

Minutes of the Special Meeting of the Wellington Regional Council held in the Wellington Regional Council Chamber, The Regional Council Centre, 142-146 Wakefield Street, Wellington on Wednesday, 7 July 1999 at 9.30am

Present

Councillors Macaskill (Chairperson), Allen, Bonner, Buchanan, Gibson, Long, McDavitt, McQueen, Shaw, Shields and Thomas

Officers Present

Messrs Allard, Annakin, Darroch, Laplanche, Maguire, Schollum and Stone

Public Business

Procedural Items

121 **Apologies**

Resolved

(Chairperson/Cr Allen)

That the apologies from Councillors Laidlaw and Turver and the apology for lateness from Councillor Werry be confirmed.

122 **Public Participation**

Councillor David Ogden, Ratepayer

Councillor David Ogden referred to page 101 of the Facing the Future 1997-2007 draft and said he was angry that the Regional Council had increased the Cost of Democracy budget to include a communications initiative for elected members. That was wrong and undesirable and would not reflect well in the community.

Councillor Macaskill said the Regional Council was seeking better ways to connect with the regional community so that needs were converted to action and rejected the claims the budget was merely for political advantage.

Following questions from members the Chairperson thanked Councillor Ogden for his participation.

Matter for Consideration

123 Regional Transport Rate – Confirmation of Differential Special Order

Report 99.385

File: G/6/1/1

Late Submission

Mr Maguire said a copy of a late submission from Mr J Hedley, RD1, Featherston had been circulated to members.

Members noted the concerns raised by Mr Hedley would be considered when the Transport Funding Policy came up for review later in the year.

Memorandum from Councillor Gibson

A copy of Councillor Gibson's memorandum dated 7 July 1999 was circulated to members.

Councillor Gibson said he had set out the reasons why he opposed the Special Order and then read the contents of the memorandum to the meeting.

Resolved

(Chairperson/Cr McDavitt)

- (1) *That Council amend the description of rating classifications for South Wairarapa District in clause 5 of the Special Order as follows:*

<i>Category</i>	<i>Description</i>
<i>South Wairarapa District Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of South Wairarapa District.</i>
<i>South Wairarapa District Urban</i>	<i>All separately rateable properties classified Urban in the rating roll of South Wairarapa District.</i>

- (2) *That Council consider confirmation of the following amended Special Order:*

The Wellington Regional Council hereby resolves, by way of Special Order, pursuant to Sections 34, 80 and 84 of the Rating Powers Act 1988, Section 716B of the Local Government Act 1974, and all other provisions enabling it in that behalf, as follows:

1. *That the system of differential rating set out below be introduced with effect from 1 July 1999.*
2. *That the system of differential rating shall apply to a works and services rate, to be known as the Regional Transport Rate, made and levied by the Wellington Regional Council pursuant to section 34 of the Rating Powers Act 1988 on all rateable property in the Wellington Region determined by the Council to benefit from regional transport services, such that the rate made and levied in respect of any specified category of property shall vary from the rate made and levied in respect of any other specified category of property as set out in this Special Order.*
3. *The Regional Transport Rate shall be made and levied by the Council pursuant to the Rating Powers Act 1988 on the Capital Value of every separately rateable property in the region (other than those separately rateable properties in the Tararua District).*

That in accordance with section 84(1)(c) of the Rating Powers Act 1988, the following statement be made on the creation of the differential basis:

4. ***Matters taken into account in preparing the proposed system of differential rating:***
 - (a) *the degree to which different parts of the Region are served by regional transport services; and*
 - (b) *the degree of benefit derived or likely to be derived by any category of property from regional transport services provided in that part of the Region; and*
 - (c) *the population of that part of the Region; and*
 - (d) *the value of infrastructural assets to be provided within different parts of the Region.*
5. ***Proposed groups of property for differential rating***

That for the purposes of this Special Order, properties in the region shall be divided into the following categories in the rating rolls of the territorial authority in whose district the area of benefit is located:

Area of Benefit	Category	Description
Wellington City	<i>Wellington City Downtown City Centre Business</i>	<i>All separately rateable non-residential properties within the Downtown City Centre, currently shown on Map 32 of the Proposed District Plan of Wellington City, as may be amended from time to time by Wellington City Council (Copy of Map 32 on Page 7).</i>
	<i>Wellington City Business</i>	<i>All separately rateable properties classified Non-residential in the rating roll of Wellington City outside the Downtown City Centre.</i>
	<i>Wellington City Residential</i>	<i>All separately rateable properties classified Residential in the rating roll of Wellington City.</i>
	<i>Wellington City Rural</i>	<i>All separately rateable properties classified Rural and Farm in the rating roll of Wellington City.</i>
Lower Hutt City	<i>Lower Hutt City Business</i>	<i>All separately rateable properties classified Business in the rating roll of Lower Hutt City.</i>
	<i>Lower Hutt City Residential</i>	<i>All separately rateable properties classified Residential in the rating roll of Lower Hutt City</i>
	<i>Lower Hutt City Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of Lower Hutt City.</i>
Porirua City	<i>Porirua City Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of Porirua City.</i>
	<i>Porirua City Urban</i>	<i>All separately rateable properties classified Residential and Business in the rating roll of Porirua City.</i>
Upper Hutt City	<i>Upper Hutt City Business</i>	<i>All separately rateable properties classified Commercial and Industrial in the rating roll of Upper Hutt City.</i>
	<i>Upper Hutt City Residential</i>	<i>All separately rateable properties classified Residential in the rating roll of Upper Hutt City.</i>
	<i>Upper Hutt City Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of Upper Hutt City.</i>
Otaki	<i>Otaki Ward Rural</i>	<i>All separately rateable properties in the Rural rating area of the Otaki Ward of Kapiti Coast District.</i>
	<i>Otaki Ward Urban</i>	<i>All separately rateable properties in the Urban rating area of the Otaki Ward of Kapiti Coast District.</i>

<i>Waikanae</i>	<i>Waikanae Rural</i>	<i>All separately rateable properties in the Rural rating area of the Waikanae Ward of Kapiti Coast District</i>
	<i>Waikanae Urban</i>	<i>All separately rateable properties in the Urban rating area of the Waikanae Ward of Kapiti Coast District. .</i>
<i>Paekakariki</i>	<i>Paekakariki Rural</i>	<i>All separately rateable properties in the Rural rating area of the Paekakariki Community Board area of Paekakariki/Raumati Ward of Kapiti Coast District</i>
	<i>Paekakariki Urban</i>	<i>All separately rateable properties in the Urban rating area of the Paekakariki Community Board area of Paekakariki/Raumati Ward of Kapiti Coast District. .</i>
<i>Paraparaumu/ Raumati</i>	<i>Paraparaumu/Raumati Rural</i>	<i>All separately rateable properties in the Rural rating areas of the Paraparaumu Ward and Paekakariki/Raumati Ward (excluding Paekakariki Community Board area) of Kapiti Coast District</i>
	<i>Paraparaumu/Raumati Urban</i>	<i>All separately rateable properties in Urban rating areas of the Paraparaumu Ward and Paekakariki/Raumati Ward (excluding Paekakariki Community Board area) of Kapiti Coast District.</i>
<i>Masterton District</i>	<i>Masterton District Rural</i>	<i>All separately rateable properties in the Rural rating areas of Masterton District.</i>
	<i>Masterton District Urban</i>	<i>All separately rateable properties in the Urban rating areas of Masterton District.</i>
<i>Carterton District</i>	<i>Carterton District Rural</i>	<i>All separately rateable properties classified Rural and Rural/Industrial in the rating roll of Carterton District.</i>
	<i>Carterton District Urban</i>	<i>All separately rateable properties classified as Residential, Commercial/Industrial and Rural Residential in the rating roll of Carterton District.</i>
<i>South Wairarapa District</i>	<i>South Wairarapa District Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of South Wairarapa District.</i>
	<i>South Wairarapa District Urban</i>	<i>All separately rateable properties classified Urban in the rating roll of South Wairarapa District.</i>

6. In each rating year the amount of the Regional Transport Rate shall be calculated as follows:

- 6.1 The Region is divided into the following areas of benefit - Wellington, Lower Hutt, Upper Hutt, Porirua, Paekakariki, Paraparaumu/Raumati, Waikanae, Otaki, Masterton, South Wairarapa and Carterton.

- 6.2 *The cost of public transport services and public transport infrastructure provided in each area of benefit is allocated on the following basis:*
- *42.5% (access to jobs) to the area of benefit of origin and charged to residential properties in that district),*
 - *42.5% (increased sales) to the area of benefit of destination (to be charged to the commercial properties in that district),*
 - *10% (less congestion) to be divided equally between the residential ratepayers in the area of benefit of origin and the commercial ratepayers in the area of benefit of destination,*
 - *5% (social) to all ratepayers in the Region, with a 50% discount in Paekakariki, Paraparaumu/Raumati, Waikanae and Otaki, and a 75% discount in Masterton , Carterton and South Wairarapa.*
- 6.3 *The cost of the total mobility programme is allocated between each area of benefit according to the actual expenditure in those areas of benefit where that information is available. Otherwise it is allocated on the basis of weighted population. A 50% discount is applied to rural properties to reflect their reduced access to the service.*
- 6.4 *The cost of regional transport planning is allocated between each area of benefit according to equalised capital value, with a 50% discount applied to Paekakariki, Paraparaumu/Raumati, Waikanae and Otaki, a 75% discount to Masterton, Carterton and South Wairarapa, and a further 50% discount applied to rural properties to reflect that metropolitan areas are the major beneficiaries of transport planning.*
- 6.5 *Adjustments have also been made to the amount of rates to be collected in Waikanae, Paekakariki and Paraparaumu/Raumati to remedy a miscalculation in the rates levied in the 1998/99 financial year.*
7. *The Regional Transport Rate shall be made and levied on the Capital Value of all separately rateable properties in the Region, (other than those in Tararua District) at such rates in the dollar as are required to yield (as nearly as practicable) the following proportions of the total revenue required for the rate from each differential category in each area of benefit:*

7.1 **Wellington City**

<i>Wellington City Downtown City Centre Business</i>	<i>58.87%</i>
<i>Wellington City Business</i>	<i>2.33%</i>
<i>Wellington City Residential</i>	<i>38.58%</i>
<i>Wellington City Rural</i>	<i>0.22%</i>

7.2 **Lower Hutt City**

<i>Lower Hutt City Business</i>	<i>22.52%</i>
<i>Lower Hutt City Residential</i>	<i>76.72%</i>
<i>Lower Hutt City Rural</i>	<i>0.76%</i>

7.3 Upper Hutt City	
Upper Hutt City Business	7.20%
Upper Hutt City Residential	86.35%
Upper Hutt City Rural	6.45%
7.4 Porirua City	
Porirua City Rural	2.42%
Porirua City Urban	97.58%
7.5 Otaki Ward	
Otaki Ward Rural	37.10%
Otaki Ward Urban	62.90%
7.6 Waikanae Ward	
Waikanae Rural	0.01%
Waikanae Urban	99.99%
7.7 Paekakariki	
Paekakariki Rural	8.04%
Paekakariki Urban	91.96%
7.8 Paraparaumu Ward/Raumati	
Paraparaumu Ward/Raumati Rural	0.86%
Paraparaumu Ward/Raumati Urban	99.14%
7.9 Masterton District	
Masterton District Rural	30.58%
Masterton District Urban	69.42%
7.10 Carterton District	
Carterton District Rural	36.25%
Carterton District Urban	63.75%
7.11 South Wairarapa District	
South Wairarapa District Rural	47.81%
South Wairarapa District Urban	52.19%

8. Effect on the incidence of rates

The approximate changes to the incidence of rates for 1999/2000, to the nearest ten cents, will be as follows:

<i>Constituent City/District</i>		<i>Residential (per Average Capital Value Property)</i>	<i>Business (per \$100,000 Capital Value)</i>	<i>Rural (per \$100,000 Capital Value)</i>
<i>Wellington</i>		+\$4.9	-\$6.8(Suburban) -\$1.9 (CBD)	-\$5.7
<i>Lower Hutt</i>		-\$0.6	-\$14.0	-\$19.8
<i>Upper Hutt</i>		-\$7.1	-\$23.6	-\$25.0
<i>Porirua</i>		+\$18.0	+\$2.4	-\$24.5
<i>Kapiti Coast</i>	<i>Otaki</i>	+\$0.6	+\$0.5	-\$0.1
	<i>Waikanae</i>	-\$14.7	-\$10.3	-\$17.3
	<i>Paraparaumu/Raumati</i>	+\$14.0	+\$10.5	-\$0.4
	<i>Paekakariki</i>	+\$16.8	+\$12.5	+\$1.6
<i>Masterton</i>		+\$0.8	+\$0.8	-\$0.9
<i>Carterton</i>		+\$0.3	+\$0.4	-\$0.1
<i>South</i>		+\$3.4	+\$0.5	-\$1.9
<i>Wairarapa</i>				

The impact of the Transport Rate on an individual property will vary depending on the movement of that property's capital value, overall movements in the capital value experienced by that rating category and changes in the level of service in any one year.

This is the second year in a three year transition to a revised Funding Policy. There will therefore be a further amendment to the differentials in the next financial year and thereafter the differentials will be reviewed every three years as part of the Council's Funding Policy review - as required by section 122N of the Local Government Act 1974

Councillor Gibson dissented.

The meeting adjourned to the Policy and Finance Committee meeting at 10.33am.

The meeting reconvened at 11.26am.

121 Apologies

The Chairperson said that as Councillor Werry had been unable to attend today's meetings it would be appropriate to formalise his apology.

Resolved

(Chairperson/Cr Thomas)

That Councillor Werry's apology be confirmed.

124 **Policy and Finance Committee – 7 July 1999**

Resolved

(Chairperson/Cr McQueen)

That the recommendations of the Policy and Finance Committee meeting held on 7 July 1999 be adopted.

The meeting closed at 11.28am.

Cr S A MACASKILL
Chairperson

Date: