

Submission to the 2021-2031 Long Term Plan

Specifically relating to the “Rates Remission and Postponement Policies”, included as part of the Supporting Information.

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This submission specifically relates to the “General – Type Uniform Annual charges and Targeted Charges on Commercial SUiPs less than 20 SqM”...being the last item of pages 6 & 7 of the “Rates Remission & Postponement Policies”, included as part of the Supporting Information to the 2021-2031 Long Term Plan.

It is likely that this policy tweak was included pursuant to discussions held with Council relating to rates on our property at 30 Maxwell Road, Blenheim.

By way of background, I note that the property includes a small showroom, and offices to the front (fronting on to Maxwell Road) with the Yard Bar to the rear of the property.

It is accepted that there are 3 SUIPS on the property.

The submission relates specifically to the office portion of the property. These were originally built as a doctors' surgery, later changed to offices for the Mudhouse Wine Company.

When Mudhouse Wine Company moved out, we opted to offer the offices for relatively casual/short-term occupation to individuals who were starting out and looking for small premises to set up their fledgling business.

The building occupancy reduced from around 20 (during the Mudhouse tenancy) to a (variable) figure of around 6-10.

It was with some surprise therefore to see our rates bill nearly double...pursuant to the Council charging individual SUIP charges for each occupant, despite the significantly lower demand on public services etc resulting from the change of occupancy!

After discussions with Council, these additional charges were remitted, with an undertaking to put forward a paper to the Long Term Plan now under consideration.

The proposal is certainly welcome, in that it leaves room for a wholly unfair charge to be remedied. However, I do not believe it does not go far enough, in that such charges should not reasonably be made in the first place!!

Most offices are single use. But there is room for flexible co-working spaces - or incubators – for start-ups and/or very small businesses who cannot afford their own 'property'. They offer shared services, shared kitchen/meeting room; they offer the opportunity for mentoring and networking; and they should indeed be encouraged as part of the Council's business development initiatives, to encourage business to town, rather than using them as an opportunity for a rates rant.

The very nature of the facility mean that folk come and folk go, so offices are occupied – or unoccupied – somewhat sporadically, making any sensible 'rating' adjustment unreasonable.

It is pleasing to see that in the last 12 months alone...two businesses have moved out into their own premises, demonstrating the real beneficial effects of offering that start-up opportunity to allow a business to set up and grow.

These facilities put no additional strain whatsoever on the public purse, and it is unreasonable to extract rates simply because (effectively) the front entrance to the property includes more than one 'sign' (for this was indeed the very prompt which resulted in the additional rates charge).

So it is my submission that a single "office"defined by the fact that there is but one entrance from a "public space" (in this case the road, but it might well be a public lobby of a larger building)....should reasonably be charged for a singular SUIP whether it is occupied by a single tenant (as in Mudhouse) or by a number of individuals in an incubator/shared office arrangement.

The paper in the long term plan however implies that such additional SUIP charges can still be reasonably made, but that relief can be 'applied for' if all of the following conditions are met:

1. The office space must be under 20 sqM.
2. Council must be satisfied that financial hardship exists.
3. Council must be advised if a business expands and occupies an area greater than 20 SqM.

These 'conditions' remain – in my view – somewhat absurd (as in):

- So...if my 4m x 5m office has an additional 1 SqM storage cupboard....does that really justify an extra SUIP charge?
- If a start-up grows...and takes a second tiny office...they might just creep over that 20SqM...and we get penalised...even though nothing has really changed?
- What does "financial hardship" actually mean? As property owner...I am going to have a hard job pleading poverty...but I am certainly in a position to question the inequity of unreasonable rates charges!!!

So..my submission can be summarized as follows:

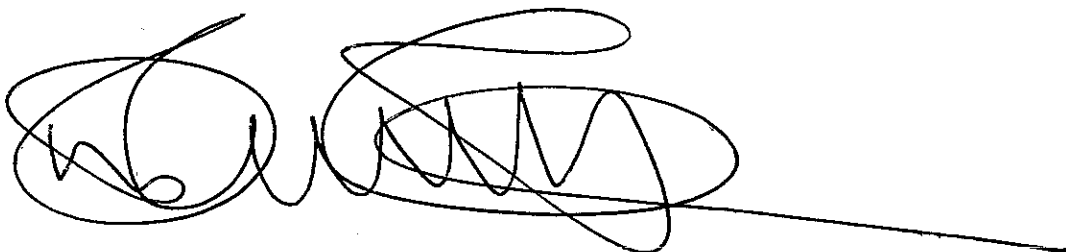
Shared offices/incubators should be encouraged, not penalized. They provide one of the best ways of encouraging new businesses to start up.

There is a clear distinction between this sort of shared-office concept, and multiple tenancies within a single building (where separate SUIPs are entirely appropriate). And I maintain that this distinction is most clearly made...not by some form of arbitrary room size....but by the fact of the premises BEING shared, with a SINGLE point of public access.

Separate SUIPs should not be charged at all unless the offices/premises are distinctly separate, not simply because more than one 'sign' exists at said single entrance.

The "financial hardship" threshold will always be arbitrary and subjective, and is unhelpful.

I trust that the above submission is clear, but if it is believed further clarification would be useful, I am happy to speak to the submission.

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Neil Charles-Jones