

**SUBMISSION ON CHRISTCHURCH CITY COUNCIL'S  
DRAFT ANNUAL PLAN 2008/09**

To: Christchurch City Council ("**Council**")

Submission on: Draft Annual Plan 2008/09 ("**Annual Plan**")

Name: Westfield (New Zealand) Limited ("**Westfield**")

Address: C/- Russell McVeagh, at the address for service specified below.

**Introduction**

1. As Council will be generally aware, Westfield has raised a number of concerns in the past regarding Council's rating and development contribution policies as contained in its Long Term Council Community and Annual Plans. In general terms, Westfield continues to hold these concerns, including that Council's rating policy:
  - (a) is fair and transparent;
  - (b) as far as is practicable, aligns rates and charges paid for Council services with demand for and benefit received from, those services;
  - (c) does not disproportionately impact business so that business ratepayers are effectively subsidising residential or other ratepayer sectors; and
  - (d) that ratepayers with highly capitalised developments in particular, are not penalised in terms of disproportionate rates for those developments.
2. Westfield, like any responsible citizen, understands the need for businesses to make fair and reasonable contributions to the Council's activities in the district, whether that be through rates, development or financial contributions, or any other funding means available to the Council.
3. However, Westfield wishes to ensure that, as a successful business, it is not inappropriately targeted (deliberately or otherwise) as a source of funding (whether development contributions or rates) such that it contributes at a level disproportionate to the demand generated or benefit received from the relevant activities for which the funding is taken.

**Waste Minimisation Target Rate**

4. While Westfield is generally supportive of targeted rates as they can better align demand with benefit and are more transparent, it is concerned that businesses who do not use the Council service due to outsourcing of refuse and recycling to independent contractors are not levied a waste minimisation target rate.

5. It is important to note that those businesses who do not use the service will still partly fund it through general rates.

#### **LTCCP Review 2009/19**

6. Westfield is aware that many councils utilise the Long Term Council Community Plan process to undertake more thorough reviews of their policies. With the next LTCCP review scheduled for 2009/19, Westfield considers the Council has an opportunity to thoroughly review its funding and rating policies, especially in light of the Local Government Rates Inquiry finding that councils should make more use of their powers for flexibility in rating so that rating burden better reflects value in use.
7. In particular, Westfield would like to see a review of Council's funding policies in relation to:
  - (a) greater use of targeted rates;
  - (b) options for reducing council expenditure and minimising rates increases;
  - (c) reductions in the business differential to better align rates with demand for, and benefit received from, Council services (something many urban councils are progressively undertaking or investigating eg Auckland City and Papakura City); and
  - (d) introduction of a differential for highly capitalised developments.
8. Westfield is also concerned that the methodology on which the Council's DC Policy is based does not meet the requirements of the Local Government Act 2002 ("**LGA**"), particularly in light of the High Court decision in *Neil Construction & Ors v North Shore City Council*.
9. Westfield seeks that the Council undertakes a full review of the DC Policy methodology as part of the LTCCP 2009/19 review to ensure that contributions are assessed in accordance with the statutory requirements.
10. Westfield looks forward to contributing to any review of Council's funding policy.

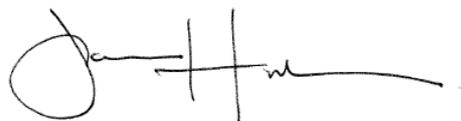
#### **Decision Requested**

11. Westfield formally request a resolution of the Council or its Annual Plan Committee, as appropriate, that:
  - (a) The waste minimisation target rate not be levied on businesses who do not use the service.
  - (b) Council officers conduct a review of Council funding policies, in particular regarding:
    - (i) The greater use of targeted rates;
    - (ii) options for reducing council expenditure and minimising rates increases;

- (iii) reductions in the business differential to better align rates with demand for, and benefit received from, Council services (something many urban councils are progressively doing or investigating doing eg Auckland City and Papakura City); and
  - (iv) the introduction of a differential for highly capitalised development.
- (c) Council officers undertake a full review of the DC Policy methodology to ensure that it meets the requirements of the LGA as discussed in *Neil Construction* decision.
- (d) Consult with Westfield as to any concerns it may have regarding Council funding policies as part of the 2009/19 LTCCP review.
12. Westfield wishes to be heard in support of this submission. If others make a similar submission, consideration would be given to presenting a joint case with them at any hearing.

**Signature:**

**WESTFIELD (NEW ZEALAND) LIMITED** by  
its solicitors and authorised agents Russell  
McVeagh:




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Christian Whata / James Gardner-Hopkins

**Date:**

18 April 2008

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