

Operating expenditure reductions

During the development of the draft 2024-34 Long-Term Plan, the following savings in operating expenditure have been made. These are in addition to savings and efficiencies made outside Long-Term Plan Council meetings, in particular savings of \$8 million per year through reduced staff costs as part of a restructure.

Project/initiative	Annual saving
<p>Reduction in funding for Te Waka Waikato Economic Development Agency by 20%. Te Waka is the regional economic development agency whose mandate is to improve economic wellbeing. The funding enables Te Waka, through a direct financial funding contribution, to promote and enable economic development in the Waikato. The current three-year funding agreement expires on 30 June 2024.</p>	\$28,000
<p>Reduction in funding for Hamilton & Waikato Tourism Limited by 50%. Council has a long-standing three-year purchase agreement for visitor industry promotions and campaigning to sell Hamilton and the Waikato as a compelling visitor destination. It directly supports economic and social benefit to our community, through the commercial accommodation, hospitality and retails sectors. The funding also drives visitation to Hamilton's destinations, including the H3 suite of event venues, Hamilton Gardens, Waikato Museum, and Te Kaaroro (Hamilton Zoo and Waiwhakareke precinct). HWT is co-funded alongside neighbouring Councils and private sector contributors.</p>	\$357,945
<p>Removal of budget allocated to the Economic Development Sponsorship fund, to be reviewed at the 2027-37 Long-Term Plan. The fund is allocated mainly to the Kudos Science Trust Awards, an award to recognise the achievements of the region's top scientists, excite young people about science and its career opportunities, and raise the profile of science within the community (up to \$15,000 per annum) and Rise Up, an initiative to encourage more women to consider entrepreneurship as a viable career, to lift the capability of female founders, and champion female entrepreneurship in Aotearoa (up to \$1,000 per annum).</p>	\$20,000
<p>Reduction in the Hamilton Central Business Association Activation Fund by 20% for three years, to be reviewed for the 2027-37 Long-Term Plan. This fund is to promote central city activities and includes activities such as bands in Garden Place, and assistance with the erection of the Christmas Tree.</p>	\$20,000
<p>Removal of the Cat Desexing Contestable Fund for 2024-27, to be reviewed for the 2027-37 Long-Term Plan. This annual grant is to organisations to help fund the costs related to the desexing of stray, abandoned and feral cats within the Hamilton city boundaries that are to be rehomed (i.e., not for desexing cats and releasing them back into the community).</p>	\$100,000
<p>Reduction in Community Grant funding by 20%, to be reviewed for the 2027-37 Long-Term Plan. The type of grants are:</p> <ul style="list-style-type: none"> • Community Service Grants (single year grants \$308,400) • Community Initiatives Grants (community event fund 2023/24 \$100,000) • Creative Community Scheme (Creative Partnership Fund \$50,000) • Welcoming Plan Fund (\$75,000) 	\$106,680
<p>Removal of budget for Nature in the City marketing/collaboration, and reviewed for the 2027-37 Long-Term Plan.</p>	\$75,000

This funding is to maintain a web presence and the Nature in the City app, and to maintain community awareness of the programme.	
Removal of the Indoor Recreation Centre grant towards a new indoor recreation centre. A shortfall in provision of indoor recreation facilities had been identified in a Indoor Recreation and Aquatics Report.	\$2,500,000
Removal of the budget for one year only to paint FMG Stadium Waikato. A significant amount of the painting work incorporated into Year One of the Long-Term Plan budget is already underway this 2023-24 financial year, and as a result it is unlikely to be needed to 2024-25. A nominal amount remains for smaller activities.	\$500,000
Reduction of the Event Sponsorship Fund by 20%, to be reviewed for the 2027-37 Long-Term Plan. This is a contestable fund for sponsorship funding of major events within Hamilton that aims to generate economic and social benefits for the city, primarily through the attraction of visitors to the city and by delivering wider exposure of Hamilton.	\$100,000

In addition to these savings, the draft 2024-34 Long-Term Plan proposes reducing Council's personnel costs by a further \$10.4m per year from 2025/26, and reducing our consultant budget by \$1 million per year. This would likely mean reductions to some back-office functions and some community-facing services. We have not yet identified which services will be affected, but will ensure critical services that are required by legislation will not be impacted. If Council includes these savings in its final Long-Term Plan, we will seek community feedback on the specific savings Council proposes in the 2025/26 Annual Plan (and if required Long-Term Plan amendment).