

Key Issues *Overview*

Rating Review

The Central Government Rates Inquiry reported back in August 2007 – but since then there has been little official comment nor are there any projected legislative changes which could impact on the 2008/2009 rates strike.

The Inquiry made it clear it favoured rating based on capital values, with a greater reliance on user pays and a phasing out of differential rates and fixed charges.

Council initiated a survey in late 2007 to gauge ratepayers views on the fundamental drivers of our Funding Impact Statement (ie the way in which rates are levied on ratepayers. Changes to the Funding Impact Statement would require public consultation).

It is Council's view that the comments received from the survey – which also included feedback on Council's strategic direction and the Levels of Service it provides to ratepayers, should form part of the three yearly review of our 10 year Plan. In this manner a more comprehensive approach to operating costs and the setting of rates, can be achieved as Council will have a much more informed view of its future costs – including issues such as the very expensive waste water upgrades required by our consents.

Rating Changes

Council proposes to raise \$15.64m (inclusive - \$13.91 exclusive) in rates in 2008/2009 – an overall increase of 8.8% which is marginally lower than that forecast in the 2006/2016 LTCCP.

This increase takes account of inflation – the Construction Index currently running at between 4 and 5% (Between December 2006 and December 2007 the bitumen price alone rose 20%).

It is expected that the rate rise will be shared much more consistently in 2008/2009 than in the previous financial year where the three yearly property revaluations caused a number of variations through higher than average property value changes.

Solid Waste/Landfill

The cost of disposal of solid waste, landfill operations and recycling are unlikely to ever be fully recovered on a user pays basis and there is therefore an ongoing focus on the costs of these operations and opportunities for increasing revenue streams. This Plan reflects likely contract cost escalations as three main contracts are due for renewal in July 2008, as well as making allowance for costs likely to be passed on by Central Government's proposed Waste Minimisation Bill.

Solid Waste operations were targeted in the late 2007 Council survey and responses will be factored in to the 2009/2019 Community Plan review.

However on a positive side, plans are advanced to sell Landfill space to the Tararua District Council (while retaining the 50+ year life of the Landfill) as well as setting up a shared services contract for kerbside refuse and recycling collection.

Key Issues *Overview continued*

Coastal Plan

The Central Hawke's Bay District Council Coastal Strategy was adopted by Council during October 2007. The Strategy outlines implementation possibilities and the Council will assess priorities. Some matters that benefit the Coastal Community and warrant urgency will be progressed by a Council initiated Plan Change this year. Other matters that require further investigation will be considered as part of the District Plan review process prior to 2013.

District Plan Changes

The Council will also undertake a review of the current items and provisions within the District Plan, consult with affected/interested parties and initiate a change to the District Plan where deemed appropriate.

A list of specific aspects of the District Plan which Council intends to review are listed below –

- Further progress and finalise a plan change addressing Faultlines up to the stage of this becoming operative.
- Initiation of any appropriate plan changes arising from any urgent matters within the adopted Coastal Strategy.
- Initiation of consultation and the possible undertaking of a plan change addressing carparking within the CBD's of Waipawa and Waipukurau.
- Initiation of plan change to rationalise road upgrading contributions within the District Plan and remove any redundant financial contributions from the District Plan where the matters are being funded from the Council's adopted Development Contribution Policy.
- The undertaking of a review of the Regional Council's latest Natural Hazard technical investigations and initiation of a Natural Hazard review of the District Plan focusing on flooding hazards. If the Council supports the data, affected parties will be consulted and changes to the District Plan will be initiated to minimise and where appropriate avoid development in areas subject to likely damage from inundation from our rivers.
- Undertaking minor changes to the District Plan which will improve certainty when administering the District Plan. For example updating roading construction standards and driveway formation controls.

Growth Strategies and other Planning Projects

In conjunction with a review of the 2009/2019 LTCCP and a necessary requirement for longer term planning strategies – the following have been identified as key issues to be considered –

- Investigate options and adopt a review programme for growth strategies for the settlements within the district. This will form part of the District Plan review and particularly address heritage character development for Onga Onga and Tikokino, and rural residential growth to the south of Waipukurau township.
- Undertake investigations on the preservation and enhancement of rural character. This may include a consultation programme to assess issues.
- To facilitate discussions with landowners, tangata whenua, DOC, the Hawke's Bay Regional Council and other stakeholders on the protection and enhancement of Lake Hatuma.

Key Issues *Overview continued*

Water Conservation

In order to address the important issue of water conservation, Council intends to promote operational savings and education programmes that would improve the conservation of water for the benefit of the Community.

Waste Water Consents

New consents have already been granted for the Otane, Waipukurau and Waipawa waste water discharges and the Porangahau/Te Paerahi consent applications await Hawke's Bay Regional Council approval.

The Otane, Waipukurau and Waipawa consents require Council to meet various criteria and timelines.

The status of the consents is given below. The full impact and funding requirements will require to be included in the 2009/2019 Community Plan update.

Otane

Council will consider options and decide on a final option for the upgrading of the Otane oxidation pond. The upgrade will enable the pond to meet resource consent requirements in the future including allowing for the expansion of Otane. A report on this decision will be delivered to the Hawke's Bay Regional Council by December 2008.

Design will then be carried out and a resource consent application applied for, and the physical work must be completed by December 2011.

Waipukurau and Waipawa

Council will consider options and decide on a final option for the upgrading of the Waipukurau and Waipawa wastewater treatment plants. The upgrade will enable the pond to meet resource consent requirements in the future. A report on this decision will be delivered to the Hawke's Bay Regional Council by December 2008.

Design will then be carried out and resource consent applications applied for (if necessary), and the physical work must be completed by September 2014.

Porangahau and Te Paerahi

Hearings on Council's applications for renewal of resource consents are expected to be held in 2008. Council proposes to improve the wetlands and install baffles in the existing ponds at both treatment plants. The timing of this work will depend on the result of the resource consent hearing.

Key Issues *Overview continued*

Waipawa Pool

Council was concerned that the Waipawa pool may be at the end of its economic life – a reality facing many public pools of a similar age and construction in New Zealand.

Investigations have shown that this is not the case and during 2007/2008, some maintenance has been performed to allow the reopening of the pool.

The likely ongoing costs will therefore be considered as part of the 2009/2019 Community Plan update and the Community will be consulted on any significant change in costs or funding which might be required. (also see page 15).

Waipawa Town Hall

Council has acknowledged that the Waipawa Town Hall upgrade should be recognised as a significant fund raising target in the next 1 – 5 years, and certainly within the context of the 2010 - 150 year anniversary of the town. The Hall is significant not only to Waipawa, but also for the overall benefit of the District. Concept plans for the Hall's refurbishment are currently being completed and a public meeting to discuss this and other anniversary ideas was held in late 2007.

Further meetings are planned and may form part of future plans for community consultation.