

SOUTH WAIRARAPA DISTRICT COUNCIL

25 JUNE 2014

AGENDA ITEM B1

ADOPTION OF ANNUAL PLAN AND SETTING OF RATES

Purpose of Report

To adopt the 2014/15 Annual Plan and set the rates for the 2014/15 years.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Adopt the 2014/15 Annual Plan in accordance with Section 95 of the Local Government Act 2002.*
3. *Adopt the rates resolution for 2014/15 in accordance with the Local Government Rating Act 2002, including the "Part B" notice.*
4. *Note that the updated fees and charges schedule is included in the adopted Annual Plan.*

1. Executive Summary

The Draft Annual Plan was adopted on 9 April 2014 and the requisite consultation has been undertaken in accordance with the Local Government Act.

The Draft Annual Plan proposed a rates increase of 3.48% against the Long Term Plan forecast of 2.44%.

Following consideration of submissions, the rates increase has risen slightly to 3.58%, or by \$12,000.

The key factor in this slight increase was an increase in grants made following consideration of submissions.

In all other respects, the annual plan proposed for adoption is the same as the draft consulted on.

The rates resolution, based on the required funding levels and mix required to meet the outputs of this annual plan, has been prepared in accordance with the Local Government Rating Act, incorporating the latest amendments.

2. Discussion

2.1 Rate Resolution

Attached as appendix A is the rates resolution for adoption, including the "Part B" additional disclosures.

2.2 Draft Annual Plan Changes

A "draft annual plan for adoption" will not be published as there are so few changes required.

Once the changes have been agreed a final 2014/15 Annual Plan will be published.

The following summarises the changes required:

- Include Considine Park in the list of Martinborough amenities that we look after.
- Update the prospective operating statement and funding impact statement for Economic, Cultural and Community Development Funding to show the increase in community grants.
- Update the schedule of Fees and Charges to include the previously agreed dog registration fees.
- Remove the Listening to Your Views page.
- The inclusion of a Rates and Charges table as required by legislation(table 1).
- The inclusion of a Total Income From Rates table as required by legislation.
- Minor grammatical fixes.
- Changes from the Draft Annual Plan section
- Update the wording relating to the Martinborough Town Hall. Note no changes to the funding streams have been made as these do not impact on rates and are generally around deposit of funds into, and payment of funds from the District Property Reserve pending final approval or otherwise of the project. This fund will be reimbursed as necessary.

Table 1 – Rates and Charges

RATES AND CHARGES (incl GST)	
2014/15	
General Rates - Commercial rate in dollar of LV	0.003935992
General Rates - Urban rate in dollar of LV	0.001967996
General Rates - Rural rate in dollar of LV	0.002134798
UAGC	610
UAC Urban	233
UAC Rural	117
Water Charge	623
Sewer Charge	412
Refuse Collection Levy	123
Featherston-Longwood Water Race	0.001711828
Moroa Water Race	0.000433099
Pirinoa Water Supply	605

Table 2 – Total Income From Rates

TOTAL INCOME FROM RATES (including GST)	
2014/15	
General Rates	
General Rate - Urban	774,645
General Rate - Commercial	162,375
General Rate - Rural	3,456,132
Uniform Annual General Charge (UAGC)	3,531,420
Uniform Annual Charge (UAC) - Urban	722,269
Uniform Annual Charge (UAC) - Rural	309,544
Sub Total (General Rates)	8,956,384
Targeted Rates	
Water Rates	2,413,275
Sewer Rates	1,678,150
Refuse Collection Levy	494,729
Sub Total (Targeted Rates)	4,586,154
Special Targeted Rates	
Featherston-Longwood Water Race	65,550
Moroa Water Race	74,750
Pirinoa Water Supply	5,750
Sub Total (Special Targeted Rates)	146,050
Total Rates incl. GST	13,688,588

3. Appendices

Appendix 1 – Rates resolution for 2014/15 in accordance with the Local Government rating Act 2002, including “Part B” notice

Contact Officer: Paul Crimp, Chief Executive

**Appendix 1 – Rates
Resolution for 2014/15,
Including “Part B” Notice**



greater WELLINGTON
REGIONAL COUNCIL
Te Pane Matua Taiao

2014/15 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 read up to three times a year (usually October, February, and June). If you have exceeded the annual allowance of 350 cubic metres 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 or automatic payment, 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 (BNZ,

Martinborough Branch). 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 are as follows:

Instalment	Due Date	Penalty Date	Additional Arrears Penalty
One	20 August 2014	21 August 2014	2 July 2014
Two	20 November 2014	21 November 2014	3 January 2015
Three	20 February 2015	23 February 2015	
Four	20 May 2015	21 May 2015	
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.			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.

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.
Pirinoa Water Supply	This funds the costs of maintaining and servicing the Pirinoa Water Supply scheme.

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.

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, Uniform Annual General Charge and Reserves & Civic Amenities 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 in according to the conditions, criteria and level of funding provided and set by Central Government.

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.
Stadium purposes	This rate meets Greater Wellington Regional Council's annual cost of servicing and repaying the loan raised to fund its contribution to the Wellington Regional Stadium Trust.
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 (Grow Wellington).
Bovine Tb	This rate funds programmes to control or eradicate Tb. It is set on properties in areas where there are current vector-control programmes and where rateable land is 4 hectares or more.
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 of penalties

Greater Wellington Regional Council may remit 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 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.

SETTING OF RATES FOR 2014/2015 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 2014 and ending on 30 June 2015.

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 \$610.00 per rating unit. The total we anticipate to raise from this rate is \$3,535,255.

(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 0.001960 cents dollar of rateable land value.
The total we anticipate to raise from this rate is \$774,927.
- Commercial - a rate of 0.003921 cents per dollar of rateable land value.
The total we anticipate to raise from this rate is \$161,740.
- Rural - a rate of 0.002136 cents per dollar of rateable land value.
The total we anticipate to raise from this rate is \$3,455,423.

(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:

- \$233.00 per urban rating unit. The total we anticipate to raise from this rate is \$724,397.
- \$117.00 per rural rating unit. The total we anticipate to raise from this rate is \$310,167.

(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 \$2,414,239.

Serviced Connection:

- \$619.00 per separately used or inhabitable part of a rating unit which is connected to the water supply system, for an allowance of 350 cubic meters of water for the year.

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:

- \$310.00 for rating units' that are not yet connected but are able to be connected to the water supply.

Serviced Connection:

- \$619.00 per separately used or inhabitable part of any connected rating unit situated in the Pirinoa Water Supply area.

The total we anticipate to raise from this rate is \$5,881.

(e) Sewage Disposal Rate

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

The total we anticipate to raise from this rate is \$1,679,930.

Serviced Connection:

- \$412.00 per separately used or inhabitable part of a rating unit for all rating units which are connected to the sewage system, for the first two toilet pans (or equivalent such as urinals).
- \$412.00 per separately used or inhabitable part of a rating unit for all rating units which are connected to the sewage system for the third and each additional toilet pan (or equivalent such as urinals).

Serviceable Connection:

- \$206.00 for all rating units for which are not yet connected but are able to be connected to the sewage 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 \$496,418.

- \$122.00 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 .001831 cents 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 \$65,551.
- a rate of .0004422 cents 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 \$74,741.

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 any 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) Sewerage Disposal Rate

- Serviced Connection: any separately used or inhabitable part of a rating unit that is connected to the sewage system.
- Serviceable Connection: any rating unit that is not connected to the sewage 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

That all rates will be payable in four instalments due on:

20 August 2014

20 November 2014

20 February 2015
20 May 2015

PENALTIES

That the Council delegates authority to the Chief Executive Officer to apply the following penalties on unpaid 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 2014
 - 21 November 2014
 - 23 February 2015
 - 21 May 2015

- Under section 57 and 58(1)(b) of the Local Government (Rating) Act 2002, an additional 10 percent penalty will be added on:
 - 2 July 2014
 - 3 January 2015to any rates remaining unpaid from previous financial years.

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, 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	18440/54900	18480/20800
18400/64600	18440/55000	18480/22102
18400/69300	18440/60000	18480/23200
18400/69600	18440/70900	18480/23300
18400/70100	18440/71500	18480/23301
18420/33401	18440/71700A	18480/23400
18420/33500	18440/71900	18480/23500
18420/37500	18450/13500	18480/25000
18420/37700	18450/13600	18480/25100
18420/38100	18450/13800	18480/25200
18420/38200	18450/13900	18480/25301
18420/38300	18450/15000	18480/28900
18420/39000	18450/15500	18480/28901
18420/42200	18450/15600	18480/29000
18420/42300		18480/29800
18420/42301		18480/31400
18420/43900		18480/31500
18420/45000		18480/31600
18420/45300		