

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
LIVESTREAMED VIA ZOOM
ON WEDNESDAY, 3 JUNE 2020 AT 09:00AM**

PRESENT: Mayor Alex Walker
Deputy Mayor Kelly Annand
Cr Tim Aitken
Cr Tim Chote
Cr Gerard Minehan
Cr Brent Muggeridge
Dr Roger Maaka
Cr Jerry Greer
Cr Kate Taylor
Cr Exham Wichman

IN ATTENDANCE: Monique Davidson (Chief Executive)
Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Doug Tate (Group Manager, Customer and Community Partnerships)
Courtney Henderson (Communication and Engagement Manager)
Gina McGrath (Strategy and Governance Manager)
Bridgett Bennett (Customer and Community Partnerships Support Officer),
Ngai Deckard (Community Infrastructure and Development Support Officer)
Amanda Langley (Hawke's Bay Regional Council)

The meeting was recorded and streamed online via Zoom.

1 KARAKIA

The meeting opened at 9am with karakia led by Kaiārahi Matua Roger Maaka.

2 APOLOGIES

Nil.

3 DECLARATIONS OF CONFLICTS OF INTEREST

Nil.

4 STANDING ORDERS

RESOLVED: 20.53

Moved: Cr Kate Taylor

Seconded: Cr Gerard Minehan

That the following standing orders are suspended for the duration of the meeting:

21.2 Time limits on speakers

21.5 Members may speak only once

21.6 Limits on number of speakers

And that Option C under section 22 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

CARRIED

5 CONFIRMATION OF MINUTES

RESOLVED: 20.54

Moved: Cr Gerard Minehan

Seconded: Cr Brent Muggeridge

That the minutes of the Ordinary Council Meeting held on 9 April 2020 and the Extraordinary Council Meeting held on 30 April 2020 as circulated, be confirmed as true and correct.

CARRIED

6 REPORT SECTION

6.1 ADOPTION OF THE ANNUAL PLAN 2020/21

PURPOSE

The matter for consideration by the Council is the adoption of the Annual Plan 2020-21.

RESOLVED: 20.55

Moved: Cr Brent Muggeridge

Seconded: Cr Tim Chote

That having considered all matters raised in the report:

- a) That Council Adopt the Annual Plan 2020/21 in accordance with section 95 of the Local Government Act 2002.
- b) Delegate responsibility to the Chief Executive to approve the final edits required to the Annual Plan in order to finalise the documents for printing and distribution.

CARRIED

Council resolved to adopt the Annual Plan for the 2020/2021 year, including striking the recommended rate rise of 3.68%, a decrease from the original rate increase proposal of 5.7%. It was noted that the rate rise was decreased partly due to the impacts of the drought crisis and the Covid-19 pandemic on community.

In response to questions from Councillors:

- It was outlined by Mr Chamberlain that the rates have not gone up uniformly across the District. Rate increases and decreases are based on the level of service being supplied to different areas in the District.
- Mrs Davidson clarified that stormwater rate increase is driven by further expansion of the stormwater systems and infrastructure, including upgrades and compliance with consenting conditions.
- Mr Chamberlain explained that carbon credits are related to the tonnage of landfill waste that is dumped each year. This to encourage the recycling of waste rather than sending it to landfill. CHBDC submit an annual return to the Ministry for the Environment in November annually. Carbon credits are purchased in May of the next year following the annual return.
- Mrs Henderson spoke to Council about the communication campaign in place to communicate the outcomes of the Annual Plan 2020/2021 to community using such channels as social media, the website and the CHB Mail. Communications will include an opportunity to consult and engage with the community on the development of the LTP.
- Mrs Davidson added that the CHBDC website enables CHBDC ratepayers to enter their address to view a breakdown of their rates for the next financial year.

7.2 SETTING OF RATES FOR 2020/2021

PURPOSE

The matter for consideration by the Council is the setting of the rates for 2020/21.

RESOLVED: 20.56

Moved: Cr Brent Muggeridge

Seconded: Cr Tim Aitken

That having considered all matters raised in the report:

- a) **Pursuant to Section 23(1) of the Local Government (Rating) Act 2002, the Central Hawke's Bay District Council resolves to set the rates, due dates and penalties regime for the 2020/21 year.**

1. **General Rate**

A general rate set under section 13 of the Local Government (Rating) Act 2002 for the purposes of providing all or some of the cost of:

- Community leadership, including administration, cost of democracy, community voluntary support grants
- All regulatory activities, including district planning, land use and subdivision consent costs, building control, public health, animal control, and compliance.

- Solid waste
- Parks and reserves, public toilets, theatres and halls, cemeteries, and miscellaneous property costs

For the 2020/21 year, this rate will be 0.10890 cents per dollar (including GST) based on the rateable capital value of all rateable land within the District.

2. Uniform Annual General Rate

A rate set under section 15 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit within the District. See definition below. This rate is for the purpose of providing:

- Economic and social development.
- A portion of the cost of solid waste
- Libraries and swimming facilities

For the 2020/21 year, this rate will be \$290.53 (including GST).

Targeted Rates

3. District Land Transport Rate

A rate for the Council's land transport facilities set under section 16 of the Local Government (Rating) Act 2002. This rate is set for the purpose of funding the operation and maintenance of the land transport system.

For the 2020/21 year, this rate will be 0.21871 cents per dollar (including GST) based on the land value of all rateable land in the district.

Separately Used or Inhabited Parts of a Rating Unit

Definition – for the purposes of the Uniform Annual General Charge and the targeted rates above, a separately used or inhabited part of a rating unit is defined as –

A separately used or inhabited part of a rating unit includes any portion inhabited or used by [the owner/a person other than the owner], and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any time, which are used by the owner for occupation on an occasional or long term basis by someone other than he owner.

Examples of separately used or inhabited parts of a rating unit include:

- For residential rating units, each self-contained household unit is considered a separately used or inhabited part. Each situation is assessed on its merits, but factors considered in determining whether an area is self-contained would include the provision of independent facilities such as cooking/kitchen or bathroom, and its own separate entrance.
- Residential properties, where a separate area is used for the purpose of operating a business, such as a medical or dental practice. The business area is considered a separately used or inhabited part.

These examples are not considered inclusive of all situations.

4. **Water Supply Rates**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply operations of a fixed amount per separately used or inhabited part of a rating unit. The purpose of this rate is to fund water supplies for Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau and Te Paerahi.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of water supplies and treatment in those parts of the District where these systems are provided.

The rate is subject to differentials as follows:

- a) a charge of per separately used or inhabited part of a rating unit connected in the Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau, and Te Paerahi Beach communities.
- b) a half charge per separately used or inhabited part of a rating unit which is serviceable for the above locations.

For this rate:

- "Connected" means a rating unit to which water is supplied.
- "Serviceable" means a rating unit to which water is not being supplied, but the property it is situated within 100 metres of the water supply.

For the 2020/21 year these rates will be:

	Charge	Water Rate (incl GST)
a	Connected	\$789.33
b	Serviceable, not connected	\$394.66

5. **Metered Water Rates**

A targeted rate under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by cubic metre, over 300 cubic metres per year. This is applied to water users deemed 'Extraordinary' where payment of the Water Supply rate above entitles extraordinary users to the first 300 cubic metres of water without additional charge.

The rate is subject to differentials as follows:

- (a) a rate per cubic metre of water, for users consuming below 40,000 cubic metres
- (b) A rate per cubic metre of water, for users above 40,000 cubic metres, and where the land use category in the valuation database is not 'industrial'
- (c) a rate of per cubic metre of water, for users consuming above 40,000 cubic metres, and where the land use category in the valuation database is 'industrial'
- (d)

For the 2020/21 year these rates will be:

	Volume of water (cubic metres)	Rate per cubic metre (incl GST)
a	Below 40,000	\$2.65
b	Above 40,000, non-industrial	\$2.65
c	Above 40,000, industrial	\$2.65

6. Sewage Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's sewage disposal function of fixed amounts in relation to all land in the district to which the Council's sewage disposal service is provided or available, as follows:

- (a) a charge per rating unit connected.
- (b) a charge per pan within the rating unit, after the first one.
- (c) a charge per rating unit which is serviceable.

The rate is subject to differentials as follows:

- "Connected" means the rating unit is connected to a public sewerage system.
- "Serviceable" means the rating unit is not connected to a public sewerage drain but is within 30 metres of such a drain.
- A rating unit used primarily as a residence for one household is treated as not having more than one pan.
- For commercial accommodation providers, each subsequent pan will be rated at 50% of the charge.
- For those Clubs who qualify for a rebate of their General Rates under Council's Community Contribution and Club Rebate Remission Policy, and who are connected to the sewerage network, each subsequent pan will be rated at 50% of the Sewerage Charge.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of sewerage collection, treatment and disposal systems in those parts of the District where these systems are provided.

For the 2020/21 year these rates will be:

	Charge	Sewerage Rate (incl GST)
a	First charge per separately used or inhabited part of a rating unit connected	\$826.70
b	Additional charge per pan after the first	\$826.70
c	Serviceable, not connected, per separately used or inhabited part of a rating unit	\$413.35
d	Additional charge per pan after the first – commercial accommodation provider, qualifying club	\$413.35

7. Stormwater Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the purpose of funding operations and maintenance, plus improvements and loan charges on the stormwater drainage network as follows:

A uniform targeted rate on the capital value of all rateable land in the Waipukurau and Waipawa Stormwater Catchment Areas.

For the 2020/21 year this rate will be 0.09105 cents per dollar (including GST).

8. Kerbside Recycling Rate

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's collection of household recyclables for Waipukurau and Waipawa on each separately used or inhabited part of a rating unit to which the Council provides the service.

For the 2020/21 year this rate will be \$99.84 (including GST).

9. Refuse Collection Rate

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the collection of household and commercial refuse for Otane, Onga Onga, Takapau, Tikokino, Waipukurau, Waipawa, Porangahau, Te Paerahi, Blackhead Beach, Kairakau, Mangakuri, Aramoana and Pourerere Beach on each separately used or inhabited part of a rating unit to which the Council provides the service.

For the 2020/21 year this rate will be \$30.18 (including GST).

10. Te Aute Drainage Rate

Te Aute Drainage rates are set on all rateable area of rateable property within the designated area subject to a graduated scale for the purpose of funding the operations, loan charges and the repayment of loans for the Te Aute Drainage Scheme area.

The amount required and the classification is set by the Te Aute Drainage Committee.

Each hectare of land in each property is classified according to the susceptibility of that hectare to flooding as follows:

A (100 points), B (80 points), C (15 points), F (3 points), and G (0 points).

The total number of points is 73614. The total amount of funding required each year determines how much each of these points are worth. In this way, the total amount required is apportioned on a pro rata basis using the weightings on each hectare.

The total amount of funding required for 2020/21 is \$17,250

The amount per point is 23.43304 cents including GST.

The Te Aute drainage scheme area is defined by reference to the classification list establishing the graduated scale.

Valuation Number	Hectares in each classification				Total Points	Amount
	A (100pts)	B (80pts)	C (15pts)	F (3pts)		
1092000300	0	11.3	8.15	31.63	1,121	\$262.68
1092000800	0	32.83	74.69	23.42	3,817	\$894.44
1092000900	0	0	0.83	2.15	19	\$4.45
1092001001	77.96	16.65	11.94	17.95	9,361	\$2,193.57
1092001100	78.22	0	15.28	39.73	8,171	\$1,914.71
1092001107	0	0	18.02	68.04	474	\$111.17
1092001200	0	2.88	18.35	18.86	562	\$131.69
1092001201	0	20.25	19.15	12.31	1,944	\$455.54
1092001400	0	0	0	14.16	42	\$9.84
1092001600	0	0	0	10.12	30	\$7.03
1092001700	38.74	51.06	36.24	45.12	8,638	\$2,024.15
1092002100	188.81	0	0	23.93	18,953	\$4,441.26
1092002200	84.02	4.14	1.16	6.45	8,770	\$2,055.08
1092002300	41.02	5.2	20.43	22.8	4,893	\$1,146.58
1092002900	0	0	0	0.81	2	\$0.47
1092006100	0	84.44	0	20.77	6,817	\$1,597.43
Total	508.77	228.75	224.24	358.25	73,614	\$17,250.00

Approach to Rating

Rates are set and assessed under the Local Government (Rating) Act 2002 on all rateable rating units on the value of the land and improvements as supplied by Quotable Value New Zealand Limited. . The last rating revaluation was carried out in September 2018 and is effective from 1 July 2019.

The objectives of the council's rating policy is to:

- I. spread the incidence of rates as fairly as possible
- II. be consistent in charging rates
- III. ensure all ratepayers pay their fair share for council services
- IV. provide the income needed to meet the council's goals.

The Central Hawke's Bay District Council rating system provides for all user charges and other income to be taken into account first, with the rates providing the balance needed to meet the council's objectives.

Rating Base

The rating base will be the database determined by the contracted rating service provider. Because this database is constantly changing due to change of ownership, subdivision, regular revaluations, change of status from rateable to non-rateable (and reverse), the rating base is not described in detail in this policy.

Due Dates for Rate Payments

Pursuant to Section 24 of the Local Government (Rating) Act 2002, the following dates are proposed to apply for assessing the amount of each instalment of rates excluding metered water rates for the year 1 July 2020 to 30 June 2021. Each instalment will be assessed in four equal amounts, rounded.

Instalment number	Instalment Start Date	Last day of payment without additional charge	Penalty date
1	1 July 2020	20 August 2020	21 August 2020
2	1 October 2020	20 November 2020	21 November 2020
3	1 January 2021	20 February 2021	21 February 2021
4	1 April 2021	20 May 2021	21 May 2021

Due Dates for Metered Water Rates

Pursuant to Section 24 of the Local Government (Rating) Act 2002, the following dates are proposed to apply for assessing the amount of metered water rates for the year 1 July 2020 to 30 June 2021. The assessment is applied to water users after the first 300 cubic metres of water without additional charge has been used as part of the Water Supply Rate.

Area/Users	Water Meters read during	Last day of payment
High Users	Monthly	20th month following
Waipukurau Takapau	Sep-20	20-Oct-20
	Dec-20	20-Jan-21
	Mar-21	20-Apr-21
	Jun-21	20-Jul-21
Waipawa Otane Kairakau Porangahau/Te Paerahi	Aug-20	20-Sep-20
	Nov-20	20-Dec-20
	Feb-21	20-Mar-21
	May-21	20-Jun-21

Penalty Charges

(Additional Charges on Unpaid Rates)

Pursuant to Section 58(1)(a) of the Local Government (Rating) Act 2002, an additional charge of 6% will be added on the penalty date above, to all amounts remaining unpaid for each instalment

excluding metered water rates.

Pursuant to Section 58(1)(b) of the Local Government (Rating) Act, a further additional charge of 6% will be added on 1 July 2020 to the amount of rates assessed in previous financial years and remaining unpaid as at 30 June 2020 (Section 58(1)(b)) excluding metered water rates.

CARRIED

7.3 COVID-19 RATES RELIEF AND RATES POSTPONEMENT POLICIES

PURPOSE

The matter for consideration is the adoption by Council of the *Postponement of Rates Natural Calamities Policy*, the *Postponement of Rates Financial Hardship Policy*, and the *Remission of Rates Due to Covid-19 Policy*. Application forms are included in the attached Policy documents, however the forms are not a component of the Policies themselves and further amendment may be made to the application form format.

RESOLVED: 20.57

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

- a) Council receives the Covid-19 Rates Relief and Rates Postponement Policies report.
- b) That Council adopts the "Covid-19 Rates Remission Policy" for public consultation, as per Section 82 of the Local Government Act.
- c) That Council adopts the "Rates Postponement (Financial Hardship) Policy".
- d) That Council adopts the amended "Rates Postponement (Natural Calamities) Policy" and that the previous version adopted on the 20th March 2020 be deleted.
- e) That Council amends the rates postponement natural calamities to expand the purpose to include commercial property owners, residential and commercial landlords, and rural ratepayers not captured by the Remission of Rates Due to Covid-19 Policy.

CARRIED

Remission of Rates Due to Covid-19 Policy amended to clarify that ratepayers can apply once for remission of rates. Amendments to eligibility criteria to be made to ensure the Policy specifically encompasses those ratepayers whose incomes are newly constrained due to the impact of Covid-19. Council agreed that the *Remission of Rates Due to Covid-19 Policy* be put out for public consultation following amendment.

Rates Postponement Natural Calamities Policy to be amended clarifying the eligibility for rating relief for residential and commercial landlords, and rural ratepayers not captured by the *Remission of Rates Due to Covid-19 Policy*.

Clarify in the Policy detail that this is a postponement of rates, rather than a remission of rates. Also provide clarification on insurance requirements/criteria (land and buildings) in regards to applicant eligibility for rates postponement.

Remove the criteria that ratepayers that own multiple properties are ineligible.

Postponement of Rates Financial Hardship Policy – clarify that this is a separate policy from the Covid-19 Policy with different criteria being targeted at those who experience financial hardship due to reasons other than Covid-19 or natural calamity.

It was further resolved that Council amends the *Postponement of Rates Natural Calamities Policy* to expand the purpose to include commercial property owners, residential and commercial landlords, and rural ratepayers not captured by the *Remission of Rates Due to Covid-19 Policy*.

Adjourned for refreshments at 10.47am
Commenced at 11.07am

7.4 CENTRAL HAWKE'S BAY DISTRICT COUNCIL POLICY FRAMEWORK

PURPOSE

The matter for consideration by the Council is the adoption of the Central Hawke's Bay District Council Policy Framework.

RESOLVED: 20.58

Moved: Mayor Alex Walker
Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

- a) The Central Hawke's Bay District Council Policy Framework be adopted.

CARRIED

Mrs McGrath spoke to the report outlining amendments to the framework following the Strategy and Wellbeing Committee Meeting (7 May 2020) that incorporated feedback from elected members.

The Central Hawke's Bay District Council Policy Framework is to be added to the Councillor Portal for Council's reference subsequent to adoption.

7.5 APPROVAL OF CHBDC DELEGATIONS MANUAL

PURPOSE

The matter for consideration by the Council is the adoption of the Central Hawke's Bay District Council Delegations Manual.

RESOLVED: 20.59

Moved: Cr Kate Taylor

Seconded: Cr Tim Aitken

That having considered all matters raised in the report:

- a) That the Central Hawkes Bay District Council Delegations Manual be adopted, with it coming into effect from 1 July 2020.

CARRIED

The CHBDC Delegations Manual is to be added to the Councillor Portal for Council's reference subsequent to adoption.

The Chair requested that central and regional government liaison be included under the description of the Mayor.

7.6 UPDATE ON WATER SECURITY PRIORITY.

The purpose of this report is to provide Council an update on the Water Security programme currently being led by Hawke's Bay Regional Council, and supported by Central Hawke's Bay District Council.

RESOLVED: 20.60

Moved: Cr Jerry Greer

Seconded: Deputy Mayor Kelly Annand

That, having considered all matters raised in the report, the report be noted.

CARRIED

An update on the Water Security work was presented by Amanda Langley on behalf of Hawke's Bay Regional Council.

Kaiārahi Matua Roger Maaka commented that public relations, communication and education in regards to plans for water security is paramount, stating public communication needs to occur in conjunction with any other water security improvements planning. Mrs Langley assured Council that public relations, communication and education was indeed being interweaved into the water security work.

7.7 RESOLUTION MONITORING REPORT

The purpose of this report is to present to Council the Resolution Monitoring Report. This report seeks to ensure Council has visibility over work that is progressing, following resolutions from Council.

RESOLVED: 20.61

Moved: Cr Kate Taylor
Seconded: Cr Exham Wichman

That, having considered all matters raised in the report, the report be noted.

CARRIED

7.8 DISTRICT PLAN KEY PROJECT STATUS REPORT

PURPOSE

The purpose of this report is to provide information to Council on the progress and status of the District Plan review.

RESOLVED: 20.62

Moved: Cr Exham Wichman
Seconded: Deputy Mayor Kelly Annand

That, having considered all matters raised in the report, the report be noted.

CARRIED

Mr Tate presented the report.

6 MAYOR AND COUNCILLOR REPORTS

8.1 STRATEGY AND WELLBEING COMMITTEE CHAIR REPORT

PURPOSE

The purpose of this report is to present the Strategy and Wellbeing Committee Chair Report.

RESOLVED: 20.63

Moved: Cr Jerry Greer
Seconded: Cr Gerard Minehan

That the Strategy and Wellbeing Committee Chair Report be noted.

.CARRIED

7 CHIEF EXECUTIVE REPORT**8.1 ORGANISATION PERFORMANCE AND ACTIVITY REPORT APRIL - MAY 2020****PURPOSE**

The purpose of this report is to present to Council the organisation report for April-May 2020.

RESOLVED: 20.64

Moved: Cr Tim Aitken

Seconded: Cr Gerard Minehan

That, having considered all matters raised in the report, the report be noted.

CARRIED

Mayor Walker commented on the incredible work carried out by the organisation in the welfare space during Covid-19 and the drought crisis, highlighting that because of the existing networks maintained within the Community and Development space the response was effective and outstanding.

8 PUBLIC EXCLUDED BUSINESS

Nil.

9 DATE OF NEXT MEETING**RESOLVED: 20.65**

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Tim Chote

THAT the next meeting of the Central Hawke's Bay District Council be held on 30 July 2020.

CARRIED**10 TIME OF CLOSURE**

The Meeting closed with karakia at 12.18pm.

The minutes of this meeting were confirmed at the Council Meeting held on 30 July 2020.

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CHAIRPERSON