

KCDC Workshop 8/2/18

Suggested rate increases

At this stage of the process the suggested average rate increase in 18/19 is 4.7% In 19/20 5.7% and in 20/21 4.3%. Recovery of depreciation forgone in previous years is a significant factor in all years but especially in election year 20/21. This does allow a reduction in the following year. The final figure will depend on the options selected by rate payers during consultation

Some of the changes that have reduced the rate from the initial proposal of 7.3 % are;

- A reduction in the roading programme over 5 years
- The delaying of the construction of the Paekakariki seawall by four years but changing to concrete construction at an additional cost of \$3m
- The introduction of LED street lighting over time
- A slowing down of the expenditure on the Transforming Centres programme
- Spreading the stormwater capital programme over 45 years see below.

Stormwater programme

Option 1 25 year programme

- Year 1-12 Protect where habitable floor flooding occurs

Option 2 30 year programme

- Year 1-20 Protect where habitable floor flooding occurs

Option 3 over 45 years

- Year 1-30 Protect where habitable floor flooding occurs

These options will be in the consultation document

Borrowings limit

Councillors were talking about a limit on capital borrowings. The current limit of \$200m will be reduced to \$150m but this will take time to be effective because of works in the pipeline.

Housing

There is a work programme to upgrade the units over a number of years. Currently there is a requirement that the Housing portfolio be fully funded by tenants. It is proposed that private funding be reduced to 80%

Councillors discussed rationalising the rental structure to two tiers from the current 5. It also discussed increasing rentals by \$12 per week for the next three years. The Housing Work Force proposal will be examined during the 18/19 year proposal.

Father workshops

The next session will cover increased charges for services