

Draft as at 5th February - Whole of Council

\$million

	2024 Actuals	2025 LTP	2026 LTP	2026 AP	% Increase LTP 2025	Increase LTP 2026	Comment on variance of 2026 Annual Plan to 2026 LTP
Rates Funding	296	333	373	375	12%	1%	Revised rates requirement including IFF on balance sheet
User Fees	64	71	77	80	13%	4%	Main changes are increases in parking and environmental planning and removal of boat ramp parking charge
Grants & Subsidies	37	61	87	75	24%	-13%	
<i>Less Tauriko West Grants and Subsidies Adjustment</i>	(16)	(45)	(67)	(56)		-16%	
Finance Revenue	11	5	6	6	26%	5%	Assumed higher deposit levels for high prefunding of upcoming debt maturities
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Total Revenue	391	425	476	481	13%	5	
Employee Related Costs	107	118	121	128	9%	7	Reversal of savings targets (replaced by reset adjustments in other categories), plus adjustment down of capitalised salaries in Water Supply, Civic Development, Transport and Digital. Additional \$4.7m for City Ops. Reset savings.
Depreciation	96	105	117	127	21%	10	Higher total depreciation primarily transportation and S&P, approx. \$8m rate funded
Finance Costs	50	64	70	68	6%	(2)	Lower finance costs due to assumed lower average cost of borrowing based on current rates forecasts.
Other Operating Expense	-	-	-	-		-	
<i>Consultants</i>	52	46	49	46	2%	(2)	Includes a placeholder budget for Waters CCO transition work if agreed (\$7.7m debt funded as resolved), offset by a \$4m reduction in SaaS expenditure and other savings across the business
<i>Administration Costs</i>	17	16	17	19	18%	2	Reversed LTP savings target of \$3.5m (applied as specific budget reductions through reset); offsetting reductions in travel, marketing, and other Infosys exps
<i>Grants, Contributions and Sponsorship Expense</i>	49	98	102	97	-1%	1	Reductions in grant funding with percentage savings proposed as part of reset; offset by \$1.9m additional housing/Papakainga grants which are funded from reserves.
<i>Less Tauriko West Operating Expenditure</i>	(23)	(60)	(67)	(61)			
<i>Other Operating Expense</i>	67	73	74	63	-13%	(11)	Increase in MV lease exps (City Ops) and property lease exps offset by savings in vegetation control in the Transport activity (due to City Ops) plus other reset savings
<i>Repairs & Maintenance</i>	38	37	39	37	0%	(2)	Additional R&M budgets widespread, offset by saving of \$3.1m in Spaces and Places largely relating to City Ops impact
<i>Utilities & Occupancy Expenses</i>	16	17	17	19	15%	2	Updated rates expense per current industrial rating categories
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Total Expenses	468	513	540	544	6%	4	
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Surplus / (Deficit)	(77)	(88)	(64)	(63)	-28%	1	Deficit made up on Interest to be funded from reserves, expenditure funded by reserves, unfunded depreciation in Transport & loan-funded opex previously agreed including Digital SaaS projects and funding of City Centre Development