

Mayor and Councillors
Hutt City Council

Via email:
haveyoursay@huttcity.govt.nz

1 May 2026

Re. Hutt City Council – Annual Plan 2026/27.

Dear Mayor Fauono Ken Laban and Hutt City Councillors,

As you may know, Property Council is the leading not-for-profit advocate for New Zealand's most significant industry, property. Property is New Zealand's largest industry with a direct contribution to GDP of \$50.2 billion (15 percent). Property is Wellington region's third largest industry. There are around \$223.6 billion in property assets across the Wellington region, with property providing a direct contribution to GDP of \$3.6 billion and employment for 24,820 Wellington region residents.

We are writing to you today in relation to Hutt City Council's draft Annual Plan 2026/27. Property Council is disappointed that a full submission process is not being undertaken this year, as transparency is critical for ratepayers, particularly given the widespread impact of the proposed changes.

Rates increase

We are concerned about the proposed 9.2% rates increase for central commercial properties in the 2026/27 year. This rates increase comes at a time when businesses in Wellington are already facing a range of cost pressures. The cumulative impact of ongoing costs on businesses and developers is a significant concern. Sustained increases risk undermining business viability and do little to position the Wellington region as an attractive place to invest and develop.

The below list is an example of some proposed costs, increases and fees in Wellington:

- Greater Wellington Regional Council's average proposed rates increase of 6.5% for Lower Hutt;
- Development contributions ranging from \$16-\$39,000 per HUE in Hutt City;
- Tiaki Wai indicative water rates increase of 14.7%; and
- Costs of insurance, rents, seismic upgrades and employment, transport and other supplier-driven costs passed through.

The cumulative effect this will have on the commercial sector throughout the Wellington region, will be significant. The impact on many building owners is twofold, pressure on cashflow, particularly for those with gross rather than net leases and/or vacant buildings, and a reduction in capital through declining underlying asset values. Overall, this will not see Wellington's built environment flourish, discouraging the investment Wellington needs.

These proposed increases will have an effect on all members of the community, not only the commercial sector. Property owners will be forced to recover these costs through increased rental pricing, while business owners will have no choice but to recover these costs through increased costs for products and services. Any exponential increase in rates will mean building owners may not be able to invest in improving their business, carrying out required maintenance and upgrades. It is also unclear what the additional rates are funding and whether it is beneficial to business needs. Transparency of cost drivers is critical to ensure a fair and equitable rating system. We recommend Hutt City Council transparently state what the additional revenue of the rates increase will be funding.

Performance measures of consents

Property Council questions why the consenting targets for the year 2026-2027 has reduced from 100% building consents processed within the statutory timeframes to 95%. Property Council would like to see ambitious targets for consenting timeframes, noting that delayed consenting frequently adds additional cost pressures to developments. Property Council recommends Hutt City Council consider undertaking a review of their consenting processes and establish a taskforce with local developers to understand how consenting outcomes can be improved.

We thank you for the opportunity to submit on Hutt City Council's Annual Plan 2026/27. While we understand the need to increase rates, the cost of doing business in the Wellington region is already extremely high when compared to other cities in New Zealand. We therefore oppose the 9.2% rates increase for Hutt City central commercial properties.

Any further enquiries, please do not hesitate to contact Bella Leddy, Senior Advocacy Advisor via email: bella@propertynz.co.nz or cell: 029 778 6114

Yours sincerely,



Melissa McGhie
Wellington Regional Committee Chair
Property Council New Zealand