

Title: 21-142 Rate Setting Report for 2021/22

Section: Finance & Affordability
Revenue

Prepared by: Fiona Scragg - Revenue Team Leader

Meeting Date: Wednesday 30 June 2021

Legal: Yes

Financial: Yes

Significance: **Medium**

Report to COUNCIL for decision

PURPOSE

The purpose of this report is to set the rates for the 2021/22 financial year after the 2021- 2031 Long Term Plan (LTP) has been approved. Year 1 of the LTP is the Annual Plan (AP) for 2021-2022.

SUMMARY

Report **21-120**, being the 2021-2031 LTP Adopting Report, asks Council to adopt the 2021-2031 Long Term Plan (LTP). After the LTP is adopted, Council must then set the rates for 2021-2022 under section 23 of the Local Government (Rating) Act 2002.

The rates requirement for 2021/22 is \$65.8m plus GST or \$75.6m including GST.

This report recommendation is the schedule of rates excluding GST to be set for the 2021/22 financial year.

The decisions or matters in this report are considered to be of **Medium** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS

That the Council:

1. **Having adopted the 2021-2031 Long Term Plan (including the 2021/22 Funding Impact Statements), Council resolves under section 23 of the Local Government (Rating) Act 2002 to set the following rates for the year commencing 1 July 2021 and concluding 30 June 2022:**

Ref	Rate	Rating Group	Description	Basis	Dollar Value Excluding GST
1.1	General Rate	All Rateable Land	Under sections 13 of the Local Government (rating) Act 2002, a general rate on capital value of all rateable land in the District.	Per dollar of capital value	0.00038112
1.2	Uniform Annual General Charge	All Rateable Land	A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 per Separately Used or Inhabited Part of a Rating Unit (SUIP) on all rateable land.	Separately Used or Inhabited Part of a Rating Unit (SUIP)	726.08000000
Ref	Rate	Targeted Rates	Under sections 16, 17, 18 (and Schedule 3 of the Local Government (Rating) Act 2002		
1.3	Animal Control	Residential DRA1, DRA1A and DRA3, DRA4 & DRA5 (Residential Townships)	A uniform targeted rate on Residential properties in DRA1 and, DRA1A, and Residential Rural Townships in DRA3, DRA4 and DRA5 per separately used or inhabited part of a rating unit.	Separately Used or Inhabited Part of a Rating Unit	37.93000000
1.4	Building Services	Inner Zone 85%	Differential targeted rate on DRA1, DRA1A, DRA2 (Inner Zone).	Per dollar of Capital Value	0.00005443
		Outer Zone 15%	Differential targeted rate on DRA3, DRA4, DRA5 (Outer Zone).	Per dollar of Capital Value	0.00002214
1.5	Noise Control	DRA1 DRA1A Residential and DRA2	A uniform targeted rate per separately used or inhabited part of a rating unit within DRA1 DRA1A and DRA2 (Inner Zone). Residential Differential Rating Group.	Separately Used or Inhabited Part of a Rating Unit	3.34000000
1.6	Resource Consents & Planning	All Rateable Land	A uniform targeted rate on the land value of all land.	Per dollar of Land Value	0.00033240
1.7	Land Drainage – Contributors	Drainage Scheme Maps available in Funding Impact Statement, Customer Services and on Council website. Eastern Hill Catchment 8 and Western Hill Catchment F.	A targeted rate per hectare on the defined areas of all rating units within the Drainage Differential Rating Areas to fund drainage work.	Per Hectare	0.53169981

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.8	Land Drainage –Direct Beneficiaries:	Drainage Scheme Maps available in Funding Impact Statement, Customer Services and on Council website. 1. Ormond 2. Eastern Taruheru 3. Western Taruheru 4. Willows 5. Waikanae Creek 6. City/Wainui 7. Taruheru, Classes A-D 8. Waipaoa 9. Patutahi 10. Ngatapa 11. Manutuke 12. Muriwai	A targeted rate per hectare on the defined areas of all rating units within the Drainage Differential Rating Areas to fund drainage works.	Per Hectare	27.48782677
1.9	Te Karaka Flood Control Residential and Non-Residential	Te Karaka Flood Control Non-Residential Area. Map of scheme area available at Customer Services and on Council Website	A differentiated targeted rate on the rateable capital value of all rating units within the defined: <ul style="list-style-type: none"> Te Karaka Land Drainage area for the purpose of contributing to the cost of land drainage in the respective Non-Residential area. Te Karaka Land Drainage area for the purpose of contributing to the cost of land drainage in the respective Residential area. 	Per dollar of Capital Value	0.00039969
		Te Karaka Flood Control Residential Area. Map of scheme area available at Customer Services and on Council Website.		Per dollar of Capital Value	0.00055934
1.10	Waiapu River Erosion Protection Scheme	Contributors in the defined area on map available in Funding Impact Statement, Customer Services and Council website	A differential targeted rate on: <ul style="list-style-type: none"> Contributors within the defined area to cover the operating costs of the scheme. Direct Beneficiaries within the defined area to cover the operating costs of the scheme. Indirect Beneficiaries within the defined area to cover the operating costs of the scheme. 	Per hectare	0.05099194
		Direct Beneficiaries in the defined area on map available in Funding Impact Statement, Customer Services and Council website		Per dollar of Capital Value	0.00032996
		Indirect Beneficiaries in the defined area on map available in Funding Impact Statement, Customer Services and Council website		Per dollar of Capital Value	0.00001161

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.11	Wainui Foredune Protection Capital Works	Rateable Land within the Hazard area. Map of scheme area available on Council website and Customer Services.	A targeted rate on the land area of rating units within the hazard area for the cost of rock protection capital works.	Per hectare	7593.52881700
1.12	Waipaoa River Flood Control Scheme	Waipaoa River Flood Control Scheme A-F Maps available in Funding Impact Statement, Customer Services and Council website	A targeted rate on the rateable capital value of all land within the Waipaoa River Flood Control Scheme district in accordance with the classification list (classes A - F) for the purpose of payment of loan charges and maintenance costs.	Per dollar of Capital Value	0.00002307
1.13	Aquatic and Recreation Facilities	Inner Zone 1.0	Differential targeted rate on the rateable capital value of rateable properties in: <ul style="list-style-type: none"> • DRA1, DRA1A and DRA2 (Inner Zone). • DRA3, DRA4 and DRA5 (Outer Zone). 	Per dollar of Capital Value	0.00013018
		Outer Zone 0.3		Per dollar of Capital Value	0.00003905
1.14	Parks & Reserves	Outer Zone 15%	Differential targeted rate per rating unit in a defined area of the district to cover the costs of maintaining Parks and Reserves within: <ul style="list-style-type: none"> • DRA3, DRA4, DRA5 (Outer Zone). • DRA1, DRA1A, DRA2 (Inner Zone). 	Per Rating Unit	156.23000000
		Inner Zone 85%		Per Rating Unit	313.68000000
1.15	Animal & Plant Pests	Inner Zone 20%	A differential targeted rate on the rateable land value of all land in the Respective Differential Rating Area: <ul style="list-style-type: none"> • DRA1, DRA1A, DRA2 (Inner Zone) (20%). • DRA3, DRA4, DRA5 (Outer Zone) (80%). 	Per dollar of Land Value	0.00002021
		Outer Zone 80%.		Per dollar of Land Value	0.00011722

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.16	Soil Conservation – Advocacy & Land Use	DRA1, DRA1A, DRA2 20%	A differential targeted rate on all the rateable land in the respective DRA's: <ul style="list-style-type: none"> DRA1, DRA1A, DRA2 (Inner Zone) (20%). DRA3 & DRA4 (30%). DRA5 (50%). 	Per dollar of Land Value	0.00006117
		DRA3 & DRA4 30%		Per dollar of Land Value	0.00016832
		DRA5 50%		Per dollar of Land Value	0.00106051
1.17	Theatres	Inner Zone 1.0 weighting	A differential targeted rate on the rateable Capital value of rateable properties in: <ul style="list-style-type: none"> DRA1, DRA1A and DRA2 (Inner Zone) DRA3, DRA4, DRA5 (Outer Zone). 	Per dollar of Capital Value	0.00006327
		Outer Zone 0.3 weighting		Per dollar of Capital Value	0.00001898
1.18	Water Conservation	Inner Zone 70%	A Differential targeted rate on the rateable Land value of all land in: <ul style="list-style-type: none"> DRA1, DRA1A, DRA2 (Inner Zone). DRA3, DRA4, DRA5 (Outer Zone). 	Per dollar of Land Value	0.00023915
		Outer Zone 30%		Per dollar of Land Value	0.00014861
1.19	Flood Damage & Emergency Reinstatement	Forestry Weighting 12.0	A differential targeted rate on the rateable capital value of all land in the respective differential rating groups. <ul style="list-style-type: none"> All forestry exotic land and on Pastoral Land with 20 hectares or more of forestry. All Horticulture and Pastoral farming land over 5 hectares. All Industrial and Commercial land. Residential and Lifestyle land. For the purposes of the differential roading rate, horticulture and pastoral farming units with land area less than 5 hectares will be assessed as lifestyle. 	Per dollar of Capital Value	0.00030517
		Horticulture & Pastoral Farming weighting 1.5		Per dollar of Capital Value	0.00003815
		Industrial & Commercial weighting 2.0		Per dollar of Capital Value	0.00005086
		Residential & Lifestyle weighting 1.0		Per dollar of Capital Value	0.00002543

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.20	Non-Subsidised Local Rooding	Inner Zone 50%	Differential targeted rate on: <ul style="list-style-type: none"> DRA1, DRA1A, DRA2 (Inner Zone). DRA3, DRA4, DRA5 (Outer Zone). 	Per dollar of Capital Value	0.00000814
		Outer Zone 50%		Per dollar of Capital Value	0.00001875
1.21	Passenger Transport	DRA1 Residential	A uniform targeted rate within the DRA1 Residential differential rating Group.	Separately Used or Inhabited Part of a Rating Unit	21.07000000
1.22	Subsidised Local Roads	Forestry 12.0	A differential targeted rate on the rateable capital value of all land in the respective Differential Rating Groups. <ul style="list-style-type: none"> Forestry weighting of 12, on all forestry exotic land and on pastoral blocks with 20 hectares or more of forestry Land. Horticulture and Pastoral farming land (over 5ha) weighting of 1.5. Industrial and Commercial weighting of 2.0. Residential and Lifestyle blocks weighting of 1.0 for the purposes of the differential roading rate, horticulture and pastoral farming units with land area less than 5 hectares will be assessed as lifestyle. 	Per dollar of Capital Value	0.00417686
		Horticulture & Pastoral Farming 1.5		Per dollar of Capital Value	0.00052211
		Industrial & Commercial 2.0		Per dollar of Capital Value	0.00069614
		Residential & Lifestyle Blocks 1.0		Per dollar of Capital Value	0.00034807

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.23	Commercial Recycling Charge	Non-residential properties within the Central Business District who have elected to receive the service.	A uniform targeted rates within scheme recycling collection area, being non-residential area within the CBD who have elected to receive the service.	Separately Used or Inhabited Part of a Rating Unit	51.90000000
	Uniform Waste Management Charge- Gisborne District Refuse Collection	Within scheme refuse collection areas- Currently Gisborne City and Environs and Ruatoria. Map available in Funding Impact Statement, Customer services and on Council website.	A uniform targeted rate per separately used or inhabited part of a rating unit on properties for refuse collection for which Council is prepared to provide that service. <ul style="list-style-type: none"> Gisborne City (Residential and Non-Commercial). Areas of the Turanganui a kiwa/ Poverty Bay flats and Gisborne City in the south to Ormond in the north and bounded by the Waipaoa River in the west and the foothills in the east. Wheatstone Road, Sponge Bay, Wainui Okitu, Makarori, Turihaua, Makaraka, Papatu Road/SH2, Manutuke, Waihirere, Ormond, Waituhi, Patutahi and Muriwai. Ruatoria Township. 	Separately Used or Inhabited Part of a Rating Unit	103.83000000
	Rural Transfer Stations	Within Scheme areas. Maps available Funding Impact Statement, Customer Services and Council website.	A uniform targeted rate to properties within 15 km radius scheme area of a Rural Transfer Station.	Separately Used or Inhabited Part of a Rating Unit	155.46000000
1.24	Stormwater	DRA1 and DRA1A Residential properties including Sponge Bay, Wainui and Okitu.	A differential targeted rate in the defined areas to cover the costs of maintaining stormwater in these areas. <ul style="list-style-type: none"> DRA1 and DRA1A A differential targeted rate in the defined areas on all Rural Townships. 	Separately Used or Inhabited Part of a Rating Unit.	170.05000000
		All Rural Townships including Manutuke and Patutahi		Separately Used or Inhabited Part of a Rating Unit.	88.66000000
		DRA1 and DRA1A all Commercial and Industrial properties.	<ul style="list-style-type: none"> DRA1 and DRA1A all Commercial and Industrial properties. 	Per dollar of Capital Value	0.00038363

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.25	Wastewater in Te Karaka	Connected properties per pan charge.	The wastewater targeted rate will be applied to every serviced property within Te karaka per water closet or urinal.	Per water closet or urinal.	426.74000000
	Wastewater in Gisborne city area	Connected properties per pan charge.	A wastewater targeted rate will be applied to every serviced property in the Gisborne District Scheme area.	Per water closet or urinal.	485.26000000
1.26	Water - Availability	Within scheme area-serviceable Maps available Council Website and customer services	A uniform Targeted rate per separately used or inhabited part of a rating unit to which water can be supplied but is not supplied (being a rating unit situated within 100 metres from any part of the waterworks).	Per Separately Used or Inhabited Part of a rating unit	118.97000
1.27	Water - Connection	Within Scheme area-connected Maps available Council Website and customer services	A uniform Targeted Rate for the ordinary and extraordinary supply of water per separately used or inhabited part of a rating unit within Gisborne Scheme area of Gisborne City, Sponge Bay Manutuke, Papatu Road, Te Arai Valley, Matawhero, Makaraka Bushmere, Te Karaka and Whatatutu.	Per Separately Used or Inhabited Part of a rating unit	237.95000000
1.28	Water Metering	Water by Meter	Under Section 19 of the Local Government (Rating) Act 2002 a fixed charge per unit of water consumed or supplied per cubic metre will apply for the supply of water to extraordinary users and ordinary rural domestic users. Water by metre has 300 cubic metre no charge domestic allowance for ordinary rural domestic users.	per cubic metre	1.52000000

Ref	Rate	Rating Group	Rating Group and Description	Basis	Dollar Value Excluding GST
1.29	Business Area Patrols	Commercial Properties within the CBD Area: Non-residential properties on both sides of the roads bounded by Carnarvon Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the skateboard park and Customhouse Street as far as the Waikanae Cut. (Map available).	A Targeted rate on the capital value of all commercial rating units within the Central Business Area (CBD) for the cost of patrolling and monitoring the area. The defined area was confirmed by Council on 1 June 2000.	Per dollar of Capital Value	0.00031777
1.30	Economic Development Including Tourism	All Industrial, Commercial, Retail and Accommodation Properties	A targeted rate on the rateable capital value of all rating units as classified in the District Valuation Roll of Industrial, Commercial retail and Accommodation categories to contribute to the cost of economic development.	Per dollar of Capital Value	0.00029134

2. Resolves that the rates for the year commencing 1 July 2021 and concluding 30 June 2022 are set excluding GST. The GST will be applied when rates are assessed for 2021/22.
3. Resolves under section 24 of the Local Government (Rating) Act 2002 that all rates (excluding metered water) be payable in four instalments, with each instalment due on the rates due date stated in the table under resolution 4.
4. Resolves under sections 57 and 58 of the Local Government (Rating) Act 2002 to add a penalty of 10% of the amount of any rates (excluding metered water) unpaid after the rates due date, with the penalty to be added on the rates penalty debiting date stated below:

Rate Instalment Dates Invoiced quarterly	Rates Due date	Date Penalty Added
Instalment 1	20 August 2021	26 August 2021
Instalment 2	22 November 2021	26 November 2021
Instalment 3	21 February 2022	25 February 2022
Instalment 4	20 May 2022	26 May 2022

5. Resolves under sections 24, 57 and 58 of the Local Government (Rating) Act 2002 to set the following due dates for the payment of metered water rates and to add a penalty of 10% of the amount of any water meter charges remaining unpaid after the due date. The penalty will be added on the respective penalty added date stated below.

Month of invoice	Due date	Date penalty added
Invoiced annually		
Jun-21	20 July 2021	23 July 2021
Invoiced six-monthly		
Jun-21	20 July 2021	23 July 2021
Dec-21	20 January 2022	25 January 2022
Invoiced quarterly		
Jun-21	20 July 2021	23 July 2021
Sep-21	20 October 2021	26 October 2021
Dec-21	20 January 2022	25 January 2022
Mar-22	20 April 2022	26 April 2022
Invoiced monthly		
Jun-21	20 July 2021	23 July 2021
Jul-21	20 August 2021	25 August 2021
Aug-21	20 September 2021	23 September 2021
Sep-21	20 October 2021	26 October 2021
Oct-21	22 November 2021	25 November 2021
Nov-21	20 December 2021	23 December 2021
Dec-21	20 January 2022	25 January 2022
Jan-22	21 February 2022	25 February 2022
Feb-22	21 March 2022	24 March 2022
Mar-22	20 April 2022	26 April 2022
Apr-22	20 May 2022	26 May 2022
May-22	20 June 2022	23 June 2022

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: rates setting, long term plan, annual plan, funding impact statement, financial strategy

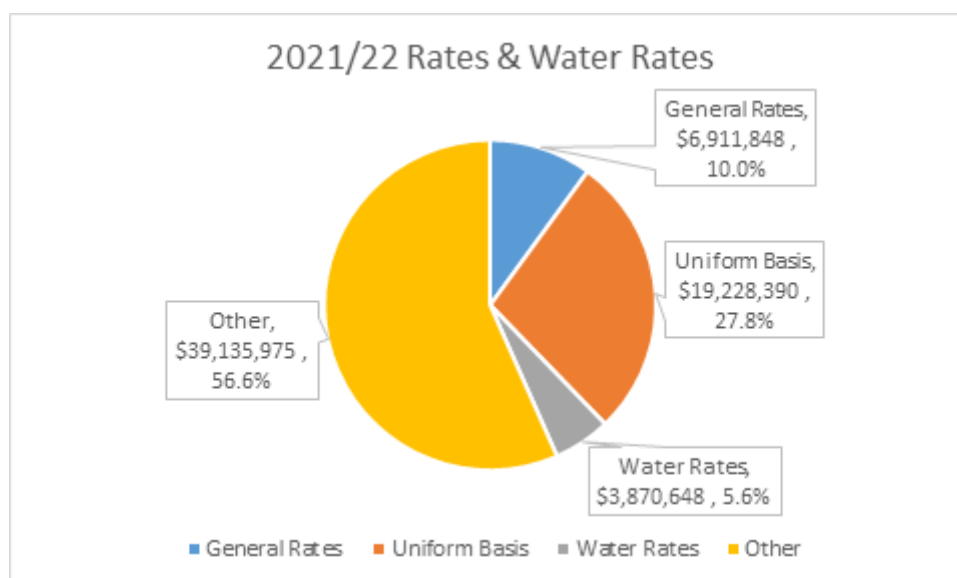
BACKGROUND

1. The 2021/31 Long Term Plan (LTP) must be approved before 30 June 2021. After the 2021/31 LTP is approved, and under section 23 of the Local Government (Rating) Act 2002 (LGRA), Council must set the rates by Council resolution in accordance with Council's 2021-2031 Long Term Plan and the provisions of the Funding Impact Statement for 2021/22.
2. The Financial Strategy for the 2021–2031 LTP proposed a limit of overall rate revenue increases of 6.5% (plus growth) for Years 1 to 3; and 5% (plus growth) for Years 4 to 10. The total rates revenue required for the 2021/22 AP is within the financial parameters.

DISCUSSION and OPTIONS

3. The 2021/22 Rates Funding Impact Statement budget within the 2021/22 is \$65.8m plus GST or \$75.6m including GST.
4. The schedule of rates charges, due dates and penalty dates is set out in the recommendation.
5. The LGRA section 21 has a limit of 30% on the revenue sought by Council from targeted rates set on a uniform basis and the Uniform Annual General Charge (UAGC). This is referred to as the section 21 cap.
6. The LGRA section 21 cap for 2021/22 is 27.8% of the rates including water by meter rates. The cap is made up of the UAGC being \$16.5m plus GST (86%) and other fixed targeted rates of \$2.7m plus GST (14%).

Table 1



Uniform Annual General Charge

7. The UAGC for 2021/22 is \$726.08 plus GST or \$834.99 including GST. The UAGC is a fixed charge on all Separately Used or Inhabited Parts of properties in the district unless a specific remission applies. The UAGC funds the following activities as set out in Council's Revenue and Financing Policy and 2021/22 AP Funding Impact Statement shown below in Table 2.

Table 2

UAGC Activity	2022 Incl GST
Cemeteries	\$ 21.84
Civil defence	\$ 40.03
District Civil & Corporate Expenses	\$ 22.23
Economic Development incl Tourism	\$ 3.77
Environmental & Public Health Protection	\$ 80.28
HB Williams Memorial and Rural Libraries	\$ 107.48
Litter bins and cleaning public areas	\$ 9.50
Managing Solid Waste & Transfer Stations	\$ 110.80
Mayor and Councillor Representation Costs	\$ 140.15
Public Toilets	\$ 86.96
Roading	\$ 111.75
Strategic Planning & Engagement	\$ 60.23
Tairawhiti Museum	\$ 39.97
	\$ 834.99

Rates Definitions

8. Council uses land use classifications as defined by Council's rating valuer to determine Differential Rating Groups. Land use classification is based on a "highest and best use" assessment. However, where a rating unit assessed as "residential" is used for commercial or industrial purposes, its land use classification shall be deemed consistent with its actual use for rates assessment purposes. In any such case any relevant targeted rates shall apply. Council has six rating sectors. These sectors are used for some weighted targeted rates eg subsidised and non-subsidised road rates. The sectors and weightings are listed below:
9. **Residential Lifestyle and Other Properties:** This is a general sector that includes Residential, Lifestyle, Arable, Utilities network and other properties that do not fall into the Horticulture, Pastoral, Commercial, Industrial and Forestry sectors. A Horticultural or Pastoral that is less than 5 hectares (ha) is rated in this sector. This group has a weighting of 1.0 for some targeted rates.
10. **Horticulture properties:** This sector has a category of H and are 5ha or greater in area. This group has a weighting of 1.5 for some targeted rates.
11. **Pastoral Properties:** This sector has a category of P and are 5ha or greater in area. Where 20ha or more of the property is planted in forestry, that portion will be rated with the forestry weighting for subsidised and non-subsidised roading rates. This group has a weighting of 1.5 for some targeted rates.

12. **Forestry Properties:** This sector has a category of FE (Forestry Exotic). Where 20ha or more of the property is Pastoral, that portion will be rated with the weighting for Pastoral for subsidised and non-subsidised roading rates. This group has a weighting of 12.0 for some targeted rates.
13. **Commercial and Industrial properties** have a category of C, I and U other than where it is a utilities network. This group has a weighting of 2.0 for some targeted rates.
14. As part of the rates setting process, the rates differential areas are stated below. In the following rating definitions, Differential Rating Areas (DRAs) such as DRA1, DRA2 etc and Inner and Outer zones are defined in accordance with the system of Differential Rating established by Special Order on 27 June 1991, the district was split into six (6) differential areas. Except for DRA5, these areas were established on 27 June 1991 and maps detailing the boundaries are in the 2021-2031 Long Term Plan and 2021-2031 Funding Impact Statement. DRA4 was split into two areas, a new DRA5 and residual DRA4 by way of a Special Order on 16 May 2001.
15. They are as follows:

Short title	Areas covered	Sub types
DRA1	Former Gisborne City Council boundaries, excluding Rural Farm Land.	Residential, commercial, industrial and other
DRA1A	All Rural Farmland within the previous Gisborne City Boundaries and the area surrounding the city, including Wainui and Makaraka.	Residential, other rural, commercial and industrial
DRA2	Turanganui-a-Kiwa/Poverty Bay Flats including fringe hill properties; Muriwai, Ormond, Waihirere, Waerenga-a-hika, Bushmere, Manutuke and Patutahi.	Residential, rural, all other properties
DRA3	The area within reasonable and currently exercised commuting distance to Gisborne, including part Waerenga-o-kuri and Ngatapa, Whatatutu and Te Karaka.	Rural and all other properties and rural townships
DRA4	The inland rural areas beyond DRA3, up to the boundary of DRA5 Tolaga Bay, Matawai, Tinirotu and Otoko.	Rural and all other properties and rural townships
DRA5	The whole of the East Cape area from a line running inland from a point in the vicinity of Rural and all other properties and Mangatuna north of Tolaga Bay Township, to the tip of the East Coast. Hicks Bay, Te Araroa, Tikitiki, Ruatoria, Waipiro Bay, Te Puia Springs and Tokomaru Bay.	Rural and all other properties and rural townships
Inner Zone	The total land area of DRA1, DRA1A and DRA2.	Urban and rural properties
Outer Zone	The total land area of DRA3, DRA4 and DRA5.	All other properties

ASSESSMENT of SIGNIFICANCE

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: Low Significance

This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: Low Significance

This Report: Low Significance

Inconsistency with Council's current strategy and policy

Overall Process: Low Significance

The effects on all or a large part of the Gisborne district

Overall Process: Medium Significance

This Report: Low Significance

The effects on individuals or specific communities

Overall Process: Medium Significance

This Report: Low Significance

The level or history of public interest in the matter or issue

Overall Process: Medium Significance

This Report: Low Significance

16. The decisions or matters in this report are considered to be of **Medium** significance in accordance with Council's Significance and Engagement Policy.

TANGATA WHENUA/MĀORI ENGAGEMENT

17. Iwi/hapū engagement was undertaken as part of the early engagement process of the LTP and review of the Revenue and Financing Policy in 2020.
18. In March 2021 further iwi/hapū engagement occurred as part of the formal consultation on Council's 2021-2031 LTP Consultation Document.

COMMUNITY ENGAGEMENT

19. The Revenue and Financing Policy and Rate Remission's policies were reviewed as part of the LTP 2021-2022. Public and one-on-one meetings were held in the community. Targeted letters were sent to affected ratepayers in 2020 and 2021. The LTP consultation which includes year one (2021/22) of the LTP 2021- 2031 was undertaken in accordance with the special consultative procedures detailed in Sections 83, 93A, 93B and 93C of the LGA. The consultation consisted of: Rates Calculator on Council's website, a letter sent to all ratepayers; a series of community events, drop-in sessions and community and stakeholder Hui; radio and newspaper ads and interviews; and a social media campaign.

CLIMATE CHANGE – Impacts / Implications

20. Climate change affects many local authority functions and responsibilities. The added flexibility within the Revenue and Financing Policy puts Council in a better position to respond to changes that may flow from the recent Climate Change Commission Report. Some of the functions and responsibilities are funded from Council rates. There is a portion of rate funding for at-risk activities like water security, coastal communities, and natural ecosystems.

CONSIDERATIONS

Financial/Budget

21. The adoption of the 2021- 2031 LTP and 2021/22 Annual Plan budget enables Council to collect rates revenue to fund its operations as set out in the Revenue and Financing Policy and Funding Impact Statement.
22. Changes arising from the Deliberations process have been incorporated into the final LTP. The changes are summarised in **report 21-120** being the 2021-2031 LTP adopting report. The 2021-22 AP budget was adjusted and incorporates these changes.
23. "Our Finances" section of the 2021-2031 LTP outlines the main trends and key changes for covering Rates Information 2022. In addition, there are four pages of rating examples by type of property (ie city residential, rural residential, commercial/industrial, horticultural, pastoral) and by area.

Legal

24. This rates resolution is made under the local Government Act 2002 and the Local Government (Rating) act 2002. Section 23 of the Local Government Rating Act 2002 requires Council to set the rates by Council resolution.
25. Council's resolution that sets out in detail each rate, is under external legal review. The result of the review may mean that there is an updated resolution which will be tabled on the day.

POLICY and PLANNING IMPLICATIONS

26. The recommendation proposed is detailed in the Funding Impact Statement for 2021/22 (year one) of the 2021-2031 LTP.
27. The recommendation is consistent with the Revenue and Financing Policy.
28. The decision is not expected to directly affect any of the community outcomes or strategic challenges.

RISKS

29. The risks associated with the setting of the rates for the 2021/22 year are financial and are covered in the paragraph above.

NEXT STEPS

Date	Action/Milestone	Comments
30 June 2021	Council sets rates for 2021/22	
July 2021	Send Ratepayers rate assessments and rates invoices for instalment one	Due date for payment 20 August 2021
October 2021	Send Ratepayers rate assessments and rates invoices for instalment two	Due date for payment 22 November 2021
January 2022	Send Ratepayers rate assessments and rates invoices for instalment three	Due date for payment 21 February 2022
April 2022	Send Ratepayers rate assessments and rates invoices for instalment four	Due date for payment 20 May 2022