

**EXTRAORDINARY MEETING OF THE KAIKOURA DISTRICT COUNCIL TO  
ADOPT THE ANNUAL PLAN 2014/15 HELD AT 3.30PM ON FRIDAY 27  
JUNE 2014 IN THE MEMORIAL HALL SUPPER ROOM, ESPLANADE,  
KAIKOURA.**

***AGENDA***

***1. Apologies***

***2. Adoption of the Annual Plan 2014/15***

As a result of the submissions heard on Monday 16 June and the deliberations held on Wednesday 18 June 2014, the attached changes have been made to the draft Annual Plan.

***It is recommended that the Kaikoura District Council Annual Plan 2014/15 be adopted.***

***3. Confirmation and Intention to make rates for the 2014/15 rating year***

***Recommendation:***

***Council resolves to set the rates and due dates for payment and authorise the penalty regime for the 2014/15 financial year commencing 1 July 2014 and ending 30 June 2015, in accordance with the financial information contained in the 2014/15 Annual Plan and attached, all amounts are GST inclusive.***

# Changes in Response to Community Feedback

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We received 28 submissions to the Draft Annual Plan, and the Council listened to 12 people speak about their submission on 16<sup>th</sup> June, before meeting again on the 18<sup>th</sup> to deliberate on what changes to make to the Annual Plan.

The following groups will receive additional funding as a result of submissions made;

- The Kaikoura Historical Society will receive \$10,000 to assist with operational expenses until such time as they can move into the new building in the West End (from which time it is assumed that entry fees to the new museum will cover operating costs),
- The Kaikoura Enhancement Group will receive funding of up to \$10,000 for detailed plans for the beautification of the Northern Arrival Area of the Kaikoura Township. This will be funded from the reserves special fund,
- The Kaikoura Cycle Club will receive \$9,000, funded from the reserves special fund, to assist with their goal to create and maintain a significant loop track for walkers and cyclists from the Kaikoura Township.

In addition Council agreed to increase the following budgets;

- \$1,000 for additional minor renewal work and upgrades to public toilets,
- An additional \$10,000 for Kaikoura Town Water Supply electricity to better reflect actual costs,
- \$5,000 for the Kaikoura Sewer lump sum maintenance budget to better reflect actual costs (funded from special funds),
- \$10,000 for Stormwater renewals to allow for miscellaneous renewals and upgrades (funded from stormwater reserves),
- \$150,000 to complete the roading programme which was put on hold due to the Easter Flooding event.

Council agreed to include the following paragraph under Liquor Licensing;

*Council recognises the requirements of the new Act to establish and maintain arrangements between the Licensing Inspector, Police and Medical Officer of Health to ensure the ongoing monitoring of licenses and the enforcement of the Act together with the need to develop and implement strategies to reduce alcohol related harm.*

# Rating Funding Impact Statement

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

## General Rate

The general rate is a rate set for all rateable properties within the district, and is based on the property's capital value. There is no differential applied to different categories of property, and so all property, regardless of whether it is principally for commercial, residential or rural use, will pay the same cents in the dollar on the property's capital value.

## Uniform Annual General Charge

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

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

*Any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayers household, having a right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement.*

For clarification, this means that each flat within a block of flats, or each shop within a block of shops, for example, would be rated a uniform annual general charge. The same would apply to a farm with more than one dwelling, (i.e. worker accommodation), or a residential property with a separate fully self-contained unit available for visitor accommodation.

## Targeted Rates

Targeted rates enable Council to identify specific properties that it considers receive the greatest benefit from, or create the greatest need for, the Council's various activities.

Targeted rates can be applied on a number of categories of rateable property, including (for example);

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

Targeted rates may be either a rate based on a property's value, or a set dollar amount per annum. Unless otherwise specified throughout the following pages, where a targeted **rate** is applied, it can be assumed this is a rate based on a property's capital value; and where a targeted **charge** is applied, this refers to a set dollar amount per annum.

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

## General Rates

General Rates and the Uniform Annual General Charge apply to all rateable land.

<b><i>General Rate: to fund the general operations of Council, including general management, community services, environmental planning, the net costs of statutory planning, building control, dog control, community facilities, general parks and reserves, and a portion of public toilets and traffic control.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the district	\$0.00090577 per dollar of rateable capital value	\$1,255,172
<b><i>Uniform Annual General Charge: to fund the general operations of Council, including landfill operations, governance, library services, sports fields, playgrounds, cemetery, walkways, public halls, general environmental health and civil defence.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the district	\$460.39 per separately used or inhabited part of a rating unit	\$1,372,416

## Targeted Rates

The roading rate and the district planning rate (as follows), are also applied to all properties within the district. They are separate targeted rates for the purposes of transparency and accountability, rather than for the purpose of targeting certain categories of land.

<b><i>Roading Rate: to fund the net costs of upgrading and maintenance of the district bridges and roading network</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the district	\$0.00052037 per dollar of rateable capital value	\$721,108
<b><i>District Planning Rate: to fund the costs of District Planning for the Kaikoura district.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the district	\$0.00011189 per dollar of rateable capital value	\$155,054

The following pages are targeted rates (and charges) applied to specific rateable properties based on certain categories of land and calculated as stated.

<b><i>Kaikoura Water Annual Charge: to fund the costs of the supply, treatment, upgrading and maintenance of the Kaikoura water supply.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
<u>Full Charge</u> : All rateable properties connected to the Kaikoura water supply.	\$246.74 per separately used or inhabited part of a rating unit	\$412,055
<u>Half Charge</u> : All rateable properties situated within 100 metres of any part of the Kaikoura water supply, but not connected to the supply.	\$123.37 per separately used or inhabited part of a rating unit	\$31,213
Total		\$443,268
<b><i>Kaikoura Water Loan Charge: to fund the loan servicing costs of the Kaikoura water supply.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties situated within 100 metres of any part of the Kaikoura water supply.	\$63.22 per separately used or inhabited part of a rating unit	\$120,316
<b><i>Ocean Ridge Water Annual Charge: to fund the costs of the supply, treatment, and maintenance of the Ocean Ridge water supply.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
<u>Full Charge</u> : All rateable properties connected to the Ocean Ridge water supply.	\$330.72 per separately used or inhabited part of a rating unit	\$8,599
<u>Half Charge</u> : All rateable properties situated within 100 metres of any part of the Ocean Ridge water supply, but not connected to the supply.	\$165.36 per separately used or inhabited part of a rating unit	\$20,174
Total		\$28,773

***Rural Water Charges to fund the supply, treatment, upgrading, and maintenance of the following water supply areas.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
East Coast Rural Water Charge: all rateable properties connected to the East Coast rural water supply.	\$575.00 per water unit (1,800 litres per day)	\$81,650
Kincaid Rural Water Charge: all rateable properties connected to the Kincaid rural water supply.	\$158.06 per water unit (1,000 litres per day)	\$97,205
Oaro Rural Water Charge: all rateable properties connected to the Oaro rural water supply.	\$246.74 per water unit (1,000 litres per day)	\$16,778
Peketa Rural Water Charge: all rateable properties connected to the Peketa rural water supply.	\$246.74 per water unit (1,000 litres per day)	\$4,688
Suburban Water Charge: all rateable properties within the Suburban water area.	\$172.72 per water unit (1,000 litres per day)	\$13,817
Fernleigh Water Charge: all rateable properties connected to the Fernleigh rural water supply	\$10.78 per water unit (1,000 litres per day)	\$3,105

A “water unit” refers to a certain water connection, generally rural water connections, that restricts the quantity of water that is supplied to a property, to the quantity of litres per day as specified.

Note that, for the Kaikoura water supply, certain properties are considered “extraordinary consumers”, such as commercial and accommodation premises, or properties with a swimming pool, for example. These properties are metered and water meter charges apply.

***Stormwater Rate: to fund the costs of stormwater disposal, loan servicing, upgrading and maintenance of the Kaikoura Stormwater scheme.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the Kaikoura urban area.	\$0.00021190 per dollar of rateable capital value	\$137,436

***Sewerage Loan Rate: to fund the loan servicing costs of the Kaikoura Sewerage scheme.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the Kaikoura urban area.	\$0.00023996 per dollar of rateable capital value	\$160,955

***Sewerage Charge: to fund the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikoura sewerage scheme.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the Kaikoura urban area not being either commercial or self contained and serviced.	<p>\$215.62 for the first water closet and urinal within each separately used or inhabited part of a rating unit, and</p> <p>\$107.81 for each subsequent water closet and urinal within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.</p> <p><i>A rating unit used primarily as a residence for one household will not be treated as having more than one water closet or urinal.</i></p>	\$308,773
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
<u>Half Annual Charge:</u> All rateable properties situated within 100 metres of any part of the Kaikoura sewerage system, but not connected to the system.	\$107.81 per separately used or inhabited part of a rating unit.	\$60,375

***Sewerage Charge: to fund the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikoura sewerage scheme.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
<p><u>Self Contained and Serviced:</u> All rateable properties within the Kaikoura urban area used principally for short term accommodation, but limited to those properties with motel-type units, including motels, motor lodges, motor inns, motel apartments, serviced apartments and serviced holiday cottages, each of which contain a private or ensuite bathroom, with bedding, linen and cooking facilities provided, and which are serviced daily.</p>	<p>\$215.62 for the first water closet and urinal within each rating unit, and</p> <p>\$100.00 for each subsequent water closet and urinal within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.</p>	\$39,500
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
<p><u>Commercial:</u> All rateable properties within the Kaikoura urban area used principally for commercial and/or industrial purposes; or used as a licensed premise under the Sale of Liquor Act 1989; or used for providing short term accommodation for commercial reward, but not including rateable properties defined as Self Contained and Serviced.</p>	<p>\$215.62 for the first water closet and urinal within each rating unit, and</p> <p>\$180.00 for each subsequent water closet and urinal within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.</p>	\$47,160
	Total for year	\$455,807



The next two charges pertain to whether or not a property has access to the weekly kerbside collection service. More properties may be charged the kerbside recycling charge if the service is extended over a wider area.

<b><i>Kerbside Recycling Charge: to fund the costs of the weekly kerbside recycling collection service.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties that have access to the kerbside recycling collection service (including Oaro)	\$42.25 per separately used or inhabited part of a rating unit	\$79,983
<b><i>Rural Recycling Charge: to fund the net costs of the rural weekly recycling collection service which is made available at various pickup points around the district, and the residual costs of recycling facilities available at the landfill.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties other than those that have access to the kerbside recycling collection service	\$25.85 per separately used or inhabited part of a rating unit	\$27,738

## Commercial Rates and Charges

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

<b><i>Commercial Rate: to fund the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of traffic control, harbour facilities and public toilets.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties in the district; <ul style="list-style-type: none"> <li>Used principally or exclusively for commercial and/or industrial purposes, (not being farmland as defined in section 2 of the Rating Powers Act 1988); or</li> <li>Used principally for visitor accommodation for commercial reward for <b><i>not less than five persons</i></b>, and for the avoidance of doubt, including any motel, hotel, motor lodge, bed and breakfast, hostel, camping ground or “boarding house”<sup>1</sup>; or</li> <li>Used as licensed premises under the Sale of Liquor Act 1989.</li> </ul>	\$0.00176979 per dollar of rateable capital value	\$282,617
<b><i>Accommodation Sector Charge: to fund the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of traffic control, harbour facilities and public toilets.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties providing accommodation for commercial reward, but not meeting the criteria of a commercial property, and for the avoidance of doubt, including any property providing short-term accommodation such as small bed & breakfasts, and baches rented out as holiday homes, but not including long-term rental accommodation.	\$315.00 per separately used or inhabited part of a rating unit	\$48,510

<sup>1</sup> As defined in the Kaikoura District Plan

***Public Rubbish Bin Charge: to fund the costs of providing a public rubbish bin collection service at various locations around the district.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties defined as commercial (see Commercial Rate)	\$160.38 per separately used or inhabited part of a rating unit	\$35,604

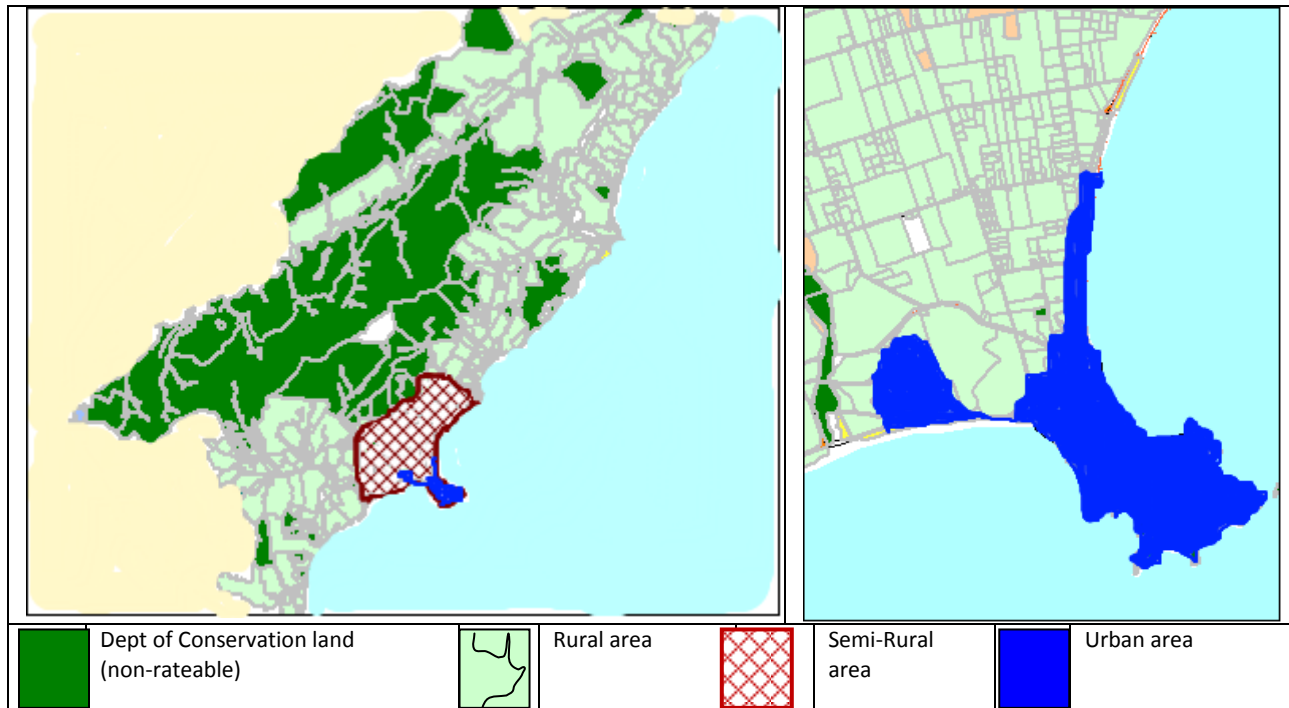
***Registered Premises Charge: to fund the net costs of liquor licensing, food and health safety inspections, and environmental health.***

<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties undertaking a licensed activity, such as premises where alcohol is sold or consumed, food premises, camping grounds, or hairdressers.	\$254.00 per license	\$28,448

Please refer to the sewerage charges as they pertain to certain commercial properties, and also to the water meter charges for commercial properties that are metered.

## Rating Areas

Throughout these pages there is reference to properties within defined areas (urban, semi-rural and rural rating areas).



The map on the left is of the whole Kaikoura district, a large proportion of which is Department of Conservation land which is non-rateable. The bulk of the district is rural, portrayed in pale green. The red and white thatched area is the semi-rural area for rating purposes. It is an area defined for its proximity to urban services, and has no relationship to the size, land use, or value of individual properties within, or outside of, this area. The semi-rural area extends to the Hapuku River in the north, and to the Kahutara River to the south (thereby including the villages of Hapuku and Peketa). This area also extends inland to the foothills of Mt Fyffe, abutting the Dept of Conservation land.

The map on the right (above) shows the current urban area for rating purposes. As the town grows, this area may be extended to incorporate new areas as appropriate to meet the intent of these rates – i.e. in areas where footpaths, streetlights and/or stormwater is developed. The rating boundaries shown in the above maps are approximate, and for indicative purposes only.

These rating areas apply differentials to acknowledge that it is the properties within the urban area that benefit most from urban-type services, properties on the outskirts of the township benefit to a lesser extent, and properties further away from the town benefit least of all. Therefore, for each of the following three targeted rates (harbour rate, town centre rate, and footpath & streetlighting rate) a differential has been applied thus:

Urban	1:1
Semi-rural	0.5:1
Rural	0.25:1

This essentially means that, for certain activities, urban properties pay twice as much per dollar of capital value than semi-rural properties do, and four times as much per dollar of capital value than rural properties do.

<b><i>Harbour Rate: to fund 50% of the net costs of operating the harbour facilities, including South Bay and the North and Old Wharves, including loan servicing costs.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the <i>urban</i> area.	\$0.00006658 per dollar of rateable capital value	\$43,192
All rateable properties within the <i>semi-rural</i> area.	\$0.00003329 per dollar of rateable capital value	\$12,451
All rateable properties within the <i>rural</i> area.	\$0.00001665 per dollar of rateable capital value	\$5,352
Total		\$60,996
<b><i>Town Centre Rate: to fund the net costs of town centre maintenance, including cleaning and servicing the West End toilets, and the loan servicing costs of the West End upgrading loans.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the <i>urban</i> area.	\$0.00017267 per dollar of rateable capital value	\$112,015
All rateable properties within the <i>semi-rural</i> area.	\$0.00008634 per dollar of rateable capital value	\$32,292
All rateable properties within the <i>rural</i> area.	\$0.00004317 per dollar of rateable capital value	\$13,881
Total		\$158,187
<b><i>Footpath &amp; Streetlight Rate: to fund the net costs of maintaining, upgrading and operating footpaths and streetlights, including electricity and loan servicing costs.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties within the <i>urban</i> area.	\$0.00016611 per dollar of rateable capital value	\$107,754
All rateable properties within the <i>semi-rural</i> area.	\$0.00008305 per dollar of rateable capital value	\$31,064

All rateable properties within the <i>rural</i> area.	\$0.00004153 per dollar of rateable capital value	\$13,353
Total		\$152,171

Two other targeted rates also rely upon these definitions of rating areas to determine which properties the rate applies to. They are the stock control rate and the rural fire rate.

<b><i>Stock Control Rate: to fund the net costs of stock control.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties <i>outside the urban area</i> (i.e. including both semi-rural and rural properties).	\$0.00002120 per dollar of rateable capital value	\$14,748
<b><i>Rural Fire Control Rate: to fund the net costs of rural fire control.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount Required (including GST)</b>
All rateable properties <i>outside the urban area</i> (i.e. including both semi-rural and rural properties).	\$0.00013064 per dollar of rateable capital value	\$90,869

The previous pages identify each rate for the 2014/2015 financial year. Note that all amounts are GST inclusive, whereas those amounts within the Forecast Funding Impact Statement (on page 40) exclude GST.

## Other Rates & Charges

### Water Meter Charges

Extraordinary consumers, such as commercial properties and homes with swimming pools, have water meters attached to their property to measure water use. These water meters are read twice each year (in January and June), and the consumers are charged for the amount of water they use. Charges are in addition to the water rates on the previous pages.

For water usage which exceeds 365m<sup>3</sup> per annum, a charge of \$1.00 including GST per cubic meter applies. All properties with a meter will incur a twice-annual meter reading charge of \$16.50 per

reading. This charge will not apply if a meter reading is supplied by the consumer for the half-yearly reading (the final reading at 30 June must be undertaken by the Council or its contractors).

## **Rates Penalties**

A 10% penalty will be added to any portion of the instalment remaining unpaid after the relevant last date for payment. However, a penalty on the first instalment will be waived if the total years rates are paid on or before 20 December (the last day for payment of instalment 2).

An additional 10% penalty will be added to all previous year's rates unpaid as at 20 July and 20 January (up to 20% pa in total).

Penalties are applied no earlier than the next working day after the last date for payment, and as soon as practicable.

### **Last dates for payment are:**

Instalment 1: 20 September 2014  
Instalment 2: 20 December 2014  
Instalment 3: 20 March 2015  
Instalment 4: 20 June 2015

## **Environment Canterbury Rates**

The Council acts as agents for the collection of rates for Environment Canterbury, which makes its own rates. This Annual Plan does not refer to those rates, however your rates invoice does show the amount of rates we collect from you on behalf of Environment Canterbury.

## Rates for 2014/2015

	2013/2014 \$	2014/2015 \$	Change %
General Rate	0.00092500	0.00090577	-2.08%
Uniform Annual General Charge	416.80	460.39	10.46%
Kaikoura Water Loan Charge	62.36	63.22	1.39%
Kaikoura Water Annual Charge	237.06	246.74	4.08%
Kaikoura Water Half Annual Charge	118.53	123.37	4.08%
Sewerage Loan Rate	0.00022649	0.00023996	5.95%
Sewerage Charge (1 Pan)	232.61	215.62	-7.31%
Sewerage Half Charge	116.31	107.81	-7.31%
Sewerage Charge*	116.31	107.81	-7.31%
Sewerage Commercial Charge*	190.00	180.00	-5.26%
Sewerage Self Contained Charge*	100.00	100.00	-
* = 2 or more pans			
Stormwater Rate	0.00018797	0.00021190	12.73%
Ocean Ridge Water Annual Charge	325.73	330.72	1.53%
Ocean Ridge Water Half Charge	162.86	165.36	1.54%
Roading Rate	0.00049744	0.00052037	4.61%
Footpath & Streetlight Rate			
Urban	0.00018380	0.00016611	-9.63%
Semi-rural	0.00009190	0.00008305	-9.63%
Rural	0.00004595	0.00004153	-9.63%
Kerbside Recycling Charge	40.62	42.25	4.02%
Rural Recycling Charge	21.63	25.85	19.51%
Public Rubbish Bin Charge	157.53	160.38	1.81%



## Rates for 2014/2015

	2013/2014 \$	2014/2015 \$	Change %
Stock Control Rate	0.00002001	0.00002120	5.96%
Rural Fire Control Rate	0.00013672	0.00013064	-4.45%
Commercial Rate	0.00179653	0.00176979	-1.49%
Town Centre Rate			
Urban	0.00014791	0.00017267	16.73%
Semi-rural	0.00007396	0.00008634	16.73%
Rural	0.00003698	0.00004317	16.73%
Registered Premises Charge	255.42	254.00	-0.55%
Accommodation Sector Charge	310.00	315.00	1.61%
District Planning Rate	0.00010386	0.00011189	7.73%
Harbour Rate			
Urban	0.00006350	0.00006658	4.85%
Semi-rural	0.00003175	0.00003329	4.85%
Rural	0.00001587	0.00001665	4.85%
East Coast Water Charge	575.00	575.00	-
Kincaid Water Charge	127.29	158.06	24.17%
Oaro Water Loan Charge	133.06	-	-100%
Oaro Water Charge	237.06	246.74	4.08%
Peketa Water Charge	228.17	246.74	8.14%
Fernleigh Water Charge	10.93	10.78	-
Suburban Water Charge	165.94	172.72	4.08%
Water Meter Charge (per m <sup>3</sup> )	1.00	1.00	-
Water Meter Reading Charge	33.00	33.00	-