

SUBMISSION FROM THE KAPITI COAST DISTRICT COUNCIL.

1. "Toward A Greater Wellington"
The Wellington Regional Council Ten Year Plan 2000-2010
-2001 Update
(incorporating the 2001-2002 Annual Plan)

Otaki Differential for the Transport Rate

In our discussions with Wellington Regional Council officers it became clear that there was an anomaly with the share the rural sector of Otaki was providing for the Regional Transport Rate. The text of the Regional Council's reply is given below and it does little other than highlight the inequity that exists:

"At our meeting last week you requested an explanation of why the Transport rate differential in Otaki has rural ratepayers making a contribution of 32%, white the rural ratepayers in the rest of Kapiti Coast District contribute only 2%.

There are very few transport services in Otaki. This means that most of the Transport Rate paid by Otaki residents is for transport planning. The Wellington Regional Council's Funding Policy states that transport planning is paid by the regional community according to equalised capital value — in the same way as Wellington Regional Council's General Rate is. As the rural sector is a significant 49.1% of the capital value of the Otaki Ward, it picks up a large proportion of the Transport Rate in Otaki.

In contrast, in the rest of Kapiti the rural sector is only 6.5% of the capital value and must of the Transport Rate goes to pay for transport services. The Funding Policy states that rural properties receive relatively few benefits from transport services."

Given that Otaki overall receives "very few" transport services, its share of transport planning must also be proportionately low. The current regime overtaxes the rural sector very significantly.

The logical way to eliminating this anomaly would be to reduce Otaki's share and apply the same discounting factor to both components of the transport rate in Otaki.

CONCLUSION

In this submission, the Kapiti Coast District Council advocates for the **needs** of its district in respect of river control and urban transport.

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It is particularly keen to advance flood control work on the Otaki River to remove some of the planning restrictions on that river.

It welcomes the increased frequency of commuter rail services proposed but does not want to see Wellington Regional Council become a joint venture partner in running such services.

It supports the elimination of a rating anomaly affecting Otaki and the Transport Rate.