

QLDC Council
30 January 2020

Report for Agenda Item | Rīpoata moto e Rāraki take: 2

Department: Finance, Legal & Regulatory

Title | Taitara Resetting of Rates for 2019/20

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to re-set the rates for the Queenstown Lakes District Council for the 2019/20 financial year as per section 119 of the Local Government (Rating) Act 2002.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;
2. **Revokes** the original resolution to set the rates for the Queenstown Lakes District Council for the 2019/20 financial year made on 26 August 2019 as per section 23 of the Local Government (Rating) Act 2002 [as per Attachment B]; and
3. **Resets** the rates for the Queenstown Lakes District Council for the 2019/20 financial year as per section 119 of the Local Government (Rating) Act 2002 [as per Attachment A].

Prepared by:



Stewart Burns
GM Finance, Legal & Regulatory

5/12/2019

Reviewed and Authorised by:



Mike Theelen
Chief Executive Officer

5/12/2019

CONTEXT | HOROPAKI

- 1 At the meeting 10 October 2019, the Council authorised officers to issue public notification of Council's intention to re-set the 2019/20 rates. A copy of that agenda item from that meeting is available [here](#).
- 2 In order to re-set the rates, the Council must give 14 days' public notice of its intention to set the rates again, and it must comply with its Standing Orders for the revocation and alteration of the earlier rates resolutions. There is no opportunity for the public to make submissions or comment on the public notice.
- 3 The required public notice has now been given on Saturday 23 November 2019, allowing Council to proceed to re-set the rates. As the matter was not dealt with at the December meeting as originally intended, further reminder public notices have been made on Monday 20th January and Saturday 25th January, 2020.
- 4 This process under Section 119 of the Local Government (Rating) Act is explicitly provided to allow local authorities to regularise issues with the current year rates setting process.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

5 Option 1 Reset the rates for 2019/20

Advantages:

- 6 Provides certainty to Council should it be challenged in any recovery proceedings to collect unpaid rates for 2019/20.

Disadvantages:

- 7 None

8 Option 2 Do not reset the rates for 2019/20

Advantages:

- 9 Does not require an additional process to set and collect rates for 2019/20.

Disadvantages:

- 10 There is a risk that if Council needs to take recovery action for unpaid rates that ratepayers defending such actions could challenge the validity of the rates as a possible defence to the proceedings – even if that is not a proper defence to recovery proceedings

- 11 This report recommends **Option one** for addressing the matter.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 12 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because while it is important to the community that rates are set correctly, that process has already been carried out. This resolution will simply regularise a technical matter and rates will not change at all through this process. No further consultation is required.
- 13 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community.
- 14 The indicative rates for 2019-20 were subject to the 10 Year Plan/ Annual Plan process, which requires the Special Consultative Process, and as such no wider consultation is required.

> MĀORI CONSULTATION | IWI RŪNANGA

- 15 Māori consultation is not applicable to the decision sought by this report.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 16 This matter relates to the financial risk category. It is associated with RISK00026 ineffective management of our rating and development contribution model within the QLDC Risk Register. The risk has been assessed as having a Moderate inherent risk rating.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 17 The rates which are re-set as a result of this decision have no direct financial implication for Council. They represent the mechanism for collecting budgeted revenues adopted The 10 Year Plan/ Annual Plan.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 18 The following Council policies, strategies and bylaws were considered:

- 10 Year Plan 2018-28
- Annual Plan 2019/20

- 19 The recommended option is consistent with the principles set out in the named policy/policies.

- 20 This matter is included in the Ten Year Plan/Annual Plan

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

- 21 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by [explain how it will help];
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

- A Rates to be re-set for 2019/20
- B Resolution from 26 August 2019 to be revoked