

At the Council meeting on the 12th February, there was a budget of \$15.03M for professional services in 2025/26. A further breakdown of this budget can be made as summarised below:

Loan Funded Operating Programmes	\$3.37M	Digital + System Replacements, Tamakuku Terrace
Local Water Done Well transition costs	\$1.50M	Partially Loan and Partially Grant Subsidised
Directly recovered from users	\$2.16M	Private Plan Changes, MDC Building Services Contract, Building & Planning consent processing
Strategic Priorities for Council	\$0.48M	Te Utanganui Programme Director, Regional Freight Ring Road
Audit Fees, Rating Database & Employee Wellbeing Services (EAP)	\$0.96M	
<i>Subtotal of Above</i>	<i>\$8.47M</i>	
Available Professional Services budgets to reduce	\$6.57M	

The majority of the \$8.47M above, if reduced, will not achieve the intended outcome of reducing rates as they are predominantly loan funded or generate revenue. Therefore, the available amount for considering reductions, is limited to the remaining \$6.57M.

To achieve the requested reduction to the professional services budget, some reductions have been made to some overhead budgets, where the budget is not specifically tagged for a purpose. Reducing these budgets mean that bespoke work requests will be prioritised and managed within the proposed remaining budgets. There are some risks to this approach, depending on demand for such pieces of work. Should any risks materialise through the year, officers will bring a report back for Councils consideration.

Activity	Sub-Activity	Programme	Budget Reduction	Remaining Budget*	Risks & Implications
Climate Change and Sustainability	Sustainable Practices		\$12,000	\$90,000	No material risk identified.
Climate Change and Sustainability	Climate Change and Sustainability	1888 - Low Carbon Fund	\$30,000	\$45,000	Lower budget may reduce capacity to identify and investigate Low Carbon Fund opportunities, reducing investment and hence operational returns in future years.
Community Safety and Health	Safer Community Initiatives	2415 - CCTV Citywide - Monitoring and Safety Centre	\$51,050	\$-	Operational costs associated with Programme 2415. Project on hold awaiting feasibility study. Will be reconsidered in the 26/27 budget process after feasibility study complete.
Community Safety and Health	Safer Community Initiatives		\$2,042	\$-	No risk identified
Governance and Active Citizenship	Direction Setting	2535 - Development of city-wide Food Resilience and Security Policy	\$30,630	\$-	This programme was intended to be for one year and is no longer required in 2025/26. Operational budgets are included in the draft budget.
Governance and Active Citizenship	Direction Setting	1949 - Civic and Cultural Precinct Master Plan	\$20,000	\$82,100	May need to negotiate / prioritise work with any preferred supplier based on a reduced budget
Governance and Active Citizenship	Direction Setting	1180 - Focus Group Research	\$4,000	\$20,000	Originally budgeted at \$24K, proposed reduction to \$20K
Governance and Active Citizenship	Direction Setting		\$6,155	\$50,000	Includes such things as the review of economic impact of events, community outcomes surveys such as Creative NZ, and community wellbeing dashboards.
Governance and Active Citizenship	Councillor Meetings and Administration		\$100,000	\$100,000	Assumes hearings do not proceed as quickly as previously anticipated. There may be a slight delay in hearings proceeding or a budget overrun if work accelerates.
Governance and Active Citizenship	Councillor Meetings and Administration		\$2,040	\$-	No risk Identified

Activity	Sub-Activity	Programme	Budget Reduction	Remaining Budget*	Risks & Implications
Housing	Building Services		\$10,000	\$5,600	No risk identified
Housing	Building Services		\$11,800	\$80,000	Low risk of loss of accreditation. Note this is not inclusive of professional services that are on charged to customers.
Housing	Building Services		\$2,000	\$18,000	No risk Identified
Housing	Housing and Future development	1613 - Kakatangiata District Plan Change	\$50,000	\$154,000	Work will progress slower. Likely to be further risks by not commissioning certain technical work
Organisational Performance	External Contracts		\$105,807	\$167,500	Improvements to asset management maturity will be considerably slower, which will be reflected in future updates in maturity assessment actions. Our ability to make high level adjustments to asset management databases may be affected, impacting our ability to store data in meaningful way for accurate future asset planning.
Organisational Performance	Marketing & Communications		\$2,000	\$21,000	Reduced capacity for urgent website updates. Reduced capacity for back-up photography during scheduling conflicts.
Organisational Performance	Information Services		\$8,168	\$-	No risks identified
Organisational Performance	Human Resources		\$5,525	\$20,000	No risk identified
Organisational Performance	Information Services		\$34,000	\$78,310	Risk associated with loss of budget contingencies
Organisational Performance	Financial Services		\$5,420	\$15,000	This budget is for technical support for systems + specific advice for process improvements. Could result inability to progress improvements.
Organisational Performance	Financial Services		\$3,588	\$25,000	This budget is for technical support for tax and property valuations. Could result inability to seek advice about specific tax or property valuation issues.

Activity	Sub-Activity	Programme	Budget Reduction	Remaining Budget*	Risks & Implications
Organisational Performance	Financial Services		\$2,071	\$50,000	No risk identified
Organisational Performance	Plant and Vehicle Operations		\$2,420	\$18,000	No risk Identified
Organisational Performance	Financial Services		\$2,000	\$13,000	No risk Identified
Recreation and Play	Swimming Pools	2524 - Feasibility study - 50 Metre Pool	\$102,000	\$-	Feasibility Study will not be completed in 25/26 and is deferred until 26/27, for consideration as part of the budget process.
Resource Recovery	Waste Minimisation		\$5,000	\$25,000	Budget relates to Assessments, Education and Resource Material Development to assist Officers with education in the community
Roading	Street Facilities	2549 – Street Lighting Infill Survey	\$120,000	\$-	Night survey for street light improvements will not be undertaken resulting in a saving of \$120k. This will impact the prioritisation of street light replacements.
Roading	Roads		\$30,000	\$622,800	Decreased spend on designs, geotechnical information, testing & analysis, specialist advice & resources, condition surveys & programmes, forward works programmes etc. This budget is across several work categories.
Wastewater	Wastewater Collection	1401 City-wide - Infiltration & Inflow Investigations	\$267,615	\$250,000	Strategy is currently being written, so may not fully understand the implications.
Total			\$1,027,331	\$1,947,310	

*the remaining budget identified is only on the line items that have been reduced.

Following the above reductions, the total proposed budget for professional services for 2025/26 is \$14.00M.