



**MARLBOROUGH DISTRICT
COUNCIL
2023-24**

Final Annual Plan

**RATE FUNDING
ALLOCATIONS**

Adopted 29 June 2023

MARLBOROUGH DISTRICT COUNCIL

RATE FUNDING ALLOCATIONS – EXPLANATORY NOTES

The Rate Funding Allocation Model illustrates **General type Targeted Rates, General type Targeted Charges, Targeted Rates and Charges** and **Services Charges** sources for the various activities/services provided by Council.

The following is an explanation for the various headings:

1. Activity Groups and Activities

Displays, for example, **Group – People** which includes e.g. **Activity – Arts**

which has two sub activities **Arts Grants: Art Gallery** and **Arts Grants: other**.

“Refer to the **2023-2024 Annual Plan**: Part 2 Our Business (pages 13– 96) describes the activity groups and activities in the Plan. There are 11 activity groups, which are split into 23 activities” as shown on page 14.

2. General Rates

This column displays the **percentage of the total rates requirement for each activity that is funded by Geographic Area General type targeted rates that are assessed on a land value basis** e.g. 40% of Arts Grants: Art Gallery (on page 1).

3. General Charges

This column displays the **percentage of the total rates requirement for each activity that is funded by Geographic Area General type targeted charges (i.e. by a fixed amount on each separately used or inhabited part of a rating unit)** e.g. 60% of Arts Grants: Art Gallery (on page 1).

4. Targeted

This column displays the **percentage of the total rates requirement that is funded for each activity by Targeted Rates and Charges**. (e.g. Wairau Valley River Rates, Combined Sewerage Scheme Rates and Charges etc) e.g. 100% Rivers: Wairau Valley District (on page 7).

5. Services

This column displays the **percentage of the total rates requirement that is funded for each activity by targeted water meter charges** e.g. 100% Southern Valleys’ Irrigation Metered (on page 11).

6. Residual Rate Requirement

This column displays the residual rating requirement (GST incl) to fund each activity.

7. The columns to the right:

Indicate the geographic general type rating areas and differentials e.g. 1171- Blenheim Residential Rate etc.

8. Each activity has a line for:

- **Weighting** - This line displays the **funding relationship weightings for 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. Where a weighting shows as a number between zero and 100 (e.g. 70), that area will pay a rate or charge (as

the case may be) of 70% of any area that has a weighting of 100 (e.g. Arts Grants: Art Gallery on page 1).

If all areas have a weighting of 100, the rate in the dollar or charge (as the case may be) will be the same for all areas.

- **Adjusted Weighted factors** – calculation from the relationship weightings and the area’s rateable land value (or if applicable, the area’s number of charges).
- **Resultant allocation** – Allocation of Residual Rate Requirement.
- **Resultant cents per \$/rate per capita** - Displays the GST inclusive **derived Cents in the dollar (and/or) the charge amount to fund each particular activity.**
- **Resultant benefit allocation % TotRates** - Displays the **geographic rating area’s contribution to General type Rates and Charges in percentage terms.**

The percentage is derived from the Resultant allocation.

e.g. (For the Aquatic Centre Activity on page 5)

If your property is Blenheim residential, **0.000452** cents of the Blenheim residential rate in the dollar will fund **your share of the 3% requirement being funded by General type “rates”**, and a charge amount of **\$81.83** will fund **your share of the 97% requirement being funded by General type “charge”**.

If your property is Picton residential, **0.000452** cents of the Picton residential rate in the dollar will fund **your share of the 3% requirement being funded by General type “rates”**, and a uniform charge amount of **\$50.74** will fund **your share of the 97% requirement being funded by General type “charge”**.

9. Activity Summary (page 12)

- i. Summarises General Type Rates and General Type Charges by Geographic Area:
 - Group Activity dollars and Resultant allocation.
 - Resultant cents per dollar/rate per capita.
 - Resultant benefit allocation (%TotRates).
- ii. Summarises Homestay/Farmstay and Utilities allocation. GST exclusive.
- iii. Summarises Homestay/Farmstay and Utilities allocation. GST inclusive.
- iv. Net rate without Homestay/Farmstay and Utilities.
- v. Resultant cents per \$/rate per capita, as detailed on page 329 of the 2021-31 Long Term Plan.
- vi. Resultant cents per \$/rate per capita for Homestay/Farmstay and Utilities.