# Long-term Plan 2024-34

Respondent No. 241

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## **Personal information**

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I'm providing a submission (choose one):

on behalf of an organisation

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Older Persons' Council

Do you want to speak to Council about your submission at our public hearings on 2 May?

Yes

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## **Submission**

## Is there anything else you'd like to tell us about this LTP?

Updated Submission from the Older Persons' Council Rates

Kāpiti District Council (KCDC) and its residents are facing challenging times. For the 12 months to the March 2024, the inflation rate was 4.0 percent: Housing and household utilities increased by 4.5%, rent 4.7%, construction 3.3% property rates and related services up 9.6 %. If we have a supply side problem from overseas in the coming months this may well increase the inflation rate. BERL Local Government cost index for 2023/2024 shows an increase of between 4.2% and 4.3%.

You can see from this that rates are the biggest drivers of inflation.

The unemployment rate was 4.0% in the December 2023 but is predicted to increase over the coming

On 1 April, a couple with one child being paid the job seeker benefit on the M tax code received \$635.10 per week after tax. An increase of \$28.78 after tax.

A couple on the M tax code receiving superannuation received \$799.18 after tax from 1 April. A fortnightly increase of \$35.54 or \$17.77 per week. Both increases fall well short of the \$70 per week extra the ASB Bank estimates New Zealand households will need to cover costs.

This means that residents, particularly those on fixed incomes, will be facing challenging times in the coming year. Some are already going to the foodbank on weeks when rates are due, and this will likely increase.

We accept that KCDC needs to keep on top of essential maintenance and must invest in infrastructure that supports resilience of the community. At same time KCDC needs to consider residents' ability to pay and it needs to set an example and show some financial restraint and kerb inflation. We believe this could be done by undertaking a reduced capital expenditure programme and only conducting essential maintenance as well as paying down debt over a longer period.

Any increase in rates flows though the local economy affecting local landlords and businesses. A high increase could well increase rents and force some businesses to lay off staff thus compounding the problem whereby those laid off will not be able to afford to pay their rates.

Water reform will cost 5% (\$4.7 million) on the general rate. Is it not more transparent to add that 5% to the water rate and not on the general rate? We appreciate that at present the water rate covers only the water going to the house, drinking, washing etc. Storm water is covered by the general rate. But considering that all three waters will come under a Council Controlled Organisation, money for that reform should be included in the water rate to make it more transparent?

The effect of this would be to reduce the general rate by 5% but the water rate would increase by to cover the \$4.7 million. However, the water rate is spread over more people making it less per person and it will be paid by all people who will be using water.

Once the CCO is established they will be looking to finance its operation and the way to do that would be to increase the water rate. Presumably, the water rate money would be transferred to the CCO so why not set that up now and raise the 5% through that rate? If the 5% stays on the general rate the new Organisation will undoubtedly raise the water rate to fund its operation. Ratepayers will then be hit with a double whammy.

By transferring the 5% to the water rate and implementing the other measures we believe the general rate could be in single figure digits.

Rates Model not Sustainable.

The present system of rates is not fit for purpose and has been that way for some years, KCDC need to push Local government NZ to run a strong campaign about developing a new and sustainable model. Councils only raise the issue of revamping the rates system at the time when rates increases are being discussed. This merely comes across as an excuse. If councils are serious about replacing the present system, they need to run a year-round campaign involving the public, not just when rates are being discussed. Part of any reform needs to discuss the issue of GST on rates, which is a tax on a tax.

The Department of Internal Affairs (DIA) provides a rates rebate. However, it is estimated only about 30% of those eligible apply for it. One of the problems is people believe that eligibility is based on asset ownership when it is based on income. We would suggest KCDC run an advertising campaign at the appropriate time to explain people's rights in this area. This will help some residents with their rates bill. The coalition governments policy is to "Explore options to build on the Local Government Rates Rebate Scheme for Super Gold Card holders." Local government needs to engage with central government on this issue for the benefit of rate payers.

A married couple on NZ Super are not entitled to the rates rebate due to the super rate being slightly higher than the limit for eligibility. The original intention of the scheme was to link eligibility to the married couple super rate, but it has got out of sync because the eligibility rate is increased by inflation whereas the NZ super increases by the average wage increase.

#### Rates Postponement

To ease the rates burden KCDC should consider a Rates Postponement scheme for residents. This programme allows eligible property owners, often seniors or retirees with limited income and assets, to defer the payment of their rates for a specified period. The postponed rates are typically paid later, such as when the property is sold or transferred to another owner.

### **Rates Penalty**

If a person is one minute late in paying their rates a penalty of 10% is added to the rates. There can be a number of reasons for being late and prior to applying any penalty KCDC need to contact the person and find out what the reason is.

### **Swimming Polls**

A number of councils around the country have free entry to swimming pools for over the age of 65. The pools help older people keep fit and as such are a huge public good. The pools are also places where people congregate and meet friends which is a great aide in preventing sociable isolation. The benefits of

swimming for seniors are well-documented, ranging from improved joint health to enhanced mental health. By providing free access, it would not only aid in maintaining their health but would be a significant step towards inclusive community support. We urge you to seriously consider free access to pools. The Living Wage

Council is to be congratulated on its endorsement of the Living Wage for staff and contractors. It is setting an example to other Local Bodies and businesses in the country.

Housing

Rent increase on Older Persons Housing

We note with concern the increases in the rents for the Older Persons Housing. Effective 1 July rents for individuals will increase from \$181.00 to \$234.00 an increase of \$53 per week or 30%. For couples, the rent increases from \$263.00 to \$347.00 an increase of \$84 per week or 34%. When you compare the actual pension increase to the proposed rent increase in most case people will not really see any benefit from a pension increase as it will all be required for rent.

We believe it is inappropriate to increase these rents while the future of older persons' housing is in the process of being decided. Any increase should be decided by the new entity or by council if they remain in council's control. The rent increases are excessive, and they should be increased by the same amount as the superannuation.

**Housing Reform** 

We congratulate KCDC on the reports it produced on older persons housing. They were well written and easy to understand.

Of the four options produced by the report the majority of the OPC cautiously agrees with the Council on a charitable trust for the housing stock. A minority wanted to keep the status quo.

The first Option of status quo: A number of issues need to be explained to present tenants. What would happen to the people KCDC employed if pensioners housing were handed over to a trust? Where would the people for the trust come from and where would the money come from to pay the trust?

The second option: We used the word "cautiously" on purpose. As in all these things the devil is in the detail, and we would like to see more detail. In particular what happens if older persons housing is amalgamated with the Charitable Land Trust. We also need an assurance in writing either through the Trust deed or some other mechanism that all the rights and obligations of the existing tenants be transferred to the Trust. To be clear the same formular for fixing rents is maintained unless any other formular decreases rents. E.G. if Trusts negotiates subsidies for rents which will decrease the rents. The Third option: It was felt that Kāpiti would get lost in a larger organisation and as such no benefit to the Kāpiti community.

The fourth option: Privation was dismissed by the OPC.

#### Age Friendly

It is pleasing to see that Council have got the Age Friendly approach underway.

The Chairperson of the Age Friendly Reference Group and the Chair of the OPC met with elected representatives at least twice prior to Christmas in an effort to make progress and to keep the momentum going. At these meetings we received assurances that the hundred thousand dollars (\$100,000) that was in the 2023-2024 budget for implementation will be carried over to the 2024-2025 budget. We are looking forward to some substantial progress being made this year. Age Friendly needs to be embedded into the long-term plan. This could be done by including it an introduction to the plan.

The Environment and Public Transport

As part of our submission to Greater Wellington Regional Council we recommended that they investigate a trial of "on demand buses." Transport is the biggest issue for climate change in Kāpiti, residents tend to use their cars a great deal.

On demand buses in the off-peak period 9.00am to 3.00pm would help older residents to get mobile round Kāpiti. We are confident that KCDC will cooperate with any trial GWRC may run. The Chair of the Age friendly Reference have also made a submission which we have urged GWRC to accept.

Sustainable Development v Regenerative Development

Many councils and organisations consider sustainable development when considering any project. Sustainable means keeping the status quo. We are now well past the time when keeping the status quo is good enough. What needs to be considered is regenerative development. Regenerative development takes sustainable development a step further by focusing on improving the capacity of the support systems needed for future growth. How do we go improve the environment whenever we undertake a project? Water Reform

KCDC has had a strategic approach to water over many years which has served the community well and they need to be congratulated for that. However, the elephant in the room is the government's plan for

water reform and the effect it will have on council and its balance sheet. In effect the government is shifting costs from the taxpayer to the rate payer. The Coalition Government's policy would shift drinking water and wastewater assets into Council-Controlled Organisations (CCOs).

A CCO can be owned by a single council, or by a set of councils. If councils find it more effective to deliver water services through a shared service model, they retain ownership of the shared entity.

It could mean one of two things for Kāpiti, it could amalgamate with another council to deliver services or have a stand-alone council-controlled organisation (CCO) for Kāpiti.

Both may have problems, no one will want to see Kāpiti amalgamate with Wellington Water. If it becomes a Kāpiti council CCO, will it have the economies of scale required?

The other option is some form of amalgamation with Horowhenua. This would give it the same coverage as the lines company Electra Energy.

The government has been coy about if they will force amalgamations. If they do it will not go down well with Kāpiti residents. A CCO could well be privatised by a future government or council and any establishment of a CCO needs to have a provision against any future privatisation. A better option would be to place it in a Trust. No legislation has been passed so KCDC need to discuss the option of a Trust at Select Committee hearing.

Age Friendly Building Standards

Aotearoa New Zealand has accepted that damp, cold homes are the cause of major illnesses and are especially dangerous for the health of the elderly. Elderly people can be spending up to 24 hours a day, 7 days a week in these conditions during winter months.

The Healthy Homes Standards has given added protections for tenants to live in warm dry houses. Such protections are not provided to many residents in the older Residential Villages, such as those in Kapiti. There is no onus placed on the companies who own these villages to bring dwellings up to the same standard as is required of landlords who are required to retrofit insulation, double glazing, and adequate heating, when letting a property. The same should apply to owners of Retirement Villages before a new resident moves in.

This district has one of the oldest populations in Aotearoa New Zealand. There are 10 Retirement Villages in this area housing 1800 people, as well as numerous Body Corporate complexes housing elderly residents.

The average age of people in Retirement Villages is increasing along with greater life expectancy. This places many of the residents in the 'advanced age' category [defined as 80 for Maori and 85 for non-Maori.)

Crossing Required on Kāpiti Road

Older people want to be able to cross the road in safety from Seven Oaks on Kãpiti Rd. at present there is a refuge in the centre of the road, but it is just not good enough. There are approx. 166 older residents in Sevenoaks, many of whom cross Kapiti Road to access the supermarket, and/or disembark buses on the southern side of this road. As we get older, we are unable to move quickly. There are no crossings between Te Roto Road and the beach and Kāpiti Road is now regarded as one of the busiest roads, traffic-wise, in the greater Wellington area. The refuge does not provide the enhanced safety for pedestrians which a crossing would do. Drivers are required to stop for pedestrians on a crossing – not so for those trying to reach pedestrian refuges. Pedestrians must wait until it is 'safe' to reach midway before continuing across. Older people are entitled to improved safety on this increasingly busy road where traffic is sometimes backed up from Te Roto to the Sevenoaks entrance. The OPC was unimpressed that a request for this pedestrian crossing has been declined and feel this decision must bear responsibility for a disaster waiting to happen due to the increased volume of traffic and older people in the vicinity. The decision not to put a crossing in this area does not sit well with the Council's Age Friendly approach.

#### Shared Pathways and Walkways

There is a growing problem on shared pathways and walkways. There is no one group of people to blame, both pedestrians and cyclist are causing the problem. Cyclists are overtaking pedestrians at speed, and both are guilty of not obeying the road rules of staying on the left-hand side. There needs to be clear signs at eyelevel stating what the rules are.

**Open Spaces** 

The KCDC community values its open spaces. They are not only for aged residents but also serve people with disabilities, young families and teens, and an increasing number of the workforce.

The work that KCDC has untaken with Tangata Whenua, over the past decade, has enhanced many open areas in our community and future proposals as Whale Song will continue to uplift our culturally and historically aware community.

We support the protection of scarce horticultural land around the various communities that make up our

District. Equity in the provision of open spaces in all our communities is required. Public amenities should not be privatised in perpetuity to various sporting codes. As the population using these amenities ebbs and flows over time, KCDC needs to be able to re- lease those serving small minorities of users. Community allotments/ gardens/ orchards need to be more wide -spread and especially close to housing

that lack gardens such as social housing.

The major visual amenity of the Coastal Hills must be preserved with no further encroachment on the skyline.

Re-wilding fauna and flora should also be encouraged. This would improve insect and birdlife, help our children understand our need to protect fauna and flora, provide older people with the solace of natural areas and of providing exercise within 250 meters walking distance of their homes.

Parks need to attract more than one demographic. While children's playgrounds are widespread can they not be combined with "garden rooms" for older people with outdoor chess etc and vital facilities such as toilets and water, suitable seating arrangements.

We accept that this is a long submission, but the OPC felt it needed to air a number of issues that have arisen in the past 12 months. Thank for the time you took to read it.

**Council Meetings** 

We understand that council is considering moving the time of their meetings to evenings. Participation by the public has increased since meeting have been held during the day t and we urge council to keep the present system.

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