

CHATHAM ISLANDS COUNCIL ADOPTED RATES RESOLUTION FOR 2019/20
FROM COUNCIL MEETING MINUTES 27 JUNE 2019

RESOLVED:

That the Council:

- 1) Delegates authority pursuant to the Local Government (Rating) Act 2002 to the Chief Executive to:
 - a) apply penalties (stated under resolution d) on unpaid rates in accordance with Sections 57 and 58, and
 - b) approve applications for rates postponement and rates remissions in accordance with Council's policy, and
 - c) carry out all other functions permissible under the Act that are not required to be a Council responsibility.

- 2) Resolves the setting of the rates for the 2019/20 financial year and sets the following rates (including GST), due dates for payment, and penalties under the Local Government (Rating) Act 2002, on rating units for the financial year commencing on 1 July 2019 and ending on 30 June 2020.

- 3) Resolves that these rates are set in accordance with Chatham Islands Council's 2019/20 Annual Plan and the Funding Impact Statement which forms part of the 2019/20 Annual Plan as follows:
 - a. General rates
Council will set a general rate based on the capital value of each rating unit in the territory. The general rate will be set on a differential basis based on land use. The categories and apportionment are:
 - Infrastructure will be charged 5.0% of the General Rate
 - Industrial will be charged 14.5% of the General Rate
 - Commercial will be charged 11.0% of the General Rate
 - Rural and Residential will be charged 69.5% of the General Rate

This will result in the following rates based on the assessed per \$1 capital value of each rating unit:

Land Use	Rate (GST Inclusive)	Total collected
Infrastructure	0.00301357	\$17,078
Industrial	0.00604435	\$49,527
Commercial	0.00388703	\$40,262
Rural & Residential	0.00180542	\$244,178
Total general rates collected		\$351,045

- b. Targeted rates
Targeted rates are applied to the properties which benefit from the service provided. Targeted rates cannot be applied to purposes other than for which they were raised.

Council uses the number of connections for funding the water supply activities, a per pan rate for funding sewerage activities, and a rating unit basis for funding waste management activities and the roading activities. Council will set targeted rates based on a variety of rating bases as follows:

Targeted rate:	Rate (GST inclusive)	Total collected (GST inclusive)	Rating base
Water	771.80	\$64,831	Fixed amount per Waitangi connection
	771.80	\$15,436	Fixed amount per Kaingaroa connection
Sewerage	802.25	\$74,610	Fixed amount per pan
Solid Waste	185.87	\$62,824	Fixed amount per unit
Roading	144.77	\$64,133	Fixed amount per unit
Fish Rate	0.0056402	\$18,443	Per tonne disposed, for rating units 420, 508 and 635 only.
Total targeted rates collected		\$300,277	

A Warm Homes targeted rate will be charged to properties in this scheme to ensure there is sufficient cash to repay the loan over the loan period. Actual repayments in 2019/20 have been agreed as part of each individual loan agreement.

The rating basis for each rate type has been defined and approved through the Revenue and Financing Policy adopted as part of Chatham Islands Council's Long Term Plan 2018-28.

c. Rates by instalments

Council proposes to collect the rates in three instalments, issued on: 1 September 2019, 1 January 2020 and 1 May 2020.

d. Penalties

A penalty of 10% is added to each instalment or part thereof that is unpaid after the last date for payment. The penalty dates are 15 October 2019, 15 February 2020 and 15 June 2020. Previous year's rates that remain unpaid will have a further 10% penalty added on 6 July.

These rates and penalties to be set on rating units in the region for the financial year which commences on 1 July 2019 and ends on the 30th day of June 2020.

4) Notes this information is extracted from the Chatham Islands Council's Annual Plan 2019/20 and complies with Council's revenue and financing policy.

- NC Ryan / JI Clarke CARRIED