

Rates Guide

Pukatohu Reiti

2026



All you need to know about rates in the city
Ngā kōrero katoa mō ngā reiti i Papaioea

pncc.govt.nz/rates

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NORTH
CITY

Kia ora koutou,

We know many households and businesses across our city are still feeling the pressure of rising costs, and that's been front of mind as we've worked through this year's Annual Budget.

After two days of public deliberations in May, we went back and looked for even more savings. As a result, we've been able to reduce the total rates increase to 3.9%, down from the 4.9% we consulted on, and well below the 8.5% projected in the Long-Term Plan.

We've reduced spending in areas such as consultancy, overhead support areas and international relations to help keep costs down. We've also had another look at some of our revenue assumptions and our projected insurance costs now that we have some more up-to-date information. All of these have helped to get the rates increase down to 3.9%.

At the same time, we've added some funding for road safety improvements and increased the footpath renewals budget by \$500,000 after hearing how important this is to our community.

However, rising costs in areas like electricity and fuel continue to impact the budget, with fuel costs alone adding around \$1 million this year.

We know many people are still doing it tough, and this budget reflects that reality. At the same time, we want Palmerston North to continue growing in a way that benefits everyone, by maintaining the infrastructure we rely on, supporting our community, and investing carefully in the future of our city.

A big thank you to everyone who took the time to share your thoughts and ideas with us. We still have a big year ahead, so please continue to stay engaged.

Ngā mihi,



Mayor Grant Smith JP
Palmerston North City



We made some changes to the budget after hearing from you

Thanks to the feedback we received earlier this year, elected members made a number of changes to the draft budget.

New or additional funding includes:

- \$500,000 for additional footpath renewals.
- \$36,000 for road safety improvements along Ascot Street and \$95,000 in the Kairanga Bunnythorpe Road area.
- \$100,000 for improvements at Farnham Park.
- \$100,000 to go towards the purchase of 182–226 Akers Road, Linton (land alongside the Manawatū River).
- \$1 million to cover increased fuel costs.
- \$15,000 to support the Heritage Festival, with half of the funding expected from external sources.
- \$25,000 to support the MASH Trust LUCK venue.
- \$282,000 for lease and fit-out costs for a city centre bus waiting lounge, largely funded through contributions from partner organisations.

We've also:

- Reduced the consultancy budget by \$500,000.
- Reduced the international relations budget by 20%.
- Chosen not to proceed with funding for the Massey University Te Waimano o Turitea Botanical Gardens programme.
- Capped the remuneration budget.
- Reduced the UAGC component of rates for each property from \$300 to \$200, meaning a greater share of rates is based on property value.

Key dates for your rates

Instalment	Invoice date	Due date
One	1 August 2026	28 August 2026
Two	1 November 2026	27 November 2026
Three	1 February 2027	26 February 2027
Four	1 May 2027	28 May 2027

Rates that are not paid by the due date have a penalty charge of 10% added.

Please make sure you pay on time

Payment options:

- Direct debit
- Internet or phone banking
- Automatic payment
- Credit/debit card
- In person



Go paperless with your rates and help save \$170,000 a year!

It costs around \$170,000 each year to print and post rates notices, and that cost continues to rise as mail prices increase.

We know some households like to keep the paper notice handy on the fridge as a reminder. But if you don't need a printed copy, switching to email is a simple way to help reduce costs for everyone.

Get your rates invoice sent straight to your email inbox by filling in the simple form at **pncc.govt.nz/erates**



Ministry of Health Water Notice

Palmerston North has some of the cleanest drinking water in New Zealand.

However, some household plumbing fittings can allow tiny traces of metal to build up in water that has been sitting in pipes overnight.

While the health risk is very low, the Ministry of Health recommends running a cup of water from each drinking water tap first thing in the morning before using it for drinking or food preparation.



You may be eligible for help with your rates

You may be able to get help with your rates through a rebate, remission, or postponement.

Rates rebates

If you own and live in your home and are on a low income, you may qualify for a Government Rates Rebate of up to \$830 for the year.

You may be eligible for the full rebate if your household income for the year ending 31 March 2026 was:

- Less than \$33,210, or
- Less than \$46,400 if you have a SuperGold Card.

You may still qualify if your income is higher. For example, eligibility can depend on factors such as:

- The number of dependants in your household, or
- The amount of rates you pay.

To check whether you qualify, visit **ratesrebates.govt.nz**



Rates remissions

Some community organisations may be eligible for a rates remission if they meet the criteria.

Rates postponements

Individuals experiencing serious financial hardship may be able to postpone part of their rates. This option is generally considered a last resort and may involve additional costs.

If you're having difficulty paying your rates, we encourage you to contact us as early as possible so we can discuss the options available.

For more information, visit the Rates section of our website or give us a call.

How your rates are made up

Your rates are made up of three main parts: **the uniform annual general charge (UAGC), the general rate, and targeted rates.**

Uniform annual general charge (UAGC)

The UAGC is a fixed charge that every property pays, regardless of its value. For 2026/27, this charge is \$200 per property. This helps ensure that all ratepayers contribute towards the services and facilities that benefit the whole community.

General rate – funding services used by everyone

The general rate helps pay for services that benefit the wider community, such as libraries, community facilities, and cemeteries. This rate is based on your property's land value. The amount you pay also depends on how your property is used. Generally:

- Non-residential properties pay the highest rate
- Residential properties pay a lower rate
- Rural and semi-serviced properties pay the lowest rate

Together, the UAGC and general rate help fund services that are available to everyone.



Targeted rates

– paying for specific services

Targeted rates come in two ways. The new capital value targeted rate is charged based on a property's capital value. In the same way as the general rate, this varies depending on the use made of the property.

For 2026/27 the capital value portion of your rates will fund the cost of the transport/roading, economic development, and parks and recreation activities. Other targeted rates are for fixed amounts and paid by ratepayers who receive a specific service – for example, water for properties connected to our supply. Rates for these services go towards the cost of their operations and maintenance.

For 2026/27 the fixed targeted rates are as follows:

Targeted rate	Fixed charge	What for
Water ¹	\$449	Water supply
Wastewater ²	\$446	Wastewater treatment and disposal
Kerbside Recycling	\$141	Wheelie bins, crates and kerbside collection
Rubbish and Public Recycling	\$129	Rubbish disposal in public areas, recycling centres

¹ Large non-residential water users are metered and billed separately based on their actual use.

² Non-residential ratepayers are charged multiples of the wastewater charge reflecting the number of toilets they have.

More of your rates are based on your property's total value

This is the third and final year of a change where more of your rates are based on your capital value - that's the value of your land and buildings combined.

If your capital value is high compared to your land value, you may see a bigger rate increase. If your capital value is lower, your rates increase might be smaller - or you might even pay less.

Central Districts Water will be responsible for water services from July 2027

Horowhenua, Palmerston North and Rangitīkei drinking water, wastewater and stormwater services will be managed by Central Districts Water from 1 July 2027.

The organisation is jointly owned by the three councils and has come about because of Government Water Reforms.

An independent board of directors and Chief Executive are responsible for the organisation. Elected members from the three councils are currently working on setting the expectations for Central Districts Water.

With a year to go, there is still a lot of work to do, and a lot of questions that we can't answer just yet.

But, we're committed to keeping you informed and involved as we get closer to Central Districts Water operating.

That includes getting your feedback in early 2027 on the projects and pricing model.

Stay updated here:

www.centraldistrictswater.co.nz

 @CentralDistrictsWater

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Other updates you should know about

We recently asked for community feedback on possible changes to local government in our region.

The Government has asked councils across New Zealand to consider how they could work together more effectively in the future. This could include sharing services or making changes to council structures.

Thank you to everyone who shared their views. Your feedback has helped shape discussions with neighbouring councils and will inform our initial response to the Government. We will keep you updated as this work progresses.

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