



Appendix 6: Funding impact statement 2024



GREAT LAKE TAUPŌ
Taupō District Council

**Taupō District Council's
Long-term Plan 2024-34**

INTRODUCTION

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

RATING AREAS

2. 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.

CATEGORIES OF LAND

3. 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).
4. 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.

5. 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.

TARGETED RATES BASED ON LAND USE

6. Council will target rates based on land use to assess:
 - District Refuse Disposal Rate (1 and 2 below)
 - Sewage Disposal Rate (3 below)
7. 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

TARGETED RATES BASED ON LOCATION

8. Council will use targeted rates based on location to assess rates for:
 - Town Centre Taupō Management Rate (1 below).
 - Whareroa Refuse Rate (2 below).
9. 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)

TARGETED RATES BASED ON AVAILABILITY OF SERVICE

10. 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)
11. 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.

General and targeted rates

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

DIFFERENTIALS

13. 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.
14. 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

GENERAL RATE

15. 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.
16. The General Rate is used to fund activities and services including: Building and Resource consents, Regulatory compliance, including Alcohol and Health licensing, Animal control, Parking and Sundry compliance, Transport, Parks and Reserves, Venues, including the AC Baths, Tūrangi 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

17. 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/\$	0.0019507/\$
Rural	0.0019109/\$	0.0019507/\$
Utility Assets and Networks	0.0019109/\$	
Electricity Generators	0.0019109/\$	
Industrial/Commercial	0.0034396/\$	
Industrial/Commercial (including electricity generators, utility assets and networks)		0.0035112/\$
Accommodation	0.0034396/\$	0.0035112/\$
Other	0.0019109/\$	0.0019507/\$

UNIFORM ANNUAL GENERAL CHARGE

18. 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 5(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

SEWAGE DISPOSAL

19. 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 5(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.
20. The sewerage schemes are Acacia Bay, Atiamuri, Kinloch, Mangakino, Motuoapa, Motutere (campground), Omori, Taupō, Tūrangi, Whakamaru, Whareroa
21. Targeted Sewer Disposal charges per rating unit are:

PER SUIP	FACTOR OF LIABILITY	2023/24 GST INCL (PER PAN)	2024/25 GST INCL (PER PAN)
1 pan / urinal	per pan/urinal	\$919.76	\$1,118.83
2 pans / urinals	per pan/urinal	\$689.82	\$839.12
3 or more pans / urinals	per pan/urinal	\$459.88	\$559.42
Dump Station discharge point	per discharge point	N/A	\$1,118.83
Schools	per pan/urinal	\$229.94	\$279.71
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	\$559.42

WATER SUPPLY – DISTRICT WIDE

Water Schemes with fixed charge targeted rates.

22. 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 5(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).
23. The water schemes are: Taupō, Kinloch, Whakaroa, Bonshaw Park, Whakamoenga Point, River Road, Mangakino, Tirohanga, Tūrangi, Motuoapa, Tokaanu, Hatepe, Omori/Kuratau/Pukawa, Whakamaru, Atiamuri, Rakaunui Road, Waihaha, Whareroa, Centennial Drive, Motutere
24. The water schemes and targeted water charges on any separate part of a rating unit described above are:

WATER SCHEME	2023/24 GST INCL Serviceable	2023/24 GST INCL Connected	2024/25 GST INCL Serviceable	2024/25 GST INCL Connected
District wide water supply rate	\$331.79	\$663.58	\$416.91	\$833.81

METERED WATER SUPPLY

25. Note: Water meter charges will be invoiced separately from rates invoices at various times throughout the year (depending on the water scheme).
26. 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.
27. 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.

28. The rates per cubic metre are:

WATER SUPPLY	2023/24 GST INCL CENTS/ m³	2024/25 GST INCL CENTS/ m³
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
Tūrangi	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

DISTRICT REFUSE DISPOSAL CHARGE

29. 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 5(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.

30. The targeted District Refuse Disposal Charge is:

	2023/24 GST INCL CENTS/ m³	2024/25 GST INCL CENTS/ m³
Accommodation and Industrial/Commercial	\$287.06	\$308.36
Residential, Rural or Other	\$143.53	\$154.18

WHAREROA REFUSE RATE

31. 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.

32. 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



TOWN CENTRE TAUPŌ MANAGEMENT RATE

33. 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 5(c) of this document) of industrial/commercial rating units within the defined Taupō Town Centre boundary (see Figure 2 below).
34. The targeted Town Centre Taupō Management Rate is:

	2023/24 GST INCL	2024/25 GST INCL
Town Centre Taupō Management	\$398.41	\$416.93

FIGURE 2 TAUPŌ TOWN CENTRE



EXAMPLES OF RATES PER TYPE OF PROPERTY

SAMPLE PROPERTIES

CAPITAL VALUE	UAGC	GENERAL RATE	WATER RATE	SEWAGE RATE	REFUSE RATE	TAUPŌ TOWN CENTRE	TŪRANGI COMMUNITY BOARD	TOTAL PROPOSED RATES 2024/25	TOTAL RATES 2023/24	\$ CHANGE	% CHANGE
Residential properties - Taupō											
705,000	250	1,375	834	1,119	154	0	0	3,732	3,324	408	12.3%
1,053,000	250	2,054	834	1,119	154	0	0	4,411	3,989	422	10.6%
1,170,000	250	2,282	834	1,119	154	0	0	4,639	4,213	426	10.1%
1,580,000	250	3,082	834	1,119	154	0	0	5,438	4,996	442	8.9%
Residential properties - Tūrangi											
460,000	250	897	834	1,119	154	0	0	3,254	2,856	398	13.9%
500,000	250	975	834	1,119	154	0	0	3,332	2,932	400	13.6%
545,000	250	1,063	834	1,119	154	0	0	3,420	3,018	401	13.3%
915,000	250	1,785	834	1,119	154	0	0	4,141	3,725	416	11.2%
Residential properties - Mangakino											
465,000	250	907	834	1,119	154	0	0	3,264	2,865	398	13.9%
535,000	250	1,043	834	1,119	154	0	0	3,400	2,999	401	13.4%
600,000	250	1,170	834	1,119	154	0	0	3,527	3,123	404	12.9%
740,000	250	1,443	834	1,119	154	0	0	3,800	3,391	409	12.1%
Residential properties - Kinloch											
810,000	250	1,580	834	1,119	154	0	0	3,937	3,525	412	11.7%
1,100,000	250	2,145	834	1,119	154	0	0	4,502	4,079	423	10.4%
1,260,000	250	2,458	834	1,119	154	0	0	4,814	4,385	430	9.8%
1,690,000	250	3,296	834	1,119	154	0	0	5,653	5,206	447	8.6%
Industrial Commercial properties											
1,150,000	250	4,037	834	1,119	308	0	0	6,548	6,076	472	7.8%
1,100,000	250	3,862	834	1,119	308	417	0	6,790	6,302	487	7.7%
1,800,000	250	6,319	834	1,678	308	417	0	9,807	9,170	637	6.9%
4,530,000	250	15,903	834	1,678	308	417	0	19,391	18,560	831	4.5%
Rural properties											
1,380,000	250	2,692	0	0	154	0	0	3,096	3,031	65	2.2%
2,115,000	250	4,125	0	0	154	0	0	4,529	4,435	94	2.1%
6,285,000	250	12,258	0	0	154	0	0	12,662	12,404	259	2.1%
11,425,000	1,000	22,283	0	0	617	0	0	23,900	23,406	494	2.1%

TAUPŌ DISTRICT COUNCIL: FUNDING IMPACT STATEMENT FOR LONG-TERM PLAN 2024 - 34 (WHOLE OF COUNCIL)

Clause 15, Schedule 10, Local Government Act 2002

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	2024 AP BUDGET (000'S)	2025 LTP BUDGET (000'S)	2026 LTP BUDGET (000'S)	2027 LTP BUDGET (000'S)	2028 LTP BUDGET (000'S)	2029 LTP BUDGET (000'S)	2030 LTP BUDGET (000'S)	2031 LTP BUDGET (000'S)	2032 LTP BUDGET (000'S)	2033 LTP BUDGET (000'S)	2034 LTP BUDGET (000'S)
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	57,687	64,793	69,547	74,626	78,652	82,215	87,405	91,300	94,443	96,752	97,407
Targeted Rates	34,887	43,128	48,469	52,654	57,275	61,684	65,070	70,685	72,160	75,844	79,217
Subsidies and grants for operating purposes	3,886	4,066	3,763	3,896	4,062	4,154	4,302	4,408	4,540	4,688	4,786
Fees and charges	12,228	22,035	28,447	30,853	26,505	33,166	32,788	33,206	22,292	19,644	20,009
Interest and dividends from investments	6,849	7,010	6,739	7,046	7,516	8,006	8,513	9,017	9,509	10,010	10,511
Local authorities fuel tax, fines, infringement fees, and other receipts	1,145	1,681	1,734	1,787	1,837	1,886	1,935	1,983	2,030	2,077	2,122
Total Operating Funding (A)	116,682	142,714	158,698	170,864	175,847	191,111	200,014	210,597	204,975	209,015	214,051
Applications of Operating Funding											
Payments to staff and suppliers	80,099	95,096	102,461	106,119	114,642	114,370	114,757	113,684	115,941	118,343	119,141
Finance Costs	11,681	12,187	11,219	11,563	12,560	13,636	15,156	16,650	16,051	14,559	12,569
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	91,780	107,282	113,679	117,682	127,202	128,006	129,914	130,335	131,992	132,902	131,709
Surplus/(Deficit) of Operating Funding (A - B)	24,903	35,432	45,019	53,181	48,645	63,105	70,100	80,263	72,983	76,113	82,342
SURPLUS / (DEFICIT) OF CAPITAL FUNDING											
Sources of Capital Funding											
Subsidies and grants for capital expenditure	3,899	3,006	4,783	4,824	10,133	10,091	7,048	5,481	6,697	6,223	5,864
Development and financial contributions	5,079	7,757	9,057	9,589	10,600	10,571	10,601	10,565	10,699	10,763	10,837
Increase (decrease) in debt	17,022	23,118	29,883	20,285	14,750	18,186	36,786	3,631	(38,642)	(36,372)	(57,270)
Gross proceeds from sale of assets	8,506	4,459	311	139	4,044	251	498	184	3,480	3,679	6,854
Total Sources of Capital Funding (C)	34,506	38,341	44,035	34,837	39,527	39,099	54,932	19,861	(17,766)	(15,706)	(33,714)
Application of Capital Funding											
Capital Expenditure:											
- to meet additional demand	2,403	7,878	15,806	18,297	15,653	15,542	44,836	46,912	3,027	7,292	2,697
- to improve the level of service	39,887	33,616	35,052	23,455	43,010	34,569	33,006	19,089	18,900	17,016	14,679
- to replace existing assets	15,898	25,158	28,472	31,951	31,937	30,255	35,524	34,437	33,599	36,095	31,248
Increase (decrease) in reserves	1,221	5,522	8,923	14,315	(2,429)	21,839	11,666	(315)	(309)	4	3
Increase (decrease) of investments	-	1,600	800	-	-	-	-	-	-	-	-
Total Applications of Capital Funding (D)	59,408	73,773	89,054	88,018	88,172	102,204	125,033	100,123	55,217	60,407	48,628
Surplus/(Deficit) of Capital Funding (C - D)	(24,903)	(35,432)	(45,019)	(53,181)	(48,645)	(63,105)	(70,100)	(80,263)	(72,983)	(76,113)	(82,342)
FUNDING BALANCE ((A - B) + (C - D))	-	-	-	-	-	-	-	-	-	-	-