

Councillor Question Time

Question from Councillor Sirakoff

Can you please clarify for me the following queries?

1. Why is the rate in the dollar increasing from 3.7282 cents/\$NAV to 3.8181 cents/\$NAV giving rise to a 2.4% rate increase and not an increase of 1.5%?
2. Why is the "Total amount to be raised by general rates" increasing from \$131,533,244 to \$133,42,545 giving rise to a 3% increase and not an increase of 1.5%?

Response

As a result of the small decrease in Net Annual Value across the municipality (-0.90%), and this year's rate cap increase of 1.50% the *proposed 2021/22 Rate in the \$ is increasing by 2.41% from the previous rating year.*

2020/21 Rate in \$ 0.037282

2021/22 Rate in \$ 0.038181

The calculation of the following year's rate in \$ including the ESC cap rate is based on the final NAV which includes supplementary valuations issued during 20/21 which are annualised for 21/22 calculation. The number of supps increased by 1290 which council will be providing services to.

This also explains question #2 as to why we have not just increased 20/21 total rates revenue forecast by the 1.5% cap increase.

**Please note: answers to any questions in Public Question Time and Councillor Question Time which were answered at the meeting are included in the minutes of that meeting.*