

Report to: Council

Meeting Date: 21 June 2023



Subject: Adoption Report: Rates Resolution 2023/24

Report for: Decision

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MANAGER: POLICY & STRATEGY

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ACTING MANAGER: FINANCE, STRATEGY & GOVERNANCE

Purpose of Report | Te take mō te pūrongo

- 1.1 The purpose of this report is to present the Rates Resolution to the Council for adoption to set the rates, due dates for the payment of rates, and penalties regime for the 2023/24 financial year.

Recommendation(s) | Ngā tūhonga

That the Council:

- 1 Receives the Report **Adoption Report: Rates Resolution 2023/24**; and
- 2 Resolves pursuant to Section 23(1) of the Local Government Rating Act 2002, to set the rates, due dates for the payment of rates, and penalties regime as set out in paragraph 6.4 this report, for the year commencing 1 July 2023 and ending 30 June 2024.

Well-Being Outcomes

In accordance with Section 10 of the Local Government Act 2002 (LGA): the purpose of Local Government is to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

Refer: [Pūwhenua ki Ruapehu Portal](#)

	Contributes	Detracts	No Impact
2.1 Social: Safe, healthy communities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Contributes	Detracts	No Impact
2.2 Economic: Thriving economy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Contributes	Detracts	No Impact
2.3 Environmental: Sustaining beautiful environments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Contributes	Detracts	No Impact
2.4 Cultural: Vibrant and diverse living	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Significance and Engagement | Takenga mai

- 3.1 This report does not trigger Council's Significance and Engagement Policy.

Background | Tuhinga

- 4.1 Rates are set and assessed in accordance with requirements of the Local Government (Rating) Act 2002 and the Local Government Act 2002.
- 4.2 The Rates Resolution must be adopted after the Annual Plan has been adopted.

Discussion | He Kōrerorero

- 5.1 Ruapehu District Council (Council) will now have adopted its Annual Plan 2023/24, which was dealt with by the preceding report in this Agenda.
- 5.2 In accordance with Council's Funding Impact Statement, contained in the Annual Plan 2023/24, and relevant provisions of Council's Long Term Plan 2021/31, Council sets the rates in the Rates Resolution.
- 5.3 **RUAPEHU DISTRICT COUNCIL RATES RESOLUTION 2023/24**
- 5.4 The Council hereby resolves pursuant to Section 23(1) of the Local Government Rating Act 2002, to set the rates, due dates for the payment of rates, and penalties regime as set out below, for the year commencing 1 July 2023 and ending 30 June 2024, as follows:

GENERAL RATES

General Rate

A General Rate set on the basis of Capital Value (CV) to fund general activities. This rate is set on a differential basis as described below and assessed on all rateable land.

The General Rate differentials are based on the CV and land use as defined by Council's Valuation Service Provider and included in the Funding Impact Statement Database. The differentials are as set out in the following table.

(Refer Local Government (Rating) Act 2002, S13(2)(b) & S14, and Schedules 2(1&8) & 3(2))

General Rate Differentials	
Basis	Differential
All rating units other than hydro-electric properties with a CV in excess of \$50 million	100%
Hydro-electric properties with a CV in excess of \$50 million	61%

General Rate – Defence Land

Defence Land is rated on Capital Value but, in accordance with Section 22 LGRA, the assessed rate will not exceed the amount that would have been charged if the District's rate was calculated on the Land Value only.

(Refer Local Government (Rating) Act 2002, S22)

Uniform Annual General Charge (UAGC)

A UAGC is set on the basis of one charge assessed on every separately used or inhabited part (SUIP) of a rating unit. This rate has been set at a level designed to ensure that the total of the UAGC and uniform targeted rates, exclusive of those set for water supply or sewerage disposal, do not exceed the allowable maximum of 30%.

(Refer Local Government (Rating) Act 2002, S15 & 21 and Schedule 3(7))

TARGETED RATES

Land Transport- land transport differential rate

A targeted rate set on the basis of Capital Value (CV) on all rating units in the District to fund land transport activity. This rate is set on a differential basis as described below.

The Land Transport Rate differentials are based on the CV and use as defined by Council's Valuation Service Provider and included in the Rating Information Database. The differentials are set out in the following table.

(Refer Local Government (Rating) Act 2002, S16(3)(a) and (4)(b) and Schedules 2(1&8) and Schedule 3(2))

Land Transport Rate Differentials		
Differential	Basis	Basis
General	All rating units other than the following:	100%
Hydro-electric	Rating Units used for Hydro-electric purposes with a Capital Value in excess of \$50 million	61%
Forestry	Rating Units used for exotic forestry with a Quotable Value Category Code of FE	300%

URBAN PERIPHERY ROAD - Kaha and Tau Street Resealing

A targeted rate set on the basis of a fixed amount assessed on every rating unit within the defined rating area to fund the resealing of Kaha and Tau Streets.

The defined Rating Area is as follows - All rating units with frontage on Kaha or Tau Streets, Rangataua (excluding the three rating units with frontage on a short section of Tau Street already sealed: valuation numbers 12765 198 00; 12765 222 00; 12765 223 00.

(Refer Local Government (Rating) Act 2002, S16(3)(b) and (4)(a))

ECONOMIC DEVELOPMENT RATES

Economic Development Targeted Rate

A targeted rate set on the basis of a fixed amount assessed on every SUIP in the District to fund Economic Development.

(Refer Local Government (Rating) Act 2002, S16(3)(a) and (4)(a) and Schedule 3 (7))

Economic Development Commercial Targeted Rate

A targeted rate set on the basis of Capital Value (CV) assessed on every rating unit with Council's Valuation Service Provider's Category Code C (Commercial) and I (Industrial) to fund Economic Development.

(Refer Local Government (Rating) Act 2002, S16(3)(b) and (4)(a), and Schedules 3(2))

NON-COMMERCIAL Visitor Accommodation Targeted Rate

A Non-Commercial Visitor Accommodation Rate set on the basis of a fixed amount per rating unit to fund services provided to the tourism sector. This rate will be assessed on any property that is advertised in any form as providing short term, private, holiday rental accommodation in the district. For clarity, this rate will be payable by any property (rating unit) that is advertised and used for short-term accommodation purposes, for example Bed & Breakfast (B&B), Book-a-Bach, Air B&Bs etc. This rate will not, however, be payable by any rating unit that is currently assessed as Economic Development – Commercial Targeted Rate.

(Refer Local Government (Rating) Act 2002, Sections 16(3)(b) and (4)(a) and schedule 3(7))

SOLID WASTE RATES

Solid Waste – Waste Minimisation Management and Facilities

A targeted rate set on the basis of a fixed amount assessed on every SUIP in the District to fund the cost of landfills, transfer stations and general recycling costs, plus all other refuse costs not included in the service charge for kerbside collection charged to individual households.

(Refer Local Government (Rating) Act 2002, Sections 16(3)(a) and (4)(a) & Schedule 3 (7))

Solid Waste - Kerbside Collection

A targeted rate set on the basis of a fixed amount assessed differentially on every SUIP to which Council provides the service, to fund the cost of kerbside (refuse and recycling) collection services. Note: Vacant land and land with minor improvements are deemed not to receive the service therefore are not subject to this rate.

Note: Refuse is collected for all SUIPS, whereas recycling is only collected from residential units.

Solid Waste - Kerbside Collection Rate Differentials		
Basis		Differential
General Differential	All rating units within the rateable areas defined AND used for "Residential" ^[1] purposes. Note: vacant land and land with minor improvements will not be liable for this rate	100%
Commercial Differential	All rating units within the rateable areas defined AND used for any purpose other than residential. Note: vacant land and land with minor improvements will not be liable for this rate	50%

(Refer Local Government (Rating) Act 2002, Sections 16(3)(b) and (4)(b), Schedules 2 (1&5) & 3(7))

STORMWATER & FLOOD PROTECTION RATES

A targeted rate set on the basis of a fixed amount assessed on every SUIP within the following urban communities to which stormwater and flood protection services are provided to fund these services. In this context, "are provided" means that the rating unit is within a water or sewerage supply area and is liable for any of those rates.

(Refer Local Government (Rating) Act 2002, Sections 16(3)(b) and (4)(a) & Schedule 3 Cl 7)

Stormwater Rating Areas
Taumarunui, Piriaka, Ohakune, Raetihi, Owhango, National Park, Rangataua, Waiouru, Kakahi

^[1] As defined as residential by Council's Valuation Service Provider and included in the Rating Information Database

SEWERAGE

Sewerage Service Rate

Council has set a targeted rate assessed on a differential basis for any land which is connected or capable of connection¹, either directly or indirectly, to any of the District's public sewerage systems as follows:

Sewerage Differential Rate		
Differential	Description	Basis
General Use	Land other than land used for Primary and Secondary Schools	100%
School Use	Land used for Primary and Secondary Schools	30%

(Refer Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedules 2(1), 2(5), 3(7) & 3(12))

The rate is assessed per SUIP of a rating unit for general use land and per pan for schools.

PAN RATE (WATER CLOSET OR URINAL)

Council has set a targeted rate based on the number of toilet pans connected, either directly or indirectly, to any of the District's public sewerage systems². This targeted rate will apply per pan, after the second pan, of any rating unit in the General Use category

(Refer Local Government (Rating) Act 2002, Section 16(3)(b) and 16(4)(a) and Schedule 2(1), 2(5) & Schedule 3(12))

WATER

Water Rate

A targeted rate on the basis of an amount assessed on every SUIP that is connected or capable of connection³, either directly or indirectly, to any of the District's Public Water Supply Systems, set on a differential basis.

(Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedule 3(7))

Water Rates		
Differential	Description	Basis
General Use	All Rating Units other than those defined as Extraordinary Use	100%
Extraordinary Use	Rating Units are deemed extraordinary by land use, Councils Water Bylaw, or agreement with Council.	120%

(Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedules 2(1) & 3(7))

¹ Capable of connection - The rating unit is within 30m of sewer main and practicably serviceable in the opinion of Council.

² In terms of the Local Government (Rating) Act 2002 Schedule 3(4) a rating unit used primarily as a residence for one household will be treated as having only one water closet or urinal.

³ Capable of connection - The rating unit is within 100m of water main and practicably serviceable in the opinion of Council.

Water by Meter Charges (N.B. water by meter charges are not rates pursuant to the LGRA)

Users connected to any Council water supply where the supply is recorded through a water meter will be assessed the Water Differential Rate, as outlined above.

LUMP SUM CONTRIBUTIONS

Council is not seeking any lump sum contributions in respect of any targeted rates.

(Local Government Act 2002, Schedule 10 Clause 15(4)(e)).

DUE DATES FOR PAYMENT OF RATES

Council resolved that the rates for 2023/24 are payable in four equal instalments, on the dates set out below.

Discount

A discount of 3% on all current year's rates will be granted for prompt payment if the rates for the year ending 30 June 2024 are paid in full by 21 August 2023, on condition that no rates remain unpaid from previous years.

Penalties

A penalty of 10% will be added to any amount of an instalment of rates remaining unpaid after the relevant due date and will be added on the dates set out in the table below:

Instalment	Due Date	Penalty Date
1	21 August 2023	24 August 2023
2	20 November 2023	23 November 2023
3	20 February 2024	23 February 2024
4	20 May 2024	23 May 2024

A further penalty of 10% will be added to any rates from previous years that remain unpaid on 1 July 2023. The penalty will be applied on 12 July 2023.

A further penalty of 10% will be added to any amount of rates to which a penalty has been added under the above paragraph that remain unpaid on 12 January 2024. The penalty will be added on 15 January 2024.

Council delegates authority to the Executive Manager Finance, Strategy and Governance, to apply penalties on unpaid rates. Remission of penalties will be considered according to Council's Remission of Penalties Policy, which can be found on Council's website: www.ruapehudc.govt.nz.

Schedule of Rates for 2023/24

Please note all rates Inclusive GST.

Rate	Basis of Assessment	Differential (as per LG(R)A schedule 2)	Rates 2023/24	
			Rate GST incl.	Total Rate GST incl.
GENERAL RATES				
Uniform Annual General Charge	Per SUIP ⁴	-	\$723.08	\$6,834,914
General Rate – General Differential	Capital Value	1 & 8	\$0.00192569	\$9,840,816
General Rate – Hydro Electrical Differential	Capital Value	1 & 8	\$0.00117158	\$374,894
General Rate – Defence Land	Land Value	1	\$0.00084517	\$173,311
TARGETED RATES				
Land Transport				
General	Capital Value	1	\$0.00087692	\$4,358,072
Hydro Electrical	Capital Value	1 & 8	\$0.00053919	\$172,535
Forestry	Capital Value	1	\$0.00263074	\$371,235
Kaha and Tau Street Resealing	Per rating unit		\$124.00	\$3,968
Solid Waste				
Solid Waste - Kerbside Collection				
Residential	Per SUIP	1	\$90.22	\$395,704
Commercial	Per SUIP	1	\$45.02	\$24,266
Solid Waste Charge	Per SUIP	-	\$99.56	\$940,892
Stormwater/Flood Protection Urban	Per SUIP		\$122.52	\$717,048
Wastewater				
District Wide Sewerage Rate				
General use (Inclusive of 2 pans)	Per SUIP	1 & 5	\$476.75	\$2,432,855
School use	Per Pan	1 & 5	\$143.03	\$34,899
District Wide Additional Pan Rate				
General Use Per pan in excess of 2 pans per SUIP	Per Pan	-	\$238.38	\$306,557
Water				
District Wide Water Rate				
Connected or capable of connection	Per SUIP	1 & 5	\$863.74	\$5,278,315
Extra-Ordinary	Per SUIP	1 & 5	\$1,036.49	\$38,350
Economic Development Rates				
Economic Development Rate	Per SUIP	-	\$53.57	\$504,373
Economic Development Commercial Rate	Capital Value	-	\$0.0013098	\$439,276
Non-Commercial Visitor Accommodation Targeted Rate	Per rating unit	-	\$300.00	\$168,600

Next Actions | Ngā mahinga e whai ake nei

- 6.1 Council will set the rates for the 2023-24 financial year in accordance with the Rates Resolution contained in this report.

Attachment(s) | Ngā āpiti hanga

NIL

⁴ Separately Used or Inhabited Part of a rating unit