

Report No:	RCN11-06-06
File No:	A505
Date:	2 June 2011
Decision Required	

REPORT SUMMARY

Report to: Full Council
Meeting Date: 9 June 2011
Report Author Murray Staite, Corporate Services Manager
Subject: **Motueka Community Board Rate - RCN11-06-06**

EXECUTIVE SUMMARY

This report seeks Council agreement to an increase in the Motueka Community Board Targeted Rate of \$4.34 (excl GST) to enable additional projects to be undertaken in the Motueka Ward, for inclusion in the final Annual Plan 2011/2012.

RECOMMENDATION/S

Staff recommend that Council agrees to increase the Motueka Community Board rate on the condition that the Motueka Community Board undertakes further consultation with the Motueka community prior to finalising what projects will be undertaken with the additional funding.

DRAFT RESOLUTION

THAT the Tasman District Council:

- 1. Receives the Motueka Community Board Rate Report RCN11-06-06**
- 2. Agrees to the Motueka Community Board targeted rate being included in the final Annual Plan at \$12.57 excluding GST per rateable property for the 2011/2012 year, including \$4.34 excluding GST of which is to be available to be spent on specific projects within the Motueka Ward.**
- 3. Requires the Motueka Community Board to undertake further consultation with the Motueka Ward community on what the funding generated from the \$4.34 excluding GST is to be spent on.**
- 4. Requires the Motueka Community Board to work with Council staff on the delivery and implementation of the projects.**
- 5. Asks staff to add wording into the final Annual Plan to reflect the Council's decisions in 2 and 3 of this resolution.**

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1. Purpose

- 1.1 The purpose of this report is to seek Council agreement to an increase in the Motueka Community Board Targeted Rate of \$4.34 (excl GST) to enable additional projects to be undertaken in the Motueka Ward, for inclusion in the final Annual Plan 2011/2012.

2. Background

- 2.1 During preparation of the Draft Annual Plan 2011/2012 the Motueka Community Board asked Council to include a proposal in the document to increase the Motueka Community Board rate by \$4.34 excluding GST (\$5 including GST) per rateable property to enable several additional projects to be undertaken in the Motueka Ward. The additional funding generated from the rate increase will be around \$25,000. The rate is, therefore, proposed to be \$12.57 excluding GST per property. Without the proposed increase the rate would have been \$8.23 excluding GST (down from \$9.73 in 2010/2011). The Draft Annual Plan also identified ten possible projects that the additional funding generated by the increase could be spent on. The additional funding would not be sufficient for all the projects to be undertaken - they were identified as options for the community to consider.
- 2.2 The Draft Annual Plan 2011/2012 sought comment on the proposal, particularly from people living in the Motueka Ward. Eight submissions commented on the rate: four supportive; one against; and three neutral. Five identified the projects that they wanted to spend the funding on. Different priorities were given by the different submitters.
- 2.3 Staff informally met with the Motueka Community Board members on 31 May 2011 to discuss the submissions and to seek the Board's views for inclusion in this report. The Board narrowly supported continuing with the rate increase, noting that it would be desirable to undertake further consultation with the

Motueka community prior to deciding what projects to spend the additional money on generated from the rate increase.

3. Present Situation/Matters to be Considered

- 3.1 As with all rating decisions, the decision on whether to proceed with the increase in the Motueka Community Board targeted rate to undertake additional projects in the Motueka Ward lies with the Council, not the Board.
- 3.2 Council can consider the Board's support for the proposed increase along with the views of the submitters, and other considerations like the overall affordability of the proposed rates increases.

4. Financial/Budgetary Considerations

- 4.1 The financial or budgetary consideration is whether to increase the Motueka Community Board targeted rate as proposed in the Draft Annual Plan.

5. Options

- 5.1 The options are as follows:
 - a. Do not proceed with the proposal and set the Motueka Community Board targeted rate at \$8.23 excluding GST per rateable property for the 2011/2012 year.
 - b. Agree to the proposal for an increase of \$4.34 excluding GST per property to set the Motueka Community Board targeted rate at \$12.57 excluding GST per rateable property for the 2011/2012 year, and for the additional money generated from the increase to be spent on specific projects, which the Council decides.
 - c. Agree to the proposal for an increase of \$4.34 excluding GST per property to set the Motueka Community Board targeted rate at \$12.57 excluding GST per rateable property for the 2011/2012 year, and ask the Community Board to undertake further consultation with the Motueka community prior to identifying which projects it will spend the funding on.

6. Pros and Cons of Options

6.1 The pros and cons of the options are outlined in the following paragraphs.

Option a.

6.2 This option has the disadvantage of not enabling specific projects to be undertaken in the Motueka Ward, which the Community Board has identified as being important to the Motueka community. Option a would be going against the slight majority view of the Community Board members, which was supportive on retaining the proposal in the final Annual Plan.

6.3 Under this option the overall rates increase for the rateable properties in the Motueka community would be \$4.34 excluding GST less, which may be slightly more affordable for some ratepayers.

6.4 This option is not preferred.

Option b.

6.5 The advantage of option b is that it enables specific projects to be undertaken in the Motueka Ward, which the Community Board has identified as being important to the Motueka community, but which are not high enough in relation to District wide priorities to be funded at the District level.

6.6 Another advantage is that it would support the slight majority view of the Community Board on the proposal.

6.7 A disadvantage of this option is that it will increase the Motueka Ward rates by \$4.34 excluding GST per rateable property.

6.8 A further consideration relating to this option is that the Council will decide what the priority projects should be for the community based on the content of the eight submissions received through the Draft Annual Plan process.

6.9 This option is not preferred.

Option c.

6.10 The advantage of option c is that it enables specific projects to be undertaken in the Motueka Ward, which the Community Board has identified as being important to the Motueka community, but which are not high enough in relation to District wide priorities to be funded at the District level.

- 6.11 Another advantage is that it would support the slight majority view of the Community Board on the proposal. A further advantage is that it enables the Community Board to undertake further consultation prior to any decision being made on the specific projects and for the Board to make the final decision on the projects, subject to discussion with Council officers on how the projects will be undertaken and costings.
- 6.12 A disadvantage of this option is that it will increase the Motueka Ward rates by \$4.34 excluding GST per rateable property.
- 6.13 This is the preferred option.

7. Significance

- 7.1 This is not a significant decision according to the Council's Significance Policy because the value of the works is not above the Policy thresholds. Also, Council has consulted through the Draft Annual Plan on the proposal.

8. Recommendation/s

- 8.1 Staff recommend that Council adopts Option c.

9. Timeline/Next Steps

- 9.1 Staff will incorporate Council's decision in the final Annual Plan, which Council will consider adopting on or before 30 June 2011.

10. Draft Resolution

THAT the Tasman District Council:

- 1. Receives the Motueka Community Board Rate Report RCN11-06-06.**
- 2. Agrees to the Motueka Community Board targeted rate being included in the final Annual Plan at \$12.57 excluding GST per rateable property for the 2011/2012 year, including \$4.34 excluding GST of which is to be available to be spent on specific projects within the Motueka Ward.**
- 3. Requires the Motueka Community Board to undertake further consultation with the Motueka Ward community on what the funding generated from the \$4.34 excluding GST is to be spent on.**

- 4. Requires the Motueka Community Board to work with Council staff on the delivery and implementation of the projects.**
- 5. Asks staff to add wording into the final Annual Plan to reflect the Council's decisions in 2 and 3 of this resolution.**

Murray Staite
Corporate Services Manager