

Report 05.77  
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Committee Policy, Finance and Strategy Committee  
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## Proceeds of the Disposal of Surplus Land at Mabey Road, Lower Hutt

### 1. Purpose

To update Council on the allocation of the proceeds from the sale of Mabey Road as requested at the Policy, Finance and Strategy Committee meeting on 31 January 2005.

### 2. Significance of the Decision

The matters in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

### 3. Background

At their meetings on 30 October 2003 and 18 August 2004 the Council resolved to allocate the net proceeds from the sale of Mabey Road to the repayment of Flood Protection debt which had been funded by both general and river rates.

### 4. Share of Ongoing Savings

The share of savings from the sale was allocated to specific flood protection debt and would benefit ratepayers as follows:

General Ratepayers	78%
Ratepayers within Upper Hutt <sup>1</sup>	2%
Ratepayers within Hutt City <sup>1</sup>	<u>20%</u>
	<u>100%</u>

<sup>1</sup> In respect of river rates

Thus ratepayers will benefit not only from a reduction in their river rates, but also a reduction in the general rates allocated to their region.

The estimated impact in total rates (both general and river rates) was as follows:

**Table 1**

<b>Year</b>	<b>Total Rate Savings</b>
2005/06	\$880,000
2006/07	\$680,000
2007/08	\$670,000
2008/09	\$410,000
2009/10	\$280,000
2010/11	\$170,000
2011/12	\$50,000
2012/13	\$30,000
<b>Total</b>	<b>\$3,170,000</b>

**5. Mabey Road Savings 2004/05**

The savings from the sale in relation to 2004/05 total \$60,000. In accordance with Council policy this has been allocated against the costs arising from the January flood damage.

**6. Recommendation**

*That the Committee:*

- 1. Receive the report and note the contents of the report.*

Report prepared by:

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