

CHATHAM ISLANDS COUNCIL

Minutes of the Special Meeting of the Chatham Islands Council, held in the Council Chambers, Tuku Road, Waitangi, on Thursday, 29 May 2008, commencing at 1.05 p.m.

PRESENT: His Worship the Mayor, Mr P F Smith, and Councillors
P R Christiansen, M Croon, B J Mills, N C Ryan and
E C Tuck.

IN ATTENDANCE: General Manager, Owen Pickles
Council Secretary, Lynette Pickles
Donna Gregory-Hunt, Chatham Islands Visitor Industry Group
Paula Page, Chatham Islands Visitor Industry Group

APOLOGIES: Apologies were received from Deputy Mayor,
A W M Preece, and Councillors A M Gregory-Hunt and
N J Whaitiri.

RESOLVED THAT the apologies from Deputy Mayor
Preece and Councillors Gregory-Hunt and Whaitiri be
received.

N C Ryan / E C Tuck CARRIED

1. Submission to the Draft Annual Plan 2008/2009 – Chatham Islands Visitor
Industry Group

A submission to the Draft Annual Plan was received from the Chatham Islands Visitor Industry Group. The Group was looking to establish a Regional Tourism Organisation (RTO) and was looking for financial support for this from the Chatham Islands Council, the Chatham Islands Enterprise Trust and from within the industry. The Council had been asked to set a targeted rate to reap \$20k towards a total budget of \$50k.

His Worship welcomed Donna and Paula to the meeting and invited them to speak to their submission. Donna stated that the submission was self-explanatory but they welcomed any questions Council had.

Cr Christiansen asked who should be targeted to pay under the targeted rate. Donna replied that they were looking at the commercial ratepayer, but there were grey areas as to who actually benefited from the tourists.

His Worship asked if the Group was looking at the management of the overall tourism business. Donna advised that they wanted to encourage co-operative marketing, but the on-island needs had to be sorted first. The Group needed to consult with the community to find out its aspirations. Marketing would occur approximately three years down the track and would include updating the

Chatham Islands website and updating brochures. The Group had a list of 25 tasks that needed to be attended to.

Paula stated that people within the industry paid for the upgrade of the last brochure, but there was a need to produce a much more informative publication. It would be the RTO that would drive this and other work.

Donna stated that they needed to find out what people wanted. Local input and investment into the establishment of an RTO would allow access to other funding options.

Cr Mills suggested that the views of the community could be sought in conjunction with the current updating of the Taylor Baines Report.

Cr Croon suggested that a measure could be built in to the Council's community outcomes covering the community values and way of life, something the people of the Chatham Islands do not want to see ruined.

His Worship suggested that Council could look at a one-off grant instead of setting a targeted rate and that it should be matched or bettered by the Chatham Islands Enterprise Trust. This could then be used as seeding money to hook into other funding outlets. Cr Croon stated that she would also like to see evidence of industry support for the establishment of an RTO.

Cr Ryan questioned what 'teeth' the organisation would have on the island to lead tourism.

The General Manager was asked for his views on the submission. He advised that as he was a member of the Chatham Islands Visitor Industry Group, he had to remain impartial. Councillor Tuck advised that she wished to declare an interest as she was also a member of the Group.

His Worship moved that the Chatham Islands Council offer a one-off grant of \$20,000 to establish a Regional Tourism Organisation, subject to the Chatham Islands Enterprise Trust matching or bettering the Council's offer, and there being strong evidence of industry support for the RTO. This was seconded by Cr Croon.

Cr Mills moved an amendment to state that the Chatham Islands Council would match local visitor operator's financial contributions up to a maximum of \$5,000. As there was no seconder, the motion lapsed.

RESOLVED THAT the Chatham Islands Council offer a one-off grant of \$20,000 for the establishment of a Regional Tourism Organisation, subject to:

1. The Chatham Islands Enterprise Trust matching or bettering the Council's offer; and
2. There being strong evidence of industry support for the establishment of a Regional Tourism Organisation.

P F Smith / M Croon CARRIED

Donna Gregory-Hunt and Paula Page departed the meeting at 1.50 p.m.

Striking of Rates and Adoption of 2008/09 Annual Plan

An Addendum to Clause 1 was presented to Council covering the striking of the rates for 2008/09 and the adoption of the 2008/09 Annual Plan.

The General Manager advised that as the hearing of the one submission to the 2008/09 Draft Annual Plan had taken place, Council was now in a position to strike the rates and adopt the Annual Plan for 2008/09.

Cr Mills stated that the rate increase of 6.82% recognised that Council needed to undertake extra work during the year. While ratepayers had paid a little extra over the past couple of years for the completion of projects, they were getting much more with the assistance of Government funding. The General Manager advised that there had been no feedback about the increase, despite it being well publicised in Council's publications.

RESOLVED THAT Council adopt the 2008/09 Annual Plan with the following amendments:

1. the amount of Government funding be altered to reflect what was actually received (as confirmed in the letter received from Hon Nanaia Mahuta, Minister of Local Government, dated 22 May 2008);
2. a budget line be added under the Community Support Heading "Chatham Islands Visitor Industry Group \$20,000",

AND FURTHER, THAT the following resolution, to set the rates for 2008/09, also be adopted:

"General Rates – THAT a general rate be set in accordance with Section 13 of the Local Government (Rating) Act 2002, made on every rating unit based on the capital value of each rating unit in the Territory. The general rate will be set on a differential basis based on land use. The categories are:

- Infrastructure will be charged 4.9% of the general rate
- Industrial will be charged 14.3% of the general rate
- Commercial will be charged 11% of the general rate
- Rural and Residential will be charged 69.8% of the general rate.

This will result in the following rates being assessed for 2008/09 and include GST:

<u>Land Use</u>	<u>Rate</u>	<u>Total Collected</u>
Infrastructure	0.002523	\$ 10,487
Industrial	0.005004	\$ 30,604
Commercial	0.003372	\$ 23,541
Rural and Residential	0.001894	\$149,381

TOTAL GENERAL RATE COLLECTION \$214,013

Targeted Rates – **THAT** Council set targeted rates based on a variety of rating bases as follows:

Water Supply Rate – A targeted rate for the public water supply serving the Waitangi township in accordance with Section 16 of the Local Government (Rating) Act 2002. Rating units not connected to this scheme are not liable for this rate. The rates for the 2008/09 year are:

\$543.86 per connection, which will collect \$46,229 (GST inclusive).

Sewerage Disposal Rate – A targeted rate for sewerage disposal based on each pan connected to the public sewerage scheme in the Waitangi township in accordance with Section 16 of the Local Government (Rating) Act 2002. Rating units that are not connected to the scheme are not liable for this rate. The rates for the 2008/09 year are:

\$551.47 per pan, which will collect \$56,250 (GST inclusive).

Sanitation Rate – A targeted rate for sanitation (waste management) activities. This rate will be charged to all rating units on Chatham Island in accordance with Section 16 of the Local Government (Rating) Act 2002. The Council will, in accordance with its Rates Remission Policy, remit rates on rating units that do not contain a residence or building. The rates for the 2008/09 year are:

\$124.33 per unit, which will collect \$43,142 (GST inclusive).

Roading Rate – A targeted rate on all rating units in accordance with Section 16 of the Local Government (Rating) Act 2002. This will lessen the effect of the capital value rate as it relates to roading. The rates for the 2008/09 year are:

\$110.14 per unit, which will collect \$47,250 (GST inclusive).

FURTHER RECOMMENDED THAT in accordance with Section 23 of the Local Government (Rating) Act 2002 that the Chatham Islands Council collect \$406,884 (GST inclusive) in rates for the 2008/09 year,

THAT in accordance with Section 24 of the Local Government (Rating) Act 2002 the Chatham Islands Council collect the 2008/09 rates in three instalments, due on the following dates:

01 September 2008

01 January 2009

01 May 2009,

AND THAT in accordance with Section 57 of the Local Government (Rating) Act 2002 the Chatham Islands Council instruct its General Manager to apply the following penalties on unpaid rates:

1. A 10% penalty on any instalment No. 1 charges which remain unpaid after 14 October 2008.

2. A 10% penalty on any instalment No. 2 charges which remain unpaid after 14 February 2009.
3. A 10% penalty on any instalment No. 3 charges which remain unpaid after 14 June 2009.
4. A further penalty of 10% will be applied to all amounts that remain unpaid on 30 June 2009.”

B J Mills / E C Tuck CARRIED

2. Chatham Islands Council Financial Assistance Package

A copy of a letter was presented from the Minister of Local Government Hon Nanaia Mahuta, advising that the Government had agreed to continue financial assistance to the Council from 2008/09 onwards. The levels of assistance were consistent with the Annual Plan assumptions and the budgets submitted to, and negotiated with, officials in November 2007.

His Worship thanked the General Manager for all his work, culminating in negotiations with officials from the Department of Internal Affairs, to attain the Government funding. The General Manager stated that it was not just himself, but a combination of many hours of work over more than a year by a number of people. He was pleased to see that the Council had received all the funding required to meet the Annual Plan budgets as published.

RESOLVED THAT

1. the Government's continued funding support be acknowledged in the Annual Plan document; and
2. His Worship the Mayor write to Hon Nanaia Mahuta acknowledging the Government's agreement to continue financial assistance to the Chatham Islands Council.

E C Tuck / M Croon CARRIED

CLOSURE:

Meeting Closure

There being no further business, the meeting was declared closed at 1.59 p.m.

CONFIRMED THIS 10th DAY OF JULY 2008

MAYOR