

Council

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#. Setting of the Rates 2023/24

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Summary

- The purpose of this report is to recommend that the Ashburton District Council adopts the 2023/24 Annual Plan and Funding Impact Statement and that the Rates 2023/24 be set by resolution of Council.
- The resolution also includes penalty rates for instalments 1-4 in the 2023/24 year.

Recommendation

1. **That** Council sets the following rates under the Local Government (Rating) Act 2002 on rating units in the district for the financial year commencing 1 July 2023 and ending on 30 June 2024.

All section references are to sections in the Local Government (Rating) Act 2002. All amounts are GST inclusive.

- The definition of connected and serviceable is contained in Council's Funding Impact Statement – Rating Information.
- The definition of separately used or inhabited part of a rating unit is contained in Council's Funding Impact Statement – Rating Information.
- The definition for the amenity rating area is contained within Council's Funding Impact Statement – Rating Information.

Uniform Annual General Charge (UAGC)

A uniform annual general charge of \$717.40 per separately used or inhabited part of a rating unit, set under section 15.

The Uniform Annual General Charge (UAGC) funds wholly or in part the following activities of Council:

- Public Conveniences
- Community Grants & Funding
- Ashburton Library
- Ashburton Youth Council
- Council
- Community Safety
- Ashburton Art Gallery and Museum
- EA Networks Centre
- Emergency Management

General rate

A general rate set under section 13 of \$0.000380 per dollar of capital value on each separately used or inhabited part of a rating unit in the district.

The general rate will be used to fund either wholly or in part the following activities of Council:

- Footpaths and Cycleways
- Stormwater
- Solid Waste Management
- Emergency Management
- Environmental Health
- Cemeteries
- Stockwater Management
- Reserves and Campgrounds
- Elderly Persons Housing
- Business and Economic Development
- Ashburton Water Management Zone Committee
- District Promotion
- Community Safety
- Rural Beautification
- Urban Beautification
- Alcohol Licensing & Gambling Venue Consenting
- Animal Control
- Building Regulation
- District Planning (including land information)
- District Plan (policy and development)

Roading rate

A targeted rate for road services set under section 16 of \$0.000478 per dollar of capital value on each separately used or inhabited part of a rating unit in the district.

Water supply rates

The following differential targeted rates are set under section 16 for each water supply area listed below. In each case the differential categories are:

- a) Connected rating units
- b) Serviceable rating units

The differential targeted rates are set as a fixed amount per separately used or inhabited part of a rating unit. Rating units outside the defined water supply areas listed below, but which are nonetheless connected to a water supply scheme servicing a particular water supply area, will be charged the connected rate for that water supply area.

Water supply area	Connected	Serviceable
Ashburton urban	\$579.50	\$289.80
Lake Hood	\$579.50	\$289.80
Methven	\$579.50	\$289.80
Rakaia	\$579.50	\$289.80
Fairton	\$579.50	\$289.80
Hakatere	\$579.50	\$289.80
Hinds	\$579.50	\$289.80
Mayfield	\$579.50	\$289.80
Chertsey	\$579.50	\$289.80
Mt Somers	\$579.50	\$289.80
Dromore	\$579.50	\$289.80
Methven-Springfield	\$579.50	-

Water meters – Extraordinary supply

In addition to the above targeted rates, a targeted rate for water supply, set under section 19, will apply for:

- a) Rating units which fall outside a defined water supply area, but which are nonetheless connected to a water supply scheme servicing a water supply area (except Montalto, Lyndhurst and Barrhill); or

- b) Rating units which are used for non-residential purposes, and which are connected to a water supply scheme in a water supply area (except Montalto, Lyndhurst and Barrhill).

The rate is \$1.00 per 1,000 litres of water consumed in excess of 90 cubic metres consumed in the quarterly periods during each year. The quarterly periods are 1 July to 30 September, 1 October to 31 December, 1 January to 31 March, and 1 April to 30 June.

Water meters – Residential extraordinary supply

Defined as properties connected to the Council water supply network located in Residential D, or Rural A zones of the Ashburton District Plan; or Methven-Springfield rural water supply.

In addition to the above targeted rates, a targeted rate for water supply, set under section 19, will apply for:

- a) Rating units which fall outside a defined water supply area, but which are nonetheless connected to a water supply scheme servicing a water supply area (except Montalto, Lyndhurst and Barrhill); or
- b) Rating units which are used for non-residential purposes and which are connected to a water supply scheme in a water supply area (except Montalto, Lyndhurst and Barrhill).

The rate is \$1.00 per 1,000 litres of water consumed in excess of 438 cubic metres per annum. The period is 1 July – 30 June.

Montalto water supply rate

A targeted rate under section 16 of \$2,208.40 per rating unit in the Montalto water supply scheme, plus \$71.70 per hectare of land in the Montalto water supply scheme.

Lyndhurst water rate

A targeted rate under section 16 of \$176.60 on all rating units connected to the Lyndhurst water supply.

Barrhill village water rate

A targeted rate under section 16 of \$505.00 on all rating units within the proposed scheme boundary for the Barrhill Village water supply.

Wastewater disposal rates

The following differential targeted rates are set under section 16 for wastewater (sewage) disposal for the Ashburton urban area, Methven and Rakaia townships, and a further loan rate in the Rakaia township, as listed below. In each case the differential categories are:

- a) Connected rating units

b) Serviceable rating units

The targeted rates are set as a fixed amount per separately used or inhabited part of a rating unit.

	Connected	Serviceable
Ashburton urban area	\$516.90	\$258.50
Methven township	\$516.90	\$258.50
Rakaia township	\$516.90	\$258.50
Rakaia loan rate township	\$169.80	\$84.90

The following additional targeted rates are set under section 16 for wastewater disposal on connected rating units within the Ashburton urban area, Methven and Rakaia townships as listed below. These rates are set differentially based on location and the number of urinals / pans in excess of three, in each rating unit, as listed below.

	Urinal / pan charge from 4+
Ashburton urban area	\$172.30
Methven	\$172.30
Rakaia	\$172.30

Solid waste collection rates

The following rates are set under section 16 for waste collection for each area to which the service is provided as listed below. The targeted rates are set as a fixed amount per separately used or inhabited part of a rating unit.

Ashburton urban	\$274.60
Ashburton CBD (inner)	\$428.60
Methven	\$274.60
Rakaia	\$274.60
Hinds	\$274.60
Mayfield	\$274.60
Mt Somers	\$274.60
Chertsey	\$274.60
Fairton	\$274.60
Lake Clearwater	\$169.80
Rangitata Huts	\$271.10
Ashburton District extended	\$274.60

Stockwater rate

A targeted rate under section 16 on all rating units within the general stockwater scheme. The rate is to be determined in accordance with the following factors:

- a) A rate of \$260.00 where the total length of any stockwater races, aqueducts or water channels that pass through, along, or adjacent to, or abuts the rating unit does not exceed 246 metres in length; and
- b) A rate of 82 cents per metre where the total length of any stockwater races, aqueducts or water channels that pass through, along or adjacent to, or abuts the rating unit exceeds 246 metres in length; and
- c) A rate of \$164.00 for each pond service, pipe service, ram service, pump service, water wheel or windmill; and
- d) A rate of \$82.00 for each dip service or extension pump service using water for the Council's water race system.

Amenity rates

Targeted rates for amenity services under section 16 are as follows:

Ashburton CBD (inner) footpath cleaning rate

\$0.000453 per dollar on the capital value of each business rating unit within the Ashburton CBD (inner) rating area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book), for footpath services.

Ashburton urban amenity rate

\$0.000906 per dollar of capital value of each rating unit in the Ashburton urban area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) to meet the costs of stormwater services, footpaths, and parks and open spaces.

Ashburton business amenity rate

\$0.000304 per dollar of capital value of each business rating unit within the Ashburton urban area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) for the provision of public conveniences, and district promotion.

Methven business amenity rate

\$0.000414 per dollar on the capital value of each business rating unit within the Methven township area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) for the purposes of public conveniences, and district promotion.

Methven amenity rate

\$0.000549 per dollar on the capital value of each rating unit within the Methven township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) to meet the costs of stormwater services, footpaths, parks and open spaces, and reserve boards.

Rakaia business amenity rate

\$0.000324 per dollar on the capital value of each business rating unit within the Rakaia township area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) for the provision of public conveniences, and district promotion.

Rakaia amenity rate

\$0.000665 per dollar on the capital value of every rating unit within the Rakaia township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) to meet the costs of stormwater services, footpaths, parks and open spaces, and reserve boards.

Hinds stormwater rate

\$0.000233 per dollar on the capital value of every rating unit within the Hinds township area for the provision of stormwater services.

Rural amenity rate

\$0.000034 per dollar on the capital value of every rating unit within the rural area, for the provision of footpaths, and parks and open spaces.

Methven Community Board rate

A targeted rate to fund the Methven Community Board under section 16 of \$146.20 per rating unit within the Methven township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book).

Mt Hutt Memorial Hall rate

A targeted rate to partially fund the Mt Hutt Memorial Hall under section 16 of \$0.000067 per dollar on the capital value of each rating unit in the Methven township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book).

Due dates for payment of rates

The rates will be payable in four equal instalments due on:

- 20 August 2023
- 20 November 2023
- 20 February 2024
- 20 May 2024

Where the 20th of a month in which rates are due does not fall on a working day, rate payments will be accepted without penalty up to and including the first working day after the 20th of that month.

Due dates for payment of water meter charges – Extraordinary Supplies

That water meter charges are due on:

Quarterly period	Reading dates completed	Due date
1 July to 30 September 2023	15 October 2023	20 November 2023
1 October to 31 December 2023	15 January 2024	20 February 2024
1 January to 31 March 2024	15 April 2024	20 May 2024
1 April to 30 June 2024	15 July 2024	20 August 2024

Due dates for payment of water meter charges – Extraordinary residential supply

That water meter charges are due on:

Annual period	Reading date completed	Invoice date
1 July 2023 to 30 June 2024	15 July 2024	20 August 2024

Penalties

In accordance with sections 57 and 58, the Council authorises the Finance Manager to add the following penalties on rates unpaid by the due date.

A 10% penalty will be added to instalment balances remaining unpaid as at the following dates:

- 21 August 2023
- 21 November 2023
- 21 February 2024
- 21 May 2024

In addition, unpaid rates and charges levied prior to 30 June 2024 will attract a further 10% penalty if still unpaid as at 31 August 2024.

Background

1. The Ashburton District Council Rates 2023/24 have been set based on Council's Annual Plan 2023/24. The setting of rates meets the requirements of the Local Government (Rating) Act 2002.

Options analysis

Option one – set the rates 2023/24 by resolution of Council – recommended

2. Council would set the rates in accordance with the Local Government (Rating) Act 2002. This option would mean the Council would be able to levy rates for the 2023/24 year.

Advantages: Council is able to levy rates for the 2023/24 financial year	Disadvantages: None identified
Risks: This option is considered to have little risk associated with it.	

Option two – do not set the rates 2023/24 by resolution of Council

3. This option would mean Council would be unable to levy rates for the 2023/24 year.

Advantages: None identified.	Disadvantages: Council would be unable to levy rates for the 2023/24 financial year
Risks: This option would not allow Council to be able to levy rates for the 2023/23 financial year.	

Legal/policy implications

4. Council is required, under section 23 of the Local Government Act (rating) 2002, to set rates by a resolution of Council.

Climate change

5. There are no obvious linkages between the content of the report and climate change mitigation or adaptation.

Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	The recommendation allows for Council to be able to levy rates for the 2023/24 financial year.
Environmental	X	
Cultural	X	
Social	X	

Financial implications

Requirement	Explanation
What is the cost?	Up-to-date financial and rating information is included in the 2023/24 Annual Plan.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	See 2023/24 Annual Plan for details
Are there any future budget implications?	This is a key Council resolution to allow rates to be levied to provide for Council's budgeted spending in the Annual Plan.
Reviewed by Finance	Hayley Bezuidenhout; Financial Accountant

6. If rates are not set for the 2023/24 year, Council will be unable to levy rates and, therefore, will not have revenue available to undertake the work programmes outlined in the 2023/24 Annual Plan.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes

Level of significance	Low
Rationale for selecting level of significance	N/A
Level of engagement selected	1. Inform – one way communication
Rationale for selecting level of engagement	Council decided not to consult on the Annual Plan 2023/24 due to no significant or material differences. Adopting a rates resolution is the final step in the annual plan and rates setting process to enable Council to conduct its work programme for the 2023/24 year. The resolution must be published online within 20 working days of adoption.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager