

SOUTH WAIRARAPA DISTRICT COUNCIL

27 JUNE 2018

AGENDA ITEM C1B ADOPTION OF LONG TERM PLAN AND SETTING OF RATES

Purpose of Report

To adopt the 2018/28 Long Term plan and set the rates for the 2018/19 year.

Recommendations

Officers recommend that the Council:

1. *Receive the final Long term plan documents and the Rates Resolution for the year ended 30 June 2019.*
2. *Adopt the 2018/28 Long Term Plan covering the period 1 July 2018 to 30 June 2028 in accordance with Section 93 of the Local Government Act 2002. (Appendix 1).*
3. *Adopt the rates resolution for the 2018/2019 year in accordance with the Local Government Rating Act 2002, including the "Part B" notice. (Appendix 2).*
4. *Note that the fees and charges schedule for 2018/19 is included in the adopted Long Term Plan.*

1. Executive Summary

The 2018-2028 Long Term Plan (LTP) process was completed in accordance with the relevant provisions of the Local Government Act 2002.

The LTP indicates a rates increase of 5.65% for the 2018/19 financial year and an average final rates increase of 2.31% over the ten years of the LTP.

Audit New Zealand have completed their audit of the LTP and have raised only material matters, and have indicated they will issue an unmodified audit opinion.

There were no material changes between the consultation document and the final LTP apart from the removal of Capital expenditure and NZTA funding for two bridges on the Cape Palliser Road in year one of the LTP. These will now be replaced in approximately twenty years' time.

1.1 Rates Resolution

Attached in Appendix 2 is the rates resolution for adoption, including "Part B" additional disclosures.

2. Appendices

Appendix 1 - Long Term Plan 2018-28 (to be tabled)

Appendix 2 - Rates resolution for 2018-19 including "Part B" notice

Contact Officer: Jennie Mitchell, Group Manager Corporate Support

Reviewed By: Paul Crimp, Chief Executive Officer

**Appendix 2 - Rates
resolution for 2018-19
including "Part B" notice**

SETTING OF RATES FOR 2018/2019 FINANCIAL YEAR

That the South Wairarapa District Council set the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2018 and ending on 30 June 2019.

RATES AND CHARGES

All figures for Rates and Charges as shown are inclusive of GST.

(a) Uniform Annual General Charge (UAGC)

A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 of \$529.00 per rating unit. The total we anticipate to raise from this rate is \$3,209,652.

(b) General Rate

A differential general rate set under section 13 of the Local Government (Rating) Act 2002 as an amount in the dollar of land value on each rating unit as follows:

- Urban - a rate of 0.0019558 per dollar of rateable land value. The total we anticipate to raise from this rate is \$1,203,861.
- Commercial - a rate of 0.0039115 per dollar of rateable land value. The total we anticipate to raise from this rate is \$242,728.
- Rural - a rate of 0.0019052 per dollar of rateable land value. The total we anticipate to raise from this rate is \$3,835,376.

(c) Uniform Annual Charge (UAC) - Reserves & Civic Amenities Rate

A targeted rate for amenities, set out under section 16 of the Local Government (Rating) Act 2002, of:

- \$416.00 per urban rating unit. The total we anticipate to raise from this rate is \$1,387,361.
- \$219.00 per rural rating unit. The total we anticipate to raise from this rate is \$594,583.

(d) Water Supply Rate

A targeted rate for water supply, set under section 16 of the Local Government (Rating) Act 2002, of:

The total we anticipate to raise from this rate is \$2,318,375.

Serviced Connection:

- \$560.00 per separately used or inhabitable part of a rating unit which is connected to the water supply system.

Additionally the Council will charge a targeted water rate, set under section 19, per cubic metre of water supplied, as measured by meter, for water consumed over 350 cubic metres for the year. This rate will be at \$1.84 per cubic metre.

Serviceable Connection:

- \$280.00 for rating units' that are not yet connected but are able to be connected to the water supply.

(e) Wastewater Disposal Rate

A targeted rate for wastewater disposal, set under section 16 of the Local Government (Rating) Act 2002 of:

The total we anticipate to raise from this rate is \$2,333,307.

Serviced Connection:

- \$545.00 per separately used or inhabitable part of a rating unit for all rating units which are connected to the wastewater system, for the first two toilet pans (or equivalent such as urinals).
- \$545.00 per separately used or inhabitable part of a rating unit for all rating units which are connected to the wastewater system for the third and each additional toilet pan (or equivalent such as urinals).

Serviceable Connection:

- \$272.00 for all rating units which are not yet connected but are able to be connected to the wastewater system.

(f) Refuse Collection and Disposal Rate

A targeted rate for refuse collection and disposal, set under section 16 of the Local Government (Rating) Act 2002, of:

The total we anticipate to raise from this rate is \$816,789.

- \$187.00 per rating unit or separately inhabitable parts of a rating unit for refuse collection and/or use of disposal facilities.

(g) Water Races Rate

A targeted rate for water races, set out under section 16 of the Local Government (Rating) Act 2002 as an amount in the dollar of land value of:

- a rate of .0015243 per dollar of rateable land value of every rating unit in the Featherston-Longwood Water Race rating district which has access to the water race.
The total we anticipate to raise from this rate is \$72,188.
- a rate of .0003617 per dollar of rateable land value of every rating unit in the Moroa Water Race rating district which have access to the water race.
The total we anticipate to raise from this rate is \$77,741.

DIFFERENTIAL CATEGORIES AND DEFINITIONS

That Council adopt the following as its definitions for its differential categories.

(a) General Rate

- Urban – the urban areas of the townships of Featherston, Greytown and Martinborough (all as shown in the Wairarapa Combined District Plan, except for the Greytown future development area) plus those rating units with valuation numbers listed in the Appendix. This category has a differential factor of 1.
- Commercial – properties shown in the Town Centre and Service areas of Featherston, Greytown and Martinborough (all as shown in the Wairarapa Combined District Plan) AND all rating units used primarily for commercial or industrial purposes, except those rating units with valuation numbers listed in the Appendix. This category has a differential factor of 2.
- Rural – The rural areas of Featherston, Greytown and Martinborough (all as shown in the Wairarapa Combined District Plan) except those rating units used primarily for any commercial or industrial purposes.

(b) Water Supply Rate

- Serviced Connection: any separately used or inhabitable part of a rating unit that is connected to the water supply.
- Serviceable Connection: any rating unit that is not connected to the water supply but is able to be serviced by a connection to the supply.

(c) Wastewater Disposal Rate

- Serviced Connection: any separately used or inhabitable part of a rating unit that is connected to the wastewater system.
- Serviceable Connection: any rating unit that is not connected to the wastewater system but is able to be serviced by a connection to the system.

(d) Refuse Collection Rate

- Refuse collection to all properties in the District to which Council is prepared to provide this service. The rate provides for the removal each week of the contents of two Council official refuse bags or other refuse receptacles approved by Council, apart from the "rural coastal" area where collections reduce to one collection per fortnight from May to September.
- Use of the refuse disposal facilities by all residents of the District.

(e) Reserves & Civic Amenities Rate (UAC)

- Urban – the properties within the urban boundary township areas of Featherston, Greytown and Martinborough (all as shown in the Wairarapa Combined District Plan, except for the Greytown future development area).
- Rural – the properties in the rural areas of Featherston, Greytown and Martinborough (all as shown in the Wairarapa Combined District Plan).

DUE DATES FOR PAYMENT OF RATES (excluding water rates)

That all rates (apart from water rates) will be payable in four instalments due on:

- 20 August 2018
- 20 November 2018
- 20 February 2019
- 20 May 2019

PENALTIES – RATES (excluding water rates)

That the Council delegates authority to the Chief Executive Officer to apply the following penalties on unpaid general rates:

- Under section 57 and 58(1)(a) of the Local Government (Rating) Act 2002, a 10 percent penalty will be added to any portion of the current instalment that remains unpaid after the due date as shown below:
 - 21 August 2018
 - 21 November 2018
 - 21 February 2019
 - 21 May 2019

- Under section 57 and 58(1)(b) of the Local Government (Rating) Act 2002, an additional 10 percent penalty will be added on:
 - 5 July 2018
 - 7 January 2019to any rates remaining unpaid from previous financial years.

DUE DATES FOR PAYMENT OF WATER RATES

Water meters will be read annually in June and water rates will be invoiced in July for the previous year's usage over 350 cubic metres. High users will be invoiced more regularly.

Water rates will be payable and due on:

Annual water rate to June 2018 Due for payment: 20 August 2018

High user water rates will have readings completed in October 2018, February 2019, and June 2019.

Due dates for these readings will be as follows:

October 2018 reading	Due: 20 December 2018
February 2019 reading	Due: 23 April 2019
June 2019 reading	Due: 20 August 2019

PENALTIES – WATER RATES

That the Council delegates authority to the Chief Executive Officer to apply the following penalties on unpaid water rates:

- Under section 57 and 58(1)(a) of the Local Government (Rating) Act 2002, a 10 percent penalty will be added to any portion of the water rates that remains unpaid after the due date as shown below:
- Due: 20 December 2018 Penalty date: 21 December 2018
 - Due: 23 April 2019 Penalty date: 24 April 2019
 - Due: 20 August 2019 Penalty date: 21 August 2019

PAYMENT OF RATES

Payment can be made by direct debit or automatic payment, by arrangement with Council. Payments may also be made by telephone or internet banking, forwarding a cheque (together with the remittance slip) to PO Box 6, Martinborough or in person by cash, cheque or eftpos (excluding Credit Card) at the Council Office, 19 Kitchener St, Martinborough, or Featherston Library, 70 Fitzherbert St, Featherston or Greytown Library, 89 Main St, Greytown.

Rates may also be paid at Greater Wellington Regional Council offices located at Shed 39, 2 Fryatt Quay, Pipitea, Wellington or 34 Chapel, Masterton.

APPENDIX

GREYTOWN	FEATHERSTON	MARTINBOROUGH
18400/55300A	18440/41000	18480/02100
18400/55400	18440/41200	18480/18100A
18400/64100	18440/41500	18480/18900
18400/64400	18440/55000	18480/22102
18400/69600	18440/60000	18480/23200
18420/33401	18440/70900	18480/23300
18420/33500	18440/71500	18480/23301
18420/37500	18440/71900	18480/23400
18420/37700	18450/13500	18480/23500
18420/38100	18450/13600	18480/25000
18420/38200	18450/13800	18480/25100
18420/38300	18450/13900	18480/25200
18420/42200	18450/15000	18480/25301
18420/43900	18450/15600	18480/28900
18420/45000		18480/28901
		18480/29000
		18480/29800
		18480/31400
		18480/31500



2018/19 RATES ASSESSMENT/INVOICE NOTICE – Part B

SOUTH WAIRARAPA DISTRICT COUNCIL **AND** **GREATER WELLINGTON REGIONAL COUNCIL**

The information set out below and overleaf forms part of the annual rates assessment for this rating unit.

Inspection of the Rating Information Database and Rate Records

Under sections 28 and 38 of the Local Government (Rating) Act 2002, the Rating Information Database (RID) and Rate Records may be inspected at South Wairarapa District Council situated at 19 Kitchener St, Martinborough during the hours of 8.00am to 4.30pm Monday to Friday, or Featherston Library, 70 Fitzherbert Street, Featherston or Greytown Town Centre & Library, 89 Main Street, Greytown during the hours of 9.30am to 5.00pm, or Greater Wellington Regional Council situated at Shed 39, 2 Fryatt Quay, Pipitea, Wellington or 34 Chapel St, Masterton during the hours of 8.00am to 5.00pm, Monday to Friday.

Owners' right to withhold certain information from Public Rating Information Database

Under section 28C of the Local Government (Rating) Act 2002, ratepayers have the right to request that South Wairarapa District Council or Greater Wellington Regional Council withhold their name or postal address from the public rating information database. Requests should be made in writing to the Council.

Objections to the Rating Information Database and Rate Records

Under sections 29 and 39 of the Local Government (Rating) Act 2002, ratepayers may object to the information contained in these records by lodging a written objection to either South Wairarapa District Council or Greater Wellington Regional Council, clearly setting out the reasons for the objection.

Goods and Services Tax

South Wairarapa District Council struck their rates including GST at 15%.

Water Meters

Water meters are generally read annually in June (high users may be read more frequently) and as part of a sales settlement. If you exceed 350 cubic metres for the year you will be charged at the rate of \$1.84 per cubic metre (incl. GST) and sent a separate invoice.

Sale of Rating Unit

If you receive an assessment/invoice notice still in your name after you have sold your property, it may mean that Council has not yet received notification of the sale from your Solicitor. Please advise your Solicitor to issue the notice of sale and return the invoice to Council. If you are selling your property and pay the rates by direct debit, please phone us on (06) 306 9611 and we will cancel the direct debit.

Subdivisions

Rates are calculated on a property as at 1 July, therefore, if you have subdivided a property or purchased a subdivided property, a rates invoice will not be issued on the subdivided properties, until the following rating year.

Rate Rebates

Ratepayers on low incomes may be eligible for a Government rebate on their rates. For further information on the rebate scheme, please contact the Council office on (06) 306 9611 or visit The Department of Internal Affairs website www.dia.govt.nz.

Payment Methods

If you wish to pay by direct debit (weekly, fortnightly, monthly or quarterly), please contact the Council office for the relevant forms. Payments can be made by telephone or internet banking to Council's bank account - 02-0680-0027337-000 (Bank of New Zealand). You can also send a cheque (together with the payment remittance advice slip) to PO Box 6, Martinborough or pay in person by cash, cheque or eftpos (excluding Credit Card) at the Council Office, 19 Kitchener Street, Martinborough, or Featherston Library, 70 Fitzherbert St, Featherston or Greytown Town Centre & Library, 89 Main St, Greytown. Rates may also be paid at Greater Wellington Regional Council offices located at Shed 39, 2 Fryatt Quay, Pipitea, Wellington or 34 Chapel St, Masterton.

Instalment and Penalty Dates The due dates for each instalment of rates (other than water rates) are as follows:

Instalment	Due Date	Penalty Date
One	20 August 2018	21 August 2018
Two	20 November 2018	21 November 2018
Three	20 February 2019	21 February 2019
Four	20 May 2019	21 May 2019

Under sections 57 and 58 of the Local Government (Rating) Act 2002, a 10% penalty will be added to any portion of the current instalment that remains unpaid after the due date shown above.

Additional Arrears Penalty	
5 July 2018	(SWDC)
7 January 2019	(SWDC)
5 July 2018	(GWRC)
7 January 2019	(GWRC)

Under sections 57 and 58 of the Local Government (Rating) Act 2002, an additional 10% penalty will be added on the above dates to any rates then remaining unpaid from previous financial years.

Water rates Instalment and Penalty Dates The due dates for water rates are as follows:

Due Date	Penalty Date
20 December 2018	21 December 2018
23 April 2019	24 April 2019
20 August 2019	21 August 2019

Under sections 57 and 58 of the Local Government (Rating) Act 2002, a 10% penalty will be added to any portion of the current instalment that remains unpaid after the due date shown above.

SOUTH WAIRARAPA DISTRICT COUNCIL

ACTIVITIES OR GROUPS OF ACTIVITIES THAT ARE FUNDED BY THESE RATES

GENERAL RATES

This funds resource management, roading and the main part of democracy. In the urban areas it also funds stormwater and in the rural areas it funds dog and stock control and rural fire.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

This funds the following activities: libraries, cemeteries, economic development, refuse transfer and landfill, civil defence, part of democracy and inspections for liquor, building and health.

TARGETED RATES:

Reserves & Civic

Amenities (UAC)

This funds parks and reserves, swimming pools and community buildings.

Water

This funds the operational costs of maintaining the water reticulation systems and treatment plants.

Sewerage

This funds the operational costs of maintaining the sewerage reticulation system and treatment plants.

Refuse

This meets the costs of the collection and disposal of refuse.

Water Races This funds contract works for inspections of the Moroa and Longwood water races, monitoring and compliance with Greater Wellington Regional Council's resource consents and physical works at the two river intakes.

RATING POLICIES

Set out below is a brief description of the criteria applicable to each type. Full details of the following policies are available from the Council Office or website www.swdc.govt.nz.

Rates Postponement

Extreme Financial Circumstances - ratepayers experiencing extreme financial circumstances which affect their ability to pay rates may be eligible to apply for rates postponement. Applications will be considered on a case by case basis and must meet the criteria listed in the policy. Full disclosure of financial position and circumstances is required.

Ratepayers Aged 65 Years and Over - ratepayers are offered a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal. Applications will be considered on a case by case basis and must meet the criteria and conditions listed in the policy.

Remission and postponement of rates on Maori freehold land

Council may grant an application for remission on all or some of the rates on Maori freehold land provided that the land is the subject of a Maori Land Court order stating that the rating unit is Maori freehold land. These applications should be received by Council prior to the commencement of the rating year.

Rates payments applied to oldest debt

Payments received for rates will be applied to the oldest debt first, regardless of whether the payer requests the payment be applied to the current debt. Rates debt becomes unenforceable after a period of time; this policy assists in avoiding debt falling into this category.

Remission and postponement of penalties

Council **may** remit or postpone a penalty where it considers that it is fair and equitable to do so upon receiving applications from ratepayers.

Remissions: Council may remit **Penalties** where it considers that it is fair and equitable to do so, upon receipt of an application from a ratepayer for significant family disruption, a previous good payment history, missing postal payments, change of ownership transaction, Council error or an agreed repayment scheme. Applications must be on the approved form and meet the remission policy criteria set by council.

Community, Sporting and Other Organisations using land for community or sporting purposes and not operated for private pecuniary profit may qualify for a remission of 50% of the General Rate.

Land Protected for Natural, Historic or Cultural Conservation Purposes may qualify for a remission of all rates. Applications must be in writing and supported by documentary evidence of the protected status of the rating unit e.g. a copy of the covenant or other legal mechanism.

Uniform Annual General Charges may be remitted in certain circumstances where for subdivision purposes, land has been subdivided, title has been issued and the unsold contiguous Lots remain in common ownership; or in certain circumstances where contiguous rural rating units are farmed as a single entity.

Reserves & Civic Amenities Charges may be remitted in certain circumstances where for subdivision purposes, land has been subdivided, title has been issued and the unsold contiguous Lots remain in common ownership; or in certain circumstances where contiguous rural rating units are farmed as a single entity, or one rating unit is not contiguous but is used as a run-off to the main farm rating unit.

Natural Disaster affected properties may be remitted according to the conditions, criteria and level of funding provided and set by Central Government.

SUIP

Council applies the following definition of SUIP: Separately used or inhabitable part of a rating unit.

GREATER WELLINGTON REGIONAL COUNCIL

Greater Wellington Regional Council is the promotional name of the Wellington Regional Council. Any reference to the Greater Wellington Regional Council on this assessment is deemed to be a reference to the Wellington Regional Council

How are Greater Wellington Regional Council's rates set and collected?

The Greater Wellington Regional Council sets its own rates, which are invoiced and collected by the relevant city or district council in the Wellington Region, being the South Wairarapa District Council for the above property. Such combined collection arrangements are more cost efficient and convenient for ratepayers.

You will receive a combined rates assessment/invoice notice from the South Wairarapa District Council for each instalment showing the amount due for both the South Wairarapa District Council and Greater Wellington Regional Council. Each invoice will clearly show where and when payment is due.

ACTIVITIES OR GROUPS OF ACTIVITIES THAT ARE FUNDED BY THESE RATES

General rate	The general rate is set to fund activities that reflect "public good" across the Wellington Region. It is distinct from targeted rates, which are intended to recover costs of particular activities from particular groups (see "Targeted rates" below). The general rate is spread across the whole region and funds activities such as managing resources, emergencies, harbours, regional parks and recreation areas, and environmental education. It is used to help fund all of Greater Wellington Regional Council's groups of activities except the Wellington Regional Strategy, water supply, public transport, Warm Greater Wellington and the regional stadium.
Targeted rates:	
Public transport	This rate funds Greater Wellington Regional Council's expenditure for the region's public transport services and transport infrastructure.
River management	This rate funds local community contributions to river maintenance and flood protection improvements.
Wellington Regional Strategy	This rate funds the Wellington Regional Strategy including, the committee, projects and part funding of the region's economic development agency (WREDA).
Possum/ predator	This rate funds the control of predators and possums. It is set on all rural properties where rateable land is 4 hectares or more.
Wairarapa Schemes	These are rates set on specific properties within about 30 river management, catchment and drainage schemes in the Wairarapa constituency. These schemes fund the local community contributions to river maintenance, flood protection and land management activities within these areas.
Warm Greater Wellington	This rate is set on those properties that utilise the Warm Greater Wellington assistance to help install clean heat or insulation in their homes.

RATING POLICIES

Remission and postponement of penalties

Greater Wellington Regional Council **may** remit or postpone a penalty where it considers that it is fair and equitable to do so upon receiving applications from ratepayers.

Rates postponement

Greater Wellington Regional Council **will** postpone its rates where ratepayers have applied in writing **and** can demonstrate they are experiencing extreme financial circumstances which affect their ability to pay rates **and/or** the ratepayer has had rates postponed in part or full by the South Wairarapa District Council. If granted, the annual rates will be postponed for a period of one year. The postponement must be reapplied for annually.

Remission of rates in special circumstances

Greater Wellington Regional Council **may** remit its rates in special circumstances where it considers it fair and equitable to do so. Applications under this policy must be made in writing.

Remission and postponement of rates on Māori freehold land

Greater Wellington Regional Council **may** grant an application for remitting or postponing all or some of the rates on Māori freehold land provided the land is the subject of a Māori Land Court order stating that the rating unit is Māori freehold land. These applications should be in writing and be received by Greater Wellington Regional Council before the start of the rating year.

Rates payments applied to oldest debt

Payments received for rates will be applied to the oldest debt first, regardless of whether the payer requests the payment be applied to the current debt. Rates debt becomes unenforceable after a period of time; this policy assists in avoiding debt falling into this category.