



**I, John Freeman, Interim Chief Executive Officer, hereby give notice that
an Extraordinary Meeting of Council will be held on:**

Date: Tuesday, 3 October 2017
Time: 1pm
**Location: Council Chamber, Wairoa District Council,
Coronation Square, Wairoa**

AGENDA

Extraordinary Council Meeting

3 October 2017

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz

Order Of Business

1	Karakia.....	5
2	Apologies for Absence	5
3	Declarations of Conflict of Interest	5
4	Public Participation	5
5	General Items.....	6
5.1	Resetting of Rates 2017/18	6

- 1 KARAKIA**
- 2 APOLOGIES FOR ABSENCE**
- 3 DECLARATIONS OF CONFLICT OF INTEREST**
- 4 PUBLIC PARTICIPATION**

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 14.14 requests to speak must be made to the meeting secretary at least one clear day before the meeting; however this requirement may be waived by the Chairperson.

5 GENERAL ITEMS

5.1 RESETTING OF RATES 2017/18

Author: John Freeman, Interim Chief Executive Officer

Authoriser: John Freeman, Interim Chief Executive Officer

Appendices: 1. Report to Council 12-09-2017 [↓](#)
2. Resolution to Reset Rates 2017-18 to correct mistake [↓](#)

1. PURPOSE

- 1.1 The purpose of this report is to seek Council approval to reset the rates for the year ending 30 June 2018.

RECOMMENDATION

The Chief Executive Officer RECOMMENDS that Council resolves in accordance with the resolutions detailed in Appendix 2.

EXECUTIVE SUMMARY

2. BACKGROUND

- 2.1 At its ordinary meeting on 12 September 2017 Council resolved to initiate a rates resetting process. All pertinent facts, including options analysis and assessment of significance, are as disclosed in the report attached as Appendix 1.
- 2.2 Full details of the rates proposed to be reset were published in the Wairoa Star on 14 September 2017.
- 2.3 The procedures followed are in accordance with S119 LGRA and section 23.6 of Council's Standing Orders.

3. CURRENT SITUATION

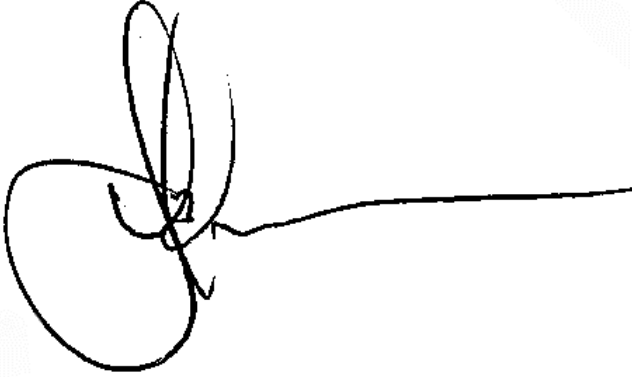
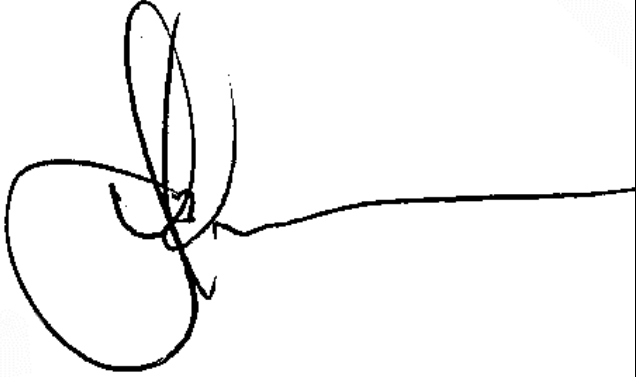
- 3.1 Following the statutory period of public notice Council is now in a position to reset the rates, should it wish to do.
- 3.2 The procedures followed are in accordance with S119 LGRA and section 23.6 of Council's Standing Orders.
- 3.3 The full detailed resolutions are attached as Appendix 2. Council is advised that these resolution should be made in full to ensure compliance.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

	
Author John Freeman	Approved by John Freeman

ORDINARY COUNCIL MEETING AGENDA

12 SEPTEMBER 2017

8.4 INITIATION OF RATES RESETTING PROCESS**Author:** John Freeman, Interim Chief Executive Officer**Authoriser:** John Freeman, Interim Chief Executive Officer

Appendices:

1. LGRS s119
2. Prospective adjustments to average rates

1. PURPOSE

- 1.1 The purpose of this report is to seek Council approval to reset the Rates for the year ending 30 June 2018.

RECOMMENDATION

The Chief Executive Officer RECOMMENDS that Council:

1. Determine it is desirable to set all of its rates (except the Māhia and Opoutama Wastewater Scheme targeted rates for capital repayment and finance costs, and water by meter rates) for the 2017/18 year again because of a mistake in calculating the rates (under section 119(2)(a)(ii) of the Local Government (Rating) Act 2002) as identified and reported to the Council;
2. Will give 14 days' public notice of its intention to set the 2017/18 rates (except the Māhia and Opoutama Wastewater Scheme targeted rates for capital repayment and finance costs , and water by meter rates) again in accordance with the requirements of the Local Government (Rating) Act 2002;
3. Will include in the public notice the following information, required by section 119 of the Act:
 - a. information in relation to the 2017/18 rates (except the Māhia and Opoutama Wastewater Scheme targeted rates for capital repayment and finance costs , and water by meter rates) that was, or would otherwise have been, included in the funding impact statement in the Council's 2017/18 Annual Plan (including the correctly calculated amounts of the rates); and
 - b. a statement of the reason why the Council has determined that it is desirable to set the 2017/18 rates again.
4. Will also include in the public notice a statement of its intention to adjust its penalties regime for the 2017/18 year so that penalties will only be added to late payment of rates for instalments 2 to 4.

ORDINARY COUNCIL MEETING AGENDA12 SEPTEMBER 2017

EXECUTIVE SUMMARY

2. BACKGROUND

- 2.1 Council adopted the Annual Plan 2017-18 and set the corresponding Rates based on an understanding that the average increase was 4.9%. Continued analysis and examination of cases presented by ratepayers identified that an omission had occurred in calculating this average and that the rates set mean the true average increase was 7%.
- 2.2 In response to community concerns Council has undertaken to consider remediation.
- 2.3 The draft Annual Plan budgets 2017-18 and Consultation Document were adopted on 28 March 2017, resolutions 2017/23 and 2017/24 respectively.
- 2.4 The Annual Plan 2017-18 was adopted [2017/54] and the Rates were set [2017/55] on 20 June 2017.
- 2.5 This matter is ambivalent in regards to the community outcomes identified in Council's Long-term Plan [LTP] 2015-25. The Annual Plan 2017-18 includes activities and projects that are faithful to these outcomes and the rates were correctly set to ensure appropriate funding. However, Council recognises that sustainability is an important component of economic well-being and a measure of affordability is thus required.

3. FURTHER ANALYSIS

- 3.1 While the true average is 7%, numerous urban rating units incurred increases of between 10% and 12%. Council's current rating method approximates as far as possible to a user pays matrix, insofar as there are myriad rate types and differentials that attempt to directly connect the costs of provision to the primary beneficiaries or drivers. The result of this is that variability in the annual funding requirements of each activity can cause marked spreads of rating movements across sectors. In proportion therefore, at an average of 4.9% the majority of urban ratepayers would experience increases in the range 7% - 9%.

4. OPTIONS

- 4.1 The options identified are:
 - a. Do nothing
 - b. Undertake a rates resetting process in accordance with s119 of the Local Government (Rating) Act 2002 and instruct the Chief Executive to publicly notify Council's intention to reset the rates for the year ending 2017-18
 - c. Apply a remission to decrease rates
- 4.2 (a) Council would maintain adequate funding to complete the objectives contained in the Annual Plan 2017-18 and avoid the costs and disruption associated with the other options. This option maintains a sustainable funding base for Council's activities ahead of determining levels of service in its LTP 2018-28. Options (b) and (c) would necessitate savings of approximately \$250,000 from Council's operations, or otherwise incur a deficit for the year, which may have downstream funding implications. Conversely, Council has unwittingly exceeded the limit to rates increases contained in its financial strategy and will likely encounter continued discontent from ratepayers.
- 4.3 (b) Resetting the rates would enable Council to achieve its original expectation of an average increase of 4.9%. This would restore some community confidence and it is the

ORDINARY COUNCIL MEETING AGENDA

12 SEPTEMBER 2017

most expedient path to remediation. Administratively it is the most expensive and burdensome. All charges would be recalculated and, if Council wishes, penalties relating to quarter 1 instalments reversed. Replacement rating assessments would be generated and distributed and the balances would be collected over the remaining instalments. Direct debit instructions would reset and customers utilising automatic payment facilities advised of amended instalments. Refunds may be necessary where customers have paid for the full year.

- 4.4 The statutory requirements for resetting rates are disclosed in 6.6, the practical implications of these are that Council must provide 14 days public notice of its intention to reset the rates, and its intention to waive penalties charged in respect of the first quarter's instalments, before revoking an altering its rates setting resolution made on 20 June 2017. Public notice would be provided in the newspaper by 19 September 2017. A subsequent meeting would be required for Council to resolve to reset the rates. During the notification period indicative rates would be made available on Council's website and by enquiry at Council offices, along with a draft replacement Funding Impact Statement.
- 4.5 Options for recalculating the rates were examined. Primarily these involve proportionately increasing all rates from 2016-17 or proportionately decreasing the rates set for 2017-18 so that an average of 4.9% is derived. Since the former leads to a material number of outcomes in excess of the rates set for 2017-18, only the latter is legally compliant. A targeted adjustment was not considered because this would lead to disproportionate outcomes and be inconsistent with Council's Revenue and Financing Policy. As shown in the table in **Appendix 2**, this has the effect of reducing rates to all rating units by 2.1%. To avoid distortion this excludes 412 rating units that have been subject to the Sewerage Disposal Rates Differentials for Māhia and Opoutama capital repayment and financing costs. The classifications shown are those used for the roading rate because it is applied throughout the district and has the broadest range of differentials.
- 4.6 (c) The use of a remission would be a lower cost and administratively simpler method to reduce the rates receivable because it effectively applies a credit to every ratepayer account and requires only the adjustments to balances and instalment payments thereafter. However, Council does not currently have a remissions policy that provides for these circumstances and, due to the significance of this matter, Council would be required to undertake public consultation in accordance with s82 of the Local Government Act 2002. This process would require approximately one month longer than (b), and invoices for the second quarterly instalments would be due for processing during the consultation period.
- 4.7 The preferred option is *b: Undertake a rates resetting process in accordance with s119 of the Local Government (Rating) Act 2002 and instruct the Chief Executive to publicly notify Council's intention to reset the rates for the year ending 2017-18*. This meets the purpose of local government as it will help meet the current and future needs of communities for good-quality infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses, along with the provisions of s14(1)(a)(i) which prescribes that a local authority should conduct its business in an open, transparent, and democratically accountable manner.

ORDINARY COUNCIL MEETING AGENDA

12 SEPTEMBER 2017

5. CORPORATE CONSIDERATIONS**What is the change?**

- 5.1 The revocation of the rates resolution and subsequent resetting of rates for the year ending 30 June 2018 would require a restriction of discretionary activities and postponement of some projects in order to operate within a reduced funding envelope.
- 5.2 It is intended that any such measures would not materially affect levels of service.

Compliance with legislation and Council Policy

- 5.3 A proportionate adjustment to rates should enable Council to substantially deliver the activities and projects contained in the Annual Plan 2017-18, albeit in a restricted or deferred format.
- 5.4 The proposed adjustment would bring the rates increase below the limit contained in Council's Financial Strategy.
- 5.5 The procedure for revoking a resolution is contained within Council's Standing Orders.
- 5.6 The process for resetting rates is contained within s119 of the Local Government (Rating) Act 2002. This is reproduced in Appendix 1.

What are the key benefits?

- 5.7 The key benefit is the restoration of confidence in Council's responsiveness to ratepayer concerns and leadership in dealing with issues.

What is the cost?

- 5.8 This decision represents a reduction in revenue of \$250,000 compared to the Annual Plan 2017-18.
- 5.9 Legal costs amounting to approximately \$3,500 have already been incurred. It is estimate that a similar expense would be incurred in reprocessing, printing and distributing of rate assessments and invoices along with rating system support costs.

Who has been consulted?

- 5.10 Council has received correspondence from the community on this matter. There has also been commentary in the local newspaper and on social media.
- 5.11 The reasons for the disparity across sectors has been explained, this matter concentrates on the discrepancy in the quoted overall average.
- 5.12 Consultation would be required to develop a remission policy, public notice is required to reset the rates.

Service delivery review

- 5.13 There will only be short term service delivery implications if insufficient savings can be realised from 4.2.

Māori Standing Committee

- 5.14 This matter has not been referred to the MSC because it is an issue that concerns the district as a whole.

ORDINARY COUNCIL MEETING AGENDA12 SEPTEMBER 2017

6. SIGNIFICANCE

- 6.1 Impact – all ratepayers are affected.
- 6.2 Public interest is high.
- 6.3 Council's budgetary capacity would be restricted by \$250,000.
- 6.4 This matter considers the reversal of a decision made in accordance with Standing Orders and relevant legislation. A subsequent reversal would be similarly problematic.
- 6.5 It is not intended that this will materially impact upon levels of service in the short term. Notwithstanding Council is advised that this re-baselining may have implications for future capacity.
- 6.6 There is not impact on any strategic assets beyond the potential deferral of certain projects.
- 6.7 There are no direct implications for wāhi tapu, whenua rāhui or other sites of cultural significance.

7. RISK MANAGEMENT

- 7.1 The strategic risks (e.g. publicity/public perception, adverse effect on community, timeframes, health and safety, financial/security of funding, political, legal – refer to S10 and S11A of LGA 2002, others) identified in the implementation of the recommendations made are as follows:
 - a. The primary strategic risk relates to Council's reputation. By considering this matter in a public forum and through public messaging Council is demonstrating its responsiveness and willingness to act. Independent advice has been obtained to ensure any action taken is legally compliant. The financial risks are considered in sections 4.2, 5.8 and elsewhere in this report.

Further Information

A formal announcement will be placed in the Wairoa Star.

Confirmation of statutory compliance

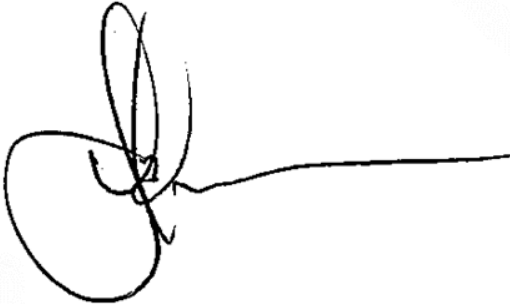
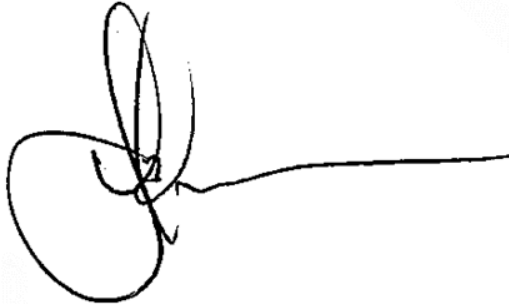
In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

ORDINARY COUNCIL MEETING AGENDA

12 SEPTEMBER 2017

Signatories

	
Author John Freeman	Approved by John Freeman

Wairoa District Council – Resetting Rates to Correct Mistake

Recommendations

That the Council:

1. Notes the contents of this report.
2. Resolves to replace the content in relation to the Differential Rating Factors, the General Rate, Uniform Annual General Charge, and the Targeted Rates in respect of Rooding, Recreation, Services, Water Supply (Fixed Charge), Sewerage, Waste Management, and Drainage in the funding impact statement in the Council's Annual Plan 2017/18, with the following:

DIFFERENTIAL RATING FACTORS

Council will use the differential categories set out below in the period 1 July 2017 to 30 June 2018 for the purposes of setting the general rate and the roading, recreation and services targeted rates:

Urban differential categories

	Differential Category	Differential factor
i.	Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township", and with a land value less than \$68,000.</i>	1.00
ii.	Wairoa Township (Commercial/Industrial) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial".</i> The reason for this differential is to reflect the relative advantage this group has relative to other ratepayers located in the same urban area. The benefits derive from the proximity to and the usage of Council's services provided and the occupation of the Council developed precinct of the district.	3.85
iii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial with rateable capital value less than \$200,000.00".</i> The reason for this differential is to recognise the relative unfair burden of rates relative to services received for these properties.	2.75
iv.	Wairoa Township (Commercial/Industrial) (CV ≥\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial with rateable capital value equal to or greater than \$200,000.00".</i> The reason for this differential is to recognise the relative unfair burden of rates relative to services received for these properties.	2.75
v.	Residential 3 (LV ≥\$68,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township" and with a land value equal to or greater than \$80,000.</i> This differential category recognises the relative unfair burden of rates relative to services received for these properties.	0.55

Rural differential categories

	Differential Category	Differential factor
vi.	Wairoa Rural (all properties not included in (vii), (viii), (ix), (x), (xi) or (xiv) below) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural".</i>	1.00
vii	Rural Villages of Frasertown, Nūhaka and Raupunga <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Residential" (the rural townships of Frasertown, Raupunga and Nūhaka.</i>	1.25
viii.	Rural Non-Forestry (LV \geq \$100,000 and $<$ \$1,000,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural", with a land value equal to or greater than \$100,000 and less than \$1,000,000.</i>	1.00
ix.	Rural Non-Forestry (LV \geq \$1,000,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural" with Land Values greater than or equal to \$1,000,000.</i>	1.00
x.	Rural Residential/Residential One (Māhia) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Māhia Rural Residential".</i> The reason for this differential is to recognise the relatively high property values that unfairly penalise ratepayers in the district. Also, Council is collecting the similar dollar value as was previously collected.	0.85
xi.	Rural Residential – Residential One (b) (Tuai) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Tuai Rural Residential".</i> The reason for this differential is to recognise the relatively high property values that unfairly penalise ratepayers in the district. Also, Council is collecting the similar dollar value as was previously collected.	0.50
xii.	Rural Roding Forestry ($<$ 100ha) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Forestry" and with a land area less than 100 hectares.</i>	1.00
xiii.	Rural Roding Forestry (\geq 100ha) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Forestry" and with a land area equal to or greater than 100 hectares.</i> This differential category recognises the use to which the land is put and subsequent additional maintenance costs as a result of the forestry activities.	1.54
xiv.	Rural Commercial (CV \geq \$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a.</i> The reason for this differential is to reflect the advantage this group has compared to other ratepayers located in the same rural area, by consuming greater Council resources relative to other rural properties.	3.70

Rates per unit in the following paragraphs are per \$1,000 of rateable value unless otherwise stated. Amount shown are inclusive of GST at 15% (except in relation to water by meter rates which are expressed as being exclusive of GST).

GENERAL RATE

Council will assess a general rate based on the land value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the land value of the land.

The rates (per (\$000's) of land value) for 2017/2018 are:

	Differential Category	Rate per \$1000 of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (ii) below)/General Urban	2.4035	62,109
ii.	Wairoa Township (Commercial/Industrial)	9.2534	52,867
iii.	General Urban/Residential 3 (LV \geq \$68,000)	1.3219	8,454
iv.	Wairoa Rural (all properties not included in (v), (vi) or (vii) below)	0.3697	307,157
v.	Villages of Frasertown, Nūhaka and Raupunga	0.4622	2,834
vi.	General Rural Residential/Residential One (Māhia)	0.3143	50,623
vii.	General Rural Residential – Residential One (b) (Tuai)	0.1849	1,022

The general rate will raise \$485,066 (including GST) in 2017/18.

General rates will be used to fund all activities that are not covered by the uniform annual general charge, targeted rates or other funding mechanisms outlined in the Revenue and Financing Policy.

UNIFORM ANNUAL GENERAL CHARGE

Council will set and assess a uniform annual general charge as a fixed amount per separately used or inhabited part of a rating unit within the district. The Council's definition of separately used or inhabited part of a rating unit is set out at the end of the Funding Impact Statement.

The uniform general charge for 2017/18 is \$659.00 (incl GST), raising \$3,376,024 (incl GST) compared with \$3,267,357 (incl GST) in 2016/17.

The calculation for the uniform annual general charge is determined by the activities to be funded by this charge.

The uniform annual general charge will be used to fund Community Representation, Māori Liaison, Library costs, and 30% of Economic Development costs and the Community Complex.

TARGETED RATE – ROADING

Council will assess a targeted rate for roading on the land value of all rateable land in the district, set differentially according to where the land is situated, the use to which the land is put and the land value of the land.

The rates (per (\$000's) of land value) for 2017/18 are:

	Differential Category	Rate per \$1000 of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (ii) below)/Roading Urban	8.2511	213,220
ii.	Wairoa Township (Commercial/Industrial)	31.7669	181,492
iii.	Residential 3 (LV \geq \$68,000)	4.5381	29,024
iv.	Wairoa Rural (all properties not included in (v), (vi), (vii), (viii) and (ix) below)/Roading Rural	3.3708	170,652
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	4.2135	25,893
vi.	Rural Non-Forestry (LV \geq \$100,000 and $<$ \$1,000,000)	3.3708	472,870
vii.	Rural Non-Forestry (LV \geq \$1,000,000)	3.3708	1,733,823
viii.	Roading Rural Residential/Residential One (Māhia)	2.8652	462,311
ix.	Roading Rural Residential – Residential One (b) (Tuai)	1.6854	9,320
x.	Rural Roading Forestry ($<$ 100ha)	3.3708	10,812

	Differential Category	Rate per \$1000 of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
xi.	Rural Roding Forestry (≥ 100 ha)	5.1911	633,264

The roading targeted rate will raise \$3,942,681 (including GST) in 2017/18.

The roading rate will be used to fund the roading activity.

TARGETED RATE – RECREATION

Council will assess a targeted rate for parks and reserves on the capital value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the capital value of the land.

The rates (per (\$000's) of capital value) for 2017/2018 are:

	Differential Category	Rate per \$1000 of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) and (ii) below)/Recreation Urban	1.8868	341,642
ii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000)	5.1887	45,253
iii.	Wairoa Township (Commercial/Industrial) (CV \geq \$200,000)	5.1887	168,954
iv.	Wairoa Rural (all properties not included in (v), (vi), (vii) and (vii) below)/Recreation Rural	0.3389	357,263
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	0.4236	11,219
vi.	Recreation Rural Residential/Residential One (Māhia)	0.2880	75,563
vii.	Recreation Rural Residential/Residential One (b) (Tuai)	0.1694	2,642
viii.	Commercial Rural (CV \geq \$200,000)	1.2538	109,163

The recreation targeted rate will raise \$1,111,699 (including GST) in 2017/18.

The recreation rate will be used to fund the parks and reserves activity.

TARGETED RATE – SERVICES

Council will assess a targeted rate in respect of other services, which includes regulatory services, economic development and community support on the capital value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the capital value of the land.

The rates (per (\$000's) of capital value) for 2017/2018 are:

	Differential Category	Rate per \$1000 of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (ii) below)/Services Urban	1.4635	265,191
ii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000)	4.0247	35,102
iii.	Wairoa Township (Commercial/Industrial) (CV \geq \$200,000)	4.0247	131,053
iv.	Wairoa Rural (all properties not included in (v), (vi), (vii) and (vii) below)	0.2885	304,077
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	0.3606	9,450
vi.	Rural Residential/Residential One (Māhia)	0.2452	64,381
vii.	Rural Residential/Residential One (b) (Tuai)	0.1442	2,249
viii.	Commercial Rural (CV \geq \$200,000)	1.0674	93,230

The services targeted rate will raise \$904,733 (including GST) in 2017/18.

The services rate will be used to fund the regulatory services, community support activities, and 70% of economic development costs.

TARGETED RATE – WATER SUPPLY (Fixed Charge)

Council will assess a targeted rate to fund water supply, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council as a fixed amount per separately used or inhabited part of a rating unit.

The rates for 2017/18 are:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township/Wairoa Ward Supply Area (including Frasertown and Wairoa Environs) – connected Water Charge Wairoa Frasertown Water Supply Peri Urban Water Supply	Per separately used or inhabited part of a rating unit	595.10	1,058,314 46,415 70,728
ii.	Wairoa Township Supply Area (including Frasertown and Wairoa Environs) – not connected but available <i>being property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	297.50	
iii.	Māhanga Supply Area – connected	Per separately used or inhabited part of a rating unit	401.20	24,676
iii.	Māhanga Supply Area – not connected but available <i>being property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	200.62	
iv.	Tuai Supply Area – connected	Per separately used or inhabited part of a rating unit	448.70	24,676
v.	Tuai Supply Area – not connected but available <i>being property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	222.10	

The water supply (fixed amount) targeted rate will raise \$1,233,819 compared with \$1,101,263 in 2016/17.

The Water supply rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Māhanga, Tuai.

TARGETED RATE – SEWERAGE

Council will assess a targeted rate in respect of sewerage, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council.

The rates for 2017/18 are:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
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	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Ward – connected (not temporary accommodation businesses)	Per water closet or urinal connected (for up to the first five)	482.80	1,074,405
ii.	Wairoa Ward (not temporary accommodation businesses) – connected	Per water closet or urinal connected (for six to up to and including 15)	70% full rate*	
iii.	Wairoa Ward (not temporary accommodation businesses) – connected	Per water closet or urinal connected (for 16 or more)	50% full rate*	
iv.	Wairoa Ward – connected (temporary accommodation businesses)	Per water closet or urinal connected (for up to the first five)	482.80	
v.	Wairoa Ward – connected (temporary accommodation businesses)	Per water closet or urinal connected (for six or more)	70% full rate*	
v.	Wairoa Ward – not connected but available <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	241.40	1,074,405
vi.	Tuai Village – connected ¹	Per water closet or urinal connected	482.80	
vii.	Tuai Village – not connected but available <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	241.40	28,002
viii.	Māhia – connected or required to be connected under the Trade Waste and Wastewater bylaw 2012	Per number or nature of connections from the land within each rating unit to the reticulation system	482.80	186,116
ix.	Ōpoutama – connected or required to be connected under the Trade Waste and Wastewater bylaw 2012	Per number or nature of connections from the land within each rating unit to the reticulation system	482.80	13,518

The sewerage targeted rate will raise \$1,302,041 (including GST) in 2017/18.

The sewerage rate will be used to fund the sewerage activity.

TARGETED RATE – WASTE MANAGEMENT

Council will assess a targeted rate in respect of waste management, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa Township Area and the Wairoa Rural Area.

The rates for 2017/18 are:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township Area <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Urban Area".</i>	Per separately used or inhabited part of a rating unit	204.10	394,690

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
ii.	Rural Areas <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Rural Area".</i>	Per separately used or inhabited part of a rating unit	169.30	545,048

The waste management targeted rate will raise \$939,738 (including GST) in 2017/2018.

The waste management rate will be used to fund the waste management activity.

TARGETED RATE – DRAINAGE

Council will set and assess a targeted rate in respect of drainage set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa Urban and the Māhia Township Areas.

The rates for 2017/18 are:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Urban Area <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Urban Area".</i>	Per separately used or inhabited part of a rating unit	245.60	445,787
ii.	Māhia Township Area <i>being all rateable properties situated within the Māhia Township area.</i>	Per separately used or inhabited part of a rating unit	171.60	78,668

The drainage targeted rate will raise \$524,455 (including GST) in 2017/18.

The drainage rate will be used to fund the stormwater activity.

- Notes that the online version of the funding impact statement in the Annual Plan 2017/18 will be updated in accordance with resolution [2], and a note included with every hard copy distributed in future.
- Resolves to revoke that part of resolution 2017/55 made at the Council meeting on 20 June 2017 (in which the Council set rates for the 2017/18 financial year) that set the General Rate, the Uniform Annual General Charge, and the Targeted Rates in respect of Roadway, Recreation, Services, Water Supply (Fixed Charge), Sewerage, Waste Management, and Drainage.
- Resolves under the Local Government (Rating) Act 2002 to reset the following rates for the 2017/18 financial year (commencing on 1 July 2017 and ending on 30 June 2018):

Rates per unit in the following paragraphs are per \$1,000 of rateable value unless otherwise stated. Amount shown are inclusive of GST at 15%.

GENERAL RATE

A general rate under sections 13 and 14 of the Local Government (Rating) Act 2002 at different rates in the dollar of land value for all rateable land in all differential categories used for setting the general rate, as follows:

	Differential Category	Rate per \$1000 of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (ii) below)/General Urban	2.4035	62,109
ii.	Wairoa Township (Commercial/Industrial)	9.2534	52,867
iii.	General Urban/Residential 3 (LV \geq \$68,000)	1.3219	8,454
iv.	Wairoa Rural (all properties not included in (v), (vi) or (vii) below)	0.3697	307,157
v.	Villages of Frasertown, Nūhaka and Raupunga	0.4622	2,834
vi.	General Rural Residential/Residential One (Māhia)	0.3143	50,623
vii.	General Rural Residential – Residential One (b) (Tuai)	0.1849	1,022

UNIFORM ANNUAL GENERAL CHARGE

A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 on all rateable land of \$659 (incl GST) per separately used or inhabited part of a rating unit.

TARGETED RATE – ROADING

A roading targeted rate set under section 16 of the Local Government (Rating) Act 2002 at different rates in the dollar of land value for all rateable land in all differential categories used for setting the roading targeted rate, as follows:

	Differential Category	Rate per \$1000 of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (ii) below)/Roading Urban	8.2511	213,220
ii.	Wairoa Township (Commercial/Industrial)	31.7669	181,492
iii.	Residential 3 (LV \geq \$68,000)	4.5381	29,024
iv.	Wairoa Rural (all properties not included in (v), (vi), (vii), (viii) and (ix) below)/Roading Rural	3.3708	170,652
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	4.2135	25,893
vi.	Rural Non-Forestry (LV \geq \$100,000 and $<$ \$1,000,000)	3.3708	472,870
vii.	Rural Non-Forestry (LV \geq \$1,000,000)	3.3708	1,733,823
viii.	Roading Rural Residential/Residential One (Māhia)	2.8652	462,311
ix.	Roading Rural Residential – Residential One (b) (Tuai)	1.6854	9,320
x.	Rural Roading Forestry ($<$ 100ha)	3.3708	10,812
xi.	Rural Roading Forestry (\geq 100ha)	5.1911	633,264

TARGETED RATE – RECREATION

A recreation targeted rate set under section 16 of the Local Government (Rating) Act 2002 at different rates in the dollar of capital value for all rateable land in all differential categories used for setting the recreation targeted rate, as follows:

	Differential Category	Rate per \$1000 of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) and (ii) below)/Recreation Urban	1.8868	341,642
ii.	Wairoa Township (Commercial/Industrial) (CV $<$ \$200,000)	5.1887	45,253
iii.	Wairoa Township (Commercial/Industrial) (CV \geq \$200,000)	5.1887	168,954
iv.	Wairoa Rural (all properties not included in (v), (vi), (vii) and (vii) below)/Recreation Rural	0.3389	357,263
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	0.4236	11,219
vi.	Recreation Rural Residential/Residential One	0.2880	75,563

	Differential Category	Rate per \$1000 of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
	(Māhia)		
vii.	Recreation Rural Residential/Residential One (b) (Tuai)	0.1694	2,642
viii.	Commercial Rural (CV ≥\$200,000)	1.2538	109,163

TARGETED RATE – SERVICES

A services targeted rate set under section 16 of the Local Government (Rating) Act 2002 at different rates in the dollar of capital value for all rateable land in all differential categories used for setting the services targeted rate, as follows:

	Differential Category	Rate per \$1000 of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (ii) below)/Services Urban	1.4635	265,191
ii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000)	4.0247	35,102
iii.	Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	4.0247	131,053
iv.	Wairoa Rural (all properties not included in (v), (vi), (vii) and (vii) below)	0.2885	304,077
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	0.3606	9,450
vi.	Rural Residential/Residential One (Māhia)	0.2452	64,381
vii.	Rural Residential/Residential One (b) (Tuai)	0.1442	2,249
viii.	Commercial Rural (CV ≥\$200,000)	1.0674	93,230

TARGETED RATE – WATER SUPPLY (Fixed Charge)

A water supply (fixed charges) targeted rate set under section 16 of the Local Government (Rating) Act 2002 on all land connected to a water supply in the district (and not metered exclusively for water supply), set differentially for different categories of land, as follows:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township/Wairoa Ward Supply Area (including Frasertown and Wairoa Environs) – connected Water Charge Wairoa Frasertown Water Supply Peri Urban Water Supply	Per separately used or inhabited part of a rating unit	595.10	1,058,314
ii.	Wairoa Township Supply Area (including Frasertown and Wairoa Environs) – not connected but available <i>being property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	297.50	46,415
iii.	Māhanga Supply Area – connected	Per separately used or inhabited part of a rating unit	401.20	79,728
iii.	Māhanga Supply Area – not connected but available <i>being property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	200.62	24,676
iv.	Tuai Supply Area – connected	Per separately used	448.70	

		or inhabited part of a rating unit		
v.	Tuai Supply Area – not connected but available <i>being property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	222.10	

TARGETED RATE – SEWERAGE

A sewerage disposal targeted rate under section 16 of the Local Government (Rating) Act 2002 on all land connected to a sewerage disposal scheme in the district, set differentially for different categories of land as follows:

	Differential Category [1]	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Ward – connected (not temporary accommodation businesses)	Per water closet or urinal connected (for up to the first five)	482.80	1,074,405
ii.	Wairoa Ward (not temporary accommodation businesses) – connected	Per water closet or urinal connected (for six to up to and including 15)	70% full rate*	
iii.	Wairoa Ward (not temporary accommodation businesses) – connected	Per water closet or urinal connected (for 16 or more)	50% full rate*	
iv.	Wairoa Ward – connected (temporary accommodation businesses)	Per water closet or urinal connected (for up to the first five)	482.80	
v.	Wairoa Ward – connected (temporary accommodation businesses)	Per water closet or urinal connected (for six or more)	70% full rate*	
v.	Wairoa Ward – not connected but available <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	241.40	
vi.	Tuai Village – connected ¹	Per water closet or urinal connected	482.80	28,002
vii.	Tuai Village – not connected but available <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	241.40	
viii.	Māhia – connected or required to be connected under the Trade Waste and Wastewater bylaw 2012	Per number or nature of connections from the land within each rating unit to the reticulation system	482.80	186,116
ix.	Ōpoutama – connected or required to be connected under the Trade Waste and Wastewater bylaw 2012	Per number or nature of connections from the land within each rating unit to the reticulation system	482.80	13,518

TARGETED RATE – WASTE MANAGEMENT

A waste management targeted rate under section 16 of the Local Government (Rating) Act 2002 set differentially for different categories of rateable land as follows:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township Area <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Urban Area".</i>	Per separately used or inhabited part of a rating unit	204.10	394,690
ii.	Rural Areas <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Rural Area".</i>	Per separately used or inhabited part of a rating unit	169.30	545,048

TARGETED RATE – DRAINAGE

A drainage targeted rate set under section 16 of the Local Government (Rating) Act 2002 on all rateable land in the Wairoa Urban Area and specified Māhia Township areas, set differentially as follows:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Urban Area <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Urban Area".</i>	Per separately used or inhabited part of a rating unit	245.60	445,787
ii.	Māhia Township Area <i>being all rateable properties situated within the Māhia Township area.</i>	Per separately used or inhabited part of a rating unit	171.60	78,668

6. Resolves, for the avoidance of doubt, that the due dates for payment of rates that are reset are as set out below:

All rates that are reset will be invoiced in quarterly instalments over the whole of the district. The due dates are as set out below:

Instalment	Due Date
1	21 August 2017
2	20 November 2017
3	20 February 2018
4	21 May 2018

7. Notes, for the avoidance of doubt, and subject to Resolution [8] below, that the penalties resolved to be added to unpaid rates are as set out in resolution 2017/55 made at the Council meeting on 20 June 2017.

8. Resolves that any penalties added in respect of late or non-payment of rates for Instalment 1 will be reversed.
9. Notes that amended rates assessments will be sent to ratepayers, and the invoices for Instalments 2 to 4 will reflect the resetting of the rates.