

2 September 2022

Email: democraticservicesteam@huttcity.govt.nz

Assistance for Business Affected by Road Works on
Queens Street Wainuiomata

Tēnā koutou katoa

We received an email from Gabriel Tupou, Chair of the Wainuiomata Community Board requesting advice on what support is available for businesses affected by road works on Queens Street Wainuiomata.

The response from officers follows:

Thank you for your enquiry as to support available to retailers in Queen Street due to disruption from the current street improvements. In particular some relief in respect to rates is mentioned in the preceding emails. I will address that first as it involves legislation and is therefore strictly defined.

A local council may adopt either or both a rates remission policy and a rates postponement policy under the Local Government Act ('Act'). Hutt City Council has adopted both. These policies were adopted after consultation as required under the Act. So how do these policies relate to the particular circumstances of providing relief as a consequence of Council works?

- **Rates Remission Policy**

Rates remission is only available if the circumstances fall under one of the categories under [Council Rates Remission Policy](#)

There are 9 parts to the Policy each outlining a different circumstance where rates remission may apply. Unfortunately works like those being undertaken in Queen Street do not qualify any rate payer, business or otherwise, to rates remission. Any amendments to the Policy proposed by Council requires to be consulted on and would only normally be undertaken through the Annual Plan or Long term Plan process.

- **Rates Postponement Policy**

*The intent of this policy is to give residential and small business ratepayers a choice between paying rates now or paying them later, where they are experiencing financial hardship. This policy was extended to small businesses under Covid 19, but **must be due to an event declared by Council resolution where the Council will define the type and/or the location of the properties affected.** An event could be a natural or an economic event as per the [Rates Postponement Policy](#). To then qualify a business ratepayer must show evidence of: - a 30% reduction in revenue; or -*

qualification for a Government emergency financial support package (for example the wage subsidy scheme); or - qualification for a mortgage “holiday” from the bank. The Council has not declared an event (being related to the current works), by resolution, affecting the properties in Queen Street, Wainuiomata so in that regard they are ineligible for rates postponement.

*There has been a recent instance where Wellington City Council and the Government came together to provide financial support to businesses in central Wellington through a **Wellington City Business Support Fund**. This fund provided targeted support to inner city businesses that lost significant revenue during the **illegal** occupation of Parliament grounds. Businesses experiencing a loss of more than 50% of their income during the period of the occupation were eligible to a one-off payment of up to \$30,000 from a total pool of \$1.2M.*

It is not, however, the usual practice of Councils and Government agencies to provide direct financial support to affected businesses for disruption due to legal works being undertaken on public assets e.g. roads. Management and timing of the works is under the control of the contracting agencies and therefore should be managed to limit disruption to the extent possible. Future benefits also accrue to those impacted through the improvement to the area and these will be realised after the completion of the works for many years to come.

However, Council does recognise the disruption being caused by the works and is addressing it through supporting Love Wainuiomata to encourage and thank the community for shopping local. This includes:

- “Thanks for shopping local” promotion throughout the community including some spontaneous activities to reward the shoppers in Queen Street and a boost in local business profiling through Love Wainuiomata and Wainuiomata News. A great opportunity for leaders in our community to share and model this messaging too.*
- Encouraging retail spend with a “shop and win” competition and promotion during the month of September – featuring weekly prize packs bought from local Queen Street businesses.*

We are keeping in touch with the retailers and community throughout the project and will continue to explore other opportunities for mitigating the disruption, if required.

Ngā mihi nui,

Democratic Services Team