



Report

Date : 6 August 2024
To : Mayor and Councillors
Tararua District Council
From : Eleanor Roberts
Revenue Manager
Subject : **Updated - Rates Resolution for 2024-25 Financial Year**
Item No : **L.3**

1. Recommendation

1.1 *That the report from the Revenue Manager dated 05 August 2024 concerning the Updated - Rates Resolution for 2024-25 Financial Year be received.*

1.2 ***Setting the Rates for the 2024-25 Financial Year***

That the Tararua District Council resolves to set the rates under Section 23 of the Local Government (Rating) Act 2002, the due dates for payment under Section 24 of the Local Government (Rating) Act 2002 and authorise the addition of penalties for unpaid rates under Section 57 of the Local Government (Rating) Act 2002 for the year commencing on 1 July 2024 and ending on 30 June 2025 as follows:

Please note:

- *All references to sections are to sections of the Local Government (Rating) Act 2002.*
- *All amounts stated are GST inclusive.*

1.3 ***General Rate***

Pursuant to Section 13(2)(a), a general rate of \$ 0.00188794 per dollar of land value per rating unit in the district.

1.4 ***Uniform Annual General Charge***

Pursuant to Section 15(1)(a), a uniform annual general charge as a fixed amount

of \$633.65 per rating unit in the district.

1.5 Libraries Targeted Rate

Pursuant to Sections 16(3)(a) and 16(4)(a), a targeted rate as a fixed amount of \$220.62 per rating unit in the district.

1.6 Swimming Pools Targeted Rate

Pursuant to Sections 16(3)(a) and 16(4)(a), a targeted rate as a fixed amount of \$127.69 per rating unit in the district.

1.7 Specified Services Targeted Rate - Urban

Pursuant to Sections 16(3)(b) and 16(4)(a), a targeted rate as a rate in the dollar of land value for all rating units in the urban category of \$ 0.00005450 per dollar of land value.

1.8 Specified Services Targeted Rate – Industrial/Commercial – Rural

Pursuant to Sections 16(3)(b) and 16(4)(a), a targeted rate as a rate in the dollar of land value for all rating units in the industrial/commercial rural category of \$ 0.00086744 per dollar of capital value.

1.9 Specified Services Targeted Rate – Industrial/Commercial – Urban

Pursuant to Sections 16(3)(b) and 16(4)(a), a targeted rate as a rate in the dollar of capital value for all rating units in the industrial/commercial urban category of \$ 0.00114390 per dollar of capital value.

1.10 Recycling Targeted Differential Rate

Pursuant to Sections 16(3)(a) and 16(4)(b), a targeted rate, set on all rating units in the district on a differential basis as an amount per rating unit for the different categories of land as follows:

<i>Rural rating units</i>	<i>\$ 68.12</i>
<i>Urban rating units</i>	<i>\$230.69</i>
<i>Industrial/Commercial rating units</i>	<i>\$330.34</i>

1.11 Kerbside Recycling Targeted Differential Rate

Pursuant to Sections 16(3)(b) and 16(4)(b), a targeted rate, for the different categories of land as follows:

Urban rating units – an amount of \$107.86 per separately used or inhabitable part of a rating unit for urban rating units where the kerbside collection service is available.

Industrial/Commercial rating units – an amount of \$107.86 per separately

used or inhabitable part of a rating unit for Industrial/Commercial rating units where the kerbside collection service is available.

1.12 *Roading Rate - District-wide*

Pursuant to Sections 16(3)(a) and 16(4)(a), a targeted rate as a uniform rate in the dollar of \$ 0.00082928 per dollar of land value per rating unit in the district.

1.13 *Roading Rate – Fixed Rate Differential*

Pursuant to Sections 16(3)(a) and 16(4)(b), a targeted rate, set on all rating units in the district on a differential basis as an amount per rating unit for the different categories of rateable land as follows:

<i>Rural rating units</i>	<i>\$227.33</i>
<i>Urban rating units</i>	<i>\$ 35.68</i>
<i>Industrial/Commercial rating units</i>	<i>\$90.31</i>

1.14 *Roading Land Value Differential Rate*

Pursuant to Sections 16(3)(a) and 16(4)(b), a targeted rate, set on all rating units in the district on a differential basis as an amount per \$1,000 of land value for the different categories of land as follows:

<i>Dairy</i>	<i>\$ 0.41303934 per \$1,000 Land Value</i>
<i>Forestry</i>	<i>\$ 1.42672891 per \$1,000 Land Value</i>
<i>Farming (non-dairy)</i>	<i>\$ 0.14750443 per \$1,000 Land Value</i>
<i>Industrial</i>	<i>\$ 0.71768804 per \$1,000 Land Value</i>
<i>Commercial</i>	<i>\$ 0.32574475 per \$1,000 Land Value</i>
<i>Residential</i>	<i>\$ 0.02052671 per \$1,000 Land Value</i>
<i>Lifestyle</i>	<i>\$ 0.04813584 per \$1,000 Land Value</i>
<i>Other</i>	<i>\$ 0.64165332 per \$1,000 Land Value</i>
<i>Mining</i>	<i>\$ 1.52434145 per \$1,000 Land Value</i>

1.15 *Dannevirke Town Centre Refurbishment Rate*

Pursuant to Sections 16(3)(b) and 16(4)(a), a targeted rate, set of a fixed amount of \$4.90 per rating unit on every rating unit in the district where a Lump Sum Contribution has not been elected under Part 4A comprising Sections 117A to 117N and Schedule 3A and paid in full.

1.16 District Town Centre Refurbishment Rate

Pursuant to Sections 16(3)(a) and 16(4)(a), a targeted rate, set of a fixed amount of \$65.82 per rating unit on every rating unit in the district.

1.17 Water Supply Targeted Rate

Pursuant to Sections 16(3)(b) and 16(4)(b), a targeted rate set differently as follows:

- An amount of \$800.38 per separately used or inhabitable part of a rating unit which is connected to a Council operated water supply and which is not metered and charged on a volumetric basis.***
- An amount of \$400.19 on every rating unit where an ordinary supply is available but is not connected, and which is not metered and charged on a volumetric basis.***

1.18 Volumetric Water Charges - Metered Rate

Rates for metered supply pursuant to Sections 16(3)(b) and Sections 16(4)(a), and 19(2)(b) as follows:

All rating units that are metered and charged for volumetric supply

- A targeted rate charged quarterly of \$200.10 per rating unit***

All extraordinary users

For supply in excess of 80 cubic metres supplied during each consecutive three month period per separately used or inhabitable part of a rating unit a volumetric rate of \$3.95 per m3.

All large volume users

For supply of more than 2,000 cubic metres per quarter per separately used or inhabitable part of a rating unit a volumetric rate of \$2.05 per m3.

1.19 Pongaroa Water Rate

Pursuant to Section 19(2)(a), a targeted rate as an amount of \$135.07 per unit of water supplied from the Pongaroa Water Supply.

1.20 Wastewater Targeted Rate (excluding educational establishments, multiple unit residential properties and properties charged trade waste fees)

Pursuant to Sections 16(3)(b) and 16(4)(b), a targeted rate, set on a differential basis for wastewater as follows:

- An amount of \$1,024.40 per separately used or inhabited part of a rating***

unit connected to a Council operated wastewater system, and

- An amount of \$512.20 on every rating unit where wastewater is available but is not connected.*

1.21 Wastewater multiple use (pan charge rate) - excluding educational establishments and multi-use residential properties

- On every connected rating unit with 4 or more water closets/urinals (except for educational establishments and multi-use residential properties), an amount of \$341.43 for each water closet or urinal excluding the first 3, and excluding any in addition to 12.*
- Note: A rating unit used primarily as a residence for one household will be treated as having only one water closet/urinal.*

1.22 Wastewater Rate - educational establishments and multi-unit residential properties

Pursuant to Sections 16(3)(b) and 16(4)(a), for educational establishments and multi-unit residential properties a targeted uniform rate of \$1,024.40 on each water closet/urinal connected to the urban wastewater system.

Educational establishments are as defined under Schedule 1, Clause 6 of the Local Government (Rating) Act 2002.

1.23 Urban Stormwater Targeted Rate

Pursuant to Sections 16(3)(b) and 16(4)(a), a targeted uniform rate of \$210.67 per rating unit on every rating unit in the Tararua District stormwater drainage area.

1.24 Due Date for Payment of Rates

All rates (except metered water rates) for the year ending on 30 June 2025 will be assessed in four equal instalments, which will become due and payable on the following due dates:

<i>Instalment</i>	<i>Due date</i>	<i>Instalment period</i>
<i>Instalment 1</i>	<i>13 September 2024</i>	<i>1 July 2024 to 30 September 2024</i>
<i>Instalment 2</i>	<i>30 November 2024</i>	<i>1 October 2024 to 31 December 2024</i>
<i>Instalment 3</i>	<i>28 February 2025</i>	<i>1 January 2025 to 31 March 2025</i>
<i>Instalment 4</i>	<i>31 May 2025</i>	<i>1 April 2025 to 30 June 2025</i>

Charges for metered water rates for the year ending on 30 June 2025 will be assessed in four instalments on meter readings, which will become due and payable on the following due dates:

Instalment	Meters Read	Due date
Instalment 1	1 September 2024	20 October 2024
Instalment 2	1 December 2024	20 January 2025
Instalment 3	1 March 2025	20 April 2025
Instalment 4	1 June 2025	20 July 2025

1.25 **Penalties**

That Council resolves pursuant to Section 57 and Section 58 to authorise the following penalties to be added on unpaid rates:

For all rates other than water metered rates:

- a) ***A penalty under Section 58(1)(a) of 10 percent on so much of any instalment that has been assessed after 1 July 2024 and which is unpaid by the relevant due date stated in 1.24 for payment, to be applied on the relevant penalty date as follows:***

Instalment Due Date	Rates Penalty Date
13 September 2024	17 September 2024
30 November 2024	3 December 2024
28 February 2025	3 March 2025
31 May 2025	3 June 2025

- b) ***A penalty under Section 58(1)(b) of 10 percent on so much of any rates assessed before 1 July 2024 which remain unpaid on 14 August 2024 (Arrears penalty). The penalty will be added on 16 August 2024.***
- c) ***A penalty under Section 58(1)(c) of 10 percent on so much of any rates to which a penalty has been added under (b) above which remain unpaid on 14 February 2025 (Arrears penalty). The penalty will be added on 17 February 2025.***

For water metered rates

- d) ***A penalty under Section 58(1)(a) of 10 percent on so much of any water metered rates that remain unpaid after the due date for the relevant instalment stated in 1.24.***

The scheduled dates to add the penalties to the unpaid water metered rates are as at the following dates:

<i>Instalment Due Date</i>	<i>Water Metered Penalty Date</i>
<i>20 October 2024</i>	<i>24 October 2024</i>
<i>20 January 2025</i>	<i>24 January 2025</i>
<i>20 April 2025</i>	<i>24 April 2025</i>
<i>20 July 2025</i>	<i>24 July 2025</i>

2. Reason for the Report

- 2.1 This report places before Council the necessary resolution to enable it to set the rates, due dates for payment and authorise the addition of penalties for the 2024-25 financial year.

3. Background

- 3.1 At the 31 July 2024 Council meeting, the Council noted the advice received from Audit New Zealand, outlining that some matters had come up in their completion of the audit since the meeting of the Audit and Risk Committee in the previous week, that the Council needed to work through prior to adoption of the Long Term Plan 2024-34.
- 3.2 This meant that the items relating to adoption of the Long Term Plan, and also the Setting of Rates for the 2024-25 Financial Year, were left lying on the table with those items to be adjourned to be considered when Council reconvened on 7 August 2024.
- 3.3 This delay allowed time for the required changes to be made to the Long Term Plan 2024-34, and issuing of the Audit Opinion required for adoption of the Long Term Plan.
- 3.4 Following the adoption of the Long Term Plan Year for the 2024-25 period, Council is now required to adopt the rates resolution for the 2024-25 financial year to fund Council activities for the year.

4. Discussion

- 4.1 The setting of the 2024-25 rates is consistent with the Revenue and Financing Policy adopted as part of the 2024-34 Long Term Plan, and the Funding Impact Statement adopted in Year 1 of the 2024-34 Long Term Plan.
- 4.2 The adoption of the rates resolution will enable Council to fund the activities as set out in the adopted Year 1 of the 2024-34 Long Term Plan.
- 4.3 The Council considered community views during its engagement on the 2024-34 Long Term Plan, and the Council's deliberations following that engagement is reflected in the recommendations contained in this report. More information on the Council's deliberations can be found in the agenda and minutes for the Council meeting on 19 June 2024.
- 4.4 Given the earlier deliberations, the options for the Council in relation to the rate setting decision are necessarily limited to setting the rates as recommended, or not setting the rates as recommended. Setting the rates as proposed is consistent with the Council's decisions in the LTP. Not setting the rates as proposed would have the effect that the rates could not be assessed and invoiced in accordance with the timeframes indicated in this report, impose significant administrative burden and cashflow constraints, impacting Council's ability to deliver on Year 1 outcomes.

5. Statutory Requirements

- 5.1 Under the Local Government (Rating) Act 2002, Council must set rates and due dates for payment of rates for any particular year by passing a resolution of Council.
- 5.2 This paper sets out the resolutions necessary to enable Council to set the rates under Section 23 of the Local Government (Rating) Act 2002, the due dates for payment under Section 24 of the Local Government (Rating) Act 2002 and authorise the addition of penalties for unpaid rates under Section 57 of the Local Government (Rating) Act 2002 for the year commencing on 1 July 2024 and ending on 30 June 2025.

6. Significance Assessment

- 6.1 The rates resolution is not significant in terms of Council's policy on significance and engagement policy and does not require the use of public consultation.

7. Conclusion

The Tararua District Council is required to set rates and due dates for any particular year by passing a resolution once it has adopted the Long Term Plan. Adopting the recommendations outlined in this report will fulfil these requirements and meet Council's statutory obligations.

Attachments

Nil.