

Draft Annual Plan 2025-26

Engagement Document



Stepping into action: Year two of the 10 Year Plan



Here's our plan for the year ahead

Last year, Hutt City Council updated its 10 Year Plan, outlining the services and projects it will fund over the next decade.

The planning for the future of our city is shaped by our growing population, a challenging economic environment, a changing climate, ageing assets, and the need to address past underinvestment in our water infrastructure.

We are managing significant cost pressures, including a reduction in our transport funding from government, market-driven revenue reductions and cost increases to our bulk water supply, by reprioritising spending, increasing fees and targeting \$0.5M in annual savings.

Want to know more?

This year, we are following the plan set last year and focusing on delivering what we said we would. This document highlights what Council will be working on throughout the year including all planned projects. For more details, you can view the full draft Annual Plan at hutt.city/draftannualplan



In the 10 Year Plan 2024–34, Council proposed a rates increase of 13.4% (after growth) for 2025–26. This has been reduced to 12.8% (after growth), due to elected member decisions and operational changes.

Our purpose is to contribute to Te Awa Kairangi ki Tai Lower Hutt being a place where everyone thrives. To achieve this, we have a plan that's centred on three key priority areas and ways to support how we deliver them.

We're working towards



1 Providing future-fit infrastructure



2 Enabling a liveable city and vibrant neighbourhoods



3 Supporting and enhancing the natural environment

We're taking these steps



1 In partnership with our communities



2 In a way that is financially sustainable



3 Taking climate change into account

All while promoting the wellbeing of all people

Challenges we are facing

Managing our infrastructure

Since 2020, we have been investing heavily in water infrastructure, which remains an area of high investment in the draft 2025–26 Annual Plan. We have a large and growing backlog of investment to catch up on but there are affordability limits to what we can realistically do and we must ensure services provided are good value for money. In the meantime, we are prioritising works on critical assets such as the Seaview Wastewater Treatment Plant.

This draft Annual Plan continues to include initiatives and funding to improve water services, transport, and resilience to meet growing demand and address known issues. We are taking steps to ensure sustainable infrastructure that supports the resilience of our place and people, building strong foundations for future generations.

In this plan, we have reviewed our transport projects and changed spending priorities. This is due to a \$22m reduction in government funding over the next three years which had been included in our 10 Year Plan.

Water services

We are facing an environment with continuing legislative changes and uncertainty. The change with the most significance is water services reform.

Local Water Done Well is progressing and councils in the Wellington region are working together in support of this. A Water Service Delivery Plan (WSDP) is due to the Government in September 2025.

Wellington Water Ltd released Value for Money Reports in early March 2025 that they commissioned to identify better value for money through the investment made by its shareholding councils, which includes Hutt City Council. At this stage, we do not know the implications of these reports on our financial modelling. We will share updates on this with our community through our usual channels as soon as we can.

Public consultation on water services is taking place from 20 March to 20 April. Find out more at hutt.city/futurewater



A challenging economic environment

When we set our 10 Year Plan in 2024, we recognised several challenges that are changing the economic landscape. We know many in our community are feeling the pinch from rising everyday costs.

Because of these challenges we have prioritised making savings so we could lower the rates revenue increase for 2025-26 compared to what was planned through the 10 Year Plan.



Managing our assets

Past underinvestment in many of our facilities means we now need to make significant upgrades. A key challenge is ensuring the future affordability of maintaining these assets, while addressing increasing demand from our growing population. To balance these needs without overburdening ratepayers, Council is continuing to evaluate how buildings and spaces can better serve the community alongside current users.

Our revenue has decreased in several areas due to economic conditions impacting our activity (e.g. regulatory services). We are reviewing our operating expenses to ensure we get the best value for money. Additionally, we are proposing to increase fees and charges where necessary to reduce the impact on ratepayers, and ensure users pay for the services they receive.

Check out the full list of proposed changes to fees and charges in the draft Annual Plan at hutt.city/draftannualplan



Our growing and increasingly diverse population

The current population of Te Awa Kairangi ki Tai Lower Hutt is around 113,000, and it's expected to grow to 125,000 by 2033, reaching 137,000 by 2043. Census 2023 data show that alongside this growth, our city is becoming more ethnically diverse.

Our Māori population has increased, and one in five people in Lower Hutt (21,000) now identify as Māori. Lower Hutt's Asian population is the fastest growing ethnic group, nearly doubling in 10 years, to around 20,000 residents. As our city becomes more ethnically diverse, it is important to ensure that Lower Hutt is an inclusive and socially cohesive city. This will need to flow through schools, businesses and communities. To address the way our city is changing, we're working with government, community groups, and city leaders to ensure the city thrives.

Priority resilience work for our people and place

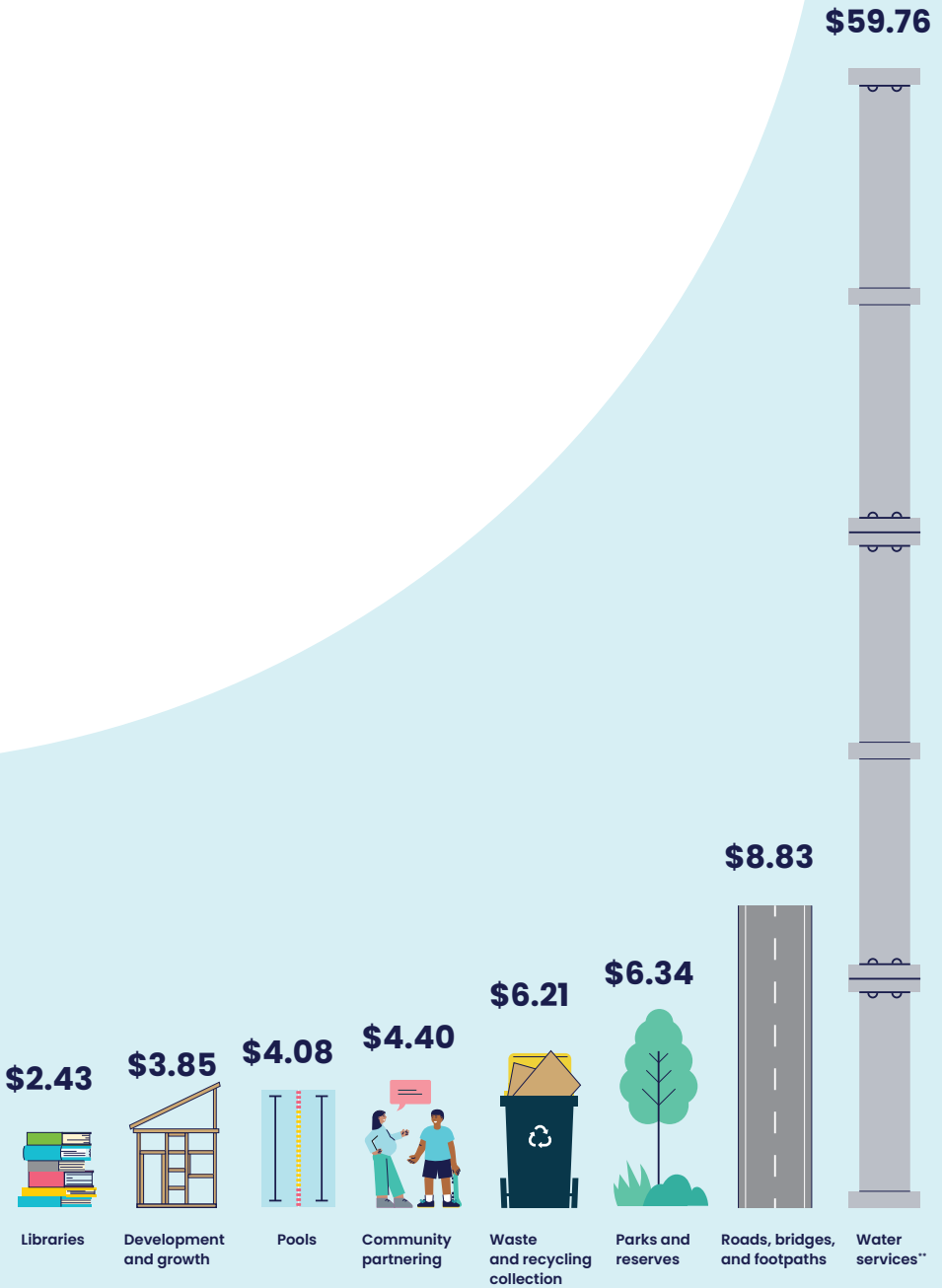
To address the impact of the changing climate, we are investing in Te Wai Takamori o Te Awa Kairangi (RiverLink), a major project in partnership with Iwi and central government. This initiative will improve flood protection, enhance walking, cycling, and public transport options, and revitalise our city centre.



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



*Sustainability engagement represents spending on community activities, along with facilitation of projects across council activities, including investment in decarbonisation of council facilities, healthy urban waterways etc.



** Water services is made up of water supply, wastewater, and stormwater investment. We expect to receive - \$5.65 of credit from the landfill. This will help to offset costs and is reflected in the figures for all these other services shown on this page.

What does all this mean for you and your rates?

We've made tough decisions to bring the 2025-26 rates increase down to 12.8% after growth (from 13.4% after growth in the 10 Year Plan). We're focused on reducing costs and using ratepayer money wisely.

The proposed rates revenue rise equates to an average increase of \$9.06 per week per household or an average increase of \$471 per year.

Investment in infrastructure for water services makes up around \$251 (53%) of that average \$471 rise. The remaining \$220 covers cost increases for all the other services we provide such as roading, parks, community facilities, rubbish and recycling.



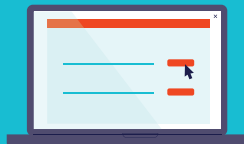
Water services are changing – find out more and have your say at hutt.city/futurewater before 20 April

Rates Calculator

We have a handy rates calculator where you can see what your estimated rates would be for 2025-26
hutt.city/ratescalculator



Tell us what you think



Visit hutt.city/draftannualplan to read the full draft Annual Plan and provide your feedback. You can also visit your local library or community hub where our friendly team can assist you.

hutt.city/draftannualplan

