

## Otago Chamber of Commerce Submission on **Central Otago District Council Amendment to Revenue and Financing Policy**

The Otago Chamber of Commerce would like to speak to this submission.

Submission prepared by:  
Dougal McGowan  
Chief Executive  
Otago Chamber of Commerce Inc.  
30 October 2015

## Introduction

The Otago Chamber of Commerce (the Chamber) welcomes the opportunity to provide a submission on the Central Otago District Council Amendment to Revenue and Financing Policy.

The business community generates the wealth on which our region and its residents depend. It is for this reason that we make this submission. The Otago Chamber of Commerce is pleased to be able to present this submission on behalf of the 1050 Otago businesses that are our members, including 101 members in Central Otago.

The businesses that we represent are a broad cross-section of business demographics with regard to size, location and industry. Furthermore, these businesses are representative of the region's wealth generators as well as being owned, managed and staffed by the region's core residents. As such, the Chamber's members are large stakeholders in the economic, social and environmental future of the Otago Region.

The Chamber has submitted on and been involved in discussions on a number of issues relating to Central Otago District Council, and we thank Council for your open dialogue with us.



## Districtisation of 3 Water

- Agree with Council's proposal

We agree with the change to district wide rates funding, on the basis it is a multi-generational asset and infrastructure issue that will allow for the sharing of the costs across the district. We would hope that this will reduce the sharp rises that some smaller communities have faced in other areas of the country.

The issue of storm water funded by capital value will have some significant effects on rural (farming) landowners with high capital values, but limited input in infrastructure due to natural run-off. However new and recent rural lifestyle developments should be included.

## Tourism Differential

- Agree with Council's proposal

We agree that it is time to change the targeted rate with differentials to a commercial industrial differential that includes accommodation and utilities differential to Dams. There will need to be some education as to the exact effect on individual business in all areas.

## Removal of Rates per SUIP

- Agree with Council's proposal

We support the more business friendly approach that is being taken of removal of rates per SUIP and this could offset other changes for this sector. The reduction in charges based on separate usage might encourage further development in low/mid density areas into the future. It will also reduce confusion and hopefully compliance issues for businesses.

## Removal of Differentials on Dam Targeted Rates

- Disagree and have another proposal

Though we have had little feedback on this issue, the longer term effect and calculations on future investment impact need to be considered.

## Tracks and Waterways Rate

- Agree with Council's proposal

As it is a community and district wide asset that is used by and benefits the whole community. It has the ability to attract new people, tourism and it is better seen as a district wide rate.

## District Funding of Unsubsidised Roading and Public Toilets

- Agree with Council's proposal

As per the discussion in 3 Waters.

## Combined Rate for Vincent

- Further discussion needed.

Though we agree with the spreading of the load, in many circumstances there may be specific targeted rates that get removed that may then increase risk associated with that activity. We agree that through some centralisation that there are increased efficiencies, but on the other hand there can also be the loss of good will etc, that is immeasurable in an economic sense.

We would hope that the appropriate risk management strategies have been put into place around the possible removal of local influence.

## Conclusion

The Chamber submission is made in the positive spirit of developing a partnership with Council that supports and encourages business friendly innovation and growth for the benefit of all Central Otago residents.

We are committed to joining the Council to achieve our shared objective of attracting and encouraging the development of business opportunities in Central Otago.