

Striking the right balance

2023-24 Rates



In this year's draft Annual Plan, we're continuing to focus on getting the basics right for our city, but the cost of delivering the basics has gone up substantially. This means it's just not possible for us to do everything we planned to do within the budget we set previously.

We're heading into the 2023-24 financial year with high inflation, supply chain challenges, and workforce shortages. This isn't a unique problem for Lower Hutt – these are global challenges. These also have an impact on everyone in our community, and we're really conscious of that.

In our draft Annual Plan for 2023-24, we've looked at our whole budget and made a number of decisions to manage these cost challenges:

- Reducing budgets and deferring projects
- Increasing fees and charges
- Increasing some budgets

You can find more information about these choices in our draft Annual Plan consultation at hutt.city/annualplan2023

Rates increase

After making savings within our budgets and deferring projects, we're proposing to increase rates revenue by 9.9% (after growth) from 1 July 2023. This is an increase from our planned rates rise of 5.9% (after growth) for this year.

We have also recently undergone our three yearly property revaluation process to update our record of property values in Lower Hutt. This change, along with the proposed rates increase, means an average increase of \$5.02 per week per household, or an average increase of \$261 per year.

Investment in three waters infrastructure makes up about half (\$131) of the average \$261 rise. The remaining \$130 covers cost increases for all the other services provided (including transport, parks, community facilities, rubbish, recycling etc).

Wastewater and water supply targeted rates

This draft Annual Plan proposes more investment in three waters than previously planned. This means increases to the targeted rate for 2023-24, to fund the work programme for wastewater and water supply. These are presented per rating unit, or separately used or inhabitable part (SUIP).

Rate	AP 2022-23	DAP 2023-24	Proposed change
Wastewater – per rating unit or SUIP	\$593	\$658	\$65
Water supply – per rating unit or SUIP	\$551	\$612	\$61

Waste services targeted rates

This draft Annual Plan includes higher targeted rates to cover the cost increases for waste services.

Rate	AP 2022-23	DAP 2023-24	Proposed change
Refuse 80L – per SUIP	\$105	\$115	\$10
Refuse 120L – per SUIP	\$148	\$175	\$27
Refuse 240L – per SUIP	\$296	\$350	\$54
Recycling – per SUIP	\$111	\$128	\$17
Green waste – per SUIP	\$101	\$105	\$4

How this plan will affect your rates

The examples below show the indicative rates impact of how a range of properties are affected by the rates for 2023–24.

Property Category	Average value as at 1 July 2022	2022–2023 Rates	Average value as at 1 July 2023	2023–2024 Rates	\$ Change Amount annual	\$ Change Amount Weekly	Change Amount %
Average Residential	\$630,000	\$3,086	\$815,000	\$3,347	\$261	\$5.02	8.5%
Average Commercial Central	\$1,782,000	\$16,321	\$2,350,000	\$19,000	\$2,679	\$51.52	16.4%
Average Commercial Suburban	\$1,644,000	\$14,414	\$2,418,000	\$16,288	\$1,874	\$36.03	13.0%
Average Rural (no water or wastewater)	\$886,000	\$2,027	\$1,247,000	\$2,331	\$304	\$5.84	15.0%
Utilities	\$2,630,700	\$21,063	\$3,262,068	\$23,164	\$2,101	\$40.40	10.0%