

Funding Impact Statement

The purpose of the funding impact statement is to provide information about the income and funding streams we will use each year and an indication of the amount of funding we will generate from each stream.

2008/2009 Rates Factors

The table below lists the rate factors for the 2008/2009 year (1 July 2008 to 30 June 2009) that are set by the Central Hawke's Bay District Council under the Local Government (Rating) Act 2002.

Key	Description	Differential	Rateable Basis	Factor	Amount Sought GST inc \$
General Rate					
101	General	District	Capital Value	\$0.067	\$2,637,900
Rates					
173	District UAC	UAC	Uniform Amount	\$432.539	\$2,661,413
Targeted Rates					
103,112,107	District Land Transport	Rural all wards	Land Value	\$0.234	\$5,833,414
106	District Land Transport	Ruataniwha Ward - Urban	Land Value	\$0.112	\$215,711
109	Ward Loan	Waipawa Urban	Land Value	\$0.027	\$10,594
110,115	Refuse Collection	Service Available	Uniform Amount	\$65.871	\$245,699
111	Beach Refuse	Service Available	Uniform Amount	\$65.871	
120	Sewerage Operations	Service Available - Connection(s)	Uniform Amount	\$222.865 *	\$880,875
121	Sewerage Charge(s)	Otane	Uniform Amount	\$105.624 *	\$25,825
122	Sewerage Charge(s)	Takapau	Uniform Amount	\$67.032 *	\$14,613
123	Sewerage Charge(s)	Waipukurau	Uniform Amount	\$125.740 *	\$295,175
124	Sewerage Charge(s)	Waipawa	Uniform Amount	\$217.647 *	\$202,738
	Sewerage Charge(s)	Te Paerahi	Uniform Amount	\$26.296 *	\$3,024
133	Sewerage Charge(s)	Porangahau	Uniform Amount	\$56.460 *	\$5,279
140	Stormwater Operations	Catchment Area	Capital Value	\$0.074	\$419,850
141	Stormwater Loans	Waipukurau Catchment Area	Capital Value	\$0.026	\$106,646
142	Stormwater Loans	Waipawa Catchment Area	Capital Value	\$0.007	\$10,880
150	Water Supply Operations	Service Available	Uniform Amount	\$357.758 *	\$1,414,575
151	Water Supply Loans	Otane	Uniform Amount	\$189.438 *	\$47,549
152	Water Supply Loans	Takapau	Uniform Amount	\$166.864 *	\$44,803
153	Water Supply Loans	Waipukurau	Uniform Amount	\$38.173 *	\$82,758
154	Water Supply Loans	Waipawa	Uniform Amount	\$62.725 *	\$61,721
155	Water Supply Loans	Te Paerahi	Uniform Amount	\$760.350 *	\$88,961
156	Water Supply Loans	Kairakau	Uniform Amount	\$81.010 *	\$5,711
157	Water Supply Loans	Porangahau	Uniform Amount	\$690.363 *	\$66,620
165	Drainage	Te Aute	Factor		\$38,856
166	Mainstreet	Property Usage - Waipukurau	Land Value	\$0.077	\$20,477
174	Ward-based main street upgrade	Ruataniwha Ward	Uniform Amount	\$22.099	\$61,613
169	Recycling Collection	Service Available	Uniform Amount	\$41.097	\$115,011
172	Economic Development	Property Usage - District	Uniform Amount	\$79.901	\$28,125
Total Sought					\$15,646,416

*includes half-charges

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Rates

The following rates are set and assessed on a District-wide basis on all rateable property within the District for the years 2008/2009:

1. General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002 for the purposes of providing administration, cost of democracy, community voluntary support grants, planning, health inspection, liquor licensing, litter control, animal control, rural fire, traffic safety, building and general inspection, civil defence, and 60% of the cost of the operation and maintenance of parks and reserves, swimming facilities, halls, cemeteries, libraries, public conveniences, and the Civic Theatre and miscellaneous property costs. For the 2008/2009 year this rate will be 0.0674 cents in the dollar based on the rateable capital value of all rateable property within the District.

2. District Land Transport Rate

A targeted rate for the Council's land transport facilities set under section 16 of the Local Government (Rating) Act 2002. This rate is set for the purpose of funding the operation and maintenance of the land transport system. For the 2008/2009 year this rate will be as follows –

0.2339 cents in the dollar based on the land value of all rateable land within the Rural Area

0.1121 cents in the dollar based on the land value of all rateable land within the Urban Area

Uniform Annual Charges

The uniform charge below is a targeted rate. This is rated on each separately used or inhabited part of a rating unit within the District for the years 2008/2009. It is set:

- a) To ensure a minimum rate on all properties; and
- b) As a charge for services which have an equal element of private benefit but where it is not practical to apply specific user charges.

3. Uniform Annual General Charge

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit within the District. This rate is for the purpose of funding waste management, District Promotion, and 40% of the cost of the operation and maintenance of parks and reserves, swimming facilities, halls, cemeteries, libraries, public conveniences, and the Civic Theatre and miscellaneous property costs. For the 2008/2009 year this rate will be \$432.54 (including GST).

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Targeted Rates

Definitions:

"Ruataniwha Urban", "Ruataniwha Rural", "Waipawa Urban", "Waipawa Rural", and "Waipukurau Urban" are each defined by maps held by the Council.

"Non Residential" is defined by reference to land use codes in the valuation database, being every code other than "residential" or "lifestyle".

"Non Rural" is defined by reference to land use codes in the valuation database, being every code other than farming.

4. Water Supply Operations Rates

A differential targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply operations of a fixed amount per separately used or inhabited part of a rating unit. The purpose of this rate is to fund the operation and maintenance of water supplies for Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau and Te Paerahi.

This rate is applied as follows:

- (a) a charge per separately used or inhabited part of a rating unit for Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau, and Te Paerahi Beach connected. For the 2008/2009 year this rate will be \$357.76 including GST.
- (b) a half charge per separately used or inhabited part of a rating unit which is serviceable for the above locations.

For this rate:

- "*Connected*" means a rating unit to which water is supplied.
- "*Serviceable*" means a rating unit to which water can be but is not supplied being a property situated within 100 metres of the water supply.

A targeted rate under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by meter, over 300 cubic metres per year. This is applied to water users deemed 'Extraordinary' where payment of the Water Operations rate above entitles extraordinary users to the first 300 cubic metres of water without additional charge. The Volume of water used over 300 cubic metres per year is charged at the rate of \$1.17 per cubic metre (GST inclusive).

5. Sewerage Operations Rate

A differential targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's sewage disposal function of a fixed amount per separately used or inhabited part of a rating unit in relation to all land in the district to which the Council's sewage disposal service is provided or available.

The purpose of this rate is to fund the maintenance and operation of sewage collection, treatment and disposal systems in those parts of the District where these systems are provided. If this service is available but not connected, a half charge applies. Domestic users pay one pan charge per connection.

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This rate is applied as follows:

- (a) a charge per rating unit connected. For the 2008/2009 year this rate will be \$222.86 (including GST); and
- (b) a charge per water closet or urinal within the rating unit, after the first one. For the 2008/2009 year this rate will be \$222.86 (including GST); and
- (c) a charge per rating unit which is serviceable. For the 2008/2009 year this rate will be \$111.43 (including GST).

For the purposes of this rate:

- "Connected" means the rating unit is connected to a public sewerage drain;
- "Serviceable" means the rating unit is not connected to a public sewerage drain but is within 30 metres of such a drain;
- A rating unit used primarily as a residence for one household is treated as not having more than one water closet.

6. Kerbside Recycling Rate

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's collection of household recyclables for Waipukurau and Waipawa on each separately used or inhabited part of a rating unit to which the Council is prepared to provide the service. For the 2008/2009 year this rate will be \$41.10 (including GST).

7. Refuse Collection Rate

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the collection of household and commercial refuse for Otane, Onga Onga, Takapau, Tikokino, Waipukurau, Waipawa, Porangahau and Te Paerahi Beach on each separately used or inhabited part of a rating unit to which the Council is prepared to provide the service. For the 2008/2009 year this rate will be \$65.87 (including GST).

8. Beach Refuse Rate

A uniform targeted rate for provision of refuse collection facilities/services for, Kairakau and Purerere on each separately used or inhabited part of a rating unit to which the Council is prepared to provide the service. For the 2008/2009 year this rate will be \$65.87 (including GST).

9. Economic Development Rate

A uniform targeted rate set under section 16 of the Local Government (Rating) Act 2002 to assist in the funding of Economic Development Activities within the district on each separately used or inhabited part of a rating unit that is Non Residential and Non Rural. For the 2008/2009 year this rate will be \$79.90 (including GST).

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10. Stormwater Operations and Loans Rates

Four targeted rates set under section 16 of the Local Government (Rating) Act 2002 for the purpose of funding operations and maintenance, and loan charges on the stormwater drainage as follows:

- A uniform targeted rate for stormwater drainage operations on the capital value of all rateable land in the Waipawa and Waipukurau Stormwater Drainage Areas. For the 2008/2009 year this rate will be 0.0740 cents in the dollar (including GST);
- A uniform targeted rate for the Waipukurau Stormwater loan on the capital value of all rateable land in the Waipukurau Stormwater Drainage Area. For the 2008/2009 year this rate will be 0.0264 cents in the dollar (including GST);
- A uniform targeted rate for the Waipawa Stormwater loan on the capital value of all rateable land in the Waipawa Stormwater Drainage Area. For the 2008/2009 year this rate will be 0.0067 cents in the dollar (including GST).

The Waipukurau and Waipawa Stormwater Drainage Areas are defined by reference to stormwater drainage area plans held by the Council.

11. Waipawa Ward Loans Rate

A differential targeted rate set under section 16 of the Local Government (Rating) Act 2002 based on the land value within the Waipawa Urban ward for the purpose of paying historical loan charges that the Waipawa Ward of the District was responsible for, prior to local body amalgamation and the creation of the Central Hawke's Bay District on 1 November 1989. For the 2008/2009 year this rate will be 0.027 cents in the dollar (including GST).

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12. Loan Charges Separate Rates

Differential targeted rates set under section 16 of the Local Government (Rating) Act 2002 for the purpose of funding capital upgrades to water supply systems and sewerage (wastewater) systems. For the 2008/2009 year the following differential targeted rates will be made per rating unit connected*. A half-charge is set per rating unit serviceable*:

Targeted Rate	Town	Rate (incl GST)
Water Supply Loans	Otane	\$189.44
Water Supply Loans	Takapau	\$166.86
Water Supply Loans	Waipukurau	\$38.17
Water Supply Loans	Waipawa	\$62.72
Water Supply Loans	Kairakau	\$81.01
Water Supply Loans	Porangahau	\$690.36
Water Supply Loans	Te Paerahi	\$760.35
Sewerage Loans	Otane	\$105.62
Sewerage Loans	Takapau	\$67.03
Sewerage Loans	Waipukurau	\$125.74
Sewerage Loans	Waipawa	\$217.65
Sewerage Loans	Porangahau	\$56.46
Sewerage Loans	Te Paerahi	\$26.30

*For each targeted rate above:

'Connected' means a rating unit connected to the water supply or sewerage system as applicable.

'Serviceable' means a rating unit to which the relevant service can be but is not provided being a property situated within 100 metres of the water reticulation or within 30 metres of the sewer reticulation.

13. Waipukurau Mainstreet Rate

A uniform targeted rate based on land value on all rateable Non-Residential land within Waipukurau set under section 16 of the Local Government (Rating) Act 2002 for the purpose of funding the area's share of the Ruataniwha Street upgrade debt servicing costs. For the 2008/2009 year this rate will be \$0.077 cents in the dollar (including GST).

14. Ruataniwha Ward main street Upgrade Rate

A uniform targeted rate on all rateable land in the Ruataniwha Ward Urban set under section 16 of the Local Government (Rating) Act 2002 for the purposes of funding the High Street Waipawa improvements undertaken between 2003 and 2005. For the 2008/2009 year this rate will be \$22.10 (including GST).

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15. Te Aute Drainage Rate

Te Aute Drainage rates are set on all rateable area of all rateable property within the designated area subject to a graduated scale for the purpose of funding the operations, loan charges and the repayment of loans of the Te Aute Drainage Scheme Area. Each hectare of land in each property is classified according to the susceptibility of that hectare to flooding as follows:

A (100 points), B (80 points), C (15 points), F (3 points), and G (0 points).

The total number of points is 73614. The total amount of funding required each year determines how much each of these points are worth. In this way, the total amount required is apportioned on a pro rata basis using the weightings on each hectare. The total amount of funding required for 2008/2009 is \$38,856.00.

The Te Aute drainage scheme area is defined by reference to the classification list establishing the graduated scale.

Valuation Number	Hectares in each classification				Total Points	Amount
	A (100pts)	B (80pts)	C (15pts)	F (3pts)		
1092000300	0	11.3	8.15	31.63	1121	\$591.70
1092000800	0	32.83	74.69	23.42	3817	\$2,014.74
1092000900	0	0	0.83	2.15	19	\$10.03
1092001001	77.96	16.65	11.94	17.95	9361	\$4,941.06
1092001100	78.22	0	25.28	101.17	8505	\$4,489.23
1092001200	0	2.88	18.35	18.86	562	\$296.64
1092001201	0	20.25	19.15	12.31	1944	\$1,026.11
1092001400	0	0	0	14.16	42	\$22.17
1092001600	0	0	0	10.12	30	\$15.84
1092001700	38.74	51.06	36.24	45.12	8638	\$4,559.43
1092002100	188.81	0	0	23.93	18953	\$10,004.04
1092002200	84.02	4.14	1.16	6.45	8770	\$4,629.11
1092002300	41.02	5.2	20.43	22.8	4893	\$2,582.69
1092002900	0	0	0	0.81	2	\$1.06
1092003400	0	0	8.02	6.6	140	\$73.90
1092005800	0	18.63	0	4.93	1505	\$794.39
1092006100	0	65.81	0	15.84	5312	\$2,803.86
Total	508.77	228.75	224.24	358.25	73614	\$38,856.00

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Rating Policy

Rates are levied under the Local Government (Rating) Act 2002 on all rateable rating units on the value of the land as supplied by Quotable Value New Zealand Limited. The last revaluation was carried out effective from 1 July 2006.

The objectives of the council's rating policy is to:

- spread the incidence of rates as fairly as possible
- be consistent in charging rates
- ensure all ratepayers pay their fair share for council services
- provide the income needed to meet the council's goals

The Central Hawke's Bay District Council rating system provides for all user charges and other income to be taken into account first, with the rates providing the balance needed to meet the council's objectives.

Rating Base

The rating base will be the database determined by the contracted rating service provider. Because this database is constantly changing due to change of ownership, subdivision, regular revaluations, change of status from rateable to non-rateable (and reverse), the rating base is not described in detail in this policy, but the policies following describe who will be rated.

Rating Information Database and Rates Records

Councils rating information database and rates records are available for public inspection at the Council offices in Waipukurau and Waipawa during normal office hours (Monday – Friday 8.00am to 4.30pm).

Due Dates for Rate Payments

Pursuant to Section 24 of the Local Government (Rating) Act 2002 the following dates will apply for assessing the amount of each instalment of rates for the year 1 July 2008 to 30 June 2009. Each instalment will be levied in four equal amounts, rounded.

Instalment number	Due date	Last day of payment without additional charge	Additional charges added
1	2 July 2008	20 August 2008	21 August 2008
2	1 October 2008	19 November 2008	20 November 2008
3	7 January 2009	18 February 2009	19 February 2009
4	1 April 2009	20 May 2009	21 May 2009

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Payment Options

Rate payments on instalments are to be received by Council no later than 4:30pm on the last day of payment detailed above. Payment options include:

- Cheque sent by Post.
- At Council Offices in Waipukurau or Waipawa (Hours Monday – Friday 8am to 4:30pm). We accept Cash, Cheque and Eftpos. We do not accept payment by Credit Cards.
- Direct Debit (Form available from Rates Officers) Monthly or Quarterly.
- Automatic Payments (includes E-bill and Telephone Banking). Please include the valuation number of the property you are paying for in the reference section.

Penalty Charges

(Additional Charges on Unpaid Rates)

Pursuant to Section 58(1)(a) of the Local Government (Rating) Act 2002, an additional charge of 10% will be added to all rates remaining unpaid for each instalment after the last day of payment, shown above.

Pursuant to Section 58(1)(b) of the Local Government (Rating) Act, a further additional charge of 10% will be added on 1 July 2007 to the amount of rates levied in previous financial years and remaining unpaid as at 30 June 2007 (Section 58(1)(b)).

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Community Contribution Remission Policy

Objective of the Policy

To facilitate the ongoing provision of non-commercial community services and recreational opportunities for the District.

Conditions and Criteria

The Council may remit 50% of the general rates where the application meets the following criteria:

- 1) Where land is owned by the Council or owned and occupied by a society or association of persons, and the land is used exclusively or principally:
 - (a) as a showground or place of meeting which is incorporated under the Agricultural and Pastoral Societies Act 1908; or
 - (b) for games or sports, except galloping, harness or greyhound races; or
 - (c) for the purposes of any branch of art.
- 2) The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.
- 3) The policy will not apply to organisations that engage in the above mentioned sporting or community services, as a secondary purpose only.
- 4) The policy shall apply to such organisations as approved by the Corporate Services Manager (through the Staff Management Team) and the Chief Executive, as meeting the relevant criteria.
- 5) The extent of any remission to any qualifying organisation shall be as determined by the Corporate Services Manager (through the Staff Management Team) and the Chief Executive.
- 6) No remission will be granted in respect of those rates referred to in Section 9 of the Local Government (Rating) Act 2002 (i.e. targeted rates for water supply, sewage disposal or waste collection).
- 7) Organisations making application should include the following documents in support of their application:
 - statement of objectives;
 - full financial accounts;
 - information on activities and programmes;
 - details of membership or clients.

The Community Contribution Remission Policy will be reviewed every three years.

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Club Rebate Remission Policy

Objective of the Policy

To assist clubs that provide their own facilities and enable them to facilitate the ongoing provision of non-commercial community services and recreational opportunities to the District.

Conditions and Criteria

The Council may remit 50% of the general rates where the application meets the following criteria:

- 1) Where land is owned by the Council or owned and occupied by a society or association of persons, and the land is used exclusively or principally:
 - a) as a showground or place of meeting which is incorporated under the Agricultural and Pastoral Societies Act 1908; or
 - b) for games or sports, except galloping, harness or greyhound races; or
 - c) for the purposes of any branch of art.
- 2) The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.
- 3) The policy will not apply where a club licence under the Sale of Liquor Act 1989 is in force.
- 4) The policy will not apply to organisations that engage in the above mentioned sporting or community services, as a secondary purpose only.
- 5) The policy shall apply to such organisations as approved by the Corporate Services Manager (through the Staff Management Team) and the Chief Executive, as meeting the relevant criteria.
- 6) The extent of any remission to any qualifying organisation shall be as determined by the Corporate Services Manager (through the Staff Management Team) and the Chief Executive.
- 7) No remission will be granted in respect of those rates referred to in Section 9 of the Local Government (Rating) Act 2002 (i.e. targeted rates for water supply, sewage disposal or waste collection).
- 8) Organisations making application should include the following documents in support of their application:
 - a) statement of objectives;
 - b) full financial accounts;
 - c) information on activities and programmes;
 - d) details of membership or clients.

The Club Rebate Remission Policy will be reviewed every three years.

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Recreation Organisations Remission Policy

Objective of the Policy

The objective of the Recreation Organisation Remission Policy is to assist recreation organisations that own their own facilities and enable them to facilitate the ongoing provision of non-commercial recreational opportunities to the District.

Conditions and Criteria

1. That the criteria for 100% rates remission be adopted as follows:

If an organisation meets the following criteria it is defined, for the purposes of this policy, as a "recreation organisation":

- (a) Recreation is an activity where a membership requirement exists that is freely chosen to pursue in one's discretionary time, through which leisure may be experienced.
- (b) It is a social institution that encourages active participation in a recreation activity for the purpose of relaxation or enjoyment.
- (c) The grounds and/or facilities are not used in commercial activity for the generation of taxable income.
- (d) The organisation must be such that junior members are an integral part of the recreation activities.

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Remission of Additional Charges Policy

Objective of the Policy

The objective of the additional charges remission policy is to enable the Council to act fairly and reasonably in its consideration of rates, which Council have not received by the penalty date, due to circumstances outside the ratepayer's control.

Conditions and Criteria

The Council grants to the Corporate Services Manager or their nominee delegated authority in the following circumstances to approve on receipt of an application, the remission of such additional charges which have been incurred by any ratepayer as a consequence of their payment being received after the due date:

- 1) Where the rate payment history of the property over the last 3 years (or back to purchase date where the property has been owned by the offending ratepayer less than 3 years) shows no previous evidence of late payment and the instalment was received by Council no later than 3 working days after the day of adding the instalment additional charge;
- 2) Where the balance to clear the rest of the years rates (undiscounted and including any arrears) are paid before penalties are added for the next instalment;
- 3) Where payment has been late due to significant family disruption i.e. in the case of death, illness, or accident of a family member, as at the due date;
- 4) Where the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control;
- 5) Where a property changes hands (sale or lease) and the new owner/lessee is responsible for an instalment, when the original account was issued in the name of the previous owner/lessee;
- 6) Where a direct debit authority is commenced in time for the next instalment;
- 7) Where an error has been made on the part of Council staff, or arising through error in the general processing or levying, which has subsequently resulted in an additional charge being imposed.

Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.

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Uniform Annual Charges on Contiguous Properties Remission Policy

Objective of the Policy

To enable Council to act fairly and reasonably and provide for the possibility of rates remission where two or more Uniform Annual Charges (UAC) are levied on rating units which are occupied or used by the same ratepayer being a lessee/owner using the rating units jointly as a single property for the same farming or horticulture purposes.

Conditions and Criteria

Section 20 of the Local Government (Rating) Act 2002, stipulates that there shall be one property for the purposes of levying the UAC, where two or more separately rateable properties are:

- (a) occupied by the same ratepayer (owner or person with right to occupy by virtue of lease for more than 10 years); and
- (b) used jointly as a single property (for the same purpose); and
- (c) contiguous or separated only by road, railway, drain, water race, river or stream, they shall be deemed to be one property for the purposes of any Uniform Annual Charges.

Council will allow, without further enquiry (except for clarification) applications made by ratepayers in the form of a statutory declaration to the effect that two or more separately rated properties are occupied by the same ratepayer and are used jointly for the same purpose and the Uniform Annual Charges levied on the second and subsequent assessments will be cancelled.

The Council may remit the rates where the application meets the following criteria:

- 1) The rating units must be contiguous and occupied by the same ratepayer who is the lessee/owner of each unit and who uses them jointly as a single property contiguous or separated only by road, railway, drain, water race, river or stream and used for the same purpose;
- 2) Where farming or horticultural operations conducted on separate blocks of land are so far apart as to indicate that there is no possible continuity between them, full charges may be levied on each. Factors such as stock rotation, stock driving, property size, and the number of properties affected will be taken into account;
- 3) The Council may consider reducing or cancelling any targeted rates for sewerage or waste management on such rating units, where each of the rating units are not connected to the public sewerage drain;
- 4) The Council may, on written application from a ratepayer of such rating units, reduce or cancel any separate Uniform Annual Charge levied on the rating units if it considers it to be reasonable in the circumstances to do so;
- 5) The Council grants to the Corporate Services Manager or their nominee delegated authority in the above circumstances to approve on receipt of an application, the cancellation of Uniform Annual Charge and any other relevant Separate Uniform Annual Charge levied on the second and subsequent assessments.

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School Sewerage Charges Remission Policy

Objective of the Policy

To ensure that schools are not disproportionately charged for sewerage services based on the number of connections. Charges will be based on the school's staff and student numbers.

Conditions and Criteria

The policy will apply to the following educational establishments:

- established as a special school under Section 98(1) of the Education Act 1964; or
- a state school under Section 2 (1) of the Education Act 1989; or
- An integrated school under Section 2 (1) of the Private Schools Conditional Integrated Act 1975; or
- A special institution under Section 92 (1) of the Education Act 1989; or
- An early childhood centre under Section 308 (1) of the Education Act 1989, but excluding any early childhood centre operated for profit.

The policy does not apply to school houses occupied by a caretaker, principal or staff.

1. An amount levied using the same mechanism as are applying to other separately rateable rating units within the District and reduced in accordance with the following formula:-
 - (a) divided by the number of toilets as determined in accordance with condition 3 below (the full charge); and reduced in accordance with the following graduated formula:
 - (i) the full charge for each of the first 4 toilets or part thereof;
 - (ii) 75% of the full charge for each of the next 6 toilets or part thereof;
 - (iii) 50% of the full charge for each toilet after the first 10.
 - (b) For the purpose of 1 (a) above the number of toilets for a rating unit used for the purposes of an educational establishment is 1 toilet for every 20 students and staff or part thereof, irrespective of the actual number of toilets contained in the qualifying part of the rating unit.
 - (c) The number of students in an educational establishment is the number of students on its roll on 1 March in the year immediately before the year to which the charge relates.
 - (d) The number of staff in an educational establishment is the number of teaching staff and administration staff employed by that educational establishment on 1 March immediately before the year to which the charge relate.
2. Calculation of Councils standard sewerage charge (based on the number of water closets/urinals).
3. Calculation of the number of full time equivalent on-site students and staff divided by 20 and multiplied by the Uniform Annual Charge for Sewerage.
4. The amount to be remitted is the difference between the amount calculated under 1 and the amount that would have applied, had the rating unit not been used by an educational institution.

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5. That the Corporate Services Manager be delegated authority to approve remission of the sewage charges in excess of the charges payable according to the policy.

Example

Green Intermediate School is situated in Mōa District Council. Mōa collects its rates by way of a pan charge of \$100 per pan. At 1 March 2006, Green Intermediate has 500 students, 30 staff and 28 toilet pans. How much will it pay in sewerage rates?

Answer: Green School would be levied \$1762.93.

Explanation:

The total charge in this case would be $\$100 \times 28 \text{ pans} = \2800 . *Local Government New Zealand* has a legal opinion which holds that the actual number of pans should be used for this part of the calculation.

The number of rateable pans is $530/20 = 26.5$ pans which gets rounded to 27 pans for the purposes of reducing the rates.

The council calculates that the full charge on each toilet would be $\$2800/27 = \103.70 per pan.

The total charge is then calculated with reference to the scale e.g.

4 pans at the full charge ($\$103.70 \times 4 = \414.80)

6 pans at 75 percent of the full charge ($\$77.78 \times 6 = \466.68)

17 pans at 50 percent of the full charge ($\$51.85 \times 17 = \881.45).

Total = $(414.8 + 466.68 + 881.45) = \1762.93

Funding Impact Statement

Rates Holiday Postponement Policy

Objective of the Policy:

To assist ratepayers who undertake economic development that benefits the District as a whole.

Conditions and Criteria:

- 1) The ratepayer must be the current owner of the rating unit;
- 2) The Council must be satisfied that economic benefits will flow to the district from the development;
- 3) The ratepayer must make application to the Council;
- 4) Applications for the postponement of rates will be considered by the Council's Finance and Services Committee.

Remission and Postponement of Rates on Maori Freehold Land Policy

Council is treating all ratepayers the same, as such, there is no remission or postponement of rates provided specifically for Maori Freehold Land.

Ratepayers for Maori Freehold Land may be eligible for relief through the Sundry Remission of Rates Policy set out on page 94.

Remission of Rates for Natural Calamities Policy

Objective of Policy

To assist ratepayers experiencing financial hardship as a result of a natural event detrimentally affecting the use of the land or the income derived from the land, and which directly affects their ability to pay rates.

Conditions and Criteria

Council may postpone wholly or in part, any rate or charge in respect of the property, where it considers it to be fair and reasonable to do so. This will be in circumstances where Central Government have recognized the seriousness of the event and provided financial assistance to enable the remission to occur.

The term and nature of the postponement, the proof of financial hardship and any other criteria considered necessary will be determined by Council in each case.

Decisions on the extent of remissions shall be as determined by the Corporate Services Manager through the Chief Executive, as meeting the relevant criteria.

Funding Impact Statement

Remission of Rates for QEII Trust and Land for Natural, Historic or Cultural Conservation

Objective of the Policy

To recognise and support the environmental value of such protected areas and to acknowledge the non-commercial use of such protected land. To preserve and promote natural resources and heritage by encouraging the protection of land for natural, historic or cultural conservation.

Conditions and Criteria

- 1) The extent of the rates remission if approved is to be 100%;
- 2) Applications are to be received in writing requesting rates relief be given to areas protected by the registration of a QEII Open Space Covenant;
- 3) Pest eradication shall be primarily the responsibility of the owner;
- 4) No portion of the covenanted area is to be developed or utilised in any way for commercial activity. This includes generating income for maintenance of the covenanted area;
- 5) Authority to consider applications is delegated to the Corporate Services Manager with right of appeal to the Chief Executive and Council.

Sundry Remission of Rates Policy

Objective of the Policy

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be covered pursuant to sections 67/76 of the Local Government (Rating) Act 2002; or where Council or its delegated officer(s) consider the levy impractical to recover.

To facilitate the use of Maori Freehold Land (and therefore the collection of rates), by removing the burden on the potential lessee of existing arrears.

Conditions and Criteria

The Council or its delegated officer(s) shall determine the extent of any remission based on the merits of each situation. Decisions on the extent of remissions shall be as determined by the Corporate Services Manager through the Chief Executive, as meeting the relevant criteria.

Funding Impact Statement

Rates Discount Policy

Introduction

Under Section 55 of the Local Government (Rating) Act 2002, a discount policy may be adopted for the payment of some or all rates that are identified in the rates assessment before the due date or dates for those rates in the current year. This discount policy must be adopted using the special consultative process and may be included in the annual plan. The policy is based on existing practice. The discount policy assumes that there is only a single discount rate.

Objective

To provide a consistent and fair basis for the application of discount for the early payment of rates in the current financial year.

Conditions and Criteria

Ratepayers will qualify for the discount if all due rates are paid in full, together with any outstanding prior years' rates and penalties, on the due date for payment of the first instalment in the current year (in accordance with Section 55 of the Local Government (Rating) Act 2002).

The amount of the discount will be 2.5 % of the annual rates.

The discount rate may be reviewed annually as required, taking into consideration current borrowing interest rates and will be calculated to be fiscally neutral.

Payment Plans

1. Those ratepayers who agree in writing to pay all current rates plus arrears within twelve months of the agreement will have all additional charges struck in that twelve month period waived by Council.
2. All rates receipts will be credited against each ratepayers account in the following order:
 - i) Current instalment
 - ii) Additional charges
 - iii) Court costs
 - iv) Current rate arrears
 - v) Previous rate arrears – oldest first
3. A discount set at the May meeting each year be allowed where all rates are paid in full before the penalty date for the first instalment (see Discount Policy).
4. Easy Pay Scheme: Ratepayers who agree in writing to make regular payments which result in the payment of all current rates plus arrears within twelve months of the agreement, or where deemed necessary, the repayment period be extended to two years, then Council will waive all additional charges struck in that twelve month period.