

Secretary of Local Government
Department of Internal Affairs
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Wellington 6140
delivered via email: councils@dia.govt.nz

6 July 2022

CONFIRMATION OF THE SETTING OF ANNUAL RATES AND UNIFORM ANNUAL CHARGES 2020-2021

Dear Secretary,

As required under section 23(5) of the Local Government Rating Act 2002, attached to this letter is a copy of Upper Hutt City Council's confirmation of the setting of annual rates and uniform annual charges for 2022-2023 as presented to the Additional Council meeting held on Tuesday 29 June 2022.

Regards,

Jacqui McKelvey
Executive Support & Administration Assistant



MINUTES

Record of a meeting of COUNCIL on WEDNESDAY 29 JUNE 2022, held in the Council Chamber, Civic Centre, 838-842 Fergusson Drive, Upper Hutt, commencing at 4.30 pm.

Present: His Worship the Mayor Mr W N Guppy (Chair), Deputy Mayor H Swales (Deputy Chair), Cr D M Bentley, Cr C B G Carson, Cr J B Griffiths, Cr P E Lambert, Cr A R McLeod, Cr H Newell, Cr S P Taylor (via Zoom), Cr T M Ultra and Cr D V Wheeler.

Public Business

Late Item of Business: Setting of the Annual Rates and Uniform Annual Charges 2022 – 2023.

In accordance with Standing Order 9.12 Item of business not on the agenda which cannot be delayed, Mayor Guppy advised that the report entitled *Setting of Annual Rates and Uniform Charges 2022 – 2023* was presented late as all the required information was not available at the time that the agenda was published. The item is required to be considered and adopted at this meeting following the adoption of the Annual Plan 2022 - 2023.

RESOLVED:

C 220301 (4)

“That Council receives and considers the report entitled Setting of Annual Rates and Uniform Charges 2022 – 2023 at this meeting, in accordance with Standing Order 9.12 Item of Business not on the agenda, to enable a timely decision to be made.”

Moved Mayor Guppy / Cr Bentley

CARRIED

1. Apologies

There were no apologies.

2. Declarations of Interest

There were no declarations of interest.

3. Public Forum

There were no public forum speakers.

4. Maidstone Trust Appointer (Council) Selection Panel for the Recommendation of Trustees

The Director Community Services responded to members' questions about the trustee application process, appointment term and the maximum appointment duration and confirmed that the current name of the trust is Maidstone Park Trust.

RESOLVED:

C 220302 (4)

“That Council receive the report,

- (i) that Council confirm the name of the newly established 'Maidstone Park Trust',*

- (ii) *that Council publicly notify that applications for trustee positions on the Maidstone Park Trust, a Council Controlled Organisation, are being requested,*
- (iii) *that Council appoint a selection panel consisting of the Chair of City Development, Councillor David Wheeler; Director of Community Services; and Councillors Bentley, McLeod and Newell to review the applications for the Trustee positions and bring their recommendations to the full Council meeting on the 21 September 2022, and,*
- (iv) *that the selection panel be able to co-opt a suitably qualified and experienced governance/sports expert to advise and support the panel through this process."*

Moved Cr Griffiths / Deputy Mayor Swales

CARRIED

5. Confirmation of Council Minutes

- a) Record of the Council meeting held on 23 and 24 May 2022.

RESOLVED:

C 220303 (4)

"That Council confirms the Minutes of the Council meeting held on 23 and 24 May 2022, as a true and correct record of the meeting."

Moved Mayor Guppy / Deputy Mayor Swales

CARRIED

- b) Record of the Council meeting held on 8 June 2022.

RESOLVED:

C 220304 (4)

"That Council confirms the Minutes of the Council meeting held on 8 June 2022, as a true and correct record of the meeting."

Moved Mayor Guppy / Cr Ultra

CARRIED

6. Adoption of the Annual Plan 2022 - 2023

The Director Asset Management and Operations responded to questions from a member about the origination of parts and the supply chain and delivery of parts required for the H2O Xstream upgrade.

The Director Strategy, Partnerships and Growth answered a member's question and confirmed that a proposed dog park will be discussed as part of the Long Term Plan development.

Cr Carson, with the support of Cr Wheeler, proposed the following amendment:

That Council adopts the Annual Plan 2022 - 2023, with the amendment that Council defers upgrade of H2O Xstream until 2023 - 2024, and during 2022 - 2023 council requests officers to re-examine and cost how only essential maintenance (including current plant, infiltration, heating and HVAC systems) can be done in 2023 - 2024, with any of the further planned upgrades deferred until at least 2024 - 2025.

Moved Cr Carson / Cr Wheeler

Lost on a show of hands

In accordance with Standing Order 19.5 *Calling for a division* was requested, voting on which was as follows:

For: 5

Against: 6

Cr Carson	Cr Taylor
Cr Lambert	Cr Griffiths
Cr Wheeler	Cr Newell
Deputy Mayor Swales	Mayor Guppy
Cr McLeod	Cr Bentley
	Cr Ultra

RESOLVED:

C 220305 (4)

"That Council,

- (i) receives the report entitled Adoption of the Annual Plan 2022 – 2023,*
- (ii) adopts the Annual Plan 2022 – 2023, appended as Attachment 1 to the report, and,*
- (iii) in adopting the Annual Plan 2022 – 2023, authorises officers to make any consequential amendments as a result of this meeting and correct any typographical, arithmetic, or formatting errors that may be identified."*

Moved Mayor Guppy / Cr Newell

CARRIED

In accordance with Standing Order 19.5 *Calling for a division* was requested, voting on which was as follows:

For: 7	Against: 4
Cr Bentley	Cr Carson
Cr Griffiths	Cr Lambert
Mayor Guppy	Cr McLeod
Cr Newell	Deputy Mayor Swales
Cr Ultra	
Cr Taylor	
Cr Wheeler	

The Deputy Mayor acknowledged that Councillors recently received correspondence from the New Zealand Sport Collective, highlighting the challenges faced by the sporting community as a result of increased living charges and the impact of covid. They have asked for Councils to consider reducing the fees and charges that are passed on to sporting groups. The Deputy Mayor would like the support of councillors to address the concerns raised either through reduced fees or to offer funding to reduce costs for sporting groups.

Late Item of Business not on the Agenda

Confirmation of the Setting of Annual Rates and Uniform Annual Charges 2022 - 2023

RESOLVED:

C 220306 (4)

"That Council,

- (i) receives the report entitled Setting of Annual Rates and Uniform Annual Charges 2022-2023 (the report),*
- (ii) notes that the following rates and charges are inclusive of Goods and Services Tax (at the prevailing rate set by the Goods and Services Tax Act 1985, as amended) (GST) unless otherwise stated,*

- (iii) notes that the General Rate, Water Fire Protection Rate and Stormwater Rate take into account the requirement to ensure that Defence Department land is not paying a higher amount of rates than would be payable under a land value rating system. This is in accordance with section 22 of the Local Government (Rating) Act 2002, and,
- (iv) resolves the 'Resolution to set rates,' 'Resolution to set dates that rates are payable,' and 'Resolution to set penalties' set out below:

Resolution to set rates

Pursuant to section 23 of the Local Government (Rating) Act 2002 and having approved its Funding Impact Statement in its adopted 2022-23 Annual Plan, Council resolves to set the following rates for rating units in the city of Upper Hutt for the rating year 1 July 2022 to 30 June 2023:

General Rate

A general rate, set pursuant to Section 13(2) (b) of the Local Government (Rating) Act 2002, on the capital value of rating units in the City, assessed on a differential basis as follows (including GST at the prevailing rate at the time of supply):

Differential Rating Category	Rateable Capital Value	Factor	Cents in \$
Standard	9,873,811,600	100	0.2690
High Value	252,621,000	90	0.2421
Rural	135,492,000	75	0.2017
Business	824,631,700	290	0.7801
Utilities and Three Waters Utilities	471,665,000	290	0.7801
Corrections Facility	154,300,000	290	0.7801
Total Remissions Group Properties	39,725,000		

The definitions of the Differential Rating Categories are contained within the Funding Impact Statement in the 2022-2023 Annual Plan.

The revenue sought from this rate is \$33,242,428 (excluding GST). The purposes to which this revenue will be applied are to meet the costs of land transport, parks and reserves, environmental services, community services and amenities, libraries, economic development, sustainability, democratic participation and management support of Council activities.

Targeted Rates:

Water:

A targeted rate for water supply, set pursuant to sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, being a charge of either:

- a. \$364.50 (including GST) on each separately used or inhabited portion of a serviced property; or
- b. \$182.25 (including GST) on every serviceable property.

The targeted rates in paragraph 8 apply to the ordinary supply of water as defined in the Upper Hutt City Council Water Supply Bylaw 2008 and the expressions, "serviced property" and "serviceable property" have the same meaning given in the targeted water rates definition in the Council's Funding Impact Statement.

The revenue sought from this rate is \$5,495,871 (excluding GST) and is to contribute approximately 60 percent of the total requirement needed for the costs of water supply.

Water Fire Protection Rate:

A targeted rate for water supply for fire protection purposes, set pursuant to sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002, being a rate of:

- a. 0.02143 cents (including GST) per dollar of capital value on each serviced property; and
- b. 0.01072 cents (including GST) per dollar of capital value on every serviceable property.

The revenue sought from this rate is \$1,812,772 (excluding GST) (and is to contribute 20 percent of the total requirement needed for the costs of water supply).

The expressions, “serviced property” and “serviceable property” have the same meaning given in the targeted water rates definition in the Council’s Funding Impact Statement.

Stormwater Rate:

A targeted rate for stormwater control, set pursuant to sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002, on the capital value of every rating unit in that part of the city benefiting from the provision of stormwater drainage and flood protection services, assessed on a differential basis as follows (including GST):

Differential Rating Category	Capital Value	Factor	Cents in \$
Business	794,954,700	140	0.04315
Other	8,848,654,300	100	0.03082

The revenue sought from this rate is \$2,692,261 (excluding GST) and is to contribute to the costs of stormwater drainage and flood protection of the city.

Wastewater:

A targeted rate for wastewater disposal, set pursuant to sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, as a charge for each water closet (pan) or urinal connected to a public sewage drain. The charge is to be \$377.30 (including GST) for each pan or urinal except that:

- a. rating unit used primarily as a residence for one household will not be treated as having more than one water closet or urinal; and
- b. for schools in the City, wastewater rates will be calculated as the lesser of:
 - i. the number of pans and urinals assessed as if the school was a non-residential rating unit; or
 - ii. the amount calculated using the following formula: Volume of water used per annum ÷ 228 (228 being the number of cubic metres assessed as being a standard residential unit annual usage)

The revenue sought from this charge is \$6,125,691 (GST exclusive) and is to be applied towards the cost of the sewerage reticulation and disposal of bulk sewage schemes.

Resolution to set dates that rates are payable

Pursuant to section 24 of the Local Government (Rating) Act 2002 Council resolves that,

- a. All rates will be levied by four instalments.
- b. The last date for payment for each rates instalment (allowing for cyclical billing) is the Due Date set out in the table below:

	Due Date	Penalty Date
Instalment One	1 September 2022	2 September 2022*
Instalment Two	1 December 2022	2 December 2022*
Instalment Three	1 March 2023	2 March 2023*

<i>Instalment Four</i>	<i>1 June 2023</i>	<i>2 June 2023*</i>
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**The penalty date for an instalment will be the penalty date for the next instalment if the recorded due date for an instalment is less than 14 days from the actual delivery date of that instalment invoice.*

Resolution to set penalties

Pursuant to section 57 of the Local Government (Rating) Act 2002, the Council resolves to authorise penalties to be added to rates that are not paid by the due date as follows:

- a. A penalty of 10 percent of the amount of each rates instalment set for the 2022-2023 year which is unpaid after the due date listed in paragraph 16(b) will be added on the penalty date stated in paragraph 16(b) above (section 58(1)(a)).***
- b. A further penalty of 10 percent of rates set for any previous financial year that is unpaid 5 working days after the date of this resolution. (Section 58(1)(b)). The penalty will be added on 7 July 2022.***
- c. A further penalty of 10 percent on rates to which a penalty has been added under paragraph 17(b) if the rates are unpaid six [6] months after the penalty in paragraph 17(b) was added. (Section 58(1)(c)). The penalty will be added on 9 January 2023.***

Valuation roll and rates records

The valuation roll and rates records for the City are available for inspection at the office of the Upper Hutt City Council during normal office hours."

Moved Mayor Guppy / Cr Bentley

CARRIED

Mayor Guppy called the meeting to a close at 5.06 pm.

Mayor Mr W N Guppy
Chair