

Topic 8 - Targeted rate – Raupo A and Raupo B

Recommendation | Ngā tūtohunga

That the Kaipara District Council:

- a) Approves the removal of the differential for the Raupo A and B targeted rate for the 2024-2027 Long Term Plan.

These recommendations do not change what was proposed in the Long Term Plan 2024-2027 Consultation Documents.

Introduction:

Kaipara District 'Roadmap to Recovery' Long Term Plan 2024-2027 Consultation Document said:

Option 1: Remove differential for Raupo A and B rate

Option 2: Status Quo

Targeted rate – Raupo A and Raupo B

Submissions are summarised below:

Observations for ratepayer's vs non-ratepayers:

Among those who pay the targeted rate, 64.3% preferred the status quo. 28.6% preferred removing the differential.

Table 18 offers further insights into public opinion regarding the proposed modifications to the calculation of the targeted Raupo rate, segmented by whether respondents are currently paying the rate.

Should we remove the differential for the Raupo A and B rate?	Do not know	Do not pay the targeted rate	Pay the targeted rate	Total
Do not know	75.4% 46	52.8% 66	7.1% 1	56.5% 113
Status quo	11.5% 7	22.4% 28	64.3% 9	22% 44
Remove differential for Raupo A and B rate	13.1% 8	24.8% 31	28.6% 4	21.5% 43

Table 18: Should we remove the differential for the Raupo A and B rate? Sorted by targeted rate area.

Options and Assessments

Option One – Remove differential for Raupo District A and District B Rate

This is the recommended option.

Raupo District A and Raupo District B is one targeted rate. This means that ratepayers currently paying both targeted rates will only pay one. Raupo District A ratepayers will see an increase to their rate.

This option is supported by the Raupo Drainage Committee.

Option Two – Status Quo

Continue to set Raupo District A and Raupo District B as a differential rate. This is unfair to landowners in the Raupo District B targeted rate area who continue to contribute to both rates and is likely to trigger ongoing complaints from affected ratepayers.

As part of the consultation process each of the property owners charged the Raupo A and B targeted rates were sent individual correspondence advising of what the impact of the proposed change would mean for them.

Impact of recommendation on the LTP (financial and non-financial)

All landowners located within the Raupo Land Drainage Scheme area currently pay a targeted rate that is used to maintain the Raupo Land Drainage Scheme. This includes drains and outlet maintenance by weed spraying and machine cleaning, maintenance and, if necessary, replacing floodgates.

There are three different categories of the Raupo District targeted rate:

- Raupo District A (271 ratepayers contributing to a total of \$692,792 inc GST)
- Raupo District B (5 ratepayers who also contribute to Raupo District A - \$3,440 inc GST). These ratepayers also contribute to the Raupo District A rate.

Landowners in the Raupo District B targeted rate area have requested a review as they are paying both the District A and District B rates. The request to remove the two differential categories and combine A and B has been discussed by the Raupo Drainage District Committee, which supports the change.

There will be no differentiation in the drainage work that is performed for the District A and District B areas and on this basis it is fair to remove the differential rate.

Modelling completed prior to the revaluation showed that all properties in the Raupo District A area would see an increase in this particular rate. This information was included in the consultation document.

Subsequent modelling based on the revaluation and property movements shows that due to the movement in land values some properties in the Raupo District A area will also see a decrease in the drainage rate.

The letters that were sent to affected owners showed the impact of the subsequent modelling.

Detail	Properties (Consultation Document)	Properties (subsequent modelling)
Increase greater than \$100	28	99
Increase less than \$100	242	36
Decrease	-	114
New Property	-	18
Highest increase	\$780	\$507
Next highest increase	\$450	\$337
Lowest increase	\$0.54	\$0.39
Highest decrease	-	-\$1,617
Next highest decrease	-	-\$1,424
Lowest decrease	-	-\$0.05

Removing the differential rate aligns with the workplans for the Raupo drainage district and provides equity for those in the Raupo District B area.

Fit with Long Term Plan

The recommendation is consistent with what the Long -Term Plan 2024-2027 consulted on as option 1.

Policy Implications

The Revenue and Financing policy will need to be updated to reflect the final decision of Council.

Conclusion drawn:

Of the 14 responses received from affected ratepayers, 9 preferred to keep status quo whilst 4 supported removal of the differential rate and 1 did not know. It is equitable to remove the differential rate as this aligns with the workplans for the district. This option is also supported by the Raupo Drainage Committee.