HUTT CITY
TE AWA KAIRANGI

Engagement feedback on the Draft Annual Plan 2026-27

Council briefing

7 May 2026

▲ Pukeariki / Belmont Trig

Purpose of today

- Update following public engagement on the draft Annual Plan 2026-27
- Provide insights into key themes
- Details on the proposed rates increase as 8.8% (down from 9.5% proposed during engagement)
- Seek feedback from you on engagement approach and activities

High level timeline

Activity	Dates	Status
Council Hui	10-11 Nov 2025	Complete
Council briefing - direction, challenges, priorities	4 Dec 2025	Complete
Council provided initial decisions and direction on the approach to draft plan (budgets, rates, water services transition, Revenue & Financing Policy etc)	16 Dec 2025	Complete
Council briefing - direction on final decision items and TOM	4 Feb 2026	Complete
Council agrees final decisions for draft plan ahead of public engagement, including proposed rates increase.	27 Feb 2026	Complete
Council adopt draft plan, LTP amendment and consultation material	24 Mar 2026	Complete
Community engagement	April 2026	Complete
Council briefing	7 May 2026	Today
Council provides initial direction off the back of feedback	13 May 2026	Not Started
Council meets to make final decisions	3 Jun 2026	Not Started
Council adopts Annual Plan 2026-27 & LTP amendment, sets rates	30 Jun 2026	Not Started

Draft Annual Plan feedback summary

- 672 visitors to the Have Your Say website
- 166 online surveys completed
- 6 emailed submissions
- 31 feedback entries reported by Elected Members

- Rates calculator accessed 3,403 times
- Water charges calculator accessed 2,804 times

Public feedback main themes – Draft Annual Plan

1. Cost of living pressure continues to be a dominant theme
2. There is some confusion around Council responsibilities and Tiaki Wai water services and charges
3. Mixed support for fees and charges increases
4. Mixed support for TOM investment, with some calls to just reduce costs rather than invest $2 Million to implement TOM
5. Opposition against spending money on 'nice-to-haves' and other 'non essential' projects

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Engagement feedback

Feedback analysis

Question: Do you support our proposed rates increase and do you have any comments?

Sentiment Driver	Theme
Affordability pressure	Strong signals of financial stress and hardship
Total cost impact (rates + water + fees)	Strong perception that total household burden is significantly increasing
Value for money / spending priorities	Strong demand to refocus Council activities on core infrastructure
User-pays principle	Some support for shifting costs, but only if it reduces overall rates and improves fairness
Trust and transparency	People want morel clarity on cost drivers, savings, and water impacts
Essential services protection	Strong support for maintaining core services and cutting non-essential services, but concern about local impacts, asset reduction, and lack of clear criteria for decision making
Target Operating Model	TOM generally seen as a good start but lacking detail on obvious savings
Equity and community impact	Concern that cost increases and service changes will disproportionately impact vulnerable communities
Local specificity and community needs	Concern that plans do not reflect specific needs of local areas (e.g. coastal, Wainuiomata)

Feedback via Elected members

Engagement feedback was consistent with data collected from the survey:

- Consistent concern about cost of living and financial stress
- Public confusion on billing structure and total cost impact
- Support for savings but not at the expense of libraries, pools, hubs, and social services
- Support for investment in essentials like roads, flooding, transport
- Accepted in principle of user-pays for fees but tied to fairness and affordability
- Opposition to discretionary spend items
- Demand for clearer communication, visible savings, and accountability
- Request for clarity on savings along with simple explanations

Key engagement insights

Insight	Implication
Overwhelming expectation that Council will prioritise rates affordability	• We need to show rate payers clearly how any decision is going to reduce or limit overall household costs
Residents view rates, water charges and fees as a total "Council" cost	• For better public understanding and transparency, frame rates increases around the overall cost to households of Council rates, Tiaki Wai costs and fees/charges.
Council needs to focus on transparency and building trust as it makes key decisions	• Residents feel that Council is hiding cost increases in some unnecessary areas by reducing services and increasing fees. • Elected members need to provide meaningful and personal assurance that money is being used efficiently and waste is being reduced. • Elected Members should host regular community sessions to provide transparency and hear concerns
Core services are not all viewed as being the same.	• Do not apply blanket service cuts or fee increases. Take a strategic approach to service-based decisions by using a "case-by-case" test. • Be explicit and transparent about trade-offs.
Change is supported, but conditional	• Residents will support the tough decisions on the Target Operating Model if the savings are visible, fair and not shifted/hidden into fees or future bills.

Rates increases final Annual Plan 2026-27

- Rates impact for AP27 includes impact of **transition of Water services** to Tiaki Wai as well as the **revaluation of properties**.

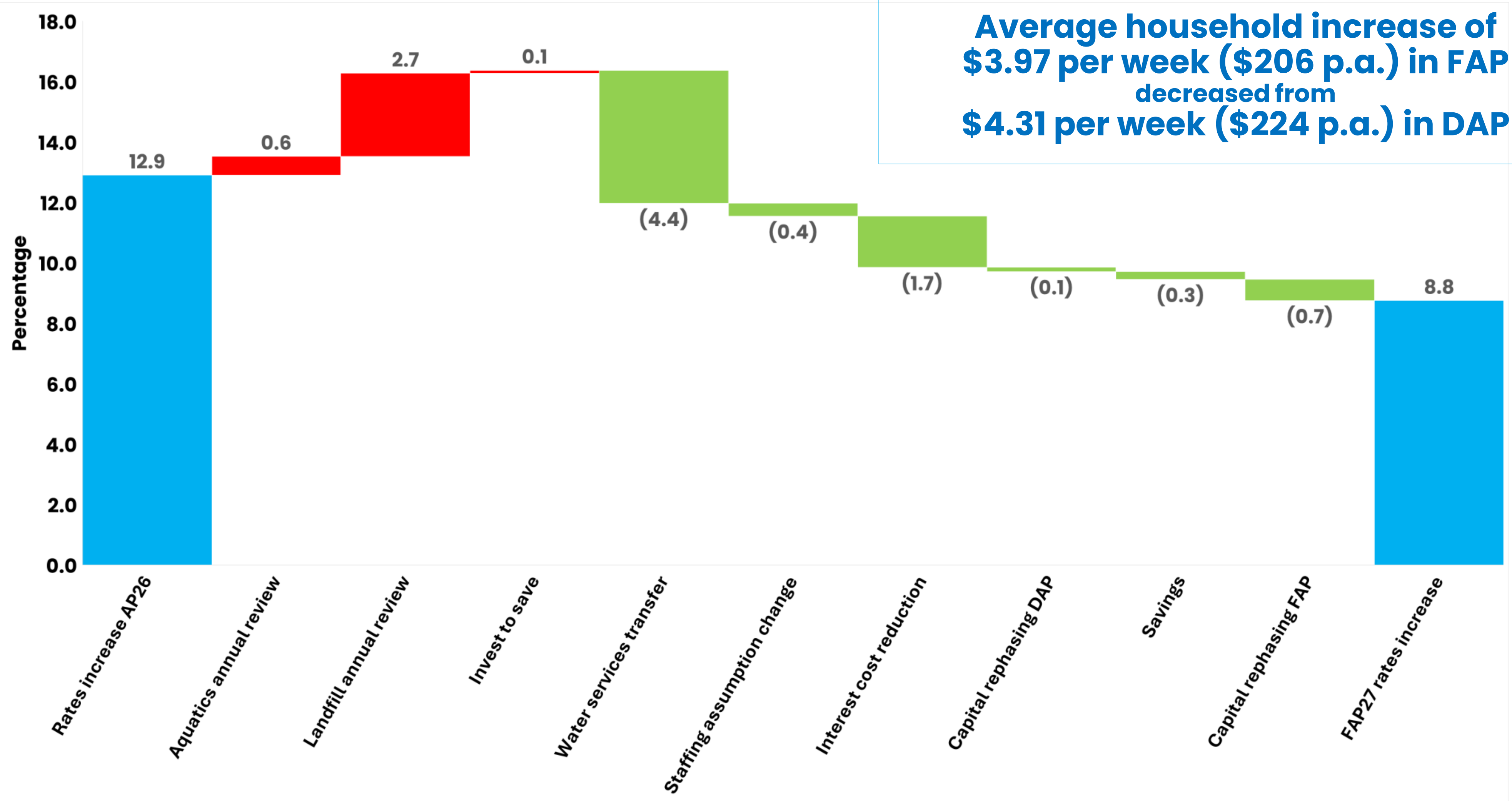
- Low capital spend in 2025-26 and capex carryovers creates short-term interest cost savings ($0.9M). This can accommodate a rates reduction in 2026-27.

- The indicative rates revenue increase for the final Annual Plan is modelled at 8.8% (after growth) in 2026-27.

- However, there are a **range of risks** to consider, such as weather events, fuel impacts, and broader inflationary impacts (including interest costs).

Final Annual Plan 2026-27 rates increase

Based on all the decisions to date and those in the report today, the rates increase for 2026-27 has **reduced from 16.2% to 8.8%**



Average household increase of $3.97 per week ($206 p.a.) in FAP
decreased from
$4.31 per week ($224 p.a.) in DAP

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Engagement feedback

Rates increases future years

- AP27 process included savings decisions to land at the projected rates increases in future years.
- More substantial reduction in rates increases require a reset of the strategic priorities.
- The change programme to achieve this is the Target Operating Model work, scheduled to start in the next few months.
- This will allow for a robust engagement and consultation process with the public on the new landscape for Council.
- Tough decisions around savings and associated service reductions are expected to be progressed through LTP2027-2037.

From conversations to insights

Reflecting on your experience to shape what comes next

Questions for today

- Thinking about the online survey insights we've just shared - did your conversations feel similar or different?
- What worked best to get people engaging with the process and the opportunity to provide feedback?
- Thinking about the engagement period, what worked well, and what do you feel could be approached differently as part of the Long Term Plan?