

10. Rates Resolution to Set and Assess Rates for 2021/22

Resolved: (Cr Wilson/Cr Macpherson)

That the Council:

- a) receives the report; and
- b) approves to set and assesses the rates for the 2021/22 financial year (1 July 2021 to 30 June 2022) in accordance with the **Rates Resolution for the 2021/22 Financial Year** (as required by the Local Government (Rating) Act 2002) as set out in paragraphs 7 – 61 below; and
- c) approves to state the due dates for payments and authorises penalties to be added to unpaid rates, as set out in paragraphs 57 – 61 below.

General Rate

- 7. A general rate is set and assessed on the capital value of all rateable land in Hamilton.
- 8. General rates are set on a differential basis. The rating categories are defined in the Funding Impact Statement.
- 9. The differential bases are:
 - the use to which the land is put; and
 - the provision or availability to the land of a service provided; and
 - the activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under the operative district plan; and
 - the location of the land
- 10. This rate covers all of the services of Council.
- 11. The total revenue sought through the general rate is \$204,952,463.
- 12. The general rate is set and assessed on a differential basis as follows:

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL GENERAL RATES	RATE IN THE DOLLAR OF CAPITAL VALUE (GST INCL)	RATES REVENUE (GST INCL)
General Rate	Commercial	2.6473	34.03%	0.00947723	\$ 69,757,651
	BID Commercial	2.5149	7.07%	0.00900337	\$ 14,488,969
	Other	0.7400	1.40%	0.00264921	\$ 2,865,041
	Residential	1.0000	57.50%	0.00358001	\$ 117,840,802

13. Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate (General rate, UAGC and Government Compliance rate) that applies to the land. This general rate revenue is included within the Residential category shown in the table above and within the targeted rates revenue where applicable.

UNIFORM ANNUAL GENERAL CHARGE

14. A Uniform Annual General Charge (UAGC) of \$584 per Separately Used or Inhabited Part of a Rating Unit (SUIP) is set and assessed on all rateable land in Hamilton.

15. We have determined the level of UAGC in order to distribute the allocation of the general rate at an appropriate level among all ratepayers.

16. The total revenue sought from the UAGC is \$40,296,000.

TARGETED RATES

17. Government Compliance Rate

18. This rate is set and assessed on the capital value of all rateable land in the city.

19. This rate is set on a differential basis on the categories of land identified below. The differential bases are the use to which the land is put, the provision or availability to the land of a service provided, the activities permitted, controlled, or discretionary for the area in which the land is situated and the rules to which the land is subject under the operative district plan, and in the case of the BID Commercial differential, the location of the land.

20. This rate provides funding to the Wastewater Treatment and Disposal, Wastewater Collection, Water Treatment and Storage, Water Distribution, Stormwater Network, and City Planning activities.

21. The total revenue sought is \$11,104,400.

22. This rate is set and assessed on a differential basis as follows:

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL GOVERNMENT COMPLIANCE RATES	RATE IN THE DOLLAR OF CAPITAL VALUE (GST INCL)	RATES REVENUE (GST INCL)
Government compliance rate	Commercial	2.6473	34.03%	0.00051347	\$3,779,495
	BID Commercial	2.5149	7.07%	0.00048779	\$785,018
	Other	0.7400	1.40%	0.00014353	\$155,229
	Residential	1.0000	57.50%	0.00019396	\$6,384,658

23. Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate that applies to the land. This Government compliance rate revenue for these rating units is included within the Residential category shown in the table above.

24. Metered Water Rate

25. The rate is set and assessed for metered and restricted flow water supply on a differential basis to all metered rating units (as defined by Hamilton City Council's Water Supply Bylaw 2013).

26. The rate is:

- i. a fixed amount based on the nature of the connection as follows:

- \$444.00 for all metered rating units (except those receiving a restricted flow supply);
 - \$360.00 for those rating units receiving a restricted flow supply.
- ii. a charge per unit of water consumed or supplied on every metered connection in accordance with the following scale:
- All metered rating units (except those receiving a restricted supply) - \$1.85 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter;
 - those rating units receiving a restricted flow supply - \$1.50 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter.
27. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.
28. The total revenue sought is \$9,644,774.
29. Commercial and Other Category Non-Metered Water Rate
30. The rate is set and assessed on non-metered Commercial and Other category properties which are connected to the water network, but not provided with a metered connection. The rate is \$444.00 per rating unit.
31. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.
32. The total revenue sought is \$266,260.
33. Business Improvement District (BID) Rates
34. This rate is set and assessed on all rating units defined within the BID Commercial general rate category and comprises both a fixed amount per SUIP and a rate in the dollar based on the capital value.
35. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy. The components of this rate are:
- i. BID fixed rate: a fixed amount of \$240 per SUIP of a commercial rating unit within the defined area; and
 - ii. BID capital value rate: a rate per dollar of capital value required to meet the total revenue, after allowing for the total revenue raised by the BID fixed rate. The rate is \$0.00002602 per dollar of capital value.
36. The rate provides funding to the City Planning activity.
37. The total revenue sought is \$356,528.
38. Central City Rate
39. The rate is set on all rating units defined within the BID Commercial general rate category and is set as a fixed amount per SUIP.
40. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy.
41. The rate is a fixed amount of \$127 per SUIP.
42. The rate provides funding to the Transportation Network activity.
43. The total revenue sought is \$166,750.

44. Service Use Water Rate

- 45. The rate is set and assessed on properties defined as Service Use Category (see Funding Impact Statement) and which are connected to our water network but are not provided with a metered connection.
- 46. The rate is a fixed amount of \$444.00 per SUIP.
- 47. The rate provides funding towards the Water Distribution and Water Treatment and Storage activities.
- 48. The total revenue sought is \$59,940.

Service Use Refuse Rate

- 49. The rate is set and assessed on properties defined as Service Use Category (see Funding Impact Statement) and which are provided with refuse collection service.
- 50. The rate is a fixed amount of \$178 per SUIP.
- 51. The rate provides funding towards the Refuse Collection activity.
- 52. The total revenue sought is \$25,454.

53. Service Use Wastewater Rate

- 54. The rate is set and assessed on properties defined as Service Use Category (see Funding Impact Statement) and which are connected to the wastewater network. This rate comprises two components. These are:
 - i. a rate per dollar of land value set at \$0.00126242; and
 - ii. a rate per dollar of capital value set at \$0.00036402.
- 55. The rate provides funding towards the Wastewater Collection and Wastewater Treatment and Disposal activities.
- 56. The total revenue sought is \$1,546,198.

DUE DATES FOR PAYMENT OF RATES

- 57. Rates (other than for metered water) are payable in four equal instalments.
- 58. The due dates for rates for the period 1 July 2021 to 30 June 2022 are as follows:

Instalment 1	Instalment 2	Instalment 3	Instalment 4
26 August 2021	25 November 2021	24 February 2022	26 May 2022

59. DUE DATES FOR PAYMENT OF METERED WATER RATES

- 60. The due dates for metered water rates for the period 1 July 2021 to 30 June 2022 are as follows:

Month of Invoice	Invoice Due Date
July 2021	20 August 2021
August 2021	20 September 2021
September 2021	20 October 2021
October 2021	20 November 2021
November 2021	20 December 2021
December 2021	20 January 2022

Month of Invoice	Invoice Due Date
January 2022	20 February 2022
February 2022	20 March 2022
March 2022	20 April 2022
April 2022	20 May 2022
May 2022	20 June 2022
June 2022	20 July 2022

PENALTIES

61. Pursuant to Section 57 and 58 of the Local Government (Rating) Act 2002, the Council authorises the following penalties:

- a) A penalty of 10% of the amount due and unpaid on the due date to be added on the day after the due date.

The dates on which penalties will be added are 27 August 2021, 26 November 2021, 25 February 2022 and 27 May 2022.
- b) A penalty of 10% of the amount of any rates assessed in any previous year which remain unpaid on 1 July 2021 to be added on 2 July 2021.
- c) A penalty of 10% of the amount of any rates assessed in any previous year for which a penalty has been added under paragraph (b) and which remain unpaid on 1 January 2022 to be added on 2 January 2022.
- d) A penalty of 10% of the amount unpaid for water-by-meter rates charged to be added on the day after the due date.
- e) These dates are 21 August 2021, 21 September 2021, 21 October 2021, 21 November 2021, 21 December 2021, 21 January 2022, 21 February 2022, 21 March 2022, 21 April 2022, 21 May 2022 and 21 June 2022.