



**WHANGANUI
DISTRICT COUNCIL**
Te Kaunihera a Rohe o Whanganui

Revenue & Financing Policy 2022/23

Submissions Received

Revenue and Financing Policy

Speaking

ID	9
reference	295051343221602
First name	Adrienne
Last name	Cook
Organisation	Federated Farmers of New Zealand
Role	Regional Policy Advisor

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Attachments

Federated Farmers of NZ.pdf

Submission method Online

SUBMISSION

TELEPHONE 0800 327 646 | WEBSITE WWW.FEDFARM.ORG.NZ



To: **WHANGANUI DISTRICT COUNCIL**
101 Guyton Street,
WHANGANUI

Submission on: Whanganui District Council Annual Plan 2022/23, Long-Term Plan amendment, and the Revenue and Financing Policy

Date: 2 May 2022

Contact: **MIKE CRANSTONE**
PROVINCIAL PRESIDENT WHANGANUI
Federated Farmers of New Zealand

ADRIENNE COOK
POLICY ADVISOR (REGIONAL) (primary contact)
Federated Farmers of New Zealand
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1. The Whanganui Province of Federated Farmers (Federated Farmers) welcomes the chance to submit on the Whanganui District Councils (the Council) Annual Plan 2022/23, Long-Term Plan amendment, and the Revenue and Financing Policy. We acknowledge any submissions made by individual members of Federated Farmers.
2. We would like to be heard in support of our submission.

SUBMISSION

3. We understand that during the long-term plan and this year's annual plan there has been considerable level of pressure due to external factors such as COVID, inflation, and central government implications on three waters and other reforms.
4. Rates are among the top ten operational expenses of a farming business. They are a source of considerable financial pressure for all farmers. Federated Farmers makes submissions on APs and LTPs to ensure Councils exercise fiscal prudence, and consider affordability, fairness, and

equity issues when recovering rates (to the extent this is possible in land and capital value rating systems).

5. Our submission covers the following points:
 - Kerbside Collection (recycling and food waste)
 - Fees and Charges
 - Revenue and Financing Policy

Key Issues

Kerbside Collection (recycling and food waste)

6. We **oppose** the start-up costs of the kerbside collection (for recycling and food waste) to be funded from the general rate. We are pleased to see that partial funding will come from waste levies and a loan; however, a portion of the set-up costs will be funded from the general rate. We suggest that the proposed loan includes the start-up costs, with a portion of targeted rates paying back the loan over the lifespan of the loan. This would ensure that the proposed introduction of kerbside recycling and food waste was funded through user pays, and through the waste levy.
7. We wish to outline the importance of targeting the right ratepayers which utilise the service. Funding of the start-up of the kerbside collection should be a targeted rate on those property owners who will benefit from the new kerbside recycling collection services. There are no kerbside recycling collection services in rural areas, and farmers must therefore dispose of their own domestic and farm recycling at their own expense. It is highly unfair to expect farmers to pay an increase on their general rate for the start-up of a service that they do not get, while also having to pay for their own recycling disposal.
8. We **highlight** that further funding is coming towards the council's waste minimisation funds, with half of the proposed \$60 /ton landfill levy being returned to councils. We think that it is appropriate to further utilise the current funds for setup costs.
9. Federated Farmers **supports** the Councils targeted rate (from 2023/24 onwards) for the kerbside recycling. This is important to farmers, who do not benefit from the Council's service.
10. There is no commentary from the Council to indicate if rural communities, such as Fordell, have been surveyed to see if they wish to be included in the kerbside recycling scheme? We request the results of the surveys if completed be publicised, and their inclusion in the scheme is supported by a majority of the communities' ratepayers. If rural communities were included as part of the scheme, we would expect that those communities would also have a targeted rate applied.
11. Federated Farmers **recommends** that the food waste collection be delayed until accurate science and climate change mitigation is accurately costed. 91% of methane emitted from the

Bonny Glen landfill is captured and used to generate electricity. We suggest that the estimated removal of greenhouse gases (GHG) is overstated, and that the monetary and carbon emissions from collection and processing must be accounted for. The council has employed a Climate Mitigation Officer, and an education role of this officer could promote more composting of food waste by ratepayers, this being the most efficient and effective climate mitigation action for food waste.

12. We note within the consultation document that the proposed “targeted rate per household” is an estimate, and that further reading indicates that the Council has not yet confirmed a rate with the contractor. Therefore, the proposed rate within the consultation document would be liable to change and have the potential for exceeding budgets.
13. We question where additional funds would be coming from, if the proposed targeted rate increases, once the Council has clarified the exact amount of the target rate per household? We must presume that in the absence of clear information in the Council’s Annual Plan consultation document on how the new kerbside collection overspend will be funded if it exceeds the current estimated costs, and that the Council intends for such exceeded estimates to be absorbed by the general rate. We reiterate that overspend should not be absorbed into the general rate.
14. Federated Farmers **recommends** that the kerbside recycling (and food waste) collection service be structured so that cost risks is factored into the charges to be recovered from a targeted rate.
15. We **support** the stance that the Council has taken, which applies the target rate for all residential households, thus making the newly introduced service financially viable using exact numbers of households contributing towards the targeted rate.
16. We seek **clarification** on the impact of businesses being able to opt into the service, and how this would work in practice (the viability of extending the collection route/capacity within the contract versus the target rate for opting-in for businesses)? Would the Council keep the same targeted rate for businesses, or would this be reflected in a higher rate, due to the level of uncertainty as to how many businesses will choose to opt-in and if they choose to remain opted-in or leave the scheme (over time)?
17. We **support** the continuation of waste facility sites. This enables those residents not captured in the targeted rate recycling and food waste collection service, to continue to use (and pay for) refuse disposal, green waste, and recycling at the designated waste facility sites.
 - **Federated Farmers opposes the start-up revenue for the kerbside recycling and food waste collection in the 2022/23 year coming from the general rate.**
 - **Federated Farmers supports the targeted rate for kerbside recycling collection in the 2023/24 year onwards.**
 - **Federated Farmers recommends that the food collection service is delayed, with further research into GHG and environmental effects.**

- Federated Farmers recommends that cost risk is factored into charges recoverable from the targeted rate.
- Federated Farmers supports the targeted rate to apply to all residential households.
- Federated Farmers supports the continuation of the waste facilities, which enables those not captured in targeted rate to continue to access (and pay for) refuse disposal and recycling.

Fees and Charges

18. Federated Farmers **supports** the increase of the Splash Centre fees, and we agree that users of the facility should directly fund a portion of the increased operational costs.

Revenue and Financing Policy

19. Federated Farmers **supports** the use of targeted rates to allow for a fairer user pays approach to services which are not utilised by all rate payers.

20. We propose an **amendment** to the Revenue and Financing Policy on page 3 of the document. Under the section “Targeted rates” we recommend the following amendment, which will provide transparency and consistency within the policy by listing kerbside recycling as a targeted rate now and into the future (note we have not included food waste in this list – see paragraph 11 above):

“Targeted rates apply to the following activities:

- *Roading*
 - *Footpaths and berms*
 - *Wastewater*
 - *Water supply*
 - *Stormwater*
 - *Kerbside recycling*
 - *CBD maintenance*
 - *Earthquake strengthening”*
- **Federated Farmers supports the use of targeted rates which allows for a fairer user pays approach.**
 - **Federated Farmers recommends that the Revenue and Financing Policy is amended to include kerbside recycling as one of the activities listed under “targeted rates”.**

UAGC

21. Federated Farmers supports Councils use of the UAGC to enable for further equal funding of key activities within the district. As a way to fairly distribute costs throughout the ratepayers, we believe it is sensible for Councils to utilise as much of the 30% available under the Local Government Act as possible. We thank the Council for the use of the UAGC. We **note** that the UAGC has not changed and remains at \$700 per separately used or inhabited part of a rating unit.

Rates increase

22. Federated Farmers **supports** the Council's approach of dropping the debt reduction plan, which has resulted in the Council stabilising the rate increase. However, we would like to see this publicised, so that we can ascertain how much this was.

About

Federated Farmers is a not-for-profit primary sector advocacy organisation that represents farmers, and other rural businesses. Federated Farmers has a long and proud history of representing the needs and interests of New Zealand's farmers.

The Federation aims to add value to its members' businesses. Our key strategic outcomes include the need for New Zealand to provide an economic and social environment within which:

- Our members may operate their businesses in a fair and flexible commercial environment;
- Our members' families and their staff have access to services essential to the needs of the rural community; and
- Our members adopt responsible management and environmental practices.

This submission is representative of member views and reflect the fact that local government rating and spending policies impact on our member's daily lives as farmers and members of local communities.

Federated Farmers thanks the Whanganui District Council for considering our submission on the Annual Plan 22/23, Long-Term Plan amendment, and the Revenue and Financing Policy.

Revenue and Financing Policy

ID 1
reference 634030838224430
First name Angus
Last name McKinlay
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Yes

Further comments

Yes for recycling.

NO for food waste, if most households are like ours we cannot afford to have food wasted .

Submission method Online

Revenue and Financing Policy

ID 2
reference 299031003223030
First name David
Last name Hankinson
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Yes

Submission method Online

Revenue and Financing Policy

ID 3
reference 253031023225730
First name Matthew
Last name Burgess
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Yes

Submission method Online

Revenue and Financing Policy

ID 4
reference 194031025221930
First name Justine
Last name Burgess
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Yes

Submission method Online

Revenue and Financing Policy

ID 5
reference 360031028222930
First name Aidan
Last name Burgess
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Yes

Submission method Online

Revenue and Financing Policy

ID 6
reference 992031811223831
First name Mike
Last name Green
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

No

Further comments

Use the scraps in your own compost and while at it when is the Memorial Tower going to re open?

Submission method Online

Revenue and Financing Policy

ID 7
reference 764041748225216
First name ian
Last name bartlet
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

No

Further comments

as a single person dwelling i will pay the same fee as a multi person household that produces more waste but is charged the same weekly fee.

Submission method Online

Revenue and Financing Policy

ID 8
reference 044041129220922
First name Brian
Last name Milham
Organisation
Role

Not Speaking

Consultation questions

Proposed amendment to the Revenue and Financing Policy for kerbside recycling and food waste.

Do you agree with the proposed funding structure for the kerbside recycling and food waste activity?

Yes

Further comments

Yes - i agree ,but will probably not use the service as all food scraps etc are put straight into our composting bin

Submission method Online