

Michelle van Straalen

From: Michelle van Straalen
Sent: Wednesday, 6 May 2020 12:24
To: [REDACTED]
Cc: official information
Subject: LGOIMA 20063 - 10 Year Plan Budget - Response

Kia ora

Further to your information request of 4 April 2020 in respect of Hamilton City Council's 10 year plan budget, I am now able to provide Councils' response.

You requested:

Hamilton City Council CEO Richard Briggs promised operational savings of \$92 million to be made during the current 10 Year Plan.

Please supply the following information:-

- 1.How much has been saved so far?*
- 2.How has this been achieved?*
- 3.What is the plan to achieve the full \$92 million?*

Our response:

1.How much has been saved so far?

To the end of the last financial year, the Council has saved \$4.1m against an annual target of \$4.0m (refer table below).

2.How has this been achieved?

These savings have been achieved primarily from optimising the capital programme (\$0.9m) and from personnel savings (\$3.2m) - achieved through vacancy management and business efficiency. The report providing further detail on this is [here](#) (item 15).

3.What is the plan to achieve the full \$92 million?

The following table shows the savings that were budgeted in the Long-term Plan (\$94.5m):

| 2018/2028 10 Year Plan Council Savings Target (\$000) | Year 1 18/19 | Year 2 19/20 | Year 3 20/21 | Year 4 21/22 | Year 5 22/23 | Year 6 23/24 | Year 7 24/25 | Year 8 25/26 | Year 9 26/27 | Year 10 27/28 | 10 Year Total |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|---------------|
| Annual savings in operating expenses (un-inflated) | \$4,000 | \$2,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$0 | \$0 | \$0 | \$0 | |
| Annual savings in operating expenses (inflated) | \$4,000 | \$2,044 | \$1,044 | \$1,067 | \$1,092 | \$1,117 | \$0 | \$0 | \$0 | 0 | |
| Cumulative Savings (un-inflated) | \$4,000 | \$6,000 | \$7,000 | \$8,000 | \$9,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$84,000 |
| Cumulative Savings (inflated) | \$4,000 | \$6,132 | \$7,312 | \$8,536 | \$9,828 | \$11,170 | \$11,440 | \$11,730 | \$12,020 | \$12,330 | \$94,498 |

The original plan for achieving these savings was outlined by the Chief Executive in his report on 26 June 2018. In that report, he identified potential savings of \$105m, made up of:

- Headcount Management \$39m
- Alternative Delivery Models \$11m
- Reducing Bureaucracy \$9m
- Optimising the Capital Programme \$46m

Further detail can be found in the report [here](#) (Item 11).

In January 2020, Council appointed a Head of Transformation whose responsibilities include overseeing the plan for achieving the remaining cost-savings. Because Covid-19 has significantly changed the financial outlook for the Council, staff and Elected Members will likely need to revisit the savings opportunities available and the plan for achieving them. Planned savings for the 2020 financial year will be reported through the Finance Committee in September 2020.

Ngaa mihi,

Michelle van Straalen

Official Information Advisor | Legal Services

DDI: 07 974 0589 | Michelle.vanStraalen@hcc.govt.nz



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From: official information

Sent: Monday, 6 April 2020 10:20 AM

To: [REDACTED]

Cc: official information <officialinformation@hcc.govt.nz>

Subject: HPE CM: LGOIMA 20063 - 10 Year Plan Budget

Kia ora

I write to acknowledge your information request of 4 April 2020 in respect of operational savings made during the current 10 year plan.

Please be aware your request has been passed on to the relevant team within Council tasked with providing a response to your request.

We will endeavour to respond as soon as practicable and in any event no later than **6 May 2020**, being 20 working days after the day we received your request.

Feel free to contact me in the meantime if you have any queries regarding the progress of your request.

Kind regards,

Michelle van Straalen

Official Information Advisor | Legal Services

DDI: 07 974 0589 | Michelle.vanStraalen@hcc.govt.nz



Hamilton City Council | Private Bag 3010 | Hamilton 3240 | www.hamilton.govt.nz

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From: [REDACTED]
Sent: Saturday, 4 April 2020 7:54 PM
To: official information <officialinformation@hcc.govt.nz>
Subject: LGOIMA - RE:10 Year Plan budget

Hamilton City Council CEO Richard Briggs promised operational savings of \$92 million to be made during the current 10 Year Plan.

Please supply the following information:-

- 1.How much has been saved so far?
- 2.How has this been achieved?
- 3.What is the plan to achieve the full \$92 million?

Thank you for your assistance in this matter.

Kind regards,

[REDACTED]