

9.10 Resolution to Set Rates 2024/25**Author:** Andrea Rankin, Chief Financial Officer**Authoriser:** Nigel Trainor, Chief Executive**Recommendation**

That following adoption of the Long Term Plan 2024-34 and the Funding Impact Statement (FIS) for 2024-25, Council sets the rates in the following resolution.

Purpose of Report

- 1 To set the rates, due dates, and penalties regime for the 2024/25 financial year.

Assessment of Significance

- 2 Setting of the rates is the final step to enable rates to be levied for the 2024/25 year. This has high significance.
- 3 There has been extensive community consultation on the proposed Long Term Plan (LTP) using the Special Consultative Procedure outlined in sections 83 and 93A of the Local Government Act 2002.

Legal Compliance

- 4 Rates are set and assessed in accordance with requirements of the Local Government (Rating) Act 2002 and the Local Government Act 2002.
- 5 Rates are a tax and a very high standard of administration is expected in the tax setting process.
- 6 The rates resolution must be made after the Long Term Plan 2024-34 has been adopted.
- 7 Due to the significance of rates revenue and the complex requirements of rates resolutions, staff have obtained legal advice to ensure that all parts of the Funding Impact Statement (FIS) and rates resolutions are compliant with legal requirements.

Risks

- 8 If the information in the resolution is not accurate the rates could be invalid. The wording and calculations have been prepared and checked by members of the Finance Team to ensure the information is correct. It has also had an external legal review as we do each year to provide assurance regarding the correctness of the rates setting resolution.
- 9 The rating model has been used for a number of years and the output from the rates resolution has been run through the rating system to ensure that the revenue generated is correct.
- 10 Should the LTP and FIS 2024-34 not be adopted at the meeting, the rates cannot be set.

Timaru District Council Rates Resolution 2024-25**That Council resolves**

- 11 To set the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing 1 July 2024 and ending on 30 June 2025. Such rates shall become due and payable by instalments on the dates prescribed in clause 11 of this resolution.

12 All rates and charges are inclusive of Goods and Services Tax (GST).

General Rates

13 That pursuant to section 13(2)(b) and section 14 of the Local Government (Rating) Act 2002 a general rate set as a rate in the dollar on the land value of all rating units within the Timaru District, assessed on a differential basis as described in the Funding Impact Statement (FIS) are as follows:

Timaru District - Accommodation	\$0.01205
Timaru District - Commercial General	\$0.01205
Timaru District - Community Services	\$0.00277
Timaru District - Industrial	\$0.01205
Timaru District - Primary	\$0.00186
Timaru District - Recreational	\$0.00277
Timaru District - Residential General	\$0.00277
Timaru District - Residential Multi Unit	\$0.00535

The differential categories are defined in the FIS 2024-34.

Uniform Annual General Charge

14 That pursuant to section 15(1)(a) of the Local Government (Rating) Act 2002 a uniform annual general charge of \$1,029.00 per rating unit is set and assessed on every rating unit within the Timaru District.

Business Improvement District Targeted Rate

15 That pursuant to section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted uniform annual rate of \$436.36 per rating unit within the Timaru CBD boundary for CBD business improvement.

Community Works and Services

16 That pursuant to section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted community works and services rate set and assessed as a rate in the dollar on the land value of all rating units within each of the following community areas:

Geraldine	\$0.00121
Rural	\$0.00005
Temuka	\$0.00151
Timaru	\$0.00127

Community areas are defined in the FIS 2024-34.

Community Board

17 That pursuant to section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 targeted uniform annual Community Board rates set and assessed per rating unit within each of the Temuka, Geraldine and Pleasant Point communities, as follows:

Geraldine	\$7.00
Pleasant Point	\$6.00
Temuka	\$6.00

Sewer/ Wastewater

18 That pursuant to section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted uniform rate for sewage disposal set per water closet or urinal connected either directly or through a private drain to a public sewerage drain subject to the proviso that every rating unit used primarily as a residence of not more than one household shall be treated as having not more than one water closet or urinal, as follows:

Sewer \$356.12

Waste Management

- 19 That pursuant to section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted rate set and assessed on all rateable and non-rateable rating units based on the extent of the waste collection, which is actually provided, as follows:
- 19.1 A targeted annual waste management charge of a fixed amount per set of 4 bins for all rateable and non-rateable land (see description of waste categories in FIS):
- 19.1.1 \$378.00 per "Standard" 4 bins provided to each rating unit; and
- 19.1.2 \$491.00 per "Large" 4 bins provided to each rating unit
- 19.2 Additional bins are charged for as a targeted annual waste management bin charge of a fixed amount per additional bin:
- 19.2.1 \$95.00 per additional small (140 litres) recycling bin provided to each rating unit;
- 19.2.2 \$106.00 per additional large (240 litres) recycling bin provided to each rating unit;
- 19.2.3 \$148.00 per additional small (140 litres) compost bin provided to each rating unit;
- 19.2.4 \$170.00 per additional large (240 litres) compost bin provided to each rating unit;
- 19.2.5 \$182.00 per additional small (140 litres) rubbish bin provided to each rating unit;
- 19.2.6 \$257.00 per additional large (240 litres) rubbish bin provided to each rating unit;
- 19.2.7 \$95.00 per additional small (80 litres) glass bin provided to each rating unit; and
- 19.2.8 \$106.00 per additional large (240 litres) glass bin provided to each rating unit

Water

- 20 That pursuant to section 16(3)(b), 16(4)(b), and section 19 of the Local Government (Rating) Act 2002 targeted rates for the supply of water in the following areas are as follows:

20.1 Urban Water

- 20.1.1 A differential annual rate of \$671.00 set and assessed per separately used or inhabited part of a rating unit for all connected rating units (excluding those supplied through a meter) and \$335.50 set and assessed per rating unit for all serviceable rating units within the Geraldine, Pleasant Point, Peel Forest, Temuka, Timaru and Winchester urban supply areas.

Definitions of "connected", "serviceable", "unit", and of the differential categories are contained in the FIS 2024-34.

20.2 Rural Water

20.2.1 The Rangitata-Orari Water Supply District

A targeted rate of \$22.80 set and assessed per hectare within the rating unit.

20.2.2 The Te Moana Downs Water Supply District

A targeted rate of \$447.00 set and assessed for each unit of water supplied;

A targeted rate of \$935.00 set and assessed for each tank except where there is more than one tank to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.

20.2.3 The Orari Water Supply District

A targeted rate of \$546.70 set and assessed for each unit of water supplied.

20.2.4 The Seadown Water Supply District

A targeted rate of \$46.40 set and assessed per hectare within the rating unit;

A targeted rate of \$1,160.00 set and assessed per separately used or inhabited part of a rating unit for each domestic supply;

20.2.5 **Beautiful Valley Water Supply District**

A targeted rate of \$23.60 set and assessed per hectare within the rating unit.

20.2.6 **Downlands Water Supply District**

On so much of the rating unit appearing on District Valuation Rolls number 24640, 24660, 24670, 24680, 24690, 24700, 24710, 24820, 24840, 24850, 24860, and part 25033, as is situated within the Downlands Water Supply District the following targeted rates:

A fixed amount of \$1,010.00 set and assessed for each separately used or inhabited part of a rating unit within the Pareora Township and for rating units used as halls within the scheme.

A fixed amount of \$1,732.00 set and assessed per rating unit for rating units used as schools within the Pareora Township.

In addition, a fixed amount of \$722.00 set and assessed for each separate connection (excluding Pareora Township) to the water supply except where there is more than one connection to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.

In addition to the charge assessed above, a fixed amount of \$289.00 set and assessed per unit of water or where water supplied in one half units a charge of \$144.50 set and assessed per half unit supplied.

The differential categories are defined in the FIS 2024-34.

20.2.7 **Water by Meter**

Targeted rates for water supply, set under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water consumed to any rating unit situated in the following areas which has been fitted with a water meter:

Seadown	\$1.24
Urban	\$1.02

Community Centre

21 That pursuant to section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, the following uniform targeted rates are set and assessed in respect of each separately used or inhabited part of a rating unit situated in the following Community Centre Areas:

Claremont Community Centre	\$18.00
Fairview Community Centre	\$29.00
Kingsdown Community Centre	\$34.00
Otipua Community Centre	\$19.00
Seadown Community Centre	\$32.00

Instalment Dates

22 The above rates and charges (except for metered water) are due and payable in four equal instalments on the following dates:

All Ratepayers

Instalment	Due Date
1	20 September 2024
2	20 December 2024

- 3 20 March 2025
- 4 20 June 2025

23 The due dates for metered water charges are as follows:

Month invoice raised	Due Date
July 2024	20 August 2024
August 2024	20 September 2024
September 2024	21 October 2024
October 2024	20 November 2024
November 2024	20 December 2024
December 2024	20 January 2025
January 2025	20 February 2025
February 2025	20 March 2025
March 2025	22 April 2025
April 2025	20 May 2025
May 2025	23 June 2025
June 2025	21 July 2025

Penalties

24 That pursuant to Section 57 of the Local Government (Rating) Act 2002 the Timaru District Council prescribes the following penalties to be added to unpaid rates:

24.1 A Penalty

A penalty under section 58(1)(a) of 10% of the amount of the instalment that remains unpaid after the due date of that instalment will be added on or after the following dates:

Instalment	Penalty Date
1	24 September 2024
2	13 January 2025
3	24 March 2025
4	23 June 2025

24.2 Further Penalties

A further penalty under section 58(1)(b) and 58(1)(c) of 10% of the amount of any rates from previous financial years remaining unpaid on 5 July 2024 will be added on 5 July 2024.

Under section 58(1)(c), an additional penalty of 10% will be added to any unpaid rates from previous financial years that remain unpaid on 13 January 2025. This penalty will be added on 13 January 2025.

Penalties will not be applied to the metered water targeted rates.

Attachments

Nil