

**MINUTES OF THE KAIKŌURA DISTRICT COUNCIL EXTRAORDINARY MEETING TO
HEAR AND DELIBERATE SUBMISSIONS TO THE RATES REVIEW 2023 HELD ON
WEDNESDAY 08 NOVEMBER, 9.00AM, AT TOTARA, COUNCIL CHAMBERS,
96 WEST END, KAIKOURA**

PRESENT: Mayor C Mackle (Chair), Deputy Mayor J Howden, Councillor L Bond,
Councillor V Gulleford, Councillor T Blunt, Councillor R Roche,
Councillor K Heays, Councillor J Diver

IN ATTENDANCE: W Doughty (Chief Executive), Peter Kearney (Senior Manager Corporate
Services), Sheryl Poulsen (Finance Manager), Cherie Kaa (Management
Accountant), Danielle Currie (Rates Officer), Becky Makin (Executive Officer-
minutes)

1. KARAKIA

Councillor R Roche joined the meeting at 9.01am

2. APOLOGIES Nil

3. DECLARATIONS OF INTEREST Nil

4. OVERVIEW OF NUMBERS OF SUBMISSIONS

RESOLUTION

THAT this report be received for information.

Moved: Mayor C Mackle

Seconded: Deputy Mayor J Howden

CARRIED UNANIMOUSLY

Kim Swords no longer wanted to be heard and Lionel Humes was unable to attend to speak on behalf of Federated Farmers.

Attachment 1: Summary of all submissions

Tabled and discussed below.

Attachment 2: Full submissions received

Tabled and discussed below.

5. SUBMITTERS TO BE HEARD

9.05am Angela Blunt

Angela spoke on behalf of the rural community and highlighted the inequity in rural rates over the last few years. She urged the Council to consider reducing the rural general rate differential to at least 0.8, as done previously for the commercial sector. She highlighted that farming was no longer a wealthy sector and commented that there is an imbalance between sectors in the general rates.

9.13am Derrick Millton

Derrick spoke on behalf of the rural community and commented that the Council have not addressed the imbalance between sectors and the inequality of the rating groups. He encouraged the council to consider

a 0.7 rural differential on general rates. A copy of the verbal part of his submission was provided to Council staff.

9.27am Chris Wilson (and on behalf of ECCO)

Chris spoke on behalf of the rural community and raised the unfair rates favoring towards urban and commercial rate payers. He highlighted that some Councils have a 0.5 rural differential on general rates but the average around the country was more like 0.7. A copy of the verbal part of his submission was provided to Council staff.

9.35am Hamish Murray (attended via MS Teams)

Hamish spoke on behalf of the rural community and shared with the Council his total rates bill increases from 2018-2023 which have been in the order of 70%. He commented that there is an imbalance between sectors and urged the Council to look at the rating differentials. Hamish asked the Council to consider as part of deliberations how they can justify this to rural ratepayers who are contributing in significant ways to the wider community.

6. SUBMITTERS WHO CHOSE NOT TO SPEAK

The Council reviewed and noted the submissions from those who chose not to speak. Their chosen options and staff comments are recorded on the Summary Sheet.

Councillor J Diver requested the report from 2020 on 'Rates Contribution by Area (including the Northern Community)' be circulated to the Council. Council Officers would respond to the submitter's comments.

The meeting adjourned at 10.34am and would re-open after the closed Council workshop.
The meeting re-opened at 1.15pm.

S Poulsen had circulated the report requested by Councillor J Diver.

The following was noted by the Council for deliberations:

- The rural differential, rural recycling rationale and rural road use.
- 50% of the rates paid by rural ratepayers relates to the general rate.
- Tourism Levy / visitor charge. Look at what is being done nationally, may not be able to introduce something this time round.
- User Pays (noting a workshop was held with Philip Jones).

7. DELIBERATIONS

Rural differentials on general rate / rates paid by rural ratepayers:

The Council reviewed the rates review model and ran through scenarios to show the implications on rural/semi-rural rates. One of the scenarios was to change the differential on general rates to 0.8 for semi-rural and rural rates. The impact would give less of a decrease for urban. Councillor T Blunt commented that this presented a fairer balance between sectors.

Council Officers would confirm with their legal advisors if any issues with changing the differential on general rates as it wasn't included in the public consultation document. However the change was taken to be in light of the submissions following the consultation period **(ACTION)**.

Special harbour operator rates / user pays

The biggest impact that reduced the commercial rate was the introduction of the special harbour operator's rate. Principles for the special harbour operator rate was 80% funded through user pays (a combination of fees and charges and the specialist operator rate) and 20% funded through the commercial and general rate. It was noted that this rate only applies to South Bay harbour and other harbour activities

such as North wharf need to be removed from the specialist rate. It was also noted that the 80% is a target and not necessarily to be implemented in year 1.

It was suggested that the rates model is shown to the special harbour operators, so they are fully aware of how their rates contribute.

Rural recycling

The rural recycling rates total \$28k (which is ~\$69 per rural property). Not all rural communities have access to recycling stations due to the geographics of the rural zone area although they are available for use. The Council agreed to remain with the status quo and this discussion would be picked up as part of the Long Term Plan on whether to provide the service or not.

Differential changes

The footpaths, streetlights, harbour and town centre rates were reviewed. The Council agreed to remain with the status quo.

Accommodation sector charge

Most of the submissions were in favor of the charge. The Council were comfortable with the suggestion to increase.

Public toilets

It is proposed that the public toilets be funded 50/50 general rates and commercial. The Council had no comments.

Rural roading rate

Council Officers ran a scenario to change the roading rate for the commercial sector to 2.2 from 2. After discussion, it was agreed there wasn't sufficient rationale to make this change.

8. CLOSED OF MEETING

The meeting was declared closed at 3.09pm.

CONFIRMED



29 November 2023

Chairperson

Date

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