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**Minutes of a meeting of the  
Nelson City Council  
*Te Kaunihera o Whakatū***

**Held in the Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson on Thursday 22 June 2023, commencing at 9.05a.m.**

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Present: His Worship the Mayor N Smith (Chairperson), Councillors M Anderson, M Benge, T Brand, M Courtney, J Hodgson, R O'Neill-Stevens (Deputy Mayor), K Paki Paki, P Rainey, C Rollo, R Sanson, T Skinner and A Stallard

In Attendance: Chief Executive (N Philpott), Group Manager Infrastructure (A Louverdis), Group Manager Environmental Management (M Bishop), Group Manager Community Services (A White), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne) and Assistant Governance Adviser (A Bryce-Neumann)

Apologies : Nil

**Karakia and Mihi Timatanga**

**1. Apologies**

**2. Confirmation of Order of Business**

There was no change to the order of business.

**3. Interests**

There were no updates to the Interests Register. Councillor Rainey subsequently declared an interest in Item 7: Temporary exemption from payment for parking in the Inner City during winter months (clause 3 of the amended officer's recommendation), and abstained from voting on this relevant clause.

**4. Public Forum**

There was no public forum.

## 5. Adoption of Schedule of Fees and Charges 2023/24

Document number R27542, agenda pages 11 - 33 refer.

Group Manager Environmental Management, Mandy Bishop, and Policy Adviser, Ailish Neyland, took the report as read.

Resolved CL/2023/150

### ***That the Council***

1. ***Receives the report Adoption of Schedule of Fees and Charges 2023/24 (R27542) and its attachment (1598046314-107); and***
2. ***Notes that staff have incorporated in the Schedule of Fees and Charges 2023/24 the decisions made at the deliberations meeting on 25 May 2023 following public consultation between 29 March and 30 April 2023; and***
3. ***Adopts the Schedule of Fees and Charges 2023/24 (1598046314-107) that require Council approval; and***
4. ***Notes that staff will notify submitters of Council's decisions on the Schedule of Fees and Charges 2023/24.***

Courtney/Rainey

Carried

## 6. Adoption of the Annual Plan 2023/24 and setting of the rates

Document number R27507, agenda pages 34 - 145 refer.

Group Manager Strategy and Communications, Nicky McDonald, Group Manager Corporate Services, Nikki Harrison and Senior Policy Adviser, Louis Dalzell, took the report as read.

Ms Harrison answered questions on how unbudgeted funds would be treated should this be required in future, noting if the funds could not be offset they would remain on the balance sheet as debt.

In response to discussion on how the cost of the August 2022 storm event recovery funding was spread across three years, His Worship the Mayor Hon Dr Smith tabled a letter from the Minister for Local Government which declined his request for funding support (1118544611-7155).

At the request of the Group Managers the recommendation was taken in parts, with administrative clauses 1 – 9 being put separately.

Resolved CL/2023/151

***That the Council***

- 1. Receives the report Adoption of the Annual Plan 2023/24 and setting of the rates (R27507) and its attachment (839498445-14676); and***
- 2. Notes that staff have incorporated in the Annual Plan 2023/24 (839498445-14676) the decisions made at the deliberations meeting on 25 May 2023, which followed public consultation between 29 March and 30 April 2023; and***
- 3. Notes, in accordance with section 80 of the Local Government Act 2002, that:***
  - a. aspects of the work programme, rates increases, and debt projections in the Annual Plan 2023/24 are significantly inconsistent with the Long Term Plan 2021-2031 and the Financial Strategy; and***
  - b. the reasons for the inconsistency with Council's Long Term Plan and Financial Strategy are largely due to costs of recovery from the August 2022 severe weather event, inflationary pressures, rising interest costs, bringing forward funding for projects to take advantage of available Government financial support, and decisions to respond to the changing needs of the Nelson community; and***
  - c. there is no intention to amend the Long Term Plan or Financial Strategy to accommodate the decisions at this time, as they will feed into the Long Term Plan 2024-2034 process that has already commenced; and***
- 4. Notes that, having had regard to the matters in section 100(2) of the Local Government Act 2002, and as approved in the Long Term Plan 2021-2031, the setting of an unbalanced budget in the Annual Plan 2023/24 remains prudent given the ongoing effects of the COVID-19 pandemic on the local economy and ratepayers and further notes that, more recently, Council budgets have been impacted by unforeseen additional costs associated with the August 2022 severe weather event and the sharp rise in inflation and interest costs; and***

5. ***Approves maintaining the commercial differential to collect 22.6% of total rates (excluding the water annual charge and water volumetric rate) for 2023/24; and***
6. ***Adopts the Annual Plan 2023/24 (839498445-14676) in accordance with section 95 of the Local Government Act 2002; and***
7. ***Delegates to the Mayor and Chief Executive to make any necessary minor editorial amendments prior to the public release of the Annual Plan 2023/24 ; and***
8. ***Notes that staff will notify submitters of Council's decisions on the Annual Plan 2023/24; and***
9. ***Notes that Council must adopt the Funding Impact Statement for the 2023/24 financial year contained within the Annual Plan 2023/24, prior to setting the rates.***

Courtney/Benge

Carried

Resolved CL/2023/152

***That the Council***

10. ***Sets the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2023 and ending on 30 June 2024.***

***The revenue approved below will be raised by the rates and charges that follow.***

***Revenue approved:***

<b><i>General Rate</i></b>	<b><i>\$50,875,552</i></b>
<b><i>Uniform Annual General Charge</i></b>	<b><i>\$6,991,104</i></b>
<b><i>Stormwater and Flood Protection Charge</i></b>	<b><i>\$10,583,927</i></b>
<b><i>Waste Water Charge</i></b>	<b><i>\$11,906,937</i></b>
<b><i>Water Annual Charge</i></b>	<b><i>\$4,335,443</i></b>
<b><i>Water Volumetric Charge</i></b>	<b><i>\$10,116,034</i></b>
<b><i>Rates and Charges (excluding GST)</i></b>	<b><i>\$94,808,997</i></b>

**Goods and Services Tax (at the current rate)**  
**\$14,221,350**

**Total Rates and Charges**                    **\$109,030,347**

**The rates and charges below are GST inclusive.**

**(1) General Rate**

**A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:**

- **a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential – single unit" category.**
- **a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential empty section" category.**
- **a rate of 0.40989 cents in the dollar of land value on every rating unit in the "single residential unit forming part of a parent valuation, the remainder of which is non-rateable" category. This represents a plus 10% differential on land value.**
- **a rate of 0.40989 cents in the dollar of land value on every rating unit in the "multi residential" category. This represents a plus 10% differential on land value.**
- **a rate of 1.25407 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 236.5465% differential on land value.**
- **a rate of 1.03368 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 25% residential and 75% commercial" category. This represents a plus 177.4% differential on land value.**
- **a rate of 0.81345 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 50% residential and 50%**

**commercial" category. This represents a plus 118.3% differential on land value.**

- **a rate of 0.59285 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 75% residential and 25% commercial" category. This represents a plus 59.1% differential on land value.**
- **a rate of 1.79059 cents in the dollar of land value on every rating unit in the "commercial inner city" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 380.527% differential on land value.**
- **a rate of 1.43612 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 25% residential and 75% commercial" category. This represents a plus 285.4% differential on land value.**
- **a rate of 1.08174 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 50% residential and 50% commercial" category. This represents a plus 190.3% differential on land value.**
- **a rate of 0.72700 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 75% residential and 25% commercial" category. This represents a plus 95.1% differential on land value.**
- **a rate of 1.51564 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 100% commercial and industrial (occupied and empty)" category. This represents a plus 306.74% differential on land value.**
- **a rate of 1.23005 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 25% residential and 75% commercial" category. This represents a plus 230.1% differential on land value.**
- **a rate of 0.94424 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 50% residential and**

**50% commercial" category. This represents a plus 153.4% differential on land value.**

- **a rate of 0.65844 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 75% residential and 25% commercial" category. This represents a plus 76.7% differential on land value.**
- **a rate of 0.24221 cents in the dollar of land value on every rating unit in the "rural" category. This represents a minus 35% differential on land value.**
- **a rate of 0.33537 cents in the dollar of land value on every rating unit in the "small holding" category. This represents a minus 10% differential on land value.**

## **(2) Uniform Annual General Charge**

**A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$320.00 per separately used or inhabited part of a rating unit.**

## **(3) Stormwater and Flood Protection Charge**

**A targeted rate under section 16 of the Local Government (Rating) Act 2002 of \$557.35 per rating unit, this rate is payable by all ratepayers excluding rural rating units, rating units east of the Gentle Annie saddle, Saxton's Island and Council's stormwater network.**

## **(4) Waste Water Charge**

**A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:**

- **\$619.31 per separately used or inhabited part of a residential, multi residential, rural and small holding rating units that is connected either directly or through a private drain to a public waste water drain.**
- **For commercial rating units, a waste water charge of \$154.83 per separately used or inhabited part of a rating unit that is connected either directly or through a private drain to a public waste water drain.**

**Note: a trade waste charge will also be levied.**

**(5) Water Annual Charge**

**A targeted rate for water supply under section 16 of the Local Government (Rating) Act 2002 on each rating unit connect to the water supply, of:**

**Water charge (per connection)      \$228.24**

**(6) Water Volumetric Rate**

**A targeted rate for water provided under section 19 of the Local Government (Rating) Act 2002, of:**

**Price of water:**

**Usage up to 10,000 cu.m/year      \$2.345 per m<sup>3</sup>**

**Usage from 10,001 – 100,000 cu.m/year      \$2.006 per m<sup>3</sup>**

**Usage over 100,000 cu.m/year      \$1.583 per m<sup>3</sup>**

**Summer irrigation usage over 10,000 cu.m/year      \$2.175 per m<sup>3</sup>**

**(7) Low Valued Properties Remission Value**

**In accordance section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, Council sets the land value for the Low Valued Properties Rates Remission at \$10,000.**

**Other Rating Information:**

**Due Dates for Payment of Rates**

**The above rates (excluding water volumetric rates) shall be payable in four instalments on the following dates:**

<b>Instalment Number</b>	<b>Instalment Date</b>	<b>Due Date for Payment</b>	<b>Penalty Applied</b>
<b>Instalment 1</b>	<b>25 July 2023</b>	<b>21 August 2023</b>	<b>25 August 2023</b>



<b>Instalment 2</b>	<b>25 October 2023</b>	<b>20 November 2023</b>	<b>24 November 2023</b>
<b>Instalment 3</b>	<b>25 January 2024</b>	<b>20 February 2024</b>	<b>26 February 2024</b>
<b>Instalment 4</b>	<b>26 April 2024</b>	<b>20 May 2024</b>	<b>24 May 2024</b>

**Rates instalments not paid on or by the Due Date for Payment above will incur penalties as detailed in the section "Penalty on Rates".**

**Due Dates for Payment of Water Volumetric Rates**

**Water volumetric rates shall be payable on the following dates:**

<b>Billing Month</b>	<b>Due Date for Payment</b>
<b>July 2023</b>	<b>21 August 2023</b>
<b>August 2023</b>	<b>20 September 2023</b>
<b>September 2023</b>	<b>20 October 2023</b>
<b>October 2023</b>	<b>20 November 2023</b>
<b>November 2023</b>	<b>20 December 2023</b>
<b>December 2023</b>	<b>22 January 2024</b>
<b>January 2024</b>	<b>20 February 2024</b>
<b>February 2024</b>	<b>20 March 2024</b>
<b>March 2024</b>	<b>22 April 2024</b>
<b>April 2024</b>	<b>20 May 2024</b>
<b>May 2024</b>	<b>20 June 2024</b>
<b>June 2024</b>	<b>22 July 2024</b>

**Penalty on Rates**

**Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the council authorises the following penalties on unpaid rates (excluding volumetric water rate accounts) and delegates authority to the Group Manager Corporate Services to apply them:**

- a charge of 10% of the amount of each rate instalment remaining unpaid after the due date stated above, to be added on the penalty date as shown in the above table and also shown on each rate instalment notice.**
- a charge of 10% will be added on 10 July 2023 to any balance from a previous rating**

**year (including penalties previously charged) remaining outstanding on 1 July 2023.**

- **a further additional charge of 10% will be added on 11 January 2024 to any balance from a previous rating year (including penalties previously charged) to which a penalty has been added according to the bullet point above, remaining outstanding on 10 January 2024.**

#### **Penalty Remission**

**In accordance with section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, the Council will approve the remission of a penalty where the criteria of the policy has been met.**

#### **Payment of Rates**

**Rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Thursday and Friday and 9.00am to 5.00pm Wednesday.**

**Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then to current year rates due.**

O'Neill-Stevens/Hodgson

Carried

#### **Attachments**

1 1118544611-7155 Ministerial response to Mayor Nick Smith

## **7. Temporary exemption from payment for parking in the Inner City during winter months**

Document number R27760, agenda pages 146 - 150 refer.

Group Manager Infrastructure, Alec Louverdis, Senior Adviser - Mayor and Councillors Office, Stephen Rainbow and Manager Uniquely Nelson, Simon Duffy, took the report as read, noting the proposal was one part of a broader package of city centre support.

Mr Duffy advised there were compounding pressures on businesses, noting nine central city businesses would be closing within three to four months. He answered questions on components for energising the

central business district, including a domestic and nationwide campaign with the airport.

During discussion additional support for activating the city centre was discussed and Councillor O'Neill-Stevens proposed an amended officer's recommendation to include a winter activation fund. Councillor Rainey further proposed investigation of a city centre retail strategy to inform the Long Term Plan.

Mr Rainbow confirmed the proposal was a temporary measure to support activation of the city centre.

The meeting adjourned from 10.23a.m. until 10.34a.m.

His Worship the Mayor Hon Dr Smith moved the amended officer's recommendation, seconded by Councillor O'Neill-Stevens.

Councillor Rainey declared a conflict of interest on clause 3 of the motion and requested it be taken in parts to allow him to abstain from voting on that clause.

The motion was taken in parts and Councillor Rainey abstained from voting on clause 3 – to establish a City Centre Winter Activation Fund.

Resolved CL/2023/153

***That the Council***

- 1. Receives the report Temporary exemption from payment for parking in the Inner City during winter months (R27760); and***
- 2. Notes the economic challenges facing city centre businesses and the community; and***
- 3. Establishes a City Centre Winter Activation Fund of \$20,000 from existing city development operating budgets for 2023/24 to:***
  - a) Support events and projects that attract residents to the city centre over the winter months;***
  - b) That events and projects supported by the fund are delivered by local community members or organisations; and***
- 4. Delegates disbursement of the City Centre Winter Activation Fund to staff in consultation with Uniquely Nelson and Chair of the City Centre Business Forum; and***
- 5. Approves that city centre parking be exempted from payment from 3.00p.m. to 5.00p.m. between 1 July***

***and 31 October 2023 as a temporary measure to support city centre businesses; and***

- 6. *Requests that consideration be given by the City Centre Business Forum and through the Long Term Plan to the development of a City Centre Retail Strategy.***

His Worship the Mayor/O'Neill-Stevens

Carried

### **Karakia Whakamutanga**

There being no further business the meeting ended at 11.20a.m.

Confirmed as a correct record of proceedings by resolution on 6 July 2023.

That the Council

1. Confirms the minutes of the meeting of the Council, held on 22 June 2023, as a true and correct record.