



21 March 2024

Meg Stewart-Ward

LabourResearch@parliament.govt.nz

Dear Meg Stewart-Ward

Request for Information – Local Government Official Information and Meetings Act (the Act) 1987

We refer to your email to Mayor Barry of 13 March 2024. We will answer each of your questions in turn.

1. *What is your Council's proposed rates increase this year?*
 - a. *What proportion of that is for water services and water infrastructure?*
 - b. *What proportion of any proposed rates increase is to service the debt for water infrastructure?*

Response:

The proposed rates revenue increase for 2024-25 is **16.9%** (after growth). This equates to an average increase of \$10.83 per week per household or an average increase of \$563 per year.

Investment in infrastructure for three water services makes up around \$251 (45%) of the average \$563 rise. The remaining \$312 covers cost increases for all the other services we provide including roading, parks, community facilities, rubbish, recycling etc.

Rates funding the projected cost of interest for Three Waters borrowings would equate to around 6.3% of the proposed rates revenue increase. No specific considerations have been made in terms of rates increases for targeted repayment of borrowings, however we are forecasting to start repaying Council debt from year 9 of the 10 year plan.



2. *What proportion of any proposed rates is to service debt for water infrastructure?*

Response: as provided above.

3. *How much debt is your Council currently servicing for water infrastructure?*

a. *What is your Council's current projected costs of servicing this debt over the next 10 years?*

Response:

In this ten year plan Council is projecting debt of approximately \$152M in 2023/24 increasing to \$699M in 2033/34 related to Three waters. The cost of this borrowing is projected to be \$267M over the 10 years.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that this response to your information request may be published on Hutt City Council's website. Please refer to the following link: www.huttcity.govt.nz/council/contactus/make-an-official-information-act-request/proactive-releases

Yours sincerely

Philip Rossiter

Senior Advisor, Official Information and Privacy