



10 Year Plan Consultation

Savings, spending cuts and revenue opportunities

Council has agreed to go out to the community on a proposed 16.9% rates revenue increase (after growth) for the year starting 1 July 2024. On an averagely priced residential home this would equal around \$10.83 more per week in rates.

Council has noted that this 10 Year Plan has been one of our most challenging due to the cost-of-living crisis, escalating costs, and the need to invest in our infrastructure after decades of under investment.

Through our plans we need to strike the right balance between the investment needed and the financial impact on people. Fixing our pipes and other water infrastructure is our top priority and driving much of the proposed rates increase set out in this draft 10 Year Plan.

As part of developing the plan, Council undertook a savings exercise to look for opportunities to ease the burden on our ratepayers.

We've dialled up some activities (like investment in water infrastructure) and dialled down others which are not considered core or priorities at this time. This means we expect there to be some changes to current activities and service levels. These activities have provided great value to the community, however, in the current environment we need to put our resource and budget into other areas.

We've gone through the budget line-by-line to find savings, without drastically affecting service levels, to identify revenue opportunities and propose spending

cuts which have informed the proposals included in the draft plan. These equate to \$35 million over the next 10 years, and these have an ongoing effect to reduce the rating impact on ratepayers.

We've applied financial principles to our approach for savings and investment (see page 36 of the Consultation Document: *Money – how it all works*). This includes the principle that growth pays for growth (i.e. allocating costs and charges where they fall).

Savings have been made through withdrawal or delaying some programmes, reducing a number of services and increasing some fees and charges (like parking and leases).

Examples of savings include:

- *Disestablishing Te Wao clubhouse* based in Naenae and shift to delivering this Kaupapa through programming and staff based at Neighbourhood Hubs.
- *Disestablishing the Safe City Ambassador programme* – in the current environment we have made the decision to prioritise funding and resource to CCTV services and other safety initiatives.
- *Stopping our funding of Hutt Science* – We are working with House of Science to identify other sponsors and sustainable funding for this service.
- *Continuing our shift towards more community-led activity at our facilities, including sports and activities operating at Walter Nash Centre.*
- *Reducing funding for the E Tu Trust* – public art will be funded through other existing mechanisms.
- *Reducing funding for Matariki* – in line with our community-led approach, we will offer funding to third parties to host these events.

There are savings in other areas such as Mayor's Taskforce for Jobs (from Year 2 of LTP), and not renewing our Business Central membership.