

Update from Council



July 2007

Your rates for the 2007/08 financial year

Dear Wanganui ratepayer

For the third year in a row, Wanganui is leading the country in putting a lid on rates increases.

In early June, the Council deliberated upon submissions received to its draft Annual Plan 2007/08 and made a number of policy changes. As a result, the annual rates increase will fall from the proposed 1.8% to 1.7% per residential household. The Council also confirmed two levies – one for soft water and the other to cover the cost of damage caused by the 2006 storm.

The levies are required to pay for:

- Damage inflicted upon our district by last year's storm event in July.
- Enacting the results of 'Referendum '07', with an overwhelming majority of residents wanting 'soft' water.

The storm levy rates will be residential ratepayers \$35, farming \$40 and commercial \$35 per year for three years.

The soft water levy will be an annual charge of \$36 and will apply only to those connected to the City water supply. Annual savings from soft water are estimated at an average of \$230-280 per household.

Highlights of the Annual Plan 2007/08

During the Annual Plan considerations, the Council made a number of key policy decisions.

Highlights include:

- The proposed **annual rates increase** for 2007/08 will fall from 1.8% to 1.7% per residential household.
- The **soft water levy** of \$73-\$79 will reduce to just \$36 per household per year.
- The **storm levy** for damage caused by the 2006 storm will reduce from \$50 (rural) and \$45 (urban) to \$40 (rural) and \$35 (urban).
- The **soft water project** will commence from 1 July 2007, and all households will start receiving the benefits by 30 June 2008 (cost savings per household have been calculated from \$220 per annum).

- Council will spend an additional \$200,000 on creating and upgrading city **cycleways** (\$80,000 council and \$120,000 government subsidy).
- **Castlecliff Beach** will get an additional \$150,000 for beach grooming.
- **Graffiti removal** budget will increase by \$50,000.
- The **Velodrome roofing/Events Centre** research study will receive \$80,000.
- \$50,000 to combat algal bloom on **Virginia Lake**.
- **Wanganui School of Glass** will be directly funded with \$60,000.
- **Wanganui Airport terminal** upgrade will receive an additional \$165,000.
- \$5,000 towards the **Physical Activity Strategy**.
- Budget for **Community Contracts** for community development activities increased from \$50,000 to \$80,000.

Other changes to the draft 2007/08 budget were:

- Delaying the proposed **Kowhai Park upgrade** until agreed plans have been drawn up and community consultation completed.
- Increasing **tree hazard mitigation work** (electricity regulations) by \$50,000.
- Increasing the range of **CBD traffic parking** to include areas of St Hill Street, Taupo Quay and Ingestre Street currently unmetered.
- Abolishing the funding to the Arts Culture and Heritage Trust in favour of appointing a **dedicated Arts Officer** at the Council.
- Adding \$75,000 to the Council's **growth strategy**.
- Reducing proposed increased charges on the **Durie Hill elevator**.
- Confirming the reduced **Museum** budget by \$60,000 to meet legal costs.
- Adding \$150,000 to rates to meet increased **interest charges**.
- Adding \$50,000 to the rates to meet **KiwiSaver** costs.
- \$200,000 on upgrading Council **information and IT systems**.

How Wanganui's rate increases compare with other councils

The following table shows how the Wanganui District Council's residential rate increases compare with those of a number of other councils for last year and the current year

Council	Rates increase % 2006/07	Rates increase % 2007/08
Wanganui	3.0	1.7
Napier	5.5	3.6
Auckland	6.8	3.6
Tauranga	10.4	4.0
Timaru	4.3	4.4
South Taranaki	3.8	4.6
Hastings	5.8	5.6
Hamilton	6.1	5.9
Rangitikei	4.2	6.0
Dunedin	5.5	6.1
Ruapehu	8.5	6.8
North Shore	9.5	6.9
Christchurch	8.2	6.9
Whangarei	7.0	7.0
Nelson	9.2	7.4
Masterton	7.7	7.7
Manawatu	8.0	8.0
Palmerston North	6.8	8.7
Invercargill	7.8	9.0
New Plymouth	7.2	13.4
Horizons Regional Council	6.1	18.2

How the average Wanganui residential rate of \$1,572 is spent

