

**MINUTES OF THE KAIKŌURA DISTRICT COUNCIL MEETING HELD AT ON
WEDNESDAY 26 JUNE 2024 AT 9.00 AM, TOTARA, COUNCIL CHAMBERS,
96 WEST END, KAIKŌURA**

PRESENT: Councillor V Gulleford (Chair), Councillor T Blunt, Councillor J Diver, Councillor L Bond,
Councillor R Roche

IN ATTENDANCE: W Doughty (Chief Executive Officer), P Kearney (Senior Manager Corporate Services),
D Clibbery (Senior Manager Operations), B Makin (Executive Officer-Minutes)

1. KARAKIA

2. APOLOGIES

Apologies were received from Mayor C Mackle, Deputy Mayor J Howden and Councillor K Heays.

Moved: Councillor T Blunt

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

3. DECLARATIONS OF INTEREST

Councillor R Roche declared an interest in Item 11.3 Temporary Accommodation as Chair of Te Whare Putea.

4. PUBLIC FORUM

9.01am B Smith – President of the Kaikōura Trotting Club

B Smith spoke to the Council regarding the Trotting Club's position on the Signs Bylaw. He raised that the Bylaw does not exclude sponsorship signs and felt that there should be an exemption clause for clubs. It was clarified that the club receives approximately \$4,500 per annum through sponsorship. B Smith is aware of the Reserves Act delegation at the Trotting Club. He commented that all racecourses in New Zealand have signage from their sponsors.

9.05am T Howard

T Howard spoke to the Council regarding club sponsorship signs that have unintentionally been caught by the Signs Bylaw and only come to light as it's now being enforced. T Howard was on the Signs Bylaw committee (original and the review) and commented that in his view there was no intention to prohibit clubs to stop the sponsorship of signs. He highlighted that clubs are substantially reliant on sponsorship with around \$20k coming from major sponsors. An alternative would be to lease the signage to the sponsors but would prefer an exclusion clause in the Signs Bylaw. It was agreed for the Council Officers to provide options to the Council for consideration. **(ACTION)**.

5. FORMAL DEPUTATIONS Nil

6. ADJOURN TO WORKS & SERVICES COMMITTEE MEETING

The meeting adjourned to the Works & Services Committee meeting at 9.19am.

The meeting was reconvened at 9.37am.

7. MINUTES TO BE CONFIRMED

7.1 Extraordinary Council meeting minutes dated 15 May 2024

RESOLUTION

THAT the Council:

- *Confirms as a true and correct record, the circulated minutes of an Extraordinary Council meeting held on 15 May 2024.*

Moved: Councillor T Blunt

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

7.2 Council meeting minutes dated 29 May 2024

RESOLUTION

THAT the Council:

- *Confirms as a true and correct record, the circulated minutes of a Council meeting held on 29 May 2024.*

Moved: Councillor L Bond

Seconded: Councillor R Roche

CARRIED UNANIMOUSLY

8. REVIEW OF ACTION LIST

The Action List was reviewed and noted.

- Council staff would continue to request an update on the Cycle Club grant.
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9. MATTERS OF IMPORTANCE TO BE RAISED AS URGENT BUSINESS Nil

10. MATTERS FOR DECISION

10.1 Adoption of the Long Term Plan 2024-2034 (LTP) and supporting document

S Poulsen, C Kaa & P Kearney joined the table. A summary of the changes to the LTP was tabled at the meeting and the contents noted (a copy is attached to these minutes).

P Kearney thanked the Council for their patience and time. S Poulsen, C Kaa, D Clibbery and the wider team were acknowledged for their input. The Audit NZ Team: Dereck Ollsson and Natasha Labuschagne, were also acknowledged.

Council staff highlighted that with the increase in cost pressures across New Zealand, the Council has done very well to land at rates increase of 14.75%. The debt levels are well within the debt caps and peaked at \$10.3m, although this is higher than what was consulted due to the Jordan Stream bridge needing immediate repair. The Infrastructure Strategy and Finance Strategy show the Council remain in a solid financial position.

The consultation and engagement process were acknowledged with there being 124 submissions and the community largely supported the preferred options. The presentation of the LTP to the community was successful in the community's acceptance of the plan, which was shown in the submissions.

The Council thanked the team for their mahi on delivering the LTP within statutory timeframes and for providing clear communication on the process at the workshops.

RESOLUTION

THAT the Council:

Adoption of the Long-Term Plan 2024-2034:

- a) **Receives** this report, and the tabled changes, and
- b) **Receives** the Audit Report as tabled, and
- c) **Resolves** not to balance its operating budget in the financial years ending 30 June 2027 to 2034, because when taken as a whole, the 2024-2034 Long-Term Plan is financially prudent, and
- d) **Adopts** the Revenue & Financing Policy amendments to provide for rural recycling to be funded by the general rate, for the harbour special operator rate to take effect, and for user fees to continue to apply to new fiction book rentals, and
- e) **Adopts** the Long-Term Plan 2024-2034, including the following:
 - i. Financial Strategy
 - ii. Infrastructure Strategy
 - iii. Significance & Engagement Policy
 - iv. Treasury Management Policy
 - v. Development Contributions Policy
 - vi. Rates Remissions & Postponement Policy

Subject to the amendments as tabled at the meeting, plus any minor changes such as formatting adjustments, spelling corrections, etc.

Setting the rates and charges for the 2024/2025 financial year:

- f) **Sets the rates for the 2024/2025 financial year as below and as set out in Schedule A hereto, including GST, as below:**
 - i. Sets the Uniform Annual General Charge at \$742.14, per separately used or inhabited part of a rating unit (SUIP)
 - ii. Sets the General Rate at the different rates in the dollar of capital value for different categories of land as below (and as defined in Schedule A):

Urban & utilities	0.00128041
Rural	0.00102433
Semi-rural	0.00102433
 - iii. Sets the following targeted rates in the dollar of capital value for different categories of land as below (and as defined in Schedule A):

Rate	Category	Amount of rate
Sewerage loan rate	Service available	0.00000448
Stormwater rate	Urban	0.00011299
Roading differential rate	Urban	0.00054393
	Utilities	0.00054393
	Commercial	0.00108785
	Rural	0.00065271
	Semi-rural	0.00065271
Footpaths & streetlights rate	Urban	0.00014988
	Semi-rural	0.00011241
	Rural	0.00003747
Town centre rate	Urban	0.00006608
	Semi-rural	0.00004956
	Rural	0.00001652
Harbour rate	Urban	0.00003392
	Semi-rural	0.00002544
	Rural	0.00000848

Commercial rate	Commercial	0.00197312
Harbour special operator rate #1	Ticketing office – Whale Watch	0.05977802
Harbour special operator rate #2	Ticketing office – Dolphin Encounter	0.01011469
District planning rate	All of district	0.00013268

iv. Sets the following targeted rates per separately used or inhabited part of a rating unit (SUIP):

Rate	Category	Amount of rate
Earthquake levy	All of district	40.00
Civic centre rate	All of district	134.84
Rate	Category	Amount of rate
Roading fixed rate	Rural & semi-rural	200.00
Kerbside recycling charge	Urban (except for commercial and property located in the West End)	140.75
Accommodation sector rate	Accommodation providers (less than five guests)	600.00
Kaikōura water annual rate	Connected	541.55
	Service available	270.77
Ocean Ridge water rate	Connected	541.55
	Service available	270.77
Oaro water rate	Connected	541.55
Peketa water rate	Connected	541.55
Sewerage charge	Connected (first)	624.95
	Subsequent (and not commercial or self-contained and serviced)	312.47
	Available	312.47
Sewerage charge – commercial	Subsequent and as defined in Schedule A	350.00
Sewerage charge – self-contained & serviced	Subsequent and as defined in Schedule A	200.00

v. Sets the following targeted rates per water unit:

Rate	Category	Amount of rate
Suburban water rate	Suburban	541.55
Kincaid water rate	Kincaid	184.77
Fernleigh water rate	Fernleigh	631.78
East Coast rural water rate	East Coast rural	690.00
East Coast village water rate	East Coast village	541.55

vi. Sets the Registered Premises targeted rate of \$728.46 per licence whether an alcohol licence, food premises licence, camping ground licence, funeral directors' licence, or hairdressers licence (as defined in Schedule A):

vii. Sets the following targeted rates per volume of water consumed by meter, in excess of 365m³ per annum (or 183m³ per six months as read), (as defined in Schedule A):

Fixed amount per cubic meter	\$2.10 per m ³
Fixed amount per water meter	\$60.00 per annum
Special meter reading fee	\$75.00 per special reading

g) **Approves** the due dates for the payment of rates as:

	For the period:	Last date for payment:
Instalment 1:	1 Jul 2024 to 30 Sep 2024	20 September 2024
Instalment 2:	1 Oct 2024 to 31 Dec 2024	20 December 2024
Instalment 3:	1 Jan 2025 to 31 Mar 2025	20 March 2025
Instalment 4:	1 Apr 2025 to 30 Jun 2025	20 June 2025

For volumetric water meter charges, the due dates for payment of rates as:
 20 August 2024, for water meter invoices covering the period January to June 2024, and
 20 February 2025, for water meter invoices covering the period July to December 2024, and

h) **Approves** that a 10% penalty will be added to any portion of the rates instalment remaining unpaid after the relevant last date for payment. However, a penalty on the first instalment will be waived if the total years rates are paid on or before 20 December (the last day for payment of instalment 2). An additional 10% penalty will be added to all previous year's rates unpaid as at 20 July and 20 January.

Penalty dates are:

	Last date for payment:	Date penalty is applied:
Instalment 1:	20 September 2024	21 September 2024
Instalment 2:	20 December 2024	21 December 2024
Instalment 3:	20 March 2025	21 March 2025
Instalment 4:	20 June 2025	21 June 2025
Prior year rates:	30 June 2024	20 July 2024
Prior year rates:	30 June 2024	20 January 2025

Moved: Councillor T Blunt
 Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

10.2 Report to Adopt User Fees and Charges from 1 July 2024

It was confirmed that the fees & charges for the 'District Plan Change – Alteration of designation – non notified', were correct.

RESOLUTION

THAT the Council:

- a) Receive this report, and
- b) Adopt the Fees & Charges to take effect from 1 July 2024, per Appendix A

Moved: Councillor T Blunt
 Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

The meeting moved to item 10.4 Representation Review – Initial Proposal.

10.4 Representation Review – Initial Proposal

S Hill from Electionz.com joined the meeting by MS Teams to answer any technical questions on the proposal. It was noted that the representation review looks at the governance arrangements in the district and councils are required to notify the public with a proposal. The current proposal is effectively keeping the status quo. S Hill highlighted that the current council at large structure would maintain a fair representation. He commented that the process has been well followed and statutory requirements have been met.

RESOLUTION

- a) *That the Council adopts as its Initial Proposal for the Representation Review for the local elections to be held in 2025 and subsequent elections until altered by any subsequent decisions, the following:*
- i. *That the Council comprise seven (7) Councillors and the Mayor, all elected at large (by the electors of the district as a whole);*
 - ii. *That the Council does not establish any wards*
 - iii. *That the Council does not establish any community boards;*
- b) *That public notice is given of the proposal contained in this resolution; and*
- c) *That the Council will hear submissions received, if any, on this initial proposal.*

Moved: Councillor T Blunt

Seconded: Councillor J Diver

CARRIED UNANIMOUSLY

11. MATTERS FOR INFORMATION

11.1 Mayoral Verbal Update

It was noted that the Mayor was not present to provide an update.

11.2 Elected Member Verbal Updates

Councillor R Roche

Councillor R Roche attended the Treaty Training at Takahanga Marae with the Waterzone Committee. He commented that this was well delivered and attended. Councillor R Roche raised the hardship being felt within the community.

Councillor L Bond

Councillor L Bond highlighted that the OpShop are being hosted by the Kaikōura Museum today and viewing the new exhibition. The plans for the Mayfair's 90th birthday celebration in October are underway. The OpShop will also be celebrating their 10th year anniversary later this year.

Councillor J Diver

Councillor J Diver attended the Sports NZ Rural meeting. He advised that the swimming pool fundraising event is approaching on 27th July and plans are progressing for this. A triathlon event in Kaikōura is a possibility for the summer season to help with fundraising for the pool.

Councillor T Blunt

Councillor T Blunt attended the Marlborough Regional Forestry Annual General Meeting. He advised that the forestry will be purchasing another block for planting and the recent sale of the carbon credits should cover the purchase price of the new block. The forestry are looking at purchasing other pine plantations with a view to having blocks to harvest every year.

Councillor V Gulleford

The District Licensing Committee has processed three Manager decisions in the last month and has a couple of On-Licenses coming up for renewal.

11.3 CEO Monthly Report

The South Bay Forestry harvesting will start in mid-July with the majority of works completed by end of October and letters are being sent to key stakeholders tomorrow. A communications plan is in place to keep the community informed.

The changes in the team were highlighted: S Wright is going on maternity leave in September and the team are recruiting for a fixed term position. B Apperley has signaled his retirement this year, and the new Building Control Manager G Vaughan starts on Monday 1st July. The Building Team were acknowledged for their continued operations without a permanent manager for 18 months.

The Chief Executive highlighted the attachment included in the report on Local Water Done Well. The elected members have been invited to a hui tomorrow on what this means for local authorities.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor R Roche

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

11.4 May Monthly Finance Report

It was highlighted that there were no major variances. The deficit is tracking at \$2.4m at May year-to-date and is mainly driven by the timing issue of the Waiau Toa/Clarence Bridge replacement.

It was clarified that the latest estimate of the IAF project is \$14.1m, with \$7.8m coming from Kainga Ora, \$175k being the Council's contribution, and approximately \$6m covered by the developer. The development contribution and a summary on the status of the IAF project is included in the Works & Services Committee's report.

It was noted that an assumption was made in the LTP that 80% of requested roading programme to NZTA would receive subsidy, the full outcome won't be known until August.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

The meeting moved to item 11.6 Innovative Waste Kaikōura Ltd – Statement of Intent 2024/2025-2026/2027

11.6 Innovative Waste Kaikōura Ltd – Statement of Intent 2024/2025-2026/2027

It was confirmed that shareholder approval of the Statement of Intent isn't required by legislation. The IWK board are meeting tomorrow and will update the Council if any amendments are suggested. The Statement of Intent includes wording around enhancement of the environment, as previously requested. The review on the environment plan will start the 2024/2025 financial year but no specific start date has been set. It was agreed for the Council staff to confirm when the Waste Management and Minimisation Plan was last reviewed (**ACTION**).

RESOLUTION

THAT the Council:

- a) *Receives the Innovative Waste Kaikōura Ltd. Statement of Intent 2024/2027 (subject to no change from the IWK board meeting on 27th June 2024)*

Moved: Councillor L Bond

Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

The meeting adjourned at 10.40am and reconvened at 11.00am.

10.3 Temporary Accommodation Report

P Kearney and B Timms from Te Whare Putea joined the table, and R Gibson from MSD joined the meeting via MS Teams. It was highlighted that the recommended option has no financial disadvantage to the Council and provides welfare to the community.

A comment was raised that the valuation of the wooden frame buildings has been overstated. The insurance costs would be covered by Te Whare Putea should option 1 be approved. It was noted that Te Whare Putea are a not-for-profit organisation. It was highlighted that any on-sale arrangements should be discussed and included in the final arrangements.

RESOLUTION

THAT the Council:

- a) *Receives this report*
- b) *Approves Option 1(a) Sale of units and extension of lease (Recommended):*
- c) *Notes that existing arrangements will remain in place until Friday 28th February 2025 or until such time that the agreed new arrangements can be implemented, whichever is sooner.*

Moved: Councillor L Bond

Seconded: Councillor T Blunt

MOTION LOST

An amendment was put forward for the final arrangements to be brought back to the Council.

AMENDED RESOLUTION

THAT the Council:

- a) *Receives this report*
- b) *Approves Option 1(a) Sale of units and extension of lease (Recommended):*
- c) *Notes that existing arrangements will remain in place until Friday 28th February 2025 or until such time that the agreed new arrangements can be implemented, whichever is sooner.*
- d) *Final arrangements will be brought back to the Council.*

Moved: Councillor J Diver

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

11.5 Responses to Jordan Stream Bridge Closure

It was noted that a resource consent is not required from ECAN to put in place a temporary bailey bridge, the plan is to have this installed in the next two weeks. The potential bridge replacement options were noted on page 113 of the Agenda. Options 4 and 5 are possibilities, taking into consideration the costings. The operations team have identified a good second hand two span bridge on the West Coast that is available in October 2024 (option 5). The team will bring back a decision report to the Council in a couple of months.

A query was raised if target rates could be applied to bridges. Council officers commented that this could be done by councils, however they would need consistency across the district and any targeted rate is likely to be extremely high given the low number of properties above the stream.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor R Roche

Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

11.7 Community Services Team Update Report

The Kaikōura Youth Council attended the Top of the South Youth Council Hui in Nelson with three other youth councils. They are looking to bring a report to the Council about youth voice.

Since the decision on the naming of Main Power Takahanga Multisport Courts at the May Council meeting, the Runanga have indicated they would prefer the name to be Takahanga Main Power Multisport Court. Main Power are happy with the Runanga's preference and have approved the sponsorship.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor L Bond

Seconded: Councillor R Roche

CARRIED UNANIMOUSLY

11.8 Planning Update Report

The Canterbury Regional Policy Statement is included in the report and there is a workshop with elected members on 10th July 2024 on the draft document that is out for consultation. The Reserve Management Plan engagement is ongoing with no attendance from the public at the walk-in sessions hosted by council staff. The planning team are working with the applicant on Old Beach Road around their resource consent and what that means in terms of the National Policy Statement, as the allotments are rural zoned.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

11.9 Building and Regulatory Update Report

A discussion was held on the visitor accommodation information included in the report. It was agreed that the wording be changed to 'building consent **may** not be required'. Those who have visitor accommodation have until 1st September to complete the paperwork.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

Meeting adjourned at 12.03pm and reconvened at 12.31pm

12. RESOLUTION TO MOVE INTO COUNCIL PUBLIC EXCLUDED SESSION

Councillor T Blunt raised a matter to be urgent business in the public excluded session relating to storm water and water use, which are commercially sensitive. It was agreed that this item be added to the public excluded agenda.

Moved: Councillor T Blunt
Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely

- a) Public excluded council meeting minutes dated 29 May 2024
- b) Harbour Financial Matters – verbal update
- c) Storm water and water use

The general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1), 6 and 7 of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each to be considered	Reason for excluding the public	Grounds of the Act under which this resolution is made
Public excluded council meeting minutes dated 29 May 2024	The minutes are being tabled for confirmation and include commercially sensitive information relating to harbour financial matters.	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Harbour Financial Matters – verbal update	Verbal update on subject previously brought to Council around ongoing negotiations which is commercially sensitive	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Storm Water and water use	Verbal update from Councillor T Blunt raised as urgent business, the information is commercially sensitive	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information

*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

We do not want to reveal the details of those negotiations. Information will be made publicly available in due course.


Moved: Councillor L Bond
Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

The meeting moved into the Public Excluded Session at 12.33pm.
The meeting moved out of the Public Excluded Session at 12.56pm.

13. CLOSED OF MEETING

There being no further business, the meeting was declared closed at 12.57pm.

CONFIRMED  Chairperson
25 September 2024 Date

THIS RECORD WILL BE HELD IN ELECTRONIC FORM ONLY

**ACTIONS FROM COUNCIL MEETINGS
AS AT 25 JULY 2024**

OPEN ACTION ITEMS

	ACTION ITEMS	ASSIGNED TO	DUE	STATUS
1	<i>Carried Forward from previous Council:</i> Kaikōura Cycling Club		July 2024	Not received an update from Kaikōura Cycling Club since October 2023. EO emailed 04/07/24.
	Quarterly Progress Reports from 1-Jul FY 24-25 Museum, Sports Tasman, Mayfair, Kaikōura Rugby Club – Takahanga Facility Project Team, TeHa, A&P Association, Wildlife Centre Trust, Takahanga Bowling Club, Kaikōura Red Cross Branch, Kaikōura Bowling Club, Miniature Rifle Club, Croquet Club, Netball Centre,	-	October 2024 February 2025 April 2025 July 2025	
2	Arrange meeting with Local MP Office once New Government established – discuss Māori Wards, Freedom Camping funding, Audit costs	W Doughty / B Makin	Ongoing	Next meetings scheduled for 26 th August/7 th October
3	Celebration with Governance Group when the detailed design is approved	W Doughty / B Makin	-	Scheduled for 27/08/24
4	Workshop Discretionary Grants process and criteria for next year	W Doughty / B Makin	June 2024	Workshop held in July. Changes to be finalised.

CLOSED ACTION ITEMS

	ACTION ITEMS	ASSIGNED TO	DUE	STATUS
	Look into the governments plans for fluoridation with Local Water Done Well	W Doughty	June 2024	Completed - Attachment included in June report on Local Water Done Well.
	Look at options for an exemption clause in the Signs Bylaw	D Clibbery	July 2024	Completed - Options report included in July Agenda.
	Confirm when the Waste Management and Minimisation Plan was last reviewed	D Clibbery	July 2024	Completed - Adopted by W&S Committee 23/02/2021

Attachment to Item 10.1 Adoption of LTP 2024-2034 - Summary changes to the Long-Term Plan

Report to table on 26 June 2024

Infrastructure Strategy

The Infrastructure Strategy had not included the Glen Alton Bridge replacement, or the IAF project. This was deliberate, because neither of those projects have been completed (and in fact are in the very early stages), and it is very unclear what the final form of those projects will take. Currently there is no way of knowing how much of the total cost of the Glen Alton project will be the actual bridge, compared to road access (for example). Similarly, the IAF project might – or might not – include a bridge over the railway as opposed to a rail crossing.

It is an expectation, however, that the Infrastructure Strategy is aligned with the Long-Term Plan financial forecasts and so both projects need to be included.

This resulted in full updates to all tables and graphs throughout the Infrastructure Strategy pages.

Introduction

Inserted the following sentences supporting critical assets not needing to be replaced (page 19):

Due to the extensive replacement of water and sewer assets post the 2016 earthquake, there are no immediate plans to replace the above asset types in the current LTP.

Based on previous extensive CCTV review post-earthquake these assets are also not noted in the significant issues section in the Infrastructure Strategy although the issues section does call out the provision for the replacement of around 50% of water pipes by approximately 2033.

Classification of capex – growth, level of service, or renewal

The IAF projects (Roading and Water), and projects at the airport, were found to be incorrectly classified. The IAF projects were reclassified from level of service to growth, and the airport projects were reclassified from level of service to renewal.

Liquidity covenant fully compliant

A check of the covenant showed that the Council will meet the LGFA covenants in all years without the need for a bank facility in 2027. Page 17 of Part Three: Strategies & Policies (graph and narrative) was changed to confirm compliance.

Financial information

- Moved fair value gains on investment property to be included in total revenue (not other comprehensive income)
- Forecast Funding Impact Statement movement in debt to only show the movement in external debt (not internal), the balance movement is through special reserves and funds.

Performance information

- Corrected the average surplus comment to \$297k from \$2.97 million
- Minor changes to performance graphs and targets for better alignment with the Infrastructure Strategy
- Minor format changes

Prospective Statement of Comprehensive Revenue & Expense for the financial year ended 30 June

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	An-Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue											
Revenue from rates	9,243	10,538	11,603	12,344	13,194	13,624	13,718	13,974	14,443	14,447	14,688
Water meter charges	140	230	235	242	248	254	260	266	272	278	283
User fees & charges	1,735	1,923	1,920	1,997	2,086	2,167	2,269	2,325	2,401	2,443	2,511
Grants & subsidies	20,483	15,039	17,122	3,113	1,381	1,403	1,441	1,419	1,502	2,981	1,558
Development contributions	44	62	97	101	102	104	106	109	110	111	118
Finance income	3	57	46	57	47	59	68	66	59	60	54
Other revenue	113	685	341	344	349	560	629	611	592	606	409
Gains	-	88	65	255	250	245	239	244	237	242	235
Total revenue	31,761	28,621	31,429	18,452	17,657	18,417	18,730	19,013	19,617	21,169	19,855
Operating expense											
Personnel	3,836	4,126	4,325	4,462	4,602	4,704	4,803	4,899	4,997	5,093	5,190
Depreciation & amortisation	6,247	6,239	6,113	6,263	6,343	6,175	6,249	6,318	6,497	6,597	6,817
Finance expense	327	392	488	527	530	519	517	506	485	461	543
Other expenses	8,633	8,947	8,869	8,987	9,220	9,290	9,462	9,528	9,831	9,985	10,086
Total operating expenses	19,044	19,705	19,795	20,239	20,695	20,688	21,032	21,252	21,810	22,136	22,635
Net surplus/(deficit)	12,717	8,916	11,634	(1,786)	(3,038)	(2,271)	(2,302)	(2,239)	(2,194)	(967)	(2,780)
Other comprehensive income											
Gains on asset revaluation	-	8,591	-	-	12,224	-	-	30,412	-	-	35,578
Movement in provisions	-	-	-	-	-	-	-	-	-	-	-
Fair Value Gains through Equity	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	8,591	-	-	12,224	-	-	30,412	-	-	35,578
Total comprehensive income	12,717	17,507	11,634	(1,786)	9,186	(2,271)	(2,302)	28,173	(2,194)	(967)	32,798

Prospective Statement of Revenue & Expense (by group of activities) for years ended 30 June

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	An-Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue											
Roading	14,865	11,529	16,635	4,868	3,801	3,869	3,979	4,077	4,289	4,366	4,462
Water supplies	1,388	1,666	1,929	2,223	2,352	2,502	2,394	2,500	2,608	3,979	2,561
Wastewater	758	1,269	1,319	1,345	1,353	1,435	1,533	1,552	1,602	1,616	1,645
Stormwater	57	113	130	133	136	139	144	144	148	152	154
Refuse & recycling	421	444	484	491	499	507	574	583	596	610	621
Facilities	7,843	7,127	4,235	2,227	2,068	2,334	2,511	2,467	2,457	2,473	2,232
Leadership & governance	86	45	64	47	48	69	50	51	73	53	54
Building & regulatory	1,049	1,027	1,063	1,086	1,100	1,122	1,144	1,163	1,185	1,207	1,227
Community services	583	249	35	36	37	38	39	39	40	41	42
District development	549	656	664	866	934	1,011	956	1,004	1,051	1,100	1,145
General rates	4,158	4,351	4,758	4,819	5,029	5,088	5,098	5,123	5,270	5,269	5,425
Finance revenue	3	57	46	57	47	59	68	66	59	60	54
Gains	1	88	65	255	250	245	239	244	237	242	235
Total revenue	31,761	28,621	31,429	18,452	17,657	18,417	18,730	19,013	19,617	21,169	19,855
Operating expense											
Roading	4,129	4,612	4,819	4,994	4,964	4,997	5,050	5,087	5,275	5,320	5,404
Water supplies	2,389	2,365	2,434	2,533	2,589	2,608	2,691	2,717	2,788	2,894	3,088
Wastewater	1,554	1,779	1,818	1,848	1,882	1,879	1,935	1,958	2,009	2,045	2,074
Stormwater	236	252	267	270	274	275	280	281	291	294	296
Refuse & recycling	698	647	703	724	743	751	768	773	785	798	814
Facilities	4,418	4,001	3,991	4,131	4,204	3,997	4,071	4,075	4,075	4,133	4,183
Leadership & governance	1,468	1,924	1,657	1,398	1,398	1,513	1,484	1,576	1,643	1,652	1,654
Building & regulatory	1,689	1,717	1,844	1,816	1,968	1,897	1,995	1,964	2,058	2,047	2,131
Community services	1,599	1,369	1,190	1,216	1,243	1,269	1,306	1,322	1,350	1,378	1,405
District development	864	1,038	1,071	1,309	1,429	1,501	1,452	1,499	1,538	1,574	1,584
Total operating expenses	19,044	19,705	19,795	20,239	20,695	20,688	21,032	21,252	21,810	22,136	22,635
Net surplus/(deficit)	12,717	8,916	11,634	(1,786)	(3,038)	(2,271)	(2,302)	(2,239)	(2,194)	(967)	(2,780)

Forecast Funding Impact Statement for financial years ended 30 June

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
An-Plan \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 10
Sources of operating funding											
General rates, UAGC, rates penalties	4,159	4,351	4,758	4,819	5,029	5,088	5,098	5,123	5,270	5,269	5,425
Targeted rates	5,224	6,417	7,080	7,767	8,413	8,790	8,880	9,117	9,445	9,455	9,546
Subsidies & grants for operating purposes	1,903	992	801	817	790	805	820	835	850	865	879
Fees and charges	1,735	1,923	1,920	1,997	2,086	2,167	2,269	2,325	2,401	2,443	2,511
Interest & dividends from investments	3	57	46	57	47	59	68	66	59	60	54
Fuel tax, fines & other revenue	113	685	341	344	349	560	629	611	592	606	409
Total sources of operating funding (A)	13,137	14,424	14,946	15,800	16,713	17,470	17,765	18,077	18,617	18,698	18,824
Application of operating funding											
Payments to staff and suppliers	12,470	13,074	13,193	13,449	13,822	13,994	14,265	14,428	14,828	15,078	12,375
Finance costs	327	392	488	527	530	519	517	506	485	461	543
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total application of operating funding (B)	12,797	13,466	13,682	13,976	14,352	14,513	14,782	14,934	15,313	15,539	15,819
Surplus (deficit) operating funding (A – B)	340	958	1,265	1,824	2,361	2,957	2,983	3,143	3,304	3,160	3,005
Sources of capital funding											
Subsidies & grants for capital expenditure	18,580	14,047	16,321	2,296	591	598	620	584	653	2,117	679
Development contributions	44	62	97	101	102	104	106	109	109	111	118
Increase (decrease) in debt	1,426	-	3,000	-	(300)	(1,000)	-	(1,000)	(1,000)	(1,000)	(1,000)
Gross proceeds from sale of assets	150	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	20,200	14,109	19,418	2,397	393	(298)	726	(307)	(238)	1,228	(203)
Application of capital funding											
Capital expenditure											
- To meet additional demand	5,271	10,330	8,641	-	140	33	430	-	-	1,451	-
- To improve level of service	9,286	1,664	694	741	519	588	462	335	336	343	349
- To replace existing assets	8,326	4,906	10,903	4,031	2,420	2,502	2,456	2,542	2,975	2,571	2,692
Increase (decrease) in reserves	(2,343)	(1,832)	444	(551)	(325)	(465)	361	(42)	(245)	23	(239)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	20,540	15,067	20,682	4,221	2,754	2,658	3,709	2,835	3,066	4,388	2,802

Schedule A: Rating Funding Impact Statement and the rates for 2024/2025

This Rating Forecast Impact Statement (Rating FIS) should be read in conjunction with the Council's Revenue & Financing Policy. That Policy sets out, for every activity the Council provides, how that activity will be funded having considered who benefits from that activity (or who contributes to the cost). Where the Council has decided that rates are an appropriate way to fund all or part an activity, that Policy also determines whether this be by way of general rates, uniform annual general charges, or targeted rates. Rates are set under the Local Government (Rating) Act 2002 (the Act) as at 1 July each year, and are for the financial year 1 July to 30 June.

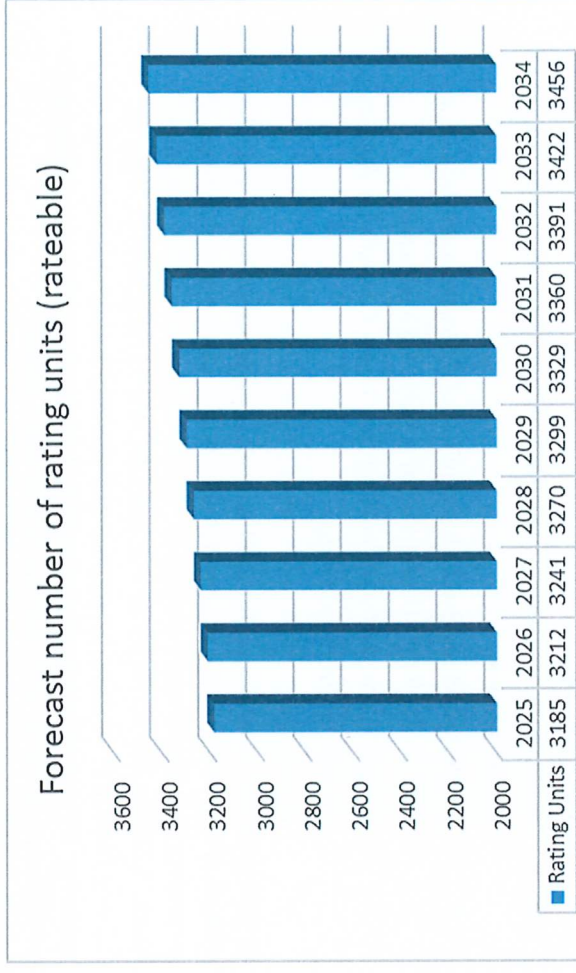
Rating database information

The Council estimates its rating database will hold the following values as at 1 July 2024. Note the most recent district valuation was performed by independent valuers as at 1 August 2021. These valuations are audited by the Office of the Valuer General.

Rating database estimate at 1 July 2024				
	Count	Capital value \$000	Land value \$000s	Area (Ha)
Rateable	3,076	2,304,749	1,363,315	91,262
Non-rateable	256	115,827	60,618	105,934
Part non-rateable	8	5,401	3,421	447
Total rating units	3,340	2,425,977	1,427,354	197,643
Separately used or inhabited parts of a rating unit				3,164

The Council estimates the number of rating units will increase roughly in line with the forecast for Vicarage Views and Ocean Ridge, plus nominal

growth for the new business park and ongoing subdivisions. This growth is forecast to average 29.2 new lots created per year.



The rating system

The following pages set out what your rates are used for, and how they are calculated.

Definitions

The following pages refer to several categories of property, and several types of rates. The following definitions should be helpful to determine which rates apply to certain property.

Commercial property

All rateable properties in the district:

- a) Used principally or exclusively for commercial and/or industrial purposes, (not being farmland as defined by Land Information NZ); or
- b) Used principally for visitor accommodation for commercial reward for not less than five persons, and for the avoidance of doubt, including any motel, hotel, motor lodge, bed and breakfast, hostel, or camping ground; or
- c) Used as licensed premises under the Sale and Supply of Alcohol Act 2012.

General rate

The general rate is a rate set for all rateable properties within the Kaikōura district and is based on the property's capital value. The Council has set a rating differential of 0.8:1 on the general rate for rural and semi-rural properties. The objective of the differential rate is to acknowledge that rural and semi-rural properties are predominantly farmland with high capital values (in comparison with their urban counterparts) but that their capital value does not necessarily reflect the services they receive or have access to.

Self-contained and serviced

All rateable properties within the area serviced by the Kaikōura sewerage system, and used principally for short term accommodation, but limited to those properties with motel-type units, including motels, motor lodges, motor inns, motel apartments, serviced apartments, and serviced holiday

cottages, each of which contain a private or ensuite bathroom, with bedding, linen and cooking facilities provided, and which are serviced daily.

Separately used or inhabited part of a rating unit

A "separately used or inhabited part of a rating unit" is defined as

- (1) any part of a rating unit that is used or inhabited by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement (whether formal or informal), or

- (2) Any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use. Without limitation, the following are separately used parts of a rating unit:

- Individual flats or apartments
- Separately used or leased commercial areas which are comprised in one rating unit, including each shop within a mall (for example)
- A business that employs more than one FTE who does not reside on site
- Single rating units which contain multiple uses such as a shop with a dwelling or commercial activity with a dwelling
- A building or part of a building that is used, or can be used as an independent residence
- A manager's residence within a hotel or motel

An independent residence is defined as a liveable space with its own kitchen, living and toilet/ bathroom facilities that can be deemed to be a secondary unit to the main residence. Note: a kitchen is defined as any space, facilities and surfaces for the storage, rinsing, preparation and/or cooking food, the washing of utensils and the disposal of wastewater, including, for example a food preparation bench, sink, cooking appliance(s), refrigerator, and may include other kitchen appliances.

The following are not considered to be separately used parts of a rating unit:

- A residential sleep-out or granny flat that does not meet the definition of an independent residence
- A hotel room with or without kitchen facilities
- A motel room with or without kitchen facilities
- Individual storage garages/sheds/portioned areas of a warehouse
- Individual offices or premises of business partners
- Bars or areas within sports club facilities where alcohol is sold and/or consumed under a Club Licence

Where a rating unit is identified as having more than one separately used or inhabited part available to be used, but it is not actually separately used or inhabited, then it shall be assessed as having separately used or inhabited parts and the ratepayer may apply annually for remission of rates on the unused part(s). The remission would only be available where the unused part(s) are unused for the entire rating year. Where a remission has been granted, and it is discovered that the part(s) were actually used during that rating year, that rating unit will not be eligible for remission of rates for unused part(s) for any subsequent rating year.

Small accommodation property

All rateable properties providing short-term accommodation for commercial reward, but not meeting the criteria of a commercial property. For the avoidance of doubt, this means (having not met the criteria of a commercial property in the first instance), all rateable properties that provide short-term visitor accommodation, and which are;

- a) not used principally and exclusively for commercial or industrial purposes (other than for visitor accommodation). Examples may include a residential dwelling where the principal use is residential, but visitor accommodation is also provided on the property (whether within the dwelling or in separate units); or a residential dwelling where the principal use is a holiday home for the owner, which is rented out as a holiday home for commercial reward (including Air B&B style accommodation);

- b) or any other property not principally commercial/industrial, but which provides visitor accommodation, or if they are used principally for visitor accommodation, the property only provides for no more than four persons. This includes any property providing short-term accommodation such as small bed & breakfasts, but not including long-term rental accommodation.

These properties are subject to the visitor accommodation charge, and may also be subject to separate sewer charges. These rates are applied on a per separately used or inhabited part of a rating unit.

Targeted rates

Targeted rates enable the Council to identify specific properties that it considers receive the greatest benefit from, or create the greatest need for, the Council's various activities. Targeted rates can be applied on a number of categories of rateable property, including (for example):

- the use to which the land is put,
- the provision of a service to the land,
- the availability of a service to the land,
- the location of the land

Targeted rates may be either a rate based on a property's value, or a set dollar amount per annum. Unless otherwise specified throughout the following pages, where a targeted rate is applied, this is a rate based on a property's capital value; and where a uniform targeted rate is applied, this refers to a fixed (uniform) dollar amount per annum regardless of property value.

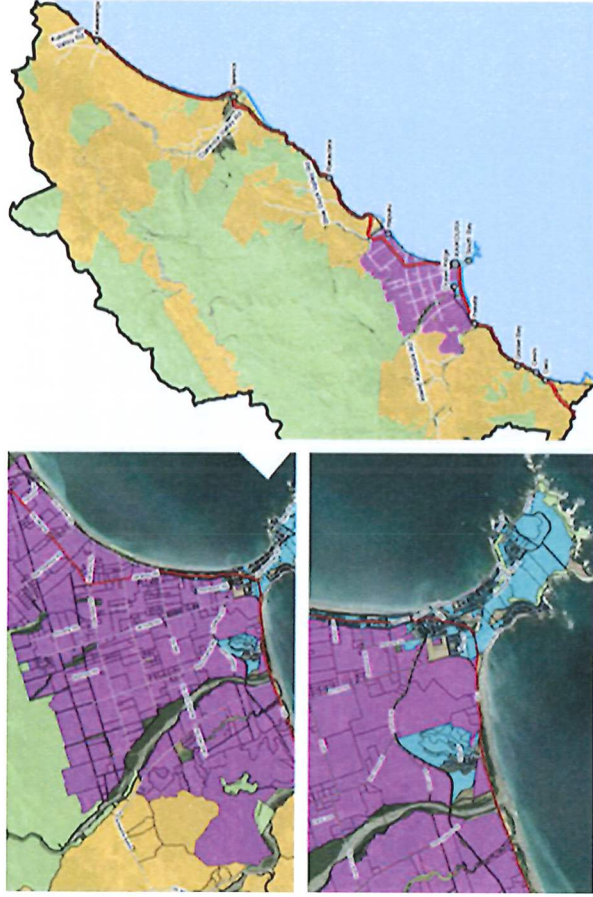
The Council has chosen to apply most of its uniform targeted rates to separately used or inhabited parts of a rating unit, to remain consistent with the principles of the uniform annual general charge. In some instances, however, such as the registered premises charge, or sewerage charges, these are applied subject to certain other factors.

The Council will not be inviting lump sum contributions in respect of any targeted rates.

Uniform Annual General Charge (UAGC)

This shall be a fixed amount per separately used or inhabited part of a rating unit, for all rateable land within the district.

Rating Areas



The above map shows each of the rating areas.

Urban area for rating purposes

The pale blue area is the current urban area for rating purposes. It includes the Kaikōura peninsula, South Bay, Ocean Ridge, Beach Road from the West End to Mill Road, the southern length of Ludstone Road from the West End Rates for the financial year from 1 July 2024 to 30 June 2025

to (and including) Vicarage Views, and the northern length of Ludstone Road from the West End to (and including) the Kaikōura High School. As the town grows, this area may be extended to incorporate new areas as appropriate to meet the intent of these rates – i.e., in areas where property is able to connect to the Urban water supply or wastewater systems, or where footpaths, streetlights, or stormwater is developed.

Semi-rural area for rating purposes

The purple area on the map is the semi-rural area for rating purposes. It is an area defined for its proximity to urban services, and therefore has no relationship to the size, land use, or value of individual properties within, or outside of, this area. The semi-rural area extends to the Hapuku River in the north, and to the Kahutara River to the south (thereby including the villages of Hapuku and Peketa). This area also extends inland to the foothills of Mt Fyffe and west on the Kaikōura Inland Road as far as (but not including) Kowleigh Farm.

Rural rating area

The remainder of the district is rural, with rateable properties portrayed in pale orange. Effectively the rural area for rating purposes is all rateable property that is not located within either the Urban or Semi-rural rating areas. Department of Conservation (DoC) land is shown in pale green, and while it makes up a significant part of the district, this land is non-rateable.

Utilities

Utilities are as defined by the Resource Management Act (1991), and include Council-owned water, wastewater, and stormwater systems, as well as electricity, telecommunications, and railway networks.

General rates

General rates	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
General rate					
<p>The general rate funds the general operations of the Council, including general management, community services, communications, strategy & policy, economic development, environmental planning, the net costs of statutory planning, building control, dog control, forestry, community facilities, general parks and reserves, and a portion of public toilets and traffic control.</p> <p>The general rate may also fund the same activities as the UAGC, because the UAGC lever provides for costs to be transferred to the general rate where necessary to remain under the 30% cap on rates set on a uniform basis, as required by the Local Government (Rating) Act 2002 (the Rating Act).</p>	<p>Urban & Utilities 1:1</p>	<p>All rateable property within the Urban area, and all rateable property within the district defined as Utilities</p>	<p>Rate in the \$ of capital value</p>	<p>0.00128041</p>	<p>1,520,524</p>
	<p>Semi-Rural and Rural 0.8:1</p>	<p>All rateable property outside the Urban area except for property defined as Utilities</p>	<p>Rate in the \$ of capital value</p>	<p>0.00102433</p>	<p>1,134,499</p>
Uniform Annual General Charge (UAGC)					
<p>The UAGC also funds the general operations of Council, including landfill and recycling operations, governance, library services, sports fields, playgrounds, cemetery, walkways, public halls, swimming pool, general environmental health, and emergency management.</p> <p>The Council uses a UAGC lever to transfer costs to or from the general rate where necessary to remain under the 30% cap required by the Rating Act.</p>	<p>None</p>	<p>All rateable property within the district</p>	<p>Fixed \$ amount per separately used or inhabited part of a rating unit</p>	<p>742.14</p>	<p>2,348,117</p>

Targeted rates applied across the whole district

The earthquake levy, district planning rate and the civic centre charge (as below), apply to all properties within the district. They are separate targeted rates for the purposes of transparency and accountability, rather than for the purpose of targeting certain categories of land.

Targeted rates	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Earthquake levy					
This rate funds the net costs of earthquake response and rebuilding, including loan servicing costs relating to earthquake work (most notably roading) and, once those costs are covered, to build resilience reserves which can be used for current and future emergency event response and rebuilding.	None	All rateable property within the district	Fixed \$ amount per separately used or inhabited part of a rating unit	40.00	126,560
District Planning Rate					
This rate funds the net costs of district planning, including development of the Kaikōura District Plan.	None	All rateable property within the district	Rate in the \$ of capital value	0.00013268	304,521
Civic Centre Rate					
The Civic Centre rate funds the net costs (after lease revenues) of the museum, library, and civic offices building	None	All rateable property within the district	Fixed \$ amount per separately used or inhabited part of a rating unit	134.84	426,628

One of the main outcomes of the rating review completed in 2023/2024 was the removal of the Roading Rate, which had been assessed on capital value of every property in the district, without differentials applied. That rate has now been replaced by two new rates, the Roading Differential Rate and the Roading Fixed Rate, which work in conjunction with each other to ensure that commercial, rural and semi-rural properties contribute more to the cost of roading through the roading rate differentials, while the fixed rate helps to alleviate impacts on higher valued properties in those rating categories.

Targeted rates	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Roading Differential Rate					
This rate funds the net operating and capital costs (after subsidies) for maintenance and upgrading of the district's roading and bridges network.	Urban & Utilities 1:1	All rateable property within the Urban area (except for property defined as Commercial), plus all rateable property within the district defined as Utilities	Rate in the \$ of capital value	0.00054393	518,899
	Semi-Rural and Rural 1.2:1	All rateable property outside the Urban area (except for property defined as Commercial and/or defined as Utilities)	Rate in the \$ of capital value	0.00065271	708,484
	Commercial 2:1	All rateable property defined as Commercial (and excluding property defined as Utilities)	Rate in the \$ of capital value	0.00108785	213,753
Roading Fixed Rate					
This rate funds the net operating and capital costs (after subsidies) for maintenance and upgrading of the district's roading and bridges network.	None	All rateable property outside the Urban area (except for property defined as Utilities)	Fixed \$ amount per separately used or inhabited part of a rating unit	200.00	236,200

Targeted rates for specific categories of land or services

Rates on the following pages are targeted rates for specific categories of land or property and apply to specific services.

The Council will not accept lump sum contributions (as defined by Section 117A of the Local Government (Rating) Act) in respect of any targeted rate.

WATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Kaikōura Water Annual Rate¹					
This water rate funds the net costs of the supply, treatment, upgrading and maintenance of the Kaikōura water cohort, which includes the Kaikōura Urban water supply, as well as partially subsidising the net costs of the Suburban, Ocean Ridge, East Coast village, Peketa, and Oaro water supplies.	Full charge 1:1	All rateable properties connected to the Kaikōura water supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	541.55	1,053,850
	Half charge 0.5:1	All rateable properties situated within 100 metres of any part of the Kaikōura water supply, but not connected to the supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	270.77	30,056
Kaikōura Water Loan Rate					
This water rate funds the loan servicing costs of the Kaikōura Urban water supply.	None	All rateable properties situated within 100 metres of any part of the Kaikōura water supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	-	-

¹ Note that, for the Kaikōura and Suburban water supplies, certain properties are “extraordinary consumers”, such as agricultural/pastoral properties in the Suburban area, plus commercial and accommodation premises, or properties with a swimming pool, for example. These properties are metered and water meter charges apply in addition to the applicable rates above.

WATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Suburban Water Rate					
This water rate contributes to the cost of the supply, treatment, upgrading and maintenance of the Suburban water scheme.	None	All rateable properties within the Suburban water area ² and connected to the Suburban water scheme.	Fixed \$ amount per Suburban water unit (1,000 litres per day)	541.55	27,619
Ocean Ridge Water Rate					
This water rate contributes to the costs of supply, treatment, upgrading and maintenance of the Ocean Ridge water supply.	Full charge 1:1	All rateable properties connected to the Ocean Ridge water supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	541.55	41,158
	Half charge 0.5:1	All rateable properties situated within 100 metres of any part of the Ocean Ridge water supply, but not connected to the supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	270.77	20,308
Kincaid Water Rate					
This water rates funds the supply, treatment, upgrading, and maintenance of the Kincaid water supply.	None	All rateable properties connected to the Kincaid rural water supply.	Fixed \$ amount per Kincaid water unit (1,000 litres per day)	184.77	121,208
Fernleigh Water Rate					
This water rates funds the supply, treatment, upgrading, and maintenance of the Fernleigh water supply.	None	All rateable properties connected to the Fernleigh rural water supply.	Fixed \$ amount per Fernleigh water unit (1,000 litres per day)	631.78	199,010

² The Suburban water area is from the Waimangarara water intake and the Kaikōura flats area including properties on Postmans Road, McInnes Road, Brunells Road, Schrodgers Road, Mt Fyffe Road, Schoolhouse Road, and Red Swamp Road north of Postmans Road.

WATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
East Coast Rural Water Rate					
This water rates funds the supply, treatment, upgrading, and maintenance of the East Coast water supply, the costs as identified to relate predominantly to the rural part(s) of the supply.	None	All rateable properties connected to the East Coast water supply (excluding those properties within the Clarence Village water supply area).	Fixed \$ amount per East Coast water unit (1,800 litres per day)	690.00	83,490
East Coast Village Water Rate					
This water rates funds the supply, treatment, upgrading, and maintenance of the East Coast water supply, as identified to relate predominantly to the Clarence village part(s) of the supply.	None	All rateable properties situated within the Clarence Village area, being that area from the East Coast water intake near the Clarence River to where the rail line runs adjacent to State Highway One and incorporating all properties to the south of Clarence Valley Road and State Highway One to the Clarence River or the rail line as applicable.	Fixed \$ amount per East Coast water unit (1,800 litres per day)	541.55	8,665
Oaro Water Rate					
This water rates contributes to the costs of supply, treatment, upgrading, and maintenance of the Oaro water supply.	None	All rateable properties connected to the Oaro water supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	541.55	38,991
WATER					
Peketa Water Rate				2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$

This water rates contributes to the costs of supply, treatment, upgrading, and maintenance of the Peketa water supply.	None	All rateable properties connected to the Peketa rural water supply.	Fixed \$ amount per separately used or inhabited part of a rating unit	541.55	10,831
Water Meter Charges <i>The following two water rates will be billed separately from the rates invoice, twice annually.</i>					
Volumetric charges: This water rate contributes to the cost of the supply, treatment, upgrading and maintenance of the Kaikōura water supply.	None	All rateable properties connected to any water supply and with a metered connection to that supply.	Fixed \$ amount per cubic meter of water usage which exceeds 365m ³ per annum (or 183m ³ per six months as read)	2.10	209,000
Meter Maintenance Charge: This water rate contributes to the cost of reading, maintaining and renewing water meters, and contributes to the general costs of the Kaikōura water supply.	None	All rateable properties connected to any water supply and with a metered connection to that supply.	Fixed \$ amount per water meter	60.00 (30.00 invoiced twice a year)	20,600

A special one-off meter reading, such as for a final reading on change of ownership, incurs a \$75.00 meter reading charge which is billed at the time of reading the meter.

WASTEWATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Sewerage Loan Rate					
This rate funds the loan servicing costs of the Kaikōura sewerage system.	None	All rateable properties within the area serviced by the Kaikōura sewerage system (which includes the Kaikōura township, South Bay, Ocean Ridge, and parts of the Kaikōura flats), or within 100 metres of any part of that system.	Rate in the \$ of capital value	0.00000448	3,737
Sewerage Charge					
This wastewater targeted rate contributes to the costs of sewage collection, treatment, disposal, upgrading, and maintenance of the Kaikōura sewerage scheme.	Full charge 1:1	All rateable properties connected to the Kaikōura sewerage system (which includes the Kaikōura township, South Bay, Ocean Ridge, and parts of the Kaikōura flats).	Fixed \$ amount for the first water closet per separately used or inhabited part of a rating unit (plus a targeted rate for each additional water closet or urinal if applicable, please refer to the following pages).	624.95	1,115,533
	Half charge 0.5:1	All rateable properties within the area connected to the Kaikōura sewerage system, not being either commercial or self-contained and serviced (see definitions on the following page).	Fixed \$ amount for each water closet and urinal after the first, within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal. ³	312.47	7,811

³ A rating unit used primarily as a residence for one household will not be treated as having more than one water closet or urinal.

WASTEWATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Sewerage Charge – Self-contained & serviced					
This wastewater targeted rate contributes to the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikōura sewerage scheme.	None	All rateable properties connected to the Kaikōura sewerage system, and used principally for short term accommodation, but limited to those properties with motel-type units, including motels, motor lodges, motor inns, motel apartments, serviced apartments and serviced holiday cottages, each of which contain a private or ensuite bathroom, with bedding, linen and cooking facilities provided, and which are serviced daily.	Fixed \$ amount for each water closet and urinal after the first within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.	200.00	99,200
Sewerage Charge – Commercial (additional)					
This wastewater targeted rate contributes to the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikōura sewerage scheme.	None	All rateable properties within the Kaikōura urban area used principally for commercial and/or industrial purposes; or used as a licensed premise under the Sale and Supply of Alcohol Act 2012; or used for providing short term accommodation for commercial reward, but not including rateable properties defined as Self Contained and Serviced.	Fixed \$ amount for each water closet and urinal after the first within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.	350.00	108,150

WASTEWATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Sewerage Half Charge (Available)					
This wastewater targeted rate contributes to the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikōura sewerage scheme.	Half 0.5:1	All rateable properties situated within 100 metres of any part of the Kaikōura sewerage system, but not connected to the system.	Fixed \$ amount per separately used or inhabited part of a rating unit	312.47	64,681
STORMWATER	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Stormwater rate					
This rate funds the costs of stormwater disposal, loan servicing, upgrading and maintenance of the Kaikōura Stormwater scheme.	None	All rateable properties within the Kaikōura urban area.	Rate in the \$ of capital value	0.00011299	126,851

REFUSE & RECYCLING	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Kerbside Recycling Charge					
The kerbside recycling charge covers the costs of the fortnightly kerbside recycling collection service as well as contributing to the cost of operating the Resource Recovery Centre where recyclable materials are sorted, compacted, and transported to markets outside the district.	None	All rateable properties within the Kaikōura urban area, or on the periphery of the urban area and receiving the kerbside collection service, except for commercial properties and properties in the West End, but this rate will apply where a property is a residential dwelling in nature but deemed commercial by virtue of the number of visitors accommodated.	Fixed \$ amount per separately used or inhabited part of a rating unit	140.75	240,123

It is the intention of the above rate to capture all properties that have access to the kerbside collection service, whether they use the service or not. The Council's contractor does not use the rating areas when making the decision how far to extend the service, therefore some properties outside the urban area do have access to the kerbside collection. The contractor doesn't provide the standard kerbside collection service to commercial properties (these are assumed to have separate arrangements that they each pay for separately), and cannot safely provide the kerbside service in the West End as the collection vehicle is unable to turn in the confined space.

The rates on the following pages, namely the Footpath & Streetlight Rate, the Harbour Rate, and the Town Centre Rate, use the rating areas on page 48 to apply rating differentials. It is the purpose of the differential to acknowledge that properties within the urban area benefit most from urban-type services, properties on the outskirts of the township benefit to a lesser extent, and properties further away from the town benefit least of all.

	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Footpath & Streetlight Rate					
The Footpath & Streetlight Rate funds the net costs of maintaining, upgrading and operating footpaths and streetlights, including electricity and loan servicing costs.	Urban 1:1	All rateable property within the Urban area	Rate in the \$ of capital value	0.00014988	169,139
	Semi-rural 0.75:1	All rateable property within the Semi-rural area	Rate in the \$ of capital value	0.00011241	65,848
	Rural 0.25:1	All rateable property outside the Urban and Semi-rural rating areas.	Rate in the \$ of capital value	0.00003747	19,551
Harbour Rate					
The Harbour Rate funds the net costs of operating the harbour facilities, including South Bay and the North and Old Wharves, including loan servicing costs.	Urban 1:1	All rateable property within the Urban area	Rate in the \$ of capital value	0.00003392	38,171
	Semi-rural 0.75:1	All rateable property within the Semi-rural area	Rate in the \$ of capital value	0.00002544	14,904
	Rural 0.25:1	All rateable property outside the Urban and Semi-rural rating areas.	Rate in the \$ of capital value	0.00000848	4,425

	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Town Centre Rate					
The Town Centre Rate funds the net costs of town centre maintenance and upgrading of the West End, including cleaning and servicing the West End public toilets, maintenance of the town paving, village green, carpark and all associated loan servicing costs.	Urban 1:1	All rateable property within the Urban area	Rate in the \$ of capital value	0.00006608	74,574
	Semi-rural 0.75:1	All rateable property within the Semi-rural area	Rate in the \$ of capital value	0.00004956	29,033
	Rural 0.25:1	All rateable property outside the Urban and Semi-rural rating areas.	Rate in the \$ of capital value	0.00001652	8,620

Targeted rates for Commercial and/or Visitor Accommodation properties

Commercial businesses use, and contribute to the need for, certain services that a residential household or rural property does not. The commercial rate and accommodation sector charge ensure that these types of property continue to contribute to the costs of activities and services that they benefit from.

	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Commercial Rate					
The commercial rate funds the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of territorial authority regulatory functions, traffic control, harbour facilities, and public toilets.	None	All rateable properties in the district: <ul style="list-style-type: none"> Used principally or exclusively for commercial and/or industrial purposes, (not being farmland as defined by Land Information NZ); or Used principally for visitor accommodation for commercial reward for not less than five persons, and for the avoidance of doubt, including any motel, hotel, motor lodge, bed and breakfast, hostel, or camping ground; or Used as licensed premises under the Sale and Supply of Alcohol Act 2012; or Used for the provision of utilities infrastructure 	Rate in the \$ of capital value	0.00197312	442,595
Accommodation Sector Rate					
The accommodation sector rate funds the same activities as the commercial rate.	None	All rateable properties providing accommodation for commercial reward, but not meeting the criteria of a commercial property, and for the avoidance of doubt, including any property providing short-term accommodation for up to four persons , such as small bed & breakfasts, baches rented out as holiday homes, and other visitor accommodation such as Air B&B-style, but not including long-term rental accommodation.	Fixed \$ amount per separately used or inhabited part of a rating unit	600.00	118,200

	Differential	Category	Factor	2024/2025 Rate (incl. GST) \$	2024/2025 Total Amount (incl. GST) \$
Registered Premises Rate					
The registered premises charge funds the net costs of alcohol licensing, food and health safety inspections, and environmental health.	None	All rateable properties undertaking a licensed activity, such as premises where alcohol is sold or consumed, food premises, camping grounds, funeral directors, or hairdressers.	Fixed \$ amount per license (whether an alcohol licence, food premises licence, camping ground licence, funeral directors licence, or hairdressers licence)	728.46	79,038
Harbour Special Operator Rate					
This rate funds the net costs (after user fees), of the South Bay harbour facilities (including operations, capital work, and loan servicing costs). The differential aims to align with the area of the harbour that is predominantly for the exclusive use of the special operators ⁴ .	85% of total revenue to be collected from the rate	No. 1: The rateable property used as the primary ticketing office of Whale Watch Kaikōura (which is identified as a special operator of the harbour facilities at South Bay)	Rate in the \$ of capital value	0.05977802	97,438
	15% of total revenue to be collected from the rate	No. 2: The rateable property used as the primary ticketing office of Dolphin Encounter (which is identified as a special operator of the harbour facilities at South Bay)	Rate in the \$ of capital value	0.01011469	17,195

Please refer to the sewerage charges on pages 57-59 as they pertain to certain commercial properties, and also to the water meter charges on page 56 for commercial properties that are metered.

⁴ The special operators that are assessed for the Harbour Special Operator Rate will not be assessed for the Harbour Rate on page 60.

Rate assessments, invoicing, and penalties

Rates are set as at 1 July each year, and are due and payable to the Kaikōura District Council. The previous pages identify each proposed rate for the 2024/2025 financial year. Note that all amounts are GST inclusive, whereas those amounts within the Forecast Funding Impact Statement (on page 8) exclude GST.

These rates, their differentials, categories, and factors, are assumed to apply for each of the ten years of this Long-Term Plan. Notwithstanding this, the Council may review and publicly consult on its rating mechanisms within that period.

For rates other than volumetric water meter charges, rates are invoiced quarterly by instalment. Those instalment dates, the period they cover, and their due dates for the 2024/2025 financial year are as follows:

	For the period:	Last date for payment:
Instalment 1:	1 Jul 2024 to 30 Sep 2024	20 September 2024
Instalment 2:	1 Oct 2024 to 31 Dec 2024	20 December 2024
Instalment 3:	1 Jan 2025 to 31 Mar 2025	20 March 2025
Instalment 4:	1 Apr 2025 to 30 Jun 2025	20 June 2025

A 10% penalty will be added to any portion of the instalment remaining unpaid after the relevant last date for payment. An additional 10% penalty will be added to all previous year's rates unpaid at 20 July and 20 January.

Penalty dates are:

	Last date for payment:	Date penalty is applied:
Instalment 1:	20 September 2024	21 September 2024
Instalment 2:	20 December 2024	21 December 2024
Instalment 3:	20 March 2025	21 March 2025
Instalment 4:	20 June 2025	21 June 2025
Prior year rates:	30 June 2024	20 July 2024
Prior year rates:	30 June 2024	20 January 2025

However, a penalty on the first instalment will be waived if the total years rates are paid on or before 20 December (the last day for payment of instalment 2).

Water Meter Charges

Extraordinary consumers, such as some agricultural/pastoral properties, commercial properties and homes with swimming pools, or properties with more than one connection, have water meters attached to their property to measure water use. These water meters are read twice each year (in January and July), and the consumers are charged for the amount of water they use.

Water meter charges are invoiced separately, not less than twice a year. The meter read dates and due dates for payment are as follows:

Meter read date:	For the period:	Due date for payment:
1st week July	January to June	20 August 2024
1st/2nd week January	July to December	20 February 2025

Meter reading dates and the period they cover are approximate.

Final readings (such as when a property has been sold) or other one-off special meter reads are arranged as required and invoiced separately. A one-off \$75.00 reading fee applies.

Environment Canterbury rates

The Kaikōura District Council acts as agent for the collection of rates for Environment Canterbury, which makes its own rates. This Long-Term Plan does not refer to those rates, however your rates invoice does include the rates we collect from you on behalf of Environment Canterbury.

IMPACT OF PROPOSED RATES ON BENCHMARK PROPERTIES

The benchmark properties used in the table below are a theoretical set of properties, designed to give indicative rates impacts for high, medium, and low value properties across the district. The rates and the capital values in these tables are for indicative purposes only, for example the high values properties are taken from within the top 15% of capital values, the low values are taken from the lowest 15% of capital values (excluding bare land), and the medium value is taken from the somewhere in the middle, within each land use category and/or area. Rates shown are neither an average, nor a median, value.

Type of property	Capital value ⁵	2023/2024 Rates \$	2024/2025 Rates \$	2024/2025 Increase in dollar \$	2024/2025 Increase in percent %	Rates 2033/2034 incl. inflation \$	Average rates increase (ten years)
Residential – Urban – High value	1,160,000	4,634.87	4,920.51	285.64	6.16%	6,461.21	3.43%
Residential – Urban – Medium value	760,000	3,693.58	3,990.75	297.17	8.05%	5,247.09	3.63%
Residential – Urban – Low value	380,000	2,799.37	3,107.49	308.12	11.01%	4,093.67	3.95%
Farm – Semi-rural – High value	4,580,000	9,965.29	10,263.88	298.59	3.00%	13,884.75	3.42%
Lifestyle block – Semi-rural – Medium value	980,000	2,817.90	3,074.17	256.28	9.09%	4,101.65	3.88%
Residential – Semi-rural – Low value	450,000	1,765.63	2,015.69	250.05	14.16%	2,661.36	4.28%
Commercial – Urban – High value (30-room motel)	4,490,000	27,541.55	30,021.50	2,479.95	9.00%	36,735.53	2.98%
Commercial – Urban – Medium value (12-room motel)	1,485,000	12,843.25	14,657.40	1,814.15	14.13%	17,948.61	3.49%
Commercial – Urban – Medium value (Retail)	830,000	7,238.35	8,608.78	1,370.43	18.93%	10,727.93	4.15%
Commercial – Urban – Low value (Retail)	490,000	4,461.50	5,184.23	722.73	16.20%	6,684.29	4.24%
Farm – Rural – High value	8,750,000	18,205.46	18,615.67	410.21	2.25%	25,184.02	3.35%
Farm – Rural – Medium value	4,330,000	9,018.09	9,223.59	205.49	2.28%	12,477.29	3.36%
Farm – Rural – Low value	2,030,000	4,691.19	4,917.53	226.34	4.82%	6,613.72	3.55%

⁵ The latest district valuation was conducted by Quotable Values Ltd as at 1 August 2021 and is the value used by the Council for rating purposes (plus or minus any property additions, improvements, or demolitions since that date).

