



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL



## Extraordinary Council Meeting Agenda

Thursday, 22 October 2020

11:30am

Council Chamber

28-32 Ruataniwha Street, Waipawa

*Together we Thrive! E ora ngātahi ana!*

## Order Of Business

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- 1 **KARAKIA**
- 2 **APOLOGIES**
- 3 **DECLARATIONS OF CONFLICTS OF INTEREST**
- 4 **STANDING ORDERS**

**RECOMMENDATION**

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
- THAT 22.4 OPTION C UNDER SECTION 22 GENERAL PROCEDURES FOR SPEAKING AND MOVING MOTIONS BE USED FOR THE MEETING.

## 5 REPORT SECTION

### 5.1 REVENUE AND FINANCING POLICY CONSULTATION AND ADOPTION

**File Number:**

**Author:** Brent Chamberlain, Chief Financial Officer

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** 1. Rating Review Consultation Submissions [↓](#)   
2. Revenue and Financing Policy [↓](#) 

#### PURPOSE

The matter for consideration by the Council is to receive feedback from the public on the rating review, consider this, and consider/amend the Revenue and Financing Policy accordingly.

#### RECOMMENDATION FOR CONSIDERATION

**That having considered all matters raised in the report:**

- a) That Council receives this report, the written submissions, and hears the oral submissions.
- b) That after consideration of the public feedback that the following changes be made to Council's Revenue and Financing Policy:

- 1. Land Use and Subdivision Consents

*That Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates.*

- 2. Animal Control

*That Council moves this activity to be funded 90-100% through user pays, with the remainder from rates.*

- 3. Compliance and Monitoring

*That Council moves this activity to be funded 10-25% through user pays, with the remainder from rates. The user pays funding will be collected through various fees and charges including fines.*

- 4. Stormwater

*That Council moves this activity to be funded 80-90% private funding.*

*That Council introduces Stormwater Catchment Targeted Rating Zones for Takapau and Otane with differentials of 0.6 and 0.8 respectively, to recognise the difference in levels of service from the existing Waipawa and Waipukurau Targeted Rating Zones, and that these new targeted rates be phased in over a 5-year period.*

- 5. CBD Differential for General Rates

*That Council introduces a Central Business District General Rate differential of 2.0 for properties (excluding non-commercial residential accommodation) in the towns of Waipawa and Waipukurau to be phased in over a 5-year period.*

- c) That the amended Revenue and Financing Policy attached (which includes the changes in (b) above) be adopted.



## EXECUTIVE SUMMARY

A rating review is a review of the allocation of rates and what share of the rates each ratepayer should pay. It is not a review about how much should be collected in rates.

After several workshops Council concluded an internal revenue of the Revenue and Financing Policy and took this to the public for comment in August/September.

Council received 60 written responses. These responses, with the addition of officers commentary, have been collated and attached to this report. Four respondents indicated they would like to speak to their submissions. The submissions in their original form can be accessed on the [Councillor Portal as linked here](#).

Following this feedback, Council must consider the responses and choose to adopt, or amend and adopt the proposed Revenue and Financing Policy for application from 1 July 2021.

## BACKGROUND

A rating review is a review of the allocation of rates and what share of the rates each ratepayer should pay. It is not a review about how much should be collected in rates.

Several workshops were undertaken with Councillors working through Public/Private Funding Splits for each activity; and then at various activities and whether there were subsets of the rating base that should be treated differently through the use of targeted rates.

The outcome of these workshops was that Council wished to explore with the public the following proposals:

### 1. Land Use and Subdivision Consents

The Council is required to prepare, implement and administer a District Plan that meets the needs of the community. The Resource and Subdivision Activity ensures that development occurs in a manner that complies with the District Plan, through processing resource consent applications and monitoring.

Over the years the current policy (which currently states that this is funded by fees and charges (37-49%), and the balance being collected through general rates) has got out of step with current practices. The proposal will update the policy to reflect these current practices, but won't impact on the level of fees required.

***It is proposed that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates.***

### 2. Animal Control

This activity includes the implementation of requirements of the Dog Control Act 1996 and related legislation and Council bylaws. Main objectives include education, response to complaints and management of registration systems for dogs and stock. Currently, this is funded through various fees and charges (91-95%) – including fines and impounding costs, and the balance through general rates.

***It is proposed that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates.***

The user pays funding will be collected through various fees and charges – including fines and impounding costs. Rate funding will be based on a capital value based general rate.

### 3. Compliance and Monitoring

Compliance and Monitoring primarily involves the monitoring of resource consent conditions, responding to noise complaints and bylaw breaches, and carrying out territorial authority responsibilities as defined in legislation such as the inspection of swimming pool fences, earthquake prone buildings, and processing of Land Information Memoranda

(LIMS), Compliance Schedules and Building Warrants of Fitness. Currently, this is funded by user pays (10%) and the balance from general rates.

***It is proposed that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates. The user pays funding will be collected through various fees and charges including fines.***

Rate funding will be based on a capital value based general rate.

#### 4. Stormwater

Central Hawke's Bay District Council has a number of stormwater systems. The systems generally consist of a primary piped network with some open channel and secondary flow paths.

***It is proposed that Council moves this activity to be funded 80-90% private funding.***

Private funding will be collected through a targeted rate from those within stormwater catchment areas, with the remainder from public funding. Public funding will be collected through the capital value based general rate. The funding of the Te Aute drainage scheme will be based on a targeted rate on scheme members.

Currently Stormwater Targeted Rates are levied off properties within the Waipawa / Waipukurau Catchment areas and are spread based on Capital Value. With the growth of the district, Council now supplies some Stormwater activities in Takapau and Otane and this is only going to increase in the future.

Stormwater activity is supplied to Takapau and Otane through a combination of footpaths with curb, and channel and open drain. Council acknowledge that the quality of stormwater assets in Otane and Takapau are not built to the same standard as Waipawa / Waipukurau at present, so propose the levy be discounted when compared to the Waipawa / Waipukurau networks (although this might change over time). Council therefore proposes to extend its Targeted Rate for Stormwater Rate to include Otane and Takapau based on the properties within the zones identified in the maps above, but apply the following differentials to account for the difference in standards of the different networks.

***It is proposed that Takapau and Otane Stormwater Catchment Areas be established and be rated for in a similar manner to Waipawa and Waipukurau but with differentials to recognise the difference in levels of service.***

Activity	Differential to be applied to Stormwater properties within the identified zones
Zone 1 – Waipawa/Waipukurau	1.0
Zone 2 – Otane	0.8
Zone 3 - Takapau	0.6

#### 5. Central Business District

At present the Commercial and Industrial properties in the main townships pay the same level of rates for general rates as residential properties (all be it with the general rate adjusted by the properties capital value). While businesses in the central business district pay the same, they receive a additional benefit than residential properties. For example commercial and industrial properties enjoy the provision of wider footpaths, additional litter bins, on street parking for customers, additional landscaping in pocket gardens and hanging baskets.

***Council propose that due to this, a commercial/industrial differential to rates should apply.***

Activity	Differential to be applied to General, Refuse, and Recycling Rates for properties within the identified zones
Zone 1 - Commercial	2.0
Zone 2 - Industrial	1.75
Not Elsewhere Specified	1.0

Within Councils existing District Plan, Council already have commercial and industrial zones identified.

## DISCUSSION

Council received 60 written responses which are attached to this report, with four respondents wishing to speak to their submission. The submissions in their original form can be accessed on the [Councillor Portal as linked here](#).

Speaking to their submissions will be:

Tony Ward – Passionate about Vinyl

Bruce Stephenson – Stephenson Transport

Rosemary Young – Waipukurau Arts and Crafts Inc

David Bishop

A summarisation the responds were:

Item being consulted on	Outcome	Number of Responses
Land Use and Subdivision Consents Fees	57% in favour of proposal	28/49 responses
Animal Control Fees	71% in favour of proposal	34/48 responses
Compliance and Monitoring Fees	67% in favour of proposal	31/46 responses
Stormwater		
Public/Private Split	63% in favour of proposal	27/43 responses

Takapau/Otane Rate	84% in favour of proposal	38/45 responses
Takapau/Otane Differential	57% in favour of proposal	25/44 responses
CBD/Industrial Rate		
CBD Rate	84% in favour of proposal	38/45 responses
CBD Differential	57% in favour of proposal	25/44 responses

The common themes were:

The majority of respondents were in favour of user pays.

Officers recommend that Council proceeds with the recommendations for Land Use and Subdivision Consents Fees, Animal Control Fees, and Compliance and Monitoring Fees public private splits.

Most people were in favour of Takapau/Otane becoming rated for stormwater although there was some concern about the perceived value for money for Takapau/Otane, and the level of rate increases this would cause.

Most people were in favour of the CBD targeted rate although there was some concern about affordability, Covid-19 impacts, whether the perceived value to the commercial district was twice that to residents, and whether the industrial zones (which contain some residential houses) actually do get a greater level of service – lack of footpaths and litter bins were quoted.

Stormwater

The cost of operating Council's stormwater network in 2019/20 was \$494k of opex and \$791k of capex. Because at present this service is fully funded by a single targeted rate (ignoring the ring fenced Te Aute drainage scheme), costs are not currently allocated between townships, with only \$28k allocated to rural stormwater maintenance during the year.

As part of developing the Asset Management Plan for the Long Term Plan, both Otane and Takapau network have been identified as being deficient and collectively requiring \$1m to be spend on them in the first 10 years of the Long Term Plan.

Total physical capital works on all stormwater in these 10 years is budgeted to be \$9.7m (excluding growth assets which will be funded from development contribution), so \$1m in Otane/Takapau represents 10% of this.

Assuming total Stormwater costs don't change in total (and that's a big assumption as the network has deficiencies that have been identified) the proposed rate will shift \$103k pa from Waipawa/Waipukurau (out of a total of \$881k pa) to Otane \$61k pa and Takapau \$41k pa respectively. This would see Waipawa/Waipukurau wearing 88% of the total rates, with Otane wearing 7% and Takapau 5%.

Officers recommend that Council proceeds with the recommendation for the change in the public/private funding split.

Officers recommend that Council proceeds with the recommendation for the introduction of stormwater targeted rate zones for Takapau and Otane, but that it is phased in over a period of 5 years to avoid sudden rates increases, and allow for some of the planned upgrades to occur.

Stormwater Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Otane	0.16	0.32	0.48	0.64	0.80
Takapau	0.12	0.24	0.36	0.48	0.60
Waipawa	1.00	1.00	1.00	1.00	1.00
Waipukurau	1.00	1.00	1.00	1.00	1.00



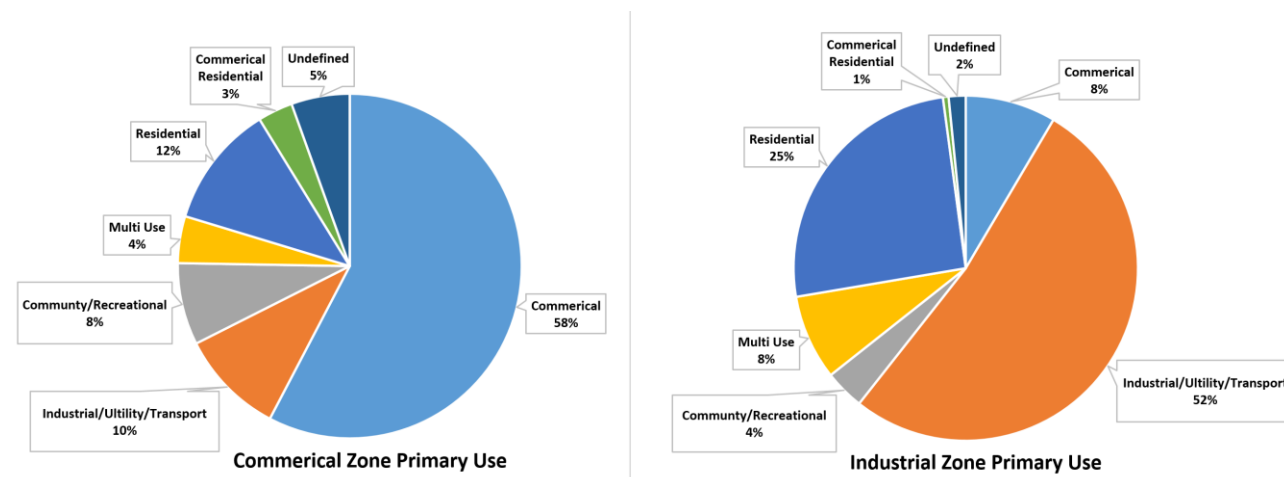
### CBD Rate

Most people were in favour of the CBD targeted rate although there was some concern about affordability, Covid-19 impacts, whether the perceived value to the commercial district was twice that to residents, and whether the industrial zones (which contain some residential houses) actually do get a greater level of service – lack of footpaths and litter bins were quoted.

Commercial Differentials are common practice across New Zealand. What do other local Councils charge:

	Hasting	Tararua	Masterton
CBD	3.00	3.55	2.00
Other Commercial	2.75		2.00
Peripheral Commercial	2.35		
Rural Commercial		2.14	

As identified by respondents, not all properties inside the identified boundaries are defined as commercial/industrial primary use (as defined by the rating database).



*Table: Count of Properties within the CBD/Industrial Zones based on rating database*

Within the commercial zone there are 21 non-commercial residential properties, and a further 48 within the industrial zone.

Another property type that was questioned was community organisations. If you expand this to include recreational facilities (including Council buildings and parks). Here there are 14 properties within the commercial zone, and a further 7 in the industrial zones.

Officers recommend that non-commercial residential properties be excluded from the proposed CBD rate, that is they retain the current differential of 1.

In terms of community organisations, Council already has a policy that allows non-commercial community services to apply for a 50% general rates rebate, so the impact of this policy is halved.

One theme that came through respondents was did the benefits enjoyed by the central business district doesn't fully extend into the industrial zone.

Below are some GIS and RAMM maps showing some Council provided services:



Waipukurau Map



Waipawa Map

Table: Locations of Rubbish Bins (green symbols) in the two main towns



Waipukurau Map



Waipawa Map

Table : Locations of Street Lights (yellow dots) and Council Carparks (purple areas)

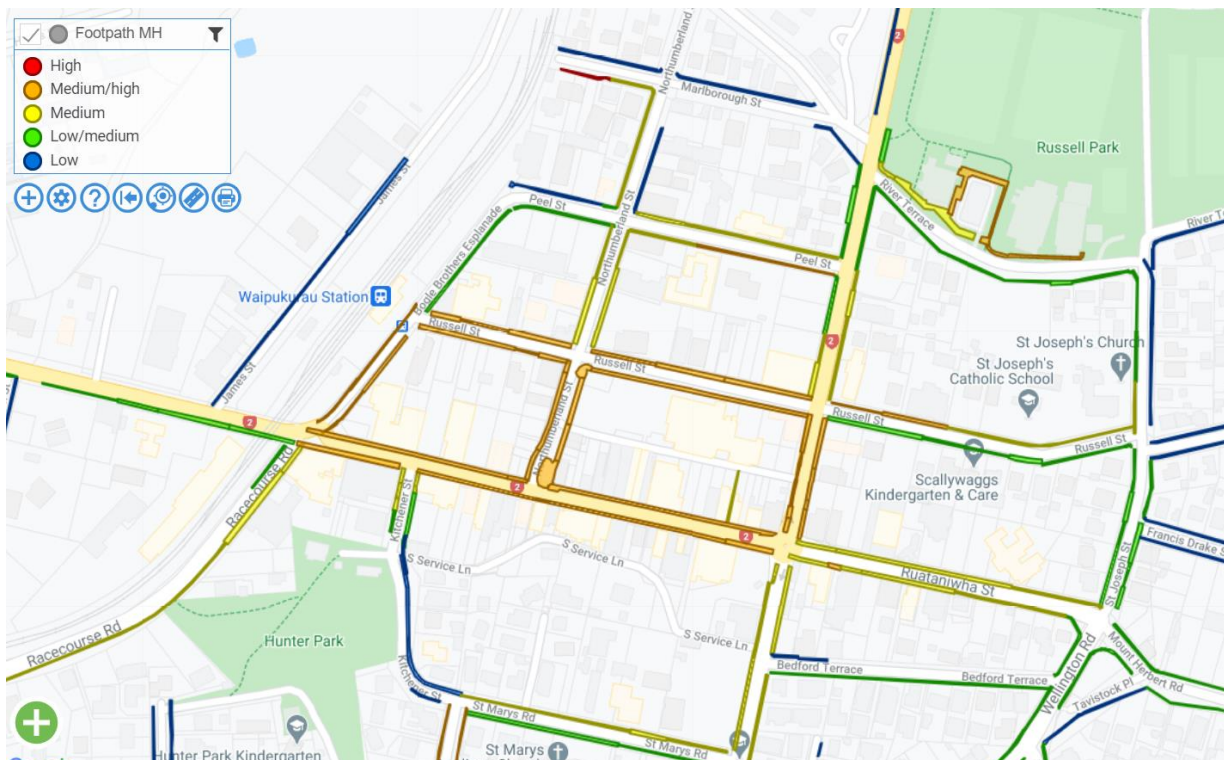
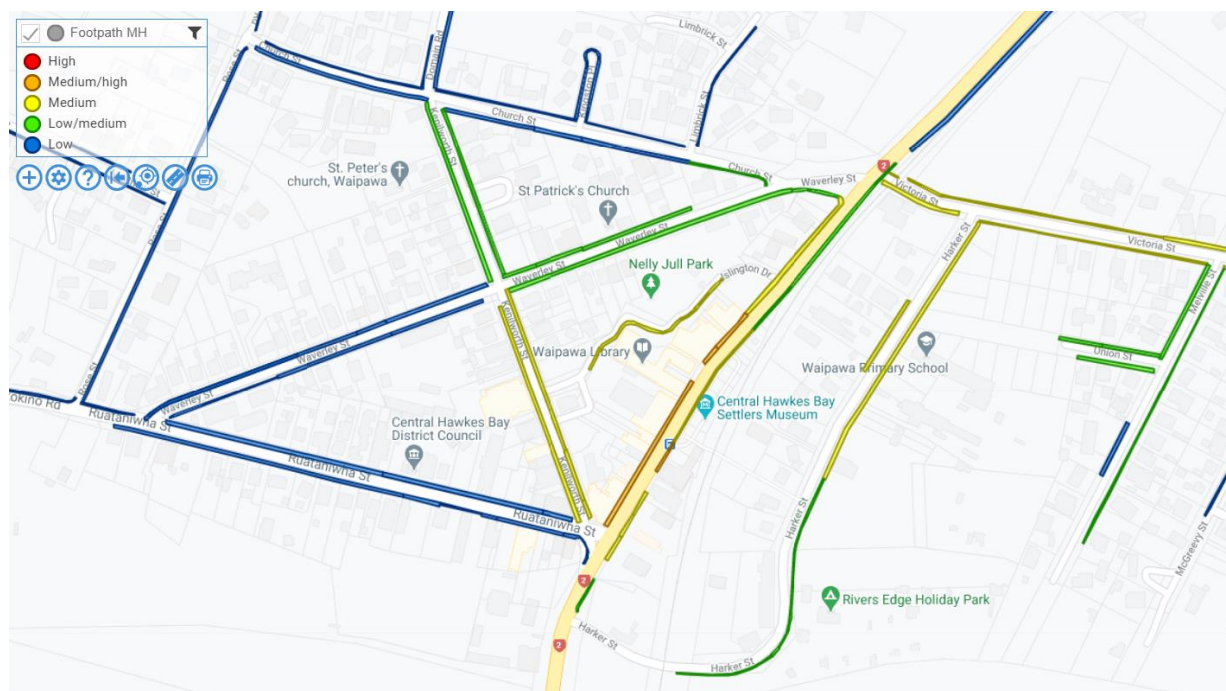


Table: Map of Waipukurau CBD/Industrial Zone Footpaths





*Table: Map of Waipawa CBD/Industrial Zone Footpaths*

As can be seen, the location of rubbish bins and Council carparks are clustered around the CBD, but not the industrial zones.

For footpaths the CBD gets “high priority” footpaths, but the industrial areas get “Low Priority” footpaths at best, often on only one side of the road, or at worst in Waipukurau most of the industrial areas have no footpaths.

Based on the respondents feedback, and the level of amenities being supplied to industrial zones being lower than residential streets in some cases, Officers recommend that CBD Zone General Rate differential of 2 being adopted and phased in over 5 years (as per the table below), but the Industrial Zone General Rate differential of 1.75 be taken off the table.

General Rate Differential Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
CBD Zone (excluding domestic residential)	1.2	1.4	1.6	1.8	2.0
Outside the CBD Zone and Domestic Residential in the CBD Zone	1.0	1.0	1.0	1.0	1.0

## RISK ASSESSMENT AND MITIGATION

Any change to how rates are allocated will have a financial impact on certain segments of the Central Hawkes Bay District. Assuming Council adopts the proposed changes this will particularly those in the Takapau and Otane townships, and the businesses in the Waipawa and Waipukurau CBD zones.

S82 of the Local Government Act 2002 which covers Local Government Consultations has been followed.

## FOUR WELLBEINGS

The proposed changes (as all changes to the rating system) will have some ratepayers impacted favourably, while other will be impacted unfavourably.

At a district wide level there will be no change in the rates collected, but simply a redistribution of who pays what.

What this proposal does is it ensures that the rating system is fair, and the rates being levied follows the benefit derived from council services.

## DELEGATIONS OR AUTHORITY

Council is bound under s82 of the Local Government Act 2002 to consult on this matter, and then consider the feedback, and then make an informed policy position decision.

## SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as significant.

## OPTIONS ANALYSIS

Council has consulted on a number of changes to the Revenue and Financing Policy. Following public feedback, and further consideration Officers now recommend:

### 1. Land Use and Subdivision Consents

*That Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates.*

### 2. Animal Control

*That Council moves this activity to be funded 90-100% through user pays, with the remainder from rates.*

### 3. Compliance and Monitoring

*That Council moves this activity to be funded 10-25% through user pays, with the remainder from rates. The user pays funding will be collected through various fees and charges including fines.*

### 4. Stormwater

*That Council moves this activity to be funded 80-90% private funding.*

*That Council introduces a Takapau and Otane Stormwater Targeted Rate using differentials over a 5 year period as per the table below:*

Stormwater Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Otane	0.16	0.32	0.48	0.64	0.80
Takapau	0.12	0.24	0.36	0.48	0.60
Waipawa	1.00	1.00	1.00	1.00	1.00
Waipukurau	1.00	1.00	1.00	1.00	1.00



## 5. CBD Differential for General Rates

*That Council introduces a Central Business District General Rate differential for properties (excluding non-commercial residential accommodation) in the towns of Waipawa and Waipukurau over a 5 year period as per the table below:*

General Rate Differential Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
CBD Zone (excluding non-commercial residential)	1.2	1.4	1.6	1.8	2.0
Outside the CDB Zone and Non-Commercial Residential in the CBD Zone	1.0	1.0	1.0	1.0	1.0

Council has the ability to adopt these recommendations, amend them, or retain the existing Revenue and Financing Policy.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>	<b><u>Option 3</u></b>
	<b>Adopt Recommended Changes to the Policy</b>	<b>Request Amendments to the proposed change to the Policy</b>	<b>Reject Recommendations, and continue with existing Policy</b>
<b>Financial and Operational Implications</b>	Rates in total will remain unchanged, but the mix of who pays for what will change. The largest impact will be on Takapau and Otane residents, and businesses within the CBD zones in Waipawa and Waipukurau.	Rates in total will remain unchanged, but the mix of who pays for what will change. The impact will depend on the amendments to the recommendation.	No Change
<b>Long Term Plan and Annual Plan Implications</b>	As above	As above	No Change
<b>Promotion or Achievement of Community Outcomes</b>	This change will provide greater equity between ratepayers in terms of a fairer rating split	This change will provide greater equity between ratepayers in terms of a fairer rating split	No Change

<b>Statutory Requirements</b>	Meets Requirements	Meets Requirements	Meets Requirements
<b>Consistency with Policies and Plans</b>	Consistent with other plans/strategies.  The expanded stormwater networks will allow for district growth and provide a funding mechanism for future infrastructural improvements.	Consistent with other plans/strategies.  The expanded stormwater networks will allow for district growth and provide a funding mechanism for future infrastructural improvements.	Consistent with other plans/strategies.

### **Recommended Option**

This report recommends option number one, adopt the recommended changes for addressing the matter.

### **NEXT STEPS**

If the Policy is adopted, it will be used as the basis for setting rates and fees and charges for the 2021-2031 Long Term Plan.

**RECOMMENDATION**

a) That Council receives this report, the written submissions, and hears the oral submissions.

b) That after consideration of the public feedback that the following changes be made to Council's Revenue and Financing Policy:

**1. Land Use and Subdivision Consents**

*That Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates.*

**2. Animal Control**

*That Council moves this activity to be funded 90-100% through user pays, with the remainder from rates.*

**3. Compliance and Monitoring**

*That Council moves this activity to be funded 10-25% through user pays, with the remainder from rates. The user pays funding will be collected through various fees and charges including fines.*

**4. Stormwater**

*That Council moves this activity to be funded 80-90% private funding.*

*That Council introduces Stormwater Catchment Targeted Rating Zones for Takapau and Otane with differentials of 0.6 and 0.8 respectively, to recognise the difference in levels of service from the existing Waipawa and Waipukurau Targeted Rating Zones, and that these new targeted rates be phased in over a 5-year period.*

**5. CBD Differential for General Rates**

*That Council introduces a Central Business District General Rate differential of 2.0 for properties (excluding non-commercial residential accommodation) in the towns of Waipawa and Waipukurau to be phased in over a 5 year period.*

c) That the amended Revenue and Financing Policy attached (which includes the changes in (b) above) be adopted.



**Rating Review**  
**Public Submissions**  
**September 2020**



Name of Ratepayer		Di Minehan	
Business Name	Story's Clothing		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments	Developers should pay the bigger fees, because they gain the most out of it		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments	Owners of animals have to take responsibility		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments	We should all pay our share of the costs		
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	We all get benefits from having town centres, it's a community hub		
Officers Response	Agreed but Commercial Ratepayers get the majority of the benefit by having an attractive town centre		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	Industrial area doesn't get the benefit like a commercial area does		
Officers Response	That's why the proposed differential is different.		
<b>Any Other Comments?</b>			
Any Comments	The proposed general rate percentage increases are very high for both industrial and commercial property's. We should be mindful of the current period of uncertainty with a pandemic and continuing drought conditions on the economy. We have to be also mindful, we have to deal with our significant issues like our three waters costs.		

Officers Response		Average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district	
<b>Name of Ratepayer</b>	<b>Gavin Streeter</b>		
Business Name	Isaacs Plumbing Pumping & Electrical		
Where do you live?	Havelock North		
Do you own a home in CHB?	No	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	This would massively affect our rates bill and drive up our lease.		
Officers Response	This change would only impact general rates which for this property is only \$517 pa, while total rates is \$5,164 pa		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Donna Keir</b>		
Business Name	Miss Tutu's school of Dance		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Simon Keir</b>		
Business Name	Plumbing Place		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



Name of Ratepayer	Dennis		
Business Name	Mills Honda		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	
Do you want to speak to your submission at public hearing			
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	I disagree with the proposed % change in the rates (96%) which is utterly ridiculous. You state the extra benefits we are supposed to enjoy. Wider footpath –no; litter bins - none at all; on street parking - 3 parks; landscaping - well that's a joke. I refuse to accept this level of rate rise. Are you trying to kill commercial investment and growth in CHB		
Officers Response	The 96% increase only applies to the general rate which for this property is \$402.93 pa, the balance of the rates is unaffected. Total Rates is \$3,148 pa.		
<b>Any Other Comments?</b>			
Any Comments	Be more realistic about proposed rate increases, we all accept there has to be some increase but not doubling of rates		
Officers Response	Average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		

<b>Name of Ratepayer</b>			
<b>Business Name</b>	<b>SJS Motorcycles Ltd</b>		
Where do you live?	Waipawa		
Do you own a home in CHB?	No	Age Group	18-30
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	Meredith Kingston		
Business Name	Kingfisher Gifts		
Where do you live?	Otane		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	Businesses should be encouraged to part of the CBD and industrial areas. They are part of the whole community, bringing people together socially and through employment which benefits everyone. Now especially is a time to be supporting all CHB businesses not adding costs which in turn have to be passes on to customers.		
Officers Response	Agreed the timing with Covid isn't ideal, but the rationale is to match costs to benefits.		

<b>Name of Ratepayer</b>	<b>Mark Drake</b>		
Business Name	Waipawa Fish Supply		
Where do you live?	Otane		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments	Maybe large developers (on the end of towns) should be paying 100%? and a homeowner downsizing for 1 extra house in town less to help with housing issues of the future		
Officers Response	Every subdivision big or small is subject to the same regulations and officer input for compliance. Fees are based on time and cost recovery and will vary dependent on size.		
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments	Seems strange to have the percentage so high when only 70% is wanted for subdivisions? Would it be better to have most dogs registered than having that can't afford to drop off?		
Officers Response	With consenting there is a public benefit to having planned growth, there is little or no benefit to the public for a private resident to having a dog.		
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments	Higher for fines and breaches. Not for the all of the others.		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	If the same service is available		
Officers Response	The differentials are there to allow for the differences in service levels.		
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Tony Ward</b>		
Business Name	Passionate about vinyl		
Where do you live?	rural Waipawa		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	Yes		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments	Prefer to see higher % through user-pays rather a draw on rates		
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	<p>The proposed change to the commercial rates would see an almost 100% rate increase for the commercial property I rent. This would absolutely result in an increase in the amount I pay my Landlord.</p> <p>The exorbitant amount of the proposed increase may mean my payment to my Landlord, on top of an already difficult year due to COVID-19, drought, reduced traffic flow etc. resulting in reduced income ... may be the last straw. Retailers, particularly small retailers are struggling .. I am a one-man-band, so this increase concerns me as it will add to my costs, which have, almost without exception (stock prices and availability, freight prices to name just two) gone up in the last few months. Just one example a common stylus was RRP \$30 now RRP\$60,. Small businesses can only absorb so much .. too many hits can devastate.</p>		
Officers Response	Average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		
<b>Any Other Comments?</b>			
Any Comments	Waipawa's main street retailers are currently a drawcard to this town. They are for the most part ... small individual operators, rather than strip mall big-box corporations. This is one of the things that make Waipawa		



	unique and interesting. This should be encouraged by this Council NOT discouraged by rate increases as proposed. Flower supply and maintenance and footpath repair, are far as I know is done in the former by the Lions and the latter already done and paid for .. suggesting this proposed rate increase will fund this is misleading.
Officers Response	The hanging baskets in Waipawa were initiated by Lions, but funded by a grant from Council. Lions provided the labour, but over time the baskets have been taken over by Council staff.

Name of Ratepayer	Warwick Wroe		
Business Name	Pressed 4 Time Embroidery		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments	Nobody can afford more rate rises especially of 97% ... Are you in La La Land you bunch of thieves		
Officers Response	There is no impact on fees, this just aligns the policy with what is already occurring in practice		
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	We cannot afford more rises 97% is too much ... get in the real world		
Officers Response	The 97% is only applicable to general rates not total rates. The average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	I hope you guys are dreaming if you are going to put our rate up 97%.... We are totally against this you thieving pricks....		
Officers Response			

Name of Ratepayer	Juliette Scoble		
Where do you live?			
Do you own a home in CHB?		Age Group	
Are you a business owner?		Do you identify as Tangata whenua?	
Do you want to speak to your submission at public hearing			
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	<p>I would like it noted that I am against the increases proposed for the commercial/industrial zones.</p> <p>These are extremely large increases and the reasons I've seen from you to increase this such as the landscaping, hanging baskets etc, didn't these companies pay for an upgrade by a targeted fund?</p> <p>Why would you punish companies esp in a year with covid19 and drought.</p> <p>We need businesses and companies to be attracted to the area and not put off with a 72%-97% increase.</p>		
Officers Response	<p>Historically there was a targeted rate to pay off a loan used to upgrade the town centre. This loan was paid off many years ago and the targeted rate ceased, but now we need to maintain these assets.</p>		

<b>Name of Ratepayer</b>	<b>Carolyn King</b>		
Business Name	Peek-a-Boo		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	No there should not be. It's hard enough paying the lease on the building without the rates going up.		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	Frank Butler		
Business Name			
Where do you live?	Pourerere Rd		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	Some commercial/industrial will either shut down or move out of town as they will feel the effects of the drought and will not bear more costs to them. Once they go they will be gone forever.		
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



Name of Ratepayer	Frans Els		
Business Name	Rural Accountant HB Limited		
Where do you live?	Waipukurau		
Do you own a home in CHB?	No	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments	The rates increase proposal of 97% is really going to harm as this year was really not a good one for business in our town. The rate increase should be around 5% maximum.		
Officers Response	There is no impact on fees, this just aligns the policy with what is already occurring in practice		
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments	The rates increase proposal of 97% is really going to harm as this year was really not a good one for business in our town. The rate increase should be around 5% maximum.		
Officers Response	Council already collects 91-95% of these costs privately. Little to no impact.		
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments	The rates increase proposal of 97% is really going to harm as this year was really not a good one for business in our town. The rate increase should be around 5% maximum.		
Officers Response	Council already collects 10% of these costs privately. Little to no impact.		
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments	The rates increase proposal of 97% is really going to harm as this year was really not a good one for business in our town. The rate increase should be around 5% maximum.		

Officers Response	Average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district
Any Other Comments?	
Any Comments	
Officers Response	

Name of Ratepayer	Greg Malcolm		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	Business district rates are already very high, why would you want to penalise local businesses and risk them going out of business. Rates increases will then push leases up which will then push up the cost of every product and service in CHB to the end user.		
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	You need to show what this differential actually means in an upfront honest way. Showing it as a differential is hiding behind numbers that people don't understand! Showing it as a differential seems very dodgy. Give people an example of what they pay now vs what they will pay if this 2.0 differential comes in so they can understand it.		
Officers Response	Average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		

Name of Ratepayer		Desmond Russell	
Business Name		Russells Electrical	
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?		No	
Any Comments		Not in the main township	
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer		Narelle McCormick	
Business Name	Harcourts		
Where do you live?	Hatuma		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



<b>Name of Ratepayer</b>	<b>William Chote</b>		
Business Name	Chote Bros Ltd		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	18-30
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	<p>The Council have stated that commercial and industrial properties enjoy the provision of wider footpaths, additional litter bins, on street parking for customers, additional landscaping in pocket gardens and hanging baskets. Our business in your industrial zone at 11 Harker Street has none of these added benefits that you have stated as reasons for increasing the rating. Therefore no increase can be justified from your above reasoning for such properties. Properties in the commercial zone may have these added benefits but they are benefits that all ratepayers get some benefit out of. Residential ratepayers I'm sure appreciate having somewhere to park (the most utilised car park in Waipawa is privately owned anyway) and put there rubbish while in town and that the areas look tidy and clean. Increasing any rates on commercial and industrial properties will just cause rents etc to increase which will lead to shops closing and the towns losing services. In an already uncertain economic climate with Covid and the drought this could be the final nail in the coffin for</p>		

	many businesses. If you want CHB to prosper and thrive this is not the way to go about.
Officers Response	Agreed the timing with Covid isn't ideal, but the rationale is to match costs to benefits. Officers will relook at the benefits of being in the Industrial Zones, and that there are some residential properties scattered in the zone.
Do you agree with the proposed rates differential for industrial and commercial property?	
Any Comments	
Officers Response	

Name of Ratepayer		Wenda Veen	
Business Name	Skinny Mulligans		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	<p>I believe this will render the support the commercial/industrial sectors have traditionally given the CHB district financially is non-viable. I personally have not witnessed the benefits you have written. All I have witnessed is things like my tree being cut down with absolutely no consultation....even though I am quite easy to find.</p> <p>When you consider big ticket items such as Nelly Jull park which we financed and some of the problems we are now facing which are council driven such as the recycling debacle I would prefer the status quo.</p> <p>I cannot believe council is promoting zero waste in CHB when they have blatantly forced me to hire a second Kiwikanz bin to dump our glass in the landfill instead of offering us the option to pay the \$50 to have the glass disposed of properly. I was frankly insulted when councils only suggestion was to take the glass to the recycling centre myself every day. With this sort of</p>		

	decision making I believe the money would be better used remaining in private control where I am sure it will continue to be used to the communities benefit.
Officers Response	
Do you agree with the proposed rates differential for industrial and commercial property?	No
Any Comments	
Officers Response	

<b>Name of Ratepayer</b>	<b>David Lewis</b>		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments	Yes		
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments	Some concern that shops in town may not be viable so forcing us to shop in Hastings		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



Name of Ratepayer		Philip Harris			
Business Name	Amarvia Blue				
Where do you live?	Waipukurau				
Do you own a home in CHB?	Yes	Age Group	61+		
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No		
Do you want to speak to your submission at public hearing	No				
Land Use and Subdivision Consents					
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?					
Any Comments					
Officers Response					
Animal Control					
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?					
Any Comments					
Officers Response					
Compliance and Monitoring					
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?					
Any Comments					
Officers Response					
Stormwater					
Do you agree that Council moves this activity to be funded 80-90% private funding?					
Any Comments					
Officers Response					
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?					
Any Comments					
Officers Response					
Do you agree with the proposed rates differential for each of the towns?					
Any Comments					
Officers Response					
Central Business District					
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No				
Any Comments					
Officers Response					
Do you agree with the proposed rates differential for industrial and commercial property?	No				
Any Comments	We already pay a Targeted Rate for businesses to cover the upgrades to foot paths etc. Our piddly gardens do not compare to the money spent on all the parks, playgrounds Libraries sports and cultural organizations etc etc that we pay for around the district. and no we don't have hanging baskets. DO NOT INCREASE OUR Rates they are high enough already and will only assist to push Businesses further over the edge.				
Officers Response	Historically there was a targeted rate to pay off a loan used to upgrade the town centre. This loan was paid off many years ago and the targeted rate ceased, but now we need to maintain these assets.				
Any Other Comments?					
Any Comments					
Officers Response					

Name of Ratepayer	Kim Shaw		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	18-30
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	Penny Ebbett		
Business Name	Food For Thought - Health Shop		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments	As a small business owner we are struggling to survive as it is without any rate increases by the Council		
Officers Response	This change won't impact small business owners unless they are into property development		
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments	People should be responsible for their own animals and all associated costs		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	Pauline Brown		
Business Name	Polly's		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	Rates are high already in Central Hawkes Bay Fees have also got out of hand - we need more accountability instead of continually hitting the ratepayers and residents of this district		
Officers Response			

Name of Ratepayer		Gael Riddiford	
Business Name	Riddifords Sportworld		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	Our businesses are important for the prosperity of our district. Rates being higher means higher rents and less businesses being viable. As the population is growing in CHB we need more local businesses to keep the spending local.		
Officers Response	The general rates for this business are \$250 pa currently		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer		Vaughan Chote	
Business Name	Vaughan Chote Motors		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



Name of Ratepayer		Tanya Iremonger	
Business Name	Muffler & Radiator Auto Services		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	31-40
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	Strongly disagree, you are suggesting an increase 72-97% which is unacceptable		
Officers Response	The 97% is only applicable to general rates not total rates. The average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Kathryn Bayliss</b>		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments	I think it should be 95-100% paid by animal owners. They are the ones who create the need for this activity.		
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments	<p>I oppose Council moving this activity to be funded 10-25% through user pays, with the remainder from rates. It should have a higher user pays portion 70%-80%.</p> <p>The user pays funding should be collected through various fees and charges. Rate funding to be based on a capital value based general rate. It is the people holding resource consents, owning swimming pools, earthquake prone buildings, wanting LIMs, building Warrant of Fitness, or who breach the bylaws that make the need for this activity.</p>		
Officers Response	Officers believe the public safety and wellbeing benefit to higher than the submitter		
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments	I think it should stay at 100% private. It is the property owners in the storm water systems that get the benefit. Rural people get no benefit from the urban storm water systems and have to pay for and provide their own.		
Officers Response	There is the benefit to non-urban ratepayers of flood protection in the CBD shopping area		
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Do you agree with the proposed rates differential for each of the towns?	Yes		
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
<b>Any Other Comments?</b>			
Any Comments	<p>I believe in users pay, and people who benefit most pay the most. <u>Economic and Social Development</u>.</p> <p>I think there should be a targeted rate to the commercial and industrial businesses to provide 50% of the funding for the activity. They get the</p>		

	<p>benefits most from promotion and business advice. Many of us get no benefit from visitor spending, it is the businesses that get the profits.</p> <p><u>Public Health</u></p> <p>I think the Public Health funding should be changed to 50% - 60% private funding through fees and charges. It is the owners who sell liquor, food or have hazardous substances that create much of the need for this activity and monitoring.</p> <p><u>Solid Waste Group.</u></p> <p>I think the solid waste funding should be increased to 50% from fees and charges.</p>
Officers Response	<p>These other activities were considered in part 1 of the rates review, and the decision was status quo</p>

Name of Ratepayer	Rae Walker		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Chelsey Jackson</b>		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	31-40
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	I feel industrial should have a higher differential than commercial		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Rayewyn Hansen</b>		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Chrissy Malcolm</b>		
Business Name	Kitchens and More		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



Name of Ratepayer	Christopher Bath		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments	Make fines and penalties severe enough to deter non compliance		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments	I would support higher user pays charges		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	We all benefit from the infrastructure and services provided to commercial areas. Why are people living in the industrial areas? Are they rated differently?		
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	Residential and commercial to be the same. Industrial may differ.		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	Building consents for new houses should include the full cost of council providing infrastructure etc. Ratepayers should not be funding the cost of housing.		
Officers Response	That's what the Council's Development Contribution policy is designed to ensure.		

Name of Ratepayer	Penny Gough		
Business Name			
Where do you live?	Te Awamutu		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	We own a property in Takapau, that has two separate buildings, with one building having 3 one-bedroomed flats, and the other 2 two-bedroomed flats. What justifies the multiplier being on the 5 units, when each of the buildings is no larger than an average sized house - effectively, one a three bedroomed house and the other a four bedroomed house. Is it possible to have the multiplier changed to the number of buildings on the section, rather than the		

	number of flats. This is on a 2822 m2 section with the CHBDC rates on that property costing \$9,204pa.
Officers Response	Here Penny is querying the number of water and sewer connection fees, and refuse collection fees which is determined by the number of separate inhabitable dwellings. In this case while she might have 2 buildings, they house 5 families – all consuming water, using toilets, and creating rubbish.

<b>Name of Ratepayer</b>	<b>Lynda Lepelaars</b>		
Business Name	Tony Lepelaars Builders Ltd		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments	Not only rate payer should pay, there are also house tenants who should pay		
Officers Response	The main source of income for this activity is dog owners, who may or may not be ratepayers. Ratepayers only pay the public good component which is 0-10%		
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	<p>We own an Industrial property on 32 Northumberland Street Waipukurau, which we run our building business from.</p> <p>We do have street lighting just the same as residential streets, Our footpath is only grass and not concrete which we have been asking for an upgrade since we purchased it in 2016. I have sent in two letters requesting something be done or add it into your Long Term Plan.</p> <p>Along with our clients, WINZ and Pukeora residents use this footpath as well as the general public using it to walk to funerals at the Funeral Home in Peel Street. It is often boggy and muddy underfoot in the winter causing people having to walk along the road.</p> <p>We don't have any rubbish bins or landscaping to beautify our premises.</p>		
Officers Response	Officers will relook at the benefits of being in the Industrial Zones, and that there are some residential properties scattered in the zone.		

Do you agree with the proposed rates differential for industrial and commercial property?	No
Any Comments	Unless the CHBC are prepared to upgrade footpaths, add additional rubbish bins and beautification to all commercial & industrial businesses, rates should be kept the same as present.
Officers Response	

<b>Name of Ratepayer</b>	<b>Nikki Whelpton</b>		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	31-40
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments	I think you mean 70-80% user pays per above information not 10-25% in the question..., if so yes...		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Chad Bauer</b>		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	31-40
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	<p>The comment that the quality of open stormwater drains in Waipawa are in some way superior to those in Otane is too broad brush. Where we live at the north end of Guy St in Waipawa, the open storm drain almost overflows whenever the spring rains come, it is choked with weed most seasons and in many places the banks of the drain are collapsing and taking some private property into the drain. It is indeed a terribly maintained and awful drainage channel, it has no reinforcement in the banks and is really just an earthen ditch.</p> <p>The very idea that we should have to look forward to paying MORE for these open stormwater drains even though they are currently in a terrible state of repair and there is no mention of them being upgraded in future seems like a rather awful proposal, especially considering that our rates are already overly inflated, I think we paid less when we lived in Auckland many years ago!</p>		
Officers Response	Stormwater improvement is a focus area for the LTP		
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments	See above comment on the Waipawa open stormwater drains. The assumption that all of Waipawa's stormwater system is of a higher quality than that of Otane is just untrue.		
Officers Response			
<b>Central Business District</b>			



Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes
Any Comments	
Officers Response	
Do you agree with the proposed rates differential for industrial and commercial property?	
Any Comments	
Officers Response	
Any Other Comments?	
Any Comments	

Name of Ratepayer	Pete Robson		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	But Commercial rates should be higher than residential rates		
Officers Response	That's exactly the outcome a differential will make.		
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Jason Wray</b>		
Business Name	Carters NZ		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	Yes
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	I think a 96% increase is unrealistic		
Officers Response	The 96% is only applicable to general rates not total rates. The average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Richard Thomas</b>		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	<p>Interesting that I can select both Yes and No for these questions. However, it is applicable in this case as I say "Yes, with a qualification". The qualification is that residential properties in the zones which will have a differential applied should be exempt. Certainly in the Industrial zone I am in we do not get any extra benefits such as "wider footpaths, additional litter bins, on street parking for customers, additional landscaping in pocket gardens and hanging baskets." etc. In fact, you'd be hard put to find any litter bins, additional landscaping, or any hanging baskets anywhere in the Industrial zone.</p> <p>And who considers "hanging baskets" to be a benefit? Who even really notices them?</p>		

Officers Response	Officers will relook at the benefits of being in the Industrial Zones, and that there are some residential properties scattered in the zone.
Do you agree with the proposed rates differential for industrial and commercial property?	
Any Comments	Yes
Officers Response	
Any Other Comments?	
Any Comments	
Officers Response	

<b>Name of Ratepayer</b>	<b>Susan Isaac</b>		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Mike Mann</b>		
<b>Business Name</b>	<b>Flemings Electrical</b>		
<b>Where do you live?</b>			
<b>Do you own a home in CHB?</b>	Yes	<b>Age Group</b>	51-60
<b>Are you a business owner?</b>	Yes	<b>Do you identify as Tangata whenua?</b>	No
<b>Do you want to speak to your submission at public hearing</b>	No		
<b>Land Use and Subdivision Consents</b>			
<b>Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Animal Control</b>			
<b>Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Compliance and Monitoring</b>			
<b>Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Stormwater</b>			
<b>Do you agree that Council moves this activity to be funded 80-90% private funding?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Do you agree with the proposed rates differential for each of the towns?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Central Business District</b>			
<b>Do you agree that there should be a commercial/industrial differential to rates, compared to private property?</b>	Yes		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Do you agree with the proposed rates differential for industrial and commercial property?</b>	No		
<b>Any Comments</b>			
<b>Officers Response</b>			
<b>Any Other Comments?</b>			
<b>Any Comments</b>			
<b>Officers Response</b>			



<b>Name of Ratepayer</b>	<b>Kristin Hasson</b>		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments	Even if you live in the smaller towns and villages you still use the facilities of the larger towns.		
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	We cannot afford to increase the rates of our businesses or we will have the majority of the businesses closed, especially the large national chains; they will close their businesses on the grounds that they cannot afford to keep the shop/business open. That means loss of jobs!		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer		Heather Edwards	
Business Name	Harcourts		
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	It's ridiculous that the business are getting stung by paying double rates when most of us are homeowners in the CHB district. We are all trying to support local during these times so it would be nice to see you, the Council, supporting us too.		
Officers Response	The 97% is only applicable to general rates not total rates. The average commercial rate increase is approximately 10%, but offset by rates decreases for the rest of the district		
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer		Trish Foot	
Business Name	Gifts X Setera		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	We have already paid for this from a targeted rate. We are struggling already with Covid and drought conditions.		
Officers Response	Historically there was a targeted rate to pay off a loan used to upgrade the town centre. This loan was paid off many years ago and the targeted rate ceased, but now we need to maintain these assets.		
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Duncan Smith</b>		
Business Name	Waipawa Butchery		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Annabel Tapley-Smith</b>		
Business Name	Waipawa Butchery		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Tom Hibbs</b>		
Business Name	TJ Investments HB Ltd		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	No		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Sarah Thomson-Little</b>		
Business Name	Contessa Chic		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	31-40
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	Especially in this climate when businesses and landlords are struggling to maintain to inflate things so high so quickly could have a result in rents raising & empty shops, at least let us recover, there must be an easier way		
Officers Response	Officers could phase in the differential over a 5 year period to soften the impact		
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



<b>Name of Ratepayer</b>	<b>Bruce Stephenson</b>		
Business Name	Stephenson Transport		
Where do you live?			
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	
Do you want to speak to your submission at public hearing	Yes		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	I say yes with reservation not really understanding your valuation system as it relates to property and area.		
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments	Yes with reservations as this could require adjusting in a very short term.		
Officers Response	Officers could phase in the differential over a 5 year period to soften the impact		
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer		Penne Chote	
Business Name	Tim Chote Appliances		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	<p>No, I don't I think that we receive very little for the amount of commercial and industrial rates that we pay. We are struggling to have our rubbish collected and our recycling has not been collected either.</p> <p>With the economic climate of Covid and the drought we as business owners are struggling and this could be enough to some small businesses over the edge. If you want CHB to Thrive then you need to help small businesses not add extra burdens to them.</p>		
Officers Response	Agreed the timing with Covid isn't ideal, but the rationale is to match costs to benefits. This change only impacts the general rate, rubbish and recycling rates remain unchanged.		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	I think that if the rates were going to be spent solely on Industrial and Commercial land then maybe, but I understand that the General can be used for anything the council feels fit to use it for.		

	<p>I understand that the footpaths have been paid for already out of the targeted rate, and are not only used by the property owner but by the general public out walking etc.</p> <p>The hanging baskets in Waipawa are not provided by the council but by the lions club.</p>
Officers Response	<p>The hanging baskets in Waipawa were initiated by Lions, but funded by a grant from Council. Lions provided the labour, but over time the baskets have been taken over by Council staff. Footpaths are currently funded 100% through the Land Transport Rate.</p>

Name of Ratepayer	Mark Eagle		
Business Name	Tim Chote Appliances		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Do you agree with the proposed rates differential for each of the towns?			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	<p>Information provided really does not provide us with a legitimate reason for price increase. Paying extra for what is already in place?? Or in place by others?? What is intended for this money??</p> <p>Hanging baskets – Lions hang these and before that it was initiated by the beautifying society? These are not even all year round. Shop tenants keep the front of their shops tidy – sweeping, picking up rubbish etc</p> <p>We have been open for just over a year and not once have our rubbish and recycling been picked up. We sort this ourselves.</p> <p>Water – minimal use compared to home</p> <p>Some businesses do not even have footpaths – Kitchens and More, Industrial area on Harker street. Those streets that have wider footpaths throughout town which are many, are you going to up their rates?</p> <p>Gardens are there to make the town appealing to drive through whether there are shops or not</p> <p>Shops and Industrial companies are the backbone of this town and without them the community will cease to thrive</p> <p>You are meant to be helping businesses thrive not making it harder especially after having struggled through Lockdown. This proposal of increasing our rates will be the final nail in the coffin for some. And the increase is for WHAT?</p> <p>Everything listed is already in place.</p>		
Officers Response	The hanging baskets in Waipawa were initiated by Lions, but funded by a grant from Council. Lions provided the labour, but over time the baskets have been taken over by Council staff.		

Do you agree with the proposed rates differential for industrial and commercial property?	No
Any Comments	
Officers Response	
Any Other Comments?	
Any Comments	
Officers Response	

Name of Ratepayer	Rosemary Young		
Business Name	Waipukurau Arts & Crafts Inc		
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	Yes		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?			
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?			
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	Seeking an exemption for the area specified below.		
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	Pertaining to No's 1-15 Coughlan Rd, comprising of 3 residence, 1 empty section, 1 'not for profit' craft group in a residence and the SPCA (a Trust) compound. ALL definitely NOT industrial. ALL quite easily separated by GIS from the proposed zone 2 industrial, and classed as residential zone. A 'broad brush' does not have to be used.		
Officers Response	Officers will relook at the benefits of being in the Industrial Zones, and that there are some residential properties scattered in the zone.		
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	Owen Spotswood		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments	Developers should pay the costs.		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments	There are a lot of activities that are general to everyone		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments	I would have thought compliance cost would fall mostly on the applicant		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	This activity when completed should last for many years. Let future generations pay through loans		
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments	The cost of doing anything I believe is the same in all towns		
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	No		
Any Comments	This could kill industry coming and/or staying in CHB, retail is hard work this could kill the shops		
Officers Response	Most increases are small in dollar terms as it only applies to general rates, not total rates		
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	Same as previous		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	You need to do this properly and consult with the different organisations. Not necessary what councillors think		
Officers Response			

Name of Ratepayer	Jensen		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	Only if it's a comparable standard		
Officers Response	The differential is to account for differing standards		
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments	Waipukurau has far more services and facilities - sporting, school, medical centre etc		
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?			
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			



Name of Ratepayer	A Nickelson		
Business Name			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	
Do you want to speak to your submission at public hearing			
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments	Users should pays		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments	use of higher limit than 25%		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?			
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	Due to Covid & the drought I wouldn't be too quick to saddle everyone with huge rate bills. Doing the job right for the money you have is far more important.		
Officers Response	The proposed rating changes are about distributing the rate take differentially, not about collecting more.		

<b>Name of Ratepayer</b>	<b>Lois Riddell</b>		
Business Name	Farming		
Email			
Where do you live?	Waipawa		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	Yes	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	No		
Any Comments	User Pays		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

<b>Name of Ratepayer</b>	<b>Johannes Hoogenboom</b>		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?		Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing			
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments	Common Sense		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments	Common Sense		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?			
Any Comments			
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	Does that means it's cheaper, I'm in favour		
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments	Better than a broad bush approach		
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	because they would be use more water and have more effluent		
Officers Response	Yes		
Do you agree with the proposed rates differential for industrial and commercial property?	Common Sense		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	NO funding for private drain/ water consents, especially when their pensions and business interests would cover this hundreds of times over. Disappointing that council agreed.		
Officers Response	Water Consents are issued by Regional Council, not CHB District Council		

<b>Name of Ratepayer</b>	<b>Dean Hyde</b>		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	51-60
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments	Consents are primarily of private benefit, that's where the bulk costs should be		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments			
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	Yes		
Any Comments	This should be progressively increased to cover full costs		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	A consistent policy application is "just"		
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	Yes		
Any Comments			
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	Yes - Commercial / Industrial ratepayers have the ability to on charge costs		
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	Yes		
Any Comments			
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	Blair Hamilton		
Business Name			
Where do you live?	Tikokino		
Do you own a home in CHB?	Yes	Age Group	41-50
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	No		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments			
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	Yes		
Any Comments	Agree that best way forward is a user pays policy		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments	Should be greater % put on user pays model		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments			
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments	Don't think ratepayers should fit this bill		
Officers Response			
Do you agree with the proposed rates differential for each of the towns?			
Any Comments	Need more info before committing to yes or no		
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	Commercial & industrial should be even split 2.0		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments			
Officers Response			

Name of Ratepayer	David Bishop		
Business Name			
Where do you live?	Waipukurau		
Do you own a home in CHB?	Yes	Age Group	61+
Are you a business owner?	No	Do you identify as Tangata whenua?	No
Do you want to speak to your submission at public hearing	Yes		
<b>Land Use and Subdivision Consents</b>			
Do you agree that Council moves this activity to be funded 70-80% through fees and charges, with the balance being collected through general rates?	Yes		
Any Comments	Only the policy component covered by general rates, actual consents should be totally fees & charges		
Officers Response			
<b>Animal Control</b>			
Do you agree that Council moves this activity to be funded 90-100% through user pays, with the remainder from rates?	No		
Any Comments	Refer to attached submission the 90% is too high, should be 80% user pays and 20% general rates		
Officers Response			
<b>Compliance and Monitoring</b>			
Do you agree that Council moves this activity to be funded 10-25% through user pays, with the remainder from rates?	No		
Any Comments	A higher percentage should be user pays particularly where it involves field time & vehicle for inspections (cost recovered)		
Officers Response			
<b>Stormwater</b>			
Do you agree that Council moves this activity to be funded 80-90% private funding?	Yes		
Any Comments	The rate payers that benefit @ 80% should pay, however non-residents in rural areas also benefit from this service when they use facilities in urban areas (20%)		
Officers Response			
Do you agree that the stormwater rating areas be increased to include areas of Takapau and Otane that benefit from stormwater assets?	Yes		
Any Comments			
Officers Response			
Do you agree with the proposed rates differential for each of the towns?	No		
Any Comments	Too hard to advise since the type & level of service is not provided of differential however likely needed.		
Officers Response			
<b>Central Business District</b>			
Do you agree that there should be a commercial/industrial differential to rates, compared to private property?	Yes		
Any Comments	Retailers do benefit from extra services provided by council		
Officers Response			
Do you agree with the proposed rates differential for industrial and commercial property?	No		
Any Comments	I agree with a differential but industrial should be less and commercial higher		
Officers Response			
<b>Any Other Comments?</b>			
Any Comments	Attached submission - Animal Control Policy.		
Officers Response			

12 September 2020

#### Rates Review 2020-Animal Control Policy

I note from the Rates Policy-Finance --Statement of Proposal-- for Animal Control: this comprises the implementation of the requirements of the Dog Control Act 1996 and related legislation and Council bylaws. Main objectives include education, response to complaints and management of the registration system for dogs and stock.

I concur with the statements listed in: Community Outcomes, Distribution of Benefits, Timeframes for Benefits, Contributors to need for activity, Costs and benefits of distinct funding.

I do not agree with the Proposed Recommended Funding being 90-100% private funding for this activity.

In my 10 April 2019 submission to the Revenue and Financing policy-contained in the LTP 2018-28, I recommended that Council should commence apportioning costs (e.g. staff time) of the animal control function against a registered owner group and a non-registered owner group. This breakdown should then inform the percentages to be borne by registered owners and the remainder of the community.

Not having the above breakdown, my assessment of the split, is 83% private funding and 17% general rates, as per the following separation:

Activity	General Rate	Private Funding
Advice to Council on Dog Control legislation, Bylaws creation- applicable all Councils in NZ	2%	
Education of all ratepayers & community of Animal Control Objectives	5%	
Specific education, policies to people who own registered animals		5%
Response to Complaints*	10%	
Maintain the Animal Registration System		78%
<b>Totals</b>	<b>17%</b>	<b>83%</b>

\* I recommend that for all Complaints the expenses be recorded initially against the general rate, assessed for staff time and expenses, and when it is determined a registered owner is involved, the time/expense is apportioned to 'Maintain the Animal Registration System', which in itself has fees for registered owners to pay for matters such as impounding costs.

\*Where an animal is unregistered, the expenses and time for this should lie with the General Rate.

This apportionment would retain the level fairness which is expected by those who annually register their animals.

I would like to speak to this submission.

Yours sincerely



David Bishop





## Revenue and Financing Policy

Adopted: 23 May 2019

Reviewed: 22 October 2020

*Together we Thrive! E ora ngātahi ana!*



# REVENUE AND FINANCING POLICY

## PURPOSE OF THIS POLICY

The Revenue and Financing Policy is required under Section 102 of the Local Government Act 2002 (LGA) and the required contents are set out in section 103 of the LGA. The policy must be included in full in the LTP. Section 103(2) allows the following funding mechanisms to be used when funding operating and capital expenditure:

- General Rates
- Uniform Annual General Charge
- Targeted Rates
- Grants and Subsidies
- Interest and Dividends from Investments
- Fees and Charges
- Borrowing
- Proceeds from Assets Sales
- Development or Financial Contributions
- Lump Sum Contributions
- Any other source

This policy summarises the funding sources to be used by Council and their intended use. Sources are identified for each Council activity, including those that may be used to fund operating and capital expenditure. The General Rate is set on a District Wide basis (not on a differential basis), on the capital value of the rating unit. Council sets a Uniform Annual General Charge that is assessed on separately used or inhabited parts of a rating unit in the district.

Council must consider the following elements in deciding on appropriate funding mechanisms for each activity:

- Community Outcomes – the community outcomes an activity will primarily contribute to.
- Distributions of benefits – the distribution of benefits between the community as a whole, any identifiable parts of the community and individuals.
- Timeframes of benefits – the period in and over which those benefits are expected to occur. For example, the benefits may occur on an ongoing basis, but may also benefit future generations.
- Contributors to need for activity – the extent to which actions or inactions of particular individuals or groups contribute to the need to undertake the activity.
- Costs and Benefits of distinct funding – the cost and benefits, including for transparency and accountability, of funding the activity distinctly from other activities.

The Council has also considered the overall impact of any allocation of liability on the community and has determined this doesn't require any modification to the activity by activity analysis.

## DEFINITIONS OF COUNCIL SERVICES FUNDING OPTIONS

The Local Government Act 2002 requires Council to meet its funding needs from a defined list of sources. The Council determines which of these are appropriate for each activity, considering equity between generations, fairness and affordability. Council seeks to maintain an affordable and predictable level of rates in the future.

### District Wide Rates

#### General rates

General rates are rates applied to the entire rating base of the district.

This is a variable charge based on a property's capital value. The variable component of general rates is set as cents per dollar of capital value, which is assessed according to two differentials based on location:

- Central Business District in Waipawa/Waipukuaru (all rating units excluding domestic residential)
- All other Rating Units

Therefore, the level of rates paid by a landowner will depend on the capital value and the differential category within which the property falls, as well as any targeted rates (see below).

#### Differential Groups

The variable capital value component of the Council's general rate is set using 2 differentials.

The rationale for this approach is that the dollar per capital value set for each differential category is a fair and equitable amount related to the benefits that properties within that differential group receives, and not subject to fluctuations in property values that may occur between the different categories over time. The level of rates a landowner pays will vary, based on both capital value and the differential category within which the property falls.

As property values change, the Council will alter the group differentials (the amount of rates charged per dollar of value) to ensure each differential group continues to pay the same overall proportion of the general rates. The proportion of general rates set for each differential category is outlined in the following table:

General Rate Differential Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
<b>CBD (excl Residential)</b>	1.2	1.4	1.6	1.8	2.0
<b>Non-CBD</b>	1.0	1.0	1.0	1.0	1.0

Uniform Annual General Charge (UAGC)

A UAGC is a flat charge levied from every separately used or inhabited part of a rating unit (SUIP) in the district.

Definition – for the purposes of the Uniform Annual General Charge and the targeted rates below, 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

District Land Transport Rate

This rate is set for the purpose of funding the operation and maintenance of the land transport system and is based on the land value of all rateable land in the district.

**Targeted rates**

Targeted rates are set to recover the costs of providing services such as wastewater, refuse collection, disposal and recycling charges. A targeted rate is levied only from those SUIPs that receive the service. For example, a household connected to the Council's water network is charged a targeted rate for water supply, but household using tank water is not. The Council charges targeted rates in the form of uniform annual charges (flat rate) and demand-related charges.

Voluntary targeted rates

The voluntary targeted rate is used in cases where the Council provides financial assistance to property owners for particular capital projects, such as upgrades to private water supplies. The voluntary targeted rate is levied only from properties that receive Council assistance and is used to recover the borrowed amount and any administration costs.

**Fees and charges**

The Council levies over 1,000 fees and charges. Fees and charges are usually either full or part charges to recover the costs of delivering the services. Fees and charges are usually only set for services that a user has discretion to use or not, and where it is efficient for the Council to collect the fees and charges.

**Interest and dividends from investments**

The Council receives interest and dividends from short-term cash management and from its investments.

**Borrowing**

Borrowing is defined as taking on debt. The Council usually only borrows to fund long-lived capital assets.

**Proceeds from asset sales**

Proceeds from asset sales are the net sum received when physical assets are sold. Proceeds from the disposition of assets are used firstly in the retirement of related debt and then are credited to the Capital Projects Fund.

**Development contributions**

These are levies paid in accordance with the Council's Development Contributions Policy and the LGA 2002 to recover Council expenditure on reserves, community infrastructure and network infrastructure to meet increased demand resulting from new development. These levies can be used for capital expenditure for the purpose they were charged for, and may not be used to cover operational costs.

**Financial contributions under the Resource Management Act**

Financial contributions apply to holders of resource consents in the form of sums payable, or land transferred to the Council. These contributions are used to mitigate, avoid or remedy any adverse effects arising from subdivision or development. Note: In 2022, the ability to require financial contributions under the Resource Management Act 1991 will cease under the Resource Legislation Amendment Act 2017.

**Grants and subsidies**

These are payments from external agencies and are usually for an agreed, specified purpose. For the Council, the major source of grants and subsidies is the New Zealand Transport Agency (NZTA), which offers subsidies for road maintenance, renewals and improvements.

## FUNDING OF OPERATING EXPENDITURE

The following table shows which mechanisms may be used to fund operating expenditure for Council's activities:

	General Rates	Uniform Annual General Charge	Targeted Rates	Grants and Subsidies	Fees and Charges
<b>Community Leadership Group</b>					
Leadership, Governance and Consultation	✓	✓		✓	
Economic and Social Development	✓	✓	✓		
<b>Planning and Regulatory Group</b>					
District Planning	✓				
Land Use and Subdivision Consents	✓				✓
Building Control	✓				✓
Public Health	✓				✓
Animal Control	✓				✓
Compliance & Monitoring	✓				✓
<b>Land Transport Group</b>					
Land Transport	✓		✓	✓	✓
<b>Solid Waste Group</b>					
Solid Waste	✓	✓	✓		✓
<b>Water Supplies Group</b>					
Water Supplies			✓		✓
<b>Wastewater Group</b>					
Wastewater			✓		✓
<b>Stormwater Group</b>					
Stormwater			✓		
<b>Recreation and Community Facilities Group</b>					
Parks, Reserves and Swimming Pools	✓	✓			✓
Public Toilets	✓				
Retirement Housing					✓
Libraries	✓	✓			✓
Theatres, Halls and Museums	✓				✓
Cemeteries	✓				✓
Property and Buildings	✓				✓

- Council does not fund operating expenditure by Borrowing unless in exceptional circumstances by way of Council resolution or for Asset Management Planning where the information has relevance over more the 10 years
- Interest and Dividends are used to offset the general rate requirement except where the interest is credited to a special fund or reserve fund.
- Proceeds from the Sale of Land and Buildings are transferred to the Capital Projects fund for funding future capital projects by resolution of Council. Proceeds from Sale of other Assets are used to fund the renewals of assets within the activity.

## FUNDING OF CAPITAL EXPENDITURE

The following table shows which mechanisms may be used to fund capital expenditure for Council's activities:

	General Rates	Targeted Rates	Borrowings	Reserves	Funding assistance/User Charges	Development Contributions
<b>Community Leadership Group</b>						
Leadership, Governance and Consultation	No Capital Expenditure					
Economic and Social Development	No Capital Expenditure					
<b>Planning and Regulatory Group</b>						
District Planning			✓			
Land Use and Subdivision Consents	No Capital Expenditure					
Building Control	No Capital Expenditure					
Public Health	No Capital Expenditure					
Animal Control	No Capital Expenditure					
Compliance & Monitoring	✓				✓	
<b>Land Transport Group</b>		✓	✓	✓	✓	✓
<b>Solid Waste Group</b>	✓		✓	✓		
<b>Water Supplies Group</b>		✓	✓	✓		✓
<b>Wastewater Group</b>		✓	✓	✓		✓
<b>Stormwater Group</b>	✓	✓	✓	✓		✓
<b>Recreation and Community Facilities Group</b>						
Parks, Reserves and Swimming Pools	✓		✓	✓	✓	
Public Toilets	✓		✓	✓		
Retirement Housing				✓	✓	
Libraries			✓	✓		
Theatres, Halls and Museums	✓		✓	✓	✓	
Cemeteries	✓		✓	✓		
Property and Buildings	✓		✓	✓		
<b>Overheads</b>	✓	✓	✓	✓		

- Council takes into account the useful life of the asset and the use by future generations in the funding of the capital expenditure. Lump sum contributions are not utilised by Council.

## **Community Leadership Group**

### **Leadership, Governance and Consultation**

#### **Description**

The Leadership, Governance and Consultation activity includes the elected Council.

#### **Community Outcomes**

This activity contributes to all of the community outcomes.

#### **Distributions of benefits**

Benefits from the Leadership, Governance and Consultation activity are for the community generally. Council is the vehicle for making decisions affecting the district.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

Living in a democratic society contributes to the need for this activity.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 100% public funding for this activity. Public funding is through the capital value based general rate.

## **Economic and Social Development**

#### **Description**

Economic and Social Development is undertaken by a number of outside organisations.

- These are CHB Promotions, Business Hawke's Bay and joint study by Hawke's Bay Councils, funded partly by the Council
- Department of Internal Affairs –which funds a Community Development Coordinator

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth



**Distributions of benefits**

Benefits from economic development accrue largely to the community, due to the ongoing economic benefits of visitor spending, creation of employment and investment in the potential of the district. Similarly social benefits accrue the wider community. Some benefits may accrue to businesses or individuals using these services, but it is difficult and illogical to recover these benefits.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

All groups contribute to the need for this activity.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 100% public funding for this activity. Public funding is collected through the Uniform Annual General Charge.

## Planning and Regulatory Group

### District Planning

#### **Description**

The Land Use Planning and Management Activity, as part of Council's statutory obligations under the Resource Management Act 1991, involves -

- Providing advice on the District Plan
- Providing Policy advice on planning and rules of the District Plan
- Monitoring of the effectiveness and efficiency of the policies and rules in the District Plan

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

The district planning services benefit the users of the District Plan through clear information available for development and land use.

The community benefits highly through protection of the environment, appropriate and sustainable development of land and property.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 100% public funding for this activity. Public funding is through the capital value based general rate.

**Land Use and Subdivision Consents****Description**

The Council is required by the Resource Management Act 1991 to prepare, implement and administer a District Plan that meets the needs of the community. The Resource and Subdivision Activity ensures that development occurs in a manner that complies with the District Plan, through processing resource consent applications and monitoring.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible

**Distributions of benefits**

The district planning services mainly benefit the users of the resource and subdivision consent process through meeting legislative requirements.

The community benefits through protection of the environment, appropriate and sustainable development of land and property.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 70-80% private funding for this activity, with the remainder coming from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

**Building Control****Description**

Building Control is responsible for administering and enforcing the Building Act 2004 (and related legislation). This includes -

- Processing applications for building consents
- Enforcing the provisions of the Building Act 2004 and associated regulations
- Processing Land Information Memoranda

Once a consent has been obtained, Council monitors compliance through inspections and provides code compliance certificates confirming that new building work meets the provisions of the building code.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

**Distributions of benefits**

Benefits from building control accrue mainly to users of these services (ie people who build or alter buildings) through meeting legislative requirements and safe buildings. The community benefits through the enforcement of regulations that ensure safe, sanitary and accessible buildings in which people live, play and work.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity. In some cases (e.g. property purchase where consent standards are not met), it may be difficult to identify who should pay.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 70-85% private funding for this activity, with the remainder funded from public funding. Private funding is collected through various fees and charges. Public funding is through the capital value based general rate.

**Public Health****Description**

The Public Health Activity covers the regulatory functions relating to environmental health, liquor licensing, hazardous substances, and other environmental monitoring.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

**Distributions of benefits**

Benefits from environmental health services accrue to both the community and individuals and organizations. Individuals and organizations benefit from assurances that their premises are of an acceptable standard to the consumer and meet other legislative requirements (e.g. liquor licensing).

The community benefits through the expectation that

- standards of operation are being met and
- assurances of a safe and healthy environment for residents and visitors.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 27-36% private funding for this activity, with the remainder from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

**Animal Control****Description**

This activity includes the implementation of requirements of Dog Control Act 1996 and related legislation and Council bylaws. Main objectives include education, response to complaints and management of registration systems for dogs and stock.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities

**Distributions of benefits**

Benefits from the animal control service accrue mainly to animal owners from the provision of a service that either confines or returns lost or stray animals. The community generally benefits through the enforcement of regulations against aggressive and straying animals.

**Timeframes of benefits**

Ongoing, but occur mainly in the short-term.

**Contributors to need for activity**

People who do not properly control their animals can be a significant contributor to this activity. In some cases, it can be difficult to identify who these people are.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 90-100% private funding for this activity, with the remainder from public funding. Private funding is collected through various fees and charges – including fines and impounding costs. Public funding is through the capital value based general rate.

**Compliance and Monitoring****Description**

Compliance and Monitoring primarily involves the monitoring of resource consent conditions, responding to noise complaints and bylaw breaches, and carrying out territorial authority responsibilities as defined in legislation such as the inspection of swimming pool fences, earthquake prone buildings, and processing of Land Information Memoranda (LIMS), Compliance Schedules and Building Warrants of Fitness.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

**Distributions of benefits**

Benefits from this activity accrue across the wider community, through ensuring that activities are monitored and comply with legislative, policy and bylaw requirements, thereby minimising negative impacts on residents of, and visitors to, the District.

**Timeframes of benefits**

Ongoing. Benefits occur now through continuous monitoring of activities, response to complaints, and public education.

**Contributors to need for activity**

Where matters of non-compliance are brought to Council's notice, there is a requirement to ensure that compliance is achieved for the safety and wellbeing of the wider public.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 10-25% private funding for this activity, with the remainder from public funding. Public funding is collected through the capital value based general rate. Private funding is obtained through various fees and charges including fines.

## Land Transport Group

### Land Transport

#### **Description**

The Local Government Act 2002 and Land Transport Management Act 2003 provide the framework under which Council operates a land transport network within the District. Council aims to achieve an integrated safe, responsive and sustainable land transport network. Council maintains 1261.81 km of roads, 64 km footpaths, 265 bridges, street lighting and other roading assets.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

There is a mix of public and private benefits with these activities. Public benefits include an attractive urban environment and streetscape, tidy roadsides, the ability to transport people, goods and services throughout the district, connections to other transport networks and location and property identification. Private benefits are for people and businesses using roads and footpaths to carry out their day to day business.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

All groups contribute to the need for this activity. In some cases damage may be caused, additional costs may be caused to Council through vandalism, accidents and activities beyond normal usage.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed to 100% public funding. Public funding is collected through the land value based targeted rate. New Zealand Transport Agency funding applies to subsidised roading projects.

A small amount of private funding is recovered through fees and charges.



## Solid Waste Group

### Solid Waste

#### **Description**

Central Hawke's Bay District Council provides the following services:

District landfill, transfer stations, recycling drop off centres, and kerbside refuse and recycling collections, litter bins and management of closed landfills.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

The benefits of the solid waste activity are largely public and private. Individuals benefit from not having to arrange their own systems of waste disposal. An environmentally sound landfill and rubbish collection maintains a sustainable and clean district.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits from having solid waste collection and disposal available. In some cases, illegal dumping and inappropriate disposal of hazardous wastes may result in extra costs to the Council.

#### **Costs and Benefits of distinct funding**

It is appropriate to recover the private benefit via a separate funding mechanism.

#### **Recommended Funding**

Council has agreed on 46-48% private funding for this activity. The remaining Public funding is collected through a combination of a Capital Value based General Rate, Uniform Annual General Charge and targeted rates for kerbside recycling and refuse collection. Private funding is derived from fees and charges.

## Water Supplies Group

### Water Supplies

#### **Description**

The Central Hawke's Bay District Council owns and operates 8 water supply schemes.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

Provision of water supplies provides a number of public benefits, including access to potable water and availability of water for key public services and amenities (eg fire fighting, landscaping, swimming pools). There are significant direct benefits to ratepayers and consumers connected to a Council piped water scheme through access to water for drinking and water availability for industry.

#### **Timeframes of benefits**

Ongoing and long-term for future generations.

#### **Contributors to need for activity**

Those sections of the community where water services are available benefit widely from having a supply available. The wider community who use the facilities and business who depend on the water supply also benefit.

#### **Costs and Benefits of distinct funding**

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and charges.

#### **Recommended Funding**

Council has agreed on a 100% private funding for this activity. Private funding is derived from a targeted rate from those connected to water systems, volumetric water meter rates and fees and charges.

## Wastewater (Sewerage) Group

### Wastewater (Sewerage)

#### **Description**

Central Hawke's Bay District Council sewer systems comprise of six reticulated systems and associated treatment plants.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

Provision of a sewerage system provides a number of public benefits, including maintenance of public health standards, prevention of disease and maintenance of a healthy environment. All properties, both domestic and industrial, that are connected to Council's sewerage system receive a direct benefit which relates to the cost of providing the service. A sewerage system is a key infrastructural need for maintaining public health and growth of business opportunities.

#### **Timeframes of benefits**

Ongoing and long-term for future generations.

#### **Contributors to need for activity**

The community benefits widely from having a sewerage system available. Additional costs may be caused through overloading of systems, disposal of hazardous material and illegal connections.

#### **Costs and Benefits of distinct funding**

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and charges.

#### **Recommended Funding**

Council has agreed on a 100% private funding split for this activity. Private funding is collected through a targeted rate from those connected to wastewater systems and with fees and charges and levies raised through the Trade Waste Bylaw.

## Stormwater Group

### **Stormwater**

#### **Description**

Central Hawke's Bay District Council stormwater systems comprise of several systems. The systems generally consist of a primary piped network with some open channel and secondary flow paths.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

Provision of a stormwater system provides a number of public benefits, including decreased risk from flooding and encouraging residential development. Private benefits are particularly to property owners via stormwater disposal away from their properties.

#### **Timeframes of benefits**

Ongoing and long-term for future generations.

#### **Contributors to need for activity**

The community benefits widely from having a stormwater system available.

#### **Costs and Benefits of distinct funding**

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity separately.

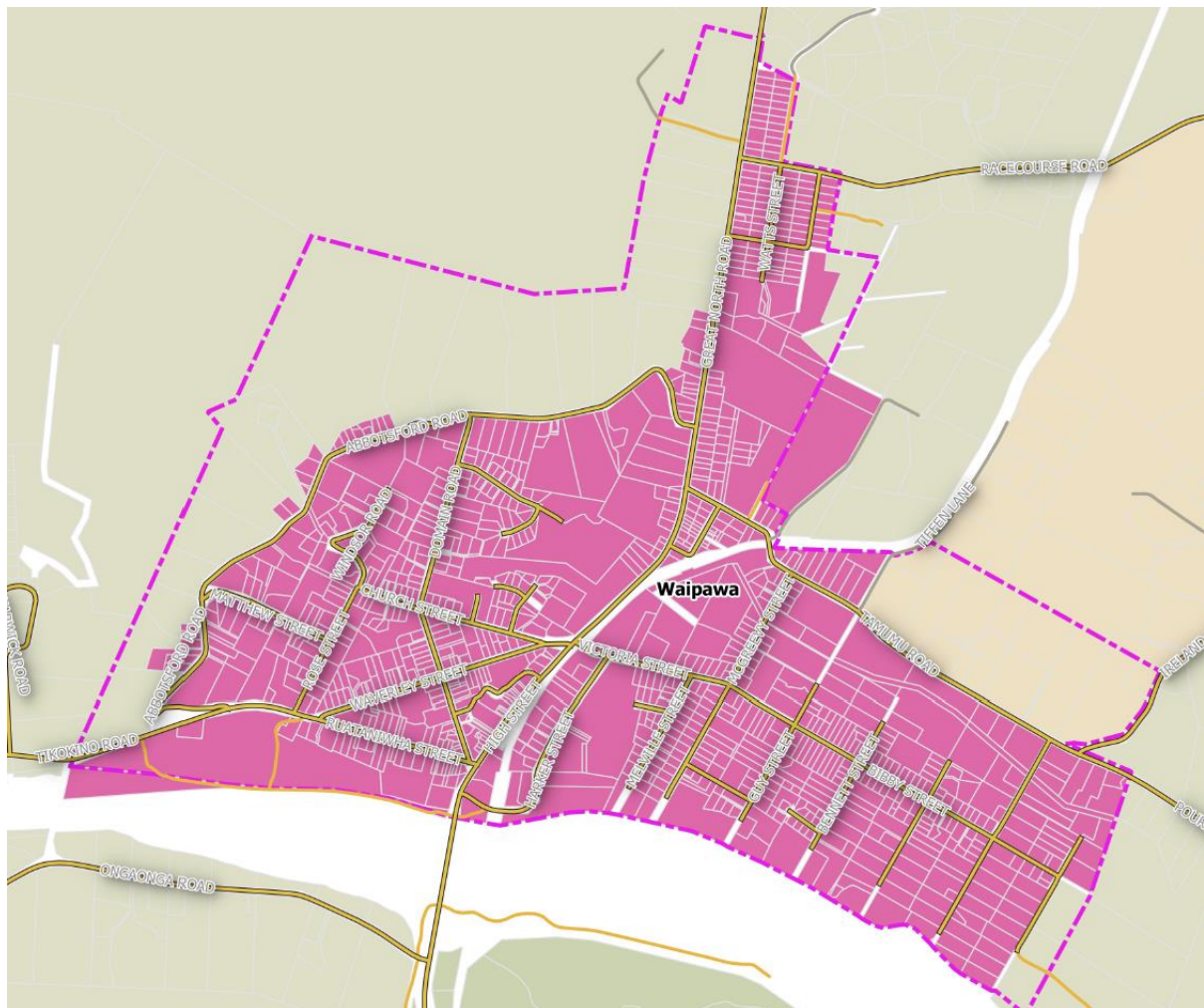
#### **Recommended Funding**

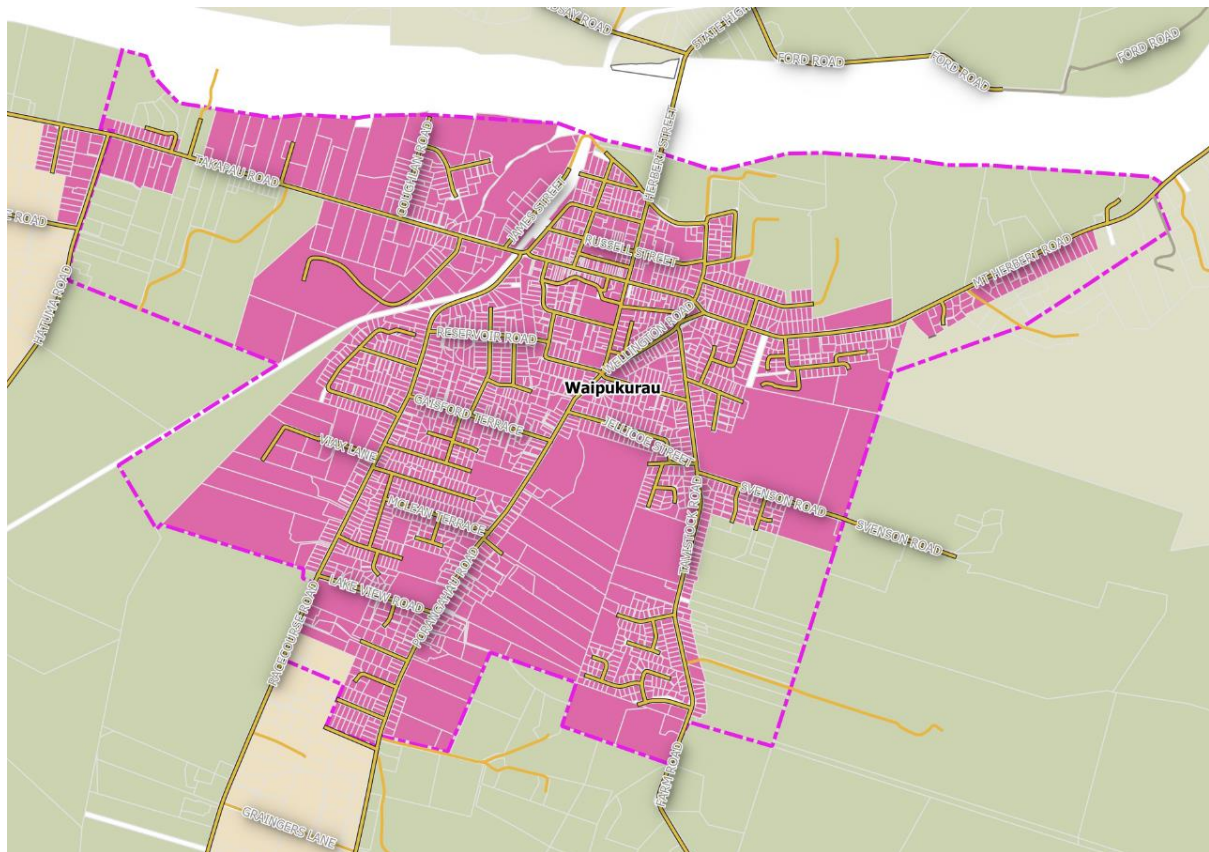
Council has agreed on 80-90% private funding for this activity. Private funding is collected through a targeted rate from those within stormwater catchment areas, with the remainder from public funding. Public funding is collected through the capital value based general rate. The funding of the Te Aute drainage scheme is based on a targeted rate on scheme members.

**Maps of the Stormwater Catchment Areas:**









The variable capital value component of the Council's stormwater targeted rate is set using 4 differentials.

As property values change, the Council will alter the group differentials (the amount of rates charged per dollar of value) to ensure each differential group continues to pay the same overall proportion of the stormwater targeted rates. The proportion of stormwater targeted rates set for each differential category is outlined in the following table:

Stormwater Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Otane	0.16	0.32	0.48	0.64	0.80
Takapau	0.12	0.24	0.36	0.48	0.60
Waipawa	1.00	1.00	1.00	1.00	1.00
Waipukurau	1.00	1.00	1.00	1.00	1.00



## Recreation and Community Facilities Group

### **Parks, Reserves and Swimming Pools**

#### **Description**

A number of parks, reserves, war memorials and camping grounds are provided throughout the district for recreation, including sports fields, children's playgrounds and amenity areas. There are two swimming pools, one owned by the Council and one owned by a Community Trust that is largely funded by the Council.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

#### **Distributions of benefits**

Benefits from parks accrue to the community generally through the provision of facilities for groups and individuals to pursue active and passive leisure pursuits, education on the natural environment, community pride and contributing to community health and well-being.

There can be private benefits to people and sports groups through the use of sports fields for organized sport, but these are available to the wider community at other times.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from having these facilities available.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council have agreed a 97% public, 3% private funding split and that the cost of funding the public component of the Parks, and Reserves should occur by way of 70% from the General Rate assessed on Capital Value and 30% (to meet the cost of swimming pools) from the Uniform Annual General Charge. The private funding component will be collected from fees and charges with market rentals being applied to camp grounds.

**Public Toilets****Description**

The Council provides 24 public conveniences located throughout the District.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

**Distributions of benefits**

Public toilets provide a mix of public and private benefits. While private benefits are obvious, public benefits are through having these essential facilities available for residents and visitors, and maintaining standards of public hygiene.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

The community benefits widely from having public conveniences available.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council have agreed 100% public funding and that the cost of funding the public component of the Public Toilets should occur by way of 100% from the General Rate assessed on Capital Value.

**Retirement Housing****Description**

A total of 48 one bedroom flats are owned by Council in different locations in Waipukurau and Waipawa. These provide affordable housing for those elderly in need.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

**Distributions of benefits**

Benefits from housing accrue to tenants of the housing units. This is a relatively small and identifiable group who are provided with affordable accommodation in convenient locations. There may be some small community benefits through the availability of low cost housing to vulnerable groups in the community.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

The community benefits from having housing available. The main benefit is to people who choose to tenant these units.

**Costs and Benefits of distinct funding**

The activity is self-funding and separate funding is not required.

**Recommended Funding**

The Council believes the optimum funding is 100% private, through user rental charges.

**Libraries****Description**

Libraries include the two libraries in Waipukurau and Waipawa.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

**Distributions of benefits**

Benefits from libraries accrue largely to the community, through contributing to a community that is literate and informed, has access to information and provision of a community resource. There is also direct benefit to each individual who reads a book or uses one of the other library services, and some of these can be recovered, although a high level of recovery may restrict the ability of some people to continue to use these services.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

The community benefits widely from having library services available.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

The Council have agreed the optimum allocation of costs is 90% public to 10% private. Public funding is through the Uniform Annual Charge, with private funding through user charges for some library services.

**Theatres and Halls****Description**

Theatres, halls and museums include several community halls located throughout the District.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

**Distributions of benefits**

Theatres and halls have a mix of public and private benefits. Public benefits are from the ability to use the facilities for public events and gatherings and as a hub for communities in the event of natural disaster. There are direct benefits for individuals and groups who choose to use the facilities available for personal functions.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

The community benefits widely from having theatres, halls and museums available.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is not benefit perceived from separate funding.

**Recommended Funding**

Council have agreed 100% public funding. Public funding is 100% from the capital value based general rate, with limited private funding through user charges for hireage services.

**Cemeteries****Description**

Council currently operates ten cemetery sites for burial and cremation interments.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

**Distributions of benefits**

Benefits from cemeteries are considered to be largely private, although it is necessary for communities to have an interment system that meets appropriate health standards. Private benefits are from the provision of individual gravesites for remembrance and burial.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

The community benefits widely from having cemeteries available. In some cases, vandalism and failure to maintain headstones may cause additional costs.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

The Council have agreed a 90% public, 10% private funding split. Public funding is from the capital value based general rate, with private funding through fees and charges.

**Property and Buildings****Description**

Council owns a number of properties and buildings that are used to providing services to the public, but do not fit into a specific Activity grouping. These are owned for community or administrative reasons.

The properties included in this Activity are, the Council administration building, two library buildings, two other community building and miscellaneous sections.

**Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

**Distributions of benefits**

Benefits from this activity largely accrue to the community, through cultural enrichment and community identity. There may be direct benefits to some people using these services, but a high level of recovery may restrict the ability of some people to continue to use these services.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

The community benefits from having safe community buildings.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council have agreed 98 -100% public funding. Public funding is from the capital value based general rate, with limited private funding (2%) through user charges for hireage and rentals.

**5.2 RETIREMENT HOUSING SECTION 17A REVIEW 2020****File Number:****Author:** Doug Tate, Group Manager Customer and Community Partnerships**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Retirement Housing Section 17a Review - October 2020  **PURPOSE**

The matter for consideration by the Council is the adoption of the Retirement Housing Section 17a Review and a preferred approach for the future of the Retirement Housing Activity in principle, for inclusion in the 2021 – 2031 Long Term Plan.

**RECOMMENDATION FOR CONSIDERATION**

That having considered all matters raised in the report:

- a) This Council receive the Retirement Housing Section 17a Review, prepared in accordance with the requirements of Section 17a of the Local Government Act 2002.
- b) b) That Council adopt Option 1a of the Review in principle for inclusion in the 2021 Long Term Plan, noting increases to rents over a period of two years to achieve renewal and upgrade requirements and the re-establishment of reserve funds for OR
- c) That Council adopt Option 1b of the Review in principle for inclusion in the 2021 Long Term Plan, noting increases to rents over a period of two years to achieve renewal and upgrade requirements and the re-establishment of reserve funds and,; further;
- d) That Council propose in principle in Year 7 of the 2021 Long Term Plan for the expansion of the retirement housing portfolio through the construction of ten new units estimated at \$2 million, noting that the overall portfolio is forecast to subsidise the development. OR
- e) That Council adopt Option 2a of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to a Community Housing Provider (CHP) and that funds are used to pay down debt or other assets OR
- f) That Council adopt Option 2b of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to a Community Housing Provider (CHP) and that funds are used for the development of new housing in Central Hawke's Bay, the detail of which is to be confirmed OR
- g) That Council adopt Option 3a of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to a Community Housing Provider (CHP) and that funds are used to pay down debt or other assets OR
- h) That Council adopt Option 3b of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to the open market and that funds are used for the development of new housing in Central Hawke's Bay, the detail of which is to be confirmed.

## EXECUTIVE SUMMARY

Council embarked on a review of its Retirement Housing Portfolio in December 2019. A key enabler of the Goal 4 of the Housing Strategic Framework 2019 relating to retirement housing, was a focus has been on ensuring the long-term financial viability of the portfolio.

Through a number of workshop and supporting presentations and papers, Councillors have considered a number of options and scenarios for its retirement housing portfolio.

We are now at a point where Council needs to indicate its preferred approach for retirement housing for inclusion in principle in the 2021 Long Term Plan. This report seeks a recommendation from Council on their preferred approach.

## BACKGROUND

As a priority of its Housing Strategic Framework 2019, Council prioritised the completion of a Section 17a of the Local Government Act 2002 review of its Retirement Housing Activity. The purpose of the review was to understand how it could support housing opportunities in a wider sense and to also address other fundamental challenges with the activity.

The activity delivers affordable housing for residents aged 60+ with limited assets. Council last built additional units 37 years ago, supported by government financing (a policy that ended in the late 1980's).

The Local Government Act was amended in 2014 and included new provisions relating to periodic reviews (at least every six years) of existing Council infrastructure, services and regulatory functions, providing the requirement for Section 17a reviews. This Review meets the requirements of a s17A review under the Local Government Act 2002 (LGA).

Council has not completed a major review of its retirement housing portfolio for over ten years, nor has it since 1999 completed a robust asset management plan review of its retirement housing assets. This review sets out to address fundamental challenges and opportunities with the portfolio.

The review is now substantially complete and it is at a point where Council need to confirm their direction for the activity in principle for inclusion in the Long Term Plan 2021 – 2031.

## DISCUSSION

Council has considered a range of options in the context of the Council strategic goals, project Thrive and the Housing Strategic Framework 2019.

The project was initiated by Council in December 2019, and Council have received background reports and has had a number of workshops over the last year to identify:

- The issues facing the activity
- The critical success factors and the key objectives
- The long list of options
- The short list of options that best meet Council strategic goals, success factors and key objectives.

The key issues the review sought to resolve were:

1. The lack of fit-for-purpose housing and wraparound services currently provided to Council's Retirement Housing tenants.
2. The evidence of growing and forecast demand for affordable (rental) retirement housing in Central Hawke's Bay.
3. The long term financial sustainability challenges for the activity, including the inability for Council to access the government's Income Related Rent Subsidies (IRRS) scheme or other related grant funding.

The Section 17a Review document, outlines in detail the review process that Council undertook, reviewing and considering its critical success factors through the project.



The review has confirmed a number of key points for the activity:

- Doing nothing is not a sustainable option. The activity will be in significant deficit within 12 months otherwise.
- At least a quarter of the units tenants do not qualify for the accommodation supplement. This means they have assets or income greater than those that the housing portfolio should ideally be targeting to support.
- There is a need for major change to policy to ensure the activity targets those most in need of subsidised community housing.
- Increases of at least \$40 in the first year and up to \$80 by year 4 of the 2021 Long Term Plan are essential for the activity to be viable, fund renewals and to establish a reserve.
- There are a limited number of Community Housing Providers (CHP's) in Hawke's Bay. It is unlikely that Councils current portfolio would be attractive to a CHP without other incentives like the gifting of land or significant reduced sale price of the portfolio.
- Council is dealing with some significant issues as part of the 2021 Long Term Plan. The potential sale or major change to the activity alone would be major political challenge for Council to face.
- There is considerable environmental changes occurring – most notably politically, and acting too soon could jeopardise options for Council to exercise greater opportunity in the social and community activities following the national review of three waters.
- Council is limited in its ability to build new flats without having to incur debt. At this time, it is unclear if its balance sheet can support this among other pressing priorities such as core infrastructure and services.
- Feedback from the community as part of the Long Term Plan Pre-Engagement does not provide a strong mandate either way as to whether Council investment in housing is Council business.
- Financially and operationally there is a need to get the activity 'in order'. Deferring any major decisions for the activity for at least 12 months, provides time for Council to reassess the financial performance of the activity, gain better understandings of the upgrade and renewal requirements and further explore opportunities for capital expansion.

The full attached Section 17a review document outlines these points in further detail.

The review identified a number of actions. These actions are relative to Council maintaining the status quo scenario. These actions are outlined in the table below:

	Action Description	Priority
1	Review the Retirement Housing Policy, including the criteria for entry to the flats, Councils social subsidy policy and approach for the portfolio, means testing and other operational practices including application forms and other processes.	High
2	Work to implement increase fees and charges to the accommodation threshold as soon as possible.	High
3	Prioritise and implement the installation of the mandatory standards for heating, extraction and insulation	High
4	Within three years, seek to achieve a 'core' level of Asset Management sophistication for the Retirement Housing Portfolio.	Medium
5	Plan to review the financial performance of the Retirement Housing Portfolio in 2023 in detail again, ahead of the 2024 Long Term Plan to confirm the financial viability and effectiveness of the portfolio.	Medium
6	Continue to support, no less than 12 monthly access to the accommodation supplement for tenants.	Medium

7	Model development opportunities for retirement housing and test the validity and values of these to have prepared in the event that Council is able to access suspensory loans or other grants for housing.	Low
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## RISK ASSESSMENT AND MITIGATION

There are a wide range of risks for Council to consider. Most notably political and reputational risk are most significant, particularly if Council considers a more radical shift from the status quo to the potential sale of housing. This is not recommended at this time.

There is financial risk from investment in new housing, an option proposed in this report. The recommended approach – the status quo, seeks to provide at least a 12/24 month period for the activity to get itself in order before reviewing the opportunity of further development.

## FOUR WELLBEINGS

In considering the review, the key implications for the four well-being's are described below:

### Cultural

There are no obvious cultural implications in this decision. In the event that Council sought to dispose of the portfolio on the open market, as a key partner would be the opportunity to work closely with manawhenua on purchase opportunities.

### Environmental

There are no obvious environment implications. The potential sale to the open market could have a negative effect on the overall built environment if maintenance and other services were left to tenants or the private market to resolve.

### Social

The provision of Retirement housing is primarily a social function. Council provides a subsidy by not charging market rental. Overall maintaining rents as an option at no more than the accommodation supplement targets arguably those tenants that are most in need. Supported by additional policy there are opportunities to refine these targets further.

### Economic

There are no obvious economic implications. The potential development of new units would support an already buoyant construction industry. Warm, quality homes, support people to live better lives, resulting in greater social independence and lessening the economic impact and demands placed on services.

## DELEGATIONS OR AUTHORITY

Council has the authority in making this decision.

## SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed of some importance.

The Status quo option is the only option that will not trigger Councils significance and Engagement Policy. Option Two and Three, will require specific consultation as part of the 2021 Long Term Plan.

## OPTIONS ANALYSIS

The Section 17a review process has considered a wide range of options over a number of months. These options are detailed in the review document. To support Council in its decision making, six options were presented, however a range of differing options are available. The six options were:

### Option 1 - Status Quo - Retain ownership and management

The scope of this option focussed on Council retaining the management and operation of the activity, with the two following sub options.

A number of different revenue scenarios were assessed, with Scenario B being the preferred option to increase the rents over two years, being the option to achieve a relative projected surplus. These are further outlined in the review document.

Scenario	Option 1a – Increase rents, bring up to standard		Option 1b - Increase rents, bring up to standard, construct 10 new units	
	Surplus/Deficit at Y10	Surplus/Deficit at Y30	Surplus/Deficit at Y10	Surplus/Deficit at Y30
<b>Scenario A</b> - \$20 increases in rent each year over four years to an \$80-dollar increase. Ten units revenue of \$300 per week are introduced in Y7.	-\$169,100	-\$1,332,090	\$20,130	-\$51,150
<b>Scenario B</b> - \$40 increase in rent in Year 1 and then a further \$40 increase in Y2(\$80 increase over two years). Ten units revenue of \$300 per week are introduced in Y7	-\$368,140	-\$1,531,130	-\$178,910	-\$250,190
<b>Scenario C</b> - Rents are increased by \$40 only in Year 1. Ten units revenue of \$300 per week are introduced in Y7	\$496,820	\$1,224,710	\$686,050	\$2,605,170
<b>Scenario D</b> - Rents are increased by \$60 only in Year 1. Ten units revenue of \$300 per week are introduced in Y7	\$14,580	-\$202,970	\$203,810	\$1,127,730
<b>Scenario E</b> - Rents are increased by \$80 only in Year 1	-\$467,660	-\$1,630,650	-\$278,430	-\$349,710

The detail of these two options are outlined below:

- Option 1A - Increase rents and bring units up to current standards

This option seeks to increase rents to the maximum entitlement of the accommodation supplement by increasing rents by \$80 over two years. This provides for the completion of upgrades to meet mandatory standards and provide for renewals totalling \$1.18 million over the ten years. A surplus of \$360k is forecast at the end of the ten-year period, and a \$1.5m surplus at the end of 30 years.

The decision is not significant.

- Option 1B - Increase rents and bring units up to current standards

This option seeks to increase rents to the maximum entitlement of the accommodation supplement by increasing rents by \$80 over two years. This provides for the completion of upgrades to meet mandatory standards and provides for renewals totalling \$1.18 million over the ten years. A surplus of \$360k is forecast at the end of the ten-year period, and a \$1.5m surplus at the end of 30 years.

The decision would not be significant. Both of these options were modelled and

## **Option 2 - Sell to registered Community Housing Provider (CHP)**

The analysis of this option focussed on Council selling its 48 units to a Community Housing Provider (CHP), with the two following sub options. These are outlined below:

- Option 2A - Sell and reduce council debt / help fund other assets

This option sees Council sell the portfolio to a Community Housing Provider (CHP). Council chooses where it will invest the proceeds from the sale, that are estimated at \$4m. Council would need to provide funding of nearly \$150k to support the sale.

The sale would be significant would need to be a fundamental decision, following engagement with the community as part of the Long Term Plan.

We have not completed a full analysis of this option.

- Option 2B - Sell and use some or all to reinvest in more housing

This option sees Council sell the portfolio to a Community Housing Provider (CHP). Council chooses where it will invest the proceeds from the sale, that are estimated at \$4m.

Council would need to provide funding of nearly \$150k to support the sale. The sale would be a significant decision and would need to follow consultation with the community as part of the Long Term Plan.

Council would also need to confirm how it invested the \$4m in more housing as part of its consultation in the 2021 Long Term Plan.

We have not completed a full analysis of this option.

## **Option 3 - Sell to the open market**

The analysis of this option focusses on Council selling its 48 units to the open market, with the two following sub options. These are outlined below:

- Option 3A - Sell and reduce council debt / help fund other assets

This option sees Council sell the entire portfolio to the general market with the proceeds being used to offset debt or help fund other assets. The portfolio has a potential valuation range of \$7 – 11 million.

The sale would be a significant decision and would need to follow consultation with the community as part of the Long Term Plan. Council would need to provide funding of nearly \$150k to support the sale.

We have not completed a full analysis of this option.

- Option 3B - Sell and use some or all to reinvest in more housing

This option sees Council sell the entire portfolio to the general market and the proceeds are used to offset debt or help fund other assets. The portfolio has a potential valuation range of \$7 – 11 million.

The sale would be a significant decision and would need to follow consultation with the community as part of the Long Term Plan.

Council would need to determine how it would reinvest funds in more housing as part of the 2021 Long Term Plan consultation.

We have not completed a full analysis of this option.

A summary of the analysis of each of the options is provided in the following table, with further detail of the options provided in the following tables:

	Option 1 – Status Quo		Option 2 – Sell to a CHP		Option 3 – Sell to the open market	
	Option 1a Status Quo with Rental Increase	Option 1b Status quo, rental increases and investment	Option 2a Sell to a CHP	Option 2b Sell to a CHP and reinvest in housing	Option 3a Sell to the open market and pay down debt	Option 3b Sell to the open market and reinvest in new housing
<b>Financial and Operational Implications</b>	<p>Modelling indicates the portfolio will break even at the rental fees that are increased to the maximum entitlement of the accommodation supplement. This approach is currently the most sustainable and provides opportunities to get the activity 'in shape' again.</p> <p>There is a further opportunity to increase rents to market value to generate nearly an additional \$1m in net revenue over ten years for renewals.</p> <p>This option has the lowest operational implications.</p>	<p>Further detailed project planning would be required on the final build costs. It is unlikely that Council has any debt capacity to fund housing and other core service priorities like 3 waters or community infrastructure. It is for Council to consider where its debt priorities are.</p> <p>Major construction would have major operational implications for a small organisation, and would need to be factored into the build costs. The construction of new builds would be a major operational impact that only a few existing staff have experience in large commercial construction development.</p>	<p>There are major implications in this model. These have not been modelled at this time.</p> <p>Council would need to make financial provision of at least \$150,000 to support the sale process.</p> <p>Long term, there are unlikely to be notable operational savings for the organisation.</p> <p>Funds could be used to offset debt, however is highly unlikely to realise a market for full return on the sale. We have estimated a sale price of \$4m.</p>	<p>There are major implications in this model. These have not been modelled at this time.</p> <p>Council would need to make financial provision of at least \$150,000 to support the sale process.</p> <p>Received sale funds – assessed at \$4m with option, would need to be fully modelled to understand the scope and extent of development and its viability. Council may choose to invest funds in other activities that support housing.</p>	<p>There are major implications in this model. These have not been modelled at this time.</p> <p>Council would need to make financial provision of at least \$150,000 to support the sale process.</p> <p>Sale proceeds have been assessed at between \$7 – 11m.</p>	<p>There are major implications in this model. These have not been modelled at this time.</p> <p>Council would need to make financial provision of at least \$150,000 to support the sale process.</p> <p>Sale proceeds have been assessed at between \$7 – 11m.</p> <p>Council would need to establish a specific project resource to support the investment programme.</p>

<b>Long Term Plan and Annual Plan Implications</b>	Based on current operating model the status quo would not have any major Long Term Plan or Annual Plan implications, other than needing to implement rent increases.	New funding will be required for the 2021 Long Term Plan if investment is desired. Council would need to consult on the construction of new flats, however it is primarily status quo.  Rent increases will also need to be factored in, as with the status quo option.	The activity is a significant asset. Any sale would have to be fully consulted on as part of the Long Term Plan Process.  Council would need to consult on how the funds were applied to debt.	The activity is a significant asset. Any sale would have to be fully consulted on as part of the Long Term Plan Process.  Council would need to consult on the construction of new facilities. There is not clear community mandate for this.	The activity is a significant asset. Any sale would have to be fully consulted on as part of the Long Term Plan Process.  Council would need to consult on how the funds were applied to debt.	The activity is a significant asset. Any sale would have to be fully consulted on as part of the Long Term Plan Process.  Council would need to consult on the construction of new facilities. There is not clear community mandate for this.
<b>Promotion or Achievement of Community Outcomes</b>	Large rent increases will create some financial burden to those that cannot access the accommodation supplement. To this end, those tenants may have other income or assets should ideally not be the focus of Councils housing efforts.	Construction of new assets supports the Housing Strategic Framework.  Increases will be still be required to make construction viable.	Sale to a CHP aligns with the social requirements of Project Thrive.	Sale to a CHP aligns with the social requirements of Project Thrive.  Construction of more housing supports the Housing Strategic Framework, however funding could also be used to support other housing enablement projects.	Sale to the private market would have a very high impact on tenants. Would likely create pockets of significant social deprivation if sold on the open market and general occupation occurred.	Sale to the private market would have a very high impact on tenants. Would likely create pockets of significant social deprivation if sold on the open market and general occupation occurred.
<b>Statutory Requirements</b>	Rent increases can only be applied in accordance with the new legislation every 12 months.	New funding investment would need to be considered as part of the Long Term Plan 2021 and consulted on.	Council would need to ensure it meet its requirements under its Significance and Engagement Policy, under the Local Government Act 2002.	Council would need to ensure it meet its requirements under its Significance and Engagement Policy, under the Local Government Act 2002.	Council would need to ensure it meet its requirements under its Significance and Engagement Policy, under the Local Government Act 2002.	Council would need to ensure it meet its requirements under its Significance and Engagement Policy, under the Local Government Act 2002.

**Consistency  
with Policies  
and Plans**

Supports Housing  
Strategic Framework – just  
more slowly and  
considered.

Supports Housing  
Strategic Framework.

This approach would  
support the Housing  
Strategic Framework.

This approach would  
support the Housing  
Strategic Framework.

This approach is  
unlikely to support the  
Housing Strategic  
Framework, unless  
specific conditions  
were included in the  
Sale and Purchase  
Agreement.

This approach is  
unlikely to support the  
Housing Strategic  
Framework, unless  
specific conditions  
were included in the  
Sale and Purchase  
Agreement.

It would need to be  
clear how  
reinvestment was  
directed



## Recommended Option

This report does not recommend an option for addressing the matter

## Way forward

Relative to the option that Council adopts in principle, the adopted option will be included in the 2021 Long Term Plan for modelling and consultation with the Central Hawke's Bay community.

### RECOMMENDATION

#### RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) This Council receive the Retirement Housing Section 17a Review, prepared in accordance with the requirements of Section 17a of the Local Government Act 2002.
- b) That Council adopt Option 1a of the Review in principle for inclusion in the 2021 Long Term Plan, noting increases to rents over a period of two years to achieve renewal and upgrade requirements and the re-establishment of reserve funds for OR
- c) That Council adopt Option 1b of the Review in principle for inclusion in the 2021 Long Term Plan, noting increases to rents over a period of two years to achieve renewal and upgrade requirements and the re-establishment of reserve funds and,; further;
- d) That Council propose in principle in Year 7 of the 2021 Long Term Plan for the expansion of the retirement housing portfolio through the construction of ten new units estimated at \$2 million, noting that the overall portfolio is forecast to subsidise the development. OR
- e) That Council adopt Option 2a of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to a Community Housing Provider (CHP) and that funds are used to pay down debt or other assets OR
- f) That Council adopt Option 2b of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to a Community Housing Provider (CHP) and that funds are used for the development of new housing in Central Hawke's Bay, the detail of which is to be confirmed OR
- g) That Council adopt Option 3a of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to a Community Housing Provider (CHP) and that funds are used to pay down debt or other assets OR
- h) That Council adopt Option 3b of the Review in principle for inclusion in the 2021 Term Plan, proposing to sell the Retirement Housing Portfolio to the open market and that funds are used for the development of new housing in Central Hawke's Bay, the detail of which is to be confirmed.



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL



# Retirement Housing Section 17a Review

October 2020



## Central Hawkes Bay District Council

### Retirement Housing s17A Review

#### Summary of review process and recommendation – October 2020

##### 1. Purpose

This report summarises the Retirement Housing Review of possible future options on the ownership, management and service delivery of this activity.

##### 2. The Review

Council is carrying out a service and delivery review of its Retirement Housing activity, which meets the requirements of Section 17A of the Local Government Act 2002. The activity delivers affordable housing for residents aged 60+ with limited assets. Council last built additional units 37 years ago, supported by government financing, a policy that ended in the late 1980's.

The Local Government Act was amended in 2014 and included new provisions relating to periodic reviews, at least every six years, of existing Council infrastructure, services and regulatory functions, providing the requirement for Section 17a reviews. This Review meets the requirements of a s17A review under the Local Government Act 2002 (LGA).

Council has not completed a major review of its retirement housing portfolio for over ten years, nor has it since 1999 completed a robust asset management plan review of its retirement housing assets. This review sets out to address fundamental challenges and opportunities with the portfolio.

##### 3. Central Hawke's Bay Housing Strategic Framework

In 2019, Council adopted its Housing Strategic Framework. The overarching aim of the Framework is to 'support our community to Thrive through access to a home' - He āhuru mōwai, e taurikura ai te hāpori'. This aim is supported by four strategic goals:



Goal One  
INCREASING  
SOCIAL HOUSING



Goal Two  
WORKING  
TOGETHER TO



Goal Three  
PROVIDE  
ACCESS TO



Goal Four  
RETIREMENT  
HOUSING IS  
PROVIDED IN THE  
MOST EFFICIENT

This body of work focusses on the achievement of Goal 4 – 'Retirement Housing is provided in the most efficient and effective way'. Goal Four is supported by two result areas of:

- Our retirement housing is sustainable and managed to provide the most efficient and effective outcomes to our community in the widest sense
- Our Central Hawke's Bay People can retire in Central Hawke's Bay.

This review has set out to achieve and support these result areas.

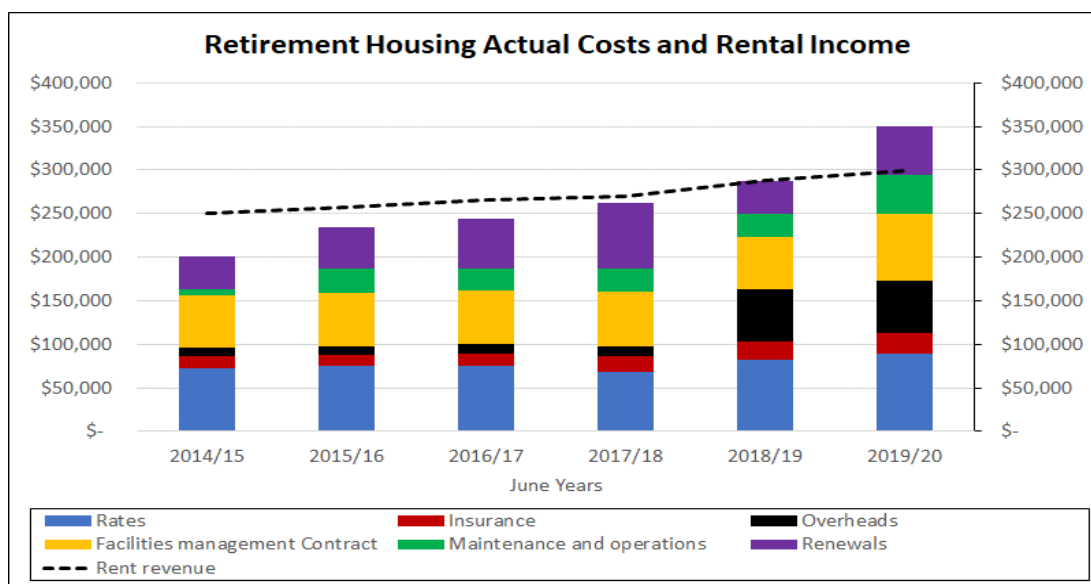
#### 4. Context

The Council owns and manages a housing portfolio of 48 units built between 1969 and 1983. Rentals are well below market rates and falling further behind.

The activity has a policy to be 'self-funding' with 100% private funding stated in the Revenue and Financing Policy. In reality there is insufficient rental income to cover the full maintenance and renewal costs. In the 2020/21 year around \$100,000 is required to meet the new Healthy Homes Standards. The Council subsidy (the difference between market rates and the actual rents charged) is now around \$200,000 a year.

A summary overview of the portfolio includes:

- Flats are fully occupied with waiting lists
- Demand is expected to grow with critical shortage of affordable housing and an increasing over 65 population from 20 to 27% of Central Hawke's Bay residents in the next ten years
- Private sector is not building one bed units
- Average rents (all housing) up 53% in last five years
- Council rental revenue increased by 20% from 2015 to 2020
- Wooden joinery and old materials result in high operating costs such as regular painting
- Growth, ageing population – numbers on Superannuation increasing at 4% a year
- Number of residents receiving Accommodation Supplement increasing quickly, only 25% of Council tenants are accessing this funding.



There is no return on capital invested in the portfolio, although recent market trends have resulted in significant capital gains to Council.

The units are in reasonable condition and all basic maintenance is carried out, but they are in need of being modernised and do not meet the mandatory requirements of the new government rental standards. The Housing Reserve does not have sufficient funds to pay for all the upgrades and renewals needed. Financial modelling indicates that within 12 months the activity will require additional Council funding unless rents are significantly increased.

The district has a severe housing affordability and availability issue. House prices and rental costs have increased significantly in recent years. There are few publicly owned rental houses.

Council became involved in the ownership and delivery of retirement housing in the 1960's as part of a whole of government focus on significantly increasing the size of the housing stock across New Zealand. Government concentrated on social housing, and local government was given access to funding to provide affordable housing for pensioners with low assets / income. This policy ended in the late 1980's and building of these units by local government largely ceased.

Over the last 30 years Councils have maintained a status quo approach, usually treating these assets as self-funding with very few design and quality upgrades. A large backlog of renewals and design improvements has built up over time. This has been exacerbated, with the change in government policy in 2014 regarding registered Community Housing Providers (CHP) being able to access subsidised rental funding (the Income Related Rent Subsidy – IRRS) and other grant functions such as 50% of construction cost suspensory loans.

The current and previous governments have been consistent in refusing to allow Councils to access this funding. In response to this a number of Councils have decided to exit their housing activity and sell or transfer the assets to either:

- a. A registered CHP usually at below market prices
- b. A community trust (not for profit) at no return to Council
- c. A purchaser through market tender

Despite this, the majority of Councils still own, manage and deliver retirement housing services. A wave of new investment in these assets is underway including new units being planned or built. A number of larger Councils further subsidise the activity by rates funding and revenue deficit.

Contextually, there are risks with Council making significant changes or decisions on its portfolio, ahead of potential Central and Local Government Change. The political environment and the future of Local Government is in a period of significant potential change, with the introduction of the Three Waters Review and the new water services Regulator – Taumata Arowai. The change in three water operations for Central Hawke's Bay District Council alone, would introduce significant potential change to the operation and form of Central Hawke's Bay District Council.

The investment from Central Government in Local Government – whether through infrastructure or social capital investment, as well as the shift in view of the importance of localism for social services, could shift the focus on Local Government dramatically. Further the potential for a rapidly changing political environment and radical shift in political ideology after the 2020 election, is something for Council to be mindful of through this review – particularly in light of possible changes in the delivery of local social services. A major shift to privatise or further isolate Council from community services such as housing could be detrimental long-term.

## 5. The Review Process

Council has considered a range of options in the context of the Council strategic goals, project THRIVE and the Housing Strategic Framework 2019.

This review project was initiated by Council in December 2019, and Council received background reports and has had a number of workshops over the last year to identify:

- The issues facing the activity
- The critical success factors and the key objectives
- The long list of options
- The short list of options that best meet Council strategic goals, success factors and key objectives.

COVID-19, deferred the programme through March and April following the initiation of the project in December 2019, with Council identifying the key issues that the review was seeking to resolve for the portfolio through the review in an initial workshop in July. These are outlined below:

What are we trying to fix?	
1	The lack of fit-for-purpose housing and wraparound services currently provided to Council's Retirement Housing tenants.
2	The evidence of growing and forecast demand for affordable (rental) retirement housing in Central Hawke's Bay.
3	The long term financial sustainability challenges for the activity, including the inability for Council to access the government's Income Related Rent Subsidies (IRRS) scheme or other related grant funding.

The three following critical success factors for the review were also identified in the July workshop:

Critical Success Factors	
1	No tenant is worse off than before, with access to wellbeing services in association with the provision of affordable housing and Income Related Rental Subsidies (IRRS).
2	Alignment with the key outcomes of project Thrive – enabling the growth of the retirement housing portfolio to meeting current and future demands.
3	Council can remain focused on its ability to fund its core business priorities, allowing the maximum utilisation of its capital.

The following objectives for the review were also identified in the July workshop:

Retirement Housing Review Objectives	
1	Ensure that tenants have access to well-being services in association with the provision of affordable housing and the IRRS
2	The Retirement Housing Activity is enabling of 'Smart Growth', allowing the activity to grow to meet current and future demand.
3	Ensure that the Retirement Housing activity has a financially viable and sustainable future.

In the July workshop, based on the critical success factor and objectives, the following four options were shortlisted:

### July workshop – Shortlisted options for Analysis

1	Status Quo – Council retains ownership and operates as currently
2	Lease the portfolio to a registered Community Housing Provider, for overall management and private funding of the portfolio.
3	Sell to a registered Community Housing Provider outright.
4	Council Leases or transfers the Portfolio to a JV / Trust.

Through July and August, detailed analysis of the four shortlisted options was undertaken. These were driven by the Critical Success Factors and the agreed objectives. A detailed paper was presented to Council in workshop in August presenting the initial findings of the review, based on the critical success factors. The analysis of these short listed options is summarised in the table below:

Table outlining initial shortlisted option analysis

1.	<b>Option 1 Status Quo</b>	<b>Option 2 Lease to CHP</b>	<b>Option 3 Sell to CHP</b>	<b>Option 4 JV / Trust</b>
	<b>Discount</b>	<b>Possible</b>	<b>Preferred</b>	<b>Possible</b>
Major issues	Impact on tenants Cannot access IRRS Council investment required	Access to capital Existing tenants not eligible Attracting Community Housing Provider Council investment required	Existing tenants not eligible for IRRS	Complexity Access to capital Access to IRRS Council investment required
Critical for success	Increase rents to \$150+ and access Accommodation Supplement	Gaining exemptions for existing tenants to access IRRS	Gaining exemptions for existing tenants to access IRRS	Access to IRRS and exemptions Funding investment
Council benefits	Control of rents and conditions Control of assets Future capital gains	Control of assets Future capital gains	Sale proceeds – could use to invest in more housing	Long term local controlled assets
Political difficulty	Low – but problems growing Rental increases	Low	Initially moderate	Depends on structure and partners
Impact on existing Tenants	Eventually rents have to increase. Accommodation Supplement for those eligible	Some rents reduced, others moderately increase, some major increases	Some rents reduced, others moderately increase, some major increases	Some rents reduced, others moderately increase, some major increases



At the August Council workshop, based on the initial findings, Council sought to review their critical success factors for the review process, noting that the initial analysis was too restrictive to address the key issues the review was seeking to fix. At this point, progress was rapidly gaining momentum also with the three waters review and the role of Local Government in the longer term.

Further advice on the accommodation supplement was also provided at the August workshop, that over a quarter of Councils tenants were unable to access the Accommodation Supplement, due to having assets or income that was above the threshold to access the accommodation supplement. Facilitating the use of the Accommodation Supplement was a key option that was detailed at the August workshop. This resulted in an understanding of the relatively modest impact of significant rent increases on tenants that qualify for this funding. This was a fundamental point in Council amending their Critical Success Factors and has been a major assumption in the extent to which rental levels have been modelled up to.

At the August workshop the following key changes were made to the critical success factors:

August Revised Critical Success Factors	
1	Tenants have <del>No tenant is worse off than before, with</del> access to wellbeing services in association with the provision of affordable retirement housing and <del>Income Related Rental Subsidies (IRRS)</del> can access the Accommodation Supplement.
2	Alignment with the key outcomes of project Thrive – enabling the growth of the retirement housing portfolio to meeting current and future demands.
3	Tenants have <del>No tenant is worse off than before, with</del> access to wellbeing services in association with the provision of affordable retirement housing and <del>Income Related Rental Subsidies (IRRS)</del> can access the Accommodation Supplement.

The objectives were also revised to remove the reference to the IRRS.

The outcome of the August workshop was a focus on two options, both of which have the possibility of increasing the number of housing units over the longer term. Council noted that doing nothing is not sustainable or viable.

In September 2020, a further detailed paper was presented to Council based on the revised critical success factors and objectives. The revised shortlisted options that were presented are outlined in the table below. A third option, selling the portfolio to the market was also requested at this workshop, with the option of funds being invested in new housing or alternatively into other activities:

September options update	
1	<b>Retain ownership and management</b>
1a	Increase rents and bring up to current standards
1b	Increase rents, bring up to current standards and invest in new units starting medium term
2	<b>Sell to registered Community Housing Provider (CHP)</b>
2a	Sell and reduce council debt / help fund other assets
2b	Sell and use some or all to reinvest in more housing
3	<b>Sell to the open market</b>
3a	Sell and reduce council debt / help fund other assets
3b	Sell and use some or all to reinvest in more housing

The next section of this paper, outlines in more detail the analysis associated with each of the options.

**6. Options Analysis**

This next section of the review provides analysis on each of the three options and their relative sub options. Fundamentally this options analysis focussed on the three principal options of:

- Option 1 - Status quo - Retain ownership and management
- Option 2 - Selling to registered Community Housing Provider (CHP)
- Option 3 - Selling to the open market

Analysis at a sub-option level has been provided, based on the confidence associated with each of the options. A high level analysis of the three options is provided in the following table

	Option 1 – Status Quo		Option 2 – Sell to a CHP		Option 3 – Sell to the open market	
	Option 1a Status Quo with Rental Increase Preferred	Option 1b Status quo, rental increases and investment Possible	Sell to a CHP Possible	Sell to a CHP and Invest Possible	Sell to the open market and pay down debt	Sell to the open market and build new housing
Major issues	<ul style="list-style-type: none"> <li>Impact on tenants</li> <li>Cannot access IRRS</li> <li>Council investment required</li> <li>Rental Increases – perception of significant increases and potential hardship.</li> </ul>	<ul style="list-style-type: none"> <li>Access to capital</li> <li>Existing tenants not eligible</li> <li>Attracting Community Housing Provider</li> <li>Council investment required.</li> <li>Could be achieved through reserve funds over time with rental increases.</li> </ul>	<ul style="list-style-type: none"> <li>Existing tenants not eligible for IRRS</li> <li>Assumption portfolio would attract a CHP</li> </ul>	<ul style="list-style-type: none"> <li>Complexity</li> <li>Assumption portfolio would attract a CHP</li> <li>Council investment required</li> </ul>	<ul style="list-style-type: none"> <li>Political risk</li> </ul>	<ul style="list-style-type: none"> <li>Unclear if there is mandate for reinvestment</li> </ul>
Critical for success	<ul style="list-style-type: none"> <li>Increase rents to \$150+ and access Accommodation Supplement.</li> <li>Provides opportunity to build some renewal funds, fund renewals generally – achieves two project outcomes.</li> <li>Does not immediately achieve new units</li> </ul>	<ul style="list-style-type: none"> <li>If debt funding is required, unlikely to be achieved in the short to medium term.</li> <li>Could substantially achieve critical success factors if rentals increased sufficiently to not require debt funding.</li> </ul>	<ul style="list-style-type: none"> <li>Gaining exemptions for existing tenants to access IRRS, unlikely to be achieved.</li> <li>May achieve critical success factors</li> </ul>	<ul style="list-style-type: none"> <li>Access to IRRS and exemptions</li> <li>Funding investment</li> <li>May achieve critical success factors</li> </ul>	<ul style="list-style-type: none"> <li>Will not substantially support housing outcomes.</li> <li>Impact on tenants high</li> <li>Supports the health of Councils balance sheet</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely that the same scope of scale of development could be achieved without existing land to acquire.</li> <li>Impact on tenants high.</li> <li>Revalued assets not on Councils balance sheet for a period.</li> </ul>
Council benefits	<ul style="list-style-type: none"> <li>Control of rents and conditions</li> <li>Control of assets</li> <li>Future capital gains</li> </ul>	<ul style="list-style-type: none"> <li>Control of assets</li> <li>Future capital gains</li> </ul>	<ul style="list-style-type: none"> <li>Sale proceeds – could use to invest in more housing</li> </ul>	<ul style="list-style-type: none"> <li>Long term local controlled assets</li> </ul>	<ul style="list-style-type: none"> <li>Net proceeds offsets debt or new activities</li> </ul>	<ul style="list-style-type: none"> <li>Newer housing stock</li> </ul>
Political difficulty	<ul style="list-style-type: none"> <li>Low – but problems growing rental increases fast</li> </ul>	<ul style="list-style-type: none"> <li>Low</li> <li>Still challenges growing rental increases fast</li> </ul>	<ul style="list-style-type: none"> <li>Potentially very high</li> </ul>	<ul style="list-style-type: none"> <li>Potentially very high – other pressures could see funds not reinvested in housing.</li> </ul>	<ul style="list-style-type: none"> <li>Very high and difficult</li> <li>Expect significant tenant and community backlash</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Very high and difficult</li> <li>Not clear community mandate to construct more or that housing is councils core role.</li> <li>Unclear to what obvious benefit.</li> <li>Risks associated with development are high</li> </ul>
Impact on existing Tenants	<ul style="list-style-type: none"> <li>Eventually rents have to increase.</li> <li>Accommodation Supplement for those eligible.</li> <li>Notable impact for those not eligible</li> </ul>	<ul style="list-style-type: none"> <li>Eventually rents have to increase.</li> <li>Accommodation Supplement for those eligible.</li> <li>Significant impact for those not eligible</li> </ul>	<ul style="list-style-type: none"> <li>Some rents reduced, others moderately increase, some major increases</li> </ul>	<ul style="list-style-type: none"> <li>Some rents reduced, others moderately increase, some major increases</li> </ul>	<ul style="list-style-type: none"> <li>Very high.</li> <li>Would likely create pockets of significant social deprivation if sold on the open market and general occupation occurred.</li> </ul>	<ul style="list-style-type: none"> <li>Very high.</li> <li>Would likely create pockets of significant social deprivation if sold on the open market and general occupation occurred.</li> </ul>
Rent required	<ul style="list-style-type: none"> <li>Minimum of \$180 to break even, \$200 to establish a reserve</li> </ul>	<ul style="list-style-type: none"> <li>\$200</li> </ul>	<ul style="list-style-type: none"> <li>\$200</li> </ul>	<ul style="list-style-type: none"> <li>\$200</li> </ul>	<ul style="list-style-type: none"> <li>\$275+</li> </ul>	<ul style="list-style-type: none"> <li>\$275+</li> </ul>
Minimum Rent for tenant through	<ul style="list-style-type: none"> <li>\$134</li> </ul>	<ul style="list-style-type: none"> <li>134</li> </ul>	<ul style="list-style-type: none"> <li>\$106-134 (AS or IRRS)</li> </ul>	<ul style="list-style-type: none"> <li>\$106-134 (AS or IRRS)</li> </ul>	<ul style="list-style-type: none"> <li>\$225.50 (AS)</li> </ul>	<ul style="list-style-type: none"> <li>\$225.50 (AS)</li> </ul>
Owner	<ul style="list-style-type: none"> <li>Council</li> </ul>	<ul style="list-style-type: none"> <li>Council</li> </ul>	<ul style="list-style-type: none"> <li>CHP</li> </ul>	<ul style="list-style-type: none"> <li>CHP</li> </ul>	<ul style="list-style-type: none"> <li>Private</li> </ul>	<ul style="list-style-type: none"> <li>Private</li> </ul>
Debt Impact	<ul style="list-style-type: none"> <li>nil</li> </ul>	<ul style="list-style-type: none"> <li>Council \$2 million</li> </ul>	<ul style="list-style-type: none"> <li>CHP</li> </ul>	<ul style="list-style-type: none"> <li>CHP</li> </ul>	<ul style="list-style-type: none"> <li>Nil – positive position</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>
Sale Proceeds	<ul style="list-style-type: none"> <li>Nil</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>	<ul style="list-style-type: none"> <li>\$4 million</li> </ul>	<ul style="list-style-type: none"> <li>\$4 million</li> </ul>	<ul style="list-style-type: none"> <li>\$7 - 11 million depending on configuration. Note significant costs would occur through subdivision and sale management to achieve high end value.</li> </ul>	<ul style="list-style-type: none"> <li>\$7 - 11 million depending on configuration. Note significant costs would occur through subdivision and sale management to achieve high end value.</li> </ul>

AS= Accommodation Supplement  
 IRRS = Income Related Rent Subsidy

**6.1. Option 1 - Status Quo – Retain ownership and Management**

The analysis of this option focussed on Council retaining the management and operation of the activity, with the two following sub options:

- (i) Increase rents and bring up existing units to current standards
- (ii) Increase rents, bring existing units up to current standards and invest in new units starting medium term

To achieve the analysis of the second sub-option to this paper, ensuring that the existing portfolio was financially viable was essential. The following points relating to each option and financial analysis is provided.

**6.1.1. Option 1a - Retain ownership and bring units up to standard**

This option sees Council retaining the management and ownership of the portfolio and completing mandatory upgrades to the units.

Discussion

As we have identified earlier in this paper, on current expenditure and revenue levels, the activity is unviable within the first year of the 2021 Long Term Plan. Significant increases, based on the very low levels of increases that have been made historically are required in the immediate term.

Council is faced with mandatory legislative upgrades that have been assessed as a cost of \$108,000 to provide heating and ventilation upgrades across the existing units.

There has been no detailed Asset Management Plan of the portfolio since 1999. While the units have been maintained to a sound standard and are overall in good condition, the full extent of work required particularly to scope out major upgrades into the future and a full renewal profile of the assets will take time and attention. There is a need for Council to fully understand the liabilities associated with the existing portfolio and to ensure that these liabilities are fully modelled as a priority.

Assumptions for renewal and modernisation have been made based on the current expenditure being incurred, however detailed analysis relating to the significant renewal and upgrade of the units have not been fully completed. This could mean that greater renewals and upgrades than those forecast are required.

Minimising the impact on existing tenants has been a key consideration through the review, while achieving the financial viability and sustainability of the assets. At least a quarter of the portfolios current tenants, have been assessed as having assets and/or income that does not make them eligible for Ministry of Social Developments (MSD) Accommodation Supplement. This means, that Councils subsidisation of tenants through reduced fees and charges are not necessarily targeting those in the community most in need. We are continuing to connect tenants with MSD to confirm a more accurate percentage of tenants that can access the Accommodation Supplement.

A key assumption in the revenue profiling of the activity, recognising the potential number of tenants who may rely on the accommodation supplement, is that Council does not wish to exceed the Accommodation Supplement available to those tenants able to access it. This is a social policy approach that Council will need to confirm in its ongoing management of the activity. Based on detailed information provided by the Ministry of Social Development, we have assumed as many tenants seeking to access the accommodation supplement as possible. Tenants can currently access 70% of rental costs above \$106 per week, up to a maximum rent that subsidy applies to in 2020/21 of \$206 a week in Waipukurau and \$220 a week in Waipawa.

Financial Modelling

We have completed financial modelling on this scenario to understand the extent to which rental increases are required for the portfolio to be financial viable.

An increase of up to \$80 within a minimum of four years is required – ideally within two years to achieve a moderate surplus over the ten year period and to fund assumed upgrades and renewals. At this time, no inclusion of the small, but existing reserve has been factored into workings.

Overall expenditure of the activity including payments to staff and suppliers totals a projected \$4.493 million over ten years. This includes a total of \$1.183 million of the funded renewals and upgrades, including the mandatory upgrades to meet compliance. We have made an assumption of \$140,000 of overhead costs for the activity, noting that these costs may reduce or increase on the finalisation of the 2021 Long Term Plan.

The model is uninflated, and we have not made allowance for expenditure that is known to run historically higher than general LGCI increases due to external environmental factors such as legislation, demand and natural disasters. Overall there are limited options to decrease expenditure, without ‘sweating’ the asset or deferring planned renewals or maintenance.

The model provides five revenue scenarios for the activity. The modelling shows that an increase of \$80 a week increased over four years, will achieve a smaller surplus in the first ten years however a strong surplus over the 30 year period.

A summary of the required increases and the subsequent forecast surpluses/deficits are presented in the table below:

Scenario	Surplus/Deficit at Y30	Surplus at Y10
<b>Scenario A</b> - \$20 increases in rent each year over four years to an \$80 dollar increase	<b>-\$1,332,090</b>	<b>-\$169,100</b>
<b>Scenario B</b> - \$40 increase in rent in Year 1 and then a further \$40 increase in Y2(\$80 increase over two years)	<b>-\$1,531,130</b>	<b>-\$368,140</b>
<b>Scenario C</b> - Rents are increased by \$40 only in Year 1 only	<b>\$1,224,710</b>	<b>\$496,820</b>
<b>Scenario D</b> - Rents are increased by \$60 only in Year 1	<b>-\$202,970</b>	<b>\$14,580</b>
<b>Scenario E</b> - Rents are increased by \$80 only in Year 1	<b>-\$1,630,650</b>	<b>-\$467,660</b>

The table shows that increases of at least \$80 within the first two years, is the only way to achieve a modest reserve fund for the future of the activity over the ten years.

Further breakdown of the revenue and expenditure is provided in the following tables:

Expenses

Expenses over the ten-year period, including payments to staff and suppliers, improvements and renewals are forecast to total **\$4,493,000** million uninflated. Improvements include the mandatory upgrades required under legislation. The following table outlines the total annual expenses forecast for the retirement housing activity for the 2021 – 2031 period.

Retirement Housing Activity	LTP Input 2021/22	LTP Input 2022/23	LTP Input 2023/24	LTP Input 2024/25	LTP Input 2025/26	LTP Input 2026/27	LTP Input 2027/28	LTP Input 2028/29	LTP Input 2029/30	LTP Input 2031/32	TOTAL 30 YR PERIOD	TOTAL 10 YR PERIOD	NOTES
Payments to staff and suppliers	331,000	331,000	331,000	331,000	331,000	331,000	331,000	331,000	331,000	331,000	\$9,599,000	\$3,310,000	
6021122. Retirement Housing Insurance	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000			Makes no allowance for increases greater than LGCI
6021129. Retirement Housing Operational	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000			
6021131. Retirement Housing Rates	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000			Makes no allowance for increases greater than LGCI
6021132. Retirement Housing FM Contract	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000			
XXXXXXX Overheads allocation	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000			Estimate of \$140k based on 2021 LTP Projection.
to improve the level of service	108,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	\$808,000	\$333,000	
6021C001. Retirement Housing improve to mandatory standards	108,000	0	0	0	0	0	0	0	0	0			
6021C002. Retirement Housing modernisation improvements	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000			
to replace existing assets	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	\$2,465,000	\$850,000	
6021C500. Retirement Housing General renewals	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000			
6021C501. Retirement Housing modernisation renewals	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000			
TOTAL ANNUAL EXPENSES	524,000	441,000	441,000	441,000	441,000	441,000	441,000	441,000	441,000	441,000	\$12,872,000	\$4,493,000	

Revenue

An assumption that increases are no greater than the accommodation supplement has been made. No inflation to revenue, like expenditure has been made or assumed either. All of the scenarios confirm that an increase of at least \$80 a week is required to see the activity in a stronger financial position, both in terms of funding renewals and providing funds to reserves.

REVENUE SCENARIOS	LTP Input 2021/22	LTP Input 2022/23	LTP Input 2023/24	LTP Input 2024/25	LTP Input 2025/26	LTP Input 2026/27	LTP Input 2027/28	LTP Input 2028/29	LTP Input 2029/30	LTP Input 2031/32	TOTAL 30 YR PERIOD	TOTAL 10 YR PERIOD	NOTES
<b>Scenario A - \$20 increases in rent each year over four years to an \$80 dollar increase</b>													
Revenue - Fees and Charges	-337,570	-387,330	-437,090	-486,850	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	<b>-\$14,204,090</b>	<b>-\$4,662,100</b>	
Net Annual Balance	<b>186,430</b>	<b>53,670</b>	<b>3,910</b>	<b>-45,850</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-\$1,332,090</b>	<b>-\$169,100</b>	This scenario provides for \$1.183m of funded renewals over the ten years.
<b>Scenario B - \$40 increase in rent in Year 1 and then a further \$40 increase in Y2(\$80 increase over two years)</b>													
Revenue - Fees and Charges	-371,970	-471,490	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	<b>-\$14,403,130</b>	<b>-\$4,861,140</b>	
Net Annual Balance	<b>152,030</b>	<b>-30,490</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-\$1,531,130</b>	<b>-\$368,140</b>	This scenario provides for \$1.183m of funded renewals over the ten years.
<b>Scenario C - Rents are increased by \$40 only in Year 1</b>													
Revenue - Fees and Charges	-371,970	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	<b>-\$11,647,290</b>	<b>-\$3,996,180</b>	
Net Annual Balance	<b>152,030</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>\$1,224,710</b>	<b>\$496,820</b>	This scenario provides for \$1.183m of funded renewals over the ten years, however significant losses making it unviable, without nearly \$500k of ratepayer subsidy.
<b>Scenario D - Rents are increased by \$60 only in Year 1</b>													
Revenue - Fees and Charges	-406,370	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	<b>-\$13,074,970</b>	<b>-\$4,478,420</b>	
Net Annual Balance	<b>117,630</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-\$202,970</b>	<b>\$14,580</b>	This scenario provides for \$1.183m of funded renewals over the ten years. The activity will not return a surplus until Y12 of the LTP, having addressed the mandatory works required in Y1 of the LTP.
<b>Scenario E - Rents are increased by \$80 only in Year 1</b>													
Revenue - Fees and Charges	-440,770	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	<b>-\$14,502,650</b>	<b>-\$4,960,660</b>	
Net Annual Balance	<b>83,230</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-\$1,630,650</b>	<b>-\$467,660</b>	This scenario provides for \$1.183m of funded renewals over the ten years. This scenario provides the greatest return to Council in the ten and thirty year period.

Summary

In summary, the status quo in relation to fees and charges and delaying increases is not a viable option to Council short-term, unless expenditure mainly in the form of renewals and upgrades can be deferred.

Increases of \$80 a week in rentals should occur ideally within the first two years of the Long Term Plan.

Over the 30 year projected term, increasing rents – even if staggered over 4 years, within 30 years is projected to achieve a reserve of \$1.3million. Over this time, Council will have also completed a further \$3.19 million of upgrades and renewals on the existing units budgeted over the 30-year period, providing for the units themselves to be substantially viable and effective as a portfolio of 48 units.

An inhibitor to Council maximising its return further on the activity is capping rentals at the accommodation supplement entitlement, which has been the assumption made in this model. Further detailed modelling and specific valuation work would need to be completed to assess any increase greater than the accommodation supplement and the overall impact on tenants at this time. Increasing the rental yield to market value could provide Council with a further revenue stream of approximately a further \$3.74 million over 30 years or \$124,000 per year at a market rental of \$275 per unit.

The extent of social subsidy that Council is comfortable to provide to its tenants is an area for further consideration by the elected Council.



**6.1.2. Option 1b - Retain ownership and bring units up to standard, invest in further units**

This option sees Council retaining the management and ownership of the portfolio, completing mandatory upgrades to the units and investing in new units in the medium term.

Discussion

The basis of the analysis of Option 1a – has ruled out any potential for increases up to the accommodation supplement entitlement, to provide a reserve for the construction of new units within the first ten years of the Long Term Plan to fund the construction of new units. Debt funding is the only option available to Council through retained ownership and management for the construction of new assets with this approach.

As we have outlined earlier in this paper, Council is also dealing with a range of significant issues that will be a focus in the 2021 - 31 Long Term Plan. These issues across 3 Waters, Growth, Community Facilities, roading and other activities all rely on debt funding, where to fund increased levels of service, or even where funded through development contributions, to fund the development until such a time as the development contributions are realised. While Council could debt fund the development of new units, this may be at the expense of Councils overall debt funding capacity, already under pressure to fund other services of Council. To this end, any decision to prioritise the funding of new units over other priorities, will ultimately be a decision of Council and how its strategically uses its debt capacity.

Financial Modelling

We have modelled a scenario for the development of ten new one-bedroom housing units in Waipawa, based on existing Council land next to the existing Kingston Flats. We have taken a scenario where the units will be able to be constructed for \$150,000 per unit, based on values recently tendered in Tararua, excluding consents and development contributions. A further \$500,000 has been factored in for surrounding site development, development contributions and project management, providing a total development cost of \$2 million for the ten units.

Debt funding of the units would be over 30 years at an assumption of 3% interest. As with scenario 1a, we have made no allowance for inflation, and in this instance no capital gain, recognising that fundamentally there is no land being purchased, only construction costs. A market rental of \$300 per week has been assessed for the ten new units, with no subsidy being provided.

Overall the modelling shows that Council breaks even when rents for existing units are increased to \$80, with a very small overall reserve being established. Any significant build in reserve funds is not able to be achieved until 2056 when the units are fully paid off. To that end however, Council will be faced with having a portfolio of 48 units that are nearly 80 years old. By 2056, the ten new units will also be 25 years old, and while some provision has been made for their renewal and upgrade through the life of the Long Term Plan, considerable renewal and upgrade may also be required at that time.

A summary of the required results in Scenario 1a and the subsequent forecast surpluses/deficits that will result from the construction of ten new units outlined in option 1b are presented in the table below. Overall this table indicates that the development of the ten units – while achievable, will be at the substantial cost to the development of a reserve fund.

Overall, the summary table of option 1a and 1b and the analysis of the pure costs of development and operation of the ten new units, indicates that the development of new units will be at the cost to the renewal and upgrade of Councils existing core of the 48 units.

*Table Demonstrating the Deficits/Surpluses across the five scenarios*

Scenario	Option 1a – Increase rents, bring up to standard		Option 1b - Increase rents, bring up to standard, construct 10 new units	
	Surplus/Deficit at Y10	Surplus/Deficit at Y30	Surplus/Deficit at Y10	Surplus/Deficit at Y30
<b>Scenario A</b> - \$20 increases in rent each year over four years to an \$80-dollar increase. Ten units revenue of \$300 per week are introduced in Y7.	-\$169,100	-\$1,332,090	\$20,130	-\$51,150
<b>Scenario B</b> - \$40 increase in rent in Year 1 and then a further \$40 increase in Y2(\$80 increase over two years). Ten units revenue of \$300 per week are introduced in Y7	-\$368,140	-\$1,531,130	-\$178,910	-\$250,190
<b>Scenario C</b> - Rents are increased by \$40 only in Year 1. Ten units revenue of \$300 per week are introduced in Y7	\$496,820	\$1,224,710	\$686,050	\$2,605,170
<b>Scenario D</b> - Rents are increased by \$60 only in Year 1. Ten units revenue of \$300 per week are introduced in Y7	\$14,580	-\$202,970	\$203,810	\$1,127,730
<b>Scenario E</b> - Rents are increased by \$80 only in Year 1	-\$467,660	-\$1,630,650	-\$278,430	-\$349,710

Expenditure

Retirement Housing Activity	LTP Input 2021/22	LTP Input 2022/23	LTP Input 2023/24	LTP Input 2024/25	LTP Input 2025/26	LTP Input 2026/27	LTP Input 2027/28	LTP Input 2028/29	LTP Input 2029/30	LTP Input 2030/31	TOTAL 30 YR PERIOD	TOTAL 10 YR PERIOD	NOTES
Payments to staff and suppliers	331,000	331,000	331,000	331,000	331,000	477,646	497,646	497,646	497,646	497,646	\$14,076,150	\$4,123,230	
6021122. Retirement Housing Insurance	31,000	31,000	31,000	31,000	31,000	37,700	37,700	37,700	37,700	37,700			Makes no allowance of increases greater than LGCI
6021129. Retirement Housing Operational	40,000	40,000	40,000	40,000	40,000	40,000	50,000	50,000	50,000	50,000			
6021131. Retirement Housing Rates	90,000	90,000	90,000	90,000	90,000	108,750	108,750	108,750	108,750	108,750			Makes no allowance of increases greater than LGCI
6021132. Retirement Housing FM Contract	30,000	30,000	30,000	30,000	30,000	30,000	40,000	40,000	40,000	40,000			
XXXXXXX Overheads allocation	140,000	140,000	140,000	140,000	140,000	160,000	160,000	160,000	160,000	160,000			Estimate of \$80k assuming minor increases resulting from 2021 Long Term Plan.
XXXXXXX Principal and Interest Repayment						101,196	101,196	101,196	101,196	101,196			Assumption of \$2m over 30 years at 3% for 10 new dwellings, not including land.
to improve the level of service	108,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	\$833,000	\$333,000	
6021C001. Retirement Housing improve to mandatory standards	108,000	0	0	0	0	0	0	0	0	0			
6021C002. Retirement Housing modernisation improvements	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000			
to replace existing assets	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	\$3,490,000	\$850,000	
6021C500. Retirement Housing General renewals	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000			
6021C501. Retirement Housing modernisation renewals	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000			
TOTAL ANNUAL EXPENSES	524,000	441,000	441,000	441,000	441,000	587,646	607,646	607,646	607,646	607,646	\$18,399,150	\$5,306,230	

Revenue

REVENUE SCENARIOS	LTP Input 2021/22	LTP Input 2022/23	LTP Input 2023/24	LTP Input 2024/25	LTP Input 2025/26	LTP Input 2026/27	LTP Input 2027/28	LTP Input 2028/29	LTP Input 2029/30	LTP Input 2031/32	TOTAL 30 YR PERIOD	TOTAL 10 YR PERIOD	NOTES
<b>Scenario A - \$20 increases in rent each year over four years to an \$80 dollar increase</b>													
Revenue - Fees and Charges	-337,570	-387,330	-437,090	-486,850	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	<b>-\$14,204,090</b>	<b>-\$4,662,100</b>	
Net Annual Balance	<b>186,430</b>	<b>53,670</b>	<b>3,910</b>	<b>-45,850</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-\$1,332,090</b>	<b>-\$169,100</b>	This scenario provides for \$1.183m of funded renewals over the ten years.
<b>Scenario B - \$40 increase in rent in Year 1 and then a further \$40 increase in Y2(\$80 increase over two years)</b>													
Revenue - Fees and Charges	-371,970	-471,490	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	<b>-\$14,403,130</b>	<b>-\$4,861,140</b>	
Net Annual Balance	<b>152,030</b>	<b>-30,490</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-\$1,531,130</b>	<b>-\$368,140</b>	This scenario provides for \$1.183m of funded renewals over the ten years.
<b>Scenario C - Rents are increased by \$40 only in Year 1</b>													
Revenue - Fees and Charges	-371,970	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	-402,690	<b>-\$11,647,290</b>	<b>-\$3,996,180</b>	
Net Annual Balance	<b>152,030</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>38,310</b>	<b>\$1,224,710</b>	<b>\$496,820</b>	This scenario provides for \$1.183m of funded renewals over the ten years, however significant losses making it unviable, without nearly \$500k of ratepayer subsidy.
<b>Scenario D - Rents are increased by \$60 only in Year 1</b>													
Revenue - Fees and Charges	-406,370	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	-452,450	<b>-\$13,074,970</b>	<b>-\$4,478,420</b>	
Net Annual Balance	<b>117,630</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-11,450</b>	<b>-\$202,970</b>	<b>\$14,580</b>	This scenario provides for \$1.183m of funded renewals over the ten years. The activity will not return a surplus until Y12 of the LTP, having addressed the mandatory works required in Y1 of the LTP.
<b>Scenario E - Rents are increased by \$80 only in Year 1</b>													
Revenue - Fees and Charges	-440,770	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	-502,210	<b>-\$14,502,650</b>	<b>-\$4,960,660</b>	
Net Annual Balance	<b>83,230</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-61,210</b>	<b>-\$1,630,650</b>	<b>-\$467,660</b>	This scenario provides for \$1.183m of funded renewals over the ten years. This scenario provides the greatest return to Council in the ten and thirty year period.

Summary

While the construction of ten new units is financially viable for the activity overall, it is at the cost of reserve funds for the further upgrade of Councils core 48 units, that by 2051 will be reaching the age of 80 years old, and will be nearing the end of their economic life, despite some \$3.19m of upgrades also forecast for that same period.

This analysis of the construction of new units and their inability to break even, with with no provision for the cost of land development, supports the trend in most other Councils where the construction of new units is rare, without some form of Government or Ratepayer subsidy or intervention. Similarly, most other CHP's or housing Trusts also find themselves in a similar position, whereby even when receiving market value from the government through the IRRS, struggle to make the developments viable.

Where most development has occurred historically, has been in relation to the provision of suspensory loans or development grants that ended in 2014 for new builds that many Councils saw developed in that period. Other new developments, such as Palmerston North City Councils significant development and expansion of social housing, has been offset by funds from ratepayers through their revenue and financing policy, as well as Crown Infrastructure Partners Funding through the COVID-19 relief packages. In the event that Council is able to access suspensory loans, grants or other initiatives again for housing, it should consider how it can prioritise accessing this funding, including that it has sufficient capacity on its balance sheet to support a suspensory loan for example.

We strongly recommend that further detailed analysis is completed and that a further detailed business case is completed by Council, including completion of the renewal and upgrade requirements of the existing core 48 units before significant investment and commitment is made to the construction of new units.

**6.2. Option 2 – Sell to a Community Housing Provider**

The analysis of this option focussed on Council selling its 48 units to a Community Housing Provider (CHP), with the two following sub options:

- (i) Sell to a CHP and use funds to pay down debt
- (ii) Sell to a CHP and reinvest in housing

We have not completed the same extent of analysis as we have with option 1 – noting that Council has received further background information on the opportunities and challenges of selling to a CHP in previous reports.

We provide the following summarised points and observations however relating to the sale directly to a CHP:

- Hawke's Bay is only serviced by a few CHP's. Councils current portfolio is unlikely to be notably attractive or viable to CHP's based on its size.
- The Sale of most Council assets to CHP's or community trusts have been either well below market value, given at no cost or provided with considerable negotiated incentives, including additional development land, rates subsidies or other cash incentives. Central Hawke's Bay District Council is not in a position to achieve this.
- Few CHP's have the financial capital to freely invest in new developments. Most CHP's, even those well established, are generally also near their debt ceilings or have major renewals and upgrades based on the age of their portfolios they are facing. To this end, the idea of a CHP making major investment in new housing is often not realised.
- There is often considerable expense in selling to a CHP – both financial and political in the sale of retirement housing. Council could expect to expend upwards of \$125,000 in the sale of the property to a CHP, including specialist legal and property negotiation advice and support. The political cost and exposure has also been very high for many Councils that have divested of their portfolios.

We have estimated that a potential sale price to a CHP could be in the realm of \$4 million, however this would be subject to considerable other negotiation levers a CHP may require.

In considering the option of selling to a CHP and reinvesting in new housing, based on our analysis of the construction of ten one bedroom units on existing available land in Option 1b of this review, it is likely that new land would be required to be purchased and developed, substantially increasing the expected cost of development to upwards of \$3.4 million for the ten units – or roughly \$340,000 a unit.

Also based on our existing analysis of Option 1b, it is unlikely that Council would substantially break even over the life of the units if rented, unless those same units were either sold for a market value and returned a net profit. This is however a level of exposure that Council have not clearly indicated they are willing to entertain and does not have a clear community mandate on, as expressed through the 2021 Long Term Plan Community Pre-Engagement on housing.

**6.3. Option 3 – Sell to the open market**

The analysis of this option focussed on Council selling its 48 units to the open market, with the two following sub options:

- (i) Sell to the market and using proceeds to pay down debt
- (ii) Sell to the open market and build new housing

Similar to Option 2, we have not completed the same extent of analysis as we have with Option 1, noting that we have not received clear guidance from Council to explore this option in detail.

While we have sought technical expertise on the potential valuation band of the 48 units on the open market in a variety of sale opportunities, we have not committed Council to a full valuation exercise, that was priced at over \$12,000 for the portfolio for this exercise. We have however received a band of potential market guidance for the entire portfolio ranging from \$7 to \$11 million, relative to the sale structure and overall package – including the rental yield.

As with the sale of housing to a CHP, the few Councils that have proposed to and/or sold their housing portfolios to private owners have received considerable heat and backlash, both from tenants and the general public. Even with negotiated outcomes relating to rental impacts or other changes for tenants being negotiated as part of the sale, Council would be limited in its means to enforce any of these similar further terms and conditions of sale.

As also experienced with the sale of Housing New Zealand Properties in locations particularly of high density like the Waipawa and Waipukurau units, there have been considerable unanticipated impacts. These have resulted from mixed tenancies of ages, demographics and other factors that have created undesirable and unsafe community environments and pockets of further unintended community deprivation and need.

Like in option 2b, the further option of reinvesting in housing, would need careful consideration by Council. There could be a range of options for Council to consider outside of traditional retirement housing developments, however most notably this would need to be considered through detailed consultation with community, who again through the 2021 Long Term Plan Pre-Consultation did not identify investment in retirement housing as a clear priority for Council.

## 7. Findings and Recommendations

In completing this review, Council has exceeded the rigour and requirements set as best practice by the Society of Local Government Managers (SOLGM) in the review of this activity in accordance with Section 17a of the Local Government Act 2002.

The following conclusions and recommendations are made:

- The retirement housing activity is impacted by government policy and has conflicting requirements to meet rental standards, be self-sufficient and provide affordable housing for the target market. The review has confirmed that the status quo approach, without capital investment, rates offset or notable increases to rents is not sustainable. The underlying requirement for the activity to increase revenue has been recommended as the key approach for the sustainability of the portfolio in the short and longer term - regardless of the option adopted.
- Minimising the impact on existing tenants has been a key consideration through the review, while achieving the financial viability and sustainability of the assets. At least a quarter of the portfolios current tenants, have been assessed as having assets and/or income that does not make them eligible for Ministry of Social Developments Accommodation Supplement. This means, that Councils subsidisation of tenants through reduced fees and charges are not targeting those in the community most in need.
- It has been identified that there is significant headroom to increase fees and charges, with the impact on those who can access the accommodation supplement only being 30% of the increase up to \$206 a week in Waipukurau and \$220 a week in Waipawa. For those who cannot access the accommodation supplement, they will experience the full impact of rent increases – however these are tenants who may have a greater likelihood to financially absorb the increases. Revenue assumptions in this review have focussed on increases up to the accommodation supplement entitlement, however rents could be increased to market rental if that was the appetite of Council. It is recommended that major changes to policy and operational procedure are completed to address the prioritisation of tenants most at need of subsidised housing and the appetite that Council has for the subsidisation of rents for its tenants – either through self-imposed discount or other mechanisms.
- It is recommended that fees are increased by a minimum of \$80 across the board as soon as possible. For those able to access the accommodation supplement this would see an increase of \$12 a week. It is preferable for the financial viability of the portfolio in the short term, to make the increase in a single year as soon as possible to boost the Retirement Housing Reserve for future renewals and upgrades.
- Financial Modelling shows that increasing rents by \$80 a week within the first two years of the Long Term Plan achieves \$1.183 of upgrades renewals in the first ten years and an a further overall net increase in the reserve fund of up to \$467K over the ten-year period. Over 30 years if no funds are released from the reserve funds, this will have provided for the development of a reserve fund totalling \$1.63 million and some \$3.19 million of renewals and upgrades to have been completed on the portfolio.
- Asset Management of the portfolio could have been better, and while the assets are in generally sound condition, the full extent of work required particularly to scope out major upgrade will take time and attention. As part of the ongoing sophistication of asset management practices, further detailed renewal profiling should be completed to help fully inform Councils understanding of future renewal and upgrades required of its portfolio. It is



recommended that this work is completed before Council commits to the construction of any additional units.

- Council is also dealing with a range of significant issues that will be a focus in the 2021 - 31 LTP. The review has identified that Council could fund the construction of new units through increased rental fees, however this would require debt funding that would be at the expense of Councils overall debt funding capacity, already under pressure to fund core services of Council such as water, wastewater and community facilities. If Council chose to debt fund the construction of new retirement housing, this would need to be a strategic debt capacity decision for Council.
- Analysis on the construction of ten new units funded by debt is financially viable for the activity retirement housing activity overall, however is at the cost of reserve funds for the further upgrade of Councils core 48 units, that by 2051 will be reaching the age of 80 years old. Analysis at a pure development level makes debt funding their development unviable. This analysis of the construction of new units and their inability to break even (not including the cost of land development) supports the trend in most other Councils where construction of new units is rare, without some form of Government or Ratepayer subsidy. Similarly, most other CHP's or housing Trusts also find themselves in a similar position, whereby even when receiving market value from the government through the IRRS, struggle to make the developments viable. In the event that Central Government creates the opportunity for Council to secure a suspensory loan, grant or similar for housing, Council should make this a strategic priority to support the aim of delivering more retirement housing.
- If Councils aspiration and resolve to build more flats without a debt facility is strong enough and providing a social subsidy is not an imperative, it is recommended that Council should consider increasing rents to market value. Increasing rents to market value across the overall portfolio, would generate additional revenue of \$1.24 million over ten years, above the forecast surplus of \$467,000 in Y10 and allowing for the forecast renewals of \$1.183 million over the same period for the activity, that could be invested in new housing. This would place a number of tenants however in financial difficulty.
- Central Hawke's Bay and the Hawke's Bay Region, has limited access to CHP's. Experiences of other Councils that have sold to CHP's, are that the realisation of new units upon the sale is limited. The price of sale to many CHP's has been at levels well below market value and in many circumstances, CHP's require an incentive to partner in certain locations, such as the provision of land at low or no cost, and other one-off or ongoing financial incentives from Council. Central Hawke's Bay's portfolio would be likely unviable in terms of a single portfolio to be managed by a CHP based on the current 48 units and Council is not in a position to offer land or financial incentives at this time.
- There is no doubt that the sale and/or significant reinvestment in retirement housing is a contentious issue. To this end, selling the assets on the open market or to a CHP is not a recommended approach at this time – particularly in light of the range of significant issues already being faced in the 2021 – 2031 Long Term Plan. Further the current period of political and economic uncertainty, particularly in relation to the contextual factors associated with the possible national three waters review, may mean that retaining retirement housing could position Council well for other like housing or community services in the future. It is recommended Council again consider how it can leverage its portfolio for the construction of new properties, upon there being greater clarity on the next stages of the three waters review, and any subsequent political environment changes.

- Council should consider making provision in its balance sheet, of at least \$1 million for the development of housing in the event that Central Government enables or provides access to the 50% suspensory grant loans that came to an end in 2014 or other grant funding is enabled through Crown Infrastructure Partners or similar. For Council, this will be a major enabler of housing and make the overall proposition of the development of new housing as modelled in this review highly feasible.
- The sale of the portfolio on the open market is not recommended at this time. Potential market values of the portfolio have been indicated between \$7 and \$11 million.
- A full list of recommendations and actions identified from this review are appended to this report, and it is recommended that that are prioritised for implementation

## 8. Conclusion

This review of Central Hawke's Bay District Councils Retirement Housing Portfolio has been completed in accordance with S17a of the Local Government Act 2002 and based on guidance from SOLGM's best practice guides for Section 17a Review. This review has exceeded that best practice in terms of scope and options considered.

Central Hawke's Bay District Council has a great aspiration to support the housing of its people, clearly articulated through its Housing Strategic Framework 2019. Council also has a number of other strategic priorities, that will require the full availability of its debt funding capacity to address these priorities, unless it strategically prioritises housing over other activities.

There are many basic operational housekeeping requirements that need to address the portfolios financial and operational issues. At this time, it is recommended that that best approach to deliver on its housing aspirations for its people is to address the fundamental operational and funding challenges facing the portfolio and to prepare the portfolio to be leveraged for future opportunities in the near future.

It is further recommended to increasing rents as soon as possible. As a minimum rent should be increased by at least \$40 in the first years of the Long Term Plan for basic renewals and to \$80 in the second years of the Long Term Plan for major upgrades and possibly the construction of new units to maximise the return on the portfolio.

While not potentially as transformational as envisioned by Council, this review will provide a strong stable and solid platform for the retirement housing portfolio to position itself well for the future. A swift move, particularly to increase rentals and supported by operational improvements, will place Council in a strong position to further leverage its current asset portfolio for housing in the wider sense for the near future.

**9. Action Summary List:**

	<b>Action Description</b>	<b>Priority</b>
1	Review the Retirement Housing Policy, including the criteria for entry to the flats, Councils social subsidy policy and approach for the portfolio, means testing and other operational practices including application forms and other processes.	High
2	Work to implement increase fees and charges to the accommodation threshold as soon as possible.	High
3	Prioritise and implement the installation of the mandatory standards for heating, extraction and insulation	High
4	Within three years, seek to achieve a 'core' level of Asset Management sophistication for the Retirement Housing Portfolio.	Medium
5	Plan to review the financial performance of the Retirement Housing Portfolio in 2023 in detail again, ahead of the 2024 Long Term Plan to confirm the financial viability and effectiveness of the portfolio.	Medium
6	Continue to support, no less than 12 monthly access to the accommodation supplement for tenants.	Medium
7	Model development opportunities for retirement housing and test the validity and values of these to have prepared in the event that Council is able to access suspensory loans or other grants for housing.	Low

**6 PUBLIC EXCLUDED BUSINESS**

Nil

**7 DATE OF NEXT MEETING**

**RECOMMENDATION**

THAT the next meeting of the Central Hawke's Bay District Council be held on 18 November 2020.

**8 TIME OF CLOSURE**