

Rating policy 2025/2026

The purpose of this document is to support the Funding Impact Statement by setting out detailed rating policies applied by Council in order to determine the rates liability of a property. Council will review this policy annually as part of the rates setting process.

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Introduction

This Rating Policy gives effect to the Funding Impact Statement contained in the Long-Term Plan 2025-2026. The components of the policy are integral to the Funding Impact Statement but are contained in a separate policy to enable Council to review the factors applied within the parameters of the Revenue and Financing Policy during each Annual Plan.

Council must comply with the requirements of the Local Government Act 2002 (LGA) and the Local Government (Rating) Act 2002 (LGRA).

In doing so, and in order to set a lawful rate, Council must:

- Have completed a s.101(3) analysis (see Funding Needs Analysis)
- Adopted a Revenue and Financing Policy (see the Long-term Plan)
- Adopted a Funding Impact Statement (see either an Annual or Long-term Plan)
- Adopt an Annual or Long-term Plan.
- Adopt a rates resolution, consistent with everything above.

The requirements of cl.15 of Schedule 10 of the LGA, and its relationship to the LGRA, can be interpreted in several ways. Council believes the Funding Impact Statement to comply with those requirements. It may be interpreted that the requirements for cl.15 to go further than disclosed in the Funding Impact Statement. Should that be the case then those requirements are met by this Rating Policy.

Calculation of Uniform Annual General Charge

Council reviews the Uniform Annual General Charge (UAGC) annually, for the first year Council has determined to charge 17.5% including GST.

A UAGC is charged to every rating unit, subject to the provisions of s20 LGRA.

Description of General Rate and Community Rate Differentials

The following rates are calculated differentially based on the use to which the land is put.

- General rate
- Community rates for:
 - Kumara
 - Hokitika
 - Ross
 - Harihari
 - Whataroa
 - Franz Josef Glacier
 - Fox Glacier
 - Haast
 - Bruce Bay

The LGRA Schedule 2 allows councils to rate based on the location of the land and the use to which the land is put. Each Council is able to define that use and rate based on that use. A property may be described under different rates as having different uses.

Council has determined the following rating use categories will be used for the differential categories for the general rate and each community rate:

Differential Category	Differential Description
Residential	<p>a) Land not identified as commercial, rural, rural residential or services (properties as defined by Schedule 1, LGRA that receive only charges for services. and either:</p> <ul style="list-style-type: none"> - located in Kumara, Hokitika, Kaniere, Ross, Harihari, Whataroa, Franz Josef Resort, Franz Josef, Fox Glacier or Haast and has a District Plan zone of residential, residential mixed, coastal settlement, small settlement, tourist; or - land used for a residential purpose with a District Plan zone of rural and connected to a reticulated Council township water supply and less than 4ha; or - Land predominantly used for a residential purpose with an industrial/commercial or tourist District Plan zone; - Land located at Seaview that is not used for a commercial purpose. <p>b) A residential purpose is land that is primarily used for the purposes of residential accommodation in a dwelling, apartment or institutional home, not more than 5 extra people are boarding with the residents, and no persons are employed or contracted other than for the purposes of caring for residents or boarders.</p>
Rural Residential	<p>a) Land not identified as commercial, rural or services and either:</p> <ul style="list-style-type: none"> - located in Sanctuary Place, Arahura, Lake Kaniere, Woodstock, Rimu, Kokatahi, Ruatapu, Okarito, Bruce Bay, Okuru, Hannahs Clearing, Neils Beach and Jackson Bay and has a District Plan zone of coastal settlement, small settlement, tourist; or - land containing a dwelling with a District Plan zone of rural and less than 10ha.
Commercial	<p>a) Any land used for a commercial purpose and any land in an industrial/commercial or tourist zone unless it is identified used for a residential, services or rural purpose.</p> <p>b) A commercial purpose is land that is used for the purposes of the sale of food, services and other commodities (excluding those identified as rural) and merchandise or the provision of services or professional advice.</p> <ul style="list-style-type: none"> - For example this includes taverns, restaurants, utility networks, electricity generation activities, agricultural contractors, mineral processing (not extraction), timber milling (not felling), intensive farming or horticulture, manufacturing, tourism activities and accommodation. - Council will identify commercial purposes where advertising of the commercial activity is undertaken. Advertising includes: signage on or near the property, on vehicles, in print, radio, TV or other media, on websites or other electronic media or by direct mail. Commercial does not include any part of rural zoned land that meets the definition of rural purpose. - Commercial purposes does not include small hobbies, sale of personal items or the occasional provision of services from a home where only one person is involved in the activity and no other persons are employed or contracted and turnover is assessed as minimal and incidental to the household income. <p>c) Any residential or rural zoned land used for commercial purposes. Where a rating unit has more than one use, a division of the rating unit will be undertaken.</p>
Rural	<p>a) Any land used primarily for rural purposes and any land in a rural zone unless it is identified used for a residential, services or commercial purpose.</p> <p>b) A rural purpose is land that is used for the purpose of agricultural, forestry and mining exploration and extraction activities. It includes mineral valuation assessments. An agricultural activity is land used for the primary purpose of producing livestock or vegetative matter and includes horticultural and pastoral farming. It does not include rural zoned land where 75% of the rating unit is covered and used for intensive farming or horticulture. These are considered commercial use for rating purposes.</p> <p>c) Residential, Commercial, Industrial and Tourism zoned land with an area of greater than 4ha used exclusively for rural purposes. Where a rating unit has more than one use, a division of the rating unit will be undertaken.</p>

Having determined the rating differential categories Council determines the differentiation factor for the different categories. These are reviewed annually. The 2025/2026 differential factors are:

Rate	Differential Category	Differential Factor	Rate	Differential Category	Differential Factor
General rate	Residential	1.00	Whataroa community rate	Residential	1.00
	Rural Residential	0.75		Rural Residential	1.00
	Commercial	2.00		Commercial	1.00
	Rural	1.00		Rural	1.00
Kumara community rate	Residential	1.00	Franz Josef Glacier community rate	Residential	1.00
	Rural Residential	1.00		Rural Residential	0.75
	Commercial	1.00		Commercial	2.00
	Rural	1.00		Rural	0.75
Hokitika community rate	Residential	1.00	Fox Glacier community rate	Residential	1.00
	Rural Residential	0.75		Rural Residential	0.75
	Commercial	2.00		Commercial	2.00
	Rural	0.75		Rural	0.75
Ross community rate	Residential	1.00	Haast community rate	Residential	1.00
	Rural Residential	1.00		Rural Residential	1.00
	Commercial	1.00		Commercial	1.00
	Rural	1.00		Rural	1.00
Harihari community rate	Residential	1.00	Bruce Bay community rate	Residential	1.00
	Rural Residential	1.00		Rural Residential	1.00
	Commercial	1.00		Commercial	1.00
	Rural	1.00		Rural	1.00

Rates Based on Location

Council has established a number of rates where location is one of the matters used to define a category of rateable land. Rating boundaries have been drawn with the intention of encompassing whole rating units. Should a boundary split a rating unit Council will rate the property based on the predominate use of the property.

The following areas have been determined:

- Community rating zones

Maps showing these areas are contained in Appendix 1.

Water And Sewerage Availability Rates

Council charges water and sewerage rates to rating units that Council determines are able to be connected to the water or sewerage systems.

Divisions

Council will undertake the division of rating units when a property has more than one use (as defined for differential rating). The legislation provides that it is Council's responsibility to apportion the differential categories.

A division will create a new rating unit, with a letter being appended to the valuation number.eg. 2541096401C. The division will be calculated using one of the following methods:

- By Agreement.
 - Council and the land owner will assess the area of the rating unit used for each purpose and will apportion the rateable value according to that ratio. This agreement will be in writing signed by the owner(s) and Council, a copy held by both parties. The ratio will be reviewed and reapplied at each revaluation.
- By Council's Valuer.
 - Where Council and the owner cannot agree the value, Council will request a formal valuation of the parts from Council's rating valuer. The cost of the valuation undertaken by Council's valuer will be charged to the property owner.

Payment Methods¹ and Places

Rates will be invoiced quarterly; payment is required on the following due dates of each year² or the first working day thereafter:

- 20 August
- 20 November
- 20 February
- 20 May

Monthly, fortnightly and weekly payment options will be available by arrangement with Council staff, to help customers avoid cash flow difficulties.

Rates may be paid by any of the following methods:

- EFTPOS
- Direct debit
- Automatic payment
- Internet Banking
- Credit Card
- Cash

Rates may be paid at Customer Service Centres:

¹ The methods of payments are required by s.45 LGRA to be listed in the Rates Assessment

² These dates are set each year in the rates resolution as required by s.24 LGRA

- Westland District Council Headquarters, 36 Weld Street, Hokitika between the hours of 8.30am to 4.30pm Monday to Friday.

Any payments received for rates are applied to the oldest debt first.

Metered water rates are invoiced monthly or quarterly with due date for payment being 20th month following invoice date.

Minimum Economic Rate

Council will not collect the rates payable on a rating unit if the sum of those rates is so small as to be uneconomic to collect³. Council has determined that it is uneconomic to collect rates owing on any rating unit of less than \$10.00 (including GST) per annum.

Policy For Early Payment of Rates In The Current Year

A discount of 2.5%, calculated on total assessed rates in the current year less adjustments and remissions, will apply when all due rates are paid in full (which includes current rates and any outstanding rates and penalties from prior years). The total amount must be paid by the due date for payment of the first instalment being 20 August of each year.

Rates Penalties

Council must set its rates penalties as part of its rates resolution⁴.

Generally Council will resolve the following penalties:

1. A 10% penalty is added within the next 5 business days to so much of any instalment not paid by due date.
2. A 10% penalty will be added to rates that remain unpaid from previous years. This will be added on 1 July of each year, or 5 working days after Council has passed the rates resolution (whichever is the later).
3. A further 10% penalty will be added to rates that remain unpaid from previous years. This will be added 6 months after the penalty made in 2 above.

Council notes that the penalties imposed under 2 and 3 above amount to the equivalent of 21% per annum as each subsequent penalty is on the full amount outstanding including previous penalties.

Any payments received for rates are applied to the oldest debt first.

Public Availability of Information

Council will charge a fee for supplying any person with a copy of information from the rating information database.

The fee for this is shown in Council's Fees and Charges.

³ S.54 LGRA

⁴ Penalties are set each year in the rates resolution as required by s.58 LGRA

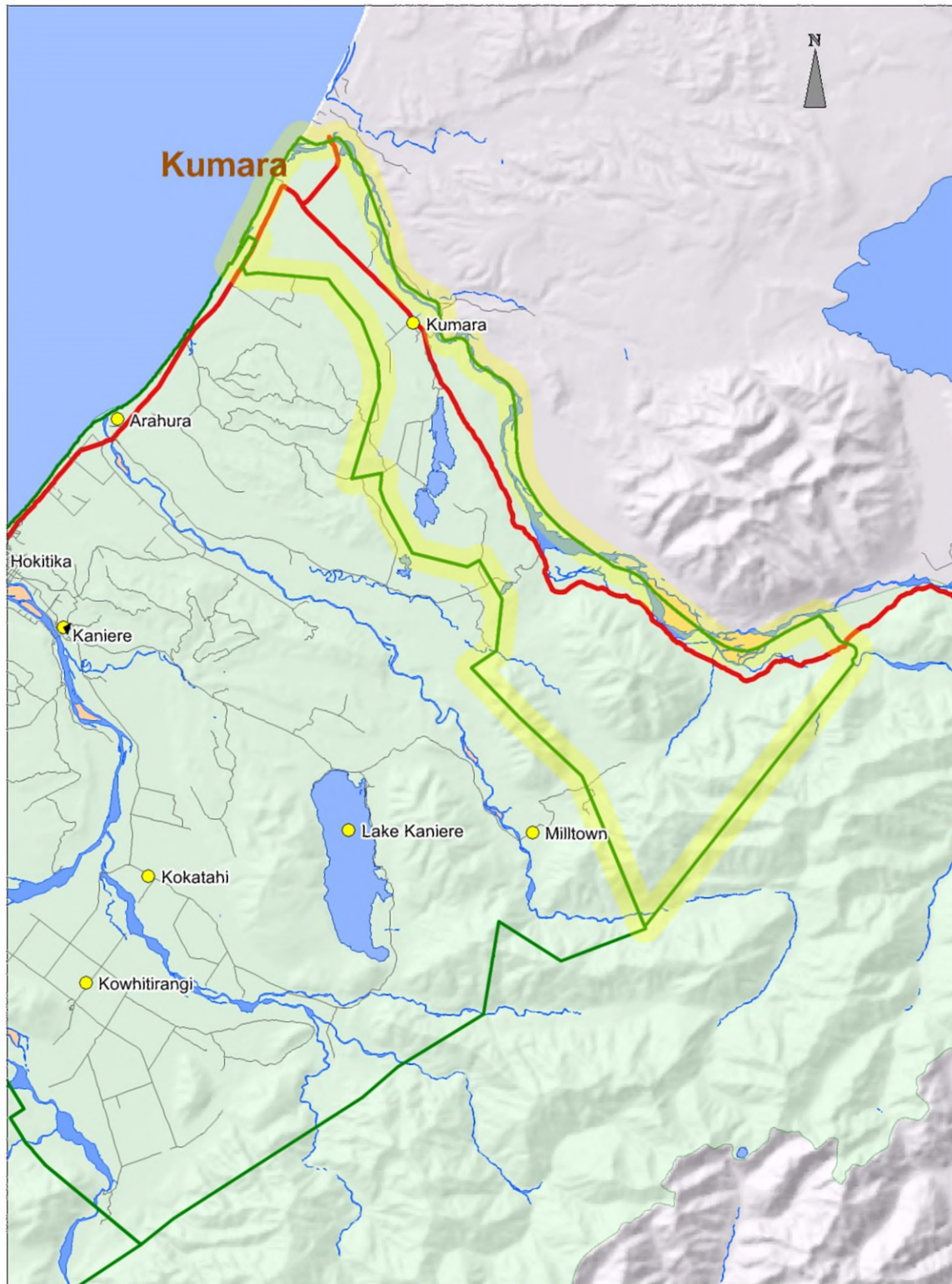
Disputes

Objections to the Rating Information Database and rates records will follow the rules laid down by s.29 and s39 of the Local Government (Rating) Act 2002. Any dispute over the application of any of these rating policies that cannot be resolved through liaison with officers, must be made in writing to the Chief Executive. Should the Chief Executive be unable to reach agreement with the ratepayer the matter shall be decided by Council or any such committee or sub-committee it so delegates.

Appendix 1: Rating Maps



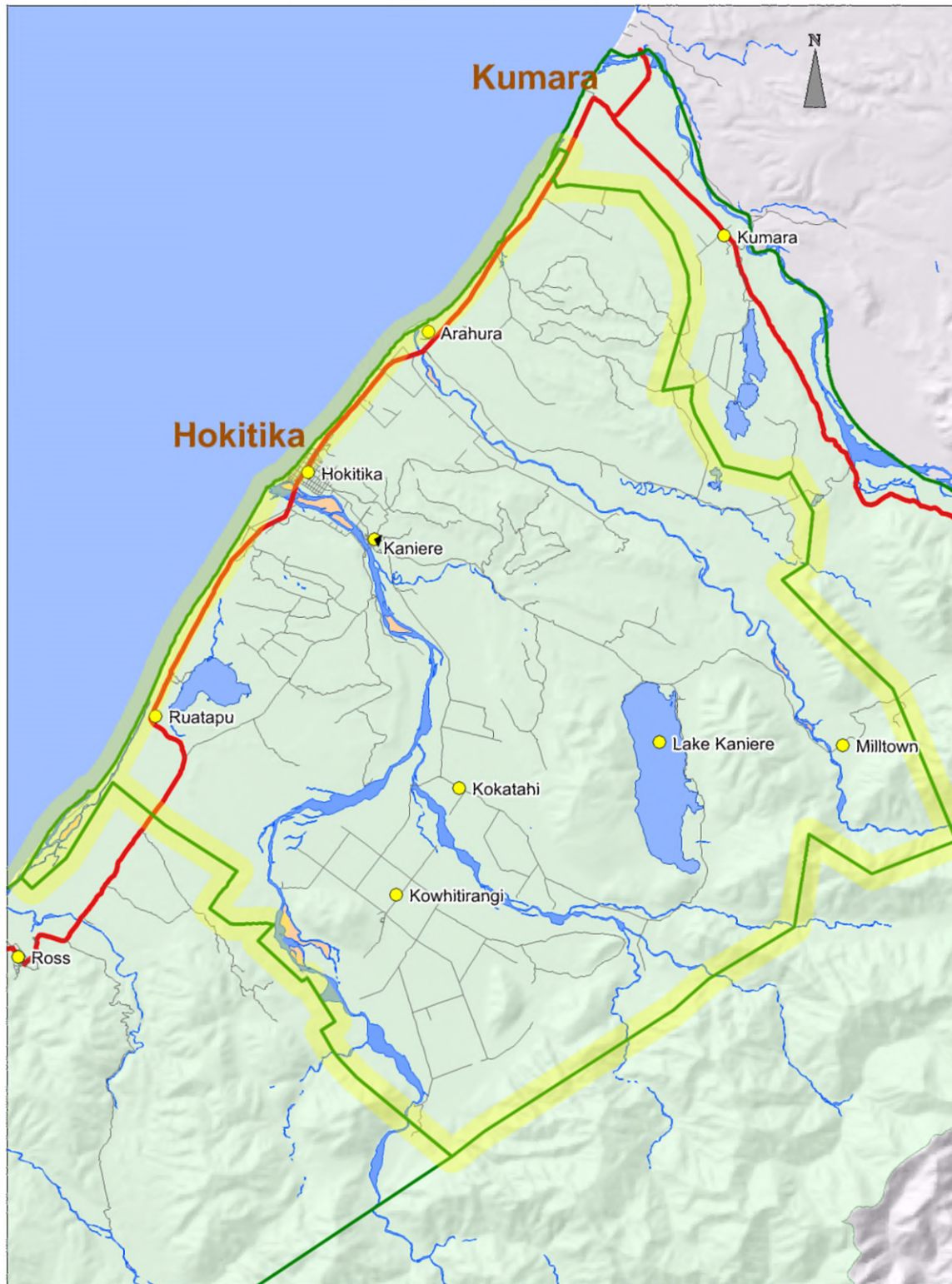
Kumara Community Rating Zone



Kumara Zone
For Community Rating Purposes



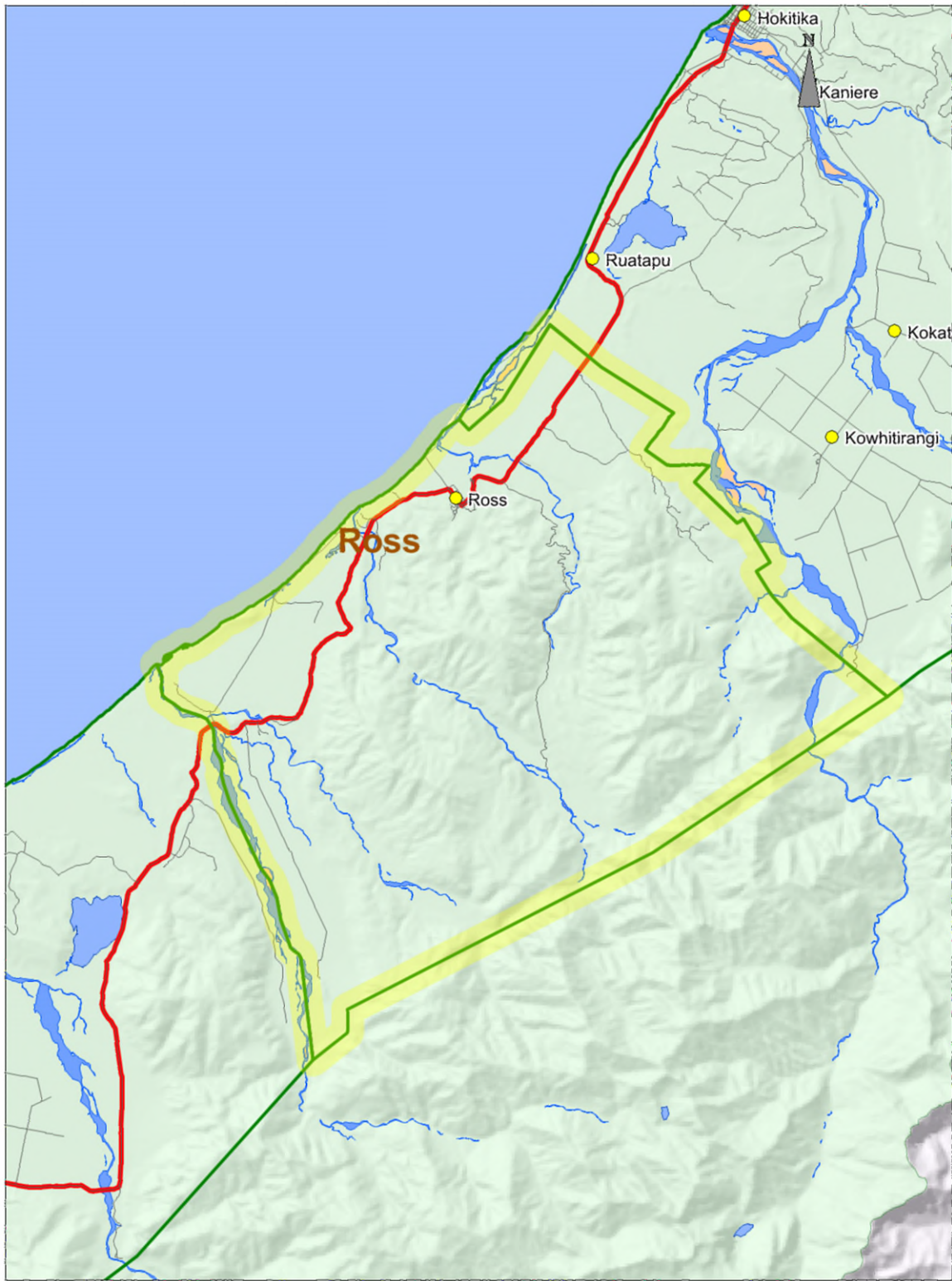
Hokitika Community Rating Zone



Hokitika Zone
For Community Rating Purposes



Ross Community Rating Zone

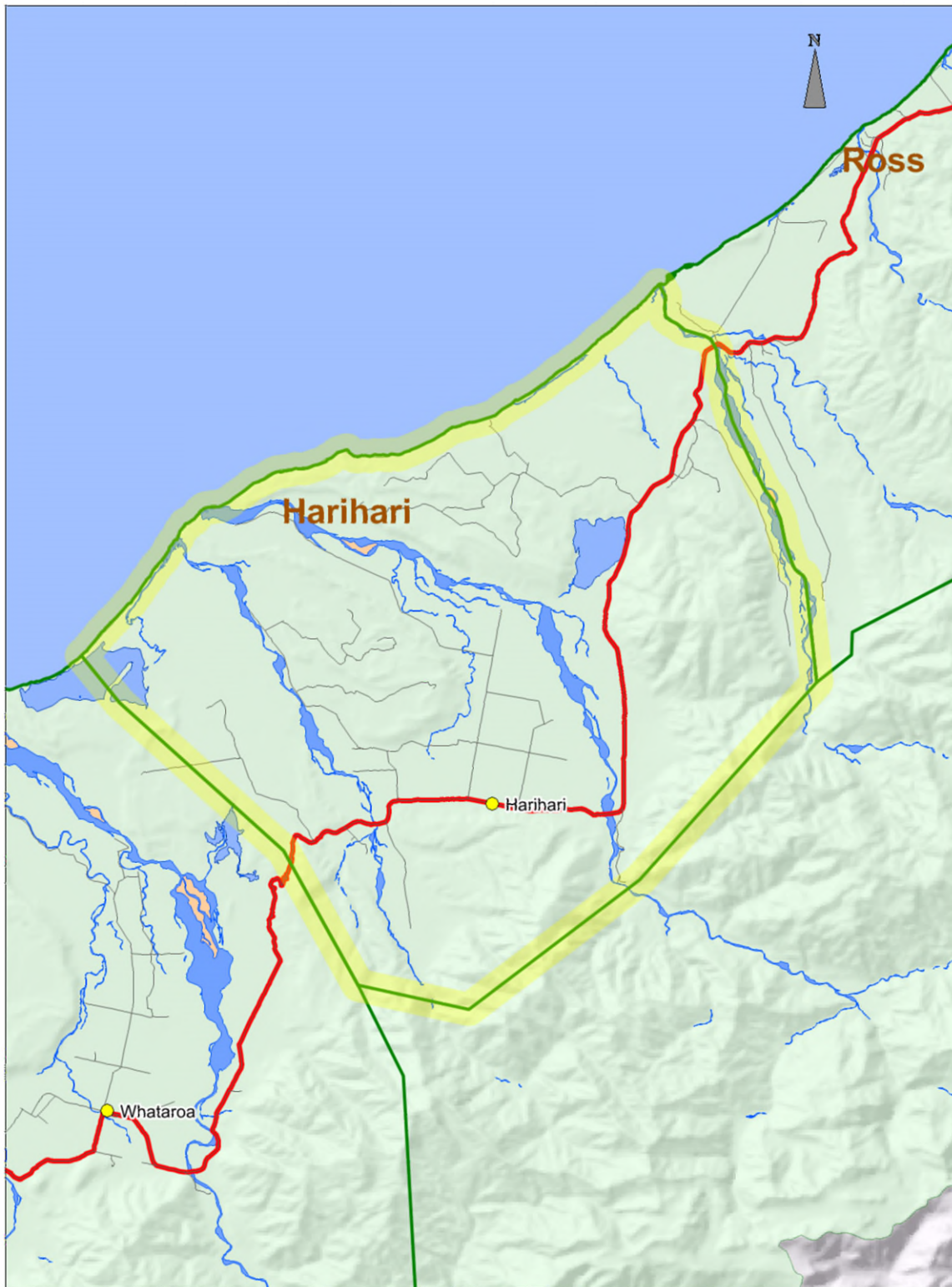


Ross Zone

For Community Rating Purposes



Hari Hari Community Rating Zone



Harihari Zone
For Community Rating Purposes



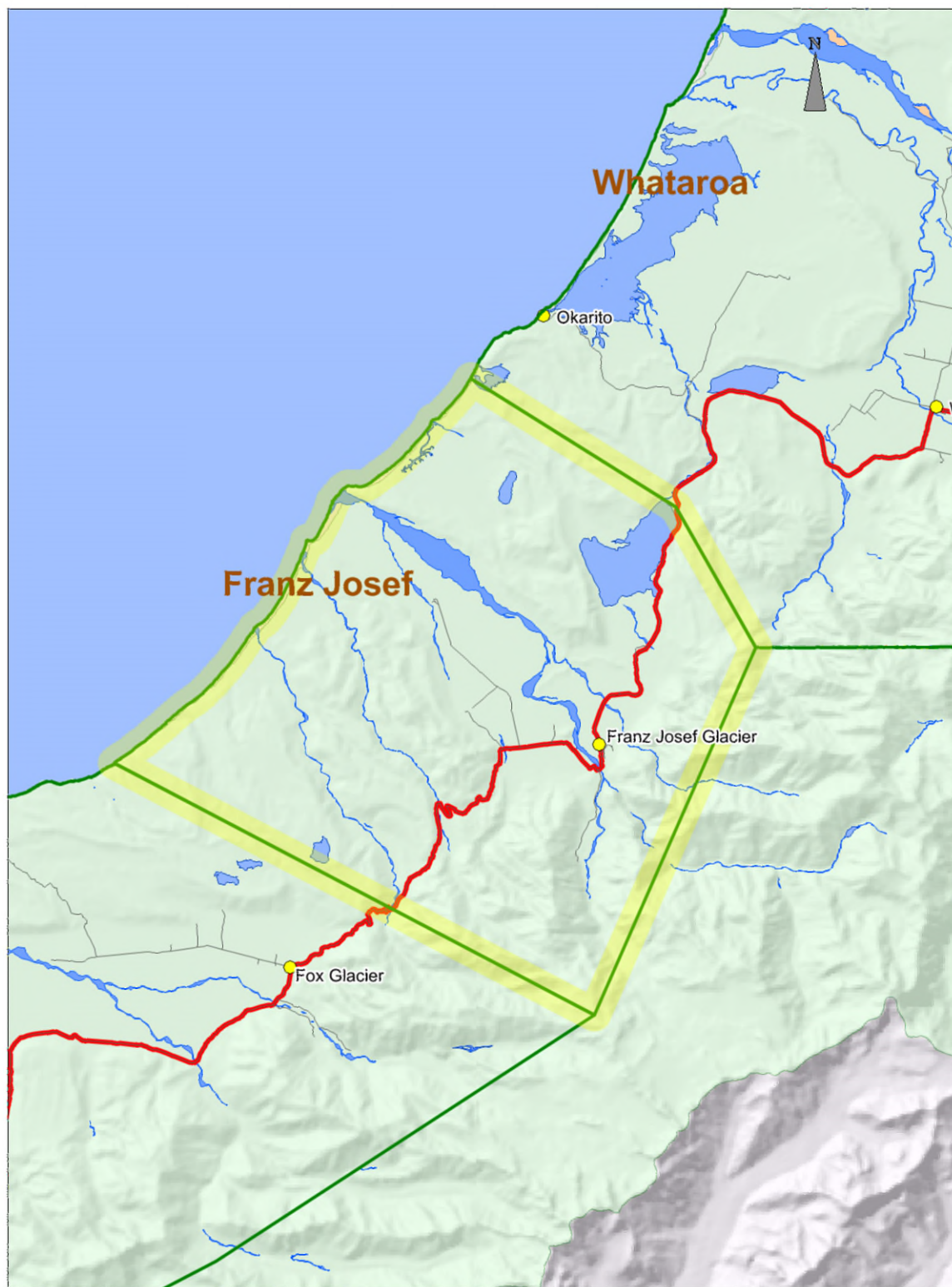
Whataroa Community Rating Zone



Whataroa Zone
For Community Rating Purposes



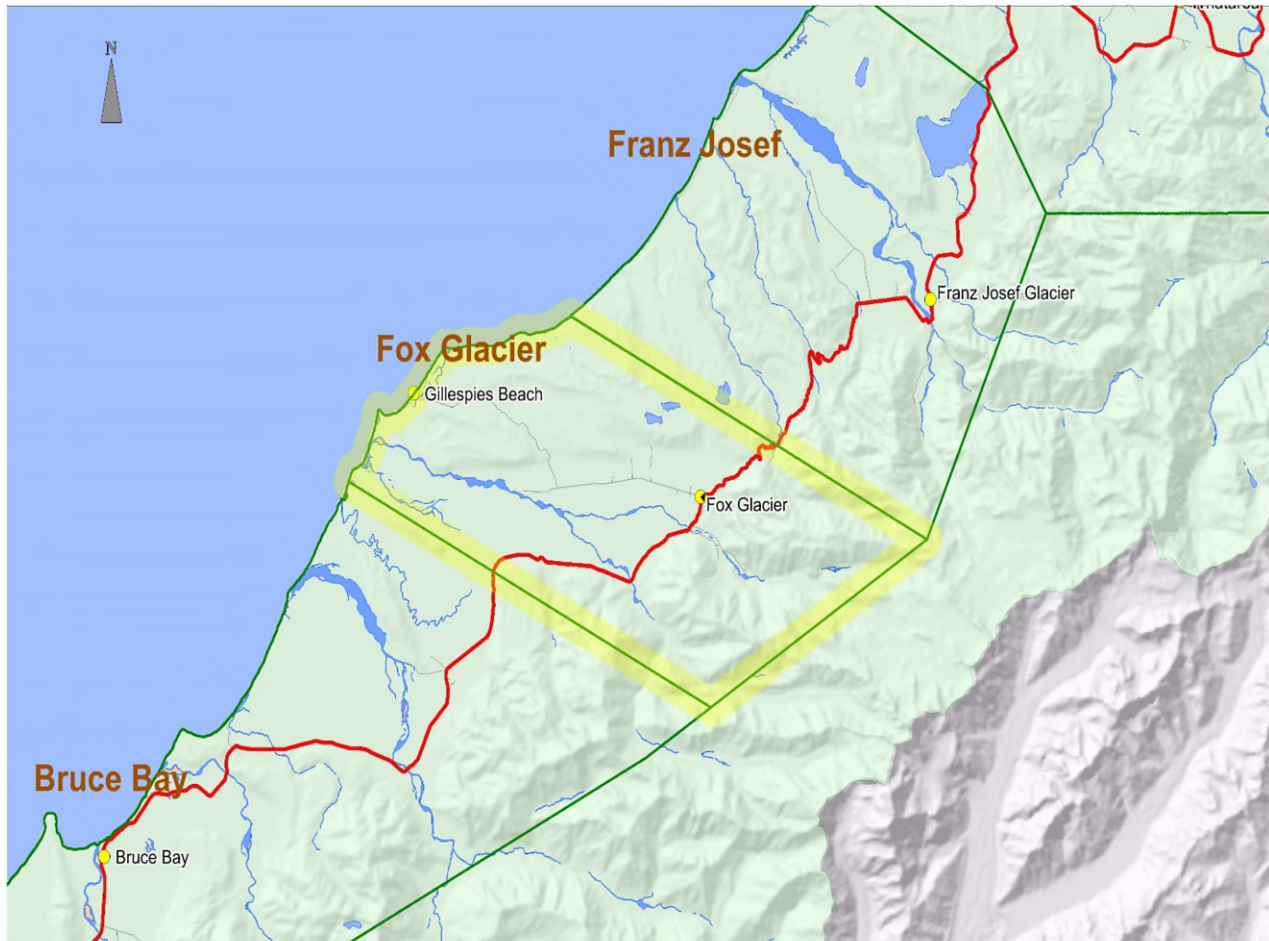
Franz Josef Community Rating Zone



Franz Josef Zone
For Community Rating Purposes



Fox Glacier Community Rating Zone



Fox Glacier Zone
For Community Rating Purposes



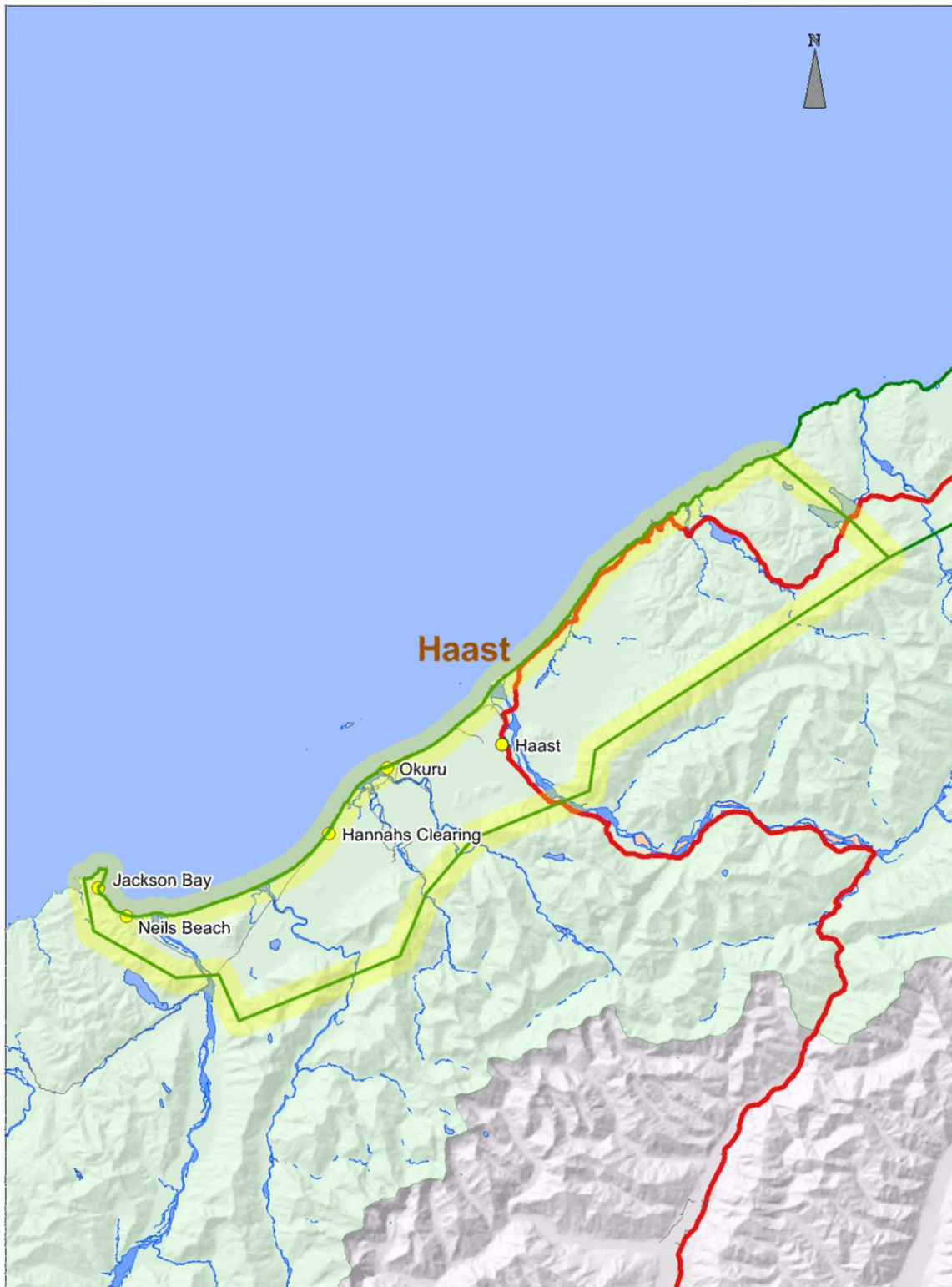
Bruce Bay Community Rating Zone



Bruce Bay Zone
For Community Rating Purposes



Haast Community Rating Zone



Haast Zone
For Community Rating Purposes

