

Funding Impact Statement

1. INTRODUCTION

This Funding Impact Statement details the Rating Policy and the rates funding requirements.

2. RATING AREAS

Council has one rating area for the whole district. The rating system used by Council is capital value, and the property valuations are produced by Opteon Technologies Limited. The effective date of the valuations is 1 July 2022.

3. CATEGORIES OF LAND

The Council adopts the following as its definitions of categories of rateable land. These categories are used as described elsewhere in this policy, and as required, for setting some of the targeted rates. The categories are defined using the use to which the land is put (clause 1 of schedule 2 of the Local Government (Rating) Act 2002) or the zoning of the land under the Council's Operative District Plan (clause 2 or 3 of schedule 2 of the Local Government (Rating) Act 2002). The targeted rates referred to in paragraphs 3.3 and 3.4 below are based on location and availability of service (clauses 5 and 6 of schedule 2 of the Local Government (Rating) Act 2002).

The categories are:

- Residential – all residential rating units used for one or more household units.
- Rural – all rating units used predominantly for agricultural, horticultural, forestry or farming purposes.
- Industrial/Commercial – all rating units used for industrial, commercial, or retail purposes; (including rating units used for the purposes of generating electricity and utilities assets and networks) all vacant rating units zoned commercial or industrial under the District Plan; all rating units used for office or administrative purposes. (Excludes rating units that fall within the accommodation category).
- Accommodation – all accommodation complexes including rating units within accommodation complexes used to provide visitor accommodation, including (without limitation) motels, hotels, timeshares, serviced apartments, holiday parks, camping grounds and backpacker lodges.
- Schools – all State schools (clause 6(a) Schedule 1 of the Local Government (Rating) Act 2002)
- Other – All other rating units not falling within the other differential categories.

3.1 It should be noted that:

- (a) Vacant land – the differential classification will be determined by the underlying zone classification of the rating unit.
- (b) Targeted rates are a source of funding as outlined in this document. Lump sum contributions are not invited in respect of any of the targeted rates.
- (c) Separately used or inhabited part (SUIP) – this refers to separate parts of a rating unit; whether or not actually occupied at any particular time, which are used for rental (or

other form of occupation) on an occasional or long term basis as an independent residence/household; or in the case of a rating unit used for commercial or industrial business, the availability for use of part or parts of the rating unit for separate shops/trading operations. In a residential situation a separately used or inhabited part will only be classified if all of the following apply - separate kitchen including a bench top and sink, separate living facilities, separate toilet and bathroom facilities and separate access (including access through a common area such as a lobby, stairwell, hallway or foyer etc.). In a business situation a separately used or inhabited part will be classified where the property has been set up to accommodate, or is used for separate shops, trading operations, leases, tenancies or the like for separate premises within the same rating unit. A rating unit with one use or part is one separately used or inhabited part.

- (d) Where separate parts of a rating unit fit within more than one category of rateable land (3 above) for setting rates or where separate parts of a rating unit qualify for a rates remission a rating division may be created to accurately assess rates and/or apply remission. It should be noted that a rating division will not be created to allow the avoidance of rates for rating units that operate in an open-market commercial environment. i.e. pockets of unproductive Māori Freehold land on farming or forestry blocks.
- (e) Rates payments are allocated to the earliest outstanding invoice.

3.2 Targeted Rates Based on Land Use

Council will target rates based on land use to assess:

- District Refuse Disposal Rate (1 and 2 below)
- Sewage Disposal Rate (3 below)

The following categories will apply:

1. All industrial/commercial or accommodation rating units (assessed twice the charge per separately used or inhabited part of a rating unit).
2. All residential, rural and other rating units (assessed with one charge per separately used or inhabited part of a rating unit).
3. Schools – per pan or urinal

3.3 Targeted Rates Based on Location

Council will use targeted rates based on location to assess rates for:

- Town Centre Taupō Management Rate (1 below).
- Whareroa Refuse Rate (2 below).

The following categories will apply:

1. Industrial/Commercial rating units within the defined central business district of Taupō town (assessed on each separately used or inhabited part of a rating unit). See figure 3 in this document.
2. All rating units in the Whareroa area. (see figure 2 in this document)

3.4 Targeted Rates Based on Availability of Service

Council will use targeted rates based on availability of service to assess rates for:

- Water supply (1, 4, and 6 below)

- Sewage disposal (2, 3, and 5 below)

The following categories will apply:

1. connected – each separately used or inhabited part of a rating unit that is connected to a Council operated water scheme
2. connected – each rating unit or residence/household that is connected to a Council sewerage drain
3. connected per pan/urinal or wastewater discharge point – each rating unit with more than one pan/urinal or wastewater discharge point (with the exception of rating units used as a single residence/household)
4. serviceable (available to be connected) – any separately used or inhabited part of a rating unit that is not connected to an accessible Council operated water scheme but is within 100 metres of any part of the waterworks
5. serviceable (available to be connected) – any rating unit that is not connected to an accessible Council operated sewage scheme but is within 30 metres of such a drain
6. metered water supply – rating units with a water meter

4. GENERAL AND TARGETED RATES

The Council adopts the following rates under the Local Government (Rating) Act 2002, on rating units in the district.

4.1 Differentials

This Funding Impact Statement updates the rating policy and provides that the separate differential rating category for electricity generation and utilities assets and networks found in previous funding impact statements is now included within the Industrial/Commercial differential rating category. This aligns how rates are assessed for all properties used for industrial or commercial purposes.

Council uses a 1.8 differential for Industrial/Commercial (including electricity generation, utility assets and networks) and the Accommodation property categories. All other categories of rating unit will pay the standard rate (differential = 1).

Property Categories	2023/24 Differential Factors	2024/25 Differential Factors
Residential	1.000	1.000
Rural	1.000	1.000
Utility Assets and Networks	1.000	
Electricity Generators	1.000	
Industrial/Commercial	1.800	
Industrial/Commercial (including electricity generation, utility assets and networks)		1.800
Accommodation	1.800	1.800
Other	1.000	1.000

4.2 General Rate

A General Rate set under section 13 of the Local Government (Rating) Act 2002 on every rateable rating unit in the district and calculated on the capital value of each rating unit.

The General Rate is used to fund activities and services including: Building and Resource consents, Regulatory compliance, including Liquor and Health licensing, Animal control, Parking and Sundry compliance, Transport, Parks and Reserves, Venues, including the AC Baths, Turangi Turtle Pools, Mangakino Pools, Taupō Events Centre, Great Lake Centre, Community Halls, Buildings and District Libraries, Heritage, Culture & Public Art, including Taupō Museum & Art Gallery, Public Conveniences including the Super Loo, Litter Control, Stormwater, Community Engagement & Development, Investments, Property, Housing for the Elderly, District Development, Visitor Support and Events.

Valuation basis for general rates

Council uses capital value as the basis for general rates.

Rating Unit Category	Rate per \$ of CV 2023/24 GST incl	Rate per \$ of CV 2024/25 GST incl
Residential	0.0019109/\$	0.0019514/\$
Rural	0.0019109/\$	0.0019514/\$
Utility Assets and Networks	0.0019109/\$	
Electricity Generators	0.0019109/\$	
Industrial/Commercial	0.0034396/\$	
Industrial/Commercial (including electricity generators, utility assets and networks)		0.0035125/\$
Accommodation	0.0034396/\$	0.0035125/\$
Other	0.0019109/\$	0.0019514/\$

4.3 Uniform Annual General Charge

A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 on every separately used or inhabited part of a rating unit in the district (as defined in section 3.1.c of this document). For the avoidance of doubt, where a rating unit is divided into separate parts for rating purposes, each separate part is treated as if it were a separate rating unit for the application of this Uniform Annual General Charge. The Uniform Annual General Charge will be used to fund Regulatory Compliance including Sundry & Animal Control, Emergency Management, Cemeteries, Leadership, Governance & Advocacy.

Per SUIP	2023/24 GST incl	2024/25 GST incl
Uniform Annual General Charge	\$250.00	\$250.00

4.4 Sewage Disposal

A targeted rate to fund sewage disposal, as outlined in the Groups of Activities – Wastewater section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on every rating unit connected or available to be connected (serviceable) to an accessible Council scheme on the basis of one charge per pan, urinal or dump station

discharge point (with the exception of the residence of a single household – which shall be assessed only one charge) for connected rating units and per rating unit for serviceable rating units. For the avoidance of doubt the words ‘a single household’ do not restrict the charge to one pan/urinal in the situation where a rating unit has separately used or inhabited parts (as defined in section 3.1.c of this document). In such a situation each separately used or inhabited part is regarded as a separate household, and the pan charge applied will be at the cumulative per pan rate multiplied by the number of separate households. The sewage disposal rate for Schools, is assessed based on the use to which the land is put, including that the number of pans/urinals or dump station discharge points is a proxy for land use.

The sewerage schemes are Acacia Bay, Atiamuri, Kinloch, Mangakino, Motuoapa, Motutere (campground), Omori, Taupō, Turangi, Whakamaru, Whareroa

Targeted Sewer Disposal charges per rating unit are:

Rating Unit Connected	Factor of Liability	2023/24 GST incl (per pan)	2024/25 GST incl (per pan)
1 pan/urinal	per pan/urinal	\$919.76	\$1,134.14
2 pans/urinal	per pan/urinal	\$689.82	\$850.61
3 or more pan/urinals	per pan/urinal	\$459.88	\$567.07
Dump Station discharge point	per discharge point		\$1,134.14
Schools	per pan/urinal	\$229.94	\$283.54

Rating Unit Serviceable - within 30 meters of an accessible sewerage drain	Factor of Liability	2023/24 GST incl	2024/25 GST incl
Available to be connected	per rating unit	\$459.88	\$567.07

4.5 Water Supply – District Wide Water Schemes with fixed charge targeted rates.

A fixed targeted rate to fund water supply, as outlined in the Groups of Activities – Water section of this document, set under section 16 of the Local Government (Rating) Act, assessed on each separately used or inhabited part (as defined in section 3.1.c of this document) of a rating unit, and being a rating unit, which is connected, or is available to be connected, to an accessible Council scheme. A full charge will be made for each connected separately used or inhabited part of the rating unit and a half charge for serviceable separately used or inhabited parts of a rating unit (those within 100 metres of any part of the water scheme).

The water schemes are: Taupō, Kinloch, Whakaroa, Bonshaw Park, Whakamoenga Point, River Road, Mangakino, Tirohanga, Turangi, Motuoapa, Tokaanu, Hatepe, Omori/Kuratau/Pukawa, Whakamaru, Atiamuri, Rakaunui Road, Waihaha, Whareroa, Centennial Drive, Motutere

The water schemes and targeted water charges on any separate part of a rating unit described above are:

Water Scheme	2023/24	2023/24	2024/25	2024/25
	GST incl	GST incl	GST incl	GST incl
	Serviceable	Connected	Serviceable	Connected
District wide water supply rate	\$331.79	\$663.58	\$433.28	\$866.56

4.6 Metered Water Supply

Note: Water meter charges will be invoiced separately from rates invoices at various times throughout the year (depending on the water scheme).

Targeted rates for metered water supply, set under section 19 of the Local Government (Rating) Act 2002, and assessed on the volume of water supplied to every rating unit with a water meter (excluding meters read for monitoring purposes only). These metered water charges apply for supply over and above the equivalent supply allocation provided under the fixed targeted rate, where the equivalent supply allocation is the amount of the fixed targeted rate, divided by the rate per m³ for the relevant water scheme that the property is connected to, as shown below. It is only when this threshold is exceeded that water meter charges at the rates set below will be applied.

Council installs water meters to various properties throughout the District that are used to measure consumption for future planning purposes, to identify any leaks or where excessive water use is suspected; these meters are read for monitoring purposes only.

The rates per cubic metre are:

Water Supply	2023/24 GST incl Cents/ m ³	2024/25 GST incl Cents/ m ³
Taupō (includes Taupō township, Waitahanui, Wairakei Village, Acacia Bay, Five Mile Bay and the wider Mapara area).	227	227
Kinloch	173	186
Whakaroa	229	229
Bonshaw Park	291	291
Whakamoenga Point	161	169
River Road	194	203
Mangakino	178	186
Tirohanga	93	100
Turangi	69	75
Motuoapa	110	120
Tokaanu	131	140
Hatepe	259	259
Omori/Kuratau/ Pukawa	148	159
Whareroa	227	227
Whakamaru	152	159
Atiamuri	178	186
Rakaunui Road	63	70
Centennial Drive (untreated)	51	57
Waihaha	93	100
Motutere		259

4.7 District Refuse Disposal Charge

For the 2024-25 rating year the rating policy for the District Refuse Disposal Charge remains unchanged from previous years. From the 2025-2026 rating year, the new rating policy

consulted on as part of the 2024-34 Long Term Plan will apply. This is when the new Council funded refuse collection operation will commence.

A targeted rate to fund district refuse disposal, solid waste operations and waste minimisation initiatives, as outlined in the Groups of Activities – Waste and Environmental Management section of this document, set under section 16 of the Local Government (Rating) Act 2002 and assessed on each separately used or inhabited part (SUIP - as defined in section 3.1.c of this document) of each rateable rating unit in the district on the basis that properties categorised as residential, rural or other shall be assessed with one charge per SUIP, and industrial/commercial or accommodation, rating units shall be assessed with twice the charge per SUIP. For the avoidance of doubt, where a rating unit is divided into separate parts for rating purposes, each separate part is treated as if it were a separate rating unit for the application of this District Refuse Disposal Charge.

The targeted District Refuse Disposal Charge is:

	2023/24 GST incl	2024/25 GST incl
Accommodation and Industrial/Commercial	\$287.06	\$282.62
Residential, Rural or Other	\$143.53	\$141.31

4.8 Whareroa Refuse Rate

A targeted Whareroa Refuse Rate, to fund the 24-hr turnstile access to the Whareroa refuse station, as outlined in the Groups of Activities – Waste and Environmental Management section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on all rating units in the Whareroa rating area (see Figure 1 below) as a fixed amount per rating unit.

The targeted Whareroa Refuse Rate is:

	2023/24 GST incl	2024/25 GST incl
Whareroa Refuse Rate	\$90.90	\$208.69



Figure 1 Whareroa Refuse area

4.9 Town Centre Taupō Management Rate

A targeted Town Centre Taupō Management Rate, to fund services to enhance and develop the social and economic wellbeing of the Taupō central business district, as outlined in the Groups of Activities – District Development section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on each separately used or inhabited part (as defined in section 3.1.c of this document) of industrial/commercial rating units within the defined Taupō Town Centre boundary (see Figure 2 below).

The targeted Town Centre Taupō Management Rate is:

	2023/24 GST incl	2024/25 GST incl
Town Centre Taupō Management	\$398.41	\$421.56



Figure 2 Taupō Town Centre

5. Examples of rates per type of property

Sample Properties

Capital Value	UAGC	General Rate	Water Rate	Sewage Rate	Refuse Rate	Taupō Town Centre	Turangi Community Board	Total Proposed Rates 2024/25	Total Rates			
									2023/24	\$ Change	% Change	
Residential properties - Taupo												
705,000	250	1,376	867	1,134	141	0	0	3,768	3,324	444	13.3%	
1,053,000	250	2,055	867	1,134	141	0	0	4,447	3,989	458	11.5%	
1,170,000	250	2,283	867	1,134	141	0	0	4,675	4,213	463	11.0%	
1,580,000	250	3,083	867	1,134	141	0	0	5,475	4,996	479	9.6%	
Residential properties - Turangi												
460,000	250	898	867	1,134	141	0	0	3,290	2,856	434	15.2%	
500,000	250	976	867	1,134	141	0	0	3,368	2,932	435	14.8%	
545,000	250	1,064	867	1,134	141	0	0	3,456	3,018	437	14.5%	
915,000	250	1,786	867	1,134	141	0	0	4,178	3,725	452	12.1%	
Residential properties - Mangakino												
465,000	250	907	867	1,134	141	0	0	3,299	2,865	434	15.1%	
535,000	250	1,044	867	1,134	141	0	0	3,436	2,999	437	14.6%	
600,000	250	1,171	867	1,134	141	0	0	3,563	3,123	439	14.1%	
740,000	250	1,444	867	1,134	141	0	0	3,836	3,391	445	13.1%	
Residential properties - Kinloch												
810,000	250	1,581	867	1,134	141	0	0	3,973	3,525	448	12.7%	
1,100,000	250	2,147	867	1,134	141	0	0	4,539	4,079	460	11.3%	
1,260,000	250	2,459	867	1,134	141	0	0	4,851	4,385	466	10.6%	
1,690,000	250	3,298	867	1,134	141	0	0	5,690	5,206	484	9.3%	
Industrial Commercial properties												
1,150,000	250	4,039	867	1,134	283	0	0	6,573	6,076	497	8.2%	
1,100,000	250	3,864	867	1,134	283	422	0	6,819	6,302	516	8.2%	
1,800,000	250	6,323	867	1,701	283	422	0	9,844	9,170	674	7.4%	
4,530,000	250	15,912	867	1,701	283	422	0	19,434	18,560	873	4.7%	
Rural properties												
1,380,000	250	2,693	0	0	141	0	0	3,084	3,031	54	1.8%	
2,115,000	250	4,127	0	0	141	0	0	4,519	4,435	83	1.9%	
6,285,000	250	12,265	0	0	141	0	0	12,656	12,404	252	2.0%	
11,425,000	1,000	22,295	0	0	565	0	0	23,860	23,406	454	1.9%	

