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Report to Wellington Regional Council From: Lloyd Bezett, Policy Analyst, Council Secretariat

# **Special Order - Regional Transport Rates**

## 1. **Purpose**

To advise Council of the statutory processes for implementing the second stage of previously agreed changes to Regional Transport Rate differentials.

# 2. Background

In early 1998 the Council conducted a review of the funding of transport services. That review, and subsequent consultation with territorial authorities, determined that changes be made to the Funding Policies related to regional transport. It was also necessary to change the differentials in the Regional Transport Rate so that the benefits derived by different classes of ratepayers is reflected in the rates collected.

Council's approved Funding Policy provides that, due to the significant changes in the amount of rates required from some ratepayers, these changes be phased in over three years. 1999/2000 is the second year in this transition, with the final stage to be implemented in 2000/2001. The proposed Special Order represents one third of the recommended changes. It will be necessary to pass a further Special Order next year to reach the proposed final differentials.

A copy of the papers considered by Council when it made this decision on 19 March 1998 has been circulated to Councillors in the Information Bulletin and will be tabled at the meeting.

#### 3. **Comment**

Section 84 of the Rating Powers Act 1988 requires that where the Council creates or changes a system of differential rating that applies within the district of the Council, it must do so using the Special Order procedure contained in section 716B of the Local Government Act 1974. This is effectively a law making process.

The Special Order procedure requires that Council put before a meeting its intention to make the Special Order, publicly notifies the fact twice thereby giving members of the

public an opportunity to make submissions, and confirms the Order at a subsequent meeting. Public notice of the intention to make the Special Order will be advertised on 5 May and 26 June.

The second meeting to confirm a Special Order introducing or changing a differential rating system must be held between 61 and 70 days after the first meeting or the Order lapses. Confirmation of the Special Order will be considered at the Council meeting on 7 July 1999.

Due to the Council's six week meeting cycle it is not possible to both start and finish the Special Order process at ordinary meetings of the Council. The special meeting of Council to be held on 29 April is to initiate the Special Order process.

## 4. **Recommendation**

That the Council Note:

- (1) the statutory process to vary the Regional Transport Rate differentials
- (2) that the special meeting on 29 April will consider these changes.

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