

## **Final Option Selected by Council**

Following the end of the community consultation process, at its meeting on 21 November 2023 Council resolved to make a three-year SV application to reduce the burden on ratepayers in the short term as follows:

**That**

- 1. The report on the Special Rate Variation (SRV) Community Consultation be noted.**
- 2. Council notes the feedback received through submissions received during the community engagement process relating to the updated Long Term Financial Plan (LTFP) and the proposed SRV.**
- 3. The revised Delivery Plan 2022-2026 be adopted.**
- 4. Having considered the issues raised in the community engagement process, Council make application(s) to the Independent Pricing and Regulatory Tribunal (IPART):**
  - (i) Under section 508A of the Local Government Act 1993 for increases to the ordinary rate income of 22.50% in 2024/25 (including the rate peg), 16.0% in 2025/26 (including the rate peg), 6.4% in 2026/27 (rate peg not applicable) representing a total cumulative increase of 51.2% over the three-year period, with that increase to be a permanent increase retained within the rate base.**
  - (ii) Minimum ordinary rate for business categories to be set as follows:**
    - 2024/25 \$722.00 an increase of 22.5% (including the rate peg)**
    - 2025/26 \$837.00 an increase of 16.0% (including the rate peg)**
    - 2026/27 \$890.00 an increase of 6.4% (rate peg not applicable)**
- 5. The submissions received during the community engagement process relating to the proposed SRV referred to in Item 2 above be included as part of the application(s) to IPART referred to in Item 4 above.**
- 6. That a final revised version of the LTFP incorporating the SRV option 4, detailed in the report below, recommendation 4 above, and the final audited results for 2023/23 be endorsed and submitted to the December 2023 Council Meeting for adoption**

The following table presents the impact on the average rates in each of the rating categories should Council's SRV application be approved by IPART. It should be noted that in compiling this table an issue was identified with the 2023/24 average rate calculation. The table also shows the impact of the misstatement over each rating category:

Rate Category	Average Rate 2023/24	Average Rate Cumulative 2024/25	Average Rate Cumulative 2025/26	Average Rate Cumulative 2026/27	Increase Impact on Ratepayer 2026/27	Increase Difference Advertised & Corrected
<b>Residential</b>						
No SRV – rate peg only- Advertised	\$1161	\$1213	\$1243	\$1274	\$113	
No SRV – rate peg only- Adjusted	\$1131	\$1182	\$1211	\$1242	\$111	-\$2
3 Year SV - Advertised	\$1161	\$1422	\$1650	\$1756	\$595	
3 Year SV - Adjusted	\$1131	\$1305	\$1607	\$1710	\$579	-\$16
<b>Business</b>						
No SRV – rate peg only- Advertised	\$5300	\$5539	\$5677	\$5819	\$519	
No SRV – rate peg only- Adjusted	\$5698	\$5955	\$6104	\$6256	\$558	+\$39
3 Year SV - Advertised	\$5300	\$6493	\$7,532	\$8014	\$2714	
3 Year SV - Adjusted	\$5698	\$6981	\$8098	\$8616	\$2918	+\$204
3 Year SV – Business excluding Quarry’s	\$5,145	\$6303	\$7311	\$7779		
<b>Farmland</b>						
No SRV – rate peg only- Advertised	\$2543	\$2657	\$2723	\$2791	\$248	
No SRV – rate peg only- Adjusted	\$1843	\$1926	\$1974	\$2023	\$180	-\$68
3 Year SV - Advertised	\$2543	\$3115	\$3613	\$3844	\$1301	
3 Year SV - Adjusted	\$1843	\$2257	\$2619	\$2786	\$943	-\$358