



Frequently asked Questions

Proposed changes to how Council rates for drinking and wastewater.

FAQ

Council has identified two key issues we must address over the coming 12 months. One of them is how Council rates for drinking water and wastewater.

We want your feedback on what option is the best way forward for our community as part of the Draft Enhanced Annual Plan 2024/25 consultation. Read our FAQs to find out more.

Why a review?

Council is considering changing the way “multi residential” and “multi commercial” “differentials” for water and wastewater targeted rates, as well as “major users” rates are charged. This will align the policy more closely with the methods for charging targeted rates as set out in the Local Government (Rating) Act 2002. The proposed alteration of the policy would involve four main changes:

- **Charge per “Separately Used or Inhabited Part of a rating unit”:** The proposed change will mean that water rates are assessed on each “Separately Used or Inhabited Part of a rating unit” (SUIP), using District Valuation Roll data recorded by the valuation service provider, QV, under the Rating Valuation Act 1998 and Rating Valuation Rules. A fixed targeted rate will be charged for each SUIP. Currently, a discounted, differentiated rate is charged for additional SUIPs.
- **Charge for the availability of drinking water:** The proposed change considers charging properties within 50 metres of municipal drinking water reticulation for the availability of drinking water and charging properties within 30 metres of a wastewater reticulation system for wastewater. A reticulation refers to a drinking or wastewater supply via a network of pipes. This means if a connection could be made to the drinking water supply or wastewater supply because it is within a set distance of the supply it would be charged 50% of the full charges made for a full connection. This would align the treatment of all water and sewer supplies in the district. Currently there are inconsistencies how properties are rated within the water and wastewater supplies in the district, where some pay a half-charge for availability, and some do not.
- **Introduce water meters for large water users:** The policy also considers applying water meters to significant users in areas outside of Westport.

- **Charge per urinal/pan:** Because Council cannot meter wastewater, the proposed change considers introducing a per urinal/pan charge for commercial accommodation, schools, and health providers.

Why is Council proposing to change how we rate for drinking and wastewater?

How Council has rated for water and wastewater rates has not changed for many years. Rates reviews over the past 10-years have shown that currently property owners are rated inequitably for water and wastewater.

An example of unfairness is that under the current rating policy a property with more than one house on the same rating unit pays a reduced charge for each extra house.

For example, one section of land with two houses only pays 1.7 water rates instead of 2. A property with 10 stand-alone units only pays 5.2 due to the “differential” reduced rates in the existing policy.

In this example, a property with 10 stand-alone units - (“separately used or inhabited parts”) are equivalent to 10 houses.

To make it fair, Council believes that 10 separately used or inhabited parts/units on a rating unit should pay for all 10 connections, and not receive a discount.

Who will be impacted by the proposed changes to the way we rate for drinking and wastewater?

The proposal is to align the policy on how water and wastewater rates are charged across the entire district.

Because the proposal increases the number of rateable connections for most supplies the fixed annual rate could reduce.

This change would benefit many ratepayers in the major centres of Reefton and Westport. For a small number of ratepayers their water and wastewater rates would increase if the policy were to be changed.

Properties with a house plus a unit which includes bathroom and

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kitchen facilities, and rating units which have more than one activity – such as a business and a managers' residence – will be affected by this change. There is no change for properties which are outside of the water and wastewater reticulation areas.

If you are impacted by this change you will receive a letter from Council that will outline the impact to your rates. This letter explains what to do if you think the proposed policy has been incorrectly applied to your property.

If the policy does get adopted and residents have not received a letter, it does not necessarily mean residents will not be charged in the future, due to ongoing amendments to the database.

Why would motel businesses be charged for two water connections?

Motel units will be charged for two connections; one for all the various motel units and a second one for the premise where the owner or the manager of the motel lives. This is because the motel business is counted as one "separately used or inhabited part" (SUIP) and the manager residence is counted as one separately used or inhabited part.

The residence would be rated for one connection, and the business would be rated for one metered connection and be given an annual allowance of 800 cubic metres of water per annum and charged for every cubic metre in excess of the annual allowance.

The individual motel units are not considered separately used or inhabited units if they are used for the usual business run by a motelier. This also includes motel units used for short term accommodation. Short-term accommodation would be for a continuous period of 7-nights or less.

If motel accommodation is used for continuous accommodation, a period greater than 7 days, for residential style accommodation, then an additional charge would apply for each unit.

I have a sleepout on my property behind my house. The sleepout is where a family members lives. It has a bedroom/living area and a shower/toilet/handbasin for washing but no kitchen facilities. Will I be charged for an additional connection under the proposed policy?

If the above applies to your property, you will not pay an extra water and wastewater rate. Your property is only rated for one connection.

The key point is that the sleepout has no kitchen facilities, so it does not meet the definition of a separately used or inhabited part of a rating unit. Whether your family member lives there or not does not change how the separately used or inhabited part of a rating unit policy is applied.

If kitchen facilities exist in the sleepout, then the sleepout is a separate dwelling, capable of separate inhabitation, in that case you would be charged a second connection.

I own a business premise which has two shops and two connections to water and wastewater. I currently pay the 1.7 for water and wastewater. Why should I now pay for two connections?

Shops such as bookshops and clothing retailers only have a toilet, a sink to wash their hands and a sink to make a cup of tea or coffee. Only very seldomly there is a shower in a shop. Council acknowledges that every connection has a different use of drinking water or wastewater discharged down the wastewater system.

However, the legislation guiding how Council rates and how we apply our policy requires the use of a uniform rate for every separately used or inhabited part of (SUIP) for drinking water charges, wastewater charge, or the land or capital value of the property. Council believes that using a uniform rate per SUIP is the fairest way.

Council will install water meters where Council believes water use per annum may exceed 400m³ to ensure that properties using higher volumes of water are charged more than those who use less.

How can I have my say?

If you have any thoughts about the proposed change in the Draft Enhanced Annual Plan 2024/2025, which involves charging a full targeted rate for each SUIP, you can provide feedback by filling out a paper submission or submitting online through Council's website

We are also interested in hearing your opinions on any other aspects of the draft plan.

Council's draft plan, the consultation document and submission forms are available from Council's offices and libraries in Westport and Reefton, as well as I-Sites and Resource Centres across the district. Submissions are accepted until 4:30 p.m. Monday 20 May.



FOR MORE INFORMATION

To find out more visit Council's website www.bullerdc.govt.nz/have-your-say/draft-enhanced-annual-plan-202425-consultation/. If you have further questions, please email info@bdc.govt.nz with the subject **Enhanced Annual Plan**.

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