

Rates newsletter 2023

Kia ora koutou

When I was sworn in as Mayor at Pūtiki Marae last October I said economic headwinds were starting to blow for our country – some would bypass Whanganui, but some would come at us like a cold southerly. We're seeing that happen this year and, looking at the economic forecast ahead, we can see we'll be leaning into the wind for a couple of years to come.

Lobbying for locals

While business activity in Whanganui is still strong we're acutely aware that times are tough for many households. Whanganui's average rates rise this year is mid-range in a national context – but this is after going as hard as possible to reduce costs. In my view the situation is untenable, especially given a double-digit rates rise is already being forecast for next year just to sustain our current work programme.

I believe New Zealand's approach to the rates system is fundamentally flawed and the funding model for local government needs to change.

My priority now is to push for central government to adopt a recommendation from the recent Future of Local Government report that would see the GST collected on rates go to councils instead of central government. This would boost the income needed to run the district and significantly alleviate the burden on our ratepayers. I will be urging Local Government New Zealand to advocate strongly for this so stay tuned.

Rates this year

When we were presented with an initial figure of 11.3% for the average rates rise back in January we asked council staff to go through the books line-by-line to find savings. This was not an easy exercise. Councils, like households, have been facing unprecedented cost rises from interest, inflation and construction industry cost hikes and we had to make some hard decisions to cut and defer non-essential projects. Some of our big projects have experienced cost increases due to the post-COVID economic environment and we are so far along the only viable option is to complete them.

By June we had the average rates rise reduced to 8.3% – and in the final calculation the average rates rise came out lower at 7.9%, thanks to new properties being added

in Whanganui this year. With significant growth in the number of new properties, there are more properties to pitch in on rates so the amount for existing properties is reduced.

The average rates increase for households works out to about \$5 per week.

Variations across the district

All households are different – so when you look at your enclosed 2023/24 rates assessment you may find it varies up or down significantly from the average. This is driven by our recent district-wide revaluation by QV identifying dramatic increases in the value of land, especially in lower-priced areas like Aramoho, Gonville and Castlecliff.

Even so, if you're in a lower-priced property your rates will still be less than those in higher-priced properties.

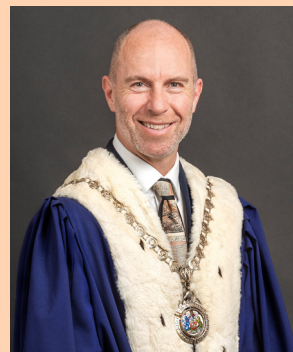
Paying your rates

If you don't already pay your rates by direct debit I'd encourage you to consider it – this can help ease the pressure of paying bigger instalments. Direct debits can be set up to go out weekly, fortnightly, monthly, quarterly or yearly – whatever suits your circumstances.

For those eligible for a rates rebate, it's now increased to up to \$750. To find out if you're eligible there is information on the back of this newsletter and on the council website.

If you're struggling to pay rates **please get in touch with our rates team by calling 06 349 0001 or emailing rates@whanganui.govt.nz**. They'll look at your situation and check whether you're eligible for a rates rebate, help from another agency or some other form of assistance.

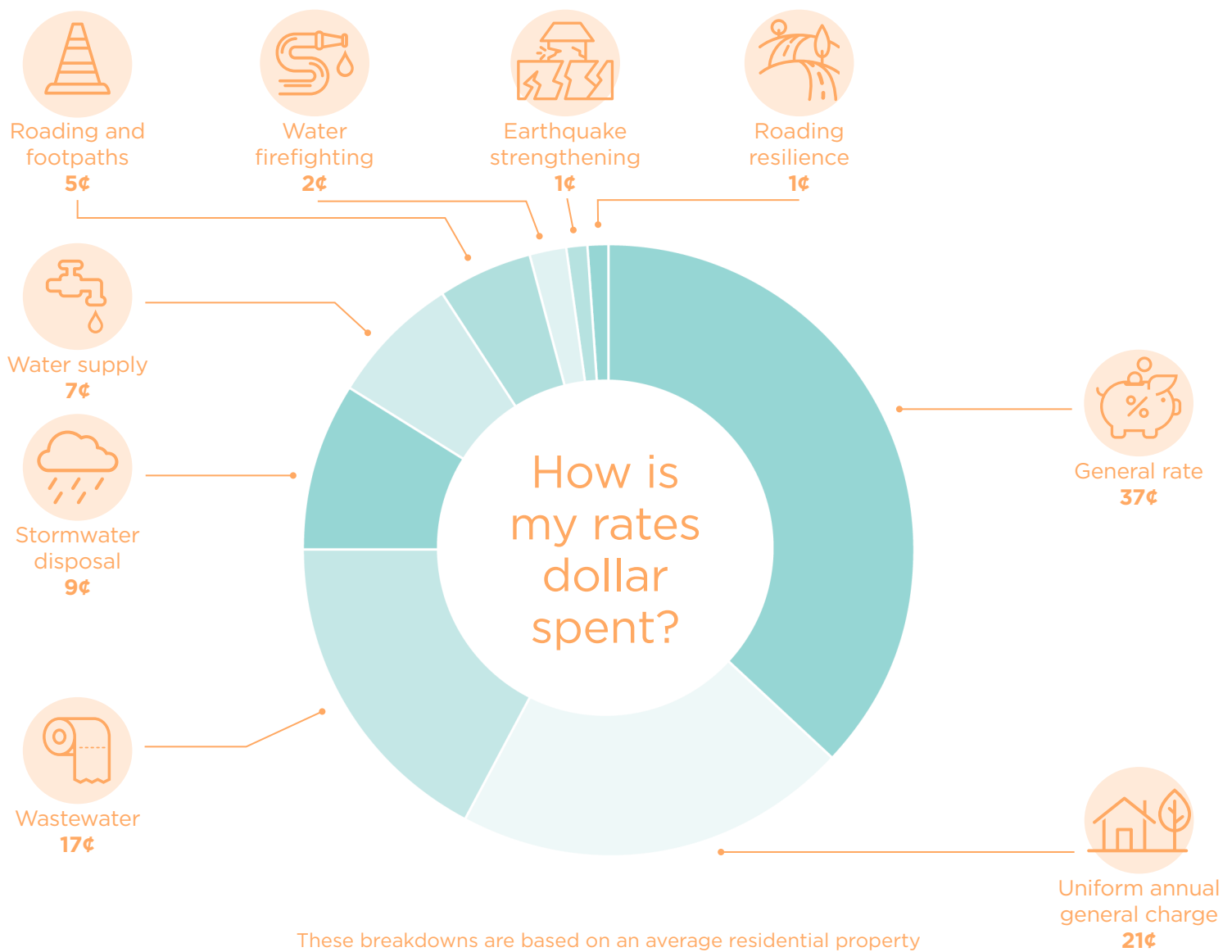
As Mayor, I feel privileged to serve the people in our incredible district and you can rest assured I am working hard to get the best deal for all of us.



Ngā mihi



Andrew Tripe
Mayor of Whanganui



These breakdowns are based on an average residential property and may not be the same for everyone.
 For more information visit www.whanganui.govt.nz/rates

Rates Rebate Scheme 2023/2024

The Rates Rebate Scheme provides a rebate of up to \$750 for ratepayers* on a low-income who were paying rates for the home in which they were living on 1 July 2023.

How is my rebate worked out?

Your rebate will be calculated based on your income, rates and the number of dependants living with you.

The maximum income eligible for a rebate is \$30,100. However, if your income exceeds this amount you could still be entitled to a rebate depending on the total costs of your rates and the number of dependants.

Check your eligibility



Visit www.whanganui.govt.nz/rates-rebate-scheme for a handy calculator to see if you are eligible.

How do I apply?

The easiest way to apply is by booking an appointment with us online:

www.whanganui.govt.nz/rates-rebate-scheme

You can also download an application form while you're there.

What information do I need to provide?

1. Accurate information about your income (and that of any spouse/partner and/or joint home owner who lives with you) for the tax year ended 31 March 2023.
2. Your Horizons Regional Council rates bill.

Applications close on Friday, 30 June 2024.

*ratepayer means any person whose name is recorded in Whanganui District Council's rating information database (RID).