



Minutes of an Extraordinary Meeting of the Tararua District Council held in the Council Chamber, 156 High Street, Dannevirke on Wednesday 9 April 2025 commencing at 9:30 am.

## **1. Present**

Her Worship the Mayor - Mrs T H Collis, Crs E L Peeti-Webber (Deputy Mayor), N L Chase, A K Franklin, S M Gilmore, P A Johns, S A Wallace and S M Wards

### **In Attendance**

Mr B Nicholson	- Chief Executive
Mrs K Tani	- Group Manager – Strategy and Community Wellbeing
Mr H Featonby	- Group Manager - Infrastructure
Mr P Wimsett	- Chief Advisor
Mr K van der Oord	- Communications Team Manager
Mrs S Walshe	- Finance Manager
Ms F Chase	- Facilities Manager
Mrs A Dunn	- Manager – Democracy Services

## **2. Apologies**

***That the apologies from Councillors Kerry Sutherland and Mike Long be accepted and leave of absence granted for the meeting.***

***Crs Peeti-Webber/Wards***

***Carried***

## **3. Reports**

### **3.1 Adoption of Council's Consultation Document and Supporting Information for the Annual Plan 2025/26**

The Tararua District Council considered the report of the Finance Manager dated 4 April 2025 that sought to adopt Council's Consultation Document and Supporting Information for the Annual Plan 2025/2026, being year two of the 2024/2034 Long Term Plan, for consultation with the community.

The meeting discussed the review of the rents for Pensioner Housing which had been undertaken with a view to presenting a fair and equitable proposal for council consideration. The Facilities Manager advised that an increase in rents was needed to bring the activity back into a self-funding model. A mixed model

was proposed, rather than a flat charge across the district, given the differing states of rental properties through the district. Consideration was given to potential household income, where some but not all of the tenants may be eligible for Government subsidies such as the accommodation supplement. It was noted that the proposed increase would push the rate outside Council's self-imposed ratio of rent:superannuation and consideration was sought for Council to remove the self-imposed cap on level of rent.

In discussion, it was noted that although the rent was proposed at a rate that would bring the activity out of deficit to a self-funding model, it was asked whether the rent could be set at a lower amount so that the activity came out of deficit at a slower rate, and limited the impacts on the tenants. In response it was noted that the proposed rents were below the market rate and noted the risk given the age of the units, and the requirements for renewals to comply with healthy homes requirements.

It was asked whether the proposed increase could be graduated over the next three years to lessen the impact. In response it was advised that the reserve balance would still be in deficit after three years. Another suggestion was to withdraw some of the additional services provided at these properties such as rubbish removal and lawn mowing. It was noted that this would make it difficult for maintenance of the common spaces around the units.

With regard to the proposed removal of the cap, it was noted the Council had introduced the cap to recognise the level of need in the community. In discussion it was asked what the risk could be should the cap be removed, and whether there would be some form of control to ensure the rents were not increased too high in the future. In response it was recognised there would be value in further investigations into how costs could be reduced, for example insurance that could provide savings. It was noted that the final approval for fees and charges sat with the Council, which would provide a level of protection.

Another suggestion was to split the proposed increase over two years, and clarification was sought over when the increased rents would take effect.

*Councillor Chase left the meeting at 10:08am.*

It was noted that any increased rents would take effect on the tenant's anniversary date for their tenancy agreement.

It was asked that this matter be left lying on the table for consideration later during the meeting for decision, following further modelling of options for the proposed rental levels.

*The meeting adjourned at 10:16am and resumed at 10:30am.*

The meeting discussed the consultation document and supporting information, including the draft Annual Plan and fees and charges. The Finance Manager spoke to the report, noting the proposed rates increase in the draft Annual Plan

was at a lower level than that indicated in the Long Term Plan. The meeting's attention was drawn to the portion of the proposed increase that related to costs of the three waters activities. It was advised that the changes from the Long Term Plan that were being consulted on were the change in partially funding depreciation, the proposal to increase spending on the footpath activity due to NZTA Waka Kotahi not providing funding towards this activity through the Long Term Plan, and the request from Tararua Aquatic Community Trust for assistance with purchasing a property to extend their car park.

With regards to the Financial Strategy, it was noted that the proposed rates increase at 7.71% was lower than the 12% maximum set in the Financial Strategy. It was noted that the 2% of dedicated debt repayment was retained. The balanced budget requirement was also met through this Annual Plan.

*Councillor Chase returned to the meeting at 10:35am.*

The Finance Manager detailed the changes to the capital programme.

The changes in the operational costs was explained, noting the main drivers being inflationary increases and regulatory costs imposed on Council through regulatory fees. The Chief Advisor explained the deviation from the Long Term Plan for funding of depreciation due to the affordability for ratepayers, and spoke about the uncertainty of ownership of the three waters assets until the completion of the Local Water Done Well decisions. If there was a need to take the depreciation rate lower this could be done following the consultation period, when the impacts on the economy from current world events was better known.

It was noted that with regards to Fees and Charges, the Animal Management Fees and Charges had been amended to fall within an 80:20 split instead of 85:15 split (portion of cost from user fees vs rates contribution). It was noted that information on how fees and charges were made up could be added to the frequently asked questions to explain how user fees did not cover the full cost of the activity, requiring contribution from ratepayers for the balance.

Attention was drawn to the consultation document, noting a change would be made to the submission form to include a postal address. Also within the supporting document, the Mayor and Chief Executive introduction would be updated to relate it to the Annual Plan document.

With regards to consultation, it was noted that was consideration being given to how the consultation would be undertaken to provide opportunity for people to discuss and provide feedback, noting the large number of consultations that had been undertaken recently. The Communications Manager spoke about proposals for engagement, including going to events where people would be gathered such as local markets, and noting that they were rethinking how the consultations were undertaken.

In response to a question about maintenance of trees in cemeteries, it was

advised that a programme for tree maintenance across the district was included.

Pahiatua Heritage Fund – it was asked whether that had been spent, as the draft Annual Plan included a balance in this account. In response it was noted that the opening balances were based on the Annual Report, and the fund had been spent in the current financial year.

Wai Splash Car Park proposal – it was asked that references within the consultation document be consistent with terminology, e.g. Tararua Aquatic Community Trust.

With regards to the information on Wastewater, it was asked whether this level of information was needed and how much of the work was possible. The Group Manager - Infrastructure noted that they had gone through their capital project list and withdrawn items that were not necessary in this financial year, and the focus was on inclusion of projects that were necessary, and were being reviewed in accordance with the proposed changes to standards.

With regard to the chart on page 26 of the agenda, it was asked that this chart be used extensively in advertising and communications for the consultation.

With regard to the District Plan, it was asked whether the proposed changes by the Government would require the Council to redo its District Plan. It was noted that a meeting would be held to discuss the impacts of the new legislation in 2026. An item would be brought back to Council once more information was available. It was noted that there would be no impact on the Annual Plan.

*Councillor Johns left the meeting at 11:13am.*

*The meeting adjourned at 11:13am and resumed at 11:45am.*

The Facilities Manager and Financial and Management Accountant attended via Teams and shared three further options for pensioner housing rental levels, that would provide lower level of rent increases but still lift the activity out of deficit, albeit at a slower rate, and begin building reserves to fund the activity.

The Facilities Manager presented three further options, showing different rates compared to superannuation, which was run through the finance model. She noted the issue was with the rental for one bedroom units that was currently at too low a level. It was noted that Council would need to take into consideration that no major event take place for renewals or unplanned refurbishment. In discussion the risk of not planning for unforeseen events, such as cleansing orders, burst hot water cylinders, needed to be taken into account.

*Councillor Wallace left the meeting at 12:06pm and returned at 12:07pm.*

Following discussion on the further three options provided, the Council agreed to take the motions separately, and separate out the proposed options for rentals to

allow these to be debated and put to the motion separately.

***That the Tararua District Council approves the proposed amendment to the self-imposed rent cap position to reflect:***

***Market Rents and / or Rental Appraisals***

***Property Condition***

***Household Income***

***Additional Services - Solid Waste & Grounds Maintenance***

***Crs Wards/Wallace***

***Carried***

*A motion was moved by Cr Peeti-Webber, seconded Cr Wallace as follows:*

*Dannevirke 1 Bedroom Unit - \$215*

*LOST*

*A motion was moved by Cr Wards, seconded Cr Chase as follows:*

*Dannevirke 1 Bedroom unit– \$225*

*LOST*

*A motion was moved by Cr Gilmore, seconded Cr Franklin as follows:*

*Dannevirke 1 Bedroom unit– \$205*

*LOST*

*A motion was moved by Cr Gilmore, seconded Cr Franklin as follows:*

*Dannevirke 1 Bedroom unit– \$210*

*LOST*

***Dannevirke 1 Bedroom unit– \$220***

***Crs Peeti-Webber/Wallace***

***Carried***

***Councillors Gilmore and Franklin recorded their votes against the motion.***

***Dannevirke 2 Bedroom unit - \$305***

***Crs Peeti-Webber/Wallace***

***Carried***

***Councillors Gilmore and Franklin recorded their votes against the motion.***

***Dannevirke Contribution 2 Bedroom unit - \$155***

***Crs Peeti-Webber/Chase***

***Carried***

***Councillors Gilmore and Franklin recorded their votes against the motion.***

**Woodville, Pahiatua and Eketahuna 1 Bedroom unit - \$215**

**Crs Peeti-Webber/Chase**

**Carried**

**Councillors Gilmore and Franklin recorded their votes against the motion.**

**That the report from the Finance Manager dated 25 March 2025 concerning the Adoption of Council's Consultation Document and Supporting Information for the Annual Plan 2025/26 be received.**

**Crs Gilmore/Wallace**

**Carried**

**That the Tararua District Council approves the proposed Pensioner Housing fees and charges for the 2025/2026 financial year as follows:**

- **Dannevirke 1 Bedroom unit– \$220**
- **Dannevirke 2 Bedroom unit - \$305**
- **Dannevirke Contribution 2 Bedroom unit - \$155**
- **Woodville, Pahiatua and Eketahuna 1 Bedroom unit - \$215**

**Crs Chase/Wards**

**Carried**

**Councillors Gilmore and Franklin recorded their votes against the motion.**

**That the Consultation Document and Supporting Information including the draft Annual Plan 2025-2026 and Fees and Charges Schedule for the 2025-2026 financial year as amended to include the fees set by resolution at this meeting, be adopted for consultation with the community.**

**That the Chief Executive be delegated authority to make any required minor amendments and corrections to the draft Consultation document and supporting information prior to finalisation for consultation with the community.**

**Crs Wards/Wallace**

**Carried**

There being no further business the Mayor thanked those present for their attendance and contributions, and declared the meeting closed at 12:47pm.

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Mayor