

# WHAKAAWEAWE PŪTEA - FUNDING IMPACT STATEMENT

Council adopted a change to its Rating System in January 2021 and updated its Revenue and Financing Policy in March 2021. This Funding Impact Statement reflects those changes and provides information about Council sources of Revenue from Rates, how these are calculated and where the liability will be applied.

Various sections of the Local Government (Rating) Act 2002 ("Rating Act") and the Local Government Act 2002 that the Council sets its rates under, require particular information to be identified in Council's Funding Impact Statement. This includes the following:

- The basis for setting the general rate, i.e. land, annual or capital value (Rating Act, section 13).
- Any category or categories that will be used for setting the general rate differentially (Rating Act, section 14).
- The activity or activities for which a targeted rate will be set (Rating Act, section 16).
- The category or categories that will be used to establish rateable land for a targeted rate (Rating Act, section 17).
- For each category, any factor that will be used to calculate liability for a targeted rate (Rating Act, section 18).
- Council's intention to set a targeted rate for the quantity of water supplied (Rating Act, section 19).
- If the targeted rate is set differentially, the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land for each category (Local Government Act 2002, Sch 10, cl 15(4)(d)).
- Whether lump sum contributions will be invited in respect of the targeted rate (Local Government Act 2002, Sch 10, cl 15(4)(e)).

- Examples of the impact of the general rate and targeted rate rating proposals on the rates assessed on different categories of rateable land with a range of property values for the first year of the plan (Local Government Act 2002, Sch 10, cl 15(5)).

## DIFFERENTIAL RATING FACTORS

The Local Government (Rating) Act 2002 provides for rates being charged at different rates in the dollar for different categories of rateable land. The categories must be defined using the factors in Schedule 2 of the Act.

Council can use these provisions to set rates on a differential basis to recognise the different rateable value of land, the uses of land within the district, and the differing provision and consumption of Council services relative to other categories of ratepayers in the district.

For the year ending 30 June 2022, and the remaining years of the Long-term Plan 2021-31, Council will utilise a General Rate assessed on the Capital Value of rateable land, applying Differential Factors to rating categories determined by designated land use. This determination will be guided by property category codes contained in the Rating Valuation Rules. Council will also utilise a Uniform Annual General Charge (UAGC) which will be assessed as a fixed amount per Separately Used or Inhabited Part (SUIP) of a Rating Unit.

The Land Use Categories for Rating Purposes and the differential factors to be applied to the General Rate (Capital Value) for the year commencing 1 July 2021 are detailed in the table below.

The nominal allocation of land use and property codes to rating categories is detailed in **Appendix 1**.

Targeted Rates assessed on a fixed amount per Rating Unit, SUIP or connection will be applied for water utilities and waste management and where applicable will be assessed by location. Water by meter rates will apply where metered water is supplied.

## DIFFERENTIAL CATEGORIES

For the year 1 July 2021 to 30 June 2022 the following Land Use Categories and Differential Factors will apply to the General Rate assessed by Capital Value

	CATEGORY	DIFFERENTIAL FACTOR
i.	<p><b>COMMERCIAL</b></p> <p>The reason for this differential is to reflect the additional consumption of Council services and amenities that this land use attracts through a concentration of visitors and local patrons, and the advantage of the formal ability to derive revenue from the land.</p>	1.6
ii.	<p><b>FORESTRY</b></p> <p>The rationale for this differential is a combination of the following:</p> <ul style="list-style-type: none"> <li>• The incremental cost that Council incurs in its roading activity due to the impacts of this land use</li> <li>• The limited contribution to social and economic wellbeing within the district relative to other land uses</li> <li>• The comparatively negative environmental impacts of this land use</li> </ul>	4.0
iii.	<p><b>RESIDENTIAL A – Capital Value less than \$400,000</b></p> <p>This is the baseline differential that assumes that Council activities for which revenue is collected through the general rate are available to the entire community. At this threshold, the allocation of the revenue requirement is considered proportionate to ability to pay.</p>	1.0
iv.	<p><b>RESIDENTIAL B – Capital Value greater than or equal to \$400,000 and less than \$600,000</b></p> <p>This differential seeks to establish a balance between affordability and distribution of benefit, noting that the incidence of rates assessed on capital value can become disproportionate where the primary purpose of the land use is for homes.</p>	0.8
v.	<p><b>RESIDENTIAL C – Capital Value greater than \$600,000</b></p> <p>This differential category recognises the relatively disproportionate allocation of rates assessed on capital value to higher value rating units that are homes, and that at higher values the correlation to consumption of activities and ability to pay is lower.</p>	0.7
vi.	<p><b>RURAL</b></p> <p>In setting this differential the following considerations are applied:</p> <ul style="list-style-type: none"> <li>• Lifestyle blocks are similar in nature to residential rating units, but with less convenient access to some Council activities</li> <li>• Horticulture and farming contribute significantly to the economic well-being of the district, but the former is penalised by the inclusion of crop and licenses in its capital value, while the latter has a lower output intensity per capital value than other productive land uses</li> </ul>	0.7

Rates per unit in the following paragraphs are per \$000's of rateable value unless otherwise stated. Amounts shown are inclusive of GST at 15%.

Since Council has adopted a new rating method, comparatives to the year ending 30 June 2022 would not have been relevant in a rate-by-rate analysis.

## GENERAL RATE

Council will assess a general rate based on the capital value of all rateable land in the district, set differentially according to the use to which the land is put and the capital value of the land.

The rates (per dollars (\$000's) of capital value) for 2021/22 are:

	DIFFERENTIAL CATEGORY	RATE PER \$1,000 OF CAPITAL VALUE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	COMMERCIAL	7.2664	912,834
ii.	FORESTRY	18.1661	2,799,468
iii.	RESIDENTIAL A - Capital Value less than \$400,000	4.5415	1,880,521
iv.	RESIDENTIAL B - Capital Value greater than or equal to \$400,000 and less than \$600,000	3.6332	323,211
v.	RESIDENTIAL C - Capital Value greater than \$600,000	3.1791	242,417
vi.	RURAL	3.1791	4,241,151

The general rate will raise \$ 10,399,601 (including GST) in 2021/2022

Revenue from the General Rate will be used to fund the following Groups of Activities:

GROUP OF ACTIVITIES	REVENUE GENERATED (INCL. GST) (\$)
COMMUNITY FACILITIES	\$2,285,988
CORPORATE FUNCTIONS	-\$476,235*
LEADERSHIP AND GOVERNANCE	\$2,449,894
PLANNING & REGULATORY	\$1,183,622
STORMWATER	\$47,146
TRANSPORTATION	\$4,399,360
WASTE MANAGEMENT	\$129,373
WASTEWATER	\$214,890
WATER SUPPLY	\$165,563

\*Most of the Corporate Functions Group is recovered via internal overhead and internal rent from other activities. The remaining credit relates to investment revenue that remains attributable to this Group. This is offset against general rates.

## UNIFORM ANNUAL GENERAL CHARGE

Council will assess a uniform annual general charge (UAGC) as a fixed amount per separately used or inhabited part of a rating unit within the district. The total amount of the UAGC is determined by the rates allocated to specific activities. Certain activities are funded partially by the UAGC and partially by the General Rate assessed by Capital Value. In doing so Council seeks to establish an appropriate allocation such that all ratepayers make a minimum contribution to these activities that are provided to benefit the whole community. These activities and the amount to be rated via the UAGC in 2021/22 are detailed in the table below:

ACTIVITY	PROPORTION ALLOCATED THROUGH UAGC %	REVENUE GENERATED (INCL. GST) (\$)
COMMERCIAL PROPERTY	50%	\$47,367
ENTERPRISE BUILDING	50%	\$21,513
COUNCIL ADMINISTRATION AND DEMOCRACY SERVICES	50%	\$1,326,260
MĀORI RELATIONSHIPS	50%	\$127,040
VISITOR INFORMATION CENTRE	50%	\$35,158
ECONOMIC DEVELOPMENT	15%	\$131,990
GAIETY THEATRE	15%	\$6,379
DIGITAL HUB	15%	\$2,343
COMMUNITY CENTRE	15%	\$74,031
COMMUNITY SUPPORT	50%	\$139,333
LIBRARY	25%	\$341,212

The UAGC for 2021/22 is \$440.10 (incl. GST), raising \$2,252,627 (incl. GST).

## TARGETED RATE – WATER SUPPLY (FIXED CHARGE)

Council will assess a targeted rate to fund water supply, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of Council as a fixed amount per separately used or inhabited part of a rating unit. These amounts represent 90% of the total amount for Water Supply to be funded by rates. The remaining 10% is allocated to the General Rate, assessed by Capital Value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in providing clean safe drinking water.

The rates for 2021/2022 are:

	DIFFERENTIAL CATEGORY	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	<b>WAIROA TOWNSHIP/WAIROA WARD SUPPLY AREA (including Frasertown and Wairoa Environs): CONNECTED</b> Water Charge Wairoa Frasertown Water Supply Peri Urban Water Supply	Per separately used or inhabited part of a rating unit	671.30	1,261,998 121,638 45,614
ii.	<b>WAIROA TOWNSHIP SUPPLY AREA (including Frasertown and Wairoa Environs): NOT CONNECTED BUT AVAILABLE</b> <i>being a property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>		335.60	
iii.	<b>MAHANGA SUPPLY AREA (Mahanga water supply): CONNECTED</b>		494.50	30,410
iv. v.	<b>MAHANGA SUPPLY AREA: NOT CONNECTED BUT AVAILABLE</b> <i>being a property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>		247.20	
	<b>TUAI SUPPLY AREA: CONNECTED</b>		547.90	30,410
vi.	<b>TUAI SUPPLY AREA: NOT CONNECTED BUT AVAILABLE</b> <i>being a property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	274.00		

The water supply (fixed amount) targeted rate will raise \$1,490,070 in the year ending 30 June 2022. The water supply rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Mahanga, and Tuai.

## TARGETED RATE – WATER SUPPLY (WATER METER)

Council will assess a targeted rate to fund water supply, set as based on the volume of water consumed or supplied, for all rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply.

The rates for the year ending 30 June 2022 are:

	AREA	BASIS FOR LIABILITY	CHARGE PER M <sup>3</sup> (INCL GST) (¢)
i.	WAIROA TOWNSHIP RETICULATION AREA	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.61
ii.	WAIROA ENVIRONS AREA (not including rating units in (i), (iii) and (iv))		0.61
iii.	FRASERTOWN RETICULATION AREA		0.61
iv.	TUAI RETICULATION AREA		0.61
v.	LAND USED FOR MEAT PROCESSING IN WAIROA		0.34

The water supply metered rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Mahanga and Tuai.

## TARGETED RATE – SEWERAGE DISPOSAL

Council will assess a targeted rate in respect of sewerage disposal, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rates for 2021/22 are:

	DIFFERENTIAL CATEGORY <sup>1</sup>	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	<b>WAIROA WARD (not temporary accommodation businesses): CONNECTED</b>	Per water closet or urinal connected (for up to the first five)	668.3	1,358,242
ii.	<b>WAIROA WARD (not temporary accommodation businesses): CONNECTED</b>	Per water closet or urinal connected (for six to up to and including 15)	467.8	
iii.	<b>WAIROA WARD (not temporary accommodation businesses): CONNECTED</b>	Per water closet or urinal connected (for 16 or more)	334.2	
iv.	<b>WAIROA WARD (temporary accommodation businesses): CONNECTED</b>	Per water closet or urinal connected (for up to the first five)	668.3	
v.	<b>WAIROA WARD (temporary accommodation businesses): CONNECTED</b>	Per water closet or urinal connected (for six or more)	467.8	
vi.	<b>WAIROA WARD: NOT CONNECTED BUT AVAILABLE</b> <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	334.2	
vii.	<b>TUAI VILLAGE: CONNECTED<sup>1</sup></b>	Per water closet or urinal connected	668.3	155,107
viii.	<b>TUAI VILLAGE: NOT CONNECTED BUT AVAILABLE</b> <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	334.2	
ix.	<b>MĀHIA: CONNECTED</b> or required to be connected under the Trade Waste and Wastewater bylaw 2012.	Per number or nature of connections from the land within each rating unit to the reticulation system	668.3	258,311
x.	<b>MĀHIA: NOT CONNECTED</b> or required to be connected under the Trade Waste and Wastewater bylaw 2012 where a property is situated within 30 metres of a public sewerage system to which it is capable of being connected, either directly or through a public drain.	Per rating unit	334.2	
xi.	<b>ŌPOUTAMA &amp; BLUE BAY: CONNECTED</b> or required to be connected under the Trade Waste and Wastewater bylaw 2012	Per number or nature of connections from the land within each rating unit to the reticulation system	668.3	53,132

<sup>1</sup> For the purposes of this rate, a rating unit used primarily as a residence for one household must not be treated as having more than one water closet or urinal.

	DIFFERENTIAL CATEGORY <sup>1</sup>	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
xii.	<b>ŌPOUTAMA &amp; BLUE BAY: NOT CONNECTED</b> or required to be connected under the Trade Waste and Wastewater bylaw 2012 where a property is situated within 30 metres of a public sewerage system to which it is capable of being connected, either directly or through a public drain.	Per number or nature of connections from the land within each rating unit to the reticulation system	334.2	
xi.	<b>RURAL WASTEWATER:</b> all land that is not connected or able to connect to Council wastewater reticulation, but to which a council operated wastewater treatment facility is available. This rate funds the treatment of wastewater from septic tanks.	Per separately used inhabited part of a rating unit described as 'Flat, Dwelling, Bach, Cottage, Cafeteria, Accommodation, Building, Cabin, Camping Ground, Tavern, Hall, Office, Hotel, Sleepout, Orchard or Shop' in Council's Rating Information Database.	55.9	109,435

The sewerage disposal targeted rate will raise \$1,934,227 (including GST) in the year ending 30 June 2022. These amounts represent 90% of the total amount for the Wastewater activity to be funded by rates. The remaining 10% is allocated to the General Rate, assessed by Capital Value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in ensuring wastewater is managed safely throughout the district.

## TARGETED RATE – WASTEWATER SCHEMES

Council will assess a targeted rate pursuant to the provision or availability to the land of a service provided by, or on behalf of, the local authority by the Māhia and Ōpoutama wastewater schemes. The rates for 2021/2022 are:

	DIFFERENTIAL CATEGORY	BASIS FOR LIABILITY	REVENUE GENERATED (INCL. GST) (\$)
i.	<b>MĀHIA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 10 years.</b> <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure, costs connection costs (if any), and finance costs, relating to that property.	4,817
iii.	<b>MĀHIA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 20 years.</b> <i>In accordance with the Capital Funding Plan.</i>		86,302
iv.	<b>MĀHIA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 30 years.</b> <i>In accordance with the Capital Funding Plan.</i>		5,307
v.	<b>ŌPOUTAMA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 10 years.</b> <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Ōpoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.	4,054
vii.	<b>ŌPOUTAMA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 20 years.</b> <i>In accordance with the Capital Funding Plan.</i>		9,311
viii.	<b>ŌPOUTAMA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 30 years.</b> <i>In accordance with the Capital Funding Plan.</i>		3,092

## TARGETED RATE – WASTE MANAGEMENT

Council will assess a targeted rate in respect of waste management, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa Township Area and the Wairoa Rural Area. The rates for 2021/2022 are:

	DIFFERENTIAL CATEGORY	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	WAIROA TOWNSHIP AREA	Per separately used or inhabited part of a rating unit	252.4	489,032
ii.	RURAL AREAS	Per separately used or inhabited part of a rating unit	210.6	675,329

The waste management targeted rate will raise \$1,164,361 (incl. GST) the year ending 30 June 2022. The waste management rate will be used to fund the waste management activity. These amounts represent 90% of the total amount for the Waste Management activity to be funded by rates. The remaining 10% is allocated to the General Rate, assessed by Capital Value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in ensuring rubbish is managed safely throughout the district.

## TARGETED RATE – DRAINAGE

Council will assess a targeted rate in respect of drainage set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa Urban and the Māhia Township Areas. The rates for 2021/2022 are:

	DIFFERENTIAL CATEGORY	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	WAIROA URBAN AREA	Per separately used or inhabited part of a rating unit	197.9	360,665
ii.	MĀHIA TOWNSHIP AREA	Per separately used or inhabited part of a rating unit	134.1	63,647

The drainage targeted rate will raise \$424,312 (including GST) in the year ending 30 June 2022. These amounts represent 90% of the total amount for the Stormwater activity to be funded by rates. The remaining 10% is allocated to the General Rate, assessed by Capital Value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in ensuring stormwater is managed safely throughout the district.

## DEFINITION OF SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT

A fixed amount charged to each separately used or inhabited part of a rating unit.

### **DEFINITION OF A SEPARATELY USED OR INHABITED PART OF A RATING UNIT**

Any part of a rating unit used for a different purpose or inhabited by any person, other than the ratepayer or member of the ratepayer's household, having a right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

Interpretation rules that form part of the definition of 'separately used or inhabited part':

- A. Each separate shop or business activity on a rating unit is a separate use, for which a separate UAGC is payable. (See Guidance Note 1.)
- B. Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let (or capable of being let) for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Guidance Note 2.)
- C. Each residential rating unit which has, in addition to a family dwelling unit, one or more non-residential uses (i.e. home occupation units) will be charged an extra UAGC for each additional use. (See Guidance Note 3.)
- D. Each non-residential activity which has, in addition to its business or commercial function, co-sited residential units which are not a prerequisite part of the business or commercial function, will be liable for additional UAGCs for each residential unit. (See Guidance Note 4.)
- E. Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts, and will each be liable for a separate UAGC. (See Guidance Note 5.)
- F. Each title on a multiple-managed forestry holding (that is, where the forest is broken into several individual small titles) is a separately used part except when one or more titles are adjacent and under the same ownership, in which case the rules of contiguity apply.
- G. Each block of land for which a separate title has been issued is liable to pay a UAGC, even if that land is vacant. NOTE: Two or more adjacent blocks of vacant land are not eligible for remission under "contiguity" (S.20 of LG(R)A 02) because they are not "used for the same purpose" (i.e. they are not used at all).

- H. Each dwelling, flat, or additional rentable unit (attached or not attached) on a pastoral, horticultural or forestry property which is let (or capable of being let) for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Guidance Note 6.)
- I. A substantial part of the year is considered to be three months or more (this total period may be fragmented, and may occur at any part of the rating year).
- J. Each dwelling on a lifestyle block whether tenanted or not.

### **GUIDANCE NOTES**

The following notes are not rules, but are intended to aid officers in the interpretation of the rules.

#### **1. Commercial Properties**

- A single building on one title with 24 separate 'shops' would pay 24 UAGCs.
- A motel with an attached dwelling would pay only one UAGC. This is because the attached dwelling is essential to the running of the motel. This is similar to a pastoral property with one dwelling (See rule D above)
- A motel with an attached restaurant which is available to the wider public has two separately used parts and would pay two UAGCs. Likewise, a motel with an attached conference facility would pay an additional UAGC.
- A business which makes part of its income through leasing part of its space to semi-passive uses such as billboards, or money machines, is not regarded as having a separately used or inhabited part and would not be charged a separate UAGC.

#### **2. Residential Properties**

- The rule will apply to properties identified as "flats" on the valuation record (administered by Council's Valuation Service Provider, Quotable Value Limited). Sleep-outs and granny flats will generally be identified as "sleep-out" on the valuation record and will not normally incur additional UAGCs.
- If a property is identified on the valuation record as having flats, but these in fact are used only for family members or for others for very short periods, the additional UAGCs may be remitted on Council receiving proof of their use, including a signed declaration from the property owner (see remission policy for dwellings used for family use). A property owner who actively advertises the flats for accommodation will not qualify for the remission.

### 3. Residential with Non-Residential Part

- A residence with a separately accessible “office” (which may be used for surveyor, architect, or medical services) will pay an additional UAGC for the office. This is because it is a separately used part which generates additional use of roads, services, planning resources and democratic processes.
- A residence with a “Home Occupation” (commonly called a “hobby business”) will not generally be charged a separate UAGC unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not incur an additional UAGC, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, clearly has a separately used or inhabited part of the rating unit, and would incur an additional UAGC.
- A residential property, part of which is used continually for storage of large industrial machinery, has a separately used part, and would incur an additional UAGC.

### 4. Non-Residential Activity with Co-sited Dwelling

- A fish and chip shop, with a separately used flat above which can be accessed without passing through the shop, does have a separately used part, and would normally incur an additional UAGC charge.

- A dairy which has the operator’s integral dwelling attached, would not incur an additional UAGC because the home is an integral part of the operation of the dairy similar to a pastoral property or motel.
- Certain Government agencies, churches, marae, and the like are automatically rate exempt (except for service charges such as water and wastewater). They may be charged rates and additional UAGCs for each separately used or inhabited part of the rating unit, however, if these organisations undertake accommodation or business activities which are not related to their core function.

### 5. Individually Tenanted Flats

- Each flat, apartment, or retirement or disability home, and each property under a “licence to occupy”, is a separately used or inhabited part of a rating unit. This is regardless of the number of people who may be living in the unit. Each will be required to pay an additional UAGC charge.

### 6. Pastoral Properties

- Each dwelling, tenanted or untenanted, is a separately used or inhabited part of a rating unit. Each additional dwelling will incur an additional UAGC charge.
- Shearer’s quarters that are untenanted, and used as a shearers quarters, will not be treated as a separately used or inhabited part of a rating unit. Shearer’s quarters which are tenanted will be a separately used or inhabited part of a rating unit and incur an additional UAGC charge.
- A pastoral property with one dwelling would pay only one UAGC. This is because the attached dwelling is essential to the running of the pastoral property.
- Untenanted farm dwellings and cottages in addition to the main ‘farm house’ will be charged additional UAGCs.

## RATING BASE

The total projected rateable units within the district at the end of the financial year 2021/22 were 6,835. This is projected to increase at an average of 10 rating units per year over the 10 years of the Long-term Plan.

## INDICATIVE RATING SAMPLES

Area	New Differential Sector	Rated LV	Rated CV	Actual rates 2020/21	Proposed rates 2021/22	Proposed rates 2030/31
Wairoa	Commercial	17,000	185,000	\$5,396	\$3,574	\$5,515
Wairoa	Commercial	60,000	550,000	\$12,500	\$7,563	\$11,924
Kotemaori	Forestry	20,700,000	22,500,000	\$182,323	\$409,444	\$658,704
Opoutama	Residential A	35,000	80,000	\$1,132	\$1,014	\$1,476
Frasertown	Residential A	13,000	215,000	\$1,961	\$2,354	\$3,564
Wairoa	Residential A	52,000	310,000	\$4,330	\$3,638	\$5,617
Wairoa	Residential B	28,000	555,000	\$4,878	\$3,634	\$5,615
Mohaka	Residential B	110,000	450,000	\$880	\$1,901	\$3,068
Mahia	Residential B	350,000	510,000	\$1,938	\$2,559	\$3,962
Mahia	Residential C	495,000	820,000	\$3,029	\$4,060	\$6,366
Mahia	Residential C	415,000	1,400,000	\$2,674	\$5,157	\$8,143
Mahanga	Residential C	280,000	610,000	\$2,377	\$3,140	\$4,847
Ohuka	Rural	3,430,000	4,060,000	\$11,327	\$14,320	\$22,731
Putorino	Rural	9,200,000	10,100,000	\$27,173	\$34,228	\$54,610

## APPENDIX 1 – ALLOCATION OF LAND USE CODES TO RATING CATEGORIES

CATEGORY CODE	CATEGORY DESCRIPTION	RATING CATEGORY
AI	Land which has irrigation available	Rural
AN	Land which has no irrigation available	Rural
CA	Accommodation such as motels	Commercial
CC	Cinema, theatre	Commercial
CE	Elderly rest homes	Commercial
CH	Health Operations of a small scale	Commercial
CK	Educational type uses including pre-school, primary, secondary	Commercial
CL	Liquor outlets including taverns	Commercial
CM	Motor vehicle sales or service	Commercial
CO	Office type uses	Commercial
CP	Parking buildings, and unit titles car parks which are likely to sell for commercial use	Commercial
CR	Retailing use	Commercial
CS	Service stations	Commercial
CT	Tourist type attractions as well as other amenities with an emphasis on leisure of a non-sporting type	Commercial
CV	Vacant land, or land with low value of improvements, which when developed is likely to have a commercial use	Commercial
CX	Other commercial uses or where there are multiple uses	Commercial
D	Milk is supplied for milk products	Rural
FE	Exotic forests	Forestry
FI	Indigenous forests	Commercial
FP	Protected forests of any type	Rural
FV	Vacant land suitable for planting	Rural
HB	Berry fruits	Rural
HC	Citrus	Rural
HF	Flowers	Rural
HG	Glasshouses	Rural
HK	Kiwifruit	Rural
HM	Market garden	Rural
HP	Pip fruit	Rural
HS	Stone fruit	Rural
HV	Vineyard	Rural
HX	Other horticultural uses or where there is more than one use and no use is predominant	Rural
IF	Food processing or specialised food storage	Commercial

CATEGORY CODE	CATEGORY DESCRIPTION	RATING CATEGORY
IH	Heavy, large-scale manufacturing, including vehicle manufacturing, aluminium and steel production	Commercial
IL	Light Manufacturing	Commercial
IN	Noxious or dangerous industrial uses such as oil refinery and natural gas conversion type industries and fuel tank farms would be included	Commercial
IS	Services that usually have an interface with the general public as direct clients	Commercial
IV	Vacant land, or land with low value of improvements, which when developed will have an industrial type use	Commercial
IW	Warehousing with or without associated retailing	Commercial
IX	Other industrial uses or where there are multiple uses	Commercial
LB	Bare or substantially unimproved land, which is likely to be subdivided into smaller lifestyle lots	Rural
LI	Improved to the extent that there is some residential accommodation sited on the land	Rural
LV	Vacant or substantially unimproved land without immediate subdivision potential	Rural
MC	Coal fields	Commercial
MG	Gas	Commercial
ML	Limestone quarries	Commercial
MO	Oilfields	Commercial
MP	Precious metal mining sites	Commercial
MR	Rock, shingle, or sand pits extraction	Commercial
MX	Multiple mining activities or not otherwise specified	Commercial
OA	Assembly Halls	Residential
OE	Educational type uses including pre-school, primary, secondary, and tertiary	Commercial
OH	Health and other public medical uses of large a large scale, including hospitals	Commercial
OM	Māori sites including marae and other meeting houses and including Māori burial sites	Rural or Residential
OP	Passive reserves including wilderness and conservation reserves as well as regional and national parks	Rural
OR	religious uses including places of worship	Commercial
OS	Sports grounds including racecourses, golf courses, ski fields, squash courts	Commercial
OV	Vacant land without obvious use	Rural or Residential
OX	Other uses or where there are multiple uses	Commercial
PF	Finishing land suitable for livestock, and breeding	Rural
PG	Grazing land for livestock	Rural
PR	High country runs	Rural
PS	Stud properties where the principal use is the breeding of stud stock for sale	Rural
RA	Apartments which are in multi-story buildings	Residential or

CATEGORY CODE	CATEGORY DESCRIPTION	RATING CATEGORY
		Commercial
RB	Bare or substantially unimproved land, which is likely to be subdivided into dwelling house sites	Residential
RC	Converted dwelling houses which are now used as rental flats and have two or more units of use	Residential
RD	Dwelling houses of a fully detached or semidetached style situated on their own clearly defined piece of land	Residential
RF	Ownership home units which do not have the appearance of dwelling houses	Residential
RH	Home and income. The dwelling is the predominant use and there is an additional unit of use attached to, or associated with, the dwelling house which can be used to produce income	Residential
RM	Vacant or substantially unimproved land on which it is likely that multiple housing units will be built	Residential
RN	There is more than one principal dwelling house	Residential
RP	Unit-titled car park which is likely to sell for residential use	Residential
RR	Rental flats which have been purpose-built for rental purposes and have two or more units of use	Residential
RV	Vacant or substantially unimproved land on which it is likely that a single dwelling house will be built	Residential
SA	Aquaculture, including all types of fish farming	Rural
SD	Deer farming	Rural
SH	Horse studs and training operations	Rural
SP	Poultry	Rural
SS	Pigs	Rural
SX	All other specialist livestock	Rural
UC	Civic, including storm water, sewerage, and water reticulation	Commercial
UE	Energy, including electricity and gas distribution networks and supporting facilities	Commercial
UG	Generating and processing sites or plants that support utility networks	Commercial
UP	Post boxes	Commercial
UR	Rail network corridors	Commercial
UT	Telecommunication networks and supporting facilities	Commercial