

03 March 2023

Geoff Palmer
FYI website

Kia ora Geoff

Rates increase

Thank you for your request made under the Local Government Official Information and Meetings Act 1987 (the Act), received on 16 February 2023. You requested the following information:

- *Media reports say council officers originally proposed a 17% rates rise this year. "We've done what we can to rein it in': Wellington's rates jump was originally 17%" The mayor too said, "The council has already found savings to offset these pressures to keep the proposed rates increase at 12.8%." "Where will you find \$450? Wellington poised for another eye-popping rates rise"*
- *What are these savings?*
- *What, precisely, has been cut from the original rating increase proposal to "keep the increase to 12.8%"?*

Wellington City Council has granted your request for information.

On 28 February, Wellington City Councillors approved the draft annual plan budget for 2023/24, which includes a proposed 12.3% rates rise. This works out to an average of \$8 per household per week and would apply from 1 July 2023.

The budget prioritises continued investment in essential infrastructure, resilience, and climate action. More information is available here: [Wellington City Councillors approve draft annual plan budget](#)

Council faces significant cost pressures from increased inflation rates, depreciation costs, increased cost in borrowing and rising insurance costs. To help manage these cost pressures, Council has agreed to:

- Defer any new additional funding matters to the 2024-34 LTP (Long Term Plan) for consideration
- Delay debt repayments (for covid related borrowing costs)
- Delay leaky homes rates funded provision
- Utilise some prior year accumulated surpluses to offset the rates increase
- Additional organisational savings
- Increase user fees and charges for 2023/24 in line with the Revenue and Financing Policy to ensure those that benefit from a service pay an appropriate portion of the costs.

The draft Annual Plan was discussed at a recent Council meeting, which included the budget. The minutes of this are available on our website below, the budget is discussed on page 13 which includes approaches to offset cost pressures:

[Minutes of Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee - 23 February 2023 \(wellington.govt.nz\)](#)

You can have your say on the draft annual plan throughout April. Materials will be published on the Council's website here: [Kōrero Mai | Wellington City Council](#)

You can also contact your local Councillor directly. You can find information for your local Councillor and the best way to contact them here: [About the Council - Councillors - Wellington City Council](#)

Please note, we may proactively release our response to your request.

Thank you again for your request, if you have any questions, please feel free to contact me.

Kind regards

Claudia Holgate

Senior Advisor, Official Information