

Borrowing to reduce the rate rise

- 1.8 Council supports the use of borrowing to fund the development of plans which have a life span of at least 10 years. Council has taken this approach in the past to fund the District Plan, and believes it is an appropriate use of the funding tools that are available to councils.
- 1.9 Council strongly supports the principle of inter-generational equity – spreading costs across the ratepayers that will benefit across the years the plans/asset will be in use. Funding long term plans using this method is consistent with this principle.
- 1.10 Council views the use of loan funding for these high-cost plans as an important tool to help reduce the significant rate rise in Year 1, and subsequent years - helping to increase the affordability of rates.

Uniform Annual General Charge (UAGC)

- 1.11 The Revenue & Financing Policy appears to take the view that properties with a higher capital value (CV) have an increased ability to afford higher rates. While Council acknowledges that the general rate must be used in some cases, disagrees with this assumption.
- 1.12 Council opposes the low use of the Uniform Annual General Charge (UAGC) and recommends that Environment Canterbury increases its use of this rating tool.
- 1.13 It is noted that the Draft Revenue and Financing Policy states that targeted rates are used to *‘ensure that the cost of an activity is borne by the group(s) deemed to derive most benefit from it, or who contributed to the need for the activity’*. Council agrees with this statement, however, considers this principle has not been applied consistently. The following list of work has been identified that Council believes could be funded in an alternative way.

Water and land portfolio

- *Working together for healthy land and water* – this is a people focussed activity leading the Canterbury Water Management Strategy collaborative arrangements with rūnanga, zone committees and other key organisations. Council suggests this is moved from the General Rate to the UAGC, or targeted UACs are created per zone committee.
- *Stewardship of land and water* – this is a people focussed activity reviewing water and land campaigns and implementation programmes. Council suggests this is moved from the General Rate to the UAGC.
- *Freshwater resilience* – this is a people focussed activity, supporting intergenerational multi-stakeholder catchment-based key projects that restore freshwater environments and build community support. Council suggests this is moved from the General Rate to the UAGC.

Biosecurity and Biodiversity

- *Leading and partnering for biodiversity outcomes* – this is a people focussed activity enabling, leading and supporting partnerships. Council suggests moving this from the General Rate to the UAGC.

Climate Change and Community Resilience

- *Leading community resilience* – this is an activity focussed on collecting data to better communicate natural hazard information to people. As this is people focussed, Council suggests the UAGC rather than General Rate would be more appropriate.
- *Managing the coastal environment* – not all areas of Canterbury will be affected by climate change coastal environments and we therefore, do not see the general rate as being appropriate to fund this activity. Council suggests either a targeted rating system or the UAGC would be more appropriate.
- *Climate change resilience* – this is a people focussed activity, involving engaging with stakeholders and the community. Therefore, Council suggests it would be more appropriately funded through the UAGC.

Regional and Strategic Leadership

- *Tuia partnership* – this is a people focussed activity strengthening and building the relationship with Papatipu Rūnanga of Canterbury. Council suggests this is more appropriately funded through the UAGC.
- *Engagement and influence* – this is a people focussed activity focussed on greater engagement and building of relationships. Council agrees that the youth engagement activities should be funded through the UAGC, but also views the cost of stakeholder engagement should be funded in the same way – through the UAGC.
- *Investing for the future* – this activity covers the delivery of the long-term and annual plans. All residents create a need for this activity, and therefore, Council sees it would be more appropriately funded through the UAGC than the general rate.

Fees and charges

- 1.14 Council agrees with the use of fees and charges for activities where an individual directly benefits rather than a group or community as a whole.
- 1.15 Therefore, Council supports the proposal to use fees and charges to pay for activities such as consents, compliance and monitoring.

Transforming Public Transport

- 1.16 Council notes the inclusion of \$5,093 in the draft plan for our Community Vehicle Trust. Council thanks Environment Canterbury for the inclusion of this funding and wishes to note its support for the continuation of this program.
- 1.17 Council notes the continued funding of the Ashburton (Total Mobility only) of \$34,742 in 2021/22. For our eligible residents with accessibility issues this program enhances their quality of life, therefore we support this remaining in the ten year plan also.

Hekeao Hinds Managed Aquifer Recharge (MAR) project

- 1.18 This project has shown success in reducing nitrates and increasing groundwater supplies in the areas adjacent to the current sites. Therefore, Council supports the inclusion of funding towards the Hekeao Hinds MAR project in Year1 of the draft Long-Term Plan 2021-22 as stated in the corrected consultation information released on 30 March.

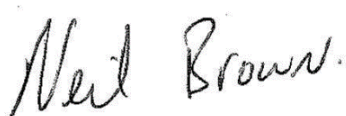
- 1.19 Council notes that the consultation document showed significant impact on our local community rates beyond year 2. While Council acknowledges that this was corrected and the impact is less significant, we remain concerned that the community will be unaware of the rate impacts from the inclusion of extra funding. Before any commitment is made by Environment Canterbury to enhance Year 2 funding for the Hekeao Hinds MAR project, we implore you to **directly** consult with the affected properties (in the Upper, Lower A and Lower B rating zones) of the local Hinds Plains community between the Ashburton and Rangitata Rivers.
- 1.20 The proposal to provide enhancements to the project from Year 2 would result in a considerable increase to rates for Lower A and B rating zone properties in our district, as highlighted in the table below.

	Property with \$830,000 CV	Property with \$9m CV	Property with \$10.4m CV
Current 2020/21 rate	\$402	\$4,280	\$6,214
2021/22 rate (Year 1 LTP - option 2)	\$728	\$7,675	\$10,489
2022/23 LTP (Year 2 @9% increase)	\$794	\$8,365	\$11,433
2022/23 LTP (Year 2 increase inc HHMAR enhancements)	\$879	\$9,288	\$12,868

North-east Ashburton water quality

- 1.21 Along with community members, Council is concerned about the quality of the water in the North-east Ashburton area. This area of the district obtains drinking water through wells, which are showing increasing levels of nitrates and E Coli.
- 1.22 It has been indicated that local industry may be responsible for the degradation of the ground water in this area. Council requests that Environment Canterbury continues to monitor closely compliance with consents for the local industry, to ensure groundwater degradation does not continue.

Ashburton District Council thanks Environment Canterbury for the opportunity to provide this submission. We do wish to be heard in support of this submission.



NEIL BROWN

Mayor



HAMISH RIACH

Chief Executive