



# Funding Impact Statement



TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

Long Term Plan 2024-2034

# FUNDING IMPACT STATEMENT

## 2024/25

### INTRODUCTION

This Statement sets out the information required by Schedule 10 of the Local Government Act 2002 (LGA). It details the rating mechanisms to be used to cover the estimated expenses for the years of the plan.

The Funding Impact Statement should be read in conjunction with Council's Revenue and Financing Policy.

*Important: All charges are stated GST inclusive, and funds raised are stated GST exclusive.*

### DEFINITION OF SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT (SUIP)

A SUIP is a Separately Used or Inhabited Part of a rating unit and includes any part of a rating unit that is used or inhabited by any person. This definition applies to the application of the UAGC, the Rubbish and Recycling targeted rate, Wastewater targeted rate, and the Community Centre targeted rate.

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. For the purpose of this definition, vacant land and vacant premises are separately used by the owner as a property available for separate sale, or provided by the owner for rental (or other form of occupation).

For a commercial rating unit (other than motels/hotels), this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or subleased, and is not integral to the commercial operation. Motels/hotels are treated as one SUIP even if each accommodation unit may be capable of separate habitation.

For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent unit. An independent unit is any unit containing either separate cooking and living facilities, or a separate entrance; and that has its own toilet or bathroom facilities.

Separate parts of buildings, after the first, that are uninhabitable and declared unsanitary under the Health Act 1956 or the Building Act 2004 are not SUIPs.

### EXAMPLES

	NO. OF SUIP'S per rating unit
Single Dwelling	1
Dwelling plus self-contained flat	2
Six flats	6
Corner dairy with integral dwelling attached	1
Dwelling with nail business within dwelling	1
Dwelling with hair salon in structure detached from main house	2
Three retails shops and one industrial building	4
Garden centre with separate café	2
Farm with 1 dwelling	1
Farm with 3 dwellings	3
Farm run-off	1
Farm with 1 dwelling plus a contracting business	2
Hotel/Motel with six rooms (one commercial business activity)	1
Hotel/Motel with attached restaurant	2
Caravan park with six cabins (one commercial business activity)	1
Rest home with 10 self-contained residential units	11

## **GENERAL RATE**

Council set a general rate under section 13 of the Local Government (Rating) Act 2002 (LGRA) calculated on the capital value of each rateable rating unit within the district.

The general rate is set with no differential.

The rate (in cents per dollar of capital value) for 2024/25 is 0.15977 cents, raising \$6,001,100.

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 set a UAGC under section 15 of the LGRA in respect of every separately used or inhabited part of a rateable rating unit within the district.

The UAGC for 2024/25 is \$870.83 per SUIP, raising \$3,908,100.

## **TARGETED RATE – ROADING**

Council set a targeted roading rate under section 16 in respect of roading and street services based on the capital value of each rating unit within the District as follows:

The default category rate (in cents per dollar of capital value) under section 16 for 2024/25 is 0.10441 cents, raising \$3,879,000.

The Forestry category rate (in cents per dollar of capital value) under section 16 for 2024/25 is 0.85669 cents, raising \$350,000.

For the purposes of this rate the differential categories are defined as follows:

### **Default Category:**

All rateable land not in the Forestry Category

### **Forestry Category:**

This category includes:

- a) All rating units where the primary land use is exotic forestry; and
- b) All land used for exotic forestry with an area of greater than 10 ha in any rating unit where the primary land use is not exotic forestry.

The capital value of rating units to which b) applies will be apportioned between the Forestry category and the Default category.

For the purposes of this definition, “exotic forestry” does not include land that is categorised under the valuer general’s rules as indigenous forests or protected forests of any type.

## **TARGETED RATE – RUBBISH AND RECYCLING**

Council set a targeted rate under section 16 of the LGRA for refuse collection on the basis of an amount per each separately used or inhabited part of a rating unit from which Council is prepared to collect a container of refuse, as part of its normal refuse disposal service, in the Stratford and Midhirst domestic collection area.

The Rubbish and Recycling rate under section 16 for 2024/25 is \$486.59, raising \$1,161,100. An additional rate of \$486.59 per refuse container will be charged to eligible properties that have had approval by council for additional containers.

The Rubbish and Recycling rate will be used to fund turban domestic refuse and recycling collection, disposal, and waste minimisation activities.

## **TARGETED RATE – WASTE WATER (SEWERAGE)**

Council set a targeted rate under section 16 of the LGRA for sewerage as a fixed amount per separately used or inhabited part of a rating unit which is connected to a public sewerage drain, and a targeted

rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council waste water reticulation services adjacent, contiguous or nearby to the serviceable properties, and the property boundary is within 30 metres of a public wastewater drain, but are not connected.

For all non-commercial properties the differential factor is 1 (base), and the Waste Water rate for properties connected is \$406.48, and for serviceable properties is \$203.24, being 50% of the targeted rate.

Commercial properties are differentiated by use as follows:

Commercial base category (all commercial rating units not included in any other commercial category) and the differential factor is also 1 (base) and the amount is \$406.48 per SUIP

- Commercial 2 (commercial rating units used for an activity requiring 2 toilets) differential factor 150% of base and the amount is \$609.72 per SUIP.
- Commercial 3 (commercial rating units used for an activity requiring 3 toilets) differential factor 200% of base and the amount is \$812.96 per SUIP.
- Commercial 4 (commercial rating units used for an activity requiring 4 toilets) differential factor 225% of base and the amount is \$914.58 per SUIP.
- Commercial 5 (commercial rating units used for an activity requiring 5 toilets) differential factor 250% of base and the amount is \$1,016.20 per SUIP.
- Commercial 6 (commercial rating units used for an activity requiring 6 toilets) differential factor 275% of base and the amount is \$1,117.82 per SUIP.
- Commercial 7 (commercial rating units used for an activity requiring 7 toilets) differential factor 300% of base and the amount is \$1,219.44 per SUIP.
- Commercial Large (commercial rating units used for an activity requiring 8 or more toilets) differential factor 325% of base and the amount is \$1,321.06 per SUIP.

The sewerage system rate for 2024/25 is to raise \$977,099 and will be used to fund the waste water activity.

#### **TARGETED RATES - WATER SUPPLY**

Council set a targeted rate under section 16 of the LGRA for water supply on the basis of an amount per rating unit connected to the Stratford, Midhirst, or Toko Water Supply, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council water reticulation services adjacent, contiguous or nearby to the serviceable properties, and the property boundary is within 100 metres of a water main, but are not connected.

The Water Supply rate for properties connected is \$642.50, and for serviceable properties is \$321.25, being 50% of the targeted rate, and raising \$1,787,200.

In addition, Council set a targeted rate for extraordinary water supply under section 19 of the LGRA on the basis of an amount per unit of water supplied in the Stratford Water Supply Area, the Midhirst Water Supply area, and the Toko Water Supply Area to any rating unit which has been fitted with a water meter.

The Stratford water supply rate under section 19 for 2024/25 is \$2.65 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$589,366.

The Midhirst water supply rate under section 19 for 2024/25 is \$2.65 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$21,120.

The Toko water supply rate under section 19 for 2024/25 is \$2.65 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$4,000.

The water supply rates will be used to fund the water supply activities in the Stratford, Midhirst and Toko areas.

## TARGETED RATES - COMMUNITY CENTRES

Council sets targeted rates under section 16 of the LGRA for community centres on the basis of an amount per separately used or inhabited part of a rating unit in the listed community areas. This rate uses a fixed charge based on the location of the rating unit.

The community centre rates for 2024/25 are:

- A fixed charge of \$23.00 within the Wharehuia Community Centre area per SUIP collecting \$2,020.
- A fixed charge of \$23.00 within the Te Popo Community Centre area per SUIP collecting \$1,020.
- A fixed charge of \$13.80 within the Pembroke Road Community Centre area per SUIP collecting \$1,860.
- A fixed charge of \$34.50 within the Toko Community Centre area per SUIP collecting \$4,500.
- A fixed charge of \$17.25 within the Pukengahu Community Centre area per SUIP collecting \$810.
- A fixed charge of \$17.25 within the Midhirst Community Centre area per SUIP collecting \$5,520.
- A fixed charge of \$11.50 within the Makahu Community Centre area per SUIP collecting \$500.
- A fixed charge of \$30.00 within the Cardiff Community Centre area per SUIP collecting \$2,817.

The community centres rate will be used to fund the operating costs of the community centres and will raise \$19,047.

Please refer to Council's website for the boundary map for each listed area.

## PAYMENT DUE DATES AND PENALTIES

All rates, except those for metered water supply, will be payable in four equal instalments due on:

1 <sup>st</sup> Instalment:	28 August 2024
2 <sup>nd</sup> Instalment:	27 November 2024
3 <sup>rd</sup> Instalment:	26 February 2025
4 <sup>th</sup> Instalment:	28 May 2025

Pursuant to Sections 57 and 58 of the LGRA the following penalties on unpaid rates (excluding metered water rates) will be added:

- A charge of 10% on so much of any instalment that has been assessed after 1 July 2024 and which remains unpaid after the due date for that instalment. The penalty will be added on the following dates:
  - 1<sup>st</sup> Instalment 4 September 2024
  - 2<sup>nd</sup> Instalment 4 December 2024
  - 3<sup>rd</sup> Instalment 5 March 2025
  - 4<sup>th</sup> Instalment 4 June 2025
- A charge of 10% on so much of any rates assessed before 1 July 2024 which remain unpaid on 1 July 2024. The penalty will be added on 10 July 2024.
- A continuing additional penalty of 10% on so much of any rates assessed before 1 July 2024, to which a penalty has been added under the immediately preceding bullet point, and which remain unpaid six months after the previous penalty was added. The penalty will be added on 8 January 2025.
- Penalties imposed are exempt from GST.

### Payment Due Dates for Metered Water Supply

A charge of 10% on any amount outstanding for the quarter which remains unpaid on the following dates will be added on the dates below:

<u>Period</u>	<u>Due Date</u>	<u>Penalty Date</u>
1 July to 30 September 2024	27 November 2024	04 December 2024
1 October to 31 December 2024	26 February 2025	05 March 2025
1 January to 31 March 2025	28 May 2025	04 June 2025
1 April to 30 June 2025	27 August 2025	03 September 2025

## **EARLY PAYMENT**

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers Council to allow for the early payment of rates.

- Council proposes to accept early payment of all rates assessed for the 2024/25 year, but no discount will be applied for early payment. (Section 55).
- Council proposes to accept early payment of all rates assessed for the 2025/26 and subsequent years, but no discount will be applied for early payment. These payments will be applied to general rates or individual targeted rates if requested by the ratepayer, otherwise they will be applied against future general rates. (Section 56).

## **PAYMENT LOCATIONS – ALL RATES AND CHARGES**

Direct Debits are the preferred method of payment. Direct Debit Authority Forms are available at our Council office, or online.

Payments can be made online by going to <https://www.stratford.govt.nz> and clicking on “Pay Online”.

Mail and electronic payments shall be deemed to be received at the Council Office on day of receipt.

The Council accepts payments by cash, eftpos or credit card between the hours of 8.30 am to 4.30 pm, Monday to Friday, at the Council offices, Miranda Street, Stratford.