

Statement to the readers of**Taupo District Council's****adopted amendment to the Long-Term District Council Community Plan on
28 June 2011, for the ten years commencing 1 July 2009****Purpose of Statement**

The primary purpose of this statement is to inform readers that we have no role to report, and do not give an opinion, on Taupo District Council's (the District Council's) adopted amendment as attached.

This statement informs readers about the District Council's process of amending its LTCCP for the ten years commencing 1 July 2009 and the extent, and limit, of our involvement in that process.

The District Council's process of amending its LTCCP commencing 1 July 2009 and our involvement

The District Council adopted its LTCCP for the ten years commencing 1 July 2009 on 23 June 2009. The Auditor-General appointed me, Ben Halford, using the staff and resources of Audit New Zealand, to report on her behalf on the LTCCP adopted on that date.

We expressed an unqualified opinion on the District Council's LTCCP for the ten years commencing 1 July 2009 in our report dated 23 June 2009. We considered that the LTCCP adopted on 23 June 2009 provided a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

In forming our overall opinion, we reported on specific matters required by section 94(1) of the Local Government Act 2002 (the Act). The current reporting requirements differ from the reporting requirements we had for the LTCCP for the ten years commencing 1 July 2009, due to recent changes to the Act.

In a Statement of Proposal dated 31 March 2011 the District Council proposed an amendment to its LTCCP for the ten years commencing 1 July 2009 to introduce one rating area for general rates, which would impact on the Rating Policy (the Funding Impact Statement).

We expressed an unqualified opinion on this Statement of Proposal in our audit report dated 31 March 2011.

We considered that the information within the Statement of Proposal, about the proposed amendment to the LTCCP and any consequential amendments to the LTCCP that would be required if it was amended in the manner proposed, was fairly presented, and that the District Council had complied with the applicable requirements of the Act in preparing the Statement of Proposal.

In forming our overall opinion, we reported on specific matters required by section 84(4) of the Act.

On 28 June 2011 the District Council adopted the proposed amendment to its LTCCP for the ten years commencing 1 July 2009 as described in the Statement of Proposal mentioned above. The District Council has prepared the adopted amendment to reflect the amendments to the LTCCP adopted by the District Council on 28 June 2011, and any consequential amendments. The District Council has not prepared an amended LTCCP that incorporates the amendment adopted on 28 June 2011. Consequently, to form a view of the LTCCP of the District Council for the ten years commencing 1 July 2009, the content of the adopted amendment should be considered in conjunction with the LTCCP of the District Council adopted on 23 June 2009.

We do not give an opinion on the District Council's adopted amendment. There is no legislative requirement for us to report on the adopted amendment by the District Council and we have not performed an audit of the adopted amendment. Consequently we have not updated our audit report that was attached to the LTCCP adopted on 23 June 2009.



Ben Halford
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

LTCCP Amendment – One Rating Area

Funding Impact Statement (effective 1 July 2011)

This section shows the changes from the rating policy amendments in June 2011. New text is shown as **bold blue text**. Deleted text is shown as *italic with strikethrough*.

2. Ward Boundaries and Rating Areas

The two rating areas for 2009/10 are:

- Mangakino/Pouakani, Taupō and Kaingaroa Wards combined
- Turangi/Tongariro Ward

From 2011/12, Council will have one rating area for the whole district.

Where services benefit the whole community, these services will be paid from general rates. Where services benefit individuals or identifiable groups in the community, user charges or targeted rates may be levied.

Rates are levied throughout the district in the two separate rating areas of Taupō/Kaingaroa and Mangakino/Pouakani combined, and Turangi/Tongariro.

Each rating area is under the control of a Community Board or Committee of Council. These two bodies recommend the rates and charges for their rating areas with Council making the final decision. The rating system used by Council is land value, and the property valuations produced by Land Mass Technologies effective 1 July 2007 are used for the 2009/10 rating year.

It should be noted that any rate in the dollar detailed in this policy is a rate in the dollar using the land value of that rating unit.

3 Categories of Rateable Land

b. Separately usable or **in**habitable portion - this refers to the ability to use a part or parts of the rating unit as an independent residence; or in the case of a rating unit used for commercial or industrial business, the ability to use part or parts of the rating unit for independent trading operations. In a residential situation a separately usable or **in**habitable portion will only be classified if all of the following apply - separate cooking facilities, separate living facilities, separate toilet and bathroom facilities and a separate external entrance. In a business situation a separately usable or **in**habitable portion will be classified where the property has been set-up to accommodate, or is accommodating, separate lessees, tenants, or the like, operating separate businesses from the same rating unit.

4.1. General Rate

A General Rate, set under section 13 of the Local Government (Rating) Act 2002 made on every rating unit, assessed on a differential basis as described below and calculated on the land value of each rating unit in the district. **Each separately usable or inhabitable part is regarded as a rating unit and a charge applied for each separately usable or habitable portion of the rating unit (as defined in section 3 of this document).**

4.2. Uniform Annual General Charge ~~Targeted Uniform General Rate~~

A **Uniform Annual General Charge** ~~Targeted Uniform General Rate~~ made on every rating unit, set under section 15 of the Local Government (Rating) Act 2002.

4.15. Turangi Tongariro Community Board Rate

A targeted Turangi Tongariro Community Board Rate, set under section 16 of the Local Government (Rating) Act 2002, assessed on each separately usable or inhabited part (as defined in section 3 of the LTCCP 2009-19) of all rating units within the Turangi-Tongariro ward.