

# **Ōtorohanga District Council**

## **Statement of Proposal**

### **Revenue and Financing Policy and Rates Remission Policies**

#### **Introduction**

This proposal summarises the key changes to the Revenue and Financing Policy and Rates Remission Policies proposed to come into effect from 1 July 2024.

The Revenue and Financing Policy sets out the funding sources for Council's activities over the next 10 years and the rationale for these choices. The policy documents how Council has complied with section 101(3) of the Local Government Act 2002 (LGA).

We have two policies relating to the remission of rates:

1. Rates Remission Policy which sets out when we will remit all or part of the rates for a rating unit.
2. Rates Remission on Māori Freehold Land Policy which sets out the conditions and criteria for remissions on Māori freehold land.

Both of these policies have been prepared and reviewed in accordance with legislative requirements.

#### **How can I make a submission?**

The proposed Revenue and Financing Policy and Rates Remission Policies will be open for public submissions from 28 March 2024 until 5.00pm on 29 April 2024

Full copies of all three policies and any relevant supporting information is available from <https://engage.otodc.govt.nz/ltip>. Alternatively, full copies of the documents and submission forms are available from Ōtorohanga District Council, 17 Maniapoto St, Ōtorohanga.

If you also wish to present your submission in person, Council will hear verbal submissions at the hearings from 20 May 2023. You can indicate if you wish to speak to your submission on the submission form, and you will be contacted to arrange a time to speak.

#### **Proposed Policy Changes**

##### **Revenue and Financing Policy**

In general, funding changes to a number of activities have been revised to reflect distribution of benefits across the district.

### **Democracy – Community Boards**

It is proposed to change the funding of Community Boards to reflect a greater contribution from General Rates. This has the impact of spreading the increased cost of overheads to the Community Board across the wider District.

### **Aotea/Kāwhia Seawall Maintenance**

It is proposed to change the funding of the Aotea Seawall from a Targeted Rate across the Aotea Community to a Targeted Rate across the Kāwhia and Aotea Communities. The rate will fund a new activity called Coastal Structures which includes all seawalls in the Kāwhia/ Aotea communities.

This will have the impact of decreasing rates in Aotea and increasing rates in Kāwhia. As the impact of this change is significant across the two communities we have included this as an item for consultation in our Consultation Document, which is available from <https://engage.otodc.govt.nz/ltp> or from Ōtorohanga District Council, 17 Maniapoto St, Ōtorohanga.

### **Building Control**

It is proposed to change the funding of Building Control to reflect a greater contribution from the General Rate. The previous Long-Term Plan included budgeted income from Fees and Charges that was not achievable as the Housing market slowed. This has the impact of spreading the shortfall in revenue across the district. This item is also discussed in our Consultation Document.

### **Animal Control**

It is proposed to change the funding of Animal Control to reflect a greater contribution from the General Rate. The Animal Control account is facing a significant increase in costs in this Long-Term Plan and with fees already at a similar level to other Council's there is a need to meet the shortfall from General Rates spread across the district.

### **Rates Remission on Māori Freehold Land Policy**

We have made some changes to our Policy on remitting Rates on Māori Freehold Land

Council recognises that certain Māori-owned lands have particular conditions, features, ownership structures or other circumstances that make it appropriate to provide relief from rates.

The proposed changes to the policy include creating a register with two category lists. These are:

1. Māori Land General Remissions List -

The objective for this remission is to remit rates where the land is unoccupied and no income is derived from the use or occupation of that land.

2. Māori Land Economic Adjustments Remission List -

The objective for this remission is to provide an incentive to assist the conversion of otherwise unoccupied or unproductive Māori Freehold Land, to an economic use through a progressive stepped application of a full liability for the payment of rates, over a five-year period.

### **Rates Remission Policy**

We have some minor changes to our Rates Remission Policy. The changes that we have made are minor changes to wording to give more clarity around the purpose of the remission.