

ORDER PAPER

ORDINARY COUNCIL MEETING

Date: Thursday, 8 July 2021
Time: 11.00 am
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Chair: His Worship the Mayor, Andy Watson

Deputy Chair: Cr Nigel Belsham

Membership: Cr Cath Ash
Cr Brian Carter
Cr Fi Dalgety
Cr Gill Duncan
Cr Angus Gordon
Cr Tracey Hiroa
Cr Richard Lambert
Cr Waru Panapa
Cr Dave Wilson
Cr Coral Raukawa

For any enquiries regarding this agenda, please contact:

Ash Garstang, Governance Administrator, 0800 422 522 (ext. 848), or via email
ash.garstang@rangitikei.govt.nz

<p>Contact:</p>	<p>0800 422 522 info@rangitikei.govt.nz www.rangitikei.govt.nz</p> <p>(06) 327 0099</p>				
<p>Locations:</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><u>Marton</u> Head Office 46 High Street, Marton</p> </td> <td style="width: 50%; vertical-align: top;"> <p><u>Bulls</u> Bulls Information Centre- Te Matapihi 4 Criterion Street, Bulls</p> </td> </tr> <tr> <td colspan="2" style="text-align: center; vertical-align: top;"> <p><u>Taihape</u> Taihape Information Centre - Taihape Town hall 90 Hautapu Street (SH1), Taihape</p> </td> </tr> </table>	<p><u>Marton</u> Head Office 46 High Street, Marton</p>	<p><u>Bulls</u> Bulls Information Centre- Te Matapihi 4 Criterion Street, Bulls</p>	<p><u>Taihape</u> Taihape Information Centre - Taihape Town hall 90 Hautapu Street (SH1), Taihape</p>	
<p><u>Marton</u> Head Office 46 High Street, Marton</p>	<p><u>Bulls</u> Bulls Information Centre- Te Matapihi 4 Criterion Street, Bulls</p>				
<p><u>Taihape</u> Taihape Information Centre - Taihape Town hall 90 Hautapu Street (SH1), Taihape</p>					
<p>Postal Address:</p>	<p>Private Bag 1102, Marton 4741</p>				
<p>Fax:</p>	<p>(06) 327 6970</p>				

Notice is hereby given that an Extraordinary Meeting of Council of the Rangitīkei District Council will be held in the Council Chamber, Rangitīkei District Council, 46 High Street, Marton on Thursday, 8 July 2021 at 11.00 am.

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AGENDA

1 Welcome

2 Apologies

3 Public Forum

4 Conflict of Interest Declarations

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

5 Confirmation of Order of Business

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, [enter item number](#) be dealt with as a late item at this meeting.

6 Reports for Decision

6.1 Adoption of the 2021-2031 Long Term Plan, and Adoption of the 2021/22 Rates Resolution

Author: Carol Gordon, Group Manager - Democracy & Planning

Authoriser: Peter Beggs, Chief Executive

1. Reason for Report

- 1.1 This report outlines the procedures for the approval and adoption of the 2021-2031 Long Term Plan and the consequential setting of the 2021/22 rates.

2. Executive Summary

- 2.1 Council commenced the Long-term Plan process in mid-2020 and held 14 workshops with elected members.
- 2.2 The submission period commenced on 12 April and closed 10 May. Council received 254 submissions.
- 2.3 Council held hearings over two days, 12 May in Taihape and 13 May in Marton. 25 submitters spoke to Council on their submissions at the hearings, with an additional three submitters speaking to Council as part of public forum at the 27 May Council meeting.
- 2.4 Council deliberated on all submissions on 9 June 2021. As a result of the submissions and deliberations process, the 2021-2031 Long-term Plan has been prepared and is now ready for adoption by Council.
- 2.5 The proposed Long-term Plan has been through the final audit process. A representative of Audit NZ will be in attendance for this report.
- 2.6 The final audit focussed particularly on Council's capital programme and ability to undertake the work that is proposed; affordability and performance measures. As a result, a number of changes were made to the performance framework.
- 2.7 The 2021-2031 Long-term Plan, if adopted, will see a total rate increase of 7.07% for the 2021/22 year; followed by 7.29% for year two and 6.54% for year three.

3. Sections of the Long-term Plan Previously Adopted

- 3.1 At the Council Meeting on Wednesday, 9 June Council considered and adopted the following parts of the Long-term Plan:
 - Development Contributions Policy
 - Significance and Engagement Policy 2021
 - Revenue and Financing Policy 2021
- 3.2 The Schedule of Fees and Charges for 2021/22 was also adopted at this meeting.

4. Balanced Budget

- 4.1 Section 100 of the Local Government Act 2002 identifies that a local authority must ensure that each year the projected operating revenues are set at a level sufficient to

meet that year's operating expenses (balanced budget). However, a local authority may set an unbalanced budget if the local authority resolves that it is financially prudent to do so, after having regard to the matters identified in section 100.

- 4.2 Deficits are planned in Years 3 to 5 of the Long Term Plan. Capital grants received in Years 1 and 2 prevent deficits in these years. A key cause of these deficits is the increase in depreciation costs, increasing from \$10.6 million in 2019 to \$14 million in 2022. Without reducing the asset and infrastructure base, Council has very limited ability to manage this cost.
- 4.3 These deficits are considered prudent to rate for such cost increases over a number of years, avoiding large increases in any one year. It will result in an ongoing, sustainable balanced budget. Ratepayers and Council's favourable funding position have been considered in making this decision.

5. Rates Resolution

- 5.1 The proposed rates resolution is attached; this has been peer-reviewed by Simpson Grierson. The rates resolution needs to be approved following the adoption of the Long Term Plan.

6. Next Steps

- 6.1 Once the 2021-2031 Long-term Plan has been adopted it will be printed and distributed within one month, and also loaded to Council's website.
- 6.2 Rates will be set and invoices will be issued to ratepayers in late-July/ early-August 2021.

7. Decision Making Process

- 7.1 The decision to adopt this report is significant as adoption will approve the 2021-2031 Long-term Plan and the consequential setting of the 2021/22 rates. Council carried out the necessary consultation to make this significant decision.

Attachments

1. **2021-31 Long Term Plan (under separate cover)**
2. **Rates Resolution 2021/2022**

Recommendation 1

That the report Adoption of the 2021-2031 Long Term Plan, and Adoption of the Rates Resolution be received.

Recommendation 2

That Council considers it is prudent to adopt a budget that is not balanced in Years 3, 4 and 5 on the basis that it is financially prudent to do so and achieves a sustainable balanced budget.

Recommendation 3

That the 2021-2031 Long Term Plan including the report from the Council's auditor be adopted in compliance with section 93 of the Local Government Act 2002.

Recommendation 4

That the Mayor and Chief Executive sign the letter of representation for the audit of the 2021-2031 Long-term Plan as requested by Audit New Zealand.

Recommendation 5

That Council adopts the rates resolution for 2021/22, noting the discontinuation of the discount for early payment of the year's rates in full.

Rangitikei District Council Rates Resolution

For the Financial Year 1 July 2021 to 30 June 2022

1. That the Rangitikei District Council, under the Local Government (Rating) Act 2002, sets the following rates for the 2021/2022 financial year:

- (a) a uniform annual general charge under section 15(1)(b) of the Local Government (Rating) Act 2002 on all rateable land of \$500.00 (inc GST) per separately used or inhabited part of a rating unit.
- (b) a general rate under sections 13(2)(b) and 22 of the Local Government (Rating) Act 2002 for all rateable land, as follows:

Land subject to rate	Rateable Value	Rate in the dollar of Rateable Value (inc GST)
All General rating units (excluding Commercial, Industrial, Utilities and Defence land)	Capital Value	\$0.000800
All Commercial rating units	Capital Value	\$0.000960
All Industrial rating units	Capital Value	\$0.000960
All Utilities rating units	Capital Value	\$0.001200
Defence land	Capital Value	\$0.001224

- (c) Community services targeted rates under sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 per rateable rating unit as follows:

Land subject to rate	Basis for Liability	Charge (inc GST)
Taihape Community Board area	Per rating unit	\$39.02
Ratana Community Board area	Per rating unit	\$218.45

- (d) a solid waste targeted rate under section 16(3)(a) and 16(4)(a) of the Local Government (Rating) Act 2002 on all rateable land of \$138.42 (inc GST) per separately used or inhabited part of a rating unit.
- (e) a roading targeted rate under sections 16(3)(a), 16(4)(a) and 22 of the Local Government (Rating) Act 2002 on all rateable land, as follows:

Land subject to rate	Rateable Value	Rate in the dollar of Rateable Value (inc GST)
All rating units (excluding Defence land)	Capital Value	\$0.001408
Defence land	Land Value	\$0.002113

- (f) a wastewater (public good) targeted rate under section 16(3)(a) and 16(4)(a) of the Local Government (Rating) Act 2002 on all rateable land of \$100.42 (inc GST) per separately used or inhabited part of a rating unit.
- (g) a wastewater (connected) targeted rate under sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 on all rating units connected to a wastewater scheme within the district of \$432.96 (inc GST) per water closet or urinal in the rating unit. As per Schedule 3 (Note 4) of the Local Government (Rating) Act 2002, any rating unit used primarily as a residence for one household will not be treated as having any more than one water closet or urinal.
- (h) a water supply (public good) targeted rate under section 16(3)(a) and 16(4)(a) of the Local Government (Rating) Act 2002 on all rateable land of \$159.04 (inc GST) per separately used or inhabited part of a rating unit.
- (i) a water supply (connected) targeted rate under sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002 on all rating units

connected to a water supply in the district set differentially for different categories of land, as follows:

Differential Category	Basis for Liability	Charge (inc GST)
Marton, Taihape, Bulls, Mangaweka, Ratana, <i>Residential</i>	Per separately used or inhabited part of a rating unit	\$812.34
Marton, Taihape, Bulls, Mangaweka, Ratana, <i>Non Residential</i>	Per rating unit	\$812.34

- (j) a water supply (by volume - Marton, Taihape, Ratana, Bulls (excluding ANZCO) and Mangaweka) targeted rate under section 19(2)(a) of the Local Government (Rating) Act 2002 set for all rating units connected to a water supply in Marton, Taihape, Ratana, Bulls (excluding ANZCO) and Mangaweka, and metered for extraordinary use in the period 1 July 2021 to 30 June 2022 of \$2.38 (inc GST) per m³ for consumption in excess of 250m³ per annum.
- (k) a water supply (by volume - ANZCO (Bulls)) targeted rate under section 19(2)(a) of the Local Government (Rating) Act 2002 set for all rating units connected to a water supply at ANZCO (Bulls) and metered for extraordinary use in the period 1 July 2021 to 30 June 2022 of \$1.39 (inc GST) per m³ for consumption in excess of 250m³ per annum.
- (l) a water supply (Huntermville urban connected) targeted rate under section 19(2)(a) of the Local Government (Rating) Act 2002 set for all rating units connected to the Huntermville Urban water supply scheme for water supplied in the period of 1 July 2021 to 30 June 2022 of \$3.87 (inc GST) per m³.
- (m) a water supply (rural supply – Huntermville) targeted rate for all rating units in the Huntermville rural area connected to the rural water supply scheme under section 19(2)(a) of the Local Government (Rating) Act 2002 for water supplied in the period of 1 July 2021 to 30 June 2022 of \$316.25 (inc GST) per unit or part unit of 365m³ for Huntermville Rural (Urban) Scheme Members and \$356.50 (inc GST) per unit or part unit of 365m³ for Huntermville Rural Scheme Members.
- (n) a water supply (rural supply – Erewhon) targeted rate for all rating units in the Erewhon rural area connected to the rural water supply scheme under section 19(2)(a) of the Local Government (Rating) Act 2002 for water

supplied in the period of 1 July 2021 to 30 June 2022 of \$121.04 (inc GST) per unit or part unit of 365m³.

- (o) a water supply (rural supply – Omatane) targeted rate for all rating units in the Omatane rural area connected to the rural water supply scheme under section 19(2)(a) of the Local Government (Rating) Act 2002 for water supplied in the period of 1 July 2021 to 30 June 2022 of \$72.84 (inc GST) per unit or part unit of 365m³.
- (p) a water supply (rural supply) targeted rate for all rating units in the Putorino rural area connected to the rural water supply scheme under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 of \$0.000891 (inc GST) per dollar of land value.
- (q) a stormwater (public good) targeted rate under section 16(3)(a) and 16(4)(a) of the Local Government (Rating) Act 2002 on all rateable land of \$23.54 (inc GST) per separately used or inhabited part of a rating unit.
- (r) a stormwater (urban) targeted rate under sections 16(3)(b) and 16(4)(a) and 18(2) of the Local Government (Rating) Act 2002 on all identified rateable land in the Marton, Bulls, Taihape, Mangaweka, Ratana and Hunterville urban areas of \$128.86 (inc GST) per rating unit.

Due dates for payment (For all rates except those listed at 1(j) to 1(o) (inclusive) above)

2. **That the Rangitikei District Council resolves that the rates (except those listed at 1(j) to 1(o) (inclusive) above) be due in four equal instalments, as set out in the table below:**

Instalments	Due dates
1	20 August 2021
2	22 November 2021
3	21 February 2022
4	20 May 2022

Penalties (For all rates except those listed at 1(j) to 1(o) (inclusive) above)

3. **That the Rangitikei District Council resolves to apply the following penalties on these unpaid rates:**

- (a) a penalty of 10 per cent on the amount of each instalment that has been assessed after 1 July 2021 and which is unpaid after the due date of each instalment, to be applied on the following dates:
 - 23 August 2021 (in respect of the first instalment)
 - 23 November 2021 (in respect of the second instalment)
 - 22 February 2022 (in respect of the third instalment)
 - 23 May 2022 (in respect of the fourth instalment)

- (b) an additional penalty of 10 per cent on the amount of any rates assessed in previous years which remain unpaid on 16 July 2021. This penalty will be added on 16 July 2021.
- (c) a further penalty of 10 per cent on any rates to which a penalty has been added under 3(b) above, if the rates remain unpaid 6 months after that penalty was added. This penalty will be added 17 January 2022.

4. That the Rangitikei District Council resolves that due dates for the water rates listed at 1(j) to 1(o) (inclusive) above be as set out in the tables below:

Due dates for payment (For metered rates for water) for –

Hunterville Urban Water Supply, Marton Water Supply, Ratana Water Supply, Bulls Water Supply, Mangaweka Water Supply and Taihape Water Supply are:

Meter reading	Due dates	Penalty date
October 2021	22 November 2021	23 November 2021
February 2022	21 March 2022	22 March 2022
June 2022	20 July 2022	21 July 2022

Due dates for payment (for extra ordinary rates for water) for

ANZCO are:

Meter reading	Due date	Penalty date
Last day of each month	20 th day of the month following each meter reading (or the next business day when the 20 th falls in the weekend or a public holiday)	21 st day of the month following each meter reading (or the next business day when the 21 st falls in the weekend of a public holiday)

Due dates for payment (For water scheme charges) for –

Erewhon Rural Water Scheme are:

Meter reading	Due dates
November 2021	21 December 2021
May 2022	20 June 2022

Due dates for payment (For water scheme charges) for –

Omatane Rural Water Scheme are:

Meter reading	Due dates
May 2022	20 June 2022

Due dates for payment (For water scheme charges) for –

Huntermville Rural Water Scheme are:

Meter reading	Due Dates
November 2021	21 December 2021
May 2022	20 June 2022

Penalties (for extraordinary, metered urban water supply)

5. **That the Rangitikei District Council resolves to apply the following penalties on unpaid metered or extraordinary rates for water for Huntermville Urban Water, Marton Water Supply, Ratana Water Supply, Bulls Water Supply, Mangaweka Water Supply, Taihape Water Supply and Riverlands:**

a penalty of 10 per cent on the amount of each instalment that has been invoiced after 1 July 2021 and which is unpaid after the due date of each instalment, to be applied on the dates specified in section 4.

Penalties (For Huntermville Rural Water Supply)

6. **That the Rangitikei District Council resolves to apply the following penalties on unpaid Huntermville Rural Water Supply;**

- (a) a penalty of 10 per cent on the amount of each instalment that has been invoiced after 1 July 2021 and which is unpaid after the due date of each instalment, to be applied on the following dates:

Huntermville Rural Water Supply

Meter reading	Penalty dates
November 2021	21 December 2021
May 2022	21 June 2022