,317	185,552	211,433	228,962	248,624
User charges	68,519	73,370	77,454	81,204	83,685	86,131	88,551	90,752	92,943	95,061
Operating subsidies	9,363	9,250	9,520	13,231	13,634	14,019	14,194	14,519	14,839	15,154
Operating grants	11	12	12	13	13	13	13	14	14	14
Capital subsidies	18,829	27,234	14,882	43,666	49,379	31,110	35,084	26,722	14,220	14,453
Capital Grants	15,534	10,118	8,892	49,364	37,440	-	-	-	-	-
Development & financial contributions	7,918	11,727	14,130	14,569	14,718	17,181	16,633	16,037	15,666	15,715
Vested assets	936	954	984	1,014	1,043	1,071	1,095	1,122	1,146	1,172
Interest earned	4,200	3,478	3,521	3,617	3,647	3,774	3,791	3,810	3,762	3,758
Dividends from CCOs	104	106	110	113	116	119	122	125	128	130
Gain/(loss) on disposal of assets	1,073	1,093	5,640	5,827	6,019	-	-	-	-	-
Other revenue	7,699	5,731	4,578	4,715	5,068	4,972	5,091	5,446	5,356	5,469
<b>Total revenue</b>	<b>317,808</b>	<b>352,953</b>	<b>377,937</b>	<b>487,706</b>	<b>521,094</b>	<b>504,239</b>	<b>537,745</b>	<b>561,199</b>	<b>582,535</b>	<b>619,710</b>
<b>EXPENDITURE</b>										
Employee costs	53,687	56,627	57,161	58,467	59,950	61,599	63,135	64,739	66,335	67,993
Operating costs	175,460	168,908	170,573	182,286	187,702	191,718	196,802	201,357	205,668	208,672
Support costs	-	-	-	-	-	-	-	-	-	-
Finance costs	28,016	31,350	37,475	44,186	51,273	58,800	63,798	65,623	67,249	67,565
Depreciation and amortisation	93,631	108,578	119,536	136,472	151,069	165,965	186,368	199,985	215,332	237,662
<b>Total expenditure</b>	<b>350,794</b>	<b>365,463</b>	<b>384,745</b>	<b>421,411</b>	<b>449,994</b>	<b>478,082</b>	<b>510,103</b>	<b>531,704</b>	<b>554,584</b>	<b>581,892</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(32,986)</b>	<b>(12,510)</b>	<b>(6,808)</b>	<b>66,295</b>	<b>71,100</b>	<b>26,157</b>	<b>27,642</b>	<b>29,495</b>	<b>27,951</b>	<b>37,818</b>
<b>Tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SURPLUS/(DEFICIT) AFTER TAX</b>	<b>(32,986)</b>	<b>(12,510)</b>	<b>(6,808)</b>	<b>66,295</b>	<b>71,100</b>	<b>26,157</b>	<b>27,642</b>	<b>29,495</b>	<b>27,951</b>	<b>37,818</b>
<b>OTHER COMPREHENSIVE INCOME</b>										
Gain/(loss) on revaluation of financial instruments	-	-	-	-	-	-	-	-	-	-
Gains/Losses on asset revaluation	-	-	506,968	-	-	690,326	-	-	902,240	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>506,968</b>	<b>-</b>	<b>-</b>	<b>690,326</b>	<b>-</b>	<b>-</b>	<b>902,240</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(32,986)</b>	<b>(12,510)</b>	<b>500,160</b>	<b>66,295</b>	<b>71,100</b>	<b>716,483</b>	<b>27,642</b>	<b>29,495</b>	<b>930,191</b>	<b>37,818</b>

**PROSPECTIVE STATEMENT OF CHANGES IN NET EQUITY**

For the year ending 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>Equity at beginning of the year</b>	<b>3,039,528</b>	<b>3,006,637</b>	<b>2,994,127</b>	<b>3,494,287</b>	<b>3,560,582</b>	<b>3,631,682</b>	<b>4,348,165</b>	<b>4,375,807</b>	<b>4,405,302</b>	<b>5,335,493</b>
Total Comprehensive Income	(32,891)	(12,510)	500,160	66,295	71,100	716,483	27,642	29,495	930,191	37,818
<b>EQUITY AT END OF THE YEAR</b>	<b>3,006,637</b>	<b>2,994,127</b>	<b>3,494,287</b>	<b>3,560,582</b>	<b>3,631,682</b>	<b>4,348,165</b>	<b>4,375,807</b>	<b>4,405,302</b>	<b>5,335,493</b>	<b>5,373,311</b>
<b>Represented by:</b>										
<b>Accumulated Funds</b>										
Opening balance	721,208	691,636	678,077	671,933	740,027	807,607	830,072	853,846	879,345	903,169
Interest allocated to reserves	(1,157)	(799)	(786)	(751)	(820)	(892)	(968)	(1,046)	(1,127)	(1,172)
Other transfers to reserves	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Transfers from reserves	7,476	2,750	4,450	5,550	300	200	100	50	-	1,900
Net surplus / (deficit) after tax	(32,891)	(12,510)	(6,808)	66,295	71,100	26,157	27,642	29,495	27,951	37,818
<b>Closing balance</b>	<b>691,636</b>	<b>678,077</b>	<b>671,933</b>	<b>740,027</b>	<b>807,607</b>	<b>830,072</b>	<b>853,846</b>	<b>879,345</b>	<b>903,169</b>	<b>938,715</b>
<b>Council Created Reserves</b>										
Opening balance	42,978	39,657	40,705	40,040	38,240	41,759	45,450	49,317	53,312	57,438
Transfers to accumulated funds	(7,476)	(2,750)	(4,450)	(5,550)	(300)	(200)	(100)	(50)	-	(1,900)
Transfers from accumulated funds	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Interest earned	1,155	798	785	750	819	891	967	1,045	1,126	1,171
<b>Closing balance</b>	<b>39,657</b>	<b>40,705</b>	<b>40,040</b>	<b>38,240</b>	<b>41,759</b>	<b>45,450</b>	<b>49,317</b>	<b>53,312</b>	<b>57,438</b>	<b>59,709</b>
<b>Restricted Reserves</b>										
Opening balance	58	60	61	62	63	64	65	66	67	68
Transfers to accumulated funds	-	-	-	-	-	-	-	-	-	-
Transfers from accumulated funds	-	-	-	-	-	-	-	-	-	-
Interest earned	2	1	1	1	1	1	1	1	1	1
<b>Closing balance</b>	<b>60</b>	<b>61</b>	<b>62</b>	<b>63</b>	<b>64</b>	<b>65</b>	<b>66</b>	<b>67</b>	<b>68</b>	<b>69</b>
<b>Asset Revaluation Reserves</b>										
Opening balance	2,275,284	2,275,284	2,275,284	2,782,252	2,782,252	2,782,252	3,472,578	3,472,578	3,472,578	4,374,818
Changes in asset value	-	-	-	-	-	-	-	-	-	-
Valuation gains (losses) taken to equity	-	-	506,968	-	-	690,326	-	-	902,240	-
<b>Closing balance</b>	<b>2,275,284</b>	<b>2,275,284</b>	<b>2,782,252</b>	<b>2,782,252</b>	<b>2,782,252</b>	<b>3,472,578</b>	<b>3,472,578</b>	<b>3,472,578</b>	<b>4,374,818</b>	<b>4,374,818</b>
<b>TOTAL EQUITY</b>	<b>3,006,637</b>	<b>2,994,127</b>	<b>3,494,287</b>	<b>3,560,582</b>	<b>3,631,682</b>	<b>4,348,165</b>	<b>4,375,807</b>	<b>4,405,302</b>	<b>5,335,493</b>	<b>5,373,311</b>

**PROSPECTIVE STATEMENT OF FINANCIAL POSITION**

As at 30 June

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>CURRENT ASSETS</b>										
Cash and cash equivalents	20,972	19,854	14,174	8,311	2,258	2,223	2,192	2,161	2,130	2,100
Debtors and other receivables	21,264	21,732	22,434	23,114	23,752	24,369	24,964	25,538	26,091	26,644
Derivative financial instruments	3	3	3	3	3	3	3	3	3	3
Non-current assets held for sale	1,303	6,511	6,289	6,522	521	1,122	510	553	569	1,223
Inventories	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Prepayments	7,983	7,983	7,983	7,983	7,983	7,983	7,983	7,983	7,983	7,983
Accrued interest	59	59	59	59	59	59	59	59	59	59
Other financial assets	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>53,834</b>	<b>58,392</b>	<b>53,192</b>	<b>48,242</b>	<b>36,826</b>	<b>38,009</b>	<b>37,961</b>	<b>38,547</b>	<b>39,085</b>	<b>40,262</b>
<b>NON-CURRENT ASSETS</b>										
Property, plant and equipment	3,350,597	3,405,178	4,019,845	4,139,828	4,282,848	5,158,198	5,230,895	5,278,033	6,204,052	6,215,608
Assets under construction	186,011	250,996	267,853	297,033	367,242	284,186	268,801	272,841	253,363	234,704
Intangible assets	404	451	369	302	235	170	105	77	57	37
Derivative financial instruments	4,092	4,092	4,092	4,092	4,092	4,092	4,092	4,092	4,092	4,092
Investment in subsidiaries	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083
Investment in associates	200	200	200	200	200	200	200	200	200	200
Investment in CCOs and similar entities	76,654	76,654	77,654	77,654	78,654	79,654	79,654	78,654	78,654	76,654
Other financial assets	455	455	455	455	455	455	455	455	455	455
<b>Total non-current assets</b>	<b>3,619,496</b>	<b>3,739,109</b>	<b>4,371,551</b>	<b>4,520,647</b>	<b>4,734,809</b>	<b>5,528,038</b>	<b>5,585,285</b>	<b>5,635,435</b>	<b>6,541,956</b>	<b>6,532,833</b>
<b>Total assets</b>	<b>3,673,330</b>	<b>3,797,501</b>	<b>4,424,743</b>	<b>4,568,889</b>	<b>4,771,635</b>	<b>5,566,047</b>	<b>5,623,246</b>	<b>5,673,982</b>	<b>6,581,041</b>	<b>6,573,095</b>
<b>CURRENT LIABILITIES</b>										
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Borrowings - current	61,961	75,577	88,202	95,902	108,988	116,693	119,568	121,630	119,250	114,605
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Creditors and other payables	26,840	26,840	26,840	26,840	26,840	26,840	26,840	26,840	26,840	26,840
Employee entitlements	5,206	5,321	5,492	5,659	5,815	5,966	6,112	6,252	6,388	6,523
Other liabilities	6,506	6,649	6,864	7,072	7,267	7,456	7,638	7,814	7,983	8,152
<b>Total current liabilities</b>	<b>100,513</b>	<b>114,387</b>	<b>127,398</b>	<b>135,473</b>	<b>148,910</b>	<b>156,955</b>	<b>160,158</b>	<b>162,536</b>	<b>160,461</b>	<b>156,120</b>
<b>NON-CURRENT LIABILITIES</b>										
Borrowings - non current	557,701	680,323	794,118	863,625	981,581	1,051,223	1,077,341	1,095,977	1,074,703	1,033,061
Employee entitlements	372	380	392	404	416	426	437	447	456	466
Derivative financial instruments	84	84	84	84	84	84	84	84	84	84
Provisions	8,023	8,200	8,464	8,721	8,962	9,194	9,419	9,636	9,844	10,053
<b>Total non-current liabilities</b>	<b>566,180</b>	<b>688,987</b>	<b>803,058</b>	<b>872,834</b>	<b>991,043</b>	<b>1,060,927</b>	<b>1,087,281</b>	<b>1,106,144</b>	<b>1,085,087</b>	<b>1,043,664</b>
<b>Total liabilities</b>	<b>666,693</b>	<b>803,374</b>	<b>930,456</b>	<b>1,008,307</b>	<b>1,139,953</b>	<b>1,217,882</b>	<b>1,247,439</b>	<b>1,268,680</b>	<b>1,245,548</b>	<b>1,199,784</b>
<b>NET ASSETS</b>	<b>3,006,637</b>	<b>2,994,127</b>	<b>3,494,287</b>	<b>3,560,582</b>	<b>3,631,682</b>	<b>4,348,165</b>	<b>4,375,807</b>	<b>4,405,302</b>	<b>5,335,493</b>	<b>5,373,311</b>
<b>Represented by:</b>										
<b>EQUITY</b>										
Accumulated funds	691,636	678,077	671,933	740,027	807,607	830,072	853,846	879,345	903,169	938,715
Restricted reserves	60	61	62	63	64	65	66	67	68	69
Council created reserves	39,657	40,705	40,040	38,240	41,759	45,450	49,317	53,312	57,438	59,709
Revaluation reserves	2,275,284	2,275,284	2,782,252	2,782,252	2,782,252	3,472,578	3,472,578	3,472,578	4,374,818	4,374,818
<b>TOTAL EQUITY</b>	<b>3,006,637</b>	<b>2,994,127</b>	<b>3,494,287</b>	<b>3,560,582</b>	<b>3,631,682</b>	<b>4,348,165</b>	<b>4,375,807</b>	<b>4,405,302</b>	<b>5,335,493</b>	<b>5,373,311</b>

**PROSPECTIVE STATEMENT OF CASH FLOWS**

For the year ending 30 June

**CASH FLOWS FROM OPERATING ACTIVITIES****Cash was provided from:**

Receipts from rates and levies - Council

User charges and other income

Interest received

Dividends received

Receipts from rates and levies - GWRC

Net GST received from Inland Revenue

**Cash was applied to:**

Payments to employees

Payments to suppliers

Interest paid

Rates and levies passed to GWRC

Net GST paid to Inland Revenue

**Net cash inflows from operating activities****CASH FLOWS FROM INVESTING ACTIVITIES****Cash was provided from:**

Sale of property, plant and equipment

Other investment receipts

**Cash was applied to:**

Purchase of property, plant and equipment

Less UHCC capital contribution

Purchase of assets under construction

Purchase of intangible assets

Other investments and payments

**Net cash outflows from investing activities**

	Forecast 2025 \$000	Annual Plan 2026 \$000	Forecast 2027 \$000	Forecast 2028 \$000	Forecast 2029 \$000	Forecast 2030 \$000	Forecast 2031 \$000	Forecast 2032 \$000	Forecast 2033 \$000	Forecast 2034 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
<b>Cash was provided from:</b>										
Receipts from rates and levies - Council	183,622	209,880	238,214	270,373	306,332	345,849	373,171	402,652	434,461	468,784
User charges and other income	153,925	136,974	128,766	206,082	203,299	152,809	158,971	152,916	142,485	145,313
Interest received	4,200	3,478	3,521	3,617	3,647	3,774	3,791	3,810	3,762	3,758
Dividends received	104	106	110	113	116	119	122	125	128	130
Receipts from rates and levies - GWRC	45,712	46,718	48,226	49,689	51,060	52,386	53,666	54,900	56,089	57,277
Net GST received from Inland Revenue	-	-	-	-	-	-	-	-	-	-
	<b>387,563</b>	<b>397,156</b>	<b>418,837</b>	<b>529,874</b>	<b>564,454</b>	<b>554,937</b>	<b>589,721</b>	<b>614,403</b>	<b>636,925</b>	<b>675,262</b>
<b>Cash was applied to:</b>										
Payments to employees	(53,628)	(56,734)	(57,320)	(58,622)	(60,094)	(61,740)	(63,270)	(64,869)	(66,462)	(68,118)
Payments to suppliers	(189,982)	(168,358)	(169,752)	(181,487)	(186,954)	(190,995)	(196,103)	(200,684)	(205,019)	(208,024)
Interest paid	(28,016)	(31,350)	(37,475)	(44,186)	(51,273)	(58,800)	(63,798)	(65,623)	(67,249)	(67,565)
Rates and levies passed to GWRC	(45,712)	(46,718)	(48,226)	(49,689)	(51,060)	(52,386)	(53,666)	(54,900)	(56,089)	(57,277)
Net GST paid to Inland Revenue	-	-	-	-	-	-	-	-	-	-
	<b>(317,338)</b>	<b>(303,160)</b>	<b>(312,773)</b>	<b>(333,984)</b>	<b>(349,381)</b>	<b>(363,921)</b>	<b>(376,837)</b>	<b>(386,076)</b>	<b>(394,819)</b>	<b>(400,984)</b>
<b>Net cash inflows from operating activities</b>	<b>70,225</b>	<b>93,996</b>	<b>106,064</b>	<b>195,890</b>	<b>215,073</b>	<b>191,016</b>	<b>212,884</b>	<b>228,327</b>	<b>242,106</b>	<b>274,278</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Cash was provided from:</b>										
Sale of property, plant and equipment	1,524	1,303	6,511	6,289	6,522	521	1,122	510	553	569
Other investment receipts	-	-	-	-	-	(1,000)	-	1,000	-	2,000
	<b>1,524</b>	<b>1,303</b>	<b>6,511</b>	<b>6,289</b>	<b>6,522</b>	<b>(479)</b>	<b>1,122</b>	<b>1,510</b>	<b>553</b>	<b>2,569</b>
<b>Cash was applied to:</b>										
Purchase of property, plant and equipment	(185,292)	(250,890)	(267,803)	(296,193)	(366,448)	(283,177)	(267,980)	(271,895)	(252,846)	(233,611)
Less UHCC capital contribution	10,216	18,341	24,178	11,784	9,552	16,267	25,771	22,275	34,327	4,114
Purchase of assets under construction	-	-	-	-	-	-	-	-	-	-
Purchase of intangible assets	(719)	(106)	(50)	(840)	(794)	(1,009)	(821)	(946)	(517)	(1,093)
Other investments and payments	(14,400)	-	(1,000)	-	(1,000)	-	-	-	-	-
	<b>(190,195)</b>	<b>(232,655)</b>	<b>(244,675)</b>	<b>(285,249)</b>	<b>(358,690)</b>	<b>(267,919)</b>	<b>(243,030)</b>	<b>(250,566)</b>	<b>(219,036)</b>	<b>(230,590)</b>
<b>Net cash outflows from investing activities</b>	<b>(188,671)</b>	<b>(231,352)</b>	<b>(238,164)</b>	<b>(278,960)</b>	<b>(352,168)</b>	<b>(268,398)</b>	<b>(241,908)</b>	<b>(249,056)</b>	<b>(218,483)</b>	<b>(228,021)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES****Cash was provided from:**

Proceeds from borrowing

148,962	198,199	201,997	165,409	226,944	186,335	145,686	140,266	97,976	72,963
<b>148,962</b>	<b>198,199</b>	<b>201,997</b>	<b>165,409</b>	<b>226,944</b>	<b>186,335</b>	<b>145,686</b>	<b>140,266</b>	<b>97,976</b>	<b>72,963</b>

**Cash was applied to:**

Repayment of borrowing

(40,000)	(61,961)	(75,577)	(88,202)	(95,902)	(108,988)	(116,693)	(119,568)	(121,630)	(119,250)
<b>(40,000)</b>	<b>(61,961)</b>	<b>(75,577)</b>	<b>(88,202)</b>	<b>(95,902)</b>	<b>(108,988)</b>	<b>(116,693)</b>	<b>(119,568)</b>	<b>(121,630)</b>	<b>(119,250)</b>

**Net cash inflows/(outflows) from financing activities**

<b>108,962</b>	<b>136,238</b>	<b>126,420</b>	<b>77,207</b>	<b>131,042</b>	<b>77,347</b>	<b>28,993</b>	<b>20,698</b>	<b>(23,654)</b>	<b>(46,287)</b>
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Net increase/(decrease) in cash, cash equivalents and bank overdraft

(9,484)	(1,118)	(5,680)	(5,863)	(6,053)	(35)	(31)	(31)	(31)	(30)
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Cash, cash equivalents and bank overdraft at beginning of the year

30,456	20,972	19,854	14,174	8,311	2,258	2,223	2,192	2,161	2,130
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**Cash, cash equivalents and bank overdraft at end of the year**

<b>20,972</b>	<b>19,854</b>	<b>14,174</b>	<b>8,311</b>	<b>2,258</b>	<b>2,223</b>	<b>2,192</b>	<b>2,161</b>	<b>2,130</b>	<b>2,100</b>
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**Cash balance at end of the year comprises:**

Cash and on call deposits

20,972	19,854	14,174	8,311	2,258	2,223	2,192	2,161	2,130	2,100
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Short term deposits

-	-	-	-	-	-	-	-	-	-
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Bank overdraft

-	-	-	-	-	-	-	-	-	-
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**Cash, cash equivalents and bank overdraft at end of the year**

<b>20,972</b>	<b>19,854</b>	<b>14,174</b>	<b>8,311</b>	<b>2,258</b>	<b>2,223</b>	<b>2,192</b>	<b>2,161</b>	<b>2,130</b>	<b>2,100</b>
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# Water services transition

## - Early indicative financial projections

Prepared 30 July 2024

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### **Purpose**

The purpose of this memo to explain financial modelling completed to understand the Council's financial outlook post transition to an assumed new water services entity, as part of the regional water services reform programme.

### **Summary**

The memo provided details of assumptions, with key aspects being

- Assumed go live date of new water services entity for the Wellington region of 1 July 2027.
- Assumed repayment of HCC water services debt on this date in full, with no further payments for "no worse off" funding, such as stranded overheads.
- HCC revenue adjusted to remove all water services related aspects.
- All figures used are based on budgets in Long Term Plan 2024-34 (LTP).

The key results of the financial modelling show:

- Capex investment - significant drop of \$1.2B over the 10-year period of LTP post transition to new entity (graph 1).
- Debt projections - the capex investment reduction has flow on impacts to debt levels. Net debt reduces to \$434M by 30 June 2028, compared to LTP level of \$891M (graph 2). Debt headroom improves in the same year by \$87M higher than LTP and continues to increase to improved levels than the LTP (graph 3).
- Net debt to revenue - whilst the LTP has a high of 216%, the post transition results show a much-improved position with a peak of 151% (graph 4).



- Balanced operating budget – achieved in 2028-29, which is the same timeframe as the LTP.

Key risks include:

- Asset revaluation work for three waters assets currently underway for Annual Report 2023/24 with uncertainty as what the outcome for these will be.
- Cost escalations across both opex and capex.
- Capital investment delivery performance.

**Further details**

**1. Rates revenue**

The rates increase assumptions factored into the financial modelling is based on removing Three waters related rates in the LTP.

Table 1: Projected rates revenue increase (after growth assumption)

	2026	2027	2028	2029	2030	2031	2032	2033	2034
LTP 2024-34	13.4%	12.6%	12.6%	12.4%	12.0%	7.0%	7.0%	7.0%	7.0%
Post Water services transition	13.4%	12.6%	10.9%	10.2%	13.5%	6.5%	8.6%	7.9%	7.9%
Difference	-	-	1.70%	2.20%	(1.50%)	0.50%	(1.60%)	(0.90%)	(0.90%)

The dollar value decrease in rates revenue post transition is shown in table 2; with a total of \$1.1B less in rates revenue over 7 years post transition compared to the LTP.

Table 2: Projected rates revenue

	2026	2027	2028	2029	2030	2031	2032	2033	2034
LTP 2024-34	209.9	238.2	270.4	306.3	345.8	373.2	402.7	434.5	468.8
Post Water services transition	209.9	238.2	154.6	171.8	196.5	211.1	231.1	251.5	273.6
Difference	-	-	(115.8)	(134.5)	(149.3)	(162.1)	(171.6)	(183.0)	(195.2)

The indicative rates impact per average property category is presented below. These are based on the rating information for 2024-25 and are subject to change in future years.

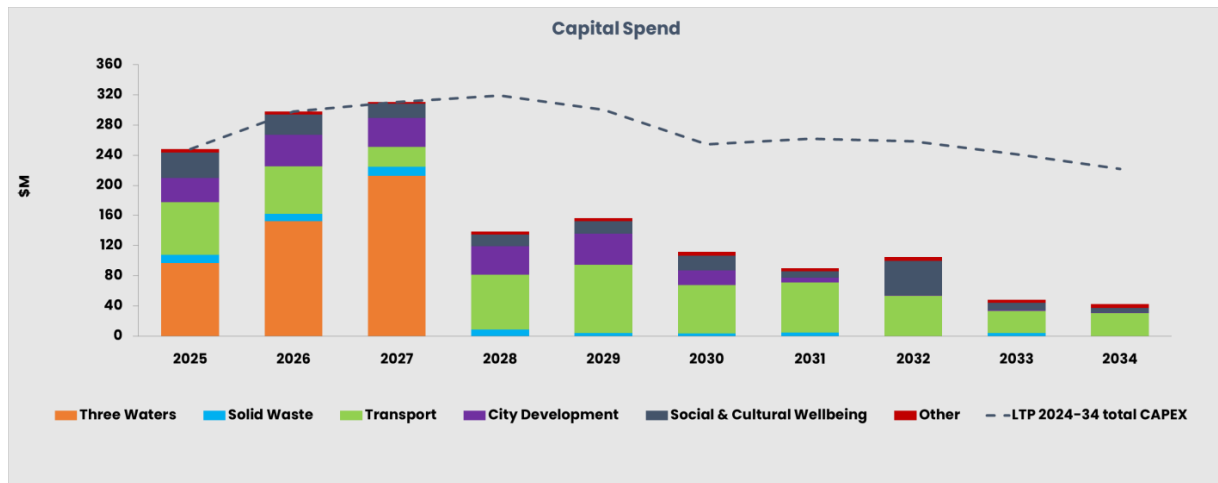
**Table 3: Indicative rates per average property category**

Property Category	2024-25 rates	LTP 2028 rates	Post transition 2028 rates	Annual change \$	Annual change %	LTP 2034 rates	Post transition 2034 rates	Annual change \$	Annual change %
Average Residential	\$3,910	\$5,760	\$3,015	-\$2,745	-48%	\$9,781	\$5,241	-\$4,540	-46%
Average Commercial Central	\$22,645	\$30,859	\$26,373	-\$4,486	-15%	\$52,691	\$48,859	-\$3,832	-7%
Average Commercial Suburban	\$19,325	\$26,195	\$21,367	-\$4,828	-18%	\$46,143	\$39,587	-\$6,556	-14%
Average Rural	\$2,696	\$3,627	\$3,376	-\$251	-7%	\$6,092	\$5,909	-\$183	-3%
Utilities	\$28,311	\$37,455	\$34,562	-\$2,893	-8%	\$66,010	\$64,032	-\$1,978	-3%

## 2. Capital programme delivery

Our standard assumption is that 75% of the capital programme is delivered each year. Given the recent funding increases requested by Wellington Water Ltd (WWL) for the capital programme, together with improved delivery performance, we have assumed 100% delivery for Water Services capex for the purpose of these projections until 1 July 2027.

Based on this, the financial modelling includes \$462M capex delivery over the three year period for Water Services. These projections include the Infrastructure Acceleration Fund projects, however there are a range of risks with these projects which are at an early stage (e.g., concept design works in progress).

Graph 1: Updated projected capital programme post transition

The forecast capital investment drops down post transition with an average per annum of \$99M compared to an average of \$265M in the LTP. This reduced capex impacts on the projected borrowings. There is a total reduction in capex of \$1.2B over 10 years post transition compared to the LTP.

### **3. Asset transfer**

All assets and work in progress related to Water Services are assumed to transfer as at 1 July 2027. The details of the specific assets to be transferred, particularly for Stormwater, will need to be worked through. The estimated transfer was expected to be around 37% of the total Council asset value across all activities when this modelling was last performed. The asset transfer value is expected to be around \$724M at 1 July 2027 based on the LTP projections.

There is however an asset revaluation in progress for the Annual report 30 June 2024 and the asset transfer value cannot be reliably quantified at this stage. This is because there have been some early indications that the value of Water services assets have increased significantly higher than projected in the LTP. Once the revaluation and the audit process is completed this asset transfer value can be more reliably estimated and will be updated.

### **4. Operational costs and other funding**

The financial projections included assume that no funding is received by Council other than repayment of debt directly attributable to water services. So there is no “worse off funding” as such. Once the regional position is developed and there is better clarity on this, then this assumption will be reviewed.

We have assumed for this modelling that all water services operational revenue and costs will transfer to the new entity or be fully offset by funding received from or related to the new entity as from 1 July 2027. The exception is stranded overheads (estimated to be \$16.1M over 7 years), which have been assumed to be reallocated across the remaining activities with no additional funding assumed to offset this. This assumption will be further reviewed as the regional delivery model is developed.

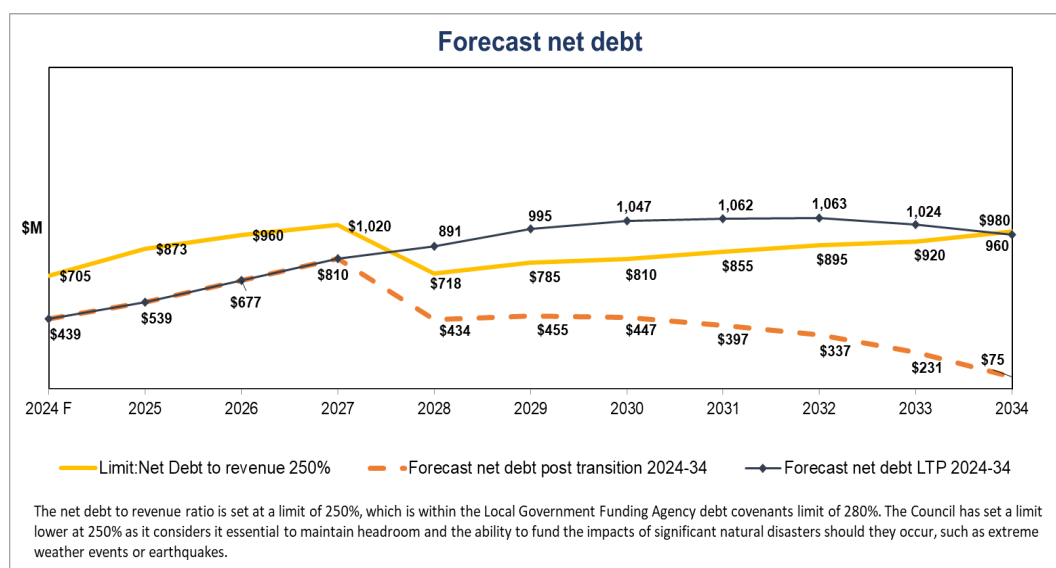
## 5. Debt and interest

Opening balance of debt for Three waters as at 1 July 2022 has been carried over from the work performed for the Three waters reform under the previous legislation, and as agreed with the National transition Unit of the Department of Internal Affairs in 2023.

The same methodology is being applied to the debt balances for the subsequent years. This is effectively an apportionment of total Council debt to the Three Waters Activities on the same basis as the debt calculations for the audited Annual Report Funding Impact Statements (i.e. debt funding for capital and operational expenditure not funded from operational revenue, excluding non-cash items like depreciation).

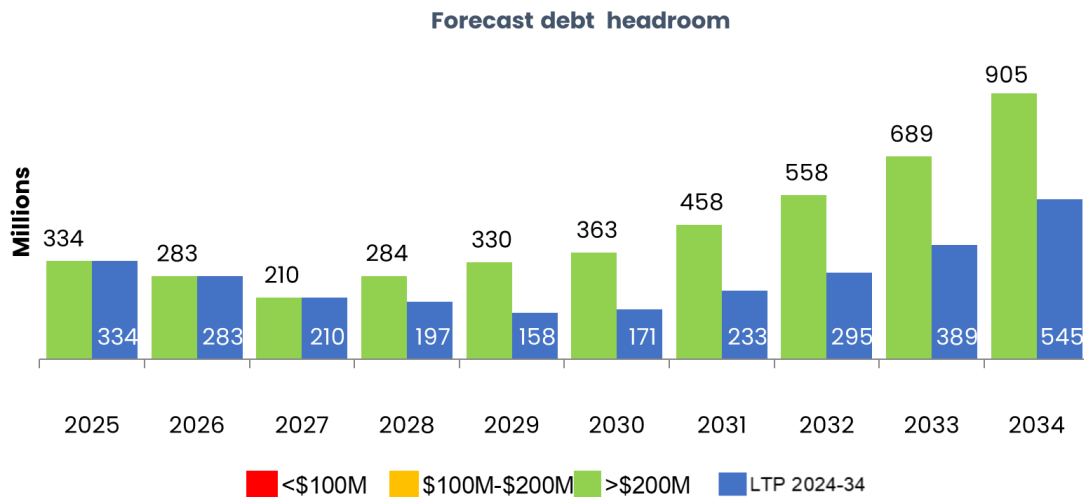
The debt and interest on borrowings is assumed to be repaid on transfer with the full payment being received on 1 July 2027. The debt is estimated to be around \$429M as at the end of 30 June 2027. This is subject to change dependent on the actual revenue, capital and operating costs incurred until then. As the regional model is further developed this assumption will be reviewed and updated.

Graph 2: The comparison of projected debt pre and post transition is presented below, together with the debt to revenue limit post transition.



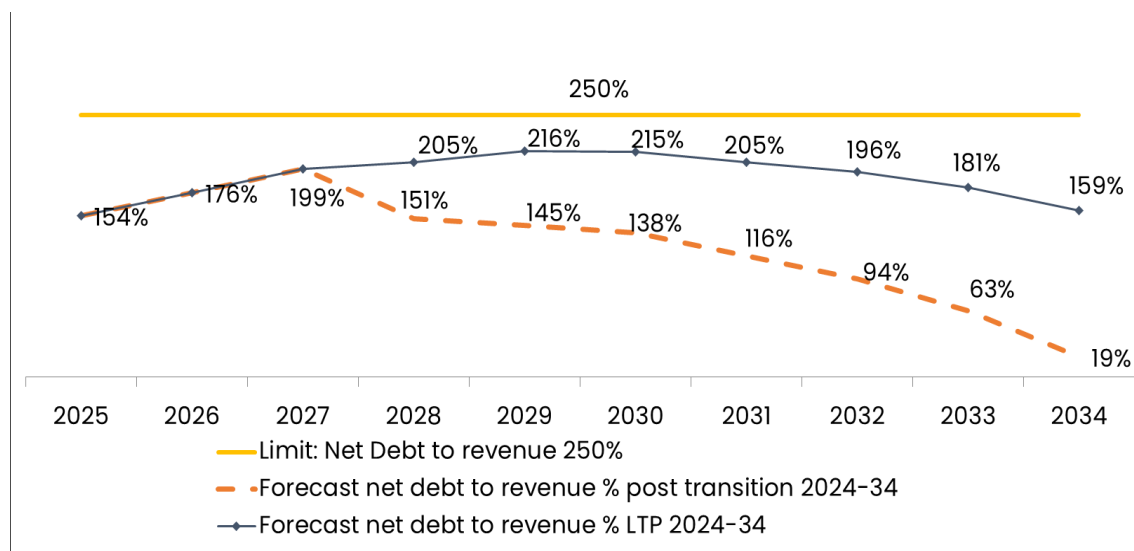
In the graph the blue line is the LTP (position including Water Services) and the orange dotted line graph being post transition, excluding Water Services. The assumed debt repayment of \$429M, results in a drop in debt levels, which continue to reduce given the lower capex spend and assumed rates revenue settings.

Graph 3: The comparison of the debt headroom pre and post transition, i.e., projected debt compared to the net debt to revenue limit



The debt headroom is more favourable due to the assumed debt repayment in 2028 and remains above \$200 million for all years.

Graph 4: The forecast net debt to revenue percentage against the limit of 250% pre and post transition is presented below.



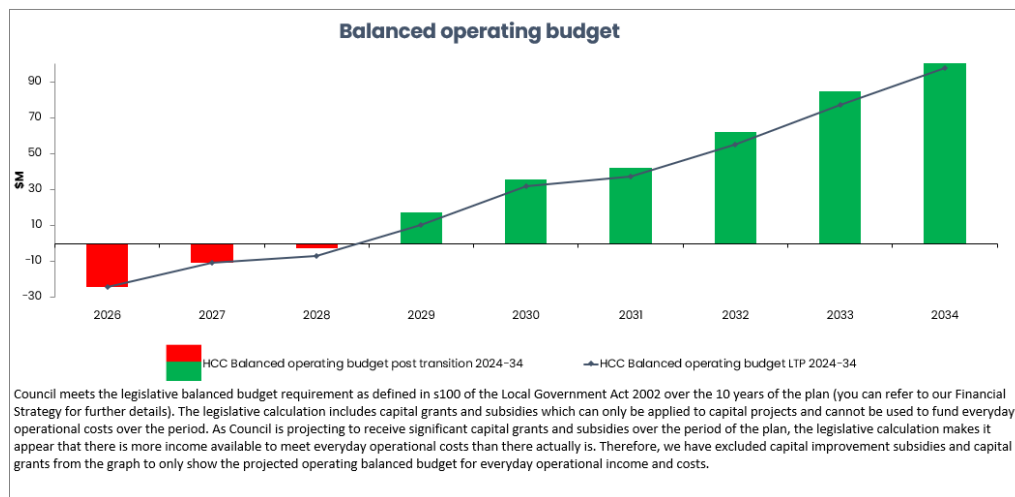
The projections show a significantly favourable outlook. The net debt to revenue ratios are much lower post transition with the highest being 151% in 2028 compared to a high of 216% for the LTP.

## 6. **Balanced operating budget impact**

The balanced budget post transition is projected to be achieved in 2028-29, which is the same as the LTP projections. This is largely dependent on:

- the debt repayment being received as assumed in the modelling,
- rates increases in future years being approved at the assumed increases, and
- no significant cost escalations beyond those currently approved and factored into the budgets.

**Graph 5: Balanced budget position based on LTP 2024-34 budgets**





## Long Term Plan/Annual Plan Subcommittee

18 November 2024

Report no: LTPAP2024/5/358

### Investment in Water Services

#### Purpose of Report

1. This report proposes changes to the approved water investment programme in the Long Term Plan 2024-2034 and seeks Council approval on how they will be funded.

#### Recommendations

That the Subcommittee recommends Council:

- (1) notes the preliminary advice from Wellington Water Limited (WWL) on water services capital and operational investment for the 2025/26 financial year, attached as Appendix 1 to this report;
- (2) approves the revised CAPEX programme and forecast budget for the 2024/25 financial year, as outlined in the report, noting in particular the inclusion of new funding of \$5.2M for the Western Hills Trunk Urgent Works;
- (3) approves in principle that unspent capital funding for the 2024/25 financial year will be carried over into the next two financial years budgets to ensure WWL has certainty in planning delivery of the agreed work programme;
- (4) approves in principle the recommended changes to the CAPEX programme for the 2025/26 financial year, noting the overall decrease of \$11M from what was approved in the 2024-2034 Long Term Plan (LTP) for that year, noting that decreases are mostly in the stormwater and wastewater activities;
- (5) approves in principle the recommended changes to the CAPEX programme for the 2026/27 financial year, noting an overall increase of \$30M from what was approved in the 2024- 2034 LTP for that year.
- (6) notes the proposed revisions to the 2025/26 OPEX budget, based on updated forecasts, are estimated to result in an increase of \$720k from what was approved in the 2024-2034 LTP;
- (7) requests WWL to manage OPEX priorities within existing budgets and provide further advice in February 2025 on how budgets can be prioritised to achieve this;
- (8) notes the advice on the investment required to improve operational capability and systems and that Hutt City Council's (HCC) share is estimated at \$8M across 2025/26 and 2026/27 and is not currently included in the proposed budget, with further advice to be presented on this in February 2025;

- (9) agrees in principle that this investment is critical to the performance of WWL and that HCC's share of this investment over the next two years would be funded by debt if it is not able to be funded centrally, subject to assurances that it will be a legacy investment for the proposed new water services CCO for the region;
- (10) agrees to increase the OPEX budget by \$3M in 2025/26, funded through debt, for the implementation of the Water Services Delivery Plan, primarily for HCC's share of costs to establish a new asset owning water services CCO for the region; and
- (11) notes that central government is proposing from 1 July 2025 to levy Councils, in their capacity as water supply authorities, to recover costs associated with regulatory services provided by Taumata Arowai and the Commerce Commission, with HCC liability assessed at \$585k per annum.

## **Background**

- 2. Wellington Water Limited (WWL) has provided Council with its preliminary advice on three waters capital and operational expenditure for inclusion in the 2025/26 Annual Plan. The advice is attached in Appendix 1 attached to the report.

## **Capital Budget**

- 3. The advice incorporates proposed changes to the capital works programme for the first three years of the 2024-2034 Long Term Plan (LTP), including the current year, based on most up to date costing and programming information.
- 4. For the current financial year there are several proposed revisions resulting in a total forecast spend of \$82.48M being \$3M less than currently budgeted.
- 5. The main changes to the programme are summarised in paragraph 28 of the WWL advice, with the two most significant being the bringing forward of watermain renewals of \$7.5M and the inclusion of \$5.2M for the urgent works on a section of the Western Hills Wastewater Trunk.
- 6. For the 2025/26 financial year WWL is recommending a decrease of \$11M in the capital budget, based on forecast programming, with a budget of \$94.2M which is still a 14% increase over the forecast for the current year. Appendix A of the WWL advice, itemises these changes.
- 7. For the 2026/27 financial year WWL is recommending an increase of \$30M in the capital budget, based on forecast programming, which will increase investment over the triennium by approximately \$14M (uninflated figures).
- 8. WWL has requested Council consider two other projects, amounting to \$10.5M, for inclusion in the capital works programme (refer to paragraph 37). Officers recommend that these projects remain outside the programme, noting that the debt cap buffer is under some pressure.



## **Operating Budget**

9. WWL has requested an additional \$1.54M in its operating budget for 2025/26. As the WWL advice has not included year 2 inflation, which was built into Council LTP budgets, the real difference is \$720,000. The main changes are within monitoring and investigations with condition assessments and monitoring charges in the wastewater and stormwater activities.

## **Local Water Done Well**

10. In advancing the joint Water Services Delivery Plan for the region, Council will also need to consider its share of funding to enable the implementation of the Plan during the 2025/26 financial year. A provisional sum of \$3M is forecasted at this stage noting that this estimate will be refined over the next six months as the plan is developed. Note this matter is not included in the WWL advice as this work is being driven at a regional level.
11. Funding for WWL to develop critical IT systems to effectively run the business is currently not included in the revised budgets, as there is a proposal that they be funded centrally. If this proposal isn't agreed a sum of approximately \$8M would be required as the Hutt City Council (HCC) share over the 2025/26 and 2026/27 financial years. It is proposed this investment would be funded through debt. There is ongoing work underway in relation to this and the funding requirement is likely to be amended as work is progressed.
12. Central government is also proposing to recover costs associated with regulatory services provided by Taumata Arowai and the Commerce Commission by way of a levy from 1 July 2025. HCC's levy is likely to be around \$585k. Taumata Arowai and the Commerce Commission have called for submissions on this proposal, which close on 24 January 2025. This item has not been included in the budget and will be further reported on in February 2025.

## **Discussion**

13. Revisions to the capital works programme are not unexpected as information on costs and programme deliverability are able to be more accurately assessed as projects advance through planning, design, and procurement phases. The proposed changes to the capital programme recommended by WWL are generally acceptable though the increase in year 3 of the LTP places pressure on the debt cap buffer.
14. However, officers will be working closely with WWL to investigate ways we can shorten timeframes for delivery of critical projects such as the Seaview sludge dryer to reduce the risk of failure and consequential issues.

15. For the LTP, Council agreed to fund most of the operating expenditure WWL requested and opted to increase funding to manage leaks. For this reason, officers recommend that Council ask WWL to consider how it can manage its operating requirements within the existing 2025/26 budget as included in the LTP. WWL will report back in February 2025 on this and risks of doing so for further consideration.
16. Council has a legal responsibility to undertake the implementation of its Water Services Delivery Plan (WSDP) from the time it is adopted, which is expected to occur mid-2025. As such officers advise that the inclusion of a provisional sum is not an optional item.
17. The recent review of WWL capability has highlighted the need for it to invest in essential IT, such as an Asset Management System. This is fundamental to the success of the organisation and will be essential for the new water services CCO. At the time of writing this report, negotiations are continuing with a party that would debt fund the investment and on-charge only the interest costs of the investment to other councils. A further update and advice on this will be provided to the February 2025 meeting.

### **Options**

18. Officers are proposing that the advice from WWL on the capital programme be adopted. Council could decide to make any changes to the programme.
19. Officers are proposing that Council ask WWL to manage its operations within existing operating budgets. With the additional \$3M required for implementing the WSDP, Council could consider requesting WWL to provide options on how this sum could be offset, noting that if funded through debt the impact on the operating budget and rates would be minimal.

### **Climate Change Impact and Considerations**

20. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.

### **Consultation**

21. There has been no consultation.

### **Legal Considerations**

22. Under the new Water legislation Council will be required to implement its Water Services Delivery Plan. A provisional sum of \$3M is included in the plan for this purpose.

### **Financial Considerations**

23. WWL has included additional operating cost requirements of \$1.54M for 2025-26, largely for monitoring and investigations. As Council includes inflation adjustments in budgets, part of this proposed increase is already funded through the inflation applied to budgets. The additional operating budget required for 2025-26 is therefore \$0.72M. This would equate to approximately 0.4% rates increase. The recommendation is the WWL are asked to manage its operations within existing budgets, so no change is reflected in the financial modelling for this.

24. Further to WWL requirements, additional operating funding of \$3M is required in 2025-26 to progress work on the WSDP. This is proposed to be funded through debt.

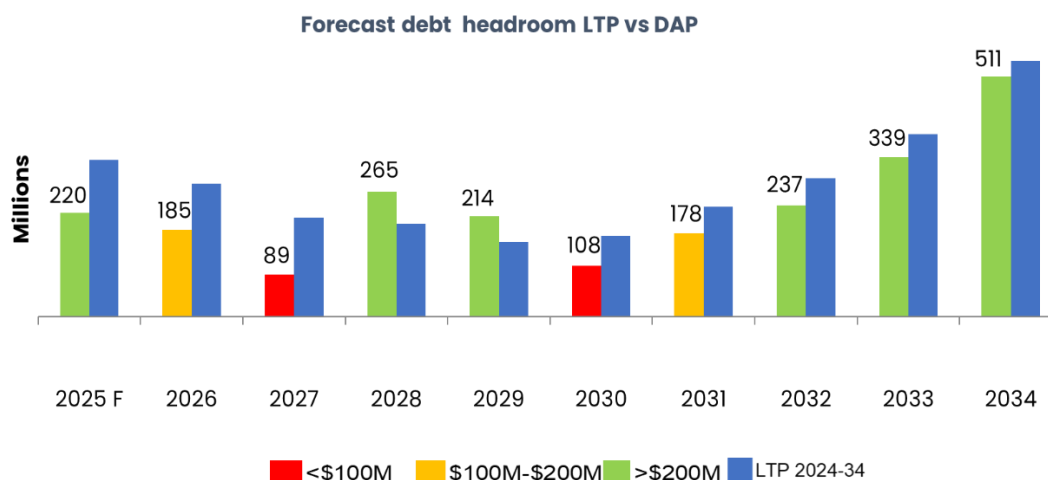
**Table 1 – operating cost requirement – including \$3M for transition activities in 2025-26**

The presented figures are: Inflated					
Operating cost \$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>Triennium</u>	<u>Total over 10 years</u>
Current Annual Plan 2025-2026	37.35	38.17	39.92	115.43	<b>431.58</b>
Updated Annual Plan 2025-2026 – with Three waters adjustments	37.35	41.17	39.92	118.43	<b>434.58</b>
Variance	-	(3.00)	-	(3.00)	(3.00)

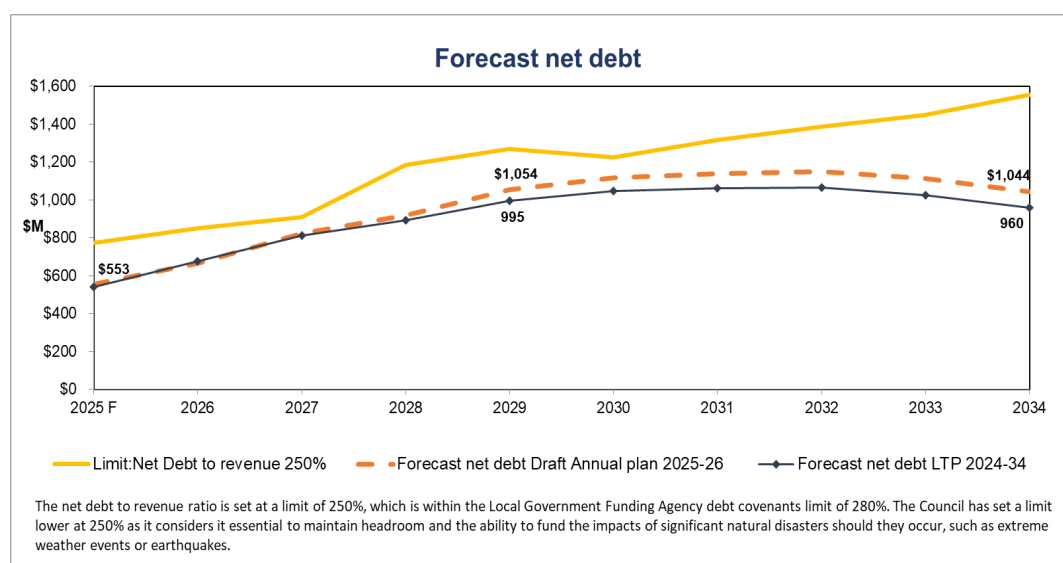
Note: excludes capability uplift – pending decision on funding approach

25. Tables 2 - 5 below present the debt headroom after adjusting for the capital proposal per the advice memo from WWL and the additional WSDP related opex of \$3M. All numbers in the tables include adjustments for inflation using Business and Economic Research Limited (BERL) inflation adjustors as is standard practice and vary to WWL figures due to this. Graph 1 below presents the debt headroom which shows significantly constrained debt headroom in 2027. Given the Regional Water delivery programme underway, Council could choose to retain the headroom as is and not provide any additional funding through rates, noting the risk that this will further negatively impact our S&P credit rating in the short term.
26. Although the regional reform programme is underway, Council is unlikely to recoup the Three waters debt all at once. This would mean we would be incurring interest cost on the debt for a longer period of time. Officers recommend that small rates adjustments to offset the additional interest cost of borrowings are included in DAP26. This would equate to an average increase of around 0.3% from 2027 and is reflected in the debt modelling below.
27. An agreement has been reached at the time of writing this paper that, for ease of comparison and consistency, BERL cost adjustors for Water services should be used by all councils for the regional work programme development. It is expected that this will worsen the debt and balanced budget position for pre-transition modelling as the rates are higher than the general BERL local government cost adjustor rates we currently use. This is not currently reflected in our modelling and will be incorporated for the DAP26 presented at the February 2025 meeting.

**Graph 1 - Debt headroom LTP vs DAP (including Three waters capital adjustments per WWL advice memo)**



**Graph 2 - Net debt forecast LTP vs DAP (including Three waters capital adjustments per WWL advice memo)**



**Table 2 - Total Water Services capital (excluding IAF projects)**

The presented figures are: Inflated					
Total Capital \$M	2024/25	2025/26	2026/27	Triennium	Total over 10 years
Current Annual Plan 2025-2026	85.44	107.52	147.97	340.93	1,498.46
Updated Annual Plan 2025-2026	82.48	96.30	177.84	356.62	1,521.84
Variance	2.96	11.23	(29.88)	(15.69)	(23.38)

**Table 3 – UHCC subsidy revenue for Wastewater JV projects**

The presented figures are: Inflated					
Capital subsidy \$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>Triennium</u>	<u>Total over 10 years</u>
Current Annual Plan 2025-2026	10.01	17.99	24.14	52.13	<b>169.42</b>
Updated Annual Plan 2025-2026 - with Three waters adjustments	8.06	15.71	29.20	52.97	<b>179.44</b>
Variance	(1.94)	(2.28)	5.06	0.84	<b>10.02</b>

**Table 4 – Water supply capital**

The presented figures are: Inflated					
Capital Water supply \$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>Triennium</u>	<u>Total over 10 years</u>
Current Annual Plan 2025-2026	26.24	26.82	48.66	101.72	<b>483.33</b>
Updated Annual Plan 2025-2026 - with Three waters adjustments	36.06	27.68	55.82	119.56	<b>494.53</b>
Variance	(9.82)	(0.86)	(7.16)	(17.84)	<b>(11.21)</b>

**Table 5 – Stormwater capital**

The presented figures are: Inflated					
Capital stormwater \$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>Triennium</u>	<u>Total over 10 years</u>
Current Annual Plan 2025-2026	7.58	14.06	6.37	28.01	<b>216.99</b>
Updated Annual Plan 2025-2026 - with Three waters adjustments	4.89	5.66	15.48	26.04	<b>218.78</b>
Variance	2.69	8.40	(9.12)	1.98	<b>(1.79)</b>

**Table 6 – Wastewater capital**

The presented figures are: Inflated					
Capital Wastewater \$M	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>Triennium</u>	<u>Total over 10 years</u>
Current Annual Plan 2025-2026	51.61	66.64	92.94	211.19	<b>798.14</b>
Updated Annual Plan 2025-2026 - with Three waters adjustments	41.53	62.95	106.54	211.02	<b>808.52</b>
Variance	10.09	3.69	(13.60)	0.17	<b>(10.38)</b>

**Appendices**

No.	Title	Page
1 <a href="#">↓</a>	Preliminary Advice from WWL	225

**Author:** Bruce Hodgins  
Strategic Advisor

**Author:** Deepu Nunnian  
Manager Financial Planning & Performance

**Reviewed By:** Jenny Livschitz  
Group Chief Financial Officer

**Reviewed By:** Alison Geddes  
Director Environment and Sustainability

**Approved By:** Jo Miller  
Chief Executive

**Preliminary advice to Hutt City Council regarding proposed three waters capital and operational expenditure budgets for the 2025/26 financial year and triennium**

TO Jenny Livschitz, Group Chief Financial Officer, Hutt City Council;  
Bruce Hodgins, Strategic Advisor, Hutt City Council

COPIED TO Pete Wells, Head of Service Planning, Wellington Water;  
Wayne Maxwell, General Manager Business Services, Wellington Water

FROM Julie Alexander, Group Manager Network Strategy and Planning, Wellington Water

DATE 28 November 2024

**Action sought**

Action	
Jenny Livschitz, Group Chief Financial Officer, Hutt City Council	<b>Note</b> the contents of this memo.  <b>Meet</b> with Wellington Water to discuss the recommendations and issues raised within the memo.

**Contact for telephone discussion (if required)**

Name	Position	1st Contact	
Julie Alexander	Group Manager Network Strategy & Planning, Wellington Water	021 815 162	
Pete Wells	Head of Service Planning, Wellington Water	021 195 9621	x

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## Purpose

1. This paper informs Hutt City Council (Council) of:
  - Annual planning advice, including proposed updates to the Long Term Plan 2024-34 with a focus on the current triennium;
  - key areas where Wellington Water recommends additional investment in FY2025/26 and the triennium; and
  - the additional investment required into Wellington Water's corporate capabilities in order to better manage the region's assets and services.

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## Recommended actions

It is recommended that Council:

- a. **confirms** Council's proposed approach to FY2024/25 capital budget carry overs;
- b. **notes** the revised FY2024/25 Capital Expenditure (Capex) forecast that will be further updated in Stage 2 advice;
- c. **approves** budget changes for specific FY2024/25 initiatives to enable completion of required work within this financial year;
- d. **considers** the indicative proposed Capex and Operational Expenditure (Opex) budgets for FY2025/26;
- e. **notes** the indicative Capex budget requirement for FY2026/27 and across the remaining seven years of the Long Term Plan 2024-34;
- f. **considers** the specific risks presented in this memo;
- g. **notes** the requirement for investments needed to implement a range of organisational capability improvements, and for essential systems and technology improvements at Wellington Water in order to better manage the region's assets and services;
- h. **notes** that in order to support your FY2025/26 annual planning processes, Wellington Water will update our advice in mid-late February 2025 based on Council's draft funding decisions, and provide final detailed advice in May 2025; and
- i. **notes** that in line with agreed policies on transparency and information sharing, this memo will be published on Wellington Water's public website, subject to any redactions consistent with the Local Government Official Information and Meetings Act 1987, once Council has considered and made decisions regarding this advice.

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## Executive Summary

2. This advice proposes updates to the annual plan for FY2025/26, and to the triennium view of the approved Long Term Plan (LTP) to reflect current knowledge of programmes and any recommended changes.

Preliminary advice to Hutt City Council regarding proposed three waters capital and operational expenditure budgets for the 2025/26 financial year and triennium

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3. The following key issues underpin our advice, and affect all councils. Any additional investment in these areas will support improved outcomes in delivering water services for our communities:
  - increasing investment in pipe network planned and reactive renewals to address backlogs over a 30-year period and reduce them to a long-term sustainable level;
  - regional alignment to address the critical water supply risk, with coordinated investments in storage, metering, and leak repairs; and
  - ensuring investment to meet increasing regulatory requirements, with a focus on Wastewater Treatment Plants.
4. The level of Capex funding agreed in Council's Long Term Plan (LTP) for 2025/26 (including Council agreed carry overs from FY2023/24) was \$105.3M, and a total of \$331.1M over the triennium. Since the LTP was agreed, Wellington Water (WWL) has updated our forecast to reflect the most up to date view of costings and programmes. Based on this, we are now recommending a decrease for 2025/26 to \$94.2M<sup>1</sup> (a decrease of \$11.1M) and an increase to \$345.2M<sup>2</sup> over the triennium (an increase of \$14.1M).
5. The level of Opex funding agreed in Council's LTP for 2025/26 was \$37.3M. WWL is in the process of updating its operational budgets forecast. Based on our early stage view we are recommending an increase in programme funding of \$1.54M for 2025/26, with the majority of the increase relating to Monitoring and Investigation activities<sup>3</sup>.
6. The active risks identified in WWL's 2024-34 LTP close out advice, of 15 August 2024, continue to be relevant; noting that the LTP funding agreed by Council for Opex across the current triennium exceeded WWL's recommended levels, but agreed funding for Capex was below recommended levels.
7. In response to recommendations from the 2024 independent review into WWL's capital programme estimating and budgeting systems (the 2024 review), we have brought forward our business planning cycle to align with Council's annual planning cycle. To feed into this first stage of advice to councils, the base corporate budgets for WWL have been developed at a high level and this shows a lift in investment is needed above what was agreed in the 2024-34 LTP.
8. There are also further investments needed to provide for critical systems updates and to lift corporate capability and maturity, as recommended in the 2024 review.

#### Background and context to our advice

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9. WWL's shareholding councils have been clear in their expectations of us to demonstrate value for money and find efficiencies and improvements to the way we deliver water services for their communities. Councils need to be confident that WWL is financially prudent and a 'smart purchaser' of services on their behalf.
10. Additionally, findings in the recent independent review highlighted significant capability improvements needed to prevent errors from reoccurring and lift our organisation's maturity to better deliver on our responsibilities to our councils.

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<sup>1</sup> Before FY2025/26 corporate cost adjustments

<sup>2</sup> Before FY2025/26 corporate cost adjustments

<sup>3</sup> This figure does not include the investment uplift needed for the organisational capability improvements required in response to the 2024 independent review, or the investment needed for essential technology systems and improvements

11. Significant investment is also needed to implement core technology systems and improvements that are required for any effective and efficient water utility organisation. This was also highlighted in the independent review.
12. When it comes to organisational capability, maturity, and technological systems – we are far behind on where we need to be. Wellington Water is not right sized for the work that we need to deliver for our shareholders or to deal with the challenges the region faces with water infrastructure. Our programme of work and responsibility has grown over the past ten years but the investment into the organisation to support this work has not.
13. To support this increase in work we have over the years relied heavily on our consultants and suppliers and an outsourcing model. This has raised concerns with our shareholders around value for money.
14. Additionally, we haven't communicated our organisational need or position well over many years. We are doing this differently this year and for future years.
15. We have been making rapid and immediate changes over the past few months to address councils' concerns and meet expectations. We are making fundamental changes to the way we work. We are shifting to a 'value-add' mindset in how we deliver water services. This is about:
  - building internal capability to deliver our work instead of outsourcing work, which is cheaper and more efficient;
  - retaining knowledge and control of our information;
  - maturing our approach to managing our contracts; and
  - increasing capability so we can proactively look for and implement efficiencies across the organisation.
16. Urgently increasing our corporate capability is vital to deliver councils' operational and capital programmes – not doing so will open us up to risks of errors and issues, like the recent cost estimation error, reoccurring.
17. Since WWL identified the Corporate Cost error in capital budgeting advice, we have conducted a review into corporate cost allocations to check and validate if the \$51M gap in funding was correct and identify any further impacts on councils' programmes. We have advised Council of the high-level impacts in October 2024. For HCC this amounted to a net reduction in Corporate Charges of \$3.0M over the triennium period. This has been included in the programme as an offsetting budget line.
18. Deloitte is providing on-going advice during the annual planning process to further refine the corporate cost methodology.
19. Additionally, the 2024 review of WWL's capital programme estimation and budgeting systems highlighted significant capability improvements needed to prevent errors from reoccurring and lift our organisation's maturity to better deliver on our responsibilities to our councils. As a result, further investment is needed in order for WWL to:
  - purchase and implement core technology systems;
  - lift our organisational capability; and
  - increase funding for WWL's corporate services to ensure we are able to deliver the FY2025/26 programme well and effectively.

Preliminary advice to Hutt City Council regarding proposed three waters capital and operational expenditure budgets for the 2025/26 financial year and triennium

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## Section One: Annual Plan

### Annual Planning approach

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20. This advice proposes updates to the triennium view of Council's approved LTP, to reflect current understanding of the LTP programme and any recommended changes.
21. The advice builds on the final LTP advice provided to Council on 15 August 2024, which set out the 2024-34 LTP investment programme adopted by the Council. As signalled in our final advice, WWL has continued to engage with Council on changes and updates that may be required to the adopted LTP programme to accommodate emerging needs.
22. WWL has aimed to update the Capex programme to be compliant with the existing LTP funding envelopes. Where necessary, funding has been re-prioritised to accommodate arising needs or revised scope and costings, with the programme balanced by deferring some projects until after the triennium.
23. This advice also outlines recommended changes and additions to the current approved LTP Operational Expenditure budget, and identifies areas of risk if the current level of funding is maintained across the full LTP programme.
24. WWL will continue to work with Council to refine our annual plan advice based on your feedback.

### Capital Expenditure Plan

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25. Since the LTP budget was approved in mid-2024, WWL has made significant progress in delivering water services and renewing Council's water assets. Some highlights include:
  - 8.2km of forecasted pipe renewals in FY2024/25
  - 1,122 leaks fixed in the current financial year (since 1 July 2024), as at end of October 2024
  - Work on the biofilter replacement at the Seaview Wastewater Treatment Plants was delivered on time and now focus is on delivering work to replace the sludge dryer.
  - Urgently renewing drinking water pipes in Point Howard following the 2023 failure and slip.

### Revisions to forecast capital expenditure for FY2024/25

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26. The level of capital funding agreed in the LTP for FY2024/25, including Council-approved carry overs is \$85.4M. The updated delivery forecast for the FY2024/25 programme, including proposed changes is \$82.48M.
27. A summary of significant changes to the FY2024/25 capital programme is shown below, and a detailed breakdown of the amended programme is included within **Appendix A**. Additional detailed information on any of the proposed changes is available on request.
28. The significant changes proposed to the FY2024/25 capital programme are:
  - \$2.7M increase in Drinking Water pipe network reactive renewals to support leak repair activities
  - \$7.5M increase in FY 24/25 budgets to bring forward Watermain Renewals for Rata St and Stokes Valley and Wainuiomata Galvanised Iron Ridermain Renewals

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- \$0.5M to bring forward LTP budget for Te Mome Pump Station Renewal and Optimisation for upgrading and replacing highest priority pumps at the end of its asset life to mitigate flooding risks in Alicetown and Petone
  - WWJV - \$5.2M of LTP allocated funding for Western Hills Trunk Urgent Works (VHCA) brought forward into the triennium, to fund the high risk renewal, as discussed with the Council
  - WWJV - Additional \$2M of funding for unexpected costs incurred from Days Bay pump station incident
  - Provision of funding for Jackson Street renewals programme.
29. Please note that the Seaview WWTP JV Planned Renewals “bundled” budget line has been unwound to show individual line items - unless specified in this memo, this does not constitute a project cost increase.
30. WWL asks Council to **approve** the revised Capital Expenditure (Capex) forecast for FY2024/25, in order to proceed with completing the required work within this financial year. Our programme leads are already engaging with Council officers on approval of changes for some specific items such as drinking water network renewals.
31. Annual Planning advice has assumed that the requested changes for FY2024/25 are able to be approved. In the event that some, or all, changes are not approved, amendments will be required to the FY2025/26 programme.

*Carry over of funding from FY2024/25*

32. In previous years, WWL has utilised the ability to carry over unspent allocated funds to allow for fluctuations in annual budgets. Any changes or limitations to this ability could potentially restrict WWL’s flexibility to efficiently deliver the proposed triennium programme. Therefore, WWL asks Council to confirm their proposed approach to carry overs from FY2024/25 into FY2025/26 and FY2026/27, and advise if there are any limitations that will apply.

#### FY2025/26 and Triennium capital expenditure

33. The level of capital funding agreed in the LTP, including Council agreed carry overs, was \$105.3M for FY2025/26 and \$331.1M over the triennium. Based on WWL’s updated forecasts for FY2025/26, we are now recommending a decrease in the FY2025/26 budget to \$94.2M but an overall increase to \$345.2M across the triennium, the details of which are shown in the updated LTP programme attached as **Appendix A**.
34. Table 1 sets out a summary of approved and proposed expenditure levels of the FY2025/26 and Triennium capital delivery plan, by water type and Local Government Act 2002 (LGA) classification.

Table 1: Summary of approved vs proposed capital expenditure for FY2025/26 and Triennium, by water and LGA classification (\$)

		FY2025/26 Approved Budget (\$)	Proposed FY2025/26 Budget (\$)*	Changes between FY2025/26 Approved and Proposed Budget	Approved Triennium Budget (\$)	Proposed Triennium Budget (\$)	Triennium Projects for Council Consideration (\$)
<b>Drinking Water</b>		<b>26.25M</b>	<b>27.09M</b>	<b>0.83M</b>	<b>98.63M</b>	<b>116.06M</b>	<b>2.46M</b>
	Growth	0.10M	3.62M	3.52M	21.50M	22.29M	
	Level of Service	9.03M	9.75M	0.71M	36.57M	38.11M	
	Renewal	17.12M	13.72M	(3.40)M	40.55M	55.65M	2.46M
<b>Stormwater</b>		<b>13.82M</b>	<b>5.54M</b>	<b>(8.28)M</b>	<b>27.45M</b>	<b>25.11M</b>	<b>5.53M</b>
	Growth	3.83M	1.93M	(1.90)M	7.36M	3.87M	
	Level of Service	3.76M	1.50M	(2.26)M	8.72M	6.34M	
	Renewal	6.23M	2.11M	(4.12)M	11.37M	14.90M	5.53M
<b>Wastewater</b>		<b>5.38M</b>	<b>10.35M</b>	<b>4.97M</b>	<b>34.65M</b>	<b>33.74M</b>	<b>2.51M</b>
	Growth	1.03M	1.59M	0.56M	11.91M	8.31M	
	Level of Service	1.18M	1.10M	(0.08)M	4.59M	3.64M	
	Renewal	3.17M	7.67M	4.49M	18.15M	21.80M	2.51M
<b>Wastewater JV</b>		<b>59.85M</b>	<b>51.24M</b>	<b>(8.60)M</b>	<b>170.31M</b>	<b>170.37M</b>	<b>0.00M</b>
	Growth	1.31M	1.30M	(0.01)M	3.09M	3.09M	
	Level of Service	0.00M	0.00M	0.00M	4.74M	0.26M	
	Renewal	58.54M	49.95M	(8.59)M	162.48M	167.02M	
<b>Total</b>		<b>105.30M</b>	<b>94.22M</b>	<b>(11.08)M</b>	<b>331.04M</b>	<b>345.27M</b>	<b>10.49M</b>
<b>Corporate Cost adjustments**</b>					(3.00)M	(3.00)M	
<b>Urgent capability improvements for FY2025/26***</b>						0.97M	
<b>Net programme savings from replacing contractors</b>						(0.97M)	
<b>Grand Total</b>		<b>105.30M</b>	<b>94.22M</b>	<b>(11.08)M</b>	<b>328.04M</b>	<b>342.27M</b>	<b>10.49M</b>

\* There may be further movements based on cost changes that need approval and some uncertainty around the timing of the treatment plant programme

\*\* Corporate cost adjustment from the review as advised in October

\*\*\* Investment needed to lift corporate capability and maturity from FY25/26

35. **Appendix A** provides a detailed breakdown of initiatives that make up Council's FY2025/26 capital delivery plan, the triennium programme, and the adopted 2024-34 LTP.

36. The significant changes proposed to the LTP capital programme for the triennium are:

- (\$12M) – Sludge Dryer Replacement re-phased to continue outside the triennium
- (\$3M) – Petone Collecting Sewer re-phased outside the triennium

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- \$5.2M funding brought forward for Western Hills JV Pipe Urgent Works
  - \$6M funding brought forward for Te Mome pump station renewal
  - \$4M additional funding for Watermain renewal packages
  - \$7.2M additional funding for Seaview backup power supply renewal
  - New initiative in the LTP - \$8M funding included for Jackson Street (Drinking water and Wastewater) pipe renewal over the triennium
  - \$4.5M for Network Reactive Drinking Water renewals to support leak repair activity.
37. WWL has identified some additional projects where we are requesting that Council consider additional funding. These projects include:
- \$8.2M - Reactive renewal budget increase for all waters to reflect need to respond to incidents and failures
  - \$2.3M - Hutt Park Road Stormwater VHCA Renewals new initiative in FY2025/26.
38. In addition, if additional funding for pipe renewals can be made available, WWL has identified a number of projects which are design-ready but are unfunded, that could be delivered. These include water network renewals in Ava Street and Wainuiomata and Wastewater renewals in Gracefield, Avalon and Wainui Road and Rishworth Street.

*Seaview Wastewater Treatment Plant – timing and phasing*

39. There are a number of very significant projects and activities that fall within the Seaview Wastewater Treatment Plant programme of work, and we are working to optimise project delivery schedules to get these critical projects delivered as quickly as we can.
40. Based on updated knowledge of project delivery forecasts and expected cashflows, our advice includes proposals to rephase some activities outside the triennium. This rephasing is not based on delays or deferrals to projects, but reflects a better understanding of the timeframes in which these phases of work will be completed, and costs will be realised. We will continue to urgently progress critical projects, including the sludge dryer, odour control, and UV renewals work.

*Universal Residential Smart Metering*

41. A programme of work is underway to develop a business case for the delivery of residential smart metering across the four metropolitan Councils of the region. This is due to be completed in FY2024/25.
42. Council allocated Capex funding in the 2024-34 LTP for the roll out of universal residential smart meters – a total of \$26.7M over the Triennium, and \$73.7M over the ten year period of the LTP.
43. As the programme progresses over the coming months, WWL will be able to provide Council with further updates and more certainty around timeframes and costs. We expect to provide an update in February 2025, and again in mid-2025 when the draft business case is due to be completed.

## FY2025/26 Operational Expenditure

44. The level of funding for operational expenditure approved in the LTP for FY2025/26 was \$37.3M. While the annual planning process is still underway, our early advice based on

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forecasts is that an increase in funding of up to \$1.54M is recommended in order to meet additional costs, as detailed below.

45. Table 2 summarises how Council's FY2025/26 operational expenditure budget is currently allocated, and sets out the proposed revisions based on updated forecasts.

Table 2: Summary of approved and proposed operational expenditure for FY2025/26 (\$) by water and investment category

HCC Draft Council OPEX Annual Plan 25/26		25/26 Approved LTP budget (\$)	Proposed funding increase to meet recommendations (\$)	Variance between approved budget & recommended increase
Drinking Water	Monitoring & Investigations	2.78M	3.66M	0.88M
	Operations	0.07M	0.07M	0.00M
	Planned Maintenance	2.64M	1.70M	(0.94)M
	Reactive Maintenance	7.26M	7.24M	(0.02)M
	Management & Advisory Services	1.15M	1.23M	0.08M
Total Drinking Water		13.91M	13.90M	0.00M
Stormwater	Monitoring & Investigations	1.14M	1.49M	0.35M
	Operations	0.04M	0.04M	0.00M
	Planned Maintenance	1.37M	1.53M	0.16M
	Reactive Maintenance	1.42M	1.41M	0.00M
	Management & Advisory Services	0.58M	0.62M	0.04M
Total Stormwater		4.55M	5.09M	0.55M
Wastewater	Monitoring & Investigations	2.19M	2.33M	0.14M
	Operations	0.11M	0.09M	(0.01)M
	Planned Maintenance	0.78M	1.13M	0.35M
	Reactive Maintenance	1.58M	1.56M	(0.02)M
	Treatment Plant	0.29M	0.29M	0.00M
Management & Advisory Services		0.58M	0.62M	0.04M
Total Wastewater		5.53M	6.03M	0.49M
Wastewater Joint Venture	Monitoring & Investigations	0.72M	1.08M	0.37M
	Operations	0.02M	0.02M	0.00M
	Planned Maintenance	0.74M	0.81M	0.06M
	Reactive Maintenance	0.40M	0.40M	0.00M
	Treatment Plant	9.94M	9.91M	(0.02)M
Management & Advisory Services		1.54M	1.64M	0.10M
Total Wastewater Joint Venture		13.36M	13.86M	0.51M
Total		37.35M	38.89M	1.54M
Urgent capability improvements for FY25/26*			0.49M	
Net programme savings from replacing contractors			(0.49)M	
Grand Total		37.35M	38.89M**	1.54M

\*Investment needed to lift Corporate Capability – this will be offset by corresponding savings from bringing services in house and reducing spending on consultants and contractors

\*\*This total does not include additional investment for System Enhancements and Organisational Capability – please see Table 4 in Section Three of the memo for detailed information on investments required in Organisational Capability and Systems

46. **Appendix B** provides a breakdown of the categories of Council's agreed budget for operational expenditure in the 2024-34 LTP.

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47. The largest factors in the revised operational expenditure forecasts for the current and future financial years are in the areas of Monitoring and Investigations. This is driven by the following:
- Increases to regional sustainable water supply and demand activities following improvements in our understanding of the effectiveness of different interventions, in particular, proactive leak detection activity as well as educational and data work
  - Increases to support condition assessment activities, including WWJV condition assessment activity for the Western Trunk Main
  - Increases to strategic studies and general investigations, including a Hutt Valley Wastewater strategic study
  - Increases to monitoring budgets for increased sampling costs as well as meter reading activity.

## Section Two: Funding levels and residual risks

48. The final approved budgets for capital and operational expenditure across the full ten years of the 2024-34 LTP period were below the levels recommended by WWL:
- Capital expenditure - WWL recommendation of \$2,238M vs Council agreed investment of \$1,306M for capital development activities such as replacing and upgrading ageing water assets in Lower Hutt.
  - Operational expenditure - WWL recommendation of \$394.5M vs Council agreed investment of \$382.8M, for key operational activities including supplying safe drinking water, collecting & treating wastewater, fixing leaks and maintenance. While the programme was fully funded for FY2024/25, including an additional \$1.4M for additional investment in leak repairs, and close to fully funded in FY2025/26, the flatline budget in outyears means overall funding is \$11.7M less than recommended.
49. There are a number of risks resulting from the current levels of funding for capital (and, in out-years, operational) expenditure:
- In FY2023/24, the total renewal rate was 15.3km, and based on current forecasts, the total projected renewal rate for FY2024/25 is 8.2km. The current level of network renewals within the programme is below the level necessary to achieve a renewals rate of around 40km per year, which is the level required to sustainably renew the three waters networks.
  - Increased investment is required for reactive network renewals activity to enable sufficient capital to be available to respond to the observed level of faults and failures in the network. This reflects the risk of 'network fault runaway' due to historic underinvestment in renewing aging water network assets and the increasing backlog of renewals with corresponding increase leaks and faults, as pipes continue to degrade faster than they are being renewed.
  - Investment is required to address the critical water supply risk, including the limited water storage in reservoirs and the risk of asset failures until remediation and growth projects (such as the Eastern Hills Reservoir and pipeline) are completed.
  - The condition of the Seaview Wastewater Treatment Plant (WWTP) assets means that there will continue to be compliance issues until the funded renewals are complete. In

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addition, there is not enough capacity at the Seaview WWTP to meet full compliance when major maintenance is needed.

- Reconsenting the intermittent discharge from Seaview WWTP to Waiwhetū Stream is complex because the discharge is impacted by the changing standards required to reduce overflows from the upstream network, as well as the capacity of the treatment plant and main outfall pipeline. A strategic plan is being developed to address the system-level challenge, and this will also provide the direction needed to inform discharge consent activities.
- Taita Rock requires further investigation to assess the level of risk.
- The Network Discharges Programme planned investment packages included in the LTP will need to be re-assessed following the conclusion of the Plan Change one process.

### Section Three: Uplifting Capability

50. As a result of the changes we have made following the 2024 review, we have brought forward our business planning cycle to align with Council's annual planning cycle. The first stage of advice to councils indicates that an increase to corporate budgets is required above what was agreed in the 2024-34 LTP.
51. There are also further investments needed to provide for critical systems updates and to lift corporate capability and maturity, as recommended in the 2024 review.
52. When it comes to organisational capability, maturity, and technological systems – we are far behind on where we need to be. Wellington Water is not right sized for the work that we need to deliver for our shareholders or to deal with the challenges the region faces with water infrastructure. Our programme of work and responsibility has grown over the past ten years but the investment into the organisation to support this work has not. For example, in FY2018/19 we were responsible for a capital programme of \$65M and in FY2023/24 we were responsible for a capital programme of \$329M. That's around 400% increase in delivery in five years, but investment in corporate support, systems, and processes has not kept pace.
53. Table 3 below sets out the additional investment needed at a Council level in FY2025/26 and FY2026/27. This includes \$4.45M for System Enhancements in FY2025/26 (\$1.87M in FY2026/27) and \$1.01M for Organisational Capability Improvements in FY2025/26.

Table 3: Investments required in Organisational Capability and Systems at a Council level

Hutt City Council - anticipated additional investment	25/26 Proposed (\$)	26/27 Proposed (\$)
Additional Management & Advisory Services ( <i>Included in Base Opex programme</i> )	0.26M	0.67M
System Enhancements	4.45M	1.87M
Annual Operating costs post implementation	0.07M	0.67M
Organisational Capability	1.01M	0.00M
<b>Total</b>	<b>5.79M</b>	<b>3.21M</b>

Preliminary advice to Hutt City Council regarding proposed three waters capital and operational expenditure budgets for the 2025/26 financial year and triennium

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## Corporate Budget

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54. In FY2024/25 we reduced our Management & Advisory Services Fee (MAS) by 5% from our original advice in response to cost-cutting requirements of councils. However, in taking a 'value add' mindset we have looked at the resourcing needed for councils' capital and operational programmes for the upcoming years and revised the way we will deliver this work. As a result, we have reassessed our staffing needs and intend to add 40 additional roles.
55. 28 of these roles will be to bring in FTEs to reduce our spend on consultants on project work and to deliver three waters services and deliver this work internally for cheaper. The remaining 12 new roles are to respond to councils' expectation to be more efficient and effective and include two additional senior leadership roles. Some of these roles, over time, will also have an impact on reducing consultancy spend.
56. This increase in headcount, with flow-on increases in IT licences, vehicles, accommodation, consumables etc, plus continued high inflation of costs, means that our forecast expenditure for 25/26 has increased by \$6.7M.
57. The majority of these costs will be charged to councils' Capex and Opex budgets as they are linked to delivery of these activities, and these costs will be offset by reduced use of consultants. Councils will see benefit in value for money through bringing work in house, building internal capability, reducing inefficiencies and increasing level of service.
58. We are still applying internal pressure to manage costs, however due to the urgent need to progress some of the required improvements we are forecasting a \$1M regional budget overrun in the current 2024/25 year. We are requesting that this is retrospectively funded through a requested increase of \$1.5M regionally to our MAS for FY2025/26 (HCC share is incorporated in the Opex investment advice).
59. We will continue to look for opportunities to bring work that is currently outsourced in-house and apply a 'value for money' lens in the way we deliver our services. However, there are some distinct pieces of work that require specialist skills which we will use consultants for, as it is more prudent for us to bring in consultants for short periods of time to support these activities. This mainly relates to our corporate space and covers activities such as compliance, expert advice to help us make improvements, and to review our systems and processes.

## Investments required in Organisational Capability and Systems

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### *Technology systems investment*

60. Over the last three years, WWL has made only very limited, 'no regrets' investment in technology systems, as it was expected that Affordable Water reform would deliver new technology systems for the proposed new water services entities. At the same time there has been significant growth in the organisation's activities and therefore the technology systems it uses are no longer fit for purpose.
61. This has led to a current state where decisions can be made based on incomplete or out of date information, there is inefficiency in day-to-day task execution and high risk of operational error and asset failure. Further delay in investment will also lead to increased risk of successful cyber-attack and critical data loss due to systems reaching end of life. This means they are no longer being supported by vendors or kept up to date with security protections.
62. These issues have been highlighted by the recent capital programme estimating error, where deficiencies in systems were identified as a contributing factor. The 2024 review also noted that WWL should no longer wait for water reform to resolve issues with its current

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organisational capability but ensure any changes made now are pragmatic and keep the future new entity in mind.

63. In line with the WWL's Statement of Intent 2024-2027<sup>4</sup> (the SOI), WWL has prepared technology systems investment options. These are focused on supporting resolution of current efficiency and effectiveness issues and enabling asset management improvements that can benefit a new water services model. The recommended investment option has been endorsed by the Wellington Water Committee and the details of this option are set out below.
64. In total, WWL requires \$37.5M over two financial years, with an ongoing operating cost of \$4-5M per annum investment to deliver the following critical systems, the associated business change necessary for their successful adoption, and their ongoing operation:
  - Construction Project Management System
  - Documents and Records (content) Management System
  - Health & Safety System
  - Asset Management System
  - Finance System
  - Customer Relationship Management System.
65. This is the set of systems recommended to address the critical issues. These are also essential tools for a new regional Water Services Council Controlled Organisation (WSSCO). If WWL remains as an organisation, further investment will be required.
66. Notable benefits of this investment include:
  - Mitigation of significant operational and cyber risk
  - The ability to be more efficient in building, operating, and maintaining the water assets and the services they deliver
  - Increased ability to monitor WWL's operations and performance more effectively, and therefore be transparent in its reporting on the delivery of safe, reliable, complaint and affordable drinking water, stormwater, and wastewater services.

#### *Organisational Capability Plan*

67. The 2024 review exposed gaps and risks, particularly around WWL's compliance, commercial capability, and systems, and highlighted the need for significant capability uplift.
68. In response, WWL developed an Organisational Capability Plan (provided to Councils at the Wellington Water Committee on 27 September 2024), to enhance controls and assurance, improve operational effectiveness, identify value for money opportunities, and strengthen culture and ways of working. The plan aims to consolidate all necessary activities over the next two years, ensuring WWL has the right capability to deliver on councils' capital delivery programme while preparing for transition to a new entity.
69. This investment is critical; without it, WWL will not be able to make the necessary foundational improvements needed to successfully deliver on its responsibilities.

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<sup>4</sup> *Our water, our future – Statement of Intent 2024-27*: <https://www.wellingtonwater.co.nz/assets/Reports-and-Publications/Wellington-Water-Statement-of-Intent-2024-27.pdf>

### Next steps

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70. WWL is committed to working with Council and we are keen to meet with Council Officers to discuss the content of the memo. In addition, following upcoming Council meetings, please advise WWL of relevant decisions so that these can be incorporated into the ongoing work to support your annual planning process.

## Appendix A : Detailed Triennium and LTP Capex programme

	2024/25 (\$)	2025/26 (\$)	2026/27 (\$)	Triennium (\$)	TOTAL LTP (\$)
<b>Approved Revised LTP Budget - 1st July 2024</b>	85,446,495	105,301,446	140,294,829	<b>331,042,770</b>	<b>1,316,203,806</b>
<b>WWL Proposed Programme (excludes corporate cost adjustment for Years 1-3)</b>	82,476,773	94,223,552	168,573,108	<b>345,273,433</b>	<b>1,338,223,460</b>
<b>Corporate Cost Adjustment for Triennium</b>	300,000	300,000	(3,600,000)	<b>(3,000,000)</b>	
<b>Urgent capability improvements</b>				<b>968,175</b>	
<b>Net programme savings from replacing contractors</b>				<b>(968,175)</b>	
<b>Proposed additional projects to consider</b>	2,751,109	4,996,586	2,744,291	<b>10,491,986</b>	<b>10,491,986</b>

Council	Water	LGA	Project Description	2024/25 (\$)	2025/26 (\$)	2026/27 (\$)	Triennium (\$)	TOTAL LTP (\$)
HCC	Drinking Water	Growth	HCC Reactive Growth Development Projects - Drinking Water	105,830	103,500	103,500	<b>312,830</b>	<b>1,012,830</b>
HCC	Drinking Water	Growth	Manor Park Water Storage Reservoir	0	0	0	<b>0</b>	<b>16,649,325</b>
HCC	Drinking Water	Growth	Naenae No 2 Reservoir and Outlet Main	700,000	3,000,000	16,758,600	<b>20,458,600</b>	<b>55,458,600</b>
HCC	Drinking Water	Growth	Naenae No2 Reservoir Pipeline		519,540	1,000,000	<b>1,519,540</b>	<b>25,219,540</b>
HCC	Drinking Water	Growth	Wainuiomata Water Supply Storage and Network Upgrades	0	0	0	<b>0</b>	<b>1,600,000</b>
HCC	Drinking Water	Level of service	Gracefield Reservoir Replacement	0	0	0	<b>0</b>	<b>30,603,500</b>
HCC	Drinking Water	Level of service	HCC Capital Carbon Modelling - Drinking Water	10,583	10,350	10,350	<b>31,283</b>	<b>101,283</b>
HCC	Drinking Water	Level of service	HCC Drinking Water Network Modelling	370,405	51,750	51,750	<b>473,905</b>	<b>1,123,905</b>
HCC	Drinking Water	Level of service	HCC Management of Fire Hydrant Use	1,058,299	750,000		<b>1,808,299</b>	<b>1,808,299</b>
HCC	Drinking Water	Level of service	HCC New Smart Services - Drinking Water	15,874	15,525	15,525	<b>46,924</b>	<b>151,924</b>
HCC	Drinking Water	Level of service	HCC Pressure Management Stage 2	237,469	1,000,000	2,000,000	<b>3,237,469</b>	<b>5,237,469</b>
HCC	Drinking Water	Level of service	HCC Pressure Management Urgent Works	1,500,000	390,000		<b>1,890,000</b>	<b>1,890,000</b>
HCC	Drinking Water	Level of service	HCC Reservoir Level of Service Improvements	224,963	337,852	255,645	<b>818,460</b>	<b>2,618,095</b>
HCC	Drinking Water	Level of service	HCC Rezoning Package 2a Rata and Sunville	1,550,000			<b>1,550,000</b>	<b>1,550,000</b>
HCC	Drinking Water	Level of service	HCC Security Locks Reservoirs	19,974	19,974	19,910	<b>59,858</b>	<b>143,241</b>
HCC	Drinking Water	Level of service	HCC Universal Residential Smart Metering	1,474,211	7,137,360	18,154,935	<b>26,766,506</b>	<b>73,792,506</b>
HCC	Drinking Water	Level of service	HCC Water Loss Level of Service Improvements (backflow prevention)	34,924	34,155	34,155	<b>103,234</b>	<b>334,234</b>
HCC	Drinking Water	Level of service	Install Bypass smart flow meter				<b>0</b>	<b>10,202,000</b>
HCC	Drinking Water	Level of service	Kamahi Street Pressure Control Valve Installation	1,328,690			<b>1,328,690</b>	<b>1,328,690</b>
HCC	Drinking Water	Level of service	Smart DMA Actuated Boundary Shut Valves (tell if open/close or partial open)				<b>0</b>	<b>4,973,000</b>
HCC	Drinking Water	Level of service	Smarter Water Network by installing network metering loggers (Water Loss)				<b>0</b>	<b>1,935,000</b>
HCC	Drinking Water	Renewal	Gracefield Reservoir Urgent Structural Repairs	2,884			<b>2,884</b>	<b>2,884</b>
HCC	Drinking Water	Renewal	HCC District Meter Area Renewals	462,400	500,000	550,000	<b>1,512,400</b>	<b>3,207,718</b>
HCC	Drinking Water	Renewal	HCC DW Control Systems Renewals	52,915	31,050	51,050	<b>135,015</b>	<b>365,015</b>

HCC	Drinking Water	Renewal	HCC Pipe Network Planned Renewals - Drinking Water	0	0	0	0	102,852,971
HCC	Drinking Water	Renewal	HCC Pipe Network Reactive Renewals - Drinking Water	3,734,993	2,948,780	3,006,025	9,689,798	23,826,798
HCC	Drinking Water	Renewal	HCC Pressure Reducing Valve (PRV/PCV) Renewals	445,000	250,000	250,000	945,000	1,562,996
HCC	Drinking Water	Renewal	HCC Reservoir Renewals	115,674	109,795	87,574	313,043	829,963
HCC	Drinking Water	Renewal	HCC Residential smart meter renewals	0	0	0	0	2,198,310
HCC	Drinking Water	Renewal	HCC VHCA Reservoir Water Quality Renewals	1,616,100	936,870	0	2,552,970	2,552,970
HCC	Drinking Water	Renewal	HCC Water Pump Station Renewals	382,237	230,236	250,000	862,473	3,224,483
HCC	Drinking Water	Renewal	HCC Water Service Connection Renewals	1,034,000	1,000,000	1,000,000	3,034,000	6,034,000
HCC	Drinking Water	Renewal	HCC WM Renewals Package 2 Rata St (Naenae Rd to Hay St)	7,241,442			7,241,442	7,241,442
HCC	Drinking Water	Renewal	HCC WM Renewals Package 3 Waddington Dr (Prouse Cres to Judd Cres)	100,000	1,970,000	0	2,070,000	2,070,000
HCC	Drinking Water	Renewal	HCC WM Renewals Package 3 Waddington Dr (Prouse Cres to Judd Cres) - cost increase element only	0	0	4,000,000	4,000,000	4,000,000
HCC	Drinking Water	Renewal	HCC WM Renewals Package 5 Howard Rd and Church Lane	5,104,047			5,104,047	5,104,047
HCC	Drinking Water	Renewal	Jackson Street Renewals - Drinking water main	169,400	338,800	5,313,000	5,821,200	15,864,200
HCC	Drinking Water	Renewal	Maungaraki Reservoir Replacement				0	5,600,000
HCC	Drinking Water	Renewal	Maungaraki Reservoir Structural Repairs	434,280			434,280	434,280
HCC	Drinking Water	Renewal	Naenae Reservoir Number 1 replacement				0	3,520,886
HCC	Drinking Water	Renewal	Stokes Valley and Wainuiomata Galvanised Iron Ridermain Renewals	6,500,000	5,400,000	0	11,900,000	11,900,000
HCC	Drinking Water	Renewal	Wilkie Cres Watermains Renewal and Upgrade	31,749			31,749	31,749
HCC	Stormwater	Growth	HCC Reactive Growth Development Projects - Stormwater	105,830	103,500	103,500	312,830	1,012,830
HCC	Stormwater	Growth	Hutt City - SW Network - Hutt Central North Flooding	0	0	0	0	6,385,500
HCC	Stormwater	Growth	Hutt City - SW Network - Hutt Central South Flooding	100,000	300,000	300,000	700,000	900,000
HCC	Stormwater	Growth	Hutt City - SW Network - Wainuiomata - Black Creek Flooding	0	0	258,750	258,750	25,438,750
HCC	Stormwater	Growth	Hutt City - SW Network - Wainuiomata - Lowry	0	0	0	0	250,000
HCC	Stormwater	Growth	Hutt City - SW Network - Wainuiomata - Parkway Flooding	0	0	0	0	250,000
HCC	Stormwater	Growth	Hutt City - SW Network - Waiwhetu Stream Flooding	0	0	0	0	250,000
HCC	Stormwater	Growth	Hutt City - SW Network - Wingate Flooding	0	0	0	0	250,000
HCC	Stormwater	Growth	RiverLink SW Outlets Upsized		1,529,041	1,070,000	2,599,041	2,599,041
HCC	Stormwater	Level of service	Dowse Dr Stormwater Improvement	31,749			31,749	31,749
HCC	Stormwater	Level of service	HCC Capital Carbon Modelling - Stormwater	10,583	10,350	10,350	31,283	101,283
HCC	Stormwater	Level of service	HCC Climate Resilience Model - Alicetown/Petone	0	0	388,125	388,125	776,250
HCC	Stormwater	Level of service	HCC Climate Resilience Model - Eastbourne	0	0	258,750	258,750	517,500
HCC	Stormwater	Level of service	HCC Climate Resilience Model - Seaview	0	0	388,125	388,125	776,250
HCC	Stormwater	Level of Service	HCC Global consent for operations and maintenance works in streams	30,000	30,000	0	60,000	60,000
HCC	Stormwater	Level of service	HCC New Smart Services - Stormwater	0	25,000	26,910	51,910	396,910
HCC	Stormwater	Level of service	HCC Stormwater Network Modelling	264,575	258,750	258,750	782,075	2,532,075
HCC	Stormwater	Level of service	HCC SW Drainage Improvement Projects	117,490	410,500	410,500	938,490	3,038,490
HCC	Stormwater	Level of service	Hutt City - SW Network - Butterfly Creek Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Cornish Street Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Days Bay North Flooding	0	0	0	0	2,558,750

HCC	Stormwater	Level of service	Hutt City - SW Network - Days Bay South Flooding	0	0	0	0	2,558,750
HCC	Stormwater	Level of service	Hutt City - SW Network - Hair St Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Konini St Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Oroua St Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Petone Flooding	0	0	0	0	41,250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Rona Bay North Flooding	0	0	0	0	200,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Seaview Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Stokes Valley Flooding	0	0	0	0	600,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Taita Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Western Hills Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Hutt City - SW Network - Woburn Flooding	0	0	0	0	250,000
HCC	Stormwater	Level of service	Improvement to fish passage	0	0	0	0	10,000
HCC	Stormwater	Level of service	Muritai Rd (92-96) Rona St, Marine Parade (19) Stormwater Upgrades	200,000	0	0	200,000	2,200,000
HCC	Stormwater	Level of service	NDP: Resource consent for stormwater discharges	529,150	517,500	517,500	1,564,150	1,564,150
HCC	Stormwater	Level of service	NDP: SW Subcatchment Asset Management Plan - Black Creek	148,162	144,900	1,035,000	1,328,062	22,088,062
HCC	Stormwater	Level of service	NDP: SW Subcatchment Asset Management Plan - Hutt City A				0	4,280,000
HCC	Stormwater	Level of service	NDP: SW Subcatchment Asset Management Plan - Hutt City B				0	2,280,000
HCC	Stormwater	Level of service	NDP: Water quality modelling (Re-named)	105,830	103,500	103,500	312,830	7,046,830
HCC	Stormwater	Level of service	Wellesley College stream inlet and outlet erosion protection			5,175	5,175	5,175
HCC	Stormwater	Renewal	Buller Grove - Naenae - Investigations	400,000			400,000	400,000
HCC	Stormwater	Renewal	HCC Pipe Network Planned Renewals - Stormwater			0	0	6,065,000
HCC	Stormwater	Renewal	HCC Pipe Network Reactive Renewals - Stormwater	492,889	532,994	582,994	1,608,877	7,955,877
HCC	Stormwater	Renewal	HCC SW Control Systems Renewals	21,166	10,350	30,350	61,866	151,866
HCC	Stormwater	Renewal	HCC SW Drainage Investigations Water Quality Renewals	518,078	543,375	570,285	1,631,738	6,345,738
HCC	Stormwater	Renewal	HCC SW Pump Stations Renewals	490,000	108,613	143,451	742,064	11,593,454
HCC	Stormwater	Renewal	Jackson Street Renewals - Stormwater		48,400	3,586,000	3,634,400	9,827,400
HCC	Stormwater	Renewal	Knights Road - Colin Grove E Coli - Stormwater	691,500			691,500	691,500
HCC	Stormwater	Renewal	Seaview Road SW Upgrade	100,000	0		100,000	100,000
HCC	Stormwater	Renewal	Te Mome Pump Station Renewal and Optimisation	534,000	865,000	4,627,000	6,026,000	10,626,000
HCC	Wastewater	Growth	Alicetown Wastewater (excl JV) pump station and storage improvements	0	0	512,325	512,325	3,482,325
HCC	Wastewater	Growth	Boulcott Wastewater (excl JV) Pipe Upgrade	0	0	86,112	86,112	1,646,112
HCC	Wastewater	Growth	HCC Reactive Growth Development Projects - Wastewater	105,830	103,500	103,500	312,830	1,012,830
HCC	Wastewater	Growth	Hutt Central Wastewater (excl JV) Network Improvements	100,000	220,000	200,000	520,000	520,000
HCC	Wastewater	Growth	Korokoro Wastewater (excl JV) Pipe Upgrades	0	0	0	0	158,400
HCC	Wastewater	Growth	Maungaraki Wastewater (excl JV) Storage Improvements	0	0	0	0	10,038,600
HCC	Wastewater	Growth	Naenae Wastewater (excl JV) Storage Improvements - Seddon St WW Storage				0	3,930,300
HCC	Wastewater	Growth	Stokes Valley Wastewater (excl JV) Network Improvements - Hawthorn Cres Sewer Connection	0	0	0	0	1,148,400
HCC	Wastewater	Growth	Stokes Valley Wastewater (excl JV) Pipe Improvements - Richard Gr Intrsrtn Sewer	0	0	0	0	564,300

HCC	Wastewater	Growth	Wainuiomata North Wastewater Trunk Network Upgrade	5,100,000	1,262,445		6,362,445	6,362,445
HCC	Wastewater	Growth	Wainuiomata Wastewater (excl JV) Storage Upgrades - Fraser St EOP Storage			512,325	512,325	9,917,325
HCC	Wastewater	Growth	Waiwhetu Wastewater (excl JV) Storage Improvements - Whites Line WW Storage				0	495,000
HCC	Wastewater	Growth	Waterloo Wastewater (excl JV) Pipes Upgrades				0	366,300
HCC	Wastewater	Growth	Woburn Wastewater (excl JV) Pump Station Improvements				0	257,400
HCC	Wastewater	Level of service	Epuni and Woburn WW Network Upgrades	31,749			31,749	31,749
HCC	Wastewater	Level of service	HCC Capital Carbon Modelling - Wastewater	10,583	10,350	10,350	31,283	101,283
HCC	Wastewater	Level of service	HCC New Smart Services - Wastewater	0	25,000	45,540	70,540	565,540
HCC	Wastewater	Level of service	HCC Wastewater Network Modelling	211,660	207,000	465,750	884,410	2,734,410
HCC	Wastewater	Level of service	HCC WW Control Systems Renewals	31,749	31,050	51,750	114,549	344,549
HCC	Wastewater	Level of service	HCC WW Drainage Improvement Projects			0	0	5,691,920
HCC	Wastewater	Level of service	NDP: Resource consent for dry weather overflows	317,490	310,500	310,500	938,490	938,490
HCC	Wastewater	Level of service	NDP: Resource consent for wet weather overflows	529,150	517,500	517,500	1,564,150	1,564,150
HCC	Wastewater	Level of service	NDP: ww overflows universal measures				0	700,000
HCC	Wastewater	Level of service	NDP: WWNO subcatchment reduction plan - Hutt City A				0	33,860,000
HCC	Wastewater	Level of service	NDP: WWNO subcatchment reduction plan - Hutt City B				0	8,690,000
HCC	Wastewater	Renewal	HCC Pipe Network Planned Renewals - Wastewater				0	39,617,000
HCC	Wastewater	Renewal	HCC Pipe Network Reactive Renewals - Wastewater	811,629	927,315	1,086,690	2,825,634	14,948,634
HCC	Wastewater	Renewal	HCC WW Drainage Investigations Water Quality Renewals	909,806	912,870	926,000	2,748,676	10,288,676
HCC	Wastewater	Renewal	HCC WW Pump Station Renewals	469,620	650,000	2,235,336	3,354,956	3,354,956
HCC	Wastewater	Renewal	Knights Road - Colin Grove E Coli - Wastewater	4,145,000	4,910,660		9,055,660	9,055,660
HCC	Wastewater	Renewal	Stokes Valley Rd WW Renewal	423,320			423,320	423,320
HCC	Wastewater	Renewal	Wainui Hay St and Lees Gr WW Renewals	1,300,000			1,300,000	1,300,000
HCC	Wastewater	Renewal	Wainui Road and Rishworth Street Sewer Renewals				0	1,200,000
HCC	Wastewater	Renewal	Jackson Street Renewals - Wastewater	157,300	266,200	1,666,500	2,090,000	5,434,000
HCC	Wastewater JV	Growth	Seaview WWTP JV Wastewater Storage (Waiwhetu Stream Discharge Consent Renewal)	500,000	1,295,984	1,295,984	3,091,968	3,091,968
HCC	Wastewater JV	Level of service	HCC WWJV Control Systems Upgrades - HUVA	88,000			88,000	307,430
HCC	Wastewater JV	Level of service	Seaview WWTP JV Treatment System Modification (consent required)				0	4,500,000
HCC	Wastewater JV	Level of service	Totara Park Road Seismic Resilience WW	175,000			175,000	5,368,000
HCC	Wastewater JV	Renewal	Consent renewal - Seaview WWTP (maintenance) (exp 2031)				0	600,000
HCC	Wastewater JV	Renewal	Consent renewal - Seaview WWTP coastal discharge (exp 2031)				0	4,000,000
HCC	Wastewater JV	Renewal	Consent renewal - Seaview WWTP coastal occupation (exp 2029)				0	400,000
HCC	Wastewater JV	Renewal	Consent renewal - Seaview WWTP Discharge to air (exp 2031)				0	1,500,000
HCC	Wastewater JV	Renewal	HCC Pipe Network Planned Renewals - Wastewater JV				0	194,080,000
HCC	Wastewater JV	Renewal	HCC WWJV - Major Pump Stations Renewals	2,750,226	758,655	758,655	4,267,536	8,505,186
HCC	Wastewater JV	Renewal	HCC WWJV - Pipe Network Reactive renewals	120,000	200,000	300,000	620,000	2,020,000
HCC	Wastewater JV	Renewal	Petone Collecting Sewer Rising Main Renewal (Stages 1 and 2)	1,159,013	1,933,678	22,909,910	26,002,601	83,055,947
HCC	Wastewater JV	Renewal	Seaview WWTP JV Aeration System Renewal	1,000,000	500,000	2,000,000	3,500,000	14,700,000



HCC	Wastewater JV	Renewal	Seaview WWTP JV Backup Power Supply	500,000	8,500,000	1,000,000	10,000,000	10,000,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Centrifuge Dewatering Renewal	500,000	200,000	0	700,000	700,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Clarifier Renewal	500,000		500,000	1,000,000	6,000,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Effluent Pump Motor Renewal	330,000	0	0	330,000	330,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV General Blower Refurbishment	220,000	330,000	0	550,000	550,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV General Instrumentation Replacement	398,200	550,000		948,200	948,200
HCC	Wastewater JV	Renewal	Seaview WWTP JV Grit Removal	220,000	550,000		770,000	8,100,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Main Effluent Outfall Renewal (planning phase only)	400,000	2,000,000	2,000,000	4,400,000	20,000,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV MCC Component Renewal	151,800	0	0	151,800	151,800
HCC	Wastewater JV	Renewal	Seaview WWTP JV Milliscreen Replacement	1,380,500	3,297,677	2,761,000	7,439,177	7,439,177
HCC	Wastewater JV	Renewal	Seaview WWTP JV Odour Control Renewal	4,773,758	7,483,163	1,539,794	13,796,715	13,796,715
HCC	Wastewater JV	Renewal	Seaview WWTP JV Outfall Medium Term Renewal	275,000	470,830	470,830	1,216,660	1,216,660
HCC	Wastewater JV	Renewal	Seaview WWTP JV Planned Renewals				0	4,979,187
HCC	Wastewater JV	Renewal	Seaview WWTP JV Primary Sedimentation Renewal	1,045,000	550,000	0	1,595,000	1,595,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Process Model Development	100,000	50,000	57,000	207,000	757,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV RAS RAS Pump Replacement	220,000	0	0	220,000	220,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV RAS System Renewal	500,000	1,500,000	500,000	2,500,000	2,500,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Reactive Renewals	562,723	562,723	562,723	1,688,169	6,428,169
HCC	Wastewater JV	Renewal	Seaview WWTP JV Screening Wash Press Replacement	220,000	550,000	0	770,000	770,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Sludge Dryer Replacement	1,000,000	13,000,000	55,400,000	69,400,000	92,200,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Sludge Handling Pump Renewal	300,000	300,000	0	600,000	600,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV Sludge Handling Renewal and Capacity Upgrade				0	5,250,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV UV Major Refurbishment	715,000	0	0	715,000	715,000
HCC	Wastewater JV	Renewal	Seaview WWTP JV UV Renewal	1,068,322	6,359,142	0	7,427,464	7,427,464
HCC	Wastewater JV	Renewal	Seaview WWTP Dryer Component Replacement	500,000	300,000	200,000	1,000,000	1,000,000
HCC	Wastewater JV	Renewal	Silverstream Wastewater (JV) storage				0	3,351,150
HCC	Wastewater JV	Renewal	VHCA-Western Hills Trunk	5,200,000	0	0	5,200,000	9,960,000
			<b>Total</b>	<b>82,476,773</b>	<b>94,223,552</b>	<b>168,573,108</b>	<b>345,273,433</b>	<b>1,338,223,460</b>

## Projects removed from the LTP

Council	Water	LGA	Project Description	2024/25 (\$)	2025/26 (\$)	2026/27 (\$)	Triennium (\$)	TOTAL LTP (\$)
HCC	Drinking Water	Level of service	Critical pipelines seismic upgrade - Maungaraki Reservoir inlet main				0	0
HCC	Drinking Water	Level of service	HCC Authorised Tanker Fill Points				0	0
HCC	Drinking Water	Level of service	HCC Water supply rebuild, recalibration and Zone management plan				0	0
HCC	Drinking Water	Level of service	Kingsley Reservoir Seismic replacement				0	0
HCC	Drinking Water	Level of service	Rata and Sunville Rezoning				0	0
HCC	Stormwater	Level of service	HCC Freshwater Management tool - Build				0	0
HCC	Stormwater	Level of service	HCC Stormwater Pump Stations Energy Conservation				0	0
HCC	Stormwater	Growth	Melling Stormwater Pumpstation and Pipe Upgrades				0	0

HCC	Wastewater	Growth	North Wainuiomata new WW Pump Station and Rising Main (Greenfield)					0	0
HCC	Wastewater	Growth	Wainuiomata Wastewater (excl JV) Network Improvements					0	0
HCC	Wastewater JV	Level of service	HCC - Odour modelling					0	0
HCC	Wastewater JV	Renewal	Seaview WWTP JV Critical Spares					0	0
HCC	Wastewater JV	Renewal	Seaview WWTP JV Site Services and Building Renewal					0	0

Under Consideration projects

Council	Water	LGA	Project Description	2024/25 (\$)	2025/26 (\$)	2026/27 (\$)	Triennium (\$)	TOTAL LTP (\$)
HCC	Drinking Water	Renewal	HCC Pipe Network Reactive Renewals - Drinking Water	714,807	851,220	893,975	2,460,002	2,460,002
HCC	Stormwater	Renewal	HCC Pipe Network Reactive Renewals - Stormwater	1,177,111	967,006	1,067,006	3,211,123	3,211,123
HCC	Stormwater	Renewal	Hutt Park Road Stormwater VHCA Renewals	0	2,315,675	0	2,315,675	2,315,675
HCC	Wastewater	Renewal	HCC Pipe Network Reactive Renewals - Wastewater	859,191	862,685	783,310	2,505,186	2,505,186
			Total	2,751,109	4,996,586	2,744,291	10,491,986	10,491,986

## Appendix B: LTP approved operating expenditure programme

HCC		24/25 Council	25/26 Council	26/27 Council	Triennium Council	10 Year Council
Drinking Water	Monitoring & Investigations	2,567,221	2,780,397	2,674,796	8,022,414	26,481,402
	Operations	71,548	71,548	71,548	214,644	729,480
	Planned Maintenance	1,785,251	2,638,501	3,126,546	7,550,298	34,585,617
	Reactive Maintenance	9,159,593	7,260,302	7,392,323	23,812,218	77,047,061
	Management & Advisory Services	1,154,820	1,154,820	1,154,820	3,464,460	11,548,200
Total Drinking Water		14,738,433	13,905,568	14,420,033	43,064,034	150,391,760
Stormwater	Monitoring & Investigations	1,131,748	1,142,098	1,099,904	3,373,750	11,083,872
	Operations	36,089	36,089	36,089	108,267	374,890
	Planned Maintenance	1,374,274	1,374,274	1,374,274	4,122,822	13,742,740
	Reactive Maintenance	1,416,349	1,419,093	1,509,739	4,345,181	14,889,040
	Management & Advisory Services	577,410	577,410	577,410	1,732,230	5,774,100
Total Stormwater		4,535,870	4,548,964	4,597,416	13,682,250	45,864,642
Wastewater	Monitoring & Investigations	2,038,586	2,193,568	2,012,224	6,244,378	20,309,765
	Operations	106,934	106,934	106,934	320,802	1,097,340
	Planned Maintenance	780,919	780,919	780,919	2,342,757	7,809,190
	Reactive Maintenance	1,536,623	1,581,684	1,623,715	4,742,022	15,599,451
	Treatment Plant	290,150	293,336	296,663	880,149	2,952,220
	Management & Advisory Services	577,410	577,410	577,410	1,732,230	5,774,100
Total Wastewater		5,330,622	5,533,851	5,397,865	16,262,338	53,542,066
Wastewater Joint Venture	Monitoring & Investigations	687,983	715,581	697,983	2,101,547	6,147,428
	Operations	23,000	23,000	23,000	69,000	244,000
	Planned Maintenance	742,981	742,981	742,981	2,228,943	7,429,810
	Reactive Maintenance	399,657	399,657	399,657	1,198,971	3,996,570
	Treatment Plant	9,848,738	9,937,683	10,028,350	29,814,771	99,856,573
	Management & Advisory Services	1,539,760	1,539,760	1,539,760	4,619,280	15,397,600
Total Wastewater Joint Venture		13,242,119	13,358,662	13,431,731	40,032,512	133,071,981
Total		37,847,044	37,347,045	37,847,045	113,041,134	382,870,449

## Long Term Plan/Annual Plan Subcommittee

26 November 2024

Report no: LTPAP2024/5/359

### National Land Transport Programme 2024-27 Publication report back and implications

#### Purpose of Report

1. To seek approval of budget changes due to the subsidy funding shortfall from New Zealand Transport Agency (NZTA) Waka Kotahi of Transport Maintenance, Operations and Renewals (MOR) and Low Cost, Low Risk (LCLR) and improvements projects in 2024-27 compared to the Long Term Plan (LTP) for 2024/27 budgets.

#### Recommendations

The Subcommittee recommends that Council:

- (1) receives and notes the information;
- (2) notes the publication of the National Land Transport Programme (NLTP), with reduced levels of NLTP funding and implications for budget reduction required for Maintenance, Operations and Renewals (MOR), the Road Safety Programme and impacts for Low Cost-Low Risk (LCLR) projects and improvement projects;
- (3) notes the Infrastructure and Regulatory Committee meeting on 18 November 2024 received information on options to manage the reduced levels of NLTP funding and requested advice be provided on increases to the Footpaths Renewals and Minor Safety or Traffic works and Capex budgets;
- (4) notes that advice will be provided to this Subcommittee in February 2025 on implications for future years 4 to 10 of the 2024-34 Long Term Plan programme of works and capital investment due to the proposed reductions for the three years from 2024-25 to 2026-27;
- (5) approves the officer recommended option:
  - (a) option 2 – Long Term Plan budgets for Opex and Capex reduced, but less than option 3. Revenue reduces to the lower level NZTA Waka Kotahi approved; OR
- (6) approves in addition to Option 2:
  - (a) increases Footpath Renewals budget – increases Capex budget for Footpaths Renewals by \$300,000 in 2024/25 and \$1.5M in each of years 2025/26 and 2026/27, and/or

- (b) increases Minor Safety or Traffic works budget - increases Capex budget by \$1.5M in each of years 2025/26 and 2026/27 for Minor Safety or Traffic works as a contingency to respond to coroner or Death or Serious Injury requirements or urgent safety works.

## Background

2. The NLTP is the three-year programme that outlines how NZTA Waka Kotahi will invest its funding across New Zealand. The approved programme reflects the government priorities in the recent Government Policy Statement (GPS) on Land Transport. Council fed into the NLTP through the Wellington Regional Land Transport Plan. The NZTA Board adopted the NLTP at the end of August 2024.
3. Council received notification of the funding allocation following the NZTA Board approval. The funding allocation is the budget up to which NZTA Waka Kotahi will apply a subsidy. The final funding allocations were below the budgets assuming subsidy in the LTP. Following a review of the funding and implications, some options available to Council are set out in the report.
4. The NLTP applies different rules to the activity groups receiving funding. For ease, this report is broken down into the two NLTP 2024-27 funding activities impacted by the funding allocation:
  - a) MOR funding with the Road safety programme funding; and
  - b) LCLR funding and improvement projects.
5. The indicative NZTA Waka Kotahi allocation was reported to the Infrastructure and Regulatory Committee in July 2024. The funding allocation has stayed the same in the approved NLTP publication.

## Maintenance, Operations and Renewals (MOR) funding with the Road Safety Programme (RSP) funding

6. NZTA Waka Kotahi uses the NLTP to allocate funding against activity classes, again reflecting Government priorities for each activity. Council requested funding against four of the activity classes, which were:
  - a) local road operations;
  - b) local road pothole prevention;
  - c) cycleways (including Footpaths); and
  - d) safety.
7. Council requested funding is reflected in the LTP 2024-2034, which includes a budget of \$88.4M over the 2024/25 to 2026/27 period for these activity classes. The LTP budget allows the delivery of services to continue unchanged from the existing service levels. It assumes subsidy revenue from NZTA Waka Kotahi, which covers 51% of these costs.

8. The approved NZTA Waka Kotahi funding allocation for MOR has been confirmed as \$63.3M over the same period, leaving an approved budget shortfall of \$25.1M. This amounts to a shortfall in NZTA Waka Kotahi revenue of approximately \$13M. (Table 1 with reduced revenue, at \$22.2M, also includes the reduced revenue from declined LCLR and improvement projects)
9. The road safety activity funding is reduced from \$0.215M to \$0.095M per annum (Opex).
10. Councils re-tendered its road maintenance and road surfacing contracts in mid-2023, and Council's funding request for the three years reflects contracted market values for predominantly the same level of delivery as the previous NLTP 2021-24 submission.
11. The approved NZTA Waka Kotahi funding allocation has increased compared to the 2021-24 period allocation of \$49M. Still, it cannot cover the higher costs of current road maintenance and surfacing contracts. Funding for walking, cycling, and footpath maintenance has also been significantly reduced.
12. The Infrastructure and Regulatory Committee on 18 November 2024, refer to report IARCC2024/5/337, provided direction for officers to advise this Committee on Capex budget increases to the Footpaths Renewals and Minor Safety and Traffic works.

## Discussion

13. To bridge the shortfall between the NLTP allocation and the LTP budget, three options are proposed, summarised in Table 1. The table details the rates and debt implications of the various options, with option 2 being recommended.
14. The options apply to MOR, LCLR, and improvement projects. With options 2 and 3, all the Capex is removed for the LCLR and improvement projects.
15. The Footpaths Budget (Option 2A) and Minor Safety and Traffic works budget (Option 2B) implications are also included in Table 1 and the decisions on these assume the recommended option 2 has been chosen.

Table 1

Options	Capex impact 10 yrs \$M	Revenue impact 10 yrs \$M	Opex impact 10 yrs \$M	Indicative Debt impact 10 yrs \$M*	Indicative Rates impact 2025/26**	Service level impacts
Option 1- Status quo and retain expenditure budget as per LTP with NZTA funding reduced	0 No change	22.2 reduction	0 No change	12.9 Higher debt	0.0 Higher rates	None
Option 2 - Approve revised budget with 49% Council share and some unsubsidised budget allocation	25.3 Reduction	22.2 Reduction	5.1 Reduction	12.3 Lower debt	0.7% Higher rates	Medium
Option 3 - Approve NZTA funded spend only	33.7 Reduction	22.2 Reduction	11.5 Reduction	16.5 Lower debt	1.3% Lower rates	High
Option 2A - Footpaths Budget decision - Includes \$3.3m capex for Footpaths Renewals	22.0 Reduction	22.2 Reduction	5.1 Reduction	9.0 Lower debt	0.7% Higher rates	Medium
Option 2B - Minor safety and traffic works budget decision - Includes \$3M capex for Minor Safety and Traffic Works	22.3 Reduction	22.2 Reduction	5.1 Reduction	9.3 Lower debt	0.7% Higher rates	Medium

\* Debt impact is based on average capex and subsidy impact over the three years of the NLTP (2024-25 to 2026-27)

\*\* Rates increase is based on average opex and subsidy impact over the three years of the NLTP (2024-25 to 2026-27) including interest costs based on debt impact

## Options

16. Option 1 - LTP budgets for Opex and Capex remain unchanged. Revenue reduces to the lower level NZTA Waka Kotahi approved. The option results in higher debt and higher rates. Debt headroom constraints are a considerable risk; hence, the need for higher rates increases for this option. This has no service level impacts.
17. Option 2 - LTP budgets for Opex and Capex reduced, but less than option 3. Revenue reduces to the lower level NZTA Waka Kotahi approved. This has some unfavourable service level impacts. This is the officer recommended option.
18. Option 3 - LTP budgets for Opex, Capex and revenue reduced to match the lower levels NZTA Waka Kotahi approved. This has the highest unfavourable service level impacts.
19. In addition to choosing between options 1, 2, or 3, two further decisions are needed: one to increase the Capex budget for Footpath renewals (Option 2A) and another to increase the Capex budget for Minor Safety and Traffic works (Option 2B). These are in addition to the officer recommended Option 2.

20. Further budget reductions were not possible to permit increasing the Footpath Renewals and Minor Safety and Traffic works budgets.
21. **Option 2A - Increase to Footpath Renewals budget** - increases Capex budget by \$0.3M in 2024/25 and \$1.5M in each of years 2025/26 and 2026/27. This standalone option can be approved in addition to options 2 or 3.
22. **Option 2B - Increase to Minor Safety and Traffic works budget** - increases Capex budget by \$1.5M in each of years 2025/26 and 2026/27. This is a contingency to respond to coroner, Death, or Serious Injury (DSI) requirements or requests. This standalone option can be approved in addition to options 2 or 3.

### **Level of Service Impacts for each Option**

23. LCLR and improvement projects, if declined, are not pursued during the 2024/27 period, and if budgeted beyond the current 2024/27 NLTP, there is an opportunity to re-submit for the next NLTP.
24. For MOR, NLTP funding is ring-fenced, limiting flexibility in re-distributing reductions. As a result, if reductions are required, some activities remain unchanged while other activities face larger cuts. The Central Government's GPS has deemed Walking and Cycling (including footpaths) a low priority, with NLTP allocated funding amounting to only 28% of the LTP budget. Officers have aimed to maintain a balanced budget across all areas. Even priority initiatives, such as local road pothole prevention, required additional funding, with Council allocating 44% more than the NLTP allocation. Further budgetary pressure has also arisen from costs not included in the LTP, such as landfill expenses, which are an internal recharge (not normally budgeted in subsidised budgets) but are being charged for transport.
25. Option 1 - Opex and Capex are unchanged for MOR; there are no levels of service impacts.
26. Option 2 - Opex and Capex are reduced for MOR, and there are levels of service impacts that are less severe than Option 3.
27. Network operations are largely fully funded, though some reductions may cause delays rather than reduce services.
28. Local Road potholes face a large budget difference. Levels of road sealing will be maintained to ensure good network coverage and avoid maintenance costs, but higher-cost pavement rehabilitation will be deferred to allocate budgets to other activities. Budget cuts in other pavement-related activities (such as kerb and channel, sumps and leads, subsoil drains and water tables) will maintain functionality and safety. Still, they will need to address the previous underinvestment that Council tackled in 2023 with increased maintenance budgets.



29. Walking and cycling (footpaths) face a large budget difference. Footpath maintenance will focus on safety, but a footpath renewal programme is not feasible, leading to a backlog of renewals, increased maintenance costs and the potential for increased complaints.
30. Unsubsidised budget is used for option 2 but does not impact levels of service.
31. Option 3 - Opex and Capex are reduced for MOR, with severe service impacts. The main issue is reducing services that match the required Opex and Capex reductions (Opex reductions will be more difficult to achieve as this is largely reactive activity). Maintenance Contracts are largely “measure and value” (e.g. there is no fixed annual work value). However, there are still significant fixed contracted costs liable even if the work programme is reduced.
  - a) due to GPS funding ring-fencing, network operations are largely unchanged from option 2.
  - b) local road potholes face a large budget difference. Road sealing cannot be undertaken because of the associated Opex savings required. Pavement replacement activities would not be undertaken alongside road resealing or footpath renewals (such as kerb and channel, sumps and leads, subsoil drains and water tables). This approach's safety and compliance risks are likely significant and must be confirmed for this option to be credible.
  - c) some services, such as driveway accessways, would significantly reduce scope and only be undertaken on an exceptional basis. Any remaining pavement-related activities will maintain functionality and safety on a further reduced basis to option 2.
  - d) the historical under-investment issues highlighted in option 2 persist in option 3.
  - e) walking and cycling (footpaths) maintenance will be on a reactive basis only and be limited to addressing the specific issue. Little to no cyclical maintenance or renewal work would be undertaken.
  - f) unsubsidised budget would be required for option 3, and likely impact service levels such as street cleaning and the driveway mentioned above accessways.
32. **Option 2A - Increase to Footpath renewals budget** - increases the Capex budget for Footpath Renewals by \$300,000 in 2024/25 and \$1.5M in each of years 2025/26 and 2026/27. It is a standalone option that can be approved in addition to Option 2.
  - a) this option focuses on additional budget for Footpath renewals and advice was requested by the Infrastructure and Regulatory Committee of 18 November 2024.
  - b) independent advisors have reviewed the entire Footpath network and 3.8% is in Poor or Very Poor condition. Usually, this category would be 2-2.5% in other city councils. This potentially indicates a deteriorating pathway network.

- c) A work programme has been created and initially costed which underpins the additional budget requested. This provides a clear connection between the budget requested and remediating the footpath network to an expected level and beyond this. The funding for 2024/25 is to address the accessway from Korokoro to Singer Rd (this is the longest and steepest Council accessway). This would have been “patched” to maintain compliance and manage safety, but no work has been completed on this accessway for 25 years, and renewal is required.
33. **Option 2B - Increase to minor safety and traffic works budget** – increases Capex budget by \$1.5M in each of years 2025/26 and 2026/27 for Minor Safety or Traffic works as a contingency to respond to coroner or Death or Serious Injury (DSI) requirements or requests.
- a) under the recommended option 2, only \$1.2M would be available over the 2024/25 to 2026/27 period.
  - b) without a budget increase, Council’s ability to respond to these incidents or findings will be constrained and likely depend on budget reductions elsewhere and approvals before confirming a response is possible.

#### **Low Cost/Low Risk Funding and Improvement Projects**

34. LCLR and Improvement projects submitted for funding in the NLTP have been categorised into three groups following the NLTP decision when reported back to Council. These groups are:
- a) **funding approved:** Programmes like MOR, Road safety and Low Cost/Low Risk that require no further NZTA Waka Kotahi approvals;
  - b) **included in the NLTP:** Improvement projects that are subject to the NZTA Waka Kotahi funding release approval process; and
  - c) **not included in the NLTP:** Projects effectively declined for 2024-27.
35. Funding decisions on improvement projects for inclusion in the NLTP are summarised in Table 2.

*Table 2 Decisions, comments and budgetary implications*

Funding approved	
<b>Tupua Horo Nuku</b>	Approved during NLTP 2021-24. No changes to this funding level.
<b>The Beltway</b>	<p>This is the residual funding of \$306k, ring-fenced in the NLTP, from the Northern section completed during 2021-24. However, completing the central section (Waterloo to Woburn) is insufficient.</p> <p>Any further NZTA Waka Kotahi subsidy would unlikely be available, and all micromobility LTP budget is allocated to the Avalon and Taitā projects as per Council's decision in August 2024.</p> <p>No separate LTP funding was allocated to the Beltway.</p> <p>This project has no budgetary impact.</p>
<b>Low Cost/Low Risk</b>	<p>LCLR projects cover projects under \$2M.</p> <p>Council submitted 38 LCLR projects for funding, but only the barrier installation on Wainuiomata Hill, valued at \$1.5M, was approved. Funding for the Speed Review, submitted under the same category, was not approved.</p> <p>The budget for Capex and Revenue assumed in the LTP will be removed. This leaves only \$1.2M available during 2024-27 for minor safety and traffic improvements, such as pedestrian walk-offs or crossings.</p> <p>These budgets are also used to respond to unplanned safety requirements. If traffic safety responses exceeding this budget are required, Council decisions for a new budget would be necessary, delaying action. Under options 2 and 3, all Capex not approved by NZTA Waka Kotahi is removed.</p> <p>The 18 November 2024 Infrastructure and Regulatory Committee requested advice on the additional budget required to address this issue. This advice is provided as a decision to <b>Increase Minor Safety and Traffic works budget.</b></p>

<b>Not included in the NLTP 2024-27</b>	
<b>Cross Valley Connections</b>	A separate report will be provided for this project at a later date. There is no current impact on approved LTP funding.
<b>Micromobility projects</b>	Reported to Long Term Plan / Annual Plan Subcommittee on 26 August 2024. Refers to LTPAP26082024CC.
<b>LED Lighting</b>	The submission aimed to continue upgrading sodium lights to LED. Without this funding, streetlights will be replaced only when they fail through routine maintenance. Since LTP support was contingent on NZTA Waka Kotahi subsidy, the budget for Capex and Revenue assumed in the LTP will be removed. This leaves Council's 49% contribution to the LTP unallocated and reduces the debt required.
<b>Transport Speed Review</b>	The continuation of the Hutt City Wide Speed Review was included in the LCLR funding submission.  Funding was not approved for this activity.  As LTP support was contingent on NZTA Waka Kotahi subsidy, the budget for Capex and Revenue assumed in the LTP will be removed. Council's 49% contribution to the LTP is unallocated and reduces the debt required.
<b>Subdivisions Road Improvements</b>	The submission sought funding for new parking configurations in high-density housing areas. Without this funding, parking improvements in these areas cannot proceed. LTP support was contingent on NZTA Waka Kotahi subsidy, so the budget for Capex and Revenue assumed in the LTP will be removed. This leaves Council's 49% contribution to the LTP unallocated and reduces the debt required. Additionally, the \$500k Opex budget from the LTP is requested for allocation to the MOR budget, as no Opex subsidy was assumed in the LTP.
<b>Transport Asset Management (AMP) review Plan</b>	NZTA Waka Kotahi is working on an alternative funding mechanism, so no change to the LTP budget will be made yet.

### **NZTA Waka Kotahi MOR Allocation Changes**

36. NZTA Waka Kotahi has indicated that if Council can provide evidence of need and impact, backed by a robust asset management approach, a review to increase the MOR allocation may be possible.
37. Discussions have begun on this matter. However, the timing and conditions for allocation changes are currently too uncertain to be included in the budget changes outlined in this report.

38. As a result of the changes that are being proposed and reductions to the programme of works and capital investment for the three years from 2024-25 to 2026-27, a review of works and capital investment for the years 4 to 10 of the 2024-34 Long Term Plan will be carried out to consider whether any changes will be required to offset the reductions that are currently being proposed. This advice will be reported back to this subcommittee in February 2025.

### **Climate Change Impact and Considerations**

39. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.

### **Consultation**

40. The Local Government Act (LGA) requires us to engage with our community on decisions that have a significant impact. Given the budget value change and extent of service level impact, these are likely to meet the criteria in our Significance and Engagement policy.
41. In practical terms, immediate consultation for 2024/25 is not feasible due to required budget commitments. However, the draft Annual Plan 2025/26 planning process and its communication could include these MOR budget impacts to meet our obligations under the LGA and our policy.

### **Legal Considerations**

42. There are no additional legal considerations.

### **Financial Considerations**

43. Budget changes are needed for MOR and improvement projects to reduce revenue for the decreased NZTA Waka Kotahi subsidy. Options 2 and 3 also reduce Opex and Capex, while the decisions on increasing the Footpath Renewals budget or Minor Safety or Traffic works budget increase Capex. These adjustments mainly affect the 2024-27 period.
44. The tables attached as Appendix 1 to the report set out the budget changes for consideration for Option 2 and the changes for increasing Footpath Renewals budget and/or Minor Safety or Traffic works Capex budgets.
45. Option 2A increases the Capex budget for Footpath Renewals by \$0.3M in 2024/25 and \$1.5M in each of the years 2025/26 and 2026/27, which has no significant rates impact but will increase debt in total by \$3.3M. Option 2B increases the Capex budget by \$1.5M in each of the years 2025/26 and 2026/27 which also has no significant impact on rates but will increase debt in total by \$3.0M. If both Options 2A and 2B are approved the total impact on debt will be an increase of \$6.3M.

## Appendices

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**Author:** Declan Millin  
Transport Advisor

**Author:** Philip Benseman  
Senior Management Accountant

**Reviewed By:** Paul Hewitt  
Head of Transport

**Reviewed By:** Jenny Livschitz  
Group Chief Financial Officer

**Reviewed By:** Deepu Nunnian  
Manager Financial Planning & Performance

**Approved By:** Jon Kingsbury  
Director Economy & Development

## Appendix 1

### Budget Changes Tables

#### Option 2

This option assumes changes to the funding with some change to spend across all activities and projects. The net impact of this would be \$12.3M lower debt over the first three years and 0.7% (\$1.3M) rates funded operating costs in 2025-26.

#### Maintenance, Operations and Renewals

Update on the National Land Transport Programme (NLTP) 2024-27 publication and the \$25.1M shortfall for NZTA's funding of Transport Maintenance, Operations and renewals programme against the Long Term Plan for the three years. Preferred option includes retaining Council funded portions in some activities/projects to enable core work to be carried out and service level reductions.

Table 1: Revenue budgets

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	14.4	14.7	15.1	15.4	15.7	16.1	16.4	16.7	17.0	17.3	158.7
Draft Annual Plan 2025-2026	10.5	10.7	11.1	15.4	15.7	16.1	16.4	16.7	17.0	17.3	146.8
Variance	(3.9)	(4.0)	(4.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(11.9)

Table 2: Operating expenditure budgets

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	16.3	16.7	17.0	18.9	19.4	19.8	20.1	20.5	20.9	21.3	191.0
Draft Annual Plan 2025-2026	15.1	15.4	15.9	18.9	19.4	19.8	20.1	20.5	20.9	21.3	187.5
Variance	1.2	1.2	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.6

Table 3: Net operating impact

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	(1.9)	(2.0)	(2.0)	(3.5)	(3.6)	(3.7)	(3.8)	(3.9)	(4.0)	(4.0)	(32.3)
Draft Annual Plan 2025-2026	(4.6)	(4.7)	(4.8)	(3.5)	(3.6)	(3.7)	(3.8)	(3.9)	(4.0)	(4.0)	(40.6)
Variance	(2.7)	(2.8)	(2.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(8.3)

Table 4: Capital expenditure budgets

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	12.6	12.8	13.2	13.5	13.8	14.1	14.4	14.6	14.9	15.2	139.1
Draft Annual Plan 2025-2026	10.3	10.5	10.9	13.5	13.8	14.1	14.4	14.6	14.9	15.2	132.2
Variance	2.2	2.2	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.8

**Current Capital Projects For MOR:**

<b>2024-34 LTP Budgets \$M</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
Pavement Surfacing	2.7	2.8	2.9
Wainuiomata Hill Road Safety Seal	0.8	0.7	0.8
Road Reconstruction	0.3	0.3	0.3
Area Wide Pavement Treatment	7.6	7.7	8.0
Footpath Resurfacing & Replacement	0.4	0.5	0.5
Streetlight Lantern Replacement Programme	0.3	0.3	0.3
Streetlight Standard Replacement	0.3	0.3	0.3
Traffic Signal Replacement	0.2	0.2	0.2
<b>Total</b>	<b>12.6</b>	<b>12.8</b>	<b>13.2</b>

**Option 2 Capital Projects For MOR :**

<b>2025-26 DAP Budgets \$M</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
Pavement Surfacing	3.8	3.9	4.0
Wainuiomata Hill Road Safety Seal	0.6	0.6	0.6
Road Reconstruction	0.3	0.3	0.3
Area Wide Pavement Treatment	4.5	4.5	4.7
Footpath Resurfacing & Replacement	0.4	0.5	0.5
Streetlight Lantern Replacement Programme	0.3	0.3	0.3
Streetlight Standard Replacement	0.3	0.3	0.3
Traffic Signal Replacement	0.2	0.2	0.2
<b>Total</b>	<b>10.3</b>	<b>10.5</b>	<b>10.9</b>
<b>Total Difference Reduction From 2024-34 LTP</b>	<b>2.2</b>	<b>2.2</b>	<b>2.4</b>



**LED Streetlighting**

Reduction of capital programme for 2024-2027 in line with the funding not approved. LED upgrades will progress through routine maintenance as streetlights fail.

Table 5: Revenue budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.5	0.9	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	(0.5)	(0.9)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(2.1)

Table 6: Operating expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table 7: Net operating impact

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.5	0.9	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	(0.5)	(0.9)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(2.1)

Table 8: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.0	1.8	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.1
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	1.0	1.8	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.1

### Transport Speed Review

Reduction of capital programme for 2024-2027 in line with the funding not approved. Proposed speed review will not be undertaken.

Table 9: Revenue budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.5	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2
Draft Annual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	(0.5)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.2)

Table 10: Operating expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Draft Annual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table 11: Net operating impact

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.5	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2
Draft Annual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	(0.5)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.2)

Table 12: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.3
Draft Annual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	1.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.3

### Subdivisions Road Improvements

Reduction of capital programme for 2024-2027 in line with the funding not approved. Road network parking upgrades in high density housing areas will not be undertaken.

Table 13: Revenue budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.8	1.8	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.2	19.7
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	1.9	2.0	2.0	2.0	2.1	2.1	2.2	14.2
Variance	(1.8)	(1.8)	(1.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(5.5)

Table 14: Operating expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	5.5
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	0.5	0.5	0.6	0.6	0.6	0.6	0.6	4.0
Variance	0.5	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5

Table 15: Net operating impact

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.5	1.5	14.2
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	1.4	1.4	1.4	1.5	1.5	1.5	1.5	10.2
Variance	(1.3)	(1.3)	(1.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(3.9)

Table 16: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	3.5	3.6	3.7	3.7	3.8	3.9	4.0	4.1	4.1	4.2	38.6
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	3.7	3.8	3.9	4.0	4.1	4.1	4.2	27.9
Variance	3.5	3.6	3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.7

**Low cost/ low risk projects**

Reduction of capital programme for 2024-2027 in line with the funding not approved. Low cost-low risk programme will not be progressed apart from Wainuiomata Hill Rd safety works.

Table 17: Revenue budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	7.4
DraftAnnual Plan 2025-2026	0.0	0.5	0.0	0.7	0.7	0.7	0.8	0.8	0.8	0.8	5.9
Variance	(0.7)	(0.2)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.5)

Table 18: Operating expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DraftAnnual Plan 2025-2026	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table 19: Net operating impact

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	7.4
DraftAnnual Plan 2025-2026	0.0	0.5	0.0	0.7	0.7	0.7	0.8	0.8	0.8	0.8	5.9
Variance	(0.7)	(0.2)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.5)

Table 20: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.5	1.6	1.6	14.5
DraftAnnual Plan 2025-2026	0.0	1.6	1.1	1.4	1.4	1.5	1.5	1.5	1.6	1.6	13.2
Variance	1.3	(0.3)	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3

### Summary Of All Changes

Table 21: Revenue budgets

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	17.9	18.8	18.3	18.0	18.4	18.8	19.2	19.5	19.9	20.3	189.1
DraftAnnual Plan 2025-2026	10.5	11.2	11.1	18.0	18.4	18.8	19.2	19.5	19.9	20.3	166.9
Variance	(7.4)	(7.6)	(7.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(22.2)

Table 22: Operating expenditure budgets

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	16.8	17.2	17.6	19.5	19.9	20.3	20.7	21.1	21.5	21.9	196.6
DraftAnnual Plan 2025-2026	15.1	15.4	15.9	19.5	19.9	20.3	20.7	21.1	21.5	21.9	191.5
Variance	1.7	1.7	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.1

Table 23: Net operating impact

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.1	1.6	0.8	(1.4)	(1.5)	(1.5)	(1.5)	(1.6)	(1.6)	(1.7)	(7.5)
DraftAnnual Plan 2025-2026	(4.6)	(4.2)	(4.8)	(1.4)	(1.5)	(1.5)	(1.5)	(1.6)	(1.6)	(1.7)	(24.6)
Variance	(5.7)	(5.8)	(5.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(17.1)

Table 24: Capital expenditure budgets

The presented figures are:	Inflated										
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	19.4	20.8	19.6	18.7	19.1	19.5	19.9	20.2	20.6	21.0	198.6
DraftAnnual Plan 2025-2026	10.3	12.2	12.0	18.7	19.1	19.5	19.9	20.2	20.6	21.0	173.3
Variance	9.0	8.6	7.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.3

### Split Of Operating and Capital Subsidies Removed

Table 25: Operating &amp; Capital Subsidies Split

Summary Of Changes	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Operating Subs	(1.6)	(2.0)	(2.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(5.7)
Capital Subs	(5.8)	(5.6)	(5.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(16.5)

**Option 2A****Increase Footpaths Renewals Budget**

This includes an additional \$3.3M for footpaths capital renewals. This work is covered under Maintenance, Operations and Renewals with no impact on operating.

**Maintenance, Operations and Renewals**

This is the same as Table 4 above but includes additional \$3.3M spread over 2024-25 \$0.3M, 2025-26 \$1.5M and 2026-27 \$1.5M.

Table 26: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	12.6	12.8	13.2	13.5	13.8	14.1	14.4	14.6	14.9	15.2	139.1
Draft Annual Plan 2025-2026	10.6	12.0	12.4	13.5	13.8	14.1	14.4	14.6	14.9	15.2	135.5
Variance	1.9	0.7	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5

**Option 4 Capital Projects For MOR :**

2025-26 DAP Budgets \$M	2024-25	2025-26	2026-27
Pavement Surfacing	3.8	3.9	4.0
Wainuiomata Hill Road Safety Seal	0.6	0.6	0.6
Road Reconstruction	0.3	0.3	0.3
Area Wide Pavement Treatment	4.5	4.5	4.7
Footpath Resurfacing & Replacement	0.7	2.0	2.0
Streetlight Lantern Replacement Programme	0.3	0.3	0.3
Streetlight Standard Replacement	0.3	0.3	0.3
Traffic Signal Replacement	0.2	0.2	0.2
<b>Total</b>	<b>10.6</b>	<b>12.0</b>	<b>12.4</b>
<b>Total Difference Reduction From 2024-34 LTP</b>	<b>1.9</b>	<b>0.7</b>	<b>0.9</b>

**Summary Of Capital Changes**

Table 27: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	19.4	20.8	19.6	18.7	19.1	19.5	19.9	20.2	20.6	21.0	198.6
Draft Annual Plan 2025-2026	10.6	13.7	13.5	18.7	19.1	19.5	19.9	20.2	20.6	21.0	176.6
Variance	8.7	7.1	6.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.0

**Option 2B****Increase Minor Safety and Traffic Works Budgets**

This option includes an additional \$3M for Minor Safety and Traffic Works capital renewals. This work is covered under Low Cost Low Risk with no impact on operating.

**Low Cost/Low Risk**

The table below is the same as Table 20 above but includes additional \$3M spread over 2025-26 \$1.5M and 2026-27 \$1.5M.

Table 28: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.5	1.6	1.6	14.5
Draft Annual Plan 2025-2026	0.0	3.1	2.6	1.4	1.4	1.5	1.5	1.5	1.6	1.6	16.2
Variance	1.3	(1.8)	(1.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.7)

**Summary Of Capital Changes**

Table 29: Capital expenditure budgets

The presented figures are: Inflated											
\$M	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Long Term Plan 2024-2034	19.4	20.8	19.6	18.7	19.1	19.5	19.9	20.2	20.6	21.0	198.6
Draft Annual Plan 2025-2026	10.3	13.7	13.5	18.7	19.1	19.5	19.9	20.2	20.6	21.0	176.3
Variance	9.0	7.1	6.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.3



## Long Term Plan/Annual Plan Subcommittee

05 November 2024

Report no: LTPAP2024/5/360

### Draft Annual Plan 2025-26 - Rating Policy decisions

#### Purpose of Report

1. The purpose of this report is to provide further detail regarding three rating policy aspects and agree the approach for the Draft Annual Plan 2025-26.

#### Recommendations

That the Subcommittee recommends that Council:

#### Voluntary Targeted Rate for Infrastructure Repairs on Private Land

- (1) notes the information provided in the report regarding the proposed introduction of three Voluntary Targeted Rates (VTR) for funding three waters infrastructure repairs on private land;
- (2) approves the necessary amendments to the Revenue and Financing Policy and Funding Impact Statement to provide for the new VTRs in the Draft Annual Plan 2026-2027 (DAP26);
- (3) agrees the preferred approach to ratepayer agreements, including the contract terms for financial assistance, refer to paragraph 16 in the report;
- (4) agrees to consultation and any necessary amendments to policies as outlined in Section A of the report, to ensure the implementation of the VTRs is lawful and aligns with Council's objectives;

#### Jackson Street Programme (JSP) Targeted Rate Extension

- (5) notes the engagement undertaken with affected ratepayers regarding the proposed extension of the Jackson Street Programme (JSP) targeted rate area, refer Section B of the report;
- (6) considers the feedback received from ratepayers and provide further direction on whether to proceed with the proposed extension of the JSP rate area;
- (7) approves the next steps for further consultation, including communication with ratepayers about the proposed extension and any necessary adjustments to the JSP rate structure;



### Reducing the Number of Rates Instalments

- (8) notes the potential operational savings and environmental benefits associated with reducing the number of rates instalments from six to four per year, refer Section C of the report;
- (9) approves OR declines the proposal to reduce the number of instalments, as part of the planning for the 2025/26 financial year;
- (10) agrees to the implementation of a comprehensive communication plan to inform ratepayers about the change, and support for ratepayers through flexible payment options, including direct debits and email invoicing; and
- (11) considers any further direction and guidance to be given to officers in the preparation of the DAP26.

### **Acronyms:**

DAP26 – Draft Annual Plan 2025-2026

LTP – Long Term Plan 2024-2034

LGA – Local Government Act 2002

### **Executive summary**

- 2. This report presents three proposed changes to rating policies for consideration in the Draft Annual Plan 2025-2026 (DAP26):

- a) Voluntary Targeted Rate for Infrastructure Repairs on Private Land

The first proposal is to introduce a voluntary targeted rate scheme (VTR) to assist ratepayers with funding infrastructure repairs, for three waters systems located on private land. Following the Council's direction at the August 2024 LTPAP subcommittee meeting (refer LTPAP2024/4/231), this report outlines the necessary steps to make these proposed rates lawful. The report seeks Council's guidance on the structure of ratepayer agreements and the required amendments to Council's Revenue and Financing Policy, Funding Impact Statement and Rates Remission or Postponement Policy.

- b) Jackson Street Programme (JSP) Targeted Rate Extension

The second proposal concerns the extension of the JSP targeted rate area. At the August 2024 meeting, Council directed officers to engage with affected ratepayers about the proposed extension. This report provides an update on the engagement process and c) seeks further direction from Council based on the feedback received.

c) Reducing the Number of Rates Instalments

The third proposal focuses on achieving operational savings by reducing the number of rates instalments from six to four per year. This change would align Hutt City Council with most other councils, reduce administrative costs (savings of approximately \$50,000 annually), and minimise the environmental impact of printing and posting invoices. Officers present this as a potential cost-saving measure and seek Council's consideration of the proposal.

3. Each proposal is aimed at either improving operational efficiency, providing better financial assistance options for ratepayers, or supporting the Council's long-term financial sustainability. The report seeks Council's direction on each of these initiatives to proceed with further planning and implementation.

### **Section A - Introduction of a Voluntary Targeted Rate scheme (VTR) for three waters infrastructure repairs on private properties**

#### **Background and Council Direction**

4. On 26 August 2024, Council directed officers to provide further advice on the potential introduction of a Voluntary Targeted Rate (VTR) to assist ratepayers with funding the repair and replacement of wastewater and stormwater systems on private properties. This initiative would form part of the DAP26.

#### **Purpose of the Voluntary Targeted Rate scheme**

5. VTRs are a mechanism used by councils to assist property owners who are unable to access traditional lending options. These schemes typically allow ratepayers to repay the cost of specific services or improvements through a targeted rate applied to their property over a set period. In the case of three waters infrastructure repairs, the VTR scheme would allow property owners to finance the cost of repairs to private infrastructure, such as pipes, by repaying the amount over a fixed term (eg five years).
6. This proposal is being considered to facilitate these repairs, even when a property owner may have trouble financing the upfront cost themselves through traditional lending options - i.e. a bank. Providing assistance in this way will help prevent the financial barrier to ensuring that repairs on private land are made in a timely manner, reducing the impact on the environment and reducing water loss through unrepaired leaks.

#### **Previous Consultation and Challenges**

7. The concept of a VTR was previously consulted on as part of the Draft Long-term Plan 2021-2031 (DLTP21). While there was no direct community feedback on the proposal, the Council expressed strong support for introducing the VTR to facilitate repairs to private stormwater and wastewater systems.

8. However, the proposal was not pursued in the LTP 2021-2031 due to legal advice from the Commerce Commission, which indicated that such schemes could be classified as consumer credit under the Credit Contracts and Consumer Finance Act (CCCFA), particularly due to their interest charges and associated fees.

### **Recent Regulatory Changes**

9. In April 2024, a key regulatory change under the CCCFA came into effect for the Credit Contracts and Consumer Finance Regulations 2004. New regulation 18 exempts VTR schemes from being considered consumer credit contracts, provided the Council has a Rates Remission or Rates Postponement Policy in place to assist ratepayers facing financial hardship. This change addresses previous concerns and provides a pathway for the reintroduction of the VTR.

### **Next Steps for Implementation**

10. To implement the VTR scheme for three waters infrastructure repairs, the following steps must be undertaken:
  - amend the Revenue and Financing Policy (RFP) to include provisions for the VTR scheme.
  - amend the Rates Postponement or Rates Remission Policy to accommodate provisions for ratepayers in financial difficulty.
  - update the Funding Impact Statement (FIS) to include the new VTR scheme as part of the rates setting process for the 2025/26 year.
  - consult with the community through the DAP26, providing clear details on the proposed scheme.

### **Detailed Steps for Implementing the VTR**

#### **Revenue and Financing Policy (RFP)**

11. The RFP provides the framework for how Council funds its operating and capital expenditure. Changes to the RFP are necessary to introduce the VTR. The RFP, most recently updated as part of the LTP needs to be slightly amended to incorporate the new VTR scheme three waters infrastructure repairs.
12. The proposed changes are:
 

Section A: Addition of a new entry for "Three Waters Infrastructure Repair Financial Assistance" outlining the introduction of the VTR scheme.

Section C: "Funding of Operating Expenditure" to include the new rate in the 2025/26 year.

Section G: new entries in the Funding Needs Analysis for the activity.

13. These changes are minimal and will ensure that the new targeted rates align with the policy.

### **Funding Impact Statement**

14. The Funding Impact Statement (FIS) must be adopted each year as part of the Long-Term or Annual Plan and outlines how rates are calculated. The FIS is a legal requirement for setting rates and ensures transparency for ratepayers.
15. For the introduction of the VTR scheme, the FIS will need to include the following details:
- name of the targeted rates: Wastewater, Stormwater and Water Financial Assistance Targeted Rate
  - description: The rate will apply to properties where ratepayers have volunteered to receive financial assistance for the repair or replacement of wastewater and/or stormwater and/or water pipes on their property.
  - eligibility: The rate can apply to all properties in the residential, rural, and commercial rating categories, provided the property owner volunteers to enter a contract with Council.
  - repayment terms: Ratepayers will repay the cost of repairs through a targeted rate each year for a determined period, eg five years, with the amount based on the financial assistance provided.

### **Key Considerations for the VTR Scheme**

#### **Contractual Agreement**

16. A contract between Council and ratepayer will be required to formalise the terms of the financial assistance. Key considerations include:
- length of the contract based on maximum time to repay: Officers recommend five years.
  - interest charges: Council may choose to apply interest to the outstanding amount. An interest charge is recommended by officers to ensure that any costs to Council are covered.
  - financial limits: To manage risk, officers propose setting a minimum amount of \$1,000 and a maximum limit of \$20,000 for each property's financial assistance.
  - Eligibility: this will be offered as a last resort. Ratepayers will need to demonstrate that all other options had been exhausted to fund the repairs.

## **Rates Postponement or Remission Policy**

17. To comply with the CCCFA exemption, Council must update its Rates Postponement or Remission Policy to provide support for ratepayers facing financial difficulties. This policy would enable ratepayers in financial hardship to access the VTR while ensuring they can repay the amount over time without undue hardship.
18. It is recommended that a new rates remission is progressed as the preferred option that would provide an option to remit the amount of a VTR in a given year if the ratepayer was facing financial difficulty and the requirement to pay the targeted rate in that year would exacerbate financial hardship.

## **Options Analysis**

19. Following the consideration of key factors and potential impacts outlined above, it is important to evaluate the available options for the introduction of the VTR.
20. Option 1: Introducing the new VTR scheme would allow ratepayers to opt to participate in a scheme to finance repairs of three waters infrastructure on their private properties. The costs would be repaid through a targeted rate on the property over a set term, such as five years.

### **Option 1 Advantages**

**Access to Financial Assistance:** Property owners who may not be able to afford repairs upfront can receive immediate financial help for critical infrastructure repairs.

**Flexible Repayment Terms:** The repayment of the financial assistance over a set period (e.g., 5 years) makes it more manageable for ratepayers, particularly for those unable to secure other forms of financing.

**Legally Feasible:** Recent regulatory changes to the CCCFA exempt the VTR from being classified as a consumer credit contract, allowing for a more streamlined and legally clear process.

**Voluntary Participation:** Ratepayers can opt in, meaning only those who genuinely need the assistance will participate.

**Minimal Upfront Costs for Ratepayers:** By spreading the cost of repairs over time, ratepayers will not need to pay the full cost upfront, making this a less financially burdensome option.

### **Option 1 Disadvantages**

**Limited Uptake:** There may be low interest in the scheme, especially if ratepayers are hesitant about taking on any form of debt or financial obligation, even with low interest charges.

**Administrative Complexity:** Managing the VTR will require significant administration, including tracking contracts, repayments, and eligibility criteria. This will create additional workloads for Council staff.

Financial Limits: The VTR scheme may not cover the full cost of major or complex repairs, especially if the proposed \$20,000 cap is insufficient for larger projects. This could result in dissatisfaction among property owners who need more financial assistance.

21. Option 2: Not introducing the VTR (Status Quo)

Option 2 Advantages

Simplicity: Avoiding the VTR would eliminate the need for changes to policies, regulations, and rates setting, simplifying the process for both the Council and ratepayers.

No additional administrative burden: Without the VTR, Council avoids the administrative complexities and ongoing management associated with tracking contracts, repayments, and ensuring compliance.

No Debt: Property owners who do not want to take on any form of debt would be spared from having to commit to a financial repayment plan.

Option 2 Disadvantages

Lack of financial assistance: Property owners who cannot afford the upfront costs of repairs would be left without an easy way to access funds, potentially leading to deferred or neglected repairs, which could worsen infrastructure problems.

Wider inequities: Without a VTR, vulnerable populations (e.g., low-income households, elderly homeowners) may find it particularly difficult to afford necessary repairs.

Missed opportunity for improved infrastructure: The lack of a financial mechanism for repairs could slow the overall pace of necessary infrastructure maintenance and improvements, potentially leading to more widespread issues with three waters stems in the community.

22. The table below presents an analysis of the advantages and disadvantages of introducing the VTR (Option 1) versus maintaining the status quo (Option 2).

Table 1: Summary of key differences between options

Factor	Option 1 – Introducing the VTR	Option 2 – Not introducing the VTR
Financial Assistance	Provides a way for ratepayers to finance repairs	No financial assistance for repairs
Repayment Flexibility	Allow flexible repayments (ie over 5 years)	No repayment options, requiring full upfront payment
Uptake	Limited uptake possible, especially if ratepayers are hesitant	No uptake concerns, but no assistance provided
Administrative Burden	Increased due to tracking contracts and repayments	No administrative complexity
Impact on Vulnerable Ratepayers	Provides financial support, especially for low-income households	No financial support for those in hardship
Legal and Regulatory Impact	Legally viable with recent regulatory changes	No changes required, status quo remains intact
Risk of Infrastructure Neglect	Helps prevent neglect of private infrastructure and the impact on the environment	Risk of widespread neglect of private infrastructure

23. Introducing the VTR scheme offers a solution to help ratepayers finance the cost of three waters infrastructure repairs, especially for those facing financial hardship. While the scheme carries some administrative complexity and challenges in uptake, it has the potential to improve infrastructure maintenance and provide much-needed support to vulnerable property owners.
24. Not introducing the VTR scheme would be simpler but could leave a gap in support for property owners who cannot afford upfront repairs, delaying necessary repairs, which could harm the environment in the long term.

### Officer Recommendations

25. The introduction of a VTR scheme offers a tool for assisting ratepayers who require support with private infrastructure repairs. To implement this scheme, the following steps are required:
- 1) amend the RFP to include the VTR.
  - 2) update the Funding Impact Statement for rates to incorporate the new rate.
  - 3) amend the Rates Remission Policy to support ratepayers in financial hardship.

- 4) consult the community through the DAP26 to seek feedback and ensure transparency.
26. Officers recommend that Council approve these steps for inclusion in the DAP26, which will allow the implementation of the VTR for the 2025/26 year. Appendices are attached which include the RFP (attached as Appendix 1 to the report), FIS (attached as Appendix 2 to the report) and Rates Remission Policy (attached as Appendix 3 to the report) with proposed changes highlighted for consideration. Only those changes related to the proposed VTR are reflected.

## **Section B: Proposed extension of Jackson Street Programme (JSP)**

### **Background and Council Consideration**

27. In the preparation of the LTP, Council considered a request from the Jackson Street Programme (JSP) to:
  - expand the area from which the targeted rate is collected; and
  - increase the amount collected from the properties within the expanded targeted rate area.
28. Background and further detail about this change is available in report LTPAP2023/5/390.
29. At the time of the preparation for the LTP, Council resolved that these proposed changes would not be considered as part of the LTP. Instead, they were referred for consideration in the DAP26.
30. At the LTP/ AP Subcommittee meeting on 26 August 2024, Council resolved to:
  - focus on the extension of the JSP footprint (expanding the targeted rate area); and
  - increase the targeted rate provided it did not increase the targeted rate for existing ratepayers.
31. Council further directed officers to:
  - engage with ratepayers in the affected area to gather feedback on the proposed extension of the JSP footprint; and
  - report back to Council on the outcome of this consultation for further direction.



### Engagement with affected ratepayers

32. In response to Council's direction, officers reviewed the situation and determined that a special consultative procedure was not required. Instead, a targeted engagement exercise was undertaken with property owners and tenants in the proposed extension area of the JSP. The engagement process was designed to ensure that all those directly impacted by the potential extension had an opportunity to provide feedback.
33. The key steps in the engagement process included:
- a letter was sent to the owners of approximately 150 properties in the proposed extension area (a copy of the letter is attached as Appendix 4 to the report).
  - site visits and face to face meetings were carried out, and hard copy letters were distributed to tenants in these properties.
  - feedback can be provided via a closed website only made available to those in receipt of a letter.
34. The questions asked of the property owners and tenants are shown in the table below:

Table 2: Questions asked in JSP engagement

Question intent	Question	Follow up question
Awareness and Understanding	Do you understand the purpose of the proposed extension of the Jackson Street Programme and the potential increase in the targeted rate for your property?	
Support for the proposed changes	Do you support the proposal to extend the Jackson Street Programme's targeted rate area to include your property, despite the potential increase in rates?	Please explain your thinking
Concerns and Impact	What concerns, if any, do you have regarding the increase in rates associated with the proposed extension of the Jackson Street Programme?	Are there specific impacts you anticipate on your property or financial situation?

35. The engagement period ran for two weeks from 22 November to 6 December 2024. There were 24 responses to the survey. This represents a 10% response rate to the 244 letters sent out. Officers have completed a high-level analysis of the feedback and the key results are shown below.
36. For the question, “Do you support the proposal to extend the Jackson Street Programme's targeted rate area to include your property, despite the potential increase in rates?”, 1 respondent (4%) supported the proposal, and 23 respondents (96%) were opposed. The responses can be summarised as follows:
- the most frequently mentioned theme (11 responses) was the increased financial burden and affordability;
  - 7 responses focussed on tenant-related challenges and property management issues;
  - 3 responses referred to specific properties issues.
37. In response to the question, “What concerns, if any, do you have regarding the increase in rates associated with the proposed extension of the Jackson Street Programme?”, the following themes were identified:
- 10 responses highlighted the impact of additional costs on individual financial situations;
  - 3 responses raised concerns about how others may be adversely affected, noting that costs might be transferred to tenants or customers;
  - 2 responses expressed dissatisfaction with perceived unfairness in the proposed rate hikes; and
  - 1 response referred to broader economic challenges and their effects.
38. Overall, the specific impacts respondents identified on their property and financial situation can be summarised as concerns around the increased financial burden, the potential loss of tenants, and reduced property values.
39. Following the engagement and analysis, officers are seeking further direction from Council regarding the proposed extension of the JSP footprint.
40. The next steps, if the proposed extension is moved forward, would involve including the proposed change in the DAP26. Further engagement would take place through the DAP26 consultation process, and the final decision will be made when the AP26 is adopted in June 2025.

## Section C: Review of Rates Instalments

### Background: Rising Postage Costs and Potential Savings

41. In recent years, postage costs have risen significantly, prompting Council to explore measures that could help mitigate these increases and identify potential cost savings. An option under consideration is reducing the number of rates invoice mailouts sent to ratepayers each year.

### Legislative Context for Rates Instalments

42. Under Section 24 of the Local Government (Rating) Act 2002 (LGRA), councils are empowered to set the dates for rates payments by instalment, provided these dates are outlined in the Rates Resolution. HCC has traditionally operated with six instalments per year, with rates invoices sent out every two months, and payments due the following month. These instalments are outlined in the Rates Funding Impact Statement in each year's LTP or AP.
43. An extract from the Rates Resolution adopted on 27 June 2024 is as follows:

#### "Rates Instalments"

1. *The Council resolves that the targeted rates and the general rate for the financial year ending 30 June 2025, as set out above, are payable in six equal instalments by the following due dates:*

<i>Instalment Number</i>	<i>Due Date</i>
<i>One</i>	<i>20 August 2024</i>
<i>Two</i>	<i>21 October 2024</i>
<i>Three</i>	<i>20 December 2024</i>
<i>Four</i>	<i>20 February 2025</i>
<i>Five</i>	<i>20 April 2025</i>
<i>Six</i>	<i>20 June 2025</i>

## Comparison with other councils

44. A review of other New Zealand councils shows that HCC appears to be the only council with six instalments per year. Most councils operate with four instalments per year, and some, like Tauranga, use just two instalments.

Table 4: Comparison of Rates Instalments

Number of instalments	Council Examples
Two	Tauranga City Council, Hauraki District Council
Four	Wellington City Council, Porirua City Council, Christchurch City Council, New Plymouth District Council, Hamilton City Council, Dunedin City Council, Upper Hutt City Council
Six	Hutt City Council

## Proposed Change: Reducing Instalments to Four

45. Considering the cost-saving opportunity, officers propose reducing the number of rates instalments from six to four per annum, aligning HCC with most other councils. This adjustment would help streamline operations while maintaining the same overall annual rates collection.

Table 5: Advantages and disadvantages of reducing instalments

Advantages	Disadvantages
Cost savings of approximately \$50,000 in printing and postage.	Ratepayers may have difficulty understanding or adjusting to the change, potentially leading to an increase in queries. A clear communication strategy will be essential.
Environmental benefits from reduced paper and printing.	Each instalment invoice would be larger, although the total annual rates amount would remain unchanged. This could lead some ratepayers to perceive it as a rates increase.
Operational efficiency from having more time between instalments, reducing pressure on administrative processes.	Some ratepayers may experience confusion or concern about the change, requiring a proactive communication and support plan.

### **Implementation approach and support to ratepayers**

46. Successful implementation of the reduced instalments will require a well-coordinated communication strategy to ensure ratepayers understand the rationale behind the change and how it will affect them. Key elements of the implementation plan include:
- clear communication: Inform ratepayers of the cost-saving rationale and the impact of fewer instalments through targeted inserts, website updates, and social media.
  - staff training: Provide training to call centre, front-line, and rates staff to address queries, explain the change, and assist ratepayers as needed.
  - payment options: The change in instalment frequency will not impact ratepayers' ability to pay their rates on their preferred schedule. Council will continue to offer direct debit options on any day of the week, with frequency choices including weekly, fortnightly, monthly, or on the due date. Approximately 41% of ratepayers (18,083 accounts) already use direct debit, providing flexibility in how payments are made.
  - direct debit adjustment: For ratepayers currently on a "due date" direct debit (which aligns with the instalment dates), we would transition them to a bi-monthly direct debit schedule. This change ensures payments remain spread throughout the year with no additional impact to the ratepayer.
  - email invoices: Further cost savings can be realised by encouraging ratepayers to switch from receiving paper invoices to email invoices. Currently, 44% (18,625 accounts) of ratepayers already receive their invoices via email, while 48% receive paper copies. Officers will continue to promote email invoicing as a more efficient and environmentally friendly option. Ratepayers will be encouraged to opt into email invoices via the customer service team and communication channels.

### **Strong Case for Cost Savings**

47. Reducing the number of rates instalments from six to four represents an opportunity for Council to generate \$50,000 in annual savings, reduce environmental impact, and streamline operational processes.
48. It's important to consider the potential challenges, particularly in terms of ratepayer communication and understanding.
49. By adopting a clear, proactive communication plan, offering flexible payment options, and continuing to promote email invoicing, Council can mitigate the potential downsides while delivering important cost savings.
50. Officers recommend proceeding with this change as part of the implementation plan for the 2025/26 year.

## Consultation and engagement

51. A light community engagement is currently proposed for DAP26. Communications and engagement planning to support this process, will be reported at an appropriate time to Council.
52. Officers propose a light engagement approach at this stage which is commensurate to the changes outlined in DAP26. For example, if there are few deviations from the Long Term Plan, a significant engagement programme will not be required (or justified).
53. Should Council wish to proceed with a proposal to introduce a VTR scheme, consultation on this, as well as changes to either the rates remission or rates postponement (or both), will be required. The RFP will also need to be amended to reflect the new targeted rate which will also need to be included in the consultation.

## Climate Change Impact and Considerations

54. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.

## Legal Considerations

55. The most relevant legislation includes the Local Government Act 2002 and the Local Government (Rating) Act 2002.
56. The policy changes recommended in relation to the proposed VTR scheme have been reviewed by external legal advisors, and their feedback has been incorporated into the proposed changes.

## Financial Considerations

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

## Appendices

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**Author:** Alicia Andrews, Manager Finance Transaction Services

**Reviewed By:** Jenny Livschitz, Group Chief Financial Officer

**Reviewed By:** Bruce Hodgins, Strategic Advisor

**Approved By:** Jo Miller, Chief Executive

# REVENUE AND FINANCING POLICY



SP-POL-006

Note – Only changes relating to the proposed Voluntary Targeted Rates are reflected in this DRAFT. All other information remains unchanged

Business Unit	Finance
Publication date	30 June 2024
Review period	June 2027
Owner	Group Chief Financial Officer
Approved by	Council, as part of the Long Term Plan 2024–2034

Version	Author	Date	Description
<b>V 1.0</b>	Jenny Livschitz	30/06/2021	Long Term Plan 2021–31 update Approved by Council.
<b>V 2.0</b>	Jenny Livschitz	30/06/2024	Long Term Plan 2024–34 update – Approved by Council.



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## Introduction

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A wide number of funding sources are available to Council to fund its activities, ranging from general and targeted rates through to fees and user charges. This policy outlines Council's approach to funding its activities. It provides information on what funding tools are used and who pays, as well as describing the process used to make these decisions. This policy should be read in conjunction with the Funding Impact Statement (see section 6). The Funding Impact Statement is the mechanism used to implement the Revenue and Financing Policy and provides detail on how rates are set.

### Support for principles relating to Māori

Section 102(3A) of the Local Government Act 2002 provides that this policy must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993 (that requirement is effective from 1 July 2024). These principles include recognition that land is a taonga tuku iho of special significance to Māori people, and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapū. Council considers that this policy supports those principles, particularly when viewed in conjunction with Council's Policy on Remission and Postponement of Rates for Māori Freehold Land and applying those principles to the Development and Financial Contributions Policy.

## Section A: Changes to the policy

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There is a provision for a potential new targeted rate for food and green organic waste collection service which has been included in Section G – funding needs analysis under the solid waste activity.

New three waters infrastructure repair financial assistance

Three new voluntary targeted rates are proposed to provide financial assistance to those ratepayers required to undertake repair and/or replacement of water and/or wastewater and/or stormwater pipes located on their property.

Section E is updated to reflect proposals for minor changes to rates allocation percentages across the commercial and utility categories.

Minor editorial changes have been made to the layout and presentation of items in the policy.

## Section B: How does Council decide what is funded from where?

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Council determines appropriate funding sources using a two-step process on an activity-by-activity basis.

### Step One

The funding needs of Council must be met from what Council determines to be the most appropriate funding source for each activity following consideration of:

- The community outcomes to which the activity contributes
- The distribution of benefits between the community as a whole and any identifiable parts of the community and individuals
- The period over which the benefits are expected to occur
- The extent to which the action or inaction of particular individuals or groups contributes to the need for the activity to take place
- The costs and benefits of funding an activity distinctly from other activities.

Council has considered the matters above for funding operating and capital expenditure arising from Council's activities. Section C discusses funding of operating expenditure and section D provides an explanation of the funding sources for capital expenditure. A funding needs analysis is provided in Section G to give more detail on the use of different funding tools and the reasons for allocation of costs to various sectors of the community for each activity.

### Step Two

The second step in the process is for Council to apply its judgement to the overall impact of any allocation of liability on the current and future social, economic, environmental and cultural wellbeing of the community. In exercising this judgement, Council considers the following:

- the impact of rates and rates increases on residential properties, and in particular on the affordability of rates and rates increases for low, average and fixed income households
- the impact of rates and rates increases on businesses and on the competitiveness of Lower Hutt as a business location
- the fairness of rates (and changes in rates) relative to the benefits received for 'stand-out' properties with unusually high capital values
- the special characteristics of particular classifications of property – including their purpose and proximity to the city
- the complexity of the rating system and the desirability of improving administrative simplicity
- the change in relative rateable values between types of properties.

As the General rate is a general taxing mechanism, shifting the 'differential factor' for each sector's share of the city's overall capital value is the principal means that Council has used to achieve the desired overall rates impact on the wider community. Council considered the application of this in terms of affordability for all sectors in applying the general rate differentials.

## Section C: Funding of operating expenditure

The policy sets target funding bands for the main funding sources for each activity. The funding bands are:

- High: 80–100%
- Medium/high: 60–79%
- Medium: 40–59%
- Medium/low: 20–39%
- Low: 0–19%

Our funding sources for operating expenditure and how they are applied is as follows:

<b>Funding source</b>	<b>Priority of application to operating costs</b>	<b>Definition</b>
Other revenue: Grants and subsidies	1	Funding received from other agencies, usually for specific projects/programme of work
Other revenue: Other	2	Interest income, profit on sale of assets
User fees & charges	3	Fees charged for Council services provided
Targeted rates	4	Rates set for a specific activity
General rates	5	Rates for activities not covered by targeted rates
External borrowing	6	Borrowings to meet operational cash flow requirements where the above funding sources are inadequate to meet these needs.

### **General rates**

General rates provide Council's largest source of funding. General rates are used to help fund activities where the Council has concluded that the whole community or city benefits. This is sometimes referred to as a public good that can demonstrate the following characteristics:

- non-rival – the enjoyment by one person does not prevent the benefit from being enjoyed by others. An example is street lighting
- non-excludable – no person or group can easily be prevented from enjoying the benefit. An example is a beach or park.

In these cases, all ratepayers pay towards the cost of the activity. Where the activity also provides benefits to individuals or parts of the community, rates are used to fund the balance of costs after the potential for user charges has been exhausted.

Council sets general rates based on the capital value of properties. Capital value is used because, in the main, it reflects the ability to pay better than the alternatives of land value or annual value.

What each ratepayer pays depends on the capital value of their property relative to the value of other properties, and on the share of the general rate that has been allocated to each sector of the community (residential, commercial and utilities).

### **Uniform annual general charge**

Council also has the option to assess a uniform annual general charge (UAGC). A UAGC recovers a portion of general rates costs as a fixed amount per rating unit. Such fixed charges tend to have a disproportionate impact on low-income households, as the charges make up a higher proportion of such a household's income. For this reason, Council does not currently utilise a UAGC. Council does, however, use fixed amounts for some targeted rates.

### **Targeted rates**

Council uses targeted rates where it has decided that the cost of a service or function should be met by a particular group of ratepayers (possibly even all ratepayers) or in order to provide greater transparency about the use of the funding. There is considerable scope to set rates for a specific function (e.g., water), target a rate on a specific geographic area (e.g., Jackson Street), or set different levels of rates for different property types (e.g., a promotion levy targeted on Commercial Central properties).

There is a provision for a potential new targeted rate in the 10 Year Plan for food and green organics waste collection service from 1 July 2027 – refer to section G for further details.

Three new voluntary targeted rates to provide financial assistance to ratepayers who are required to fund the repair and/or replacement of water and/or wastewater and/or stormwater pipes on their properties are proposed new rates in the 2025/26 year.

### **Fees and charges**

User charges are used where there are strong benefits to individuals or parts of the community from an activity and it is feasible to collect fees.

User charges contribute to the cost of some facilities (such as swimming pools) and also fully or partly meet the cost of regulatory services, such as those under the Building Act 2004 and Resource Management Act 1991.

Similarly, Council has the ability to fine people and businesses for certain rule infringements. The amount of income derived through these fines depends on the level of non-compliance and the resourcing Council is able to put into enforcement activities.

### **Other funding sources**

Council's other main funding sources for operating expenditure are grants and subsidies. Waka Kotahi New Zealand Transport Agency funding assistance for road maintenance makes up the majority of this funding. Other central government funding is occasionally available for specific projects and initiatives.

Council does not intend to use borrowing, proceeds from asset sales, development contributions or financial contributions to help fund operating expenditure unless the sources identified above are insufficient to meet its revenue needs.

## Section D: Funding of capital expenditure

Our funding sources for capital expenditure and how they are applied is as follows:

Funding source	Priority of application to capital costs	Definition
Grants and subsidies	1	Funding received from other agencies, usually for specific projects/programme of work such as Waka Kotahi New Zealand Transport Agency (in relation to certain roading projects), Crown Infrastructure Partners (COVID-19 Response and Recovery Fund), Kainga Ora (Infrastructure Acceleration funding for valley floor wastewater and stormwater projects), and Upper Hutt City Council (in relation to joint wastewater activities).
Development contributions	2	Revenue under the Local Government Act 2002 to help fund planned growth-related capital expenditure for roading and transport, stormwater, wastewater and water.
Financial/Environmental contributions	3	Revenue under the Resource Management Act 1991 to help fund growth-related capital expenditure on recreation reserves, and for other infrastructure where individual developments give rise to capital expenditure that is not planned, and therefore is not included in Council's Development and Financial Contributions Policy.
Proceeds from sale of assets	4	Revenue from sale of assets not otherwise used for debt reduction
Rates	5	Any Rates collected to cover depreciation charges
Operating surplus	6	Surplus revenue available after paying for all operational costs
External borrowing	7	Borrowings to meet capital cash flow requirements where the above funding sources are inadequate to meet these needs. Repayments of debt are spread across several years. This

Funding source	Priority of application to capital costs	Definition
		<p>enables Council to better match funding with the period over which benefits will be derived from assets and helps ensure intergenerational equity.</p> <p>Borrowing and repayments are managed within the framework specified in the Liability management section of the Treasury Risk Management Policy.</p>

## Section E: General rate differential factor

The general rate payable on each category of property is expressed as a rate in the dollar of capital value. These different rates in the dollar for different property categories are known as 'differential factors' and are determined following the completion of step two of the process (which is designed to allow the Council to apply its judgement on the overall impact on the wellbeing of the community). This judgement includes the consideration of the matters in step two above, including activity areas where the benefits of the activity are not considered to be equally shared among the community. Following a review Council undertook for the purposes of the previous 10 Year Plan, the general rate will continue to be apportioned between residential, commercial, and utility categories based on a percentage applied to each category group. A percentage approach helps to reduce fluctuation in the general rate caused by valuation movement differences between categories.

For the 10 Year Plan Council considered the matters in step two above and options for modifying the differentials as overall impact adjustments. It considered the competing interests of different sectors of ratepayers as set out in the step two process (see Section B), particularly the different abilities of the residential and commercial sectors to accommodate rate increases at this time, and the impacts of those increases, particularly on rates affordability. Other considerations of Council included:

- The impacts of the changes made in the previous 10 Year Plan
- The outcome of the latest three-yearly property revaluation completed in 2022
- Recent development plans in the city through number and value of consents
- Other economic factors for both commercial and residential ratepayers.

In its judgement, Council has decided that the overall percentage allocation for the residential and commercial (including utility) categories should remain the same as 2023–24 with minor adjustments to the individual commercial category percentages, and differential adjustments should be made to give effect to this.

The indicative percentages to be applied for the term of the 10-year plan under the policy are as follows (including 2023–24 as a comparator):

Differential category	2023-24	2024-25	2025-26	2026-27
Residential	60%	60%	60%	60%
Commercial central	8.0%	7.7%	7.7%	7.7%
Commercial suburban	25.3%	25.4%	25.4%	25.4%
Utility	5.4%	5.6%	5.6%	5.6%

The general rate for Rural rating units is differentiated on the basis of perceived distance to Council services. Rating units to which this differential will apply are those within Rural activity areas in the Council's operative District Plan.

For the smaller rural and community facilities differential rating categories a standard differential multiplier will be applied. This reflects the fact that small changes in the category may significantly impact average rates on individual properties if a percentage was applied.

The differential factors for these categories are:

- Rural 0.747
- Community Facilities1 1.000
- Community Facilities2 0.500
- Community Facilities3 2.344

The following indicative differential factors will be applied across all differential categories in 2024/25 to give effect to category percentages.

- Residential 1.00
- Commercial Central 3.525
- Commercial Suburban 2.847
- Community Facilities 1 1.000
- Community Facilities 2 0.500
- Community Facilities 3 2.344
- Rural 0.747
- Utility 3.426

This policy should be read in conjunction with the Funding Impact Statement which provides further details on how rates are set.



Figure 1: Historic allocation of general rates charges between property rating categories and the continued approach for the 10 Year Plan



Section F: Summary of operational funding sources

Key

Range name	Unlikely	Low	Medium / Low	Medium	Medium / High	High
Range	0	0-19%	20-39%	40-59%	60-79%	80-100%
Key	✖	✓	✓	✓	✓	✓

Activity	Fees and charges	Grants, subsidies and other	General rates	Targeted rates	Development contribution	Financial contribution	Borrowing
Transport	✓	✓	✓	✖	✖	✖	✖
Water supply	✓	✓	✓	✓	✖	✖	✖
Wastewater	✓	✓	✓	✓	✖	✖	✖
Stormwater	✓	✓	✓	✖	✖	✖	✖
Solid waste	✓	✓	✓	✓	✖	✖	✖
City development	✓	✖	✓	✖	✖	✖	✖
Community partnering and support	✓	✓	✓	✖	✖	✖	✖
Open spaces, parks and reserves (including cemeteries)	✓	✓	✓	✖	✖	✖	✖
Libraries	✓	✓	✓	✖	✖	✖	✖
Museums	✓	✓	✓	✖	✖	✖	✖
Aquatics and recreation	✓	✖	✓	✖	✖	✖	✖
Animal control	✓	✓	✓	✖	✖	✖	✖
Building consents and resource consents	✓	✓	✓	✖	✖	✖	✖
Public Health	✓	✖	✓	✖	✖	✖	✖
Emergency management	✖	✓	✓	✖	✖	✖	✖
Sustainability and resilience	✖	✓	✓	✖	✖	✖	✖
City governance	✖	✓	✓	✖	✖	✖	✖

Section G: Funding needs analysis

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
Transport	<p>The transport activity consists of five sub-activities – road assets, traffic assets, road safety services, active modes and parking. Council operates, maintains and renews the road asset, which includes footpaths, throughout the city. Traffic control measures are used to ensure the efficient and safe movement of motor vehicles, cyclists, pedestrians and other forms of transport. Road safety programmes and interventions are managed to improve the safety outcomes of all users on our transport network. Walking, cycling and micromobility initiatives are managed to enable safe and efficient mode choice across our transport system. Parking involves the provision, maintenance and regulation of on- street and off-street carparks in the commercial areas of the city. The location and regulation of carparks is designed to ensure fair, easy and efficient access to the city’s commercial areas.</p> <p>Community outcome</p> <p>Who benefits</p>	<p>Council has no direct means to charge individual users of the local network on a user-pays basis. Therefore most of the expenditure is funded directly from general rates revenue (and government subsidies). Trip generation is a useful base indicator benefit between ratepayer categories. Trip generation of the Commercial/Utility and Residential sectors is estimated at 72 per cent and 28 per cent respectively. The net cost to council of major projects with benefits over several decades, will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure. Revenue generated from controlled parking is used to offset the costs of providing the activity.</p> <p>Economic wellbeing</p> <p>Roadway assets: Many of the benefits of roadway networks accrue to individuals or businesses. To a large extent, this is reflected in the subsidies Council receives from government for roadway, which are ultimately funded from fuel excise, road user charges and vehicle registration charges. However, Council must cover the remainder of the unfunded component. Trip generation can be used as an indicator of both the cause and benefit of this activity’s costs. Traffic assets: Traffic assets provide a range of benefits widely dispersed among the community, and for which there is little ability to charge, or sense in charging, individuals for the benefits they receive. Road safety services: Road safety services provide a range of benefits for all mode users across the network, for which there is little ability to charge, or sense in charging, individuals for the benefits they receive. Active modes: Active mode initiatives encourage behaviours that benefit health, wellbeing and the environment and there is no appetite to charge individuals for the benefits they receive. Parking: The benefits of on-street parking largely accrue to the individuals or groups involved. Controlled parking is provided in key business and shopping areas for the benefit of business. However, charging and actively monitoring parking in most areas, such as most urban neighbourhoods, is simply not practical or cost-effective – although some time restrictions may still apply. Consequently, a large proportion of the cost is simply absorbed into the roadway budget, and funded accordingly. The primary beneficiaries of growth-related infrastructure are the developments that can be undertaken and the businesses and residents that occupy new sites. If, and to the extent that, investment in infrastructure benefits growth and existing residents, this is reflected in the allocation of costs between growth and levels of service or renewal.</p>	<p>Operational costs</p> <ul style="list-style-type: none"><li>• general rates: Medium / high</li><li>• grants, subsidies, and other: Low</li></ul> <p>fees and charges: Low</p>

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
	Period of benefit	The benefits of transport facilities are ongoing and spread over the long-term. These intergenerational benefits support the ongoing use of debt financing for associated capital works.	
	Whose acts create a need	Heavy vehicles create an additional cost to Council because of the increased wear they impose on roads, and the need to have wider roads to accommodate them. The need to undertake street cleaning is partially caused by the actions of individuals littering or dumping. In areas with a high concentration of parking demand, it becomes necessary and cost-effective to manage parking, allowing much of the cost associated with these parks to be recouped through parking charges and/or fines.	
	Separate funding	Council considers that there is little benefit of separate funding of this activity.	
<b>Water supply</b>			
Water Supply	<p>This activity involves the supply of high-quality drinkable water for domestic and commercial use. Council purchases bulk water from Greater Wellington Regional Council, and this accounts for a significant portion of the total cost of water supply to the city. Water is then distributed around the city through the local pipe network. Council's ownership of the pipe network is historical.</p>	<p>In the absence of metering, targeted rates can be seen as a proxy for user charges. All connections are charged the targeted rate, and this is assumed to cover the supply of the average residential user. Commercial water users are charged on a metered rate for water consumption. Major projects with benefits over several decades will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.</p>	<p>Operational costs</p> <ul style="list-style-type: none"> <li>• targeted rates: High</li> <li>• general rates: Low</li> <li>• grants, subsidies and other: Low</li> <li>• fees and charges: Low</li> </ul>
	Community outcome	Environmental wellbeing	
	Who benefits	<p>Much of the benefit from this activity is considered to be private to the people who obtain and use the water. Public health benefits arise out of the treatment of water-borne diseases. The primary beneficiaries of growth-related infrastructure are the developments that can be undertaken and the businesses and residents that occupy new sites. If, and to the extent that, investment in infrastructure benefits growth and existing residents, this is reflected in the allocation of costs between growth and levels of service or renewal.</p>	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital expenditure provides benefit over the life of the asset.	
	Whose acts create a need	Properties and users who either waste or use excessive amounts of water	
	Separate funding	Council considered that due to the administrative costs there is no further benefit in separate funding of this activity.	
Providing financial assistance for Water repairs on private property	<p>This activity provides financial assistance to ratepayers to complete repairs for water supply on their private property where access to traditional lenders is not available to them.</p>	<p>This activity benefits those ratepayers who access the financial assistance for repairs on their property and it is appropriate that a targeted rate be applied to rating units of those ratepayers that choose to opt-in to financial assistance.</p>	<p>Operational costs</p> <ul style="list-style-type: none"> <li>• general rates: Low</li> <li>• targeted rates: high</li> <li>• grants, subsidies and other: Low</li> </ul>
	Community outcome	Environmental Wellbeing	
	Who benefits	The major beneficiaries are those ratepayers who use the scheme. The wider community benefits to a lesser extent from less water loss from leaks.	

	Period of benefit	Those property owners who are made aware of issues on their property and have not been able to resolve them		
	Separate funding	Council considered that due to he financial scale of the activity there is no further benefit in separate funding of this activity.		
Wastewater				
Wastewater	Council ensures the treatment and disposal of household and commercial effluent according to regional and national environmental standards. A new treatment plant was commissioned in 2002 to ensure effluent is treated to higher standards.	In the absence of the ability to use metering, targeted rates (including pan charges) can be seen as a proxy for user charges. High water and waste users are charged fees under a trade waste by-law. Major projects with benefits over several decades will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.	Operational costs <ul style="list-style-type: none"><li>• targeted rates: High</li><li>• general rates: Low</li><li>• grants, subsidies and other: Low</li><li>• fees and charges: Low</li></ul>	
	Community outcome	Environmental wellbeing		

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
Providing financial assistance for Wastewater repairs on private property	Who benefits	The removal of wastewater largely benefits the person whose wastewater is removed. However, the public also benefits through improved public health and an unpolluted environment. The operation of many social and commercial activities would be curtailed if raw effluent was not properly dealt with. Upper Hutt City Council makes an operating contribution towards the shared service. The primary beneficiaries of growth-related infrastructure are the developments that can be undertaken and the businesses and residents that occupy new sites. If, and to the extent that, investment in infrastructure benefits growth and existing residents, this is reflected in the allocation of costs between growth and levels of service or renewal.	
	Period of benefit	The benefits of wastewater services are ongoing and spread over the long-term. These intergenerational benefits support the ongoing use of debt financing for associated capital works.	
	Whose acts create a need	There is also a significant exacerbator component to the treatment of wastewater, as people cause costs through their action (for example, commercial businesses that produce trade waste) or inaction (for example, not installing a dual flush toilet).	
	Separate funding	Council considered that due to the administrative costs that there is no further benefit in separate funding of this activity.	
	This activity provides financial assistance to ratepayers to complete repairs for wastewater on their private property where access to traditional lenders is not available to them.	This activity benefits those ratepayers who access the financial assistance for repairs on their property and it is appropriate that a targeted rate be applied to the rating units of those ratepayers that choose to opt-in to financial assistance.	Operational costs <ul style="list-style-type: none"><li>• general rates: Low</li><li>• targeted rates: high</li><li>• grants, subsidies and other: Low</li></ul>
	Community outcome	Environmental Wellbeing	
	Who benefits	The major beneficiaries are those ratepayers who use the scheme. The wider community benefits to a lesser extent from less inundation of the wastewater system.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	Those property owners who are made aware of issues on their property and have not been able to resolve them.	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	
Stormwater			
Stormwater	Council operates an effective drainage system to protect property from flooding damage. Stormwater infrastructure includes pipe networks, street-side gutters, retention dams and open watercourses. These are provided and maintained according to the reasonable costs of managing foreseeable flooding events.	As the community as a whole benefits from this activity, the costs are best recovered from General rates. Major projects with benefits over several decades will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.	Operational costs <ul style="list-style-type: none"><li>• general rates: High</li><li>• grants, subsidies and other: Low</li><li>• fees and charges: Low</li></ul>
	Community outcomes	Environmental wellbeing	

<b>Providing financial assistance for Stormwater repairs on private property</b>	Who benefits	Stormwater reticulation, watercourses, major storm events and watercourse quality management, addressed under this activity, are partly for private benefit but mainly for public benefit. This is in terms of dealing with public spaces and the public stormwater system, maximising damage from severe flooding and conducting monitoring and pollution control for the community at large. Economies of scale associated with the provision of the overall system are also recognised. The primary beneficiaries of growth-related infrastructure are the developments that can be undertaken and the businesses and residents that occupy new sites. If, and to the extent that, investment in infrastructure benefits growth and existing residents, this is reflected in the allocation of costs between growth and levels of service or renewal.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital expenditure provides benefit over the life of the asset	
	Whose acts create a need	Buildings and pavements increase the necessity for stormwater management, and in this respect the built-up areas can be considered to exacerbate the problem.	
	Separate funding	Council considered that due to the administrative costs there is no further benefit in separate funding of this activity.	
	This activity provides financial assistance to ratepayers to complete repairs for stormwater on their private property where access to traditional lenders is not available to them.	This activity benefits those ratepayers who access the financial assistance for repairs on their property and it is appropriate that a targeted rate is applied to the rating units of those ratepayers that choose to opt-in to financial assistance.	Operational costs <ul style="list-style-type: none"><li>• general rates: Low</li><li>• targeted rates: high</li><li>• grants, subsidies and other: Low</li></ul>
	Community outcome	Environmental Wellbeing	
	Who benefits	The major beneficiaries are those ratepayers who use the scheme. The wider community benefits to a lesser extent from less inundation of the stormwater system.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	Those property owners who are made aware of issues on their property and have not been able to resolve them.	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	
<b>Solid waste</b>			

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
	<p>Council contracts out the collection of residential solid waste and household recycling. It also owns a landfill for the disposal of the city's refuse. Council wishes to promote recycling and waste reduction and to provide for the disposal of the city's solid waste.</p> <p>Council is including a provision to potentially expand its current rubbish, recycling and green waste collection services to provide weekly food and green waste collection (FOGO) from 1 July 2027.</p> <p>Community outcome</p> <p>Who benefits</p> <p>Period of benefit</p> <p>Whose acts create a need</p> <p>Separate funding</p>	<p>Currently the solid waste function makes an overall surplus, particularly as a result of landfill activities. This return on investment compensates Council as a whole and the whole ratepayer base for the long-term business risks of landfill operation and aftercare. Any surplus is therefore used to offset general rates.</p> <p>Environmental wellbeing</p> <p>Council currently provides kerbside Refuse, recycling, and opt-in Green waste, which are funded through targeted rates. The potential implementation of the Council's new FOGO collection service from 1 July 2027 will help reduce greenhouse gas emissions, reduce waste to the landfill thereby prolonging the longevity of this facility, i.e. cost savings on future expansion of the site, reduce leachate and pollution and allow for organic waste resource recovery. There are public benefits in ensuring that refuse is disposed of appropriately. The consequences of poorly dealt with waste are immediate public health effects. Longer-term health effects can also result from interaction with contaminated sites. There are private benefits to people whose refuse is disposed of.</p> <p>The benefit of most operating costs is expected to arise in the year the funding is sourced. The benefits of capital spend on the Landfill are ongoing and spread over a long period. These intergenerational benefits support the ongoing use of debt financing for associated capital works.</p> <p>Individuals generate waste therefore creating the need for this activity. There are also individuals who create waste who do not use this service and therefore by their inaction create additional costs for Council.</p> <p>Council considered that due to the administrative costs there is no further benefit in separate funding of this activity.</p>	<p>Operational costs</p> <ul style="list-style-type: none"><li>• targeted rates: Medium</li><li>• general rates: Low</li><li>• grants, subsidies and other: Low</li><li>• fees and charges: Medium</li></ul>
City development			
	<p>Council has a leading role in fostering the city's growth and development in a number of ways. Council develops the District Plan policy and makes changes to the District Plan in line with national and regional policy changes and also in line with expectations of the local community. Council aims to develop an urban environment that will help to attract people and investment, and enhance the city's image and economy. Council manages and develops the public space of the city on behalf of the community. Council aims to create a business-friendly environment, facilitate the expansion and creation of local businesses and employment, increase tourism to the city and contribute to regional growth through regional economic development initiatives.</p>	<p>While businesses and residents benefit from city development, after maximising other available funding (which are mostly non-existent), it is considered appropriate that the remainder of the activity is funded from General rates. The net cost to council of major projects with benefits over several decades, will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.</p>	<p>Operational costs</p> <ul style="list-style-type: none"><li>• general rates: High</li><li>• grants, subsidies and other: Low</li></ul>

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
	Community outcome	This activity contributes to all community outcomes.	
	Who benefits	District/spatial planning and urban design has a mix of private and public benefits, as well as encouraging optimal resource use over time. The Council develops these with input from the community in terms of the Resource Management Act. Certain parts of the community, such as business owners, may gain distinct private benefits as a result of Council work in shopping areas etc. Benefits are ongoing, and work particularly around the preservation of heritage elements is intended for the benefit of future generations. The benefits of preserving buildings of architectural, heritage and historic value pertain to both the community as a whole and the owner or occupier. The city's businesses and residents benefit from Council's support of the business sector and from its promotion of the city as a place to visit.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. The benefits of urban development are ongoing and spread over the long-term. These intergenerational benefits support the ongoing use of debt financing for associated capital works.	
	Whose acts create a need	There is very limited impact of the actions or inactions of others.	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	
<b>Community partnering and support</b>			
	Council provides a range of community hubs and facilities to enable the delivery of community activities and provide safe inclusive spaces for the community. Council has previously carried out a significant rejuvenation programme across its community facilities to improve the wellbeing of Hutt City residents.	As the community as a whole benefits from this activity, the costs are best recovered from General rates. The net cost to council of major projects with benefits over several decades, will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.	Operational costs
	Community outcome	Social and cultural wellbeing	• general rates: High
	Who benefits	No particular sector or group is considered to drive or benefit from these costs beyond those groups that can be targeted by user fees.	• grants, subsidies and other: Low
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. The benefits of communal facilities (e.g., halls, hubs etc.) are ongoing and spread over the long-term.	• fees and charges: Low
	Whose acts create a need	None identified	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	



ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
<b>Open spaces, parks and reserves (including cemeteries)</b>			
	<p>Council provides and maintains passive recreational facilities in the city for the enjoyment and wellbeing of the public, free of charge. Sports fields are provided and maintained through charges to sports codes. Recreation areas are both natural and created; the majority of Council effort is targeted at maintenance and retaining areas in their natural state.</p> <p>Community outcome</p> <p>Who benefits</p> <p>Period of benefit</p> <p>Whose acts create a need</p> <p>Separate funding</p>	<p>No particular sector or group is considered to derive benefit from these costs beyond those groups that can be targeted by user fees.</p> <p>Major projects with benefits over several decades will be debt funded, along with an appropriate contribution from reserve financial contributions charges for growth-related infrastructure.</p> <p>Social and cultural wellbeing</p> <p>Parks and reserves: Council views the active participation of residents in outdoor activities as beneficial to the whole community. While it is recognised that the rural sector often provides its own recreational land, Council considers that this sector is also a beneficiary from this activity. Cemeteries: There is a significant private benefit in this service to the families of deceased people where burials and interment services are provided. There is also an ongoing community benefit in providing for the respectful treatment of deceased people who form part of the community's heritage and whakapapa. The primary beneficiaries of growth-related open spaces, park and reserves are the developments that can be undertaken and the businesses and residents that occupy new sites. To the extent that investment in this infrastructure benefits growth and existing residents, this is reflected in the allocation of costs between growth and levels of service or renewal.</p> <p>The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital expenditure provides benefit over the life of the asset.</p> <p>The actions of sports codes contribute to the need for Council to undertake the maintenance of sports fields. Housing intensification and urban development to respond to population growth creates a need for green spaces.</p> <p>Council considered that due to the administrative costs there is no further benefit in separate funding of this activity.</p>	<p>Operational costs</p> <ul style="list-style-type: none"> <li>• general rates: High</li> <li>• grants, subsidies and other: Low</li> <li>• fees and charges: Low</li> </ul>
<b>Connectivity, creativity, learning, and recreation</b>			
<b>Libraries</b>	<p>Council provides, maintains and manages eight libraries in the city. These are run as a single city-wide service. Their primary role is to provide written and recorded material such as books, audio-visual resources, and access to online information. Library services are used for many purposes including learning, research and entertainment.</p> <p>Community outcome</p>	<p>Some of the individual benefit of library activities is recovered through user charges and fines. User recovery is also constrained by section 142 of the Local Government Act 2002. General rates are the appropriate funding source for the remainder of the activity, as the whole of the community benefits from libraries.</p> <p>The net cost to council of major projects with benefits over several decades, will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.</p> <p>Social and cultural wellbeing</p>	<p>Operational costs</p> <ul style="list-style-type: none"> <li>• general rates: High</li> <li>• grants, subsidies and other: Low</li> <li>• fees and charges: Low</li> </ul>

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
<b>Museums</b>	Who benefits	While there are identifiable individual benefits from the provision of library services, the Council views open and low-cost access to information and books as being in the best interest of the city as a whole, therefore the whole city benefits.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital expenditure provides benefit over the life of the asset.	
	Whose acts create a need	There is very limited impact of the actions or inactions of others.	
	Separate funding	Council considered that due to the administrative costs there is no further benefit in separate funding of this activity	
	The Council believes that support for the arts, recognition of our social history and cultural endeavours are an important component in making the city a vibrant and attractive city, as well as providing a means for the community to express a sense of self and place.	Some of the individual benefit of museum activities is recovered through user charges. General rates are the appropriate funding source for the remainder of the activity, as the whole community benefits from museums.  The net cost to council of major projects with benefits over several decades, will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.	Operational costs • general rates: High • grants, subsidies and other: Low • fees and charges: Low
	Community outcome	Social and cultural wellbeing	
	Who benefits	While individual visitors to these facilities do gain individual benefit, the collecting of an entry fee would be inefficient due to the costs associated with establishing and operating a door charge system. Council recognises the contribution that the Dowse Foundation and donors are making to the city through extensive community fundraising activities.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital expenditure provides benefit over the life of the asset.	
	Whose acts create a need	There is very limited impact of the actions or inactions of others.	
	Separate funding	Council considered that due to the administrative costs there is no further benefit in separate funding of this activity.	
<b>Aquatics and recreation</b>	Council provides and maintains six swimming pools in the city as part of its portfolio of recreational facilities. Recreational programmes are community-based programmes designed to encourage residents to engage in a range of recreational activities. These services are provided to promote health and enjoyment and stimulate the community's interest in different recreational opportunities.	Fees and charges contribute to the recovery of individual benefit. However, the fees are set at a level that supports affordability for users to access facilities. Therefore General rates are the key source of income for this activity.  The net cost to council of major projects with benefits over several decades, will be debt funded, along with an appropriate contribution from development contributions charges for growth-related infrastructure.	Operational costs • general rates: Medium • fees and charges: Medium
	Community outcome	Environmental wellbeing	
	Who benefits	Individuals benefit from the personal fitness and enjoyment they derive from using the facilities. However, Council also recognises that there are positive benefits for the community when the population is fit and actively engaged. Pools provide quality and accessible tuition in essential water safety and life skills, which produces both individual and community benefits.	

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital expenditure provides benefit over the life of the asset.	
	Whose acts create a need	There is very limited impact of the actions or inactions of others.	
	Separate funding	Council considered that due to the administrative costs that there is no further benefit in separate funding of this activity.	
<b>Regulatory services</b>			
<b>Animal control</b>	Animal control is primarily the dog control function with a small amount of service involved with general livestock control. Dog registration fees are a targeted form of cost recovery for this activity. An animal control function is necessary to ensure the public is safe from the negative effects of animal ownership.	As both individuals and the community benefit from this activity, it is appropriate that the mix of funding is split between fees and charges, other revenue and general rates.	Operational costs <ul style="list-style-type: none"> <li>• general rates: Medium / Low</li> <li>• grants, subsidies and other: Medium / Low</li> <li>• fees and charges: Medium</li> </ul>
	Community outcome	Environmental wellbeing	
	Who benefits	The owners of dogs benefit from the availability of the service, while the whole community benefits from having a safer environment because of dog control.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	The activity can be considered an exacerbator issue, as the actions of animal owners create the need for the service, including those people who are not good dog owners.	
	Separate funding	Council considered that due to the administrative costs that there is no further benefit in separate funding of this activity.	
<b>Building consents and resource consents</b>	The activity includes regulatory consents and compliance functions for building work in Lower Hutt, general advice to the public on consenting matters, co-ordination of Land Information Memorandum applications and advice on environmentally sustainable residential design and products.	The activity predominantly benefits those individuals who obtain a building or resource consent. However, these activities protect the public interests of all residents and businesses by ensuring the city grows in ways that encourages high-quality development and produces the best long-term results, so it is considered appropriate that a portion of the costs are funded via general rates.	Operational costs <ul style="list-style-type: none"> <li>• general rates: Medium/Low</li> <li>• grants, subsidies and other: Low</li> <li>• fees and charges: Medium/High</li> </ul>
	Community outcome	Environmental wellbeing	
	Who benefits	There is a direct benefit to those property owners who are obtaining a building consent, while there is a benefit to the community of ensuring safe and sanitary buildings. Generally, commercial buildings are more complex and therefore there is a greater benefit to the commercial sector than the residential sector.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	Non-complying buildings and businesses operating without consent.	
	Separate funding	Council considered that due to the administrative costs that there is no further benefit in separate funding of this activity.	

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
<b>Public Health</b>	The activity provides inspection, auditing, enforcement and education that ensures compliance with Council's policies and regulations concerning public health.	The activity predominantly benefits those individuals who obtain the appropriate license. However, this activity protects the whole community.	Operational costs <ul style="list-style-type: none"> <li>• general rates: Medium</li> <li>• fees and charges: Medium</li> </ul>
	Community outcome	Environmental wellbeing	
	Who benefits	The public receive a benefit from this activity due to the compliance of the businesses with the public health standards. Businesses also receive a benefit due to customers' assurance that individual businesses are meeting the appropriate standards.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	Businesses not complying with public health requirements.	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	
<b>Sustainability and resilience</b>			
<b>Emergency management</b>	Council develops and implements city-wide emergency management plans and promotes community preparedness for emergencies	As the community as a whole benefits from this activity, the costs are best recovered from General rates.	Operational costs <ul style="list-style-type: none"> <li>• general rates: High</li> <li>• grants, subsidies and other: Low</li> </ul>
	Community outcomes	Environmental wellbeing	
	Who benefits	The whole community benefits from this activity. It is triggered where the disruption to community life is such that a coordinated community response is required.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	None identified	
	Separate funding	Council considered that due to the financial scale of the activity that there is no further benefit in separate funding this activity.	
<b>Sustainability and resilience</b>	Council enables system change by enabling the delivery of its Energy and Carbon Reduction Plan 2020–24, improving sustainability outcomes across Council and the community, and funding initiatives or kick-starting thinking in line with its Environmental Sustainability Strategy 2015–45. This activity also comprises work to engage with the community on climate change; in particular, the development of a pathway to reduce city-wide emissions to net zero by 2050, and a pathway for how as a community we should respond to forecast climate impacts, such as sea-level rise.	As the community as a whole benefits from this activity, the majority of the costs are best recovered from General rates.	Operational costs <ul style="list-style-type: none"> <li>• general rates: High</li> <li>• grants, subsidies and other: Low</li> </ul>

ACTIVITY	BACKGROUND	RATIONALE	FUNDING SOURCES AND BANDS
	Community outcome	Environmental wellbeing	
	Who benefits	The whole community benefits from this activity. It is triggered where the disruption to community life is such that a coordinated community response is required.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	None identified	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	
Governance, strategy and partnerships			
	Council, as the elected governance body, is responsible for deciding the direction and objectives of the activities it delivers on behalf of the city. Council is required by law to have elected members. Community representatives on Community Boards are also elected; they are part of Council and provide local input into governance issues.	As the community as a whole benefits from this activity, the costs are best recovered from General rates.	Operational costs <ul style="list-style-type: none"><li>• general rates: High</li><li>• grants, subsidies and other: Low</li></ul>
	Community outcome	This activity contributes to all community outcomes	
	Who benefits	The beneficiaries of this activity are the people and organisations in the city who benefit through the democratic governance of the city's affairs.	
	Period of benefit	The benefit of most operating costs is expected to arise in the year the funding is sourced. There is no planned capital expenditure.	
	Whose acts create a need	None identified	
	Separate funding	Council considered that due to the financial scale of the activity there is no further benefit in separate funding of this activity.	

# Funding impact statement including rates for 2024–25

Note – Only changes relating to the proposed Voluntary Targeted Rates are reflected in this DRAFT. All other information remains unchanged

Tauākī pāpātanga tāhua āpiti atu ki ngā tāke kaunihera 2024–25  
Funding impact statements including 2024–25 rates

## Section A: Introduction

This Funding Impact Statement includes full details of how rates are calculated. It should be read in conjunction with Council's Revenue and Financing Policy (see section 4), which sets out Council's policies in respect of each source of funding.

### Summary of funding mechanisms and indication of level of funds to be produced by each mechanism

The Whole of Council Funding Impact Statement sets out the sources of funding to be used for 2024–25 and for subsequent years, the amount of funds expected to be produced from each source, and how the funds are to be applied. Details of user charges and other funding sources, and the proportion applicable to each activity, are included in Council's Revenue and Financing Policy which is included in the 10-Year Plan. Charges include GST unless otherwise noted.

### Uniform annual general charge

Council has not set a uniform annual general charge (UAGC) for 2024–25.

### Potential new rates during the term of the Long Term Plan 2024–34

Council is including a provision to set and assess a new targeted rate for a Food and Green Organic Waste collection service. Community feedback was sought through the draft Long Term Plan engagement and further work needs to be



completed to address community feedback and concerns. If approved in the future, the new targeted rate and service would take effect from 1 July 2027.

### **Definition of separately used or inhabited part**

For the purposes of any targeted rate set as a fixed amount per separately used or inhabited part (SUIP) of a rating unit, a SUIP is defined as:

Any part of the rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.

At a minimum, the land or premises intended to form the SUIP of the rating unit must be capable of actual habitation, or actual use by persons for purposes of conducting a business.

For the avoidance of doubt, a rating unit that has only one use (i.e., it does not have separate parts or is vacant land) is treated as being one SUIP of a rating unit.

### **Section B: Rates for year**

For 2024-25, and for subsequent years, Council will set the following rates.

#### **a. Water supply rate**

A targeted rate will be set to meet the net operating costs of water supply and reticulation in the city. Lump sums will not be invited in respect of this rate. Council has set the targeted rate for water supply on the basis of the following factors:

- a charge per SUIP of a rating unit that is connected to the water reticulation system and is not metered
- a charge of 50 per cent of the above charge per SUIP of a rating unit that is not connected to but is able to be connected to the water reticulation system
- a charge per rating unit that is connected to the water reticulation system and contains more than one SUIP, where a water meter has been installed to measure the total water consumed provided that:
  - rating units situated within 100m of any part of the water reticulation network are considered to be able to be connected (i.e., serviceable)
  - rating units that are not connected to the system, and that are not able to be connected, will not be liable for this rate
  - where the owner of a rating unit with more than one SUIP has installed a water meter to measure the total water consumed, the owner will be liable to pay for water consumed as measured by the meter as set out in Council's Fees and Charges (see Appendix 1).

The charges for the 2024-25 rating year are as follows:

Category	Charge
Connected and unmetered	\$746.00 per SUIP
Serviceable but not connected	\$373.00 per SUIP
Connected and metered	\$746.00 per rating unit

#### **b. Wastewater rate**

A targeted rate will be set to meet the net operating costs of wastewater collection, treatment and disposal within the city. Lump sums will not be invited in respect of this rate.

Council will set the targeted rate for the wastewater function on the basis of the following factors:

- a charge per SUIP of a rating unit for all rating units connected to the wastewater system
- for rating units in the commercial categories, an additional charge of 50 per cent of the full charge for the second and each subsequent WC or urinal connected to the wastewater system from each rating unit

provided that:

- no charge is made to any rating unit not connected to the wastewater system.

The charges for the 2024-25 rating year are as follows:

Category	Charge
Connected – SUIP	\$766.00 each
For commercial rating units in the CMC, CMS, and UTN categories – second and each subsequent WC or urinal from each rating unit	\$383.00 each

#### **c. Recycling collection targeted rate**

A targeted rate will be set to meet 100 per cent of the costs of the recycling collection service. Lump sums will not be invited in respect of this rate.

For rating units in the Residential and Rural differential categories, the targeted rate will be set as a fixed amount per SUIP of each serviceable rating unit.

For Community Education facility rating units (those rating units that are 100% Non-Rateable under schedule 1 clause 6, part 1, of the Local Government (Rating) Act) and rating units in the CF1, CF2, or CF3 differential categories, ratepayers will



be able to opt in to receive the recycling service. The targeted rate will be set as a fixed amount per SUIP of each rating unit that receives this service.

Rating units in the Residential and Rural differential categories that are not able to be serviced by the system will not be liable for this rate. This could include:

- land that does not have improvements recorded
- land with a storage shed only
- land that cannot receive the service due to inaccessibility, as determined by the Council.

The charge for the 2024-25 rating year is as follows:

Category	Charge per SUIP
Rating units in the Residential and Rural categories that can be serviced; or Community Education Facilities and Rating units in the CF1, CF2 or CF3 categories, that choose to opt in	\$130.00

#### **d. Refuse collection targeted rate**

A targeted rate will be set to meet 100 per cent of the costs of the rubbish collection service. Lump sums will not be invited in respect of this rate.

Rating units in the Residential and Rural differential categories that are not able to be serviced by the system will not be liable for this rate. This could include:

- land that does not have improvements recorded
- land with a storage shed only
- land that cannot receive the service due to inaccessibility, as determined by the Council.

For Community Education facility rating units (those rating units that are 100% Non-Rateable under schedule 1 clause 6, part 1, of the Local Government (Rating) Act) and rating units in the CF1, CF2, or CF3 differential categories, ratepayers will be able to opt in to receive the refuse collection service.

The rate is set on a differential basis, based on provision or availability of the service.

The targeted rate will be set per SUIP based on extent of provision of service on each serviced rating unit as follows: Community Education Facility (those rating

units that are 100% Non-Rateable under schedule 1 clause 6 of the Local Government (Rating) Act), CF1, CF2 and CF3 differential categories.

The targeted rate will be set per SUIP based on extent of provision of service on each rating unit able to be serviced in the Residential and Rural differential categories.

The standard refuse service includes one 120-litre bin (or equivalent). Rating units can opt to use an 80-litre or 240-litre bin instead of the standard service. Rating units in the Residential and Rural differential categories that are able to be serviced but opt not to be, will be rated at the charge applying to the 80-litre bin.

The charges for the 2024-25 rating year are as follows:

Category	Provision or availability	Per SUIP
Residential, Rural, Community Education Facility, CF1, CF2 and CF3 rating units	80 Litre or equivalent	\$128.00
Residential, Rural, Community Education Facility, CF1, CF2 and CF3 rating units	120 Litre or equivalent	\$192.00
Residential, Rural, Community Education Facility, CF1, CF2 and CF3 rating units	240 Litre or equivalent	\$384.00
Residential and Rural rating units	Able to be serviced but not serviced	\$128.00

#### e. Green waste collection targeted rate

A targeted rate will be set to meet 100 per cent of the costs of the green waste collection service. Lump sums will not be invited in respect of this rate.

For Community Education facility rating units (those rating units that are 100% Non-Rateable under schedule 1 clause 6, part 1, of the Local Government (Rating) Act, and rating units in the CF1, CF2, CF3, Residential and Rural differential categories, ratepayers will be able to opt in to receive the green waste service. The targeted rate will be set as a fixed amount per SUIP of each rating unit that receives this service.

The charge for the 2024-25 rating year is as follows:

Category	Charge per SUIP
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Provision of service determined by those that choose to opt in	\$115.00
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Council is including a provision to set and assess a new targeted rate for a Green and Organic Waste household kerbside service. Community feedback was sought through the draft Long Term Plan engagement and further work needs to be completed to address community feedback and concerns. If approved in the future, the new targeted rate and service would take effect from from 1 July 2027.

#### **f. Jackson Street Programme rate**

A targeted rate, based on the capital value of each rating unit, will be set to raise revenue from rating units in the Commercial Suburban category and with a frontage to Jackson Street, Petone, between Hutt Road and Cuba Street. The revenue raised from this rate will be applied to meet the costs of the Jackson Street Programme, a community-based initiative to help reorganise and revitalise commercial activities in Jackson Street. Lump sums will not be invited in respect of this rate.

The charge for the 2024-25 rating year is as follows:

Category	Charge
Rating units (or part thereof) in the Commercial Suburban category having frontage to Jackson Street, Petone, between Hutt Road and Cuba Street	0.0006413 cents per \$ of capital value

#### **g. Proposed New Wastewater private repairs financial assistance voluntary targeted rate**

A targeted rate, to fund the repayment of financial assistance provided to ratepayers for repair and/or replacement of wastewater pipes located on their property. Lump sums will not be invited in respect of this rate.

The rate will apply to rating units where the ratepayer has volunteered to receive financial assistance from the Council (and for the targeted rate to apply). This voluntary targeted rate will be available to all rating units in the Residential, Rural, Commercial Central and Commercial Suburban differential rating categories.

To be liable for this targeted rate, ratepayers will need to enter into a contract with the Council recording the exact terms and conditions of the assistance provided.



Liability for the rate will be calculated as 20% of the amount of the financial assistance provided to the relevant ratepayer.

<u>Category</u>	<u>Charge</u>
<u>Provision of service to the land for specified land uses at locations where a ratepayer(s) has entered into a contract with the Council for financial assistance</u>	<u>Extent of service provided calculated as a percentage of the service provided</u>

**h. Proposed New Stormwater private repairs financial assistance voluntary targeted rate**

A targeted rate, to fund the repayment of financial assistance provided to ratepayers for repair and/or replacement of stormwater pipes located on their property. Lump sums will not be invited in respect of this rate.

The rate will apply to rating units where the ratepayer has volunteered to receive financial assistance from the Council (and for the targeted rate to apply). This voluntary targeted rate will be available to all rating units in the Residential, Rural, Commercial Central and Commercial Suburban differential rating categories.

To be liable for this targeted rate, ratepayers will need to enter into a contract with the Council recording the exact terms and conditions of the assistance provided.

Liability for the rate will be calculated as 20% of the amount of the financial assistance provided to the relevant ratepayer.

<u>Category</u>	<u>Charge</u>
<u>Provision of service to the land for specified land uses at locations where a ratepayer(s) has entered into a contract with the Council for financial assistance</u>	<u>Extent of service provided calculated as a percentage of the service provided</u>

**i. Proposed New Water private repairs financial assistance voluntary targeted rate**

j. A targeted rate, to fund the repayment of financial assistance provided to ratepayers for repair and/or replacement of water pipes located on their property. Lump sums will not be invited in respect of this rate.

k. The rate will apply to rating units where the ratepayer has volunteered to receive financial assistance from the Council (and for the targeted rate to apply). This voluntary targeted rate will be available to all rating units in the Residential, Rural, Commercial Central and Commercial Suburban differential rating categories.

l. To be liable for this targeted rate, ratepayers will need to enter into a contract with the Council recording the exact terms and conditions of the assistance provided.

m. Liability for the rate will be calculated as 20% of the amount of the financial assistance provided to the relevant ratepayer.

<u>Category</u>	<u>Charge</u>
<u>Provision of service to the land for specified land uses at locations where a ratepayer(s) has entered into a contract with the Council for financial assistance</u>	<u>Extent of service provided calculated as a percentage of the service provided</u>

**g-n. General rate**

A general rate will be set:

- to meet the costs of Council activities, other than those detailed above
- based on the capital value of each rating unit in the city
- on a differential basis, based on the use to which the land is put and its location.

**Section C: Differential rating details**

Each rating unit (or part thereof) is allocated to a differential rating category (based on land use and location) for the purpose of calculating the general rate and some targeted rates. Set out below are the definitions used to allocate rating units to categories, together with details of the differential rating relationships

between each category of rating unit for the purposes of setting and assessing the general rate.

**Definition of rating categories:**

Category	Description
Residential (RES)	All land that is: used for residential purposes, excluding land categorised as rural; or used or set aside for reserve or recreational purposes (other than East Harbour Regional Park); and not otherwise categorised in the Definition of Rating Categories table
Rural (RUR)	All land located in the Rural zone in the Council's operative District Plan, excluding land categorised as : Community Facilities; Commercial Suburban; Utility Networks.
Commercial Central (CMC)	All land used for commercial and/or industrial purposes, and located within the Central Commercial Area as defined in the Council's operative District Plan, excluding land categorised as: Community Facilities; Utility Networks.
Commercial Suburban (CMS)	All land used for commercial and/or industrial purposes, excluding land categorised as: Community Facilities; Commercial Central; Utility Networks.
Utility Networks (UTN)	All land comprising all or part of a utility network.
Community Facilities 1 (CF1)	All land that is: 100% non-rateable in terms of the Local Government (Rating) Act 2002, Schedule 1, Part 1 50% non-rateable in terms of the Local Government (Rating) Act 2002, Schedule 1, Part 2.
Community Facilities 2 (CF2)	All land occupied by charitable trusts and not-for-profit organisations that either: use the land for non-trading purposes for the benefit of the community; or



	would qualify as land that is 50% non-rateable in accordance with Part 2 of Schedule 1 of the Local Government (Rating) Act 2002 if the organisation did not have a liquor licence.
Community Facilities 3 (CF3)	All land occupied by not-for-profit community groups or organisations whose primary purpose is to address the needs of adult members for entertainment or social interaction, and which engage in recreational, sporting, welfare or community services as a secondary purpose

For the purposes of these definitions:

- Rating units that have no apparent land use (or where there is doubt as to the relevant use) will be placed in a category which best suits the activity area of the property under the District Plan.
- Rating units that have more than one use will be 'divided' so that each part may be differentially rated based on the land use of each part.

For the avoidance of doubt, 'commercial purposes' includes rating units used:

- as a hotel, motel, inn, hostel or boarding house
- primarily as licensed premises
- as a camping ground
- as a convalescent home, nursing home, rest home or hospice operating for profit
- as a fire station
- by a government, quasi-government or local authority agency for administration or operational purposes
- as an establishment similar to any of the kinds referred to above, except to the extent that any such rating unit is non-rateable land in terms of the Local Government (Rating) Act 2002.

A 'utility network' includes:

- a gas, petroleum or geothermal energy distribution system
- an electricity distribution system
- a telecommunications or radio communications system
- a wastewater, storm water or water supply reticulation system.
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Subject to the right of objection set out in section 29 of the Local Government (Rating) Act 2002, it shall be at the sole discretion of Council to determine the use or primary use of any rating unit in the city.

### **Relationships of differential categories**

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The general rate payable on each category of property is expressed as a rate in the dollar of capital value.

The general rate will be apportioned between residential, commercial and utility categories based on a percentage applied to each category group.

The percentage to be applied to each category group for the three years from 2024-25 are agreed following the completion of step two of the section 101(3) funding needs analysis process (which is designed to allow the Council to apply its judgement on the overall impact of the allocation of liability for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community).

The percentages to be applied under the policy are as follows (including 2023-24 as a comparator):

Rating category	2023-24	2024-25, 2025-26 & percentage 2026-27 percentage
Residential	60%	60%
Commercial Central	8.0%	7.7%
Commercial Suburban	25.3%	25.4%
Utility Networks	5.4%	5.6%

The following table sets out the differential factors that Council will apply across all differential categories in 2024-25 to give effect to the approach.

The general rate differentials and charge per dollar of capital value are:

Category	2024-25 Differential	Charge per \$ of capital value
Residential	1.000	0.254690 cents
Rural	0.747	0.190254 cents
Commercial Central	3.525	0.897824 cents
Commercial Suburban	2.847	0.724999 cents
Utility Networks	3.426	0.872677 cents
Community Facilities 1	1.000	0.254690 cents
Community Facilities 2	0.500	0.127345 cents
Community Facilities 3	2.344	0.596994 cents

#### Section D: Other information

##### Summary of revenue required by differential group in 2024-25

Differential group	Total rates by category 2024-25 \$'000 GST inclusive	Proportion of total rates
Residential	157,156	72.0%



Rural	1,310	0.6%
Utility Networks	7,640	3.5%
Commercial Central	11,132	5.1%
Commercial Suburban	38,852	17.8%
Community Facilities 1	218	0.1%
Community Facilities 2	437	0.2%
Community Facilities 3	218	0.1%
Services only	1,310	0.6%
<b>Total rates set</b>	<b>218,272</b>	<b>100%</b>

#### Summary of total revenue required from 2024-25 rates

Rate	Amount (inclusive of GST) \$000	Amount (exclusive of GST) \$000
General Rate	135,583	117,898
Targeted Rates:		
Water Supply	32,078	27,894
Wastewater	35,123	30,542
Jackson Street	197	171
Refuse	9,052	7,871
Recycling	5,608	4,877
Green waste	631	549
<b>Total rate revenue</b>	<b>218,272</b>	<b>189,801</b>

Note: The total rate revenue includes rates charged on Council-owned properties, rate refunds and rate remissions.

#### Rates instalment details

The rates above are payable in six equal instalments on the following dates:

Instalment number	Due date
One	20 August 2024
Two	20 October 2024
Three	20 December 2024
Four	20 February 2025
Five	20 April 2025
Six	20 June 2025

#### Penalties on unpaid rates

The Council resolves, pursuant to sections 57 and 58 of the Local Government (Rating) Act 2002, except as stated below\*, that:

- a. A penalty of 10 per cent will be added to the amount of any instalment remaining unpaid by the relevant due date above.
- b. A penalty of 10 per cent will be added to the amount of any rates assessed in previous years remaining unpaid on 5 July 2024. The penalty will be added on 21 August 2024.
- c. A further penalty of 10 per cent will be added to the amount of any rates to which a penalty has been added under b) above and which remain unpaid on 21 February 2025.

\*No penalty shall be added to any rate account if:

- A direct debit authority is in place for payment of the rates by regular weekly, fortnightly or monthly instalments, and payment in full is made by the end of the rating year.
- Any other satisfactory arrangement has been reached for payment of the current rates by regular instalments by the end of the rating year.

### Rating base

Based on the projected increase of 1.1 per cent in the rating base each year, the following table shows the projected number of rating units in the city as at 30 June:

2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
42,816	43,287	43,764	44,245	44,732	45,224	45,721	46,224	46,733	47,247	47,766

The following table shows the projected capital and land value as at 30 June 2024:

Land value	Capital value
\$25,792,209,604	\$41,610,148,789

### Examples of rates on a range of typical properties

The examples below show how a range of properties are affected by the rates for 2024-25.

[Examples do not include the impact of the Proposed New Wastewater and Stormwater private repairs financial assistance targeted rates.](#)

Property category	Rateable value as at 1 July 2024	2023-24 rates	2024-25 rates	Change amount \$
Average Residential	\$815,000	\$3,348	\$3,910	\$562

Average Commercial Central	\$2,350,000	\$19,367	\$22,994	\$3,627
Average Commercial Suburban	\$2,418,000	\$16,501	\$19,425	\$2,924
Average Rural (no services)	\$1,247,000	\$2,342	\$2,694	\$352

Property category	Rateable value as at 1 July 2024	General rate	Water	Waste water	Rubbish and recycling	Total
	\$	\$	\$	\$	\$	\$
Residential	\$600,000	\$1,528	\$746	\$766	\$322	\$3,362
Residential	\$800,000	\$2,038	\$746	\$766	\$322	\$3,872
Residential	\$1,000,000	\$2,547	\$746	\$766	\$322	\$4,381
Residential	\$1,200,000	\$3,056	\$746	\$766	\$322	\$4,890
Residential	\$1,400,000	\$3,566	\$746	\$766	\$322	\$5,400
Residential	\$1,600,000	\$4,075	\$746	\$766	\$322	\$5,909
Commercial Suburban	\$700,000	\$5,075	\$746	\$1,149	\$0	\$6,970
Commercial Suburban	\$1,200,000	\$8,700	\$746	\$1,149	\$0	\$10,595
Commercial Suburban	\$2,400,000	\$17,400	\$746	\$1,149	\$0	\$19,295
Commercial Suburban	\$10,000,000	\$72,500	\$746	\$1,149	\$0	\$74,395
Commercial Central	\$800,000	\$7,183	\$746	\$1,149	\$0	\$9,078
Commercial Central	\$1,300,000	\$11,672	\$746	\$1,149	\$0	\$13,567
Commercial Central	\$2,400,000	\$21,548	\$746	\$1,149	\$0	\$23,443
Commercial Central	\$10,000,000	\$89,782	\$746	\$1,149	\$0	\$91,677
Commercial Central (Queensgate)	\$282,000,000	\$2,531,864	\$10,817	\$21,065	\$0	\$2,563,746
Utility Networks	\$3,000,000	\$26,180	\$0	\$0	\$0	\$26,180
Rural	\$800,000	\$1,522	\$0	\$0	\$322	\$1,844
Rural	\$1,000,000	\$1,903	\$0	\$0	\$322	\$2,225

Property category	Rateable value as at 1 July 2024	General rate	Water	Waste water	Rubbish and recycling	Total
	\$	\$	\$	\$	\$	\$
Rural	\$1,250,000	\$2,378	\$0	\$0	\$322	\$2,700
Rural	\$2,500,000	\$4,756	\$0	\$0	\$322	\$5,078
Community Facilities 1	\$663,118	\$168,432	\$746	\$1,149	\$0	\$170,327
Community Facilities 2	\$1,396,351	\$78,196	\$746	\$1,149	\$0	\$80,091
Community Facilities 3	\$3,371,667	\$1,304,835	\$746	\$1,149	\$0	\$1,306,730

Residential suburbs: average rateable value	Rateable value as at 1 July 2024	General rate	Water	Waste water	Rubbish & Recycling	Total
	\$	\$	\$	\$	\$	\$
Alicetown	\$899,500	\$2,291	\$746	\$766	\$322	\$4,125
Avalon	\$760,000	\$1,936	\$746	\$766	\$322	\$3,770
Belmont	\$972,500	\$2,477	\$746	\$766	\$322	\$4,311
Boulcott	\$922,500	\$2,350	\$746	\$766	\$322	\$4,184
Days Bay	\$1,294,500	\$3,297	\$746	\$766	\$322	\$5,131
Eastbourne	\$1,217,800	\$3,102	\$746	\$766	\$322	\$4,936
Epuni	\$834,900	\$2,126	\$746	\$766	\$322	\$3,960
Fairfield	\$818,300	\$2,084	\$746	\$766	\$322	\$3,918
Harbour View	\$912,100	\$2,323	\$746	\$766	\$322	\$4,157
Haywards	\$632,500	\$1,611	\$746	\$766	\$322	\$3,445
Hutt Central	\$1,080,800	\$2,753	\$746	\$766	\$322	\$4,587
Kelson	\$879,600	\$2,240	\$746	\$766	\$322	\$4,074
Korokoro	\$1,023,900	\$2,608	\$746	\$766	\$322	\$4,442
Lowry Bay	\$1,661,600	\$4,232	\$746	\$766	\$322	\$6,066
Manor Park	\$896,400	\$2,283	\$746	\$766	\$322	\$4,117
Maungaraki	\$932,800	\$2,376	\$746	\$766	\$322	\$4,210
Melling	\$766,900	\$1,953	\$746	\$766	\$322	\$3,787
Moera	\$648,200	\$1,651	\$746	\$766	\$322	\$3,485
Naenae	\$659,200	\$1,679	\$746	\$766	\$322	\$3,513
Normandale	\$896,200	\$2,283	\$746	\$766	\$322	\$4,117
Petone	\$950,800	\$2,422	\$746	\$766	\$322	\$4,256
Point Howard	\$1,185,100	\$3,018	\$746	\$766	\$322	\$4,852



Residential suburbs: average rateable value	Rateable value as at 1 July 2024	General rate	Water	Waste water	Rubbish & Recycling	Total
	\$	\$	\$	\$	\$	\$
Stokes Valley	\$648,800	\$1,652	\$746	\$766	\$322	\$3,486
Taitā	\$661,400	\$1,685	\$746	\$766	\$322	\$3,519
Wainuiomata	\$630,100	\$1,605	\$746	\$766	\$322	\$3,439
Waiwhetū	\$802,800	\$2,045	\$746	\$766	\$322	\$3,879
Waterloo	\$887,700	\$2,261	\$746	\$766	\$322	\$4,095
Woburn	\$1,283,900	\$3,270	\$746	\$766	\$322	\$5,104
York Bay	\$1,128,100	\$2,873	\$746	\$766	\$322	\$4,707



# Rates Remission Policy

## 2024

Note – Only changes relating to the proposed Voluntary Targeted Rates are reflected in this DRAFT. All other information remains unchanged

Division	Finance
Date created	July 2023
Publication date	July 2024
Review period	July 2027
Owner	Financial Transaction Services Manager
Approved by	Council

Version	Author	Date	Description
V 1.0	Financial Transaction Services Manager	July 2021	Approved by Council
V 2.0	Financial Transaction Services Manager	July 2024	Approved by Council

# Rates Remission Policy

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## Policy purpose

The objectives of this policy are to:

- provide ratepayers with some financial assistance towards their rates changes;
- address circumstances where the rating system results in unintended consequences in the incidence of rates;
- support the achievement of broader council policy objectives;
- support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993 by supporting Maori ownership and use of Maori land.

**The council's primary mechanism for providing rates assistance for Maori land is through the Maori Land Rates Remission Policy.**

## Policy background

Section 102(3) of the Local Government Act 2002 provides that a council may have a rates remission policy. Section 102(3A) (b) of the Local Government Act 2002 requires that any remission policy adopted under subsection 102(3) must also support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993.

## Applications

Applications for rates remission should be in writing, setting out the reasons for the request and how the remission will support the objectives of the relevant part of the Remission Policy. Council can apply for the remission on behalf of the ratepayer, provided council is certain the property meets all the criteria of the relevant part of the Remission Policy.

Each remission application is applicable to a single rating year.

Applications received during a rating year will be considered for either the current or for the following rating year, depending on the remission type. Applications will not be backdated to prior years.

## Decisions

Decisions relating to the remission of rates will be made by council officers.

## Full details and criteria for Rates Remissions

### Part 1 - Remission for Community, Sporting and other organisations

#### 1.1 Remission statement

Council may remit 50% of the General Rate and/or part of the Wastewater targeted rate on land used for community, sporting or recreation purposes.

#### 1.2 Remission Objectives

- To facilitate the ongoing provision of non-commercial community services that meet the needs of the residents of the city
- To facilitate the ongoing provision of non-commercial recreational opportunities for the residents of the city
- To assist the organisations' survival
- To make membership of the organisations more accessible to the general public; particularly disadvantaged groups. These include children, youth, young families, aged people and economically disadvantaged people.

#### 1.3 Conditions and criteria

- The policy will apply to land owned by Council or owned and occupied by a registered charitable organisation which is used exclusively or principally for sporting, recreation or community purposes.
- The policy does not apply to organisations operated for private pecuniary profit.



- The policy will also not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.
- Organisations making an application should include the following documents in support of their application:
  - statement of objectives
  - financial accounts
  - information on activities and programmes
  - details of membership or clients.
- Qualifying organisations rated in the Community Facilities differential 1 (CF1) and 2 (CF2) categories will be eligible for rates remission under this policy.
- The policy shall apply to such organisations as are approved by Council as meeting the relevant criteria.
- No remission will be granted on targeted rates for water supply under this policy.
- Remission of targeted rates for wastewater disposal under this policy will only be granted as follows, to the types of organisations specified:
  - Places of religious worship will be charged for a maximum of two pans, except in circumstances where it is evident that there is regular weekday use of the building for non-worship purposes.
  - Childcare facilities will be charged for a maximum of two pans.
  - Sports clubs will be charged for a maximum of two pans.
  - No more than 200 pans are to be charged on any one property.
  - Marae and other similar meeting places are to be charged for a maximum of two pans.

## **Part 2 - Remission of Penalties**

### **2.1 Remission statement**

Council may remit all or part of a penalty where it considers it fair and reasonable to do so.

## **2.2 Policy objectives**

To enable Council to act fairly and reasonably when rates have not been paid by the due date.

## **2.3 Conditions and criteria**

Council may remit all or part of a penalty where it considers it fair and reasonable to do so. Matters that will be taken into consideration by Council include the following:

- the ratepayer's payment history
- the impact on the ratepayer of extraordinary events
- the payment of the full amount of rates due
- the ratepayer entering into an agreement with Council for the payment of rates.

## **Part 3 - Remission of targeted rates in certain circumstances**

### **3.1 Remission statement**

The Council may remit all or part of a targeted rate set as a fixed charge per separately used or inhabited part (SUIP).

### **3.2 Policy objectives**

The objective of this remission is to promote fairness in the application of rates by allowing the Council to remit targeted rates assessed as fixed charges in circumstances where it is equitable to do so.

### **3.3 Conditions and criteria**

A remission may be granted where an application meets one of the following criteria:

- rating units used for residential purposes in separate ownership and contiguous (ie, sharing a boundary and in common usage, as that they should reasonably be treated as a single unit). This includes

- but is not limited to situations where the secondary unit is used solely as a private garden or for vehicle parking;
- rating units used for residential purposes and that include a SUIP occupied by a dependent member of the family of the owner;
  - for land classified as residential or rural under the council's operative district plan, targeted rates for refuse and recycling may be remitted where the service is not provided to the rating unit;
  - rating units or a SUIP with a dwelling that has been damaged by fire and as a result is uninhabitable.

## **Part 4 - Remission on land protected for natural, historic or cultural conservation purposes**

### **4.1 Remission statement**

The Council may remit up to a maximum amount of 100% of the Hutt City Council General Rate assessed in a rating year.

### **4.2 Policy objectives**

To protect and promote significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites. This policy will support the provisions of the District Plan where a number of these features have been identified.

### **4.3 Conditions and criteria**

A remission of up to 100% of the General Rate will be granted where a rating unit meets the following criteria:

1. The rating unit includes a significant natural area, a culturally significant site, historic building, structures and places, or archaeological sites, including those identified in the District Plan or proposed District Plan, or
2. The owner has voluntarily protected these features through a relevant covenant or other legal mechanism.

Applications must be made in writing and should be supported by documentary evidence of the protected status of the rating unit; for example, a copy of the covenant or other legal mechanism.

When determining an application for remission under this part of the policy, the following matters will be considered:

- the extent to which the protection and promotion of significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites will be promoted by granting remission of rates on the rating unit;
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites are present on the land;
- the degree to which the significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites inhibit the economic utilisation of the land.

## **Part 5 - Remission of wastewater targeted rates for schools**

### **5.1 Remission statement**

The Council may remit part of the Wastewater targeted rate on land used for education purposes.

### **5.2 Policy objectives**

To provide relief and assistance to educational establishments in paying charges for wastewater services.

### **5.3 Conditions and criteria**

This part of the policy will apply only to educational establishments as defined in Schedule I Part I clause 6 of the Local Government (Rating) Act 2002.

The policy does not apply to any school house, or any part of a school used for residential purposes. The wastewater charge payable by any educational establishment in any one year will be the lesser of either:

- a. the amount of the targeted rate for wastewater, calculated based on the actual number of toilet pans in the establishment; or

b. the amount of the targeted rate for wastewater calculated based on a notional number of toilet pans in the establishment, determined according to the following formula:

Based on the establishment's water consumption for the previous financial year, each 200m<sup>3</sup> of water used, or part thereof, shall count as one toilet pan.

Where the charge made is based on the notional number of toilet pans, the amount of the remission allowed will amount to the difference between the calculations set out in a and b above.

## **Part 6 - Remission of rates on land affected by natural calamity**

### **6.1 Remission statement**

The council may remit 100% of the Hutt City Council rates on a property for the duration that property cannot be used due to a natural calamity.

### **6.2 Policy objectives**

To provide relief and assistance to any ratepayer where the use that may be made of their property has been detrimentally affected by a natural calamity.

### **6.3 Conditions and criteria**

100% of the Hutt City Council rates may be remitted on a property deemed by the Council to be unusable. The remission is available for the duration that the property is deemed unusable. The initial application will be granted until the earlier of:

- one year following the approved application; or
- the property is deemed by the Council to be usable again.

Reapplications may be considered where the property remains unusable after one year.

Applicants for a remission under this part of the policy will also be deemed eligible to be considered for a postponement of rates under the Rates Postponement Policy. Assistance granted may therefore be in the form of either

a postponement or a remission of rates, or a combination of both; whichever is most appropriate in the individual circumstances.

Any rates postponed on rating units affected by natural calamity may at a later date be considered for a remission under this policy, when the full extent and duration of the event has become more clearly defined.

## **Part 7 - Remission of rates on land that transitions from Rural to Residential as a result of a District Plan change**

### **7.1 Remission statement**

The council may remit 50% of the increase in the General Rate payable on a rating unit that is moved from the Rural to the Residential differential rating category as a result of a District Plan change for the first rating year of the change.

### **7.2 Policy objectives**

To phase in any increase to the Hutt City Council General Rate payable as a result of a rating unit's differential rating classification being changed from Rural to Residential as a result of a District Plan change.

### **7.3 Conditions and criteria**

This policy applies to any rating unit where there is an increase in the General rate due to a District Plan change resulting in the differential rating category reclassification of that rating unit changing from Rural to Residential.

If granted, this remission will last for one rating year, being the first rating year that the change in differential rating classification takes effect. The remission will be calculated as follows:

- Rating value \* Residential differential rate in the dollar (x)
- Rating value \* Rural differential rate in the dollar (y)
- $(x) - (y) / 2 = \text{remission}$

## **Part 8 - Remission of rates - miscellaneous**

## 8.1 Remission statement

The Council may remit part of or all of the current Hutt City Council rates on a rating unit where Council considers it fair and reasonable to do so.

## 8.2 Policy objectives

It is recognised that not all situations in which the Council may wish to remit rates will necessarily be known about in advance and provided for in the Council's specific policies. This policy provides for the possibility of a rates remission in circumstances that have not been specifically addressed in other parts of the Council's Rates Remission and Postponement Policies and where Council considers it fair and reasonable to remit rates.

## 8.3 Conditions and criteria

The Council may remit part of or all of the current Hutt City Council rates on a rating unit where Council considers it fair and reasonable to do so in circumstances including:

- the rates, or a particular rate, assessed on that rating unit are disproportionate to those assessed in respect of comparable rating units; or
- the rating policy is determined by the Council at its sole discretion to unfairly disadvantage an individual ratepayer.

The approval of this remission will not set a precedent that application of the usual rates unfairly disadvantages other ratepayers.

## Part 9 - Remission of voluntary targeted rate

## 9.1 Remission statement

The Council may approve a one-off remission of part or all a voluntary targeted rate assessed in cases of financial hardship.

## 9.2 Policy objectives

To provide relief and assistance to any ratepayer experiencing extreme financial hardship who has previously entered a contract with Council for a voluntary targeted rate to be assessed for their property.

## 9.3 Conditions and criteria

The Council may remit part of or all of the current voluntary targeted rate on a rating unit where an application meets all of the following criteria:

- Council must be satisfied that extreme financial hardship exists or would be caused by requiring payment of the full voluntary targeted rate assessed;
- The ratepayer(s) must provide any evidence that Council deems appropriate to support the claim of extreme financial hardship;
- The ratepayer(s) must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.





22 November 2024

«Name»

«Address\_1»

«Address\_2»

«Address\_3»

«Address\_4»

Dear Petone Property Owner,

### **Early feedback sought on potential for Jackson Street targeted rate extension**

Hutt City Council is developing next year's budget and is considering a request to expand the targeted rate area in Petone for the Jackson Street Programme.

Your commercial property could be included in this expanded area, and we want your feedback before any further work is done. Our Mayor and Councillors are aware of the tough economic climate facing business and want to make decisions based on your clear views.

#### **What is the Jackson Street Programme (JSP)?**

The Jackson Street Programme supports local businesses by promoting Petone and advocating on local and central government matters. It also provides practical support for day-to-day business operations including technology and security initiatives.

It organises networking events, community engagement through consultation and promotions, and collaborates with local entities including NZ Police and schools. The programme also preserves Petone's heritage and boosts business attraction and investment.

The programme is currently funded through a targeted rate paid by around 150 business properties along Jackson Street which is fully used to support the JSP activities.

For more information about the Jackson Street Programme, you can email them directly at [coordinator@jacksonstreet.co.nz](mailto:coordinator@jacksonstreet.co.nz).

#### **Why are we contacting you?**

Your property(s) is located near the edge of the current targeted rate area, and we want to know if you're interested in joining the expanded programme.

30 Laings Road, Lower Hutt  
Private bag 31912, Lower Hutt 5040



/huttcitycouncil

0800 488 824

[contact@huttcity.govt.nz](mailto:contact@huttcity.govt.nz)  
[www.huttcity.govt.nz](http://www.huttcity.govt.nz)

▲ The pattern at the top of this page is inspired by the natural landforms, hills, river, and coastline surrounding Lower Hutt. It represents our people, our place, and our home.

If Council decides to progress this work, the number of properties paying the targeted rate would increase from 150 to around 300, and the total funds raised would rise from \$197,000 (in 2024) to about \$350,000.

We have provided a sample of how the proposed changes could impact the rates for properties in the area based on capital values. These are estimates to help you understand the potential additional cost:

Property Description	Capital Value	Estimated Jackson Street Annual Targeted Rate
Average capital value	\$3,000,000	\$1,423
Median capital value	\$1,470,000	\$698
Mid capital value	\$6,000,000	\$2,847
Mid high capital value	\$14,000,000	\$6,700
High capital value	\$26,000,000	\$12,200

### Have Your Say

We'd value hearing your thoughts on this proposal, please fill in your feedback here: [hutt.city/jsp](http://hutt.city/jsp)

Submissions will close at **5.00PM on Friday 6 December.**

Or scan with your mobile phone camera to go direct to the feedback form:



We will reach out to you at a later date to let you know Council's decision regarding whether or not to proceed.

### What happens next?

Elected Members will review the feedback from this early consultation and decide whether to include this proposal in Council's Annual Plan. We will advise respondents of the survey of Council's decision.

The final Annual Plan will be adopted in June 2025, and any changes to the targeted rate would come into effect on 1 July 2025.

Thank you for taking the time to provide us with feedback. We really value your insights and look forward to hearing from you.

Yours sincerely,

**Jarred Griffiths**

Director Strategy and Engagement

Hutt City Council