

5.0 Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'

(NGA TAPIRITANGA O TE TAHA REITI KI TE TAKE WHAKAHAERE 'NGA MOMO WEHENGĀ')

5.1 Introduction

This amendment arose from recent legislative changes to the Local Government Act 2002 (Section 29(4) of the Amendment Act 2006). The amendment to Schedule 10, Clause 13(d) of the Local Government Act 2002 now requires that a definition of a 'separately used or inhabited part (SUIP) of a rating unit' be included in Council's Funding Impact Statement and Rating Policy.

The definition has no application to the general rates levied in the city, and only applies to the three targeted rates levied to the 100 percent non-rateable properties (e.g. churches, community organisations, hospitals, educational institutions).

The definition, which is now included in Section 7.3.11 of the Funding Impact Statement (contained in Part A, Section 9.0 of Council's 2007/08 Annual Plan) and Section 6.7.14 of the Rating Policy (contained in Volume II (Section 6.0) of Council's 2006-16 Long-Term Plan) is as follows:

Any part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, but excluding uses of a minor or incidental nature; for example, including, but not limited to, vending and ATM machines.

To avoid doubt, each use that involves a different activity that is conducted by a person, company, or organisation different to the ratepayer is considered to be a separate use. For example, if a photographic processing franchise operated within a store is operated by the store's staff, it is not a separate use. However if the same franchise is operated by a person, company, or organisation different to the store operator, it is considered a separate use.

5.2 Why this is an Amendment to the 2006-16 Long-Term Plan

The inclusion of a definition of a 'SUIP of a rating unit' to Council's Funding Impact Statement and Rating Policy is a requirement of Section 29(4) of the Local Government Act 2002 Amendment Act 2006. The Office of the Auditor General has stated that the inclusion of this definition in Council's Funding Impact Statement and Rating Policy constituted an amendment to Council's 2006-16 Long-Term Plan.

5.3 Further Information

For further information about the SUIP definition, contact:

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