

Funding Impact Statement - Rating - Tauākī Tahua – Ngā Reiti

Council provides local public services and infrastructure that our communities need to thrive. These services are largely funded from the rates that Council charges property owners.

The law that enables councils to collect rates is the Local Government (Rating) Act 2002.

It is important to Council that our rating system:

- provides enough revenue to cover costs;
- spreads the costs of providing services as fairly as possible;
- meets the legal requirements;
- can be understood by the ratepayer and promotes accountability.

The rating system forms part of Council's Prospective Funding Impact Statements and should be read in conjunction with the Council's Revenue and Financing Policy.

Revenue and Financing Policy Te Kaupapahere mō ngā Moni Whiwhi me te Ahumoni

The Revenue and Financing Policy outlines how Council has determined it will fund Council services and activities. The policy includes Council's rating philosophy and summarises the rationale for its rating decisions.

A copy of the Revenue and Financing Policy can be found on the Council website.

Rating System Te Pūnaha Rēti

Rates are a property tax that are charged each year by the Council.

Council decides what services it will provide in the future and how much it will cost to provide those services. These costs are then distributed amongst the properties in the district.

Individual rates invoices may be different from year to year due changes in the costs required to provide services, the levels of service being provided and changes to individual property valuations.

Types of rates

There are two types of rates – general rates and targeted rates

General rates are generally used by the Council to fund activities where the benefits flow to the district as a whole and the Council considers that the whole community should contribute to the cost.

The Council's general rate is set on capital value and a differential is applied depending on the use, location and zoning of a rating unit.

The Council also sets a uniform annual general charge as an amount per separately used or inhabited part (SUIP) of a rating unit.

Targeted rates are set to fund one or more Council activities and can be set in respect of certain defined categories of land or all land in the district. Targeted rates can be calculated based on different factors including:

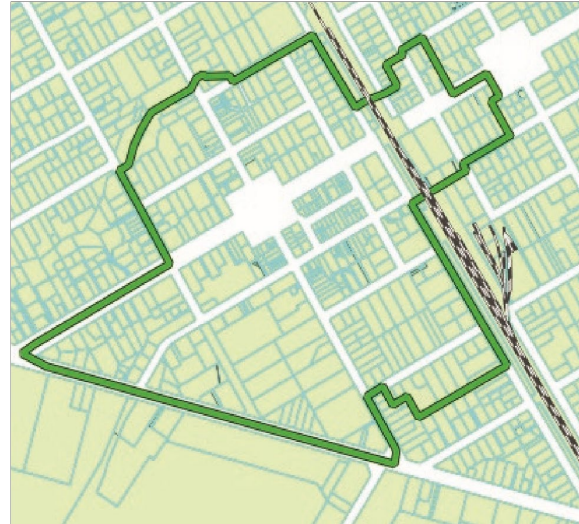
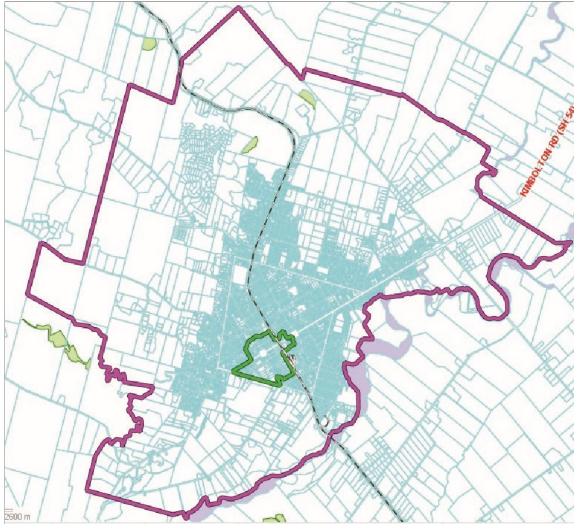
- rateable value;
- location;
- number of connections to the rating unit;

- the extent of provision of service to the rating unit; and
- per separately used or inhabited part of a rating unit (SUIP).

For instance, some of the rates on a property in the Feilding CBD will be rated on a different basis than Feilding rural properties. The types of rates that this “differential category” applies to are the General Rate, the Roding Targeted Rate and the Parks Reserves and Sports Grounds Targeted Rate.

More information on differential categories are below:

Differential Category	Definitions
1. Feilding Residential	Being all rating units situated within the 2009 Feilding differential rating area (refer to the map below) used solely or principally for residential or farming purposes or is vacant, but excluding those rating units included in Category 2 and 3.
2. Feilding Rural	Being all rating units situated within the 2009 Feilding differential rating area (refer to the map below) being properties zoned Rural 1, Rural 2 or Flood Channel 2 under the Manawatū District Plan.
3. Feilding CBD	Being all rating units situated within the 2009 Feilding Central Business differential rating area (refer to the map below), not used solely or principally for residential purposes.
4. Rural	Being all rating units situated outside the 2009 Feilding differential rating area excluding those rating units included in Category 5 and 6.
5. Industrial and Commercial	Being all rating units zoned Industrial under the Manawatū District Plan and used solely or principally for commercial or industrial purposes excluding those rating units included in Category 3 and all rating units in the 2009 Feilding differential rating area used solely or principally for conducting a business but excluding those rating units in Category 3.
6. Utilities	Being all rating units situated within the Manawatū District that have been identified as infrastructure utility networks.
7. Defence	Land owned or used by the crown as an air force base, army camp, naval establishment or other Defence area.



More detailed maps are available at the Council's office

Feilding Differential Rating Area 2009 as delineated on the rating plan filed at the Council office on Manchester Street, Feilding

Feilding Central Business District Differential Area 2009 as delineated on the plan filed at the Council office on Manchester Street, Feilding

Rating base

Rates are assessed on all rating units as at 30 June of the preceding year. For example the 2026/2027 rates are assessed on rating units at 30 June 2026.

	Rating units in the district	Capital value of the district	Land value of the district
30 June 2026 projection	15,138	14,660,404,490	9,862,817,950

Inspection of Rating Information Database

In accordance with the Local Government (Rating) Act 2002, the Rating Information Database, the District Valuation Roll and Rates Records are available for public inspection at the Council office, 135 Manchester Street, Feilding, between the hours of 8am and 5pm on all business days of the week, except on Thursday when the Council opens at 9am instead of 8am for staff training purposes.

Goods and Services Tax (GST)

All amounts stated in this rating system document are GST inclusive.

Definition of a Separately Used or Inhabited Part of a Rating Unit (SUIP)

Several of the rates described below refer to a 'SUIP'.

A separately used or inhabited part of a rating unit (SUIP) includes any part of a rating unit that can be used separately or inhabited by either the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, license or other agreement. As a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or separate use.

- **Separately used or inhabited part - for a residential rating unit.**

Includes a building or part of a building that is, intended to be used as, or is able to be used as, an independent residence with independent kitchen with connected cooking facilities.

- **Separately used or inhabited part - for a commercial rating unit.**

Means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes.

- **Not rated as separately used parts of a rating unit:**

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel/motel/hostel room with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

Stormwater Targeted Rate

A targeted rate for operations, maintenance and development of the Council's stormwater network.

The Stormwater Targeted Rate is assessed as a fixed amount per rating units that are connected directly or indirectly to a stormwater network within: the Feilding Differential Rating Area, or the areas zoned as "village" in the district plan located in Rongotea, Sanson, Himatangi Beach, Tangimoana, Halcombe and Cheltenham.

Stormwater Targeted Rate

\$207.00

Total revenue required from Stormwater Targeted Rate for 2026/2027 is \$1,760,977.

Rural Land Drainage Targeted Rates

A targeted rate for operations, maintenance and development of the individual drainage schemes.

These rates are assessed on all rating units that are part of one or more of the drainage schemes listed in the table below on a differential basis, based on the land value (LV) of the rating unit. Details scheme maps are available at Council's office.

Category	Rate in \$ of LV	Required Revenue \$
Bainesse drainage district		
Bainesse Class A	0.000890	12,881
Bainesse Class B	0.000430	8,050
Bainesse Class C	0.000350	3,220
Makowhai drainage district		
Makowhai Class A	0.000170	4,564
Makowhai Class B	0.000170	3,043
Makowhai Class C	0.000040	1,521
Maire drainage district		
Maire Class A	0.000200	1,946
Maire Class B	0.000090	1,556
Maire Class C	0.000120	1,167
Maire Class D	0.000140	778
Oroua Downs drainage district		
Oroua Downs Class A	0.000740	40,688
Oroua Downs Class B	0.000360	30,516
Oroua Downs Class C	0.000210	20,344

Total revenue required from Rural Land Drainage Targeted Rates for 2026/2027 is \$130,275.

Wastewater Disposal Targeted Rate

A targeted rate for operations, maintenance and development of the Council's wastewater network .

The Wastewater Disposal Targeted Rate is assessed on all rating units either connected, or capable of connection, to the Council's wastewater system, and is assessed on differential basis bases on the level of wastewater service provided to the rating unit.

Connected

A charge for each toilet or urinal, that is connected to a Council operated wastewater scheme, excluding restricted service or those that have chosen volumetric charging. Any SUIP that is used exclusively or principally as a residence will be charged for one toilet for each residence.

Serviceable

50% of the connected rate per rating unit that is not connected but is capable of being connected to a Council wastewater scheme as the reticulations system is within 10 meters of the rating unit.

Restricted

80% of the connected rate for each toilet or urinal, that is connected to a Council operated wastewater scheme, receiving a restricted service. Any SUIP that is used exclusively or principally as a residence will be charged for one toilet for each residence. This includes Mount Taylor.

Wastewater disposal - Connected	\$1,149.00 per unit of use
Wastewater disposal - Available	\$574.50 per rating unit
Wastewater disposal - Restricted	\$919.00 per unit of use

Total revenue required from Wastewater Disposal Targeted Rates for 2026/2027 is \$10,033,103.

Water Supply Targeted Rate – Urban

A targeted rate for operations, maintenance and development of the councils water system (excluding rural water schemes).

The Water Supply Targeted Rate is assessed on all rating units either connected, or capable of connection, to the Council's water system (excluding those properties connected to a rural water supply scheme) and is assessed on differential basis based on the level of water service provided to the rating unit.

Connected

A charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, excluding restricted service, extraordinary connections or those that have chosen volumetric charging.

Serviceable

50% of the connected rate per rating unit that is not connected but is capable of being connected to a Council water supply scheme as the reticulations system is within 10 meters of the rating unit.

Restricted

80% of the connected charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, receiving a restricted service. This includes Mount Taylor and Sanson

Water supply - Connected	\$500.00 per SUIP
Water supply - Available	\$250.00 per rating unit
Water supply - Restricted	\$400.00 per SUIP

Total revenue required from Water Supply – Urban Targeted Rates for 2026/2027 is \$3,733,914

Volumetric Water Charges (water by meter)

The Volumetric Water Charges are assessed on rating units that are extraordinary water supply users (as defined in Council’s Bylaws) and those that have chosen volumetric charging. The rates are assessed on a differential basis based on the level of service provision (connection size and number of connections).

Connection size	Charge per connection
15 mm to 50 mm	\$869.40
80 mm to 150 mm	\$885.50

Where a rating unit is supplied, in any rating year, in excess of 380 cubic meters, an additional consumption charge of \$2.37 per cubic meter of water supplied in excess of 380 cubic meters will be charged.

Total revenue required from Volumetric Water Charges for 2026/2027 is \$2,054,198

Water Supply Targeted Rates - Rural

A targeted rate for operations, maintenance and development of the individual water schemes. The Water Supply Targeted Rates - Rural are assessed on all rating units in the schemes listed below, based on the units allocated/ supplied.

Stanway/Halcombe Rural Water Scheme - per unit allocated	\$458.00
Waituna West Rural Water Scheme - per unit allocated	\$522.00
Ohakea Rural Water Scheme – per unit allocated	\$355.75
Kiwitea Rural Water Scheme - per unit allocated	\$281.75*
Kiwitea Rural Water Scheme - per additional unit used but not allocated	\$281.75 *

* Kiwitea Rural Water Scheme rates are set and collected by Council and passed on to the scheme in full.

Total revenue required from Water Supply Targeted Rates – Rural for 2026/2027 is \$1,956,922.

Rates invoice and penalty dates

The rates detailed in this Funding Impact Statement - Rating System (excluding the metered water) are calculated annually and detailed on the Rates Assessment. This covers the year 1 July 2026 to 30 June 2027.

Rates are collected in four instalments. Council sends an invoice in August, November, February and May. The due date for payment of the invoice is the last Friday of the month it is invoiced (as set out in the table below).

The following penalties will be added to unpaid rates

- A 10% penalty will be added (on the penalty date as set out in the table below) to the unpaid balance of an instalment that is not paid by the due date (on the payment due date in the table below).
- A 10% penalty will be added on 16 July 2026 to any unpaid rates from previous financial years that remains unpaid on 15 July 2026. Another 10% will be added on 14 January 2027 to any unpaid rates from previous financial years that remain unpaid on 13 January 2027.

If annual rates are paid in full by 27 November 2026, any penalty charged for instalment one will be reversed.

The Council does not accept lump sum contributions in respect of any targeted rates.

All payments received will be allocated to the oldest rates outstanding.

	Instalment One	Instalment Two	Instalment Three	Instalment Four
Invoice Date	1 August 2026	1 November 2026	1 February 2027	1 May 2027
Payment Due Date	28 August 2026	27 November 2026	26 February 2027	28 May 2027
Penalty Date	3 September 2026	3 December 2026	4 March 2027	3 June 2027

Volumetric Water Charges will be invoiced at the end of each quarter and are due for payment on the last working day of the following month.

	Quarter One	Quarter Two	Quarter Three	Quarter Four
Invoice Date	30 September 2026	30 December 2026	31 March 2027	30 June 2027
Payment Due Date	31 October 2026	29 January 2027	30 April 2027	30 July 2027

Individual 2026/2027 property rates assessments can be viewed on the website www.mdc.govt.nz, using the Property and Rates search function, or call 06 323 0000.

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