

REVENUE AND FINANCING POLICY

1. The Revenue and Financing Policy provides a summary of Council's funding policies in respect of both operating expenses and capital expenditures. Council reviews its funding policy at least every three years. The last review was completed prior to the initiation of the 2009 Long Term Council Community Plan (LTCCP), and changes adopted are detailed in paragraph 12.
2. Sources of funds available to Council are as follows:
 - General rates.
 - Targeted rates.
 - Fees and charges.
 - Interest and dividends from investments.
 - Borrowing.
 - Proceeds from asset sales.
 - Development contributions.
 - Financial contributions.
 - Grants and subsidies.
 - Other sources permitted by statute.
3. Council's Revenue and Expenditure Policy deals with the revenue and financing mechanisms at a "Sub-Activity" level. Sub-Activities are a sub-set of "Activities", which in turn are a sub-set of "Activity Groups" eg;

One of Council's Activity Groups is "People".
One of People's Activities is "Community Support".
One of Community Support's Sub-Activities is "Recreation".
4. In determining which funding sources were appropriate, Council gave consideration to the following matters in relation to each activity to be funded:
 - the community outcomes to which the activity primarily contributes;
 - the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
 - the period in or over which those benefits are expected to occur; and
 - the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
 - the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
 - the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

5. Prior to determining the "Residual amount to be funded by General-type Rates", Council identified all other funding sources appropriate to each activity. These other sources, and the approach taken by Council are listed in the paragraph 9 table, which highlights the funding sources for every Council activity and any sub-activity which may exist. The table shows the rating tools which Council has determined to be fair and equitable for each activity.

Fees and Charges

These have been set at a level to recover private benefits where it is practical and economic to do so, unless there have been determinations arising from previous funding reviews to fund all or part of such benefits from rates.

Grants and Subsidies

These are sought and applied for whenever they are available.

General Revenues

These are allocated to geographic rating areas in proportion to the gross general-type rates and charges.

General-Type Targeted Rates and Charges

The proportion of each activity's costs to be met from general-type targeted rates and charges is detailed in Table 9. The allocations in that table reflect Council's assessment of the benefits which should be funded by property value rates, and the benefits which should be funded by uniform annual charge. In these instances Council believe separate general targeted rates and charges are the most equitable funding mechanism based of the benefits assessed for each targeted geographic area.

Separate differential categories are utilised for general-type rates and charges, and these are specified in each year's Funding Impact Statement. Council currently has six geographic areas and three categories of land use for each of these areas.

Separate Targeted Rates

Targeted rates are levied to meet the full cost of separate water schemes, refuse collections, defined roading improvements, defined marketing and tourism activities, and for other services where Council has been requested to levy such rates. In these instances Council believe separate targeted rates are the most equitable funding mechanism based of the benefits assessed for the targeted area.

Council has adopted differential land value rates to fund the debt servicing requirement of all sewerage schemes, which takes account of the median land values for each scheme; and of funding operating costs by way of a common uniform annual charge. The most significant benefits derived from this combined

single sewerage funding scheme are a smoothing of rating spikes in smaller schemes and better cash flow management through the timing of capital works.

Note:

The combined sewerage rates and charges do not include the initial debt servicing requirements for any new schemes not paid by lump sum contributions.

6. The following explanations will give readers an understanding of terminology used in this policy statement. Unless otherwise specified, the term:

- Uniform Annual Charge (UAC) or Charge refers to a targeted rate of a uniform amount calculated on each separately used or inhabited part of every rating unit; or for some charges, on every rating unit.
- General-type targeted Rates are rates that are targeted to a particular geographic rating area or a differential rating area group. *(These rates are based on the land value of each property).*
- General-type targeted Charges are charges that are targeted to a particular geographic rating area. *(These charges are not based on property values).*
- Separate targeted Rates are rates that are targeted to a particular area of benefit. e.g. Water. *(Separate targeted rates are based on the land value of each property other than Wairau River Rates and Kenepuru Road Rates which are levied on capital value, or the Southern Valleys' Irrigation Rate which is based on irrigable hectares).*
- Separate targeted Charges are charges that are targeted to a particular area of benefit e.g. Water.
- Land values, capital values or rating units refers to rateable land values, rateable capital values or rateable rating units as the case may be.
- Residual Rate Funding Percentages refer to the residual amount to be funded, after allowance for sources of funds other than rates.
- Funding relationship weightings refer to a methodology for allocating the various general-type rates and charges where the highest weighting is always expressed as 100.
(Where a weighting shows as zero, there is no contribution from that area, but where a weighting shows as a number between zero and 100 (e.g. 85), that area will pay a rate or uniform charge (as the case may be) of 85% of any area that has a weighting of 100.
If all areas have a weighting of 100, the rate in the dollar or uniform charge (as the case may be) will be the same for all areas).
- Council has the following policies to determine what constitutes a “separately used or inhabited part of a rating unit”:
 - That in situations where a rating unit contains only one residential dwelling and only one commercial or industrial type use, it will be treated as one residential rating unit. This does not apply to rest homes or residential establishments that provide residential care and all forms of commercial accommodation.

- Where a number of different businesses are located on one rating unit, each separate business will be assessed uniform charges. An exception is made for motels, hotels and all forms of commercial accommodation – they are treated as one business use even if each accommodation unit may be capable of separate habitation.
- Where rating units contain separate residential habitable dwellings that are capable of independent habitation *(ie: they have all the facilities such as bathroom, toilets, kitchens, separate entrance ways etc)*, uniform charges will be assessed on each dwelling.
- If a rating unit contains a dwelling and a flat *(as shown as a “nature of improvements” on the Council valuation roll)* and the flat contains a kitchen; uniform charges will be assessed on the dwelling and flat.
- Where a rating unit contains a residential dwelling and more than one business, uniform charges will be assessed on the residential dwelling and on each business.
- Where a rating unit contains more than one residential dwelling, and one or more businesses, uniform charges will be assessed on each residential dwelling, and on each business.
- Council has adopted the following differential rating categories:
 - *Residential or Rural*
All land used for a private residence and all land used for rural purposes. "Private residence" excludes rest homes and residential establishments that provide residential care. It also excludes all forms of commercial accommodation. "Rural purposes" means any agricultural, horticultural or pastoral purpose and includes the keeping of bees, poultry or livestock. This group will include all rating units not otherwise categorised within a specified differential category.

Forestry is included in this category for the purposes of the General Works and Services Rate.
 - *Commercial or Industrial*
All land used for a commercial or industrial purpose. "Commercial purposes" includes but is not limited to, any trade or service or activity undertaken or provision of facilities, by any person with a view to making a profit or charging any fee or deriving any other consideration in relation to the trade or service or activity or provision. "Industrial" includes a business, manufacturer, undertaking, or service associated with the production of any type of goods. For the purposes of the General Works and Services Rate, this differential category includes residential rest homes and residential establishments that provide residential care, as well as rating units otherwise assessed as "utilities".
 - *Homestay or Farmstay*
Includes all rating units that are used for a homestay or farmstay activity on land predominantly used for residential or rural purposes, where a Building Act or Resource consent was required for such a use.

- *Utilities*
Land used for an essential service such as water, electricity, gas, telecommunications or sewerage.
- *Multiple Land Uses*
The Council will partition a rating unit where there are two or more land uses that fit into different differential rating categories. However in instances where there is a private residence, the Council will not partition a rating unit unless there are more than two separately used or inhabited parts of the rating unit that fit into different differential rating categories.

7. *Property Valuation System*
Independent property valuations are provided to Council, under contract, by Quotable Value New Zealand. The Marlborough district was last revalued on 1 July 2008 and the new values apply from the 2009-10 rating year.

8. *Compliance with Financial Management Requirements*
The “Activities” that comprise the seven “Activity Groups” of Democratic Process, People, Emergency Management, Land and Water Services, Environmental Policy and Information, Regional Development, and Regulatory are listed in the following tables together with a summary of Council’s consideration outcomes:

8.1 *Operating Expenses Funding Policy*
The following table summarises Council’s Operating Expenses Funding Policy at an Activity level:

	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
Democratic Process	Yes	No	Yes	No	No	No	No	No
Culture and Heritage	Yes	No	Yes	No	No	No	Yes	Yes
Community Housing	No	Yes	No	No	No	No	Yes	No
Community Safety	Yes	No	Yes	No	No	No	Yes	Yes
Community Support	Yes	Yes	Yes	Yes	No	No	Yes	Yes

	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
Library Services	Yes	Yes	Yes	No	No	No	No	Yes
Emergency Management	Yes	No	Yes	No	No	No	No	Yes
Community Facilities	Yes	Yes	Yes	No	No	No	Yes	No
Land Transport	Yes	Yes	Yes	No	No	No	Yes	No
Rivers and Land Drainage	Yes	Yes	Yes	No	No	No	No	No
Wastewater (Sewerage)	Yes	Yes	No	No	No	No	Yes	Yes
Stormwater	Yes	Yes	Yes	No	No	No	Yes	No
Water Supply	Yes	Yes	No	No	No	No	Yes	No
Solid Waste Management	Yes	Yes	Yes	No	No	No	Yes	No
Environmental Policy	Yes	No	Yes	No	No	No	No	No
Environmental Science and Monitoring	Yes	No	Yes	No	No	No	No	No
Biosecurity (Pest Management)	Yes	No	Yes	No	No	No	No	No
Regional Development	Yes	No	Yes	No	No	No	Yes	Yes
Events Management	Yes	No	Yes	No	No	No	Yes	Yes

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	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
Marketing and Tourism	Yes	No	Yes	No	No	No	Yes	Yes
Research	Yes	No	Yes	No	No	No	Yes	Yes
Resource Consents	Yes	Yes	Yes	No	No	No	No	No
Building Control	Yes	Yes	Yes	No	No	No	No	No
Environmental Health	Yes	Yes	Yes	No	No	No	No	No
Environmental Protection	Yes	Yes	Yes	No	No	No	No	No
Project and Land Memoranda	Yes	Yes	Yes	No	No	No	No	No
Animal Control	Yes	Yes	Yes	No	No	No	No	No
Harbours	Yes	Yes	Yes	No	No	No	No	No

	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
Community Support	Yes	Yes	Yes	Yes	No	No	Yes	Yes
Library Services	Yes	Yes	Yes	Yes	Yes	No	No	Yes
Emergency Management	Yes	No	Yes	Yes	Yes	No	No	Yes
Community Facilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Land Transport	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Rivers and Land Drainage	Yes	Yes	Yes	Yes	No	No	Yes	Yes
Wastewater (Sewerage)	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Stormwater	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Water Supply	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Solid Waste Management	Yes	Yes	Yes	Yes	No	No	Yes	No
Environmental Policy	Yes	No	Yes	No	No	No	No	No
Environmental Science and Monitoring	Yes	No	Yes	No	No	No	No	No
Biosecurity (Pest Management)	Yes	No	Yes	No	No	No	No	No
Regional Development	Yes	No	Yes	No	No	No	No	No
Events Management	Yes	No	Yes	No	No	No	No	No

8.2 Capital Expenditure Funding Policy

The following table summarises Council's Capital Expenditure Funding Policy at an Activity level: The utilisation order of the various funding sources is detailed in paragraph 10. Funding of Capital Requirements.

	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
Democratic Process	Yes	No	Yes	Yes	No	No	No	No
Culture and Heritage	Yes	No	Yes	Yes	No	No	Yes	Yes
Community Housing	No	No	No	Yes	Yes	No	Yes	No
Community Safety	Yes	No	Yes	Yes	No	No	Yes	Yes

	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
Marketing and Tourism	Yes	No	Yes	No	No	No	No	No
Research Centre	Yes	No	Yes	No	No	No	No	No
Resource Consents	Yes	No	Yes	No	No	No	No	No
Building Control	Yes	No	Yes	No	No	No	No	No
Environmental Health	Yes	No	Yes	No	No	No	No	No
Environmental Protection	Yes	No	Yes	No	No	No	No	No
Project and Land Memoranda	Yes	No	Yes	No	No	No	No	No
Animal Control	Yes	Yes	Yes	Yes	No	No	No	No
Harbours	Yes	Yes	Yes	Yes	Yes	No	No	No

8.3 Prior to determining the funding basis for each activity, Council gave consideration to the following matters which are summarised below at an Activity level: (Table 9 further identifies the rate funding basis at a Sub-Activity level).

- Community Outcomes to which Activities Contribute
 - Democratic Process Full participation.
 - Culture and Heritage Creativity; Heritage.
 - Community Housing Affordable housing; Positive ageing.
 - Community Safety Safety and security; Positive ageing; Positive youth.
 - Community Support Full participation; Positive ageing; Positive youth; Physical activity; Energy Efficiency; Health Choices.
 - Library Services Full participation; Knowledge and learning;

- Emergency Management Creativity; Heritage; Prosperity. Safety and security.
- Community Facilities Physical activity; Fun and Recreation; Heritage.
- Land Transport Essential services; Physical activity; Prosperity; Environmental sustainability..
- Rivers and Land Drainage Essential services; Environmental sustainability; Prosperity.
- Wastewater (Sewerage) Essential services; Environmental sustainability.
- Stormwater Essential services; Environmental sustainability.
- Water Supply Essential services.
- Solid Waste Management Essential services; Environmental sustainability.
- Environmental Policy Prosperity; Environmental sustainability.
- Environmental Science and Monitoring Prosperity; Environmental sustainability.
- Biosecurity (Pest Management) Prosperity; Environmental sustainability.
- Regional Development Prosperity; Enterprise and endeavour.
- Events Management Prosperity; Full participation.
- Marketing and Tourism Prosperity; Enterprise and endeavour.
- Research Centre Prosperity; Enterprise and endeavour; Environmental sustainability.
- Resource Consents Prosperity; Environmental sustainability.
- Building Control Energy efficiency, Affordable housing.
- Environmental Health Health choices.
- Environmental Protection Environmental sustainability; Health choices.

- Project and Land Memoranda Essential services.
- Animal Control Safety and security.
- Harbours Safety and security; Environmental sustainability; Fun and Recreation.
- Extent to which the Actions or Inaction of Particular Individuals or a Group Contribute to the Need to Undertake the Activity.
 - Democratic Process The democratic process is a public benefit available to the community at large.
 - Culture and Heritage The Council contributes towards these activities for the benefit of all, as it views arts and culture as essential to the health and well-being of society. It believes that a strong community is knowledgeable of its heritage and also preserves and respects the achievements of the past.
 - Community Housing The social and economic position of individuals creates the need for community housing.
 - Community Safety Individuals and businesses desire to be safe and protect personal assets.
 - Community Support The Council supports the community by ensuring that the public has access to a broad range of recreational, arts cultural and social opportunities. Council service costs for energy projects will be recovered over a number of years by a targeted rate on properties that obtain a service.
 - Library Services This activity is potentially beneficial to all as it provides individuals with the opportunity to develop a lifestyle that enhances learning and creates recreational, cultural and social opportunities.
- Emergency Management Individual users of hazard information benefit from knowledge of hazards that directly affect them and learning how to mitigate the effects.

Regional and national communities benefit directly from the maintenance of a response capability; knowledge of hazards; and measures to mitigate and contain harmful effects.
- Community Facilities The Council provides community facilities to allow residents to enjoy access to a wide range of recreational, cultural and social activities.
- Land Transport Users of the roading network create the need for maintenance from the number of trips that are made and the type of vehicle is used. The subsidies that the Council receives from New Zealand Transport Agency are funded through petrol taxes and road user charges that reflect the volume of use by each road user. The level of subsidies received does not, however equate to the Council's view of the public/private benefit split. Hence the balance must be rate funded.

'Areas of benefit' will be established for the purpose of funding seal extensions. The 'area of benefit' will fund the cost of seal extension.

By Council funding Total Mobility, people with disabilities benefit directly by obtaining transport services; and family and friends of those with disabilities benefit indirectly by less need to transport those people around.

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| <ul style="list-style-type: none"> ○ Rivers and Land Drainage | <p>The Council plans for flood protection to decide how best to protect life and property in the floodplain and to preserve or enhance the environment and amenity values of river corridors.</p> <p>The ratepayers in the floodplain (residents and businesses) in the area directly affected by the planning and subsequent works benefit directly through avoiding the risk of floods and potentially through increased property value.</p> <p>Owners and providers of infrastructure (telephone, roads, rails etc) also benefit directly by avoiding damage to their assets.</p> <p>Ratepayers in the surrounding economic 'catchment' adjacent to the floodplain benefit indirectly through their integration with the area affected by the flood protection scheme.</p> <p>The regional community also benefits indirectly through protection of their means of access around the region.</p> | <ul style="list-style-type: none"> ○ Water Supply | <p>Ratepayers who are connected to the water schemes are creating the need for the Council to undertake work relating to the availability of potable water. It is considered appropriate for these people to fund the work through targeted rates. Developers who are adding to the demands placed on schemes which require the Council to undertake new capital works related to growth will contribute to these costs.</p> |
| <ul style="list-style-type: none"> ○ Wastewater (Sewerage) | <p>People who are connected to the sewer schemes are creating the need for the Council to undertake work to minimise the damage to the District's waterways. It is considered appropriate for these people to fund the work through targeted rates. Developers who are adding to the demands placed on schemes which require the Council to undertake new capital works related to growth will contribute to these costs.</p> | <ul style="list-style-type: none"> ○ Solid Waste Management | <p>Council provides waste management services for public health reasons and to protect the environment.</p> <p>Benefits apply directly to those who are in an area which has a kerbside refuse collection service. The Council considers that properties that receive, or will receive, a waste collection service should be responsible for funding expenditure relating to collection and those that dispose of refuse at the transfer stations should pay a disposal fee.</p> |
| <ul style="list-style-type: none"> ○ Stormwater | <p>Owners of developed properties require that there are systems for the collection and disposal of stormwater. Developers who are adding to the demands placed on schemes which require the Council to undertake new capital works related to growth will contribute to these costs.</p> | <ul style="list-style-type: none"> ○ Environmental Policy ○ Environmental Science and Monitoring ○ Biosecurity (Pest Management) | <p>People and organisations benefit in the regional community through sound policy development, reviews and planning to enable the sustainable management of the region's resources.</p> <p>The regional community is the primary beneficiary of this activity as the information collected provides the basis for reporting, sound policy development, reviews and planning.</p> <p>The management of pests is essential for the District's continued prosperity, environmental sustainability and health.</p> |

- Regional Development, Events Management, Marketing and Tourism and Research Centre
 These activities are primarily undertaken with Destination Marlborough, Festivals and Events Trust, and the Marlborough Research Centre Trust. All of these organisations are Charitable Trusts to which Council makes contributions. They are important partners for the Council in assisting the region to achieve economic development outcomes, in particular attracting visitors, residents and investment to Marlborough, adding value to Marlborough enterprises and enriching the quality of life for Marlborough residents.
- Resource Consents
 Persons or organisations applying for services require the Council to undertake work and this is reflected in user charges.
- Building Control
 Persons or organisations applying for services require the Council to undertake work and this is reflected in user charges.
- Environmental Health
 Environmental health compliance benefits all through having a clean, healthy environment.
- Environmental Protection
 Environmental health compliance benefits all through having a clean, healthy environment.
- Project and Land Memoranda
 Persons or organisations applying for services require the Council to undertake work and this is reflected in user charges.
- Animal Control
 The activity protects the public from aggressive or straying animals.
- Harbours
 Recreational harbour users benefit directly by avoiding natural and other hazards e.g. collisions. They benefit directly from a clean marine environment and shorter duration of pollution. Swimmers and other recreational harbour users benefit directly from effective management of the harbour and marine environment by enjoying safe, less congested waterways and by avoiding other hazards.

 Commercial shipping and commercial fishing owners and operators benefit directly by avoiding natural and other hazards e.g. collisions; they also enjoy a direct commercial benefit. They also benefit directly from a clean marine environment and through shorter duration of pollution, thus avoiding delays and loss of business.
- Costs and Benefits of Funding the Activity Distinctly from Other Activities
 - Democratic Process
 Costs associated with Democracy have been separated for reasons of transparency and accountability.
 - Culture and Heritage
 Council funding is provided from general-type rates and charges as it is considered that all residents benefit from the well-being gained from creative pursuits and it is believed that it is beneficial to have a strong community which is knowledgeable of its heritage, and preserves and respects the achievements of the past.
 - Community Housing
 Appropriate rentals are set to recover the costs associated with providing community housing.
 - Community Safety
 The costs associated with community safety have been separated for reasons of transparency and accountability.

- Community Support Council provides grants and donations for social and community development groups and assists community groups to access funds for other (non-Council) sources. It works with specific sectors of the community including youth, and the older community, helps to provide liaison between community organisations and develops partnerships with and between central government and non-governmental organisations for the benefit and well-being of Marlborough residents. Council service costs for energy projects will be recovered over a number of years by a targeted rate on properties that obtain a service.
- Rivers and Land Drainage The activity, being an essential service to the district, benefits all, although some more than others. Therefore varying rates apply across the district that take account of benefits provided.

Gravel extraction and quarry operations are 100% funded from user charges.
- Library Services There is private benefit for those that use the library services, however, the Council considers that there are wide community benefits from ensuring only minimal charges are imposed.
- Wastewater (Sewerage) The benefit of funding sewerage distinctly is that only those in the area of benefit will contribute to the funding.
- Emergency Management The significance of ratepayers funding this activity is an assurance of having a safer and secure community which benefits all.
- Stormwater The benefit of funding drainage distinctly is that only those within urban drainage areas will contribute to their funding and rural drainage systems will be funded by rural areas.
- Community Facilities The benefit of identifying community facilities distinctly is that it enables appropriate user charges to be calculated for applicable facilities. The Council accepts however that user charges cannot fully fund the actual costs of the upkeep of the facilities and the shortfall is funded by way of general-type rates and charges.
- Water Supply Water supplies are funded distinctly from other activities because only those within the supply area fund the scheme costs.
- Land Transport The benefit of funding roading distinctly is to enable a fairer distribution of rates between rural and urban ratepayers to be determined.
- Solid Waste Management Where benefits are identified to specific users it is appropriate that user charges and targeted rates are set to match the private benefit received.
- Environmental Policy The benefit is the knowledge that the environment is being managed appropriately and concerns are being addressed. The community benefits through the sustainable management of the region's resources. It is totally funded by general-type rates and charges.
- Environmental Science and Monitoring The benefit is the knowledge that the environment is being managed appropriately and concerns are being addressed. The community benefits through the sustainable management of the region's resources. It is totally funded by general-type rates and charges.

- Biosecurity (Pest Management)

The benefit is the knowledge that Biosecurity issues are being managed appropriately and concerns are being addressed.
- Regional Development, Events Management, Marketing and Tourism, and Research

The benefit of these activities is to promote the continued economic development of the District as a whole.
- Resource Consents

Charges can be administered cost effectively. Funding is partly user charges and the remainder, rate funded.

There is no alternative funding mechanism that would be a reasonable substitute.
- Building Control

Charges can be administered cost effectively. Funding is partly user charges and the remainder, rate funded.

There is no alternative funding mechanism that would be a reasonable substitute.
- Environmental Health

Charges can be administered cost effectively. Funding is partly user charges and the remainder, rate funded.

There is no alternative funding mechanism that would be a reasonable substitute.
- Environmental Protection

Charges can be administered cost effectively. Funding is partly user charges and the remainder, rate funded.

There is no alternative funding mechanism that would be a reasonable substitute.
- Project and Land Memoranda

Charges can be administered cost effectively. Funding is partly user charges and the remainder, rate funded.

There is no alternative funding mechanism that would be a reasonable substitute.
- Animal Control

Separation of costs allows charges to be calculated on a full cost-recovery basis.
- Harbours

Recreational harbour users, commercial shipping and commercial fishing owners and operators benefit directly by this activity.
- Overall Impact on Current/Future Social, Economic, Environmental and Cultural Well- Being of the Community
 - Democratic Process

Significant impact on the social, economic, cultural and environmental well-being of the community in terms of providing effective decision making and leadership for the community, and through effective public information.
 - Culture and Heritage

The overall impact is significant in terms of promoting cultural enrichment, and giving residents the opportunity to gain valuable knowledge of their heritage.
 - Community Housing

Significant impact on the social well-being of the community.
 - Community Safety

Safety and security have a significant impact on the social, economic, cultural and environmental well being of the community.
 - Community Support

Significant impact on the social, economic and cultural well-being of the community in terms of promoting cultural enrichment and opportunities for residents to participate in community life. The health and wellbeing of the community benefits from energy efficiency initiatives.
 - Library Services

The provision of libraries contributes to the economic, social and cultural well-being of the community by providing individuals with the opportunity to enhance learning and contributes to the well being of the community.

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| <ul style="list-style-type: none"> ○ Emergency Management | <p>Significant impact on the social, economic, cultural and environmental well-being of the community through maintaining readiness to respond to adverse events, and assisting with the health, safety and well-being of the community.</p> | <ul style="list-style-type: none"> ○ Environmental Science and Monitoring | <p>Significant impact on the social, economic and environmental well being of the community through protecting the sustainability of the community.</p> |
| <ul style="list-style-type: none"> ○ Community Facilities | <p>Significant impact on the social, economic and cultural well-being of the community, in terms of promoting cultural enrichment and opportunities for residents to be involved in community life.</p> | <ul style="list-style-type: none"> ○ Biosecurity (Pest Management) | <p>Significant impact on the social, economic and environmental well being of the community through protecting the sustainability of the community.</p> |
| <ul style="list-style-type: none"> ○ Land Transport | <p>An efficient road transport network has a significant impact on the social, economic and environmental well-being of the community.</p> | <ul style="list-style-type: none"> ○ Regional Development, Events Management, Marketing and Tourism, and Research Centre | <p>Significant impact on the social, economic, cultural and environmental well being of the community.</p> |
| <ul style="list-style-type: none"> ○ Rivers and Land Drainage | <p>Adequate river protection has a significant impact on the social, economic and environmental well being of the community.</p> | <ul style="list-style-type: none"> ○ Resource Consents | <p>Significant impact on the social, economic, cultural and environmental well-being of the community in terms of providing effective public information and applying due diligence in processing and maintaining compliance.</p> |
| <ul style="list-style-type: none"> ○ Wastewater (Sewerage) | <p>Significant positive impact on the social, economic and environmental well being of the community. Treatment and disposal will protect the health of the community and the environment from adverse affects of untreated or uncontrolled effluent disposal.</p> | <ul style="list-style-type: none"> ○ Building Control | <p>Significant impact on the social, economic, cultural and environmental well-being of the community in terms of providing effective public information and applying due diligence in processing and maintaining compliance.</p> |
| <ul style="list-style-type: none"> ○ Stormwater | <p>An adequate drainage system has a significant impact on the social, economic and environmental well-being of the community.</p> | <ul style="list-style-type: none"> ○ Environmental Health | <p>Significant impact on the social, economic, cultural and environmental well-being of the community in terms of providing effective public information and applying due diligence in processing and maintaining compliance.</p> |
| <ul style="list-style-type: none"> ○ Water Supply | <p>Water is a necessity of life and the supply of water has a significant impact on the social, economic and environmental well-being of the community.</p> | <ul style="list-style-type: none"> ○ Environmental Protection | <p>Significant impact on the social, economic, cultural and environmental well-being of the community in terms of providing effective public information and applying due diligence in processing and maintaining compliance.</p> |
| <ul style="list-style-type: none"> ○ Solid Waste Management | <p>An adequate refuse collection and disposal system has a significant impact on the social, economic and environmental well-being of the community.</p> | <ul style="list-style-type: none"> ○ Project and Land Memoranda | <p>Significant impact on the social, economic, cultural and environmental well-being of the community in terms of providing effective public information and applying due diligence in processing and maintaining compliance.</p> |
| <ul style="list-style-type: none"> ○ Environmental Policy | <p>Significant impact on the social, economic and environmental well being of the community through protecting the sustainability of the community.</p> | | |

- Animal Control The diligent policing of this activity has a significant impact on the social, economic, cultural and environmental well-being of the community.
- Harbours Significant impact on the social, economic and environmental well being of users of the waterways.

• Distribution of Benefits

	DISTRICT-WIDE	TARGETED AREA	INDIVIDUALS
Democratic Process	100%		
Culture and Heritage	100%		
Community Housing			100%
Community Safety	10%	90%	
Community Support	100%		
Library Services	20%		80%
Emergency Management	100%		

	DISTRICT-WIDE	TARGETED AREA	INDIVIDUALS
Community Facilities	50%	50%	
Land Transport	80%		20%
Rivers and Land Drainage	20%	80%	
Wastewater (Sewerage)		100%	
Stormwater		100%	
Water Supply		100%	
Solid Waste Management	10%	90%	
Environmental Policy	80%	20%	
Environmental Science and Monitoring	80%	20%	
Biosecurity (Pest Management)	80%	20%	

	DISTRICT-WIDE	TARGETED AREA	INDIVIDUALS
Regional Development, Events Management, Marketing and Tourism, and Research Centre	80%	20%	
Resource Consents	20%		80%
Building Control	20%		80%
Environmental Health	20%		80%
Environmental Protection	20%		80%
Project and Land Memoranda	20%		80%
Animal Control		10%	90%
Harbours	10%	90%	

NOTE: Benefits are expected to occur for at least the duration of the 10 year Community Plan, however many extend to the life of the applicable assets or the service provided.

9. Funding of Expenditure by Activity

The following table illustrates how the Residual Rate funding requirement for each activity/sub-activity is proposed to be met, after provision has been made for any

applicable Fees, Charges, Grants, and Subsidies; or other Direct Revenue that relates to the activity/sub-activity; and having given consideration to the matters in paragraph 8.

A separate supplementary report outlining "Relationship determinations, Area Funding %'s, and Geo-type Rates in \$, (or) Uniform Charge Amounts" is available on request, which provides a detailed analysis of the Geographic Rating Areas contribution to the General-type Targeted Rates and Charges; as well as the Relationship between the general-type rates and charges in those areas.

RESIDUAL RATE FUNDING BASIS

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
DEMOCRATIC PROCESS (excluding Community Boards/Forums)						
			0	100	0	0
Community Boards (as determined)			0	0	100	0
Community Boards (as determined)			0	0	0	100
Picton Forum			0	0	0	100
CULTURE & HERITAGE						
Arts: Marlborough Art Gallery Grants			40	60	0	0
Arts: Other Grants			40	60	0	0

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
Heritage: Marlborough Historical Society Grants			40	60	0	0	Community: Safer Community	*	*	40	60	0	0
Heritage: Other Grants			40	60	0	0	Community: Security Cameras [Blenheim CBD]			100	0	0	0
Museums – Picton			100	0	0	0	COMMUNITY SUPPORT						
Museums: Renwick			100	0	0	0	Community: Grants & Donations			40	60	0	0
Museums – Rural			100	0	0	0	Community: Recreation			0	100	0	0
Memorials: Cleghorn Rotunda			100	0	0	0	Energy Efficiency Initiatives					100	
Memorials: Picton			100	0	0	0	LIBRARY SERVICES	*		0	100	0	0
Memorials - Seymour Square			100	0	0	0	EMERGENCY MANAGEMENT						
Memorials: Town Centre Clock			100	0	0	0	Fire Protection	*	*	100	0	0	0
Memorials – Other			100	0	0	0	Emergency Management – Other		*	40	60	0	0
COMMUNITY HOUSING	*		0	0	0	0							
COMMUNITY SAFETY													

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
COMMUNITY FACILITIES							Reserves (Group 2a) Ptn Neighbourhood	*		1	99	0	0
Cemeteries	*	*	0	100	0	0	Reserves (Group 2b) P/V Neighbourhood			1	99	0	0
Halls (Group 1) Awarua Park			100	0	0	0	Reserves (Group 3) WV Domain			1	99	0	0
Halls (Group 2) Waitaria			100	0	0	0	Reserves (Group 4) Bln Vicinity Domains			4	96	0	0
Halls (Group 3) Gen Rural Halls			100	0	0	0	Reserves (Group 5) Endeav. Prk/Waitohi Domain			4	96	0	0
Halls (Group 5) Fairhall Hall			100	0	0	0	Reserves (Group 6) A&P/Horton Park			10	90	0	0
Halls (Group 6) Koromiko Hall			100	0	0	0	Reserves (Group 7) Ath Park/Oliver Park	*		10	90	0	0
Halls (Group 7) Wairau Rd C/Centre			100	0	0	0	Reserves (Group 8) Bobs Bay/Ptn F'Shore etc			40	60	0	0
Halls (Group 8) QC College			100	0	0	0	Reserves (Group 9) Churchward Park			28	72	0	0
Halls (Group 9) B/Vic. Halls			100	0	0	0	Reserves (Group 10) Rural Domains			4	96	0	0
Public Conveniences			0	100	0	0	Reserves (Group 11) Nelson Square			28	72	0	0
Reserves (Group 1a) Bln Neighbourhood			1	99	0	0							
Reserves (Group 1b) B/V Neighbourhood			1	99	0	0							

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
Reserves (Group 12) Pollard/Seymour/ Riverside etc			40	60	0	0	Blenheim CBD Works			100	0	0	0
							Picton CBD Works			100	0	0	0
Reserves (Group 13) Wither Walkway etc			40	60	0	0	Targeted: French Pass Road			0	0	0	100
Reserves (Group 14) Rural Reserves			100	0	0	0	Targeted: Heberds Road			0	0	0	100
Reserves (Group 15) Misc Leased Reserves	*		100	0	0	0	Targeted: Kaiuma Road			0	0	0	100
Swimming Pools: Aquatic Centre	*		3	97	0	0	Targeted: Kenepuru Road			0	0	100	0
Swimming Pools: Awatere	*		3	97	0	0	Targeted: Okiwa Bay Jetty			0	0	0	100
Swimming Pools: Picton	*		3	97	0	0	Targeted: Other Roads (as approved)			0	0	0	100
							Targeted: Other Roads (as approved)			0	0	100	0
LAND TRANSPORT							Targeted: Landscaping (Urban 1)			0	0	0	100
Subdivisional Works	*		100	0	0	0	Targeted Landscaping (Urban 2)			0	0	0	100
Roading Network		*	100	0	0	0	Targeted Landscaping (Rural 1)			0	0	0	100
Roading Related Works			100	0	0	0							
Street Trees, Berms & Plots			100	0	0	0							

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs %" "	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs %" "	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
Targeted Landscaping (Rural 2)			0	0	0	100	- Grovetown Sewerage – No Lump Sum			0	0	100	0
Parking: Blenheim Loans			100	0	0	0	- Havelock Capital	*	*	0	0	100	0
Parking: Blenheim Other	*		100	0	0	0	- Havelock Operating			0	0	0	100
Parking: Picton Loans	*		0	100	0	0	- Havelock Sewerage Loan - No Lump Sum			0	0	100	0
Parking: Picton Other	*		0	100	0	0	- Picton Capital	*	*	0	0	100	0
							- Picton Operating			0	0	0	100
							- Picton Sewerage Loan - No Lump Sum			0	0	100	0
RIVERS AND LAND DRAINAGE							- Renwick – New Scheme (Capital)	*	*	0	0	100	0
Rivers in Wairau Valley District - (Sep. Targeted Rate)	*		0	0	100	0	- Renwick On-going (Same as Bln)			0	0	0	100
Rivers outside WV Rating District	*		100	0	0	0	- Renwick Sewerage Loan - No Lump Sum			0	0	100	0
							- Seddon Capital	*	*	0	0	100	0
							- Seddon Operating			0	0	0	100
							- Spring Creek Capital	*	*	0	0	100	0
							- Spring Creek Operating			0	0	0	100
WASTEWATER (SEWERAGE) - (Targeted Rates)													
- Blenheim Capital	*	*	0	0	100	0							
- Blenheim Operating			0	0	0	100							

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
- Spring Creek Sewerage Loan - No Lump Sum			0	0	100	0	WATER SUPPLY (Separate Targeted Rates)						
STORMWATER							- Awatere Water - Capital	*	*	0	0	100	0
Stormwater – Blenheim	*		100	0	0	0	- Awatere Water - Metered			0	0	100	0
Stormwater - Havelock (General Rural)	*		100	0	0	0	- Awatere Water - UAC			0	0	0	100
Stormwater - Okiwi Bay			0	0	0	100	- Blenheim Water – Capital	*	*	0	0	100	0
Stormwater – Picton	*		100	0	0	0	- Blenheim Water – Metered			0	0	100	
Stormwater - Rai Valley (General Rural)			100	0	0	0	- Blenheim Water – UAC			0	0	0	100
Stormwater - Renwick (Blenheim Vicinity)	*		100	0	0	0	- Havelock Water – Capital	*	*	0	0	100	0
Stormwater - Seddon (General Rural)	*		100	0	0	0	- Havelock Water – Metered			0	0	100	0
Stormwater - Spring Creek (Blenheim Vicinity)	*		100	0	0	0	- Havelock Water – UAC			0	0	0	100
Stormwater – Other			100	0	0	0	- Picton Water – Capital	*	*	0	0	100	0
							- Picton Water – Metered			0	0	100	0

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
- Picton Water – UAC			0	0	0	100	Blenheim/Picton Refuse Collection and Kerbside Recycling (Separate targeted rates)			0	0	0	100
- Renwick Water – Capital	*	*	0	0	100	0	Admin Area Refuse Collection			0	100	0	0
- Renwick Water – Metered			0	0	100	0	Landfills, Transfer Stations, Waste Minimisation	*		0	100	0	0
- Renwick Water – UAC			0	0	0	100	ENVIRONMENTAL POLICY AND INFORMATION						
- Riverlands Water	*		0	0	100	0	Environment Policy			80	20	0	0
- Riverlands Water – UAC			0	0	0	100	Environment Review (Monitoring)			80	20	0	0
- Southern Valley Irrigation – Capital – No Lump Sum		*	0	0	100	0	REGIONAL DEVELOPMENT						
- Southern Valleys Irrigation – Metered	*		0	0	100	0	Destination Marlborough			100	0	0	0
- Wairau Valley Water Metered	*	*	0	0	100	0	Tourism			0	0	0	100
Wairau Valley – UAC			0	0	0	100	Research Centre			100	0	0	0
- Wairau Valley Water Loan - No Lump Sum			0	0	0	100							
WASTE MANAGEMENT													

REVENUE AND FINANCING POLICY

Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %	Allocation of costs to geographic areas, land use categories and other targeted rates	Fees & Charges (*) where applic.	Grants & Subsidies (*) where applic.	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UAC's" %
Other Developments			100	0	0	0							
Events Management			0	100	0	0	HARBOURS	*		100	0	0	0
							ANIMAL CONTROL						
CONSENTS AND COMPLIANCE							Dog Control	*		0	0	0	0
Resource Consents	*		100	0	0	0	Other Animal Control	*		100	0	0	0
Building Control	*		100	0	0	0	FORESTRY	*		100	0	0	0
Environmental Protection			100	0	0	0	LAND DEVELOPMENT	*		100	0	0	0
Environmental Health	*		0	100	0	0	RENTAL HOUSING	*		100	0	0	0
Hearings	*		0	100	0	0	COMMERCIAL LEASES	*		100	0	0	0
Legal Section			100	0	0	0	RIVER LEASES	*		100	0	0	0
PIM & LIM Section	*		100	0	0	0	MDC HOLDINGS			100	0	0	0
Public Information			100	0	0	0	LAND SUBDIVISION RESERVE GRANTS	*		0	0	0	0
ANIMAL AND PLANT PESTS							AGENCIES			0	0	0	100
Biosecurity: Regional Pest Control	*	*	100	0	0	0	SPECIAL REVENUES			100	0	0	0
Bovine T.B. Control	*	*	100	0	0	0	GENERAL REVENUES	*		variable	variable	0	0
							<i>(allocated on the</i>						

*basis of gross
general-type rates
and charges)*

10. Funding of Capital Requirements

In general, the sources of funds for capital expenditure will be utilised in the following order:

- Development and financial contributions.
- Capital grants and subsidies (where available).
- User charges.
- General revenue sources [see below].
- Council financial reserves, including Depreciation Reserves.
- Loan raising [which will impact on rates in the form of loan servicing charges].
- Targeted rates [directly charged].

11. General Revenue Sources

There are some revenue sources which are not directly linked to an activity but are utilised by Council to assist in funding a number of Council activities either directly or indirectly.

These include:

Dividends and Interest from Investments

- Funded to specified Reserves for particular purposes or events (eg Flood Damage Reserve).
- Used to subsidise general-type rates and charges by way of general revenue allocation.
- Sinking Fund interest is applied against the Sinking Fund to which it relates and used for debt repayment.

Petroleum Tax

- Used to subsidise general-type rates and charges by way of general revenue allocation.

Asset sale proceeds

- In general, 25% of all asset sales are used to build up an infrastructure disaster reserve in case of a major disaster e.g. earthquake. The balance is retained by Council to assist in the extension of its infrastructure.

Development and Financial Contributions

- Contributions received from developments and subdivisions are applied towards the cost of infrastructure to mitigate the effects of growth. (Where capital expenditure can be funded from these contributions, Council will generally use these sources of funding to meet the cost of growth of the district in preference to other services).

Forestry Income

- Currently used to reimburse advances from reserves and also on a case by case basis to fund infrastructural development.

12. Changes to Existing Funding Policy

Following an in-depth review of its Revenue and Financing Policy, Council initiated a number of funding changes that will take effect from 1 July 2009.

The review included the following issues:

- Consideration of the background to the existing funding policies.
- A review of user charges.
- An examination of the provisions of the Local Government (Rating) Act 2002.
 - The appropriateness of the existing geographic areas for levying general-type rates and charges.
 - The advantages and disadvantages of using either Land Value or Capital Value for levying general-type rates. (*The current system is based on property land values*).
 - Review of the “funding relationship weightings system” (*see explanation of this in Terminology*), to ensure that appropriate funding allocations are made to take account of the Financial Management considerations outlined in Section 101 of the Local Government Act 2002.
 - The effect of collecting more revenue from “uniform annual charges” instead of from “rates levied on property values”, having regard to the legislative constraints of the Local Government (Rating) Act 2002, and the regressive impact on low value properties.
 - Council proposes within available resources to facilitate Central Government objectives of promoting energy efficiency, energy conservation, and the use of renewable energy sources. It will do this by providing home owner services which together with interest and an appropriate administration charge will be recovered over a number of years through a targeted rate on those properties that obtain a service.

Up until 2008-09 Council has fully rate funded both Depreciation and Sinking Fund Instalments (*with a few exceptions*).

As from 1.07.09 Council has funded Depreciation and Sinking Funds on the following basis:

1. Depreciation has been fully funded for all assets with the following exceptions:
 - Roads, where funding has been adjusted to take account of NZ Transport Agency financial contributions.
 - Halls, Convention Centre, reserves, drains, river channels, retards and Taylor Dam as it is planned that these assets are either maintained in perpetuity, or their replacement is not certain because of changing community needs.

- Wairau Valley Water, Havelock Sewerage, and Southern Valleys' Irrigation Schemes, where funding is capped at current levels in accordance with practice established following community consultation.
2. Sinking Funds have been funded from depreciation reserves with the following exceptions:
- Sinking Funds are being used to repay loans that were raised to acquire assets with a significant non-depreciable component.
 - Where there is a specific rate or dedicated part of any rate to meet debt servicing costs

A review of the Wairau Valley River Protection Rates. Council proposes to modify the weightings of the various Wairau Valley Rivers' groups to adjust for disproportionate valuation movements arising from the 2008 district wide revaluation.

This means that the various differential groups will have similar levies (in total) on the new capital values, as for the former valuation.

Council postponed the implementation of a kerbside recycling collection for Blenheim and Picton in 2009-10 and have determined to review the proposal for 2010-11. The intention is to apply differentials to the existing refuse collection charges in order that commercial and industrial properties are not levied for a kerbside collection service that will not be provided to this sector.

Council has transferred 31 properties on the Mahau peninsula from the Administration Rural Geographic Rating Area to the General Rural Geographic Rating Area, because these properties are able to obtain access from the Kenepuru Road.

Council will apply an annual CPI adjustment to targeted Tourism Charges commencing from 1 July 2009.

Following recommendations from the Awatere Settlers Association and many Awatere residents, Council has replaced the existing uniform annual charge (per meter) and the residual metered water charge, with a uniform charge per separately used or inhabited part of a rating unit, and a residual metered water charge from 1 July 2009.

Council will introduce a range of targeted rates in parts of the district where higher landscaping standards result in additional maintenance costs. Example areas where such rates could be levied include Dry Hills Lane, Marlborough Ridge, and the Riverlands new industrial zone. Such targeted rates will only be introduced when higher landscaping standards are required, and after appropriate consultation has occurred with affected ratepayers or developers.

As from 1 July 2009, except as provided below in the note, Council will fund the debt servicing requirement of all sewerage schemes by way of a differential land value rate which takes account of the median land values for each scheme; and of

funding operating costs by way of a common uniform annual charge. The most significant benefits to be derived from this will be a smoothing of rating spikes in smaller schemes and better cash flow management through the timing of capital works.

Note:

Combined sewerage rates and charges do not include the initial debt servicing requirements for any new schemes not paid by lump sum contribution.

Council has introduced a Picton Forum charge on the basis of a fixed amount per separately used or inhabited part of any rating unit in the Picton Electoral Ward. The charge will be used to fund an annual grant to the Picton Ward forum.