



# Feedback Form

Te Kaunihera-ā-Rohe o Ruapehu  
Ruapehu District Council  
**Draft Long Term Plan 2024/2034**



## Removal of 3% early rate payment discount

Proposal for the dissolution of the policy on discounts for early payment of rates

Council is proposing to remove the 3% early rate payment discount via the dissolution of the policy on discounts for early payment of rates as it is resulting in lost net revenue of around \$90,000 per annum.

Council has been offering a 3% early rate payment discount to ratepayers who pay their annual rate bill in one lump sum at the beginning of the rating year through its policy on discounts for early payment of rates.

The early rate payment discount was provided on the premise that Council would receive a larger payment of rate revenue at the beginning of the rating year that we would then be able to invest for a higher return and net benefit to Council.

Recent financial analysis of this premise however has identified that there is no financial benefit to Council, and the discount is in fact costing Council around \$90,000 per annum in net lost revenue.

This additional rates revenue could be used to reduce Council debt by \$1.0m (inflation adjusted) over the ten years of the Long Term Plan.

Removal of the discount is seen as fairer to all ratepayers as ratepayers who did not, or could not, afford to pay their rates in a lump sum at the beginning of the rating year have been effectively subsidising those who can.

As such, Council is proposing to remove the 3% early rate payment discount via the dissolution of the associated policy.

<b>Impact on rates</b>	None.
<b>Impact on debt</b>	Potential reduction in Council debt by \$1.0m over the ten years of the Long Term Plan.
<b>Impact on Levels of Service</b>	None.

### Wellbeing Framework alignment

The 2024/34 Long Term Plan is informed by Council’s Wellbeing Framework which includes the values, purpose, vision, and environmental outcomes we are aiming for on behalf of our communities.

**The proposal to remove the 3% early rate payment discount supports the following Wellbeing Framework objectives:**



**Our values:**

- Accountability, • Kaitiakitanga (Guardianship)



**Our outcomes:**

- Thriving communities



**Our role as:**

- Funder, • Regulator



# The options:

## 1. Maintain the 3% early rate payment discount

No financial benefit to Council in maintaining the 3% early rate payment discount.

Ratepayers who can afford to pay their rates in a lump sum at the beginning of the rating year would continue to receive the financial benefit from doing so.

Council would continue to receive a potentially larger lump payment of rates at the beginning of the rating year, albeit with the 3% discount applied and resulting net loss in revenue of around \$90,000 per annum.

## 2. Remove the 3% early rate payment discount

Removing the discount would provide Council with a net revenue increase of around \$90,000 per annum.

Adjusting for inflation this additional rates revenue could be used to reduce Council debt by \$1.0m over the ten years of the Long Term Plan.

Ratepayers who were taking advantage of the discount may no longer pay their rates in a lump sum at the beginning of the rating year.

Ratepayers with multiple properties who were taking advantage of the early payment discount will be impacted more.

Removal of the discount is fairer for ratepayers who are not in a financial position to pre-pay their rates at the beginning of the rating year.

What option do you prefer?

Option 1

Option 2 is our preferred option

Option 2

Tell us why or any other option you prefer:

.....

.....

.....

.....

.....

Name:

Organisation (if applicable):

Postal address:

Best daytime contact number:

Email:

Keep me advised of future consultations

Would you like to support your feedback by speaking to Council during the Hearings?

Yes

No

If you ticked 'yes' we will contact you to arrange a speaking date and time.

The Hearings are scheduled for Tue 14<sup>th</sup> May (Ohakune and Raetihi) and Wed 15<sup>th</sup> May (Taumarunui). You can choose to speak at either or online.

A maximum of two speakers and ten (10) minutes of total speaking time per submission is permitted.

You can bring your feedback form into any Council office or submit via:



**Mail:**

Freepost 492  
Ruapehu District Council  
Private Bag 1001  
Taumarunui 3946



**Email:**

consultation@ruapehudc.govt.nz



**Please note - you can also provide feedback on-line:**

Use our on-line submission form on our consultation website:  
[submissions.ruapehudc.govt.nz](https://submissions.ruapehudc.govt.nz) or use your phone and **the QR code** ▶

