

Funding impact statement

The total estimated expenditure for 2020/2021 is \$48,198,721. This expenditure will be funded from the following sources. These funding/financing sources are consistent with the *Revenue and Financing Policy*.

2019/2020 Estimate \$	2020/2021 Estimate \$	2020/2021 LTP \$
4,927,648	7,954,392	5,435,148
3,026,744	-	3,106,386
5,910,867	5,971,173	2,320,583
17,677,048	19,403,195	10,735,960
3,277,474	4,094,968	2,681,675
8,000,000	8,000,000	8,000,000
1,100,000	1,150,000	1,115,411
-	-	-
-	-	-
-	-	-
3,286,719	1,341,772	300,000
585,633	174,000	585,633
(48,631)	(250,228)	(47,808)
47,743,502	47,839,272	34,232,988

Capital value general rate

The Council proposes a general rate on the capital value on each rating unit in the region. The estimated general rate (in cents in the dollar of capital value) for 2020/2021 is 0.0241749 (GST inclusive). The Council proposes no differentials on the general rate. The general rate will be equalised between the three districts in the Taranaki region (see page 44). The rates to be collected from each district are:

- New Plymouth and North Taranaki constituencies—to produce \$5,643,124 at a rate of 0.023445 cents in the dollar of capital value GST inclusive
- Stratford constituency—to produce \$837,001 at a rate of 0.0282108 cents in the dollar of capital value GST inclusive
- South Taranaki constituency—to produce \$2,667,426 at a rate of 0.0242842 cents in the dollar of capital value GST inclusive.

Separately used or inhabited part of a rating unit

Separately used or inhabited part of a rating unit (SUIP): A SUIP is defined as a separately used or occupied part of a rating unit and includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

Separately used or inhabited for a residential rating unit includes a building or part of a building that contains, two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation

Separately used or inhabited for a small holding or farmland property rating unit includes a rural property/farm with multiple dwellings (e.g., a house is used by a farm worker) each of which is separately inhabited or is capable of separate habitation

Separately used or inhabited for a commercial or industrial rating unit: means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes

An exception is made for motels/hotels as these are treated as one business even if each accommodation unit may be capable of separate habitation.

This definition of SUIP applies to the uniform annual general charge when used and to all to fixed rates.

Targeted rates

The following table summarises the types of targeted rate, the group of activities or activity funded by that targeted rate together with the matters and factors of the targeted rates.

Group of activities funded	Type of rates	Location and types of land to be funded	Different factors or categories
Hazard management	Flood and river control works rate	All properties in the New Plymouth and North Taranaki constituencies of the Taranaki region	Capital value
Hazard management	Flood and river control works rate	All properties in the South Taranaki constituency of the Taranaki region	Capital value
Transport	Passenger transport services rate	All properties in the New Plymouth and North Taranaki constituencies	Capital value

Group of activities funded	Type of rates	Location and types of land to be funded	Different factors or categories
		of the Taranaki region	
Transport	Passenger transport services rate	All properties in the Stratford constituency of the Taranaki region	Capital value
Transport	Passenger transport services rate	All properties in the South Taranaki constituency of the Taranaki region	Capital value
Recreation, culture and heritage	Yarrow Stadium rate	All properties in the New Plymouth, North Taranaki, Stratford and South Taranaki constituencies of the Taranaki region	Fixed charge
Recreation, culture and heritage	Yarrow Stadium rate	All commercial and industrial properties in the New Plymouth and North Taranaki, constituencies of the Taranaki region	Land value

The Council proposes the following targeted rates for 2020/2021:

- A targeted rate for flood and river control works on the capital value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2020/2021 is 0.003393 GST inclusive to produce \$786,453 (GST inclusive).
- A targeted rate for flood and river control works on the capital value on each rating unit in the South Taranaki constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2020/2021 is 0.000669 GST inclusive to produce \$73,490 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2020/2021 is 0.005852 GST inclusive to produce \$1,356,614 (GST inclusive).

- A targeted rate for passenger transport services on the capital value on each rating unit in the Stratford constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2020/2021 is 0.001329 GST inclusive to produce \$39,437 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the South Taranaki constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2020/2021 is 0.000699 GST inclusive to produce \$76,729 (GST inclusive).
- A differential targeted rate for Yarrow Stadium in the New Plymouth and North Taranaki constituencies of the Taranaki region.

Groups of properties (matters) used	Amount of rate and factor to be used	Total amount to be produced
Group 1 Commercial and Industrial.	A rate of 0.023729 cents in the dollar of land value GST inclusive.	\$296,258 GST inclusive
Group 1 Commercial and Industrial.	Fixed amount of \$172.50 GST inclusive for all separately used or inhabited parts of a rating unit.	\$407,963 GST inclusive
Groups 2, 3 and 4 being Residential, Small holdings and Farmland as defined below.	Fixed amount of \$80.89 GST inclusive for all separately used or inhabited parts of a rating unit.	\$2,832,398 GST inclusive.

- The Council differentiates the Yarrow Stadium targeted rate for the New Plymouth and North Taranaki constituencies based on land use. The differential categories are:
 - Group 1: Commercial/industrial. All rating units that are used primarily for any commercial or industrial purpose.
 - Group 2: Residential. All rating units with a land area of one hectare or less, not being rating units in Group 1, used for residential and related purposes.
 - Group 3: Small holdings. All rating units, not being rating units included in Groups 1 or 2, having a land area of more than one hectare but no greater than four hectares.
 - Group 4: Farmland. All rating units, not being rating units included in Group 1, 2 or

3, having a land area in excess of four hectares.

- A targeted rate for Yarrow Stadium as a fixed amount on all separately used or inhabited parts of a rating unit in the Stratford constituency of the Taranaki region. The estimated fixed amount of \$53.88 for all separately used or inhabited parts of a rating unit for 2020/2021 to produce \$240,197 GST inclusive.
- A targeted rate for Yarrow Stadium as a fixed amount on all separately used or inhabited parts of a rating unit in the South Taranaki constituency of the Taranaki region. The estimated fixed amount of \$53.88 for all separately used or inhabited parts of a rating unit for 2020/2021 to produce \$757,371 GST inclusive.

The above figures are estimated cents in the dollar rates based upon the required revenue to be recovered from each type of rate and the current capital or land value of the region or sub-part of the region. The final capital or land value of the region or sub-part of the region used to set the rates (in July 2020) will be different from the values used in the above calculations. The effect on the cents in the dollar rates is not expected to be significant.

The Council does not require a lump sum contribution for any of its targeted rates.

Due dates

All rates will be payable in four equal instalments due on:

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	26 August 2020	26 August 2020	26 August 2020
Instalment 2	25 November 2020	25 November 2020	25 November 2020
Instalment 3	24 February 2021	24 February 2021	24 February 2021
Instalment 4	26 May 2021	26 May 2021	26 May 2021

Penalties and discounts

Pursuant to Section 57 and 58 of the *Local Government (Rating) Act 2002* the following penalties on unpaid rates will be applied.

A charge of 10 percent on so much of any instalment that has been assessed after 1 July 2020 and which remains unpaid after the due date for that instalment.

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	26 August 2020	26 August 2020	26 August 2020
Instalment 2	25 November 2020	25 November 2020	25 November 2020
Instalment 3	24 February 2021	24 February 2021	24 February 2021
Instalment 4	26 May 2021	26 May 2021	26 May 2021

The Council will charge a penalty of 10 per cent on any portion of rates that were assessed or levied in any previous financial years to 1 July 2020 and which remain unpaid on 1 July 2020. The penalty will be applied on 30 September 2020 and a further additional penalty of 10 per cent on any rates that were assessed or levied in any previous financial years and which remain unpaid on 31 March 2021 (New Plymouth and North Taranaki constituencies).

The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2020 which remain unpaid on 10 July 2020 or such later date as required under section 58(1) (b) (ii). A continuing additional penalty of 10% on so much of any rates levied before 1 July 2019 which remain unpaid six months after the previous penalty was added (Stratford constituency).

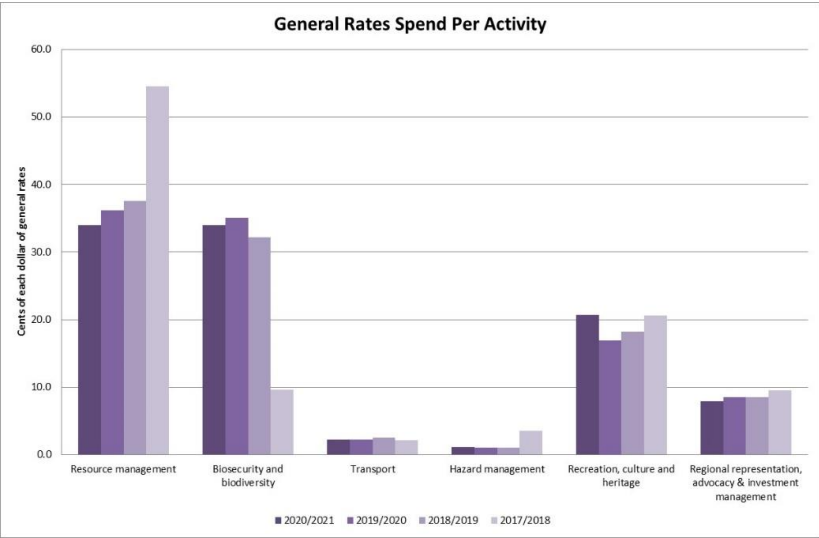
The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2020 which remain unpaid on 1 July 2020 or such later date as required under section 58(1) (b) (ii). (South Taranaki constituency).

A discount of 3% will be allowed on the total rates set for the financial year, if the rates for a financial year are paid in full on or before the due date of the first instalment for the financial year. (South Taranaki constituency only). This will be 26 August 2020.

Payment Locations

The Council’s rates and charges will become due and payable at the principal offices and service centres of the region’s district councils. The rates and charges can also be paid at the principal office of the Taranaki Regional Council.

Each dollar of general rates collected is spent in the following manner:



Rating impact

The following are examples of the level of total rates that different groups of ratepayers will incur in 2020/2021 under this *Plan*. All figures are GST exclusive. These figures are calculated on the equalised capital value of each district. The actual rates struck will be on the unequalised capital value. Accordingly, there will be some differences (expected to be minor) between the figures below and the final rates figures charged.

Ratepayers in the New Plymouth and North Taranaki constituencies:

In these constituencies ratepayers incur a mixture of capital value general rates, capital value targeted rates and fixed charge targeted rates. To determine the rates for any property, refer to the table for that type of property and then look by capital value.

Commercial and industrial property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Land value of property:					
\$50,000	\$225.08	\$257.47	\$322.24	\$403.20	\$484.16
\$100,000	\$235.40	\$267.79	\$332.55	\$413.51	\$494.47
\$150,000	\$245.72	\$278.10	\$342.87	\$423.83	\$504.79
\$300,000	\$276.67	\$309.05	\$373.82	\$454.78	\$535.74
\$500,000	\$317.94	\$350.32	\$415.09	\$496.05	\$577.01

Residential property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Total rates	\$135.11	\$167.49	\$232.26	\$313.22	\$394.18

Small holdings property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Total rates	\$135.11	\$167.49	\$232.26	\$313.22	\$394.18

Farmland property

Capital value of property:	\$500,000	\$1,000,000	\$2,000,000	\$3,000,000	\$5,000,000
Total rates	\$232.26	\$394.18	\$718.02	\$1,041.86	\$1,689.53

Ratepayers in the Stratford and South Taranaki constituencies:

In these constituencies, ratepayers incur a mixture of capital value general rates, uniform annual general charges and fixed charge targeted rates.

Stratford constituency

Capital value of property:	\$200,000	\$500,000	\$1,000,000	\$2,000,000	\$5,000,000
Total rates	\$105.58	\$193.68	\$340.51	\$634.18	\$1,515.18

South Taranaki constituency

Capital value of property:	\$200,000	\$500,000	\$1,000,000	\$2,000,000	\$5,000,000
Total rates	\$97.80	\$174.22	\$301.58	\$556.32	\$1,320.52

Actual rates to be paid

To calculate the approximate rates payable for a property, obtain the rateable capital value from the Rates Assessment Notice issued by your local district council and then complete the attached table. All figures include GST. For example, if you own a residential property in the North Taranaki constituency with a capital value of \$400,000, then the rates calculation would be as follows:

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):			\$400,000	Land Value (LV):	
				\$100,000	
Rate	Factor	Differential	Value	Rate	Amount
General	CV		\$400,000	0.000243	\$97.20
UAGC			1	\$0.00	\$0.00
River control	CV		\$400,000	0.000034	\$13.60
Transport	CV		\$400,000	0.000059	\$23.60
Yarrow Stadium		Residential	1	\$80.89	\$80.89
		Commercial/industrial	0	\$172.50	N/A
	LV	Commercial/industrial	\$100,000	0.000206	N/A
		Farmland	0	\$80.89	N/A
		Small holding	0	\$80.89	N/A
Total rates					\$215.29

Calculate your own rates

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):			Land Value (LV):		
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000243	
UAGC			1	\$0.00	\$0.00
River control	CV			0.000034	
Transport	CV			0.000059	
Yarrow Stadium		Residential		\$80.89	
		Commercial/industrial		\$172.50	
	LV	Commercial/industrial		0.000240	
		Farmland		\$80.89	
		Small holding		\$80.89	
Total rates					

Stratford Constituency					
Capital Value (CV):					
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000282	
UAGC			1	\$0.00	\$0.00
Transport	CV			0.000013	
Yarrow Stadium			1	\$53.88	\$53.88
Total rates					

South Taranaki Constituency					
Capital Value (CV):					
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000243	
UAGC			1	\$0.00	\$0.00
River control	CV			0.000007	
Transport	CV			0.000007	
Yarrow Stadium			1	\$53.88	\$53.88
Total rates					

Rates equalisation/apportionment

The three Taranaki based district councils collect regional general rates on behalf of the Taranaki Regional Council. The projected apportionment of general rates between districts is as follows:

District	Capital Value Equalised \$	%	Estimated Rate Revenue \$	GST \$	GST incl rate revenue \$	Rate in the \$ excl GST
2012/2013						
New Plymouth	13,290,429,000	55.07%	2,588,117	388,218	2,976,335	
Stratford	2,593,336,050	10.74%	504,746	75,712	580,458	
South Taranaki	8,252,154,000	34.19%	1,606,823	241,023	1,847,846	
	24,135,919,050	100.00%	4,699,686	704,953	5,404,639	0.019471
2013/2014						
New Plymouth	\$16,094,949,00	60.17%	\$2,765,159	\$414,774	\$3,179,933	
Stratford	\$2,586,302,000	9.67%	\$444,392	\$66,659	\$511,051	
South Taranaki	\$8,069,489,050	30.16%	\$1,386,026	\$207,904	\$1,593,930	
	\$26,750,740,00	100.00%	\$4,595,578	\$689,337	\$5,284,915	0.017179
2014/2015						
New Plymouth	16,453,922,100	59.03%	2,734,493	410,174	3,144,667	
Stratford	2,633,724,816	9.45%	437,760	65,664	503,424	
South Taranaki	8,786,039,704	31.52%	1,460,126	219,019	1,679,145	
	27,873,686,620	100.00%	4,632,379	694,857	5,327,236	0.016619
2015/2016						
New Plymouth	16,961,017,823	59.66%	2,822,044	423,307	3,245,341	
Stratford	2,663,615,050	9.37%	443,221	66,483	509,704	
South Taranaki	8,805,959,674	30.97%	1,464,946	219,742	1,684,688	
	28,430,592,547	100.00%	4,730,211	709,532	5,439,743	0.016638
2016/2017						
New Plymouth	18,304,730,066	61.70%	\$2,926,703	\$439,005	\$3,365,708	
Stratford	2,873,743,895	9.69%	\$459,639	\$68,946	\$528,585	
South Taranaki	8,488,451,250	28.61%	\$1,357,098	\$203,565	\$1,560,663	
	29,666,925,211	100.00%	\$4,743,441	\$711,516	\$5,454,957	0.015989
2017/2018						
New Plymouth	16,998,928,540	55.35%	2,642,834	396,425	3,039,259	
Stratford	2,946,817,514	9.60%	458,378	68,757	527,135	
South Taranaki	10,763,892,555	35.05%	1,673,556	251,033	1,924,589	
	30,709,638,609	100.00%	4,774,768	716,215	5,490,983	0.015548
2018/2019						
New Plymouth	\$20,927,358,182	60.18%	\$2,965,459	\$444,819	\$3,410,277	
Stratford	\$3,082,320,450	8.86%	\$436,590	\$65,488	\$502,078	
South Taranaki	\$10,766,181,593	30.96%	\$1,525,600	\$228,840	\$1,754,440	
	\$34,775,860,225	100.00%	\$4,927,648	\$739,147	\$5,666,795	0.014169
2019/2020						
New Plymouth	\$22,154,282,246	62.49%	4,970,700	745,605	5,716,305	
Stratford	\$2,993,705,385	8.44%	671,351	100,703	772,054	
South Taranaki	\$10,305,036,050	29.07%	2,312,342	346,851	2,659,193	
	\$35,453,023,681	100.00%	7,954,392	1,193,159	9,147,551	0.0258019
2020/2021						
New Plymouth	\$23,344,023,600	61.69%	4,907,064	736,060	5,643,124	
Stratford	\$3,461,165,033	9.15%	727,827	109,174	837,001	
South Taranaki	\$11,033,882,958	29.16%	2,319,501	347,925	2,667,426	
	\$37,839,071,591	100.00%	7,954,392	1,193,159	9,147,551	0.0241749