

HUTT CITY COUNCIL

Ordinary meeting to be held in the Wainuiomata Chambers, Wainuiomata Library,
Queen Street, Wainuiomata on
Thursday 25 June 2015 commencing at 6.00pm.

ORDER PAPER

PUBLIC BUSINESS

1. APOLOGIES

2. PUBLIC COMMENT

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

3. PRESENTATION

Presentation of Copy of Heritage Study to Hutt City Council (15/773)

4. CONFLICT OF INTEREST DECLARATIONS

5. ADOPTION OF LONG TERM PLAN 2015-2025 (15/952)

Report No. HCC2015/3/178 (2) by the Assistant Corporate Planner 2

MAYOR'S RECOMMENDATION:

"That the recommendations contained in the report be endorsed."

6. SETTING RATES FOR THE YEAR ENDING 30TH JUNE 2016 (15/924)

Report No. HCC2015/3/179 (2) by the Chief Financial Officer 5

MAYOR'S RECOMMENDATION:

"That the recommendation contained in the report be endorsed."

7. QUESTIONS

With reference to section 43 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

Report no: HCC2015/3/178 (2)

Adoption of Long Term Plan 2015-2025

Purpose of Report

1. The purpose of this report is to seek adoption of the Long Term Plan as approved by Council on 4 June 2015, as required by the Local Government Act 2002.

Recommendations

It is recommended that Council:

- (i) notes that the changes identified at the Community Plan Committee meeting held on 4 June 2015 have been made to the Long Term Plan;
- (ii) notes that all submitters will be provided with feedback on the outcome of their submission in July;
- (iii) adopts the Long Term Plan 2015-2025;
- (iv) authorises the Long Term Plan Subcommittee comprising the Mayor, Deputy Mayor, Cr Cousins and Cr Shierlaw, to approve the final typeset version of the Long Term Plan; and
- (v) notes that Audit New Zealand will issue their audit opinion following adoption of the Long Term plan.

Background

2. The Community Plan Committee recommended changes to the final Long Term Plan document at its meeting held on 4 June 2015. These were approved by Council at the conclusion of the Community Plan Committee meeting.

Discussion

3. Following Council's final decisions on 4 June 2015, the necessary changes were incorporated into the document to allow the audit to commence.
4. The text of the final document is separately circulated as Attachment 1.

5. At the time of going to print, Audit New Zealand has not identified any significant issues in the course of conducting the final audit. Audit New Zealand representatives will be present at the meeting to outline the results of the audit.
6. No further alterations can be made to the Long Term Plan at this point.
7. The signed audit opinion will be released once the Long Term Plan has been adopted by Council.

Consultation

8. The Long Term Plan 2015-2025 was the subject of public consultation between 30 March and 30 April 2015. The results of the consultation were provided to the Community Plan Committee to assist with its deliberations on 4 June 2015.
9. Letters and emails advising submitters of the decisions made will be sent progressively.

Legal Considerations

10. The Long Term Plan has been prepared to meet the requirements of the Local Government Act 2002.

Financial Considerations

11. Financial considerations are outlined in the Long Term Plan 2015-2025.

Other Considerations

12. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of local government in that opportunity has been provided for members of the public to comment on the manner in which Council proposes to meet the current and future needs of the community. It does this in a way that is cost-effective because the consultation document was distributed to each residence and business in the city to encourage feedback, and full information related to the Long Term Plan was available on the Council website.

Appendices

No.	Title	Page
1	Long Term Plan 2015-2025 (<i>Under Separate Cover</i>)	

Author: Stephanie Moore
Assistant Corporate Planner

Reviewed By: Joyanne Stevens
Corporate Planner

Reviewed By: Wendy Moore
Divisional Manager, Strategy and Planning

Approved By: Kim Kelly
General Manager, Strategic Services

Report no: HCC2015/3/179 (2)

Setting Rates for the year ending 30th June 2016

Purpose of Report

1. The purpose of this report is to pass the rates resolution for the year ending 30 June 2016 including authorising the charging of penalties on unpaid rates during the year.

Recommendations

It is recommended that the Council resolves to set rates and add penalties to unpaid rates during the 2015/16 rating year by passing the resolution set out in Appendix 1.

Background

2. At the Community Plan Committee (CPC) on 4 June 2015 the draft Long Term Plan was amended and recommended to the Council for approval – which subsequently occurred. The attached resolution is now proposed to be passed in order to generate the rates revenue requirement shown in the approved Long Term Plan.

Discussion

3. The Long Term Plan shows an increase in total rates revenue of 2.8% - this represents an overall average increase of 1.8% per ratepayer across all rating categories plus an additional 1% for growth in the rates base.
4. The percentage change in each rating category will vary because of the impact of year four of the ten year transition in the differential and the different mix of general rate and targeted rates for each category.
5. The average rates increase across all ratepayers in 2015/16 is 1.8%, however the percentage change varies between rating categories. The change in rates for the average value property in each category is listed in the table below;

Property Category	Rateable Value	Rateable Value	% Change	2014/15	Proposed		
	July 2014	June 2015	Rateable Value	Current	Rates on 2015	\$	%
Average Examples				Rates	Values	Change	Change
Average Residential	373,321	375,040	0.46%	2,047	2,107	60	2.93%
Average Bus. Central	1,235,897	1,218,929	-1.37%	14,123	13,638	-485	-3.43%
Average Bus. Suburban	997,999	1,004,723	0.67%	10,925	10,778	-147	-1.35%
Average Bus. Accomm.	2,307,407	2,302,857	-0.20%	24,119	24,245	126	0.52%
Average Rural (Gen Rate only)	559,215	566,343	1.27%	1,255	1,330	75	5.98%

6. The percentage change figures for each property category are slightly different from those included in the Consultation Document because the Council now has more up to date information on changes in the rates base since 1st July 2014 and further budgetary changes have been approved by Council on 4 June.
7. It should also be remembered that the percentage changes shown in the table above are a combination of both changes in the average rateable value and changes in the level of rates. If you apply the new rate in the dollar and new targeted rate amounts to an average residential property, where the rateable value remains constant between years, then the increase in rates will be 2.70% for that property. This is slightly less than the 2.79% quoted in the Consultation Document.
8. As in previous years, the rating resolution includes authority to charge late payment penalties of 10% on rates instalments not paid by the due date. In addition it also provides for additional 10% penalties to be charged each six months on rates remaining outstanding from previous years.

Consultation

9. Consultation on rates and rating formed part of the 2015/2025 LTP Consultation Document.

Legal Considerations

10. The rates are being set in accordance with the Local Government (Rating) Act 2002, the requirements of which include the following:
 - publishing indicative rates for the year as part of the consultation process prior to setting the rates;
 - after setting the rates, sending each ratepayer:
 - an assessment showing full details of rates on each rating unit, including how each rate is calculated and what activities are funded by the rate.
 - a brief description of the Council's rates remission and postponement policies
 - sending a copy of the resolution setting the rates to the Secretary of Local Government within 20 working days of it being passed.

Financial Considerations

11. Setting the rates allows the rates to be billed and collected for the new financial year, thereby securing the Council's cash flow for the year in accordance with Long Term Plan requirements.

Other Considerations

12. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of the local government in that it assists Council in meeting its future needs by raising funds from the ratepayers in accordance with the approved Long Term Plan.

Appendices

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1	Rates Resolution 2015/16	8

Author: Paul Blacker
Chief Financial Officer

Approved By: Tony Stallinger
Chief Executive

1. SETTING THE RATES

In accordance with the relevant provisions of the current Long Term Community Plan and the Funding Impact Statement in the 2015/2016 Annual Plan, **the Council hereby resolves**, pursuant to Section 23 of the Local Government (Rating) Act 2002, to set and assess the following rates for the year commencing **1 July 2015 and ending 30 June 2016**.

(a) A General Rate set and assessed under sections 13 and 14 of the Local Government (Rating) Act 2002 on every rating unit in the district, differentially on those categories of rateable land as defined in the Hutt City Council Funding Impact Statement as follows:

The General rates in the dollar calculated on the capital value of each rating unit shall be:

Differential Category		Cents in the \$
Residential	RE	0.33514
Rural	RU	0.23795
Business Accommodation	BA	0.91159
Business Central	BC	1.05235
Business Suburban	BS	0.99202
Utility Networks	UN	0.81105
Community Facilities 1	C1	0.33514
Community Facilities 2	C2	0.16757
Community Facilities 3	C3	0.81105

(b) A Targeted Rate (Water Supply Rate) set and assessed under sections 16 and 19 of the Local Government (Rating) Act 2002, of **\$367.00**, on every separately used or inhabited portion of a rating unit in the district to which water is supplied, with a charge of **\$183.50** on every separately used or inhabited portion of a rating unit to which water can be, but is not supplied, (being a property situated within 100 metres from any part of the water works).

(c) A Targeted Rate (Wastewater Rate) set and assessed under sections 16 and 17 of the Local Government (Rating) Act 2002, of **\$444.00**, on the first water closet or urinal connected to the wastewater system from each rating unit, and a charge of **\$222.00** for the second and each subsequent water closet or urinal from each rating unit so connected, provided that each household is charged for no more than one water closet.

(d) A Targeted Rate (Recycling Charge) set and assessed under sections 16 and 17 of the Local Government (Rating) Act 2002 of **\$40.00** on every separately used or inhabited portion of a rating unit in the Residential differential category to which the recycling collection service is provided, or is available to be provided.

(e) A Targeted Rate (Jackson Street Programme Rate) set and assessed under sections 16 and 17 of the Local Government (Rating) Act 2002 of **0.10074 cents in the dollar on the capital value** of every rating unit in a Business differential category which is situated within that area of the former Petone Borough with a frontage on Jackson Street between the Hutt Road and Cuba Street.

The above rates for the financial year ending 30 June 2016 are all inclusive of GST at the prevailing rate and are payable by six instalments by the following due dates:

Instalment No.	Due Date
One	20 August 2015
Two	20 October 2015
Three	20 December 2015
Four	20 February 2016
Five	20 April 2016
Six	20 June 2016

Where a due date falls on a weekend or public holiday the next business day rule applies.

2. AUTHORISING PENALTY CHARGES

AND pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the Council further resolves for the period from 1 July 2015 to 30 June 2016 to:

- (a) Authorise a penalty charge of 10% to be added to the amount of rates remaining unpaid for each instalment after the due date. The dates upon which the 10% penalty charge will be added to any rates remaining unpaid for each instalment will be the day after the date each instalment is due;
- (b) Authorise a further penalty charge of 10% to be added to rates levied prior to 1 July 2015 and which remain unpaid after the 20 August 2015 instalment has been processed. This penalty will be added to the amount of unpaid rates the day after the 20 August 2015 instalment has been processed;
- (c) Authorise a further penalty charge of 10% to be added to rates levied prior to 1 July 2015 and which remain unpaid after the 20 February 2016 instalment has been processed. This penalty will be added to the amount of unpaid rates the day after the 20 February 2016 instalment has been processed.