
Christchurch City Council

a guide
to your rates
2014 - 2015



Dear Ratepayer

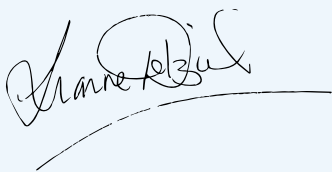
As we continue to face the challenge of recovering from the earthquakes and exploring the opportunities of rebuilding our city, we need to meet the costs of restoring our community assets and infrastructure, including the roads, drinking water, wastewater and drainage systems that are so vital to our city.

Our finances have been stretched by the cost of re-establishing our accreditation as a Building Consent Authority, as well as dealing with the floods and the subsequent clean up. Gaining accreditation is extremely important as we have to reapply for registration next year and without accreditation we won't be able to issue consents.

As a result of seeking to keep costs under tight control, total planned expenditure for 2014-2015 is \$5.2 million lower than forecast in what is year two of the Three Year Plan. Unfortunately the number of ratepayers has fallen despite a forecast increase. We are being stretched both ways.

As a Council we are very conscious of the impact that rates have on household budgets and remind those on low incomes to check their eligibility for a rates rebate as outlined in this brochure on page 5. We are asking Council staff to be very careful and cost-conscious when making spending decisions about your rates money. Our aim is to use this term to build a Council that is financially prudent and resilient, so it is better able to bear any future shocks.

Councillors recognise the need to keep rates as low as possible while we pay for our share of the rebuild and we are determined to keep average rates on a par with other metropolitan councils across the country.

A handwritten signature in black ink, appearing to read 'Lianne Dalziel', with a long horizontal flourish underneath.

Lianne Dalziel
Mayor of Christchurch

Rates in 2014 - 2015

We recognize the need to keep rates as low as possible while we pay for our share of the rebuild. The Council has kept rates in 2014-2015 within the level indicated in last year's Three Year Plan by ensuring costs are kept under tight control.

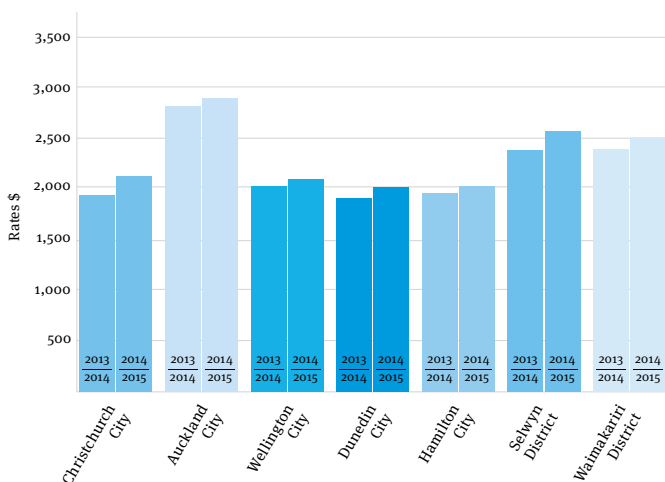
\$358.1 million in rates will be collected in 2014-2015, excluding GST but including excess water rates, late penalties, and the estimated impact of new building and demolition across the city. This is \$5.2 million less than indicated in last year's Three Year Plan, and represents a 7.48% increase to existing ratepayers.

Note that there are large variations in the actual rates changes experienced by individual ratepayers, due to the impact of the 2013 General Revaluation of all properties across the District.

However, rates charges paid by the average household are still comparable to the country's other major metropolitan centres, and are lower than average charges in Waimakariri and Selwyn Districts.

(Estimated) Average Residential Rates 2013/14 to 2014/5 By Metro and District Council

(source LTP, using actual changes in AP where published)



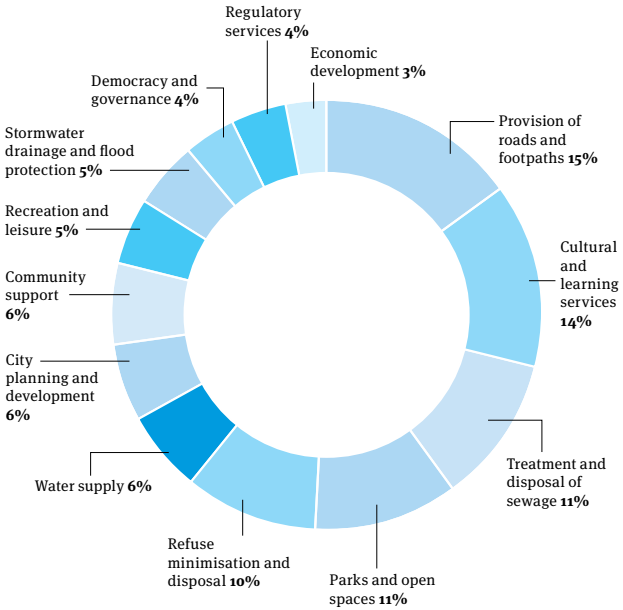
Total Council spending in 2014-2015 will be \$1,566 million. This spending will be funded from:

- > \$358 million from rates
- > \$454 million from earthquake recovery funding (including insurance and government funding)
- > \$277 million from other revenues (including fees and charges, dividends, and interest received)
- > \$456 million from additional borrowing, \$70 million less than indicated in last year's Three Year Plan, and
- > \$21 million from Reserves.

How your rates will be spent in 2014 – 2015

The \$358.1 million of rates we receive in the coming year will fund earthquake rebuild and repair projects, plus pay for essential services such as water supply, sewage systems, roads, parks, refuse management, and cultural and learning services.

Proposed Rates Contribution for each Group of Activities (2014/15)



Reassessing rates during the year

In response to the Canterbury earthquakes the Government adopted new legislation that allows Christchurch City Council to reassess rates during the rating year.

The Canterbury Earthquake Rating Order 2012 means rates can be adjusted within a financial year if a house is demolished, new building is completed, or land is subdivided. Ordinarily, once rates are assessed for a property on 1 July each year they can not be changed, irrespective of any change to that property. So if a house existed on 1 July but was demolished on 2 July, the property owner would still have to pay the full year's rates on the house. Following the enormous damage caused by the earthquakes, with thousands of demolitions and rebuilds expected, the old rates legislation no longer made sense.

Should your property be subdivided, or building completed during the year, you will receive a property valuation notice from Council's valuers and a revised rates assessment from the Council. If your building is demolished during the year, please notify us once demolition is complete so that we can update our records and adjust your rates accordingly – we cannot back-date these adjustments if there is a delay in recording your demolition.

Are you eligible for a rates rebate?

You may be eligible for a reduction of up to \$605 on your rates through the Rates Rebate Scheme if:

- > your annual household income is approximately \$24,250 or less, and
- > you pay rates at the address where you live, and
- > you lived there on 1 July 2014

The rebate is calculated depending on your income, the number of dependants you have and the amount of rates you pay.

If you'd like more detailed information or an application form please contact the Council. If you received a rates rebate in 2013-2014, then an application form for 2014-2015 has been enclosed with this letter.

Do you qualify for a rates remission?

You may qualify for a rates remission if you have a property which is owned and used by not-for-profit, community or sports organisations. Information about remissions can be found in the Council's Annual Plan 2014-2015 at www.ccc.govt.nz, or you can contact the Council on (03) 941-8999, 0800 800 169 (Banks Peninsula residents only), or email ratesinfo@ccc.govt.nz

Rates remission for sewer system pumps

As part of the repair of the city's earthquake damaged sewerage system, around 6,500 low pressure pumps are being installed on properties around the city to ensure waste water is effectively flushed to the street mains. The Council will meet the estimated electricity costs being paid by residential property owners for the operation of these pumps. For single dwelling properties, this will be done by reducing the annual rate charge by \$24.00 plus GST. For multiple dwelling properties serviced by a single pump, an additional meter may be installed and the Council will pay the charges directly.

- > Property owners do not need to apply for this remission as it will be processed automatically as the pumps are installed. However, the remission will not be available for:
 - > land that was vacant prior to 4 September 2010
 - > pumps that were installed by a property owner prior to this policy coming into effect
 - > future property subdivisions.

Remission and postponement of rates on Maori freehold land

If you are an owner of Maori freehold land, you can apply for a remission or a postponement of your rates if you meet certain criteria. More information can be found in the Council's Annual Plan 2014-2015.

Postponing your rates

If you're experiencing financial hardship the Council may (in certain circumstances) be able to postpone up to 100 per cent of your rates. This means that you pay no rates now, but must pay for rates plus interest costs at a future date.

Before you can apply for a postponement, you must meet certain criteria, including:

- > your property is also your primary residence, and
- > you can show financial hardship, and
- > you are over 65 years of age (in rare circumstances the qualifying age can be lower than 65)

or

- > you are over 65 years of age, and
- > you are experiencing hardship as a result of a significant increase in rates following revaluation of your property.

For more information on postponements or for an application form please contact the Council.

What happens if you don't pay your rates?

You will incur a penalty charge if you don't pay your rates. Penalties are imposed to provide incentives for payment by the due date. There are up to three penalties that can be charged depending on how long it takes you to pay:

- > **Current rates penalties** - a charge of 10 per cent will be applied to any portion of the current instalment not paid by the due date shown.

Arrears are added each year to the amount of rates and additional charges that remain unpaid from previous rating years:

- > **First arrears penalties** - continuing additional charges of 10 per cent will be added on 1 October 2014
- > **Second arrears penalties** - continuing additional charges of 10 per cent will be added on 1 April 2015

Can late payment penalties be written off?

If an error or oversight has caused you to pay your rates late, we may remit the penalty for late payment. You must pay the outstanding instalment before the remission is granted. In both instances below you must show that a genuine error or oversight has occurred:

- > If you are a **residential or rural** ratepayer, you are allowed one current year penalty remission every two years
- > If you are a **commercial** ratepayer you are allowed only one current year rate penalty remission in five years



Paying your rates

Early payment of rates in full

Rates are assessed annually on each property, payable in four instalments.

If you wish to pay rates in one sum, you can disregard instalment one and pay the “Amount payable to clear rates for year” on instalment two without incurring the 10 per cent late payment penalty for missing the due date for the first instalment invoice.

You can pay your rates by any of these ways:

For more information visit:

www.ratesinfo.ccc.govt.nz/PaymentOptions

Direct debit

We recommend you use direct debit to pay your rates. It is easy to set up, hassle-free, convenient, reliable and cost-effective. This method will guarantee you will always pay rates on time (and will therefore never be charged late payment penalties).

You can choose to pay monthly on the 15th of each month or quarterly. You can get a direct debit brochure and application form by calling us, pick one up at the Council’s Service Centres or at the Civic Offices, or download a form at www.ccc.govt.nz

Automatic payment, internet or telephone banking

You can pay your rates by internet or telephone banking into the following BNZ bank account:

- > Christchurch City Council, 02-0800-0044765-01

Please note that all properties have a unique Rate Account Number (an 8-digit number beginning 73xxxxxx, on your rates invoice). You should include this Account Number in the “Reference” field in your payment. Ratepayers who own more than one property should make a separate payment for each property. For more information visit www.ccc.govt.nz and search ‘rates payment options’.

Cash, EFTPOS, cheque

Cash, EFTPOS and cheques are accepted at the Council’s Civic Offices and Council Service Centres. Cheques can also be posted to PO Box 525 Christchurch, 8140.

Online using credit card (Visa or Mastercard)

This service is provided by the Bank of New Zealand and a processing fee will apply. We are not able to accept credit card payments in our Service Centres.



Description of your rates

Christchurch City Council collects several different types of rates. They fall into two categories: Targeted (which recover the cost of specific council services, such as water); and General (which fund the cost of all other Council operations). Most rates are based on the value of the property, although some are charged as a fixed dollar amount to all properties.

The types of rates charged to an individual property will depend on its use and the Council services provided.

General Rates

Residential properties, farming and business properties are charged different general rates depending on how the property or land is used (this is known as the differential):

- > Most properties fall into the “standard” category and are charged the base general rate.
- > Businesses are charged more general rates than residential properties of the same capital value, because of the extra demands they place on the city’s roading network.
- > Rural properties located outside the city’s sewered area and used for farming or forestry are charged less than residential properties, due to their generally remote location and assumed lower use of Council services.



Targeted Rates

Most properties in Christchurch are charged the following targeted rates, depending on whether they receive (or are capable of receiving) the Council's service:

- > Water, sewerage and land drainage rates, based on how much those services cost and the capital value of the property.
- > Waste minimisation rates, which are charged as a uniform charge for most properties in the city, and for those areas of Banks Peninsula with a depot service only.

Some properties may be charged other types of rates. These are explained in the table on the next page.

Type of rate	What is the rate used for?
General rates	
General rate	To fund the general operation of the Council. Covers all functions apart from those funded by user charges, by other revenue and by targeted rates.
Uniform Annual General Charge (UAGC)	To fund the general operation of the Council. Covers all functions apart from those funded by user charges, by other revenue and by targeted rates.
Targeted rates	
Water supply - full charge	To contribute to the recovery of water supply costs.
Water supply - half charge	To contribute to the recovery of water supply costs.
Restricted water supply	To recover the cost of water provided to properties on restricted flow water supply systems.
Water supply - fire connection	To recover costs of water supply to a fire connection on a per connection basis.
Excess water supply	To contribute to the recovery of water supply costs. There is a user charge for water consumed over the allowance.
Land drainage	To contribute to the recovery of land drainage costs within the land drainage area.
Sewerage	To recover the sewer drainage and sewerage treatment costs.
Waste minimisation	To recover the costs of the collection and processing of recyclable and organic waste.
Active travel	To fund the cycleways projects.
Governors Bay	To recover loan servicing costs for the water and sewerage schemes.

How is the rate assessed?	Factors to calculate rates
Are differentials applied?	
Yes Applied to each differential sector of - business - standard - remote rural (farming and forestry)	Determined by the capital value of the property. The rates per dollar of capital value are different for each of the business, residential and rural sectors.
No Fixed charge per property.	A fixed charge is applied to each property or to each separately used or inhabited part of a property (e.g. apartments).
(No differential is applied for targeted rates)	
The same rate by capital value is applied to each property to which water is supplied irrespective of the differential sector (business, residential, other and rural).	Determined by the capital value of the property.
On every property which is in the serviced area, but not connected.	Determined by the capital value of the property.
One full charge is levied for each unit of supply provided to a property.	A fixed charge per unit of supply.
Assessed on every property which has one or more fire connections.	Uniform charge per fire connection.
Assessed on the basis of water meter readings. For further information refer to the Christchurch City Three Year Plan 2013-2016.	Invoiced after each reading to business, rural and non-private residential properties. Water used over the water allowance will be charged on a per cubic metre basis.
On every property which is in the serviced area.	Determined by the capital value of the property.
On every property which is in the serviced area.	Determined by the capital value of the property.
The charge is assessed on every separately used or inhabited part of the property in the serviced area	A fixed charge for properties in the collection area and another for properties outside the collection area.
The charges are assessed on every separately used or inhabited part of the property.	Fixed uniform charge per property.
Assessed on those properties that opted for uniform charge payments.	Fixed uniform charge per property.



Finding information about your rates

You can view your 2014-2015 rates or compare them to last year's rates online by checking the rating information database at www.ratesinfo.ccc.govt.nz. You can also view your property's valuation details, legal description and land area.

You can view your full rating details, including your name and postal address at the Council's Service Centres and at the Council's Civic Offices. This information is not available on the Council's website.

If you want to suppress your name or postal address so that it is not publicly available, you can write to us to request a suppression. Send your request to Christchurch City Council, PO Box 73015, Christchurch.

A person named in the rating information database as a ratepayer may inspect the database and may object to the information in the database on the grounds set out in section 29 of the Local Government (Rating) Act 2002. The Act is available online at www.legislation.govt.nz If the information in the rating information database is incorrect (or on your rates invoice) please let us know.

Contact us for more information about your rates

Phone: (03) 941-8999

0800 800 169

Email: ratesinfo@ccc.govt.nz

www.ratesinfo.ccc.govt.nz

Where you can pay your rates

Visit the Council's Civic Offices or Service Centres

Civic Offices, 53 Hereford Street

Akaroa Service Centre, temporary premises:

Sports Pavilion Akaroa Recreation Ground, 28 Rue Jolie

Beckenham Service Centre, 66 Colombo Street (South Library)

Fendalton Service Centre, Cnr Clyde and Jeffreys Roads

Linwood Eastgate Mall, Cnr Buckley's Road and Linwood Avenue (Linwood Library)

Little River Service Centre, 4236 Christchurch-Akaroa Road, Little River

Lyttelton Service Centre, Bundy Building, 15 London Street

Papanui Service Centre, Cnr Restell St and Langdons Rd

Riccarton Service Centre, 199 Clarence Street

Shirley Service Centre, 36 Marshland Road

When you must pay your rates by

Check your area (1, 2 or 3) on your rates invoice or contact the Council.

Area One:

Instalment One - 15 August 2014

Instalment Two - 15 November 2014

Instalment Three - 15 February 2015

Instalment Four - 15 May 2015

Area Two:

Instalment One - 15 September 2014

Instalment Two - 15 December 2014

Instalment Three - 15 March 2015

Instalment Four - 15 June 2015

Area Three:

Instalment One - 31 August 2014

Instalment Two - 30 November 2014

Instalment Three - 28 February 2015

Instalment Four - 31 May 2015

Where a due date falls on a public holiday or weekend, the next working day becomes the due date.

For more information contact (03) 941-8999 or (Banks Peninsula residents can call 0800 800 169), email ratesinfo@ccc.govt.nz, or visit www.ccc.govt.nz.