

Rates Policy for the 2024-34 Long Term Plan

Definitions used

All references to *District* are to the Hurunui District.

Serviceable means that the relevant service is available to the relevant rating unit or separately used or inhabited part of a rating unit and, specifically:

- in the context of water supply rates that the rating unit or separately used or inhabited part of a rating unit is within 100 metres of the relevant water infrastructure; and
- in the context of sewerage rates that the rating unit or separately used or inhabited part of a rating unit is within 30 metres of a public sewerage drain.

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner or a person other than the owner who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner. For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

For avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

Examples of multiple separately used or inhabited parts of a rating unit include:

- A rating unit that contains more than one dwelling.
- A Motel complex that has a dwelling attached.
- A Retail complex that has more than one shop.

District Wide Rates

General Rate & Uniform Annual General Charge

A portion of the general rate requirement will be collected by way of a general rate, which will be set under section 13 of the Local Government (Rating) Act 2002 for all rateable land within the District at a uniform rate in the dollar based on the capital value of the land. No differential has been included for the collection of the general rate.

The remainder of the general rate requirement will be collected by way of a uniform annual general charge which will be set under section 15 of the Local Government (Rating) Act 2002 and be applied as a fixed amount on each separately used or inhabited part of a rating unit in the District.

The portion of the rate collected by way of uniform annual general charge varies from year to year to ensure that Council continues to comply with section 21 of the Local Government (Rating) Act 2002, which sets a maximum level of uniform annual general charge and certain targeted rates set on a uniform basis of 30% of the total rates revenue.

The general rate and uniform annual general charge and are used to fund the general expenditure of the district as a whole, specifically in the following activities:

- District Promotion and Advocacy, Community Team activities, Grants, Residential and Other Property, Litter Bin Collection, Public Toilets, Libraries, District Reserves, Cemeteries and Civil Defence (all part of the Public Services Group of Activities)
- Subdivision Inspections, Health Inspection, Liquor Licensing, Ranging & Impounding and Building Control (all part of the Regulatory Group of Activities)
- Depots (part of Governance & Corporate Services group of activities)

In setting the General Rate, the budgeted figure required was offset by the budgeted surplus derived from the Council's Treasury Function.

Governance

A portion (50%) of the Governance Rate requirement will be collected by way of a general rate, which will be set under section 13 of the Local Government (Rating) Act 2002 and for all rateable land within the District at a uniform rate in the dollar based on the capital value of the land. No differential will have been included for the collection of the general rate.

The remainder (50%) of the governance rate requirement will be collected by way of a uniform annual general charge which will be set under section 15 of the Local Government (Rating) Act 2002 and be applied as a fixed amount on each separately used or inhabited part of a rating unit in the district.

The governance rate and uniform annual general charge fund the following activity (part of Governance & Corporate Services group of activities):

- Governance

In setting the General Rate, the budgeted figure required was offset by the budgeted surplus derived from the Council's Treasury Function.

Roading

The Roothing rate requirement will be collected by way of a general rate which will be set under section 13 of the Local Government (Rating) Act 2002 and be applied for all rateable land within the District at a uniform rate in the dollar based on the capital value of the land.

The Roothing Rate funds the following activities (all part of the Roads and Footpaths group of activities):

- Subsidised Roothing
- Special Purpose Roothing
- Unsubsidised Roothing
- Road Safety Programme

In setting the General Rate, the budgeted figure required was offset by the budgeted surplus derived from the Council's Treasury Function.

Resource Management - Planning

The Planning rate requirement will be collected by way of a general rate which will be set under section 13 of the Local Government (Rating) Act 2002 and be applied for all rateable land within the District at a uniform rate in the dollar based on the capital value of the land.

The Planning Rate funds the following activities (all part of the Regulatory Services group of activities):

- Resource Management Act Implementation
- Resource Management Act Regulatory
- Resource Management Act Policy Development

Waste Management

The Waste Management rate requirement will be collected by way of a uniform annual general charge which will be set under section 15 of the Local Government (Rating) Act 2002 and be applied as a fixed amount on each separately used or inhabited part of a rating unit in the District.

The Waste Management Rate funds the following activities (part of Public Services group of activities):

- Recycling Centres
- Transfer Stations

Canterbury Museum

The Canterbury Museum rate requirement (both Operational and Capital) will be collected by way of a uniform annual general charge which will be set under section 15 of the Local Government (Rating) Act 2002 and be applied as a fixed amount on each separately used or inhabited part of a rating unit in the District.

The Canterbury Museum Rate funds the following activity (part of Public Services group of activities):

- Canterbury Museum Levy which is imposed on each contributing Local Authority pursuant to the Canterbury Museum Trust Board Act 1993

Earthquake Prone Buildings

The Earthquake Prone Buildings rate requirement will be collected by way of a uniform annual general charge, which will be set under section 15 of the Local Government (Rating) Act 2002 and be applied as a fixed amount on each separately used or inhabited part of a rating unit in the District.

The Earthquake Prone Buildings Rate funds the following activities (part of Public Services group of activities):

- Earthquake Prone Buildings

Earthquake Recovery

The Earthquake Recovery Rate requirement will be collected by way of a uniform annual general charge, which will be set under section 15 of the Local Government (Rating) Act 2002 and be applied as a fixed amount on each separately used or inhabited part of a rating unit in the district.

The Earthquake Recovery Rate funds the Earthquake Recovery groups of activities.

Targeted Rates

Area Amenities Rates

The Area Amenities rates will be collected by way of targeted rates set under section 16 of the Local Government (Rating) Act 2002. A portion of the Area Amenities Rate will be collected by way of a targeted rate per separately used or inhabited part of a rating unit, set differentially based on location as defined on the Rating Maps 16 to 21. The balance of the Area Amenities Rate requirement will be collected by way of a targeted rate applied to all rateable land, set differentially based on location as defined on Rating Maps 16 to 21, on the capital value of the land.

The Area Amenities Rate requirement will be used to fund the following activities within each Area (part of Public Services group of activities):

- General administration
- cost of Area Committees
- township maintenance
- special projects
- community facilities
- local amenity reserves
- public swimming pools

District Footpath Maintenance Rates

The District Footpath Maintenance Rates will be collected by way of targeted rates set under section 16 of the Local Government (Rating) Act 2002 and be applied for all rateable land in the district on a fixed charge per separately used or inhabited part of the rating unit. The District Footpath Maintenance Rate will be set on a differential basis based on location and land use (the categories are "urban" and "rural" within the District). Urban properties are all rating units that are within the urban areas as defined on Rating Maps 1 to 15. Rural properties are all rating units that are outside those urban boundaries as defined on the Rating Maps 1 to 15.

The District Footpath Maintenance Rate requirement will be used to fund the following activities (part of Roads and Footpaths group of activities):

- Roadside construction

Ward Roadside Construction Rates

The Ward Roadside Construction Rates will be collected by way of a targeted rate set under section 16 of the Local Government (Rating) Act 2002 and be applied to all rateable land in the Amberley, Amuri and Hanmer Rating Areas based on the capital value of the land. The Ward Roadside Construction rate will be set on a differential basis based on location and land use (the categories are “urban” and “rural” within each Ward).

Urban properties are all rating units included in the following Rating Maps:

- Amberley Rating Area – Rating Maps 1, 2, 8 and 9.
- Amuri Rating Area – Rating Maps 4, 10 and 11.
- Hanmer Springs Rating Area – Rating Map 6

Rural properties are all rating units that are outside the urban boundaries (listed above) and relate to the following Rating Maps:

- Amberley Rating Area – Rating Map 16.
- Amuri Rating Area – Rating Map 17.
- Hanmer Springs Rating Area – Rating Map 20.

For the Waipara Township Roadside Construction Rate, the cost will be collected by way of a targeted rate set under section 16 of the Local Government (Rating) Act 2002 and will be collected by way of a fixed charge for separately used or inhabited part of a rating unit within the Waipara Township area (Rating Map 13).

The Ward Roadside Construction Rate requirement will be used to fund the following activities (part of Roads and Footpaths group of activities):

- Roadside construction including local kerb, channel, footpath and streetlights.

Water Rates

Water Rates set as Targeted Rates under sections 16 and 19 as follows:

- Fixed charges set differentially based on location and charged based on the volume of water supplied to a rating unit in the previous year. The volume of water is measured in m³, or in units; and
- For Balmoral Rural, a fixed charge, set differentially based on location, and based on the number of units of water reserved for availability to a rating unit, whether or not supplied; and
- A targeted rate set differentially based on location and on the availability of service (the categories are “connected” and “serviceable”), per separately used or inhabited part of a rating unit which is either connected to the scheme or for which connection is available.

Rating units which are not connected to the Council provided water schemes and are not serviceable will not be liable for Water Rates.

The Water Rate requirement funds the following activities (all part of the Water Supply group of activities):

- District Wide Water
- Balmoral Rural Water Supply

Sewerage Rates

Sewerage rates will be collected by way of targeted rates set under section 16 of the Local Government (Rating) Act 2002. Sewerage Rates will be collected by way of:

- a targeted rate per separately used or inhabited part of a rating unit which is either connected to the scheme or for which connection is available. This targeted rate will be set on a differential basis based on location and the provision of service (with the categories being “connected” and “serviceable”). A connected

property is any rating unit that is connected to a public sewerage drain. A serviceable property is any rating unit that is not connected to a public sewerage drain but is within 30 metres of such a drain.

- a targeted rate set differentially based on location, calculated based on the number of water closets (toilets) or urinals in excess of one per separately used or inhabited part of a rating unit. A residence of not more than one household is deemed to have one water closet.

Rating units which are not connected to the schemes and which are not serviceable will not be liable for this rate. The Sewerage rates requirement funds the following activities:

- Sewerage group of activities

Stormwater and Drainage Rates

The District Stormwater Rates will be collected by way of targeted rates set under section 16 of the Local Government (Rating) Act 2002 and be applied for all rateable land in the district on a fixed charge per separately used or inhabited part of the rating unit. The District Stormwater Rate will be set on a differential basis based on location and land use (the categories are “urban” and “rural” within the District). Urban properties are all rating units that are within the urban areas as defined on Rating Maps 1 to 15. Rural properties are all rating units that are outside those urban boundaries as defined on the Rating Maps 1 to 15.

The Stormwater and Drainage Rate requirements fund the following activities:

- District Stormwater

Climate Adaptation Rates

The Amberley Beach Foreshore Protection rate will be collected by way of targeted rate on each rating unit in the Amberley Beach urban area (Rating Map 1) . The Rate funds the following activity (part of the Coastal Hazards group of activities):

- Amberley Beach Erosion Protection Works

The Amberley Beach Proactive Relocation Rate will be collected by way of targeted rate on each rating unit in the Amberley Beach urban area (Rating Map 1). The Rate funds the following activity (part of the Coastal Hazards group of activities):

- Amberley Beach Proactive Relocation.

Tourism Rates

A Tourism Rate will be collected by way of a targeted rate set under section 16 of the Local Government (Rating) Act 2002. The rate is set differentially on rating units which are within the following categories of rateable land for the Tourism Rate (Categories A, B, C, D and E).

The Tourism Rate is assessed using the following rules:

- When a rating unit is used for more than one of the above activities it will be charged a targeted rate at the highest rate category applicable to those activities.
- If a rating unit is used for more than one business or activity, and one or more of those businesses or activities is exempt from the Tourism Rate, the ratepayer will be charged the highest rate category applicable to the non-exempt businesses or activities for which the rating unit is used.

Tourism Rate Categories

Definitions of the categories:

Category ‘A’

All rating units that are used for:

- long term rentals in Hanmer Springs
- a business holding a winemaker’s license

- wineries/vineyards with an 'off' license for internet or mail order sales
- small* retail stores
- a business in the Hanmer Springs Area not described within the categories or exemptions listed elsewhere in this policy
- seasonal visitor activities like fishing charters and horse trekking
- Mt Lyford holiday homes rentals
- any District wide visitor business property not captured within Categories B, C, D or exemptions listed elsewhere in this policy.
- businesses not described within the categories or exemptions listed elsewhere in this policy, that have a direct relationship with visitors.

Category 'B'

All rating units that are used for:

- holiday homes (owner/operator)
- service (petrol) stations with limited retail
- small* takeaway shops/tearooms/cafes (including bakeries) outside Hanmer Springs
- hairdressers with a beauty/health treatment service
- wineries/vineyards with an off license to operate a cellar door
- supermarkets outside of the Hanmer Springs that have a liquor license
- accommodation up to 3 bedrooms

Category 'C'

All rating units that are used for:

- accommodation with 4-10 bedrooms
- holiday homes with 4+ bedrooms
- holiday home coordination businesses (1-20 homes available for rent)
- accommodation units that are self-contained and/or serviced (for example motel type units that are on private property but are not B&Bs)
- campgrounds/holiday parks
- a business providing passenger services and operating from Hanmer Springs
- wineries with an 'On' license
- Hanmer Springs Supermarket
- service (petrol) stations with shops
- retail stores
- restaurants, cafés, hotels, taverns, pubs

Category 'D'

All rating units that are used for:

- accommodation with 11- 20 bedrooms
- holiday home coordination businesses (21+ homes available for rent)

Category 'E'

All rating units that are used for:

- accommodation with 21+ bedrooms

Exemptions

The properties which are exempt from the Tourism Rate are shown below, and are all rating units that are used for:

- Medical centres or medical practices (including physiotherapy and chiropractic clinics)
- Sports clubs, incorporated societies, not for profit groups, registered charities, and charitable trusts
- Tree and plant nurseries and similar e.g., landscaping (excluding shops selling flowers, which are included in Band A as a small retail store)
- Hairdressing unless the land is also used to provide another service such as beauty treatments and/or on-site retail services

- Service (petrol) stations - fuel card only pumps are automatically exempt. Owners can make application to Hurunui District Council to reduce to Category A based on location, through-put, opening hours, etc.
- Garages that do not sell fuel and who may or may not be used for non-automotive retail services
- Hanmer Springs Thermal Pools (including all businesses on site) because of its current direct contribution to tourism marketing in the District

Notes:

* The determination of small is to be carried out by a Council Subcommittee that has been formed to review the classification of properties after information has been received from affected ratepayers.

The Tourism Rate funds the following activity (part of the Public Services group of activities):

- Tourism

Medical Buildings Rate

The Medical Buildings rate will be collected by way of a targeted rate set under section 16 of the Local Government (Rating) Act 2002. The Medical Buildings rate will be collected on each separately used or inhabited part of a rating unit on a differential basis based on location as defined by the Rating Maps.

The Medical Buildings Rate funds the following activity (part of the Public Services group of activities):

- Medical Buildings

Refuse and Recycling Collection Rates

The Refuse and Recycling Collection Rates will be collected by way of a targeted rate set under section 16 of the Local Government (Rating) Act 2002. The Rate will be assessed on each separately used or inhabited part of a rating unit (other than bare land) which:

- is within Council contracted household and commercial refuse and recycling collection areas; or
- outside such areas, have the benefit of Council provided refuse and recycling collection services.

The rate is set differentially according to the following categories of land:

- Urban properties within the contracted collection areas
- Rural properties that receive the service
- Business properties within the contracted collection areas
- Glass collection for residential properties in the Hanmer Springs collection area

Rural refuse and recycling collection points must be agreed in advance with Council and be on the existing collection route (at point where the vehicle can stop and turn safely) or one of the Council’s designated drop off points must be used.

The Refuse and Recycling Collection rates funds the following activity (part of the Public Services group of activities):

- Household and business waste collection and disposal

Amberley Swimming Pool Operational Rate

An Amberley Swimming Pool Operational Rate set as a targeted rate under section 16 on each separately used or inhabited part of a rating unit in the Amberley Area (Rating Map 16).

The Amberley Swimming Pool Operational rate is used to fund the following activity (part of the Public Services group of activities):

- Amberley Swimming Pool Operational Fund

Amberley Swimming Pool Construction Rate

An Amberley Swimming Pools Construction rate set as a targeted rate under section 16 on each separately used or inhabited part of a rating unit in the Amberley Area (Rating Map 16).

The Amberley Swimming Pool Construction Rate is used to fund the following activity (part of the Public Services group of activities):

- Amberley Swimming Pool Construction Fund

Leithfield Beach Tennis Courts Rate

A Leithfield Beach Tennis Courts rate set as a targeted rate under section 16 on each separately used or inhabited part of a rating unit in the Leithfield Beach Township (Rating Map 8) and Leithfield Township (Rating Map 9).

The Leithfield Beach Tennis Courts rate is used to fund the following activity (part of the Public Services group of activities):

- Leithfield Beach Tennis Courts Fund

Differential Assessment and Categories

Where Council assesses rates on a differential basis, they are limited to the list of categories of rateable land specified in Schedule 2 of the Local Government (Rating) Act 2002. Council is required to state the category or categories of rateable land used for setting the rate differentially. Where applicable, the category or categories of rateable land used for setting the rate differentially has been described for each of the rates set out above.

Metered Water

For On-Demand Water Supplies, Council has water meters to record water usage. The water meters are read annually between March and April each year. The readings are applied to the rates for the following year, included in the rates assessment, and collected as part of the four instalments of rates.

Due Date for Payment of Rates for the 2024/25 rating year

All rates will be payable in four instalments on due dates as follows:

Instalment number	Due Date	Penalty Date
One	20 August 2024	21 August 2024
Two	20 November 2024	21 November 2024
Three	20 February 2025	21 February 2025
Four	20 May 2025	21 May 2025

Penalties

That pursuant to sections 57 and 58, the Council prescribes the following penalties to be added to rates unpaid by the due date:

- A penalty of 10 per cent of the amount of any instalment or part thereof that has been assessed after 1 July 2024 and which is unpaid after the due date.
- A penalty of 10 per cent on any unpaid rates and penalties to unpaid rates levied before 30 June 2024, which remain unpaid on 1 July 2024.

- iii. A penalty of 10 per cent on any rate to which a penalty has been added under (ii) above if the rates remain unpaid on 1 January 2025.

Rating examples for sample properties

On the following pages are examples of the effect on rates of the rating proposals for a range of sample properties is provided.

Rating base information

Section 20A of Schedule 10 of the Local Government Act 2002 requires Councils to disclose information about the rating base. The annual plan must state the projected number of rating units, capital value and land value with the district at the end of the preceding financial year.

The rating base information projected as at 30 June 2024 is as follows:

- Number of Rating Units: 9,035
- Total Capital Value of District: \$10,510,256,900
- Total Land Value of District: \$7,069,704,442