

19 August 2022

Kia ora [REDACTED]

Official information Request: Rates

I am writing to you in response to your request received 8 July 2022 for the following information.

I have assessed your request under the Local Government Official Information and Meetings Act 1987 (LGOIMA).

I'd like to acknowledge several phone calls, email exchanges and a meeting on Wednesday 10 August to help us understand your request. We have agreed to respond to questions 1 to 4 and then provide answers to your other questions where the information is available.

As discussed, the purpose of the LGOIMA is for *information*, and does not require us to provide analysis of information or to provide information in formats different to what already exists e.g. tables. We understand there could be value in having this information, but we do not have the capacity to spend the significant hours required for this work, unless we were to charge our hourly LGOMIA fee.

Hours contributed to this response: 15

Policy & Governance: 7 hours (record search)

LGOIMA & Rates: 3 hours (communication and compilation of information)

Senior Management: 5 hours (meeting and response review)

For ease of reference, I have included your questions in blue font.

1 Since 1989 please state the start and finish dates for each Complete Rating Review, the name of the Reviewer or person chairing or leading the Review Process and the names of the persons sitting on the Committee.

2 Please for each Complete Rating Review send (2-1) the conclusion as formally passed by SWDC resolution (2-2) copies of all submissions made (2-3) copies of all Officer input including working papers and analysis and (2-4) minutes of all discussions and (2-5) identify all documents by unique page number which refers to "benefit" "s101 Local Government Act" "Electricorp v Mackenzie".

3 Please state (3-1) dates for all other "Interim Administrative Rates Reviews" (3-2) when Rates were changed and (3-3) how changed and (3-4) how much changed and (3-5) the reason (including needs of the Annual Plan or new Government Valuations)

4 For all "Interim Administrative Rates Reviews" please for each such Review send (2-1) the conclusion as formally passed by SWDC resolution (2-2) copies of all submissions made (2-3)

copies of all Officer input including working papers and analysis and (2-4) minutes of all discussions and (2-5) identify all documents by unique page number which refers to "benefit" "s101 Local Government Act" "Electricorp v Mackenzie"

As discussed, this is considered significant collation as many of these records are in hard copy and potentially in off-site storage. We have agreed to provide this information if it is available in our electronic records (please see attachments below).

Rates are set as part of the Revenue and Finance Policy which under current legislation is reviewed as part of the Long-Term Plan. Our search of the electronic records indicates reviews of the policy in 1999, 2022, 2011/12, 2015/16, 2018, and 2021. We have provided the electronic records of these reviews as requested. From the records, the opinion is that not all years look significant enough to be considered a rating review but are included for your information.

There is no evidence of a review in the electronic records between 2003 and 2009. This is not to say that there wasn't a review, just that our search could not find evidence of one. There are recommendations from the Policy Committee / Policy and Finance Committee during that period and some resolutions don't stand alone e.g. Council resolved to "adopt the policies recommended by the committee" without naming the specific policy. Without searching hard copies, we cannot confirm the detail of these policy reviews.

The full meeting minutes are stored in hard copy in our office at Martinborough. The minutes may contain further information but searching through these documents by hand would take many hours of work.

5 For each year since 2000 please from the Annual Review and Annual Accounts select a one page table in A4 size showing in summary form the totals for that year for each item of expenditure and for all sources of revenue [Relevant to Questions 5,6,7 we as Remote Rural Ratepayers advocate for a differentiated zone east of the windmills and east of the Hinakura Watershed since we all "do for ourselves" in respect of three waters and other Council services. An example is the repainting of the Hinakura Hall, and a further example will be a diversion road to bypass the Hinakura Slip. We hope with leadership from the SWDC and Federated Farmers to form one or more focus groups in which typical ratepayers may state apart from a pro rata share of the roading network (except for kerbs and street cleaning etc) the percentage benefit they receive. The consultation by focus group will be based on the Q5,6,7 tables unless the SWDC can suggest a better method]

6 Please for the present year select a one-page table showing in summary form the totals for that year for each item of expenditure and for all sources of revenue.

7 Please for each of the future years until the end of the 10-year plan select a one-page table showing in summary form the totals for that year for each item of expenditure and for all sources of revenue.

8 Please for each of the years in Questions 5,6,7 state the expenditure on kerbs, street cleaning etc and other roading benefits not received by rural residents.

9 Please for each of the years in Questions 5,6,7 state or clearly identify (if not obvious) the total of revenue received from outside the district.

10 Please state for each year (10-1) the number of staff employed directly by SWDC (10-2) the roles of each staff member (10-3) the number of staff employed indirectly by SWDC through Contractors and (10-4) the roles of each staff member.

11 Please state the total population and rates collected in the [four rating zones for which we advocate] (11-1) Residential Featherston with town boundaries realigned for the present break between town and country (11-2) Residential Martinborough with town boundaries realigned for the present break between town and country [eg in the case of Martinborough beyond Weld and New York Streets (11-3) Residential Greytown with town boundaries realigned for the present break between town and country (11-4) rural (11-5) east of the Tukurumuri and Hinakura watersheds.

12 Please state for each of the zones (11-1) to (11-5) state the total SWDC rates levied and the breakdown of rates e.g. as to AGC or UGC or other specific charges.

13 Please calculate the effect on rates in each of the zones assuming a reduction by SWDC of 50% ordinary rate in the remote rural zone from moving from Land Value Rates to Capital Value Rates (ie LV +VI).

14 Please calculate the effect on rates in each of the zones assuming a reduction by SWDC of 50% ordinary rate in the remote rural zone from moving to maximum use of UAGC's but rating land value rating.

15 Please calculate the effect on rates in each of the zones assuming a reduction by SWDC of 50% ordinary rate in the remote rural zone from moving to Capital Value Rates (ie LV +VI) and UAGC's.

Our Annual Reports from 2015/16 are available online. Annual reports before this date are archived and could be made accessible for your review upon request. We do not have the capacity to provide detailed analysis for individual purposes. The Taxpayers (ratepayers) Union provide an excellent high-level comparison of rates across councils with some analysis that you might find useful which can be found here:

<https://www.ratepayersreport.nz/>

16 Please state when QV are scheduled or expected to review all Government Valuations and when you expect these to be reflected in rates demands.

The QV rating valuation schedule note all councils due for their rating review here:

<https://www.qv.co.nz/services/rating-valuations/rating-revaluation-schedule/>

Reviews are conducted every three years; our last review was 1 September 2020 to take effect for the 2021/22 rating year i.e., July 1, 2021. The next review is scheduled for 1 September 2023 and to take effect the 2024/25 rating year i.e., 1 July 2024.

17 Does the SWDC anticipate the Government Valuations in the SWDC will increase?

18 If Government Valuations increase in the South Wairarapa will the SWDC reduce the factor at which rates are levied to provide some relief to all ratepayers?

19 Does the SWDC anticipate that rural recent land sales enhanced by the value of carbon such as Birch Hill Station at approx. \$10,000 per ha be reflected in increased Government Valuations for all rural landowners?

As discussed, these questions require expertise that SWDC does not have in-house and must seek externally at a cost. It also requests a level of speculation that Council officers cannot offer an opinion on. The purpose of the rating review is to explore these types of questions and then for Council to make a decision when the Finance and Revenue Policy is put before them for consideration as part of the Annual Plan (before the end of June 2024).

20 Will the SWDC (following the decision of the High Court in the Wairoa District Council case) instruct QV to value land FIRSTLY on the basis of pure livestock values uninfluenced by carbon and SECONDLY carbon enhanced values and levy rates at the lower level to reflect the fact that livestock farmers receive no benefit from the carbon market?

As discussed, SWDC cannot “instruct” QV to do anything – they are a State-Owned Enterprise subject to the State-Owned Enterprise Act 1986. I expect they are aware of case law that impacts their decisions and will take legal advice and any action required to ensure they act within the appropriate legislation.

21 Will the SWDC recognise and avoid the increasingly inaccurate and illusory and misleading nature of QV Government Valuations (due to Government manipulation of money supply and consequent inflation) by applying UAGC's at maximum levels [as a more consistent indicator of benefits]?

The purpose of the rating review process is to highlight any inconsistencies in application and for Councillors to take a decision regarding the fairest application of rates. Council officers cannot predetermine the outcome of the review or the decision.

22 Please state the 10th largest ratepayers in the SWDC and identify the position of [REDACTED] on the list [REDACTED] calculated in 2020 that we were the [REDACTED] ratepayer and the only [REDACTED] on the list]

23 Please state the 10th largest commercial ratepayers in the SWDC whether in Martinborough, Greytown or Featherston

A list has been provided in the attachment below.

24 Does the SWDC believe there is now any correlation between net income earned by the 10 largest ratepayers and benefits required by those rural ratepayers to earn the net income, when compared with commercial ratepayers in the SWDC

Rates are not calculated using income and this is not information we hold.

Additionally, you made some further comments and requests via email, and I've included information that may be helpful.

- Please advise where the records of the Featherston Highway Board (estab. 1872) are kept.
- I objected to the delay in the concluded Rating Review until after the 8 October 2022 Elections, by splitting off the controversial consultation part until after the election... The delays are not

reasonable and run the risk that Rates Reform will not be implemented immediately after 31 March 2023

- I remain annoyed that the Rating Review is to straddle the 8 October election.
- I and my neighbours should have input into the process of the Rates Review at the same time as the Councillors
- Could you please urgently send to me copies of all working papers presented to Councillors and Staff at the two Working Groups recently conducted by Mr Phil Jones
- Consultation must be concluded by 30 November 2022.....so reforms can be implemented in the New Year

Rates are set as part of the annual and long-term planning processes (July to June of any given year) through the Finance & Revenue Policy. Any changes to this policy will be implemented at the beginning of the next financial year being 1 July 2023. It is not an efficient or logical use of Council's limited resources that we would seek to condense a process that would have no impact until the next annual plan. An election has added complexity and best practice would see elected members not making significant decisions that would impact an incoming Council.

The LGA 2002 determines the process we must use for consultation which you can find here:

<https://www.legislation.govt.nz/act/public/2002/0084/latest/DLM172328.html>

The first step of the consultation is for Council to provide a *statement of proposal* and a *summary of information*, if required.

NOTE: We will treat your request of the working papers presented to Councillors at the initial rating review workshops and the request for the location of the Featherston Highway Board as a separate LGOIMA.

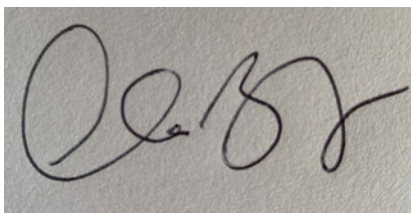
You have a right to request a review by the Ombudsman on this response. Further information about this process can be found on:

<https://www.ombudsman.parliament.nz/what-ombudsman-can-help/complaints-about-government-agencies/how-make-complaint>

or email:

info@ombudsman.parliament.nz

Kind regards

A handwritten signature in dark ink, appearing to read 'Amanda Bradley', on a light-colored background.

Amanda Bradley
General Manager Policy & Governance

***Rating Powers Act 1988 - Alterations to System
of Differential Rating***

PURPOSE OF REPORT

To resolve by way of Special Order to alter the system of commercial differential rating to give effect to the Funding Policy adopted by Council on 26 June 2002.

ADVICE

- **THAT** Council receive this report.
- **THAT** Council resolved by way of Special Order pursuant to section 85 of the Rating Powers Act 1988 and all other provisions enabling it in that behalf to alter the system of differential rating for the District rates to the effect that from 1 July 2002, there be a transition to reduce the urban differentials between the three towns of Featherston, Greytown and Martinborough and also to alter the commercial differential by reducing the differential to 2.0 as set out in the appended copy of the Special Order Public Notice.

1.0 GENERAL RATE AND DIFFERENTIALS FOR 2002/2003 FINANCIAL YEAR

- 1.1 Council formally adopted its new Funding Policy on 26 June 2002 which reduced the commercial differential from 2.5 to 2.0 and commences a transition over two years to remove the differentials between the towns.
- 1.2 The differential rating system will need to be altered to give effect to the new Funding Policy for the 2002/2003 financial year. The calculation and setting of rates and charges will be formalised when the rates are set and levied by Council.
- 1.3 The Rating Powers Act, section 85 requires that any alteration to the system of differential rating be by Special Order Resolution.
- 1.4 The Special Order requires an extended minimum public notice period of 60 days before confirmation. Other special orders normally require a minimum of 30 days.
- 1.5 Sections 80, 84 and 85 of the Ratings Powers Act 1988 enable Council to adopt, introduce or alter a system of differential rating.
- 1.6 Section 84(1)(c) requires any special order resolution to include a statement specifying:
 - Matters taken into account in altering the system of differential rating within the district.
 - The proposed types or groups of properties for differential rating within the district.
 - The general effect that the alteration to the differential rating system is expected to have on the incidence of rates as between ratepayers and groups of ratepayers.
- 1.7 The definition of the rating categories used is generally as set out in the operative District Plan of

1 November 1998.

1.8 Appended is a copy of a Public Notice in the form to advertise the Special Order - Alteration to System of Differential Rating.

1.9 The Funding Policy, this report and the appended copy of the Public Notice (see 1.8 above) provide the statements required by s.84(1)(C).

2.0 FINANCIAL IMPLICATIONS

2.1 Special order advertising costs.

2.2 To give effect to the adopted Funding Policy and to allow the setting and levying of rates for the 2002/2003 financial year, subject to Special Order procedures.

3.0 LEGAL IMPLICATIONS

3.1 Rating Powers Act 1988.

3.2 Local Government Act 1974 (subject to Special Order procedures).

4.0 POLICY IMPLICATIONS

4.1 Full implementation of the Funding Policy for the 2002/2003 financial year, subject to Special Order procedures)

5.0 ENVIRONMENTAL IMPLICATIONS

5.1 None arising from this report.

6.0 BACKGROUND PAPERS

6.1 Long Term Financial Strategy 2001-2011 adopted 27 June 2001 (DC2001/139)

6.2 Funding Policy 2002-2004 as adopted on 26 June 2002

6.3 Annual Plan 2002/2003 as adopted by Council on 26 June 2002

7.0 REPORT AUTHOR

7.1 Griff Page , Chief Executive Officer (06) 3069 611

SOUTH WAIRARAPA DISTRICT COUNCIL
P.O. Box 6
MARTINBOROUGH

MEDIA RELEASE

New Rating System Adopted by Council

For Immediate Release

Wednesday 26 June 2002

For further information contact: Mayor, John Read (06) 306 9611

The South Wairarapa District Council has adopted its new rating system after consultation with the community. The new system is embraced within the Council's Annual Plan 2002/2003 and its Funding Policy both of which were approved by Council at its meeting on 26 June.

Mayor John Read said the new system would be introduced in 2 stages and would ultimately see the removal of differentials between the towns and an increase of uniform charges.

Mr Read said that while Council had approved a final overall increase of 3.5% in the amount of rates for the next financial year, there would be a variance in the way this was spread.

Average valued properties in Greytown and Martinborough would see increases of about 6% in the Council's rates in each of the next 2 years. Average value properties in Featherston would see decreases of about 2.5% over the 2 years Mr Read said. Rural areas would see increases in uniform charges but with overall decreases in total rates for larger properties.

As with any rating decision Council has had to strike a balance and after due consideration of all matters raised Council believes the new system will see greater fairness and equity in rating across the District Mr Read said.

END

SOUTH WAIRARAPA DISTRICT COUNCIL



ORDINARY MEETING

Minutes of a meeting held in the District Council chambers, Kitchener Street, Martinborough on Wednesday 26 June 2002 commencing at 9.00am.

- Present:** Mayor J F Read and Councillor B J Clark, V A Draper, T M Gray R C B Harragan, K J Lyford, V L Napier, R Petelin, K R Sexton and J D Tenquist.
- Officers Present:** Messrs G B Page (Chief Executive), R M Smith (Corporate Planning Manager), R Mangar (Manager Works and Services), R Airey (Secretary)
- Others Present** Mr S Te Maari (Maori Standing Committee) *[arrived at 10.22am]*

Mayor Read in the Chair

PUBLIC BUSINESS

Mayor Read declared the ordinary monthly meeting of the District Council for June 2002 open.

1. APOLOGIES

No apologies were tendered.

2. PUBLIC PARTICIPATION

No deputations, petitions or submissions were received.

3. CONFIRMATION OF MINUTES

- (a) District Council – 22 May 2002

RESOLVED

(Clark/Tenquist)

DC2002/85 THAT minutes of a meeting of the Council held on 22 May 2002 be confirmed as a true and correct record.

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness.

- (b) Special District Council – 13 June 2002

RESOLVED

(Draper/Gray)

DC2002/86 THAT minutes of a Special meeting held on 13 June 2002 be confirmed as a true and correct record, subject to the following corrections:

item 5(a)14, add SPCA \$500 and amend Kahutara Hall Society to \$1000.

4. POLICY

- (a) Policy Committee – 24 April 2002

RESOLVED

(Sexton/Petelin)

DC2002/87 THAT minutes of a meeting of the Policy Committee held on 24 April 2002 be received.

Matters Arising

- (i) Stock Movement Bylaw
Farmers were understood to be not liable for stock straying from a public road onto private land. Liability varied according to different situations. Stock routes in the towns needed to be designated.

5. REPORTS

- (a) Departmental

- (i) Corporate Planning Manager

1. Corporate Planning Manager's Report – June 2002

Discussion included:

- Building consents already exceeded all of the previous year;
- Time limits for finishing a building and access;
- Work on roads by contractors.

A report was requested with regard to contractors work on roads carried out without Council knowledge.

RESOLVED

(Napier/Harragan)

DC2002/88 THAT

- (1) *a report from the Corporate Planning Manager, No. CPM 181-5-2002 dated 22 May 2002 be received;*
(2) *Survey Plans for sub-divisions previously approved, as listed hereunder, be executed:*

DISCLAIMER

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- *Brittons Housemovers Ltd*
1 Dublin Street, Martinborough
- *W M Herrick*
Martinborough – Pirinoa Road, Martinborough
- *W R & L K Dennes*
6 Jellicoe Street
Greytown
- *A Sutherland*
Fraters Road, Martinborough
- *F G Johnson*
Battersea Road, Greytown
- *Mr and Mrs J Simmonds*
Battersea Road, Greytown
- *A Barker*
Woodside Road, Greytown
- *J H Bull*
21 Wood Street, Greytown
- *I & D Cresswell*
11 Oxford Street, Martinborough

- (3) McLeod Subdivision – Application Plan No. 552, Subdivision of Lot 7 DP 81902 – Instrument Creating an Esplanade Strip, the document creating an Esplanade Strip in respect of the above subdivision, described as

Schedule A

Lot 2 on Deposited Plan 303415 being all of the land in Certificate of Title WN 13710.

Schedule B

20 metres wide along the river bank of the Huangarua River as the same is described on subdivisional plan 303415, be executed, and further that the Common Seal of the South Wairarapa District Council be affixed to the said document and that the same be attested by His Worship the Mayor and the Chief Executive Officer;

- (4) a report on Building Consents for May 2002 be received; and
- (5) Sale of Council land at Whangaimoana

A Memorandum of Transfer as under be approved:

Schedule

DISCLAIMER

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All that parcel of land described as Lot 23, DP 5836, Block IX
Huangarua Survey District containing 835m2 – Whangaimoana Beach
Settlement;

And further that the Common Seal of the South Wairarapa District
Council be affixed to the said Document and that the same be attested by
His Worship the Mayor and the Chief Executive Officer.

(ii) Finance and Corporate Services

1. Chief Executive Officer's Report – June 2002

Comments made included:

- Town accounting had been deleted;
- Library policies were to be publicly available;
- Improvements could be made to the presentation of financial performance figures.

[Mayor Read left the meeting at 9.37 am and returned at 9.39am]

RESOLVED

(Tenquist/Clark)

DC2002/89 THAT

- (1) *a report from the Chief Executive Officer No. CEO 40.06.02 dated 16 May 2002 be received;*
- (2) *the Council, being the current Registered Chargeholder of \$1,000,000 Kapiti District Council Registered Secured Stock Fixed Rate Bond, hereby consents to the Entry on the Register of Charges of the Council of a release of the Charge and of all the charges therein, and that the execution of the Consent to Entry of Satisfaction of Charge under the seal of the South Wairarapa District Council by His Worship the Mayor and the Chief Executive Officer on 18 June 2002 be ratified; and*
- (3) *the policies of the Wairarapa Library Service relating to Interloans, Internet, Complaints and Privacy, as attached to minutes of a meeting of the Wairarapa Library Service Committee held on 28 May 2002, be adopted.*

(iii) Manager Works and Services

1. Works and Services Department's Monthly Report – June 2002

Comments on the report included:

- Featherston/Greytown Water Supply. Trials were being carried Out.
- Martinborough Oxidation Pond. Resource Consent had been received.

DISCLAIMER

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- Anzac Hall toilets. A contract had been let.
- Cricket wicket maintenance and standards.

RESOLVED

(Draper/Harragan)

DC2002/90 THAT

a report from the Manager Works and Services No. MWS 79.06.2002 dated 20 June 2002 be received;

[The meeting adjourned at 10.06 am and resumed at 10.22am].

(b) General

(i) His Worship the Mayor

Mayor Read reported on:

- A visit to Western Australia.
- Hill Road. Kaitoke Development and Waiohine Bridge.
- Mt Bruce conservation project launch.
- Greytown Trust Lands Trust meeting.

RESOLVED

(Mayor Read/Clark)

DC2002/91 THAT *a report from His Worship the Mayor No. HWM30.06.02 dated 20 June 2002 be received.*

(ii) Chief Executive

1. Chief Executive's Monthly Report – June 2002

Discussion referred to:

- a combined Councils meeting would be in Carterton on 19 July 2002;
- the new Local Government Act had been delayed by the General Election;
- effects on urban areas of changed differentials;
- a report was needed on accountability for the Wairarapa Irrigation Development Study.

DISCLAIMER

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RESOLVED

(Napier/Petelin)

DC2002/92 THAT

- (1) a report from the Chief Executive Officer No. CEO41.06.02 dated 19 June 2002 be received;
- (2) agreement be given to funding Council's share of Stage 2 of the Wairarapa Irrigation Development Study in the current financial year;
- (3) pursuant to Section 122N of the Local Government Act 1974 the Funding Policy 2002-2004 be adopted; and
- (4) pursuant to Section 223D of the Local Government Act 1974 the Annual Plan for 2002/2003 be adopted.

2. Rating Powers Act 1988 – Alteration to System of Differential Rating

RESOLVED

(Mayor Read/Gray)

DC2002/93 THAT

- (1) a report from the Chief Executive Officer No. CEO39.06.02 dated 19 June 2002 be received; and
- (2) Council resolve by way of Special Order pursuant to Section 85 of the Rating Powers Act 1988 and all other provisions enabling it in that behalf to alter the system of differential rating for the District rates to the effect that from 1 July 2002 there be a transition to reduce the urban differentials between the three towns of Featherston, Greytown and Martinborough and also to alter the commercial differential by reducing the differential to 2.0, as set out in a Special Order Public Notice as hereunder:

***Alterations to Urban Differential Rating and
Commercial Differential Rating***

Public Notice is hereby given that at an Ordinary meeting of the South Wairarapa District Council held on Wednesday 26 June 2002, the following initial resolution was passed by way of Special Order pursuant to section 85 of the Rating Powers Act 1988.

“That Council resolve by way of Special Order pursuant to section 85 of the Rating Powers Act 1988 and all other provisions enabling it in that behalf to alter the system of differential rating for the District rates to the effect that from 1 July 2002, there be a transition to reduce the urban differentials between the three towns of Featherston, Greytown and Martinborough and also to alter the commercial differential by reducing the differential to 2.0 as set out in the appended copy of the Special Order Public Notice”.

The alteration to the urban differential rating recognises a transition over 2 years to the new system of urban rating to be applied for the 2002/2003 rating year commencing on 1 July 2002 and thereafter, in accordance with Council's Funding Policy adopted by Council on 26 June 2002 (DC2002/92)

The alteration to the commercial differential rating recognises the new system of rating to be applied for the 2002/2003 rating year commencing on 1 July 2002, and thereafter, in accordance with Council's Funding

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness.

Policy adopted by Council on 26 June 2002 (DC2002/92). Within the urban category commercial properties have applied a differential of 2.0 over the rate applying to the relevant urban rate for the remainder of the urban areas.

Any person, upon enquiry either in person at the office of the Council, 19 Kitchener Street, Martinborough, or in writing to the Chief Executive Officer, shall be advised of the type or group of property to which a particular property will be allocated for differential rating purposes.

Any ratepayer may, at any time before the confirmation of the Special Order, object to the Council in accordance with section 116 of the Rating Powers Act 1988 against the allocation of a property to a particular type or group of property for differential rating purposes.

Notice is further given that this Special Order resolution will be submitted for confirmation at a meeting of the Council to be held on Wednesday 25 September 2002 in the Council Chambers, 19 Kitchener Street, Martinborough commencing at 9.00am.

Copies of the Special Order, including the explanatory statements, have been deposited at the following public offices and libraries of the South Wairarapa District Council and are available for inspection by the public during normal office hours:

*Martinborough Office - 19 Kitchener Street, Martinborough
Featherston Library/Service Centre – Fitzherbert Street,
Featherston.
Greytown Library/Service Centre - Main Street, Greytown.
Martinborough Library – Jellicoe Street, Martinborough.*

Griff Page
CHIEF EXECUTIVE OFFICER

[Councillor Clark abstained from voting].

(iii) Planning and Regulatory

1. Applications Sub-committee – 27 May 2002

RESOLVED (Gray/Harragan)
DC2002/94 THAT a report from the Corporate Planning Manager No. 180-5-2002 dated 27 May 2002 of decisions of a meeting of the Applications sub-committee held on 27 May 2002 under delegated authority of the Council be received.

2. Applications Sub-committee – 17 June 2002

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness.

RESOLVED

(Clark/Draper)

DC2002/ 95 THAT

a report from the Corporate Planning Manager No. CPM185-6-2002 dated 17 June 2002 of decisions of a meeting of the Applications Sub-committee held on 17 June 2002 under delegated authority of the Council be received.

3. Planning Hearings Committee – 31 May 2002

RESOLVED

(Gray/Clark)

DC2002/96 THAT *minutes of a meeting of the Planning Hearings Committee held on 31 May 2002 be received.*

4. Planning Hearings Committee – 14 June 2002

RESOLVED

(Gray/Clark)

DC2002/97 THAT *minutes of a meeting of the Planning Hearings Committee held on 14 June 2002 be received.*

5. Delegation of Functions

Section 34 Resource Management Act 1991

[Councillor Lyford left the meeting at 11.36am]

RESOLVED

(Sexton/Tenquist)

DC2002/98 THAT

- (1) a report from the Corporate Planning Manager No. CPM184.5.2002 dated 29 May 2002 be received; and*
- (2) pursuant to Section 34(3) of the Resource Management Act 1991, Council delegate to Mr Jim Wiltshire, Barrister and Solicitor, the authority to hear and make a decision on a Notified Resource Consent Application by the Featherston Skatepark Group.*

[Councillor Lyford returned at 11.37am]

DISCLAIMER

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RESOLVED

(Sexton/Petelin)

DC2002/99 THAT Mayor Read and Councillor Napier be appointed Hearing Committee members to hear a Notified Resource Consent application from East Coast Abalone Ltd and D Tyer in conjunction with the Wellington Regional Council.

6. Minutes of the District Plan Review Working Party – 18 June 2002

The minutes were referred to the Policy Committee.

(c) Representational Reports

- Arbor House Trust Board
 - A report from Council's appointee was requested.
- Cobblestones Trust
- Historic Places Trust - Wairarapa
- South Wairarapa Community Arts Council
 - Four applications had recently been approved.
- Southern Wairarapa Safer Community Council
 - Mr John Slater had left. An alternative Education Trust programme was working well.
- Wairarapa Community Health Council
 - The Council had been wound up and remaining assets distributed.
- Wairarapa Cultural Trust Board – Aratoi
 - A new CEO was being sought.
- Go Wairarapa
- Wellington Region Environmental Agency
- Wairarapa Coastal Strategy Group
- Wairarapa Irrigation Development Study
- Wairarapa Smart Region Inc.
 - Four territorial local authorities were involved with the broadband project, which was developing very fast.
- Local Government New Zealand Zone 4 Executive
- Moroa Water Race Committee
- Waste Management Wairarapa
- Awhea Opouawe Scheme Committee
- Lower Valley Development Scheme Committee
- Waiohine – Mangatarere River Scheme Advisory Committee
- Floodplain Management Advisory Committee
- Regional Land Transport Committee
- Eastern and Central Community Trust Shooting Star Community Project Sub Committee
 - Council would be represented at the Trust's AGM in July.

6. MINUTES

(a) Community Boards

(i) Martinborough – 10 June 2002

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness.

RESOLVED

(Clark/Draper))

DC2002/100 THAT minutes of a meeting of the Martinborough Community Board held on 10 June 2002 be received.

Matters Arising

- Erosion at Ngawi

The Manager Works and Services advised that the situation was manageable.

- Street Markings

The Manager Works and Services advised that the matter was for Transit. Council could not make the changes sought, and only then in accordance with Transit's manual.

- (ii) Featherston – 4 June 2002

RESOLVED

(Sexton/Tenquist)

DC2002/101 THAT minutes of a meeting of the Featherston Community Board held on 4 June 2002 be received.

Matters Arising

- Main Street Development

Work had started on the L J Hooker triangular area.

- (iii) Greytown – 5 June 2002

RESOLVED

(Lyford/Napier)

DC2002/102 THAT minutes of a meeting of the Greytown Community Board held on 5 June 2002 be received.

- (b) Maori Standing Committee – 10 June 2002

RESOLVED

(Petelin/Lyford)

DC2002/ 103 THAT minutes of a meeting of the Maori Standing Committee held on 10 June 2002 be received.

Matters Arising

Mr Te Maari commented on:

- the proposed pamphlet;
- iwi hearing commissioners;
- Hill Road involvement;

[Councillor Clark left the meeting at 12.35pm and returned at 12.37pm].

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness.

- Committee minutes;
- training for Committee members. Mayor Read advised that sessions for Community Board members and for their chairs were being organised.
- Committee Secretary. The Chief Executive Officer spoke of the quality of secretarial service provided to the Committee by Mr Smith.

(c) Hillary Commission Community Sport Fund Assessment Committee – 9 May 2002

RESOLVED **(Draper/Lyford)**
DC2002/104 THAT *minutes of a meeting of the Hillary Commission Community Sport Fund Assessment Committee dated 9 May 2002 be received.*

Matters Arising

At the request of Mayor Read, the Committee Secretary explained proposals from Sport and Recreation New Zealand, as successor to the Hillary Commission, to terminate the Community Sport Fund. Widespread concerns were being expressed.

(d) Council Awards, Refurbishment and Gifts Working Party – 6 June 2002

RESOLVED **(Napier/Clark)**
DC2002/105 THAT *minutes of a meeting of the Council Awards, Refurbishment and Gifts Working Party dated 6 June be received.*

There being no further business the meeting closed at 12.53pm

CONFIRMED AS A TRUE AND CORRECT RECORD

.....**(Chairperson)**

.....**DATE**

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness.

POLICY & FINANCE COMMITTEE

14 DECEMBER 2011

AGENDA ITEM B1

DRAFT REVENUE AND FINANCING POLICY

Purpose of Report

To present the draft revenue and financing policy.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Adopts the draft revenue and financing policy, for later ratification by full Council.*

1. Executive Summary

This report presents the draft revenue and finance policy.

This draft policy is the result of the discussions at the revenue and financing workshops.

This draft policy is still a working document, and will need to be adopted by full Council prior to the adoption of the draft LTP.

2. Appendixes

Appendix 1 – Draft Revenue and Financing Policy

Prepared by: Paul Crimp / Philip Jones

Contact Officer: Paul Crimp, Group Manager Corporate Support

Appendix 1 – Draft Revenue and Financing Policy

APPENDIX 1 DRAFT REVENUE AND FINANCING POLICY

South Wairarapa District Council

Draft Revenue & Financing Policy

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- liability management policy;
- investment policy;
- development and/or financial contributions policies;
- rates remission policies; and
- rates postponement policies.

Section 101 (3) of the Local Government Act 2002 (LGA) set out the requirements Council must consider as part of the development of the policy. Section 103 LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- community outcomes - the community outcomes to which the activity primarily contributes (in other words your rationale for service delivery)
- the user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
- the intergenerational equity principle – the period in or over which those benefits are expected to accrue
- the exacerbator pays principle – 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.

i. Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

ii. Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

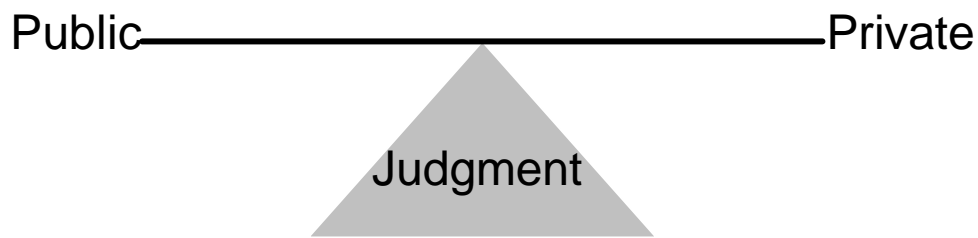
At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



iii. Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations, not just today. Many of the activities provided by local government are either network or community infrastructure which has long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25 year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs smooth funding over a limited period to avoid rate spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

iv. Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging and, in many cases, it is not possible to pass this cost on to the exacerbator and, therefore, it becomes more a case of identifying the quantum of the issue and deciding who then should bear the cost, if not the exacerbator.

V. Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

Selection of tools

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as borrowings and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools from the list below.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. Therefore in this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

Revenue

General Rates

Including Uniform Annual General Charge
This is usually used to recover public good.

South Wairarapa District uses land value for the application of its general rate.

Council believes that land of value allocates the costs fairly between the rural and urban communities.

When Council considered the advantages and disadvantages of each option it considered it identified that:

- The ratio of land to capital value was inconsistent across the district and this would have lead more ratepayers having an increase than those decreases) in rates payable

Movement in General rate	Percentage of properties
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

- As land value is the current method it is accepted and understood by the majority of ratepayers.
- There would be additional costs in both moving to capital value and additional costs in maintaining the rating database without out any significant increase in value.

Targeted rates:

Any other rate includes, Uniform Annual Changes, rate set on a differential on value, rates set over at area of benefit and rates for a service or for an activity.

This can be used for both private good and public good.

Current targeted rates include the amenity rates.

Lump sum contributions:

For the recovery of specific capital expenditure, otherwise loan funded (optional for ratepayer)

This must have a high component of private good.

Fees and charges:

Any fee, recovery fine or charge made Council for service or activity.

Must have a high component of private good

Interest and dividends from investments:

Income from an investment

This would be generally public good.

Financial & development contributions:

There are used to recover costs to mitigate the effects of development. Council has a Financial Contributions Policy under the Resource Management Act 1991 which explains the application and the levying of these fees. Council does not have a development contributions policy.

This must have a high component of private good.

Grants and subsidies:

Income from external funding entity.

These generally would be of a public good.

Non-revenue items

Borrowing:

Loans, both short term and long term

This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

Proceeds from asset sales:

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from the sale of corporate property were used to fund another activity.

Again this is a funding tool.

Council Created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

Group of Activities, and Activity	Community Outcomes	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Governance/Leadership/Advocacy										
Representing the community	Vibrant and strong communities, Sustainable South Wairarapa	NIL	NIL	L	L		100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rate & reserve funding	
Public Protection										
Protection of public health	Healthy & economically secure people	M	NIL	M	M	70%-80%	30%-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Council has the ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement		H	NIL	L	M	80%-90%	20%-10%	Council has statutory obligation to enforce the building act	Fees & Charges General Rate	
Dog and animal control		L-M	NIL	H	L	60%-70%	30%-40%	For dog control the urban community receive a higher benefit than the rural community while for animal control the rural community receives a higher benefit than the urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	70%-80%	30%-20%	Council has a legal obligation to enforce liquor act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0	100%	Emergency management is for the protection of life and restoration of essential services	General rate	
Rural fire		M	NIL	H	M	75%-85%	25%-15%	Council has a statutory obligation to fund combined rural fire activity	Targeted General rate	
Community Development										
Cultural and community development	Vibrant and strong communities, Sustainable South Wairarapa	L	NIL	NIL	H		100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
Economic Development		NIL	NIL	NIL	L		100%	Economic development provides a benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
Economic Development - Tourism		M	NIL	NIL	M	60%-70%	40%-30%	Tourism is a very important part of economic activity within Swai therefore has a high public good. However the benefit received from tourism develop also directly benefits the tourist related businesses	General rate Targeted rate	
Resource Management										
Educated and knowledgeable people										
Vibrant and strong communities										
Sustainable South Wairarapa										
District Plan (reviews and development)		L	NIL	M	L	5%	95%	DP is a strategic and statutory duty planning document for the benefit of the district however members of the community can apply and fund a private plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
Resource consent applications		H	NIL	H	H	95%	5%	Element public good for enquiries, and consents that have a high public interest	General rates, F & C surpluses	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surpluses	

Group of Activities, Community Outcomes and Activity	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
					Private	Public		Operational	Capital
Amenities									
Parks and Reserves including playgrounds	L	H	M	M	10%-15%	90%-85%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Swimming Pools in Featherston, Greytown and Martinborough.	H	M-H	L	L	30%-40%	70%-60%	While pools provide recreation value council can restrict access	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Ownership of Camping Grounds in Martinborough and Greytown.	H	M	L	L	70%-85%	15%-30%	Martinborough is a restricted area and Greytown is unrestricted however council may in the future may look at options for Greytown	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Civic Amenities									
Libraries in Featherston, Greytown and Martinborough.	H	L-H	L	M	30%-40%	60%-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit.	General rate, fees & charges	General rates, surplus funds & Loans
Pensioner housing units in Featherston, Greytown and Martinborough.	H	M	L	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.	H	M	H	M	80%-90%	20%-10%	Providing essential service to ensure a clean environment	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Public halls, Sports Stadium in Featherston, Greytown and Martinborough.	M-H	M	M	L	40%-60%	60%-40%	Halls while used for private benefit there are wider community benefits of having halls available. Halls are the focal point of the community	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Cemeteries in Featherston, Greytown and Martinborough.	H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Roading / Land Transport									
A place that's accessible and easy to get around	H	H	H	H	70%-80%	30%-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, General Rates	Surplus funds, NZTA subsidy, tolls, contributions, general rates
Solid Waste Management									
Waste collection	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Closed Landfill	NIL	M	L	L		100%	Protect environment from impacts of previous events	General rates	General rates, surplus funds & Loans
Transfer stations	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Recycling	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans

Group of Activities, Community Outcomes and Activity	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
					Private	Public		Operational	Capital
Stormwater									
Healthy & economically secure people Sustainable South Wairarapa.									
Stormwater Collection	H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rates, general rates, surplus funds and loans	Fees & Charges, targeted rates, contributions, general rates, surplus funds and loans
Stormwater Treatment	L	H	H	L-M	5%	95%	To protect the environment	Fees & Charges, targeted rates, general rates, surplus funds and loans	Fees & Charges, targeted rates, contributions, general rates, surplus funds and loans
Water Supply									
Healthy & economically secure people	H	H	H	M	90%	10%	Provides safe potable drinking water	Fees & Charges, targeted rates, contributions, surplus funds and loans	Fees & Charges, targeted rates, contributions, surplus funds and loans
Sewerage									
Healthy & economically secure people, Sustainable South Wairarapa.	H	H	H	M	75%	25%	Provide safe/sanitary treatment & disposal environment for waste	Fees & Charges, targeted rates, contributions, surplus funds and loans	Fees & Charges, targeted rates, contributions, surplus funds and loans

POLICY & FINANCE COMMITTEE

14 DECEMBER 2011

AGENDA ITEM B2

REVENUE AND FINANCING POLICY CONSIDERATIONS

Purpose of Report

To present the summary of the considerations following revenue and finance policy workshops.

Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Adopts the allocations for the apportionment of funding as set out in appendix 1.*
3. *Confirms it believes that land value is the most appropriate method for the General Rate.*
4. *Sets the Uniform Annual General Charge using an allocation method.*
5. *Considers a Uniform Annual Charge (UAC) allocated between the rural and urban community's best reflects the use and benefit of amenities to the communities.*
6. *Considers that targeted rates based on the property's ability to connect to wastewater (Sewerage) and water supply are the most appropriate tool for the recovery of water and waste water charges*
7. *Proposes that the fixed charges should be recovered based on a fixed amount per separately used or inhabited part of a rating unit as the purpose of the fixed charges relates to either dwellings or individual businesses. Council defines a SUIP as:*
 - a. *All commercial premises in excess of 100 m² that can be separately used or inhabited shall be deemed an additional rating unit. All dwellings capable of separate inhabitation which includes the provision of kitchen and bathroom.*
 - b. *Accommodation units which are provided for short term (less than four weeks) basis and are excluded from the definition.*
8. *Adopts the Rates Remission Policy – Additional Dwellings for consultation proposes with the 2012 – 2022 Long Term Plan.*

1. Executive Summary

This report summarises the discussions that councillors' had in various workshops in developing its Revenue and Financing Policy, and then formally recommends adoption of the relevant decisions.

The primary driver is preparation for the next Long-Term Plan (LTP).

Council needs to consider its Revenue and Financing Policy which must be formally consulted in 2012 and covers the years 2012 to 2022.

The draft revenue and financing policy, which is the summary of the discussions and decisions discussed in this report is presented as a separate report to this meeting.

Following adoption of the above resolutions, a further report will be required to full Council for final adoption. This allows time for further consideration of the issues if required.

Adoption by full Council could be at the time of the adoption of the draft LTP, or at some prior date.

2. Background

The requirement for a Revenue and Financing Policy is contained in the Local Government Act 2002 (LGA) sections 101(3) and 103 which state:

101 Financial management

(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

- (a) in relation to each activity to be funded,—
 - (i) the community outcomes to which the activity primarily contributes; and
 - (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
 - (iii) the period in or over which those benefits are expected to occur; and
 - (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
 - (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- (b) 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

103 Revenue and financing policy

(1) A policy adopted under section 102(4)(a) must state—

- (a) the local authority's policies in respect of the funding of operating expenses from the sources listed in subsection (2); and

- (b) the local authority's policies in respect of the funding of capital expenditure from the sources listed in subsection (2).

The Revenue and Financing Policy is the lead policy for all funding and financial policies which include the following:

- liability management policy;
- investment policy;
- development and/or financial contributions policies;
- rates remission policies;
- rates postponement policies.

The development of the Revenue and Financing Policy is in two parts. The first step requires consideration (LGA section 101(3)(a)), at activity level of each of the following:

- Community outcomes
- The user/beneficiary pays principle
- The intergenerational equity principle –
- The exacerbator pays and
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Council considered the five components of each of its activities and these are included in the draft policy. This first step then leads to the selection of possible funding tools. The second stage of the process is to consider the overall impacts of its proposed Revenue and Financing Policy on the current and future well beings of the community.

3. Discussion

3.1 Selection of possible Funding Tools

The development of the Revenue and Financing Policy requires disclosure of Council's view on its allocations as set out in section 101 (3) LGA. Council's view and rationale to each activity are set out in appendix 1.

Council has identified through the step one a variety of tools that wish to use to recover the required expenditure. The purpose of this section is to confirm the basis of calculation to each of the primary funding tools identified.

3.2 General Rate

Council has considered as to which method it will use to recover the general rate. The options are status quo land value (LV), capital value (CV) or annual rental value.

Council considered the advantages and disadvantages of land versus capital and did not consider annual rental value as a credible alternative because of lack of understanding of this method by the both the community and valuers.

During the review Council identified the following advantages and disadvantages of both capital and land value rating:

Advantages

Capital value basis (CV)

Better taxation tool – takes into account full value of property
Captures changes to District's rating base from growth
Generally, there are smaller % swings at each revaluation
Through the higher value of improvements, CV recognises multiple users of a single property.

Land value basis (LV)

Land value is current basis of rating, so is accepted and understood
Status quo, therefore no administrative cost of change
There is no "tax on development"

Disadvantages

Capital value basis (CV)

Administrative cost of notification of changes to rating basis
High Capital Value can exist with low income
May penalise/discourage development of higher quality buildings
For orchard properties, Capital Value includes fruit trees and vines (but not the crop).
May penalise those with low land values

Land value basis (CV)

Land Value is only part of total property value
High Land Values can exist with low income
Needs to be modified by other rating policies to recognise multi-unit development on a single property

Council considered that because of the low land values relative to total capital values which are primarily in the residential areas will be penalised.

This is supported by the table below.

Movement in General rate only	Percentage of properties
Decrease between 30% and 25%	16%
Decrease between 25% and 10%	14%
Decrease between 10% and 0%	5%
Increase between 0% and 10%	4%
Increase between 10% and 20%	5%
Increase between 20% and 30%	5%
Increase between 30% and 50%	5%
Increase between 50% and 60%	5%

Movement in General rate only	Percentage of properties
Increase between 60% and 80%	13%
Increase between 80% and 100%	8%
Increase greater than 100%	20%

The reason for the large number of properties with a significant increase is because of the high number of properties with a low land value but an high improvement value (capital less land values). Council already has already mitigated the rating impacts of this by having a high Uniform Annual General Charge and Amenity Rates.

As land value is the current method it is accepted and understood by the majority of ratepayers. There would be additional costs in both moving to capital value and additional costs in maintaining the rating database without out any significant increase in value.

Council believes that land of value allocates the costs fairly between the rural and urban communities.

3.3 Uniform Annual General Charge (UAGC)

The UAGC for funding purposes is considered part of the general rate.

There are two options when setting the UAGC. The first is a fixed value which Council set's each year and it considered a levelling tool to reduce the impact on high value properties and to ensure all properties make a reasonable allocation to the cost of providing Council services to the community. The second option is an allocation method.

Council uses the allocation method where Council allocates a percentage (current ranges 50%-100%) of the costs of an activity which will be recovered from each rating unit.

The activities which Council considers to be recovered by way of the UAGC are set out in the table below.

Corporate Services	100% UAGC
Public Protection	
Public Protection & Health	100% UAGC
Building & Construction	100% UAGC
Emergency Management	100% UAGC
Economic, Cultural & Community Development	
Economic Development	50% UAGC
Community Wellbeing	50% UAGC
Amenities	
Libraries	100% UAGC
Cemeteries	100% UAGC
Transfer & Landfill	100% UAGC

Governance, Leadership & Advocacy	50-55% UAGC
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There is no proposal to change this method of setting the UAGC.

3.4 Targeted Rates

Council considers targeted rates are most appropriate where there is a specific benefit to be recovered over specific areas or a specific activity which is to be allocated.

Council considers a Uniform Annual Charge (UAC) allocated between the rural and urban community's best reflects the use and benefit of amenities to the communities. Council has identified the following activities that should be recovered by an amenity UAC set differentially.

Amenities	Apportionment
Parks & Reserves	70% Urban 30% Rural
Campgrounds	70% Urban 30% Rural
Swimming Pools	70% Urban 30% Rural
Community Buildings	70% Urban 30% Rural
Greytown Town Centre	70% Urban 30% Rural
Toilets	70% Urban 30% Rural

Other targeted rates may be introduced for community development and specific projects.

Council also considers that targeted rates based on the property's ability to connect to wastewater (Sewerage) and water supply are the most appropriate tool for the recovery of water and waste water charges.

3.5 Rating Units

Under the Local Government (Rating) Act 2002, the Council has the opportunity to define what it considers to be a rating unit. Traditionally it has used property titles as the rating unit, however there are a number of properties that are occupied by more than one entity but under the current rating approach these are considered one rateable property. Under the Act the Council can elect to set rates on what is known as separately used and inhabitable portions of a property. The Council believes that this better reflects the benefits these properties are receiving and now wishes to change to rate every Separately Used and Inhabitable property (SUIP)

Examples of properties that will be impacted by SUIPs are as follows:

- Shops one title 3 leases greater than 100 m2
- Apartment complex – not unit title
- Farms – 2 dwellings

The effect of the decision to rate using the SUIP basis will result in additional Uniform Annual Charges (UAC) income including UAGC, but this

will not increase the total rate income. Therefore there will be a reduction in the UAC rates per rating unit and in the value portion of the general rates. Because the total value of the property does not change and only properties likely to have an increase will be those which have more than one occupier. All other properties will therefore see a decrease. There will be no change in the rates for water, sewerage and refuse as these are already charged on a per connection or per service provided.

The Council proposes that the fixed charges should be recovered based on a fixed amount per separately used or inhabited part of a rating unit as the purpose of the fixed charges relates to either dwellings or individual businesses. Council therefore defines is a SUIP as:

- All commercial premises in excess of 100 m² that can be separately used or inhabited shall be deemed an additional rating unit.
- All dwellings capable of separate inhabitation which includes the provision of kitchen and bathroom. Accommodation units which are provided for short term (less than four weeks) basis and are excluded from the definition. Additional dwelling units that are used for family purposes are subject to Council's remission policy.

4. Overall impacts

That second step requires (LGA section 101(3)(b)) Council to consider 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. At this future stage Council will consider modification based on but not limited to the considerations in appendix 2.

To assist Council, staff together with Council's external adviser have made an initial assessment of the considerations, however Council need to provide response and develop any modification prior to adoption of the draft long-term plan prior to public consultation.

5. Appendices

Appendix 1 – Apportionment of Funding

Appendix 2 – Social; Economic; Environmental; and Cultural Considerations

Prepared by: Paul Crimp / Philip Jones

Contact Officer: Paul Crimp, Group Manager Corporate Support

Appendix 1 – Apportionment of Funding

	Group of Activities, and Activity	Community Outcomes	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
							Private	Public		Operational	Capital
	Governance/Leadership/Advocacy										
	Representing the community	Vibrant and strong communities, Sustainable South Wairarapa	NIL	NIL	L	L		100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rate & reserve funding	
	Public Protection										
	Protection of public health	Healthy & economically secure people	M	NIL	M	M	70%-80%	30%-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
	Noise control and enforcement		NIL	NIL	H	L	10%	90%	Council has the ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
	Building consents and enforcement		H	NIL	L	M	80%-90%	20%-10%	Council has statutory obligation to enforce the building act	Fees & Charges General Rate	
	Dog and animal control		L-M	NIL	H	L	60%-70%	30%-40%	For dog control the urban community receive a higher benefit than the rural community while for animal control the rural community receives a higher benefit than the urban	Fees & Charges General Rate	
	Liquor licensing		H	NIL	L	L	70%-80%	30%-20%	Council has a legal obligation to enforce liquor act	Fees & Charges General Rate	
	Emergency management and civil defence		NIL	NIL	L	H	0	100%	Emergency management is for the protection of life and restoration of essential services	General rate	
	Rural fire		M	NIL	H	M	75%-85%	25%-15%	Council has a statutory obligation to fund combined rural fire activity	Targeted General rate	
	Community Development										
	Cultural and community development	Vibrant and strong communities, Sustainable South Wairarapa	L	NIL	NIL	H		100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
	Economic Development		NIL	NIL	NIL	L		100%	Economic development provides a benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
	Economic Development - Tourism		M	NIL	NIL	M	60%-70%	40%-30%	Tourism is a very important part of economic activity within Swai therefore has a high public good. However the benefit received from tourism develop also directly benefits the tourist related businesses	General rate Targeted rate	
	Resource Management										
	Educated and knowledgeable people	Vibrant and strong communities Sustainable South Wairarapa District Plan (reviews and development)									
	Vibrant and strong communities										
	Sustainable South Wairarapa										
	District Plan (reviews and development)		L	NIL	M	L	5%	95%	DP is a strategic and statutory planning document for the benefit of the district however members of the community can apply and fund a private plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
	Resource consent applications		H	NIL	H	H	99%	5%	Element public good for enquiries, and consents that have a high public interest	General rates, F & C surpluses	
	Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surpluses	

Group of Activities, Community Outcomes and Activity	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
					Private	Public		Operational	Capital
Amenities									
Parks and Reserves including playgrounds	L	H	M	M	10%-15%	90%-85%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Swimming Pools in Featherston, Greytown and Martinborough.	H	M-H	L	L	30%-40%	70%-60%	While pools provide recreation value council can restrict access	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Ownership of Camping Grounds in Martinborough and Greytown.	H	M	L	L	70%-85%	15%-30%	Martinborough is a restricted area and Greytown is unrestricted however council may in the future may look at options for Greytown.	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Civic Amenities									
Libraries in Featherston, Greytown and Martinborough.	H	L-H	L	M	30%-40%	60%-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit.	General rate, fees & charges	General rates, surplus funds & Loans
Pensioner housing units in Featherston, Greytown and Martinborough.	H	M	L	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.	H	M	H	M	80%-90%	20%-10%	Providing essential service to ensure a clean environment	Targeted rates	Targeted rates, surplus funds & Loans
Public halls, Sports Stadium in Featherston, Greytown and Martinborough.	M-H	M	M	L	40%-60%	60%-40%	Halls while used for private benefit there are wider community benefits of having halls available. Halls are the focal point of the community	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Cemeteries in Featherston, Greytown and Martinborough.	H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Roading / Land Transport									
A place that's accessible and easy to get around	H	H	H	H	70%-80%	30%-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, general rates	Surplus funds, NZTA subsidy, tolls, contributions, general rates
Solid Waste Management									
Waste collection	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Closed Landfill	NIL	M	L	L		100%	Protect environment from impacts of previous events	General rates	General rates, surplus funds & Loans
Transfer stations	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Recycling	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans

[illegible]

Appendix 2 – Social; Economic; Environmental; and Cultural Considerations

Question/Issue	Consideration	Response	Modification
Social			
What is the likely impact of the mix of funding sources on the elderly and others on fixed incomes or low incomes (in other words is there a genuine affordability issue)?	Currently Council's does not have information in which to modify rates dependent on any affordability criteria.	Council currently administers the Rates Rebate Act on behalf of central government to provide assistance to properties with low incomes.	
Will the policy act as a barrier to the accessibility of some services (such as the cultural and recreational facilities)?	Council has a policy of nominal user charges for its facilities including low book rentals for its libraries		
What implications does the policy have for community groups?	As community groups provide the social fabric Council has a policy of reduced hirer fees		
Is the policy likely to have any effect on people's participation in community activities?			
Economic			
What is the size of changes in funding arrangements – is some sort of transitional process necessary?			
is the mix of funding sources financially sustainable i.e. is the likely borrowing level one that is feasible	Council's current policy of having 15% of interest expense to rate is considered prudent.		
What are the current economic conditions and projected conditions over the life of the policy?	The current approach of councillors to encourage both tourism and the primary sector		
What incentives will the policy have for			

Question/Issue	Consideration	Response	Modification
development in the district?			
How is the burden of funding distributed across differing sectors of the community?	Council is considered this by developing the amenity rate which is allocated between urban and rural properties		
Environmental			
What incentives does the policy provide to conserve scarce resources?	Councillors considered water metering, encouraging of recycling and to reduce the impact is on the receiving environment of waste including solid and waste water		
Does the policy provide incentives for people to avoid environmentally 'unfriendly' activities?			
What incentives does the policy provide for the preservation of natural heritage?	Council's approach is to maintain its existing buildings e.g Greytown hall and library.		
Cultural			
What impact might the policy have on people's participation in sporting and cultural activities?	Council's policy of having blue usage fees encourages participation in both sporting and cultural events.		
Does the policy provide any incentives for the preservation of historical and other cultural heritage?			
Are there particular community or cultural groups that will be advantaged or disadvantaged by the policy?	Council uses both remission and postponement policies to ensure community or cultural groups are not disadvantaged		



POLICY AND FINANCE COMMITTEE MEETING

MINUTES – 14 December 2011

Present: Mayor Adrienne Staples (Chairperson), Councillors Margaret Craig, Dean Davies, Mike Gray, Brian Jephson, Viv Napier, Julie Riddell, Solitaire Robertson, Keith Sexton and Cr Stevens.

In attendance: Dr Jack Dowds (Chief Executive Officer), Paul Crimp (Group Manager Corporate Support) and Suzanne Clark (Committee Secretary).

Conduct of Business: The meeting was held in the South Wairarapa District Council Chambers at 19 Kitchener Street, Martinborough and was conducted in public between 2:25pm and 3:00pm.

A Preliminary Matters

A1. Apologies

No apologies were received.

A2. Conflicts of Interest

No conflicts of interest were declared.

A3. Minutes for Confirmation: Policy & Finance Committee 2 November 2011

P&F RESOLVED (P&F2011/35) that the minutes of the Policy and Finance Committee meeting held on 22 November 2011 were received and confirmed as true and correct.

(Moved Cr Robertson /Seconded Cr Napier)

Carried

A4. Policy and Finance Committee Action List from 2 November 2011

P&F RESOLVED (P&F2011/36) to receive the action items list.

(Moved Cr Davies/Seconded Cr Jephson)

Carried

B Reports

B1. Draft Revenue and Financing Policy

P&F RESOLVED (P&F2011/37):

1. To receive the information
2. Adopts the draft revenue and financing policy, for later ratification by full Council.

(Moved Mayor Staples/Seconded Cr Gray)

Carried

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

B2. Revenue and Financing Policy Considerations

The Group Manager Corporate Support Charge said the intention of the report and recommendations was to adopt the policy for the draft LTP. Further discussion on the draft policy could be undertaken during LTP workshops or meetings. Councillors considered the report and discussed the fairness of additional rates charges for a residential dwelling with more than two toilet pans.

P&F RESOLVED (P&F2011/38):

1. To receive the information.
2. To adopt the allocations for the apportionment of funding as set out in Appendix 1.
3. To confirm the belief that land value is the most appropriate method for the General Rate.
4. To set the Uniform Annual Charge (UAC) allocated between the rural and urban community's best reflects the use and benefit of amenities to the communities.
5. To consider a Uniform Annual Charge (UAC) allocated between the rural and urban community's best reflects the use and benefit of amenities to the communities.
6. To consider that targeted rates based on the property's ability to connect to wastewater (sewerage) and water supply are the most appropriate tool for the recovery of water and waste water charges.
7. To propose that the fixed charges should be recovered based on a fixed amount per separately used or inhabited part of a rating unit as the purpose of the fixed charges relates to either dwellings or individual businesses. Council defines a SUIP as:
 - a. All commercial premises in excess of 100m² that can be separately used or inhabited shall be deemed an additional rating unit and all dwellings capable of separate inhabitation which includes the provision of kitchen and bathroom.
 - b. Accommodation units which are provided for short term (less than four weeks) basis and are excluded from the definition.
8. Adopts the Rates Remission Policy for additional dwellings used for family purposes with the 2012 – 2022 Long Term Plan.

(Moved Cr Napier/Seconded Cr Sexton)

Carried

B3. Water by Meter Leak Write-off Policy

The Group Manager Corporate support spoke to the report noting that the policy still required some grammatical correction. It was noted that Council currently has no write-off policy and that officers seeking guidance could use the proposed policy as a basis for water meter leak write-offs until it was formally adopted. There was agreement that officers could use the policy as a basis for write-offs prior to formal adoption.

P&F RESOLVED (P&F2011/39):

1. To receive the information.

DISCLAIMER

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2. To adopt the “water by meter write-off policy, subject to refinement of wording in guidelines 1, 4 and 6.
 3. To agree to a five year review date.
- (Moved Cr Napier/Seconded Cr Robertson)* Carried

B4. SUIP Policy

P&F RESOLVED (P&F2011/40):

1. To receive the information.
2. To adopt the draft remission policy for separately used or inhabitable properties that are used for family purposes, for later ratification by full Council.

(Moved Cr Craig /Seconded Cr Jephson) Carried

C Financial Statements

The Group Manager Corporate Support tabled a memo from the Risk and Audit Working Party, spoke to the financial results to the 30 November 2011, and answered councillors questions related to emissions trading scheme income, building consent charges versus revenue, and the use of earthquake prone buildings by staff.

P&F RESOLVED (P&F2011/41):

1. To receive the financial reports to 30 November 2011.
- (Moved Cr Napier /Seconded Cr Stevens)* Carried
2. Action 29: Liaise with the other Wairarapa councils’ and review whether uniform charges can be adopted which reflect the work and time involved; G Bunny

Confirmed as a true and correct record

.....(Mayor)

.....(Date)

DISCLAIMER

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POLICY AND FINANCE COMMITTEE

AGENDA – 11 March 2015

A Conduct of Business

The meeting will be held in the Council Chambers, 19 Kitchener Street, Martinborough and will commence at the conclusion of the District Council meeting. The meeting will be held in public (except for any items specifically noted in the agenda as being for public exclusion).

- A1.** Apologies
- A2.** Conflicts of Interest
- A3.** Public Participation
- A4.** Minutes for Confirmation: Policy & Finance Committee 4 February 2015 Pages 1-2
- A5.** Minutes for Receipt: Risk & Audit 25 November 2014 Page 3
- A6.** Minutes for Receipt: Risk & Audit 29 January 2015 Page 4
- A7.** Action Items Page 5

B Policies and Reports

- B1.** Adoption of Policies Pages 6-40

C Finances



POLICY AND FINANCE COMMITTEE MEETING MINUTES

4 February 2015

Present: Mayor Adrienne Staples (Mayor), Councillors Margaret Craig, Dean Davies, Brian Jephson, David Montgomerie, Viv Napier, Colin Olds, Julie Riddell, Solitaire Robertson and Max Stevens.

In Attendance: Paul Crimp (Chief Executive Officer) and Suzanne Clark (Committee Secretary).

Conduct of Business: The meeting was held in the South Wairarapa District Council Chambers at 19 Kitchener Street, Martinborough and was conducted in public between 1:10pm and 2:05pm.

A Preliminary Matters

A1. Apologies

There were no apologies.

A2. Conflicts of Interest

No conflicts of interest were declared.

A3. Public Participation

There was no public participation.

A4. Policy & Finance Committee Minutes 19 November 2014

P&F RESOLVED (P&F2015/01) that the minutes of the Policy and Finance Committee meeting held on 19 November 2014 be received and confirmed as a true and correct record subject to the correction of 'Montgomery' to 'Montgomerie' as the seconder of motion P&F2014/30.

(Moved Cr Stevens/Seconded Cr Robertson)

Carried

A5. Risk and Audit Minutes for Receipt

P&F RESOLVED (P&F2015/02) that the minutes of the Risk and Audit Working Party meeting held on 23 October 2014 be received.

(Moved Cr Napier/Seconded Cr Stevens)

Carried

A6. Action Items from 19 November 2014

P&F RESOLVED (P&F2015/03) to receive the action items from 19 November 2014.

(Moved Cr Craig/Seconded Cr Davies)

Carried

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

B Policies and Reports

B1. Graffiti Working Party – Proposed Change to Name and Terms of Reference

Councillors discussed the report and made amendments for inclusion in the final Terms of Reference for adoption by Council on the 11 March 2015. Approval was given on the basis that the level of Council staff and resource commitment already being given would not increase.

P&F RESOLVED (P&F2015/04):

1. To receive the information.
2. To approve changing the name of the Graffiti Working Party to the Community Safety Working Party.
3. To approve the Terms of Reference for the Community Safety Working Party with changes as discussed.

(Moved Cr Riddell/Seconded Cr Napier)

Carried

Cr Montgomerie left the meeting at 1:39pm.

Cr Montgomerie returned to the meeting at 1:40pm.

B Finances

B1. Financial Report

The Chief Executive tabled the finances ending 30 November 2014 and 31 December 2014 reporting that Council was tracking well to budgets with expected fluctuations and small variances. Councillors discussed income collection from Martinborough Transfer Station, membership of the Risk and Audit Working Party and work towards an internal audit programme.

P&F RESOLVED (P&F2015/05):

1. To receive the tabled financial statements for the period ended 30 November 2014 and 31 December 2014.

(Moved Cr Craig/Seconded Cr Davies)

Carried

2. Action 41: Organise a press release highlighting the high activity in fees and licenses within the district; P Crimp

Confirmed as a true and correct record

.....(Mayor)

.....(Date)

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

**Risk & Audit Working Party
Minutes
25 November 2014
3.30 pm, Waiohine Room**

Present – Cr. V Napier (Chair), Cr M Craig, Cr M Stevens, Cr D Davies

Also in attendance – P Crimp.

Apologies Nil

Minutes – Minutes of the 23 October 2014 meeting were confirmed as a true and correct record.

Moved Craig/Davies

Matters Arising –

The Local Alcohol Policy was discussed briefly – hearing to be held Thursday 27 November

Monthly Financials – October management accounts presented and discussed. Too early to ascertain any full year trends but nothing to indicate any issues.

Risks

Risks discussed :

- Staffing
 - Full compliment
 - But LGC announcement from LGC due soon
- Legislation
- LTP
 - Need to get focus groups going
 - Farming
 - Business
- FAR review
 - SWDC to 52%/
 - Thought all Councils on same rate but they are not
 - We have applied for a review
- Featherston Land
- Town hall

General Business

Independent audit function

Paper to January Council meeting for proposal

Meeting closed 5.09pm

Next meeting:

Risk & Audit Working Party
Minutes
29 January 2015
3.00 pm, Waiohine Room

Present – Cr. V Napier (Chair), Cr M Craig, Cr M Stevens, Cr D Davies

Also in attendance – P Crimp.

Apologies Nil

Minutes – Minutes of the 25 November 2014 meeting were confirmed as a true and correct record.

Moved Craig/Davies

Matters Arising –

LTP Sector meetings – discuss at Council meeting, include Farming (incl viticulture); Business; Sport; Service Clubs (incl fire brigades); Youth; Elderly (Probus)

Monthly Financials – YTD December management accounts presented and discussed.

Risks

Risks discussed :

- Staffing
 - Full compliment
 - But LGC announcement may still impact engagement
- Legislation
- LTP
- FAR review
 - SWDC to 52%/
 - Thought all Councils on same rate but they are not
 - We have applied for a review
- Featherston Land
- Town hall, funding applications lodged some questions.

General Business

Independent audit function

Paper to January Council meeting for proposal

Meeting closed 5.09pm

Next meeting:

18 February 3pm;

18 March 3pm

15 April 8.30am

20 May 3pm

**Policy and Finance Committee
Action Items
From 4 February 2015**

Ref #	Meeting	Date	Action Type	Responsible Manager	Action or Task details	Status	Notes
41	P&F	4-Feb-15	Action	Paul	Organise a press release highlighting the high activity in fees and licenses within the district	Open	

POLICY AND FINANCE COMMITTEE

11 MARCH 2015

AGENDA ITEM B1

ADOPTION OF POLICIES

Purpose of Report

To present policies for adoption.

Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Adopt the Revenue and Financing Policy*
3. *Adopt the Postponement of Rates Policy*
4. *Adopt the Remission and Postponement of Rates on Maori Freehold Land Policy*
5. *Adopt the Maori Policy*
6. *Adopt the Remission of Rates Policy*
7. *Adopt the Financial Contributions Policy*

1. Executive Summary

Council has delegated authority to set and adopt various policies.

This paper presents a number of policies that relate to the Long Term Plan.

These policies will be identified in the Consultation Document as having been reviewed, and where they are located; there is no requirement to include the policies in the Consultation Document in their entirety.

2. Policies for Adoption

2.1 Revenue and Financing Policy

There have been some minor changes to update this policy as indicated in "track changes".

2.2 Postponement of Rates Policy

Paragraph 2.4.5 delete the fee of \$50.00 and insert the wording "Fees are outlined in the Annual Schedule of Fees and Charges"

This change is recommended as it is easier to alter fees if necessary through the annual plan process rather than a full policy review.

Paragraph 3.3.3 it is recommended that the full paragraph commencing " To assist ratepayers who are currently uninsured,..." and ending "Council expectations are that arrangements... 1 July 2006."

This change is recommended as it should still be the homeowners responsibility to source adequate insurance.

2.3 Remission and Postponement of Rates on Maori Freehold Land Policy

No changes recommended.

2.4 Maori Policy

Recommended minor changes have been highlighted using track changes.

2.5 Remission of Rates Policy

Recommended changes are noted using track changes.

2.5 Delegation, this change is procedural and provides delegation to the newly created Policy and Reporting Manager role.

3.2.1 This change is recommended as not all not for profit organisations are charities.

3.2.7 This change will result applicants only having to apply once for the remission and if approved will remain in force until circumstances change such that the organisation is no longer eligible. There had been a very low uptake of annual applications and in any event if we were to enforce this requirement there would be a high administrative overhead due not only to updating the rates database year by year, but also if organisations forgot to apply working through the feedback we would receive.

3.3 Update delegated authority per 2.5 above.

4.2.3 This change is recommended as a procedural matter to clarify the process. Notices of protection are sometimes received directly from the "Protecting Agency" (e.g. QE2) without any formal application for rates remission. Some property owners do not wish to apply for remission, others may feel that simply by being notified the remission should apply.

5.3 Update delegated authority per 2.5 above.

6.2.3 This is a procedural matter.

6.3 Update delegated authority per 2.5 above.

2.6 Financial Contributions Policy

No changes are recommended.

3. Appendix

Appendix 1 – Policies Showing Tracked Changes

Contact Officer: Paul Crimp, Chief Executive

Appendix 1 – Policies Showing Tracked Changes

REVENUE AND FINANCING POLICY

1. Introduction

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- Liability Management Policy.
- Investment Policy.
- Development and/or Financial Contributions Policy.
- Rates Remission Policies.
- Rates Postponement Policy.

Section 101 (3) of the Local Government Act 2002 (LGA) set out the requirements Council must consider as part of the development of the policy. Section 103 LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- Community outcomes - the community outcomes to which the activity primarily contributes (in other words your rationale for service delivery).
- The user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- The intergenerational equity principle – the period in or over which those benefits are expected to accrue.
- The exacerbator pays principle – the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

1.1 Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

1.2 Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

1.2.1. Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

1.2.2. Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



1.3 Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations,

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not just today. Many of the activities provided by local government are either network or community infrastructure which has long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25 year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs smooth funding over a limited period to avoid rate spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

1.4 Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging and, in many cases, it is not possible to pass this cost on to the exacerbator and, therefore, it becomes more a case of identifying the quantum of the issue and deciding who then should bear the cost, if not the exacerbator.

1.5 Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

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2. Selection of Tools

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as borrowings and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools from the list below.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. Therefore in this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

3. Revenue

3.1 General Rates

Including Uniform Annual General Charge.

This is usually used to recover public good.

South Wairarapa District uses land value for the application of its general rate.

Council believes that land of value allocates the costs fairly between the rural and urban communities.

During the preparation of the 2012/22 LTPWhen Council considered the advantages and disadvantages of each option ~~and it considered it~~ identified that:

- The ratio of land to capital value was inconsistent across the district and this would have lead more ratepayers having an increase than those decreases) in rates payable.

RATIO OF LAND CAPITAL VALUES	
MOVEMENT IN GENERAL RATES	PERCENT OF GENERAL PROPERTIES WITH MOVEMENT
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

Comment [KWPaRM1]: Is this still accurate

- As land value is the current method it is accepted and understood by the majority of ratepayers.
- There would be additional costs in both moving to capital value and additional costs in maintaining the rating database without out any significant increase in value.

3.2 Targeted rates

Any other rate includes, Uniform Annual Changes, rate set on a differential on value, rates set over at area of benefit and rates for a service or for an activity.

This can be used for both private good and public good.

Current targeted rates include the amenity rates.

3.3 Lump sum contributions

For the recovery of specific capital expenditure, otherwise loan funded (optional for ratepayer).

This must have a high component of private good.

3.4 Fees and charges

Any fee, recovery fine or charge made Council for service or activity.

Must have a high component of private good.

3.5 Interest and dividends from investments

Income from an investment. This would be generally public good.

3.6 Financial & development contributions

There are used to recover costs to mitigate the effects of development. Council has a Financial Contributions Policy under the Resource Management Act 1991 which explains the application and the levying of these fees. Council does not have a development contributions policy.

This must have a high component of private good.

3.7 Grants and subsidies

Income from external funding entity. These generally would be of a public good.

3.8 Borrowing

Loans, both short term and long term. This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

3.9 Proceeds from asset sales

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from the sale of corporate property were used to fund another activity. Again this is a funding tool.

3.10 Council Created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

Group of Activities, and Activity	Community Outcomes	user/beneficiary pays schedule	Intergenerational equity principle	exacerbator	costs and benefits	Proposed		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Governance/Leadership/Advocacy										
Representing the community	Vibrant and strong communities Sustainable South Wairarapa	NIL	NIL	L	L		100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rates & Reserve funding	
Public Protection										
Protection of public health	Healthy & economically secure people	M	NIL	M	M	70%-80%	30%-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Council has the ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement		H	NIL	L	M	80%-90%	20%-10%	Council has statutory obligation to enforce the building act	Fees & Charges General Rate	
Dog and animal control		L/M	NIL	H	L	60%-70%	30%-40%	For dog control the urban community receive a higher benefit than the rural community while for animal control the rural community receives a higher benefit than the urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	70%-80%	30%-20%	Council has a legal obligation to enforce liquor act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0	100%	Emergency management is for the protection of life and restoration of essential services	Fees & Charges General Rate	
Rural fire		M	NIL	H	M	75%-85%	25%-15%	Council has a statutory obligation to fund combined rural fire activity	General rate Targeted General rate	
Community Development										
Culture and community development	Vibrant and strong communities Sustainable South Wairarapa	L	NIL	NIL	H		100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
Economic Development		NIL	NIL	NIL	L		100%	Economic development provides a benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
Economic Development - Tourism		M	NIL	NIL	M	60%-70%	40%-30%	Tourism is a very important part of economic activity within Swat therefore has a high public good. However the benefit received from tourism develop also directly benefits the tourist related businesses	General rate Targeted rate	
Resource Management										
Resource Management Educated and knowledgeable people Vibrant and strong communities Sustainable South Wairarapa District Plan (review and development)		L	NIL	M	L	5%	95%	DP is a strategic and statutory planning document for the benefit of the district. However members of the community can apply and fund a private plan change	General rates, fees and charges, reserves and income (from items 1-3)	
Resource consent applications		H	NIL	H	H	95%	5%	Element public good for enquiries and consents that have a high public interest	General rates, F & C surplus	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surplus	

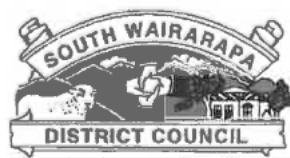
Comment [KWPaRM2]: ?

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Group of Activities, Community Outcome and Activity	Aims/Vision	User/beneficiary pays principle	Interpersonal equity principle	Externalities pays	Costs and benefits	Proposed		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Amenity										
Parks and Reserves including playgrounds		L	H	M	M	10%-15%	80%-85%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Swimming Pools in Featherston, Greytown and Masterton		H	M-H	L	L	30%-40%	70%-80%	While pools provide recreation value council can restrict access	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Ownership of Camping Grounds in Masterton and Greytown		H	M	L	L	70%-85%	15%-40%	Masterton is a restricted area and Greytown has a restricted area council may in the future may look at options for Greytown	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
CMC Amenities	Healthy & economically secure people. Educated and knowledgeable people. Vibrant and strong communities									
Libraries in Featherston, Greytown and Masterton		H	L-H	L	M	30%-40%	60%-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit	General rates, fees & charges	General rates, surplus funds & loans
Pensioner housing units in Featherston, Greytown and Masterton		H	M	L	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Masterton		H	M	H	M	80%-90%	20%-10%	Providing essential service to ensure a clean environment	Targeted rates, fees & charges	Targeted rates, surplus funds & loans
Public halls, Sports Stadium in Featherston, Greytown and Masterton		M-H	M	M	L	40%-60%	80%-90%	Halls while used for private benefit there are wider community benefits of having halls available. Halls are the focal point of the community	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Commissaries in Featherston, Greytown and Masterton		H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
High/Jing / Land Transport										
A place that's accessible and easy to get around		H	H	H	M	70%-80%	30%-30%	Road corridor provides high public good however the state of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, General Rates	Surplus funds, NZTA subsidy, tolls, contributions, General Rates
Solid Waste Management										
Waste collection		H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Closed Landfill		NIL	M	L	L	100%		Protect environment from impacts of previous events	General rates	General rates, surplus funds & loans
Transfer stations		H	L	H	M	70%-80%	30%-30%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Recycling		H	L	H	M	70%-80%	30%-30%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans

Comment [KWPaRM3]: ?

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POSTPONEMENT OF RATES POLICIES

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1. Introduction

These policies are prepared under section 110 of the Local Government Act 2002.

2. Extreme Financial Circumstances

2.1 Objective

- To assist ratepayers experiencing extreme financial circumstances which affects their ability to pay rates.

2.2 Criteria and Conditions

- Council will consider, on a case by case basis, all applications received that meet the criteria listed below.

2.3 Criteria

1. The ratepayer(s) is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision of maintenance of the home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
2. The ratepayer(s) must be the current owner of the rating unit and have owned or resided on the property or within the District for not less than five years.
3. The rating unit must be used solely for residential purposes and the ratepayer(s) must reside on the property.
4. The ratepayer(s) must not own any other rating units or investment properties, whether in this District or another.

2.4 Conditions

1. Application must be in writing by the ratepayer(s) or by an authorised agent.
2. The ratepayer(s) is required to disclose to Council, all personal circumstances, including the following factors: age, physical or mental disability, injury, illness and family circumstances so that Council can consider these factors to establish whether extreme financial hardship exists.

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3. Applications for postponement of rates will only be considered from the beginning of the rating year in which the application is made. If Council decides to postpone rates the ratepayer(s) must first enter into an agreement with Council to make regular payments for future rates.
4. Council will charge a postponement fee on the postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the
5. Council's administrative and financial costs and may vary from year to year. Fees are outlined in the Annual Schedule of Fees and charges. ~~The fee is \$50.00.~~
6. Any postponed rates will be postponed until;
 - a. *the death of the ratepayer(s); or*
 - b. *until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or*
 - c. *until the ratepayer(s) ceases to use the property as their residence; or*
 - d. *until a date specified by the Council as determined by Council in any particular case.*
7. Postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
8. Postponed rates will be registered as a statutory land charge on the rating unit under the Statutory Land Charges Registration Act 1928 and no dealing with the land may be registered by the ratepayer while the charge is registered except with the consent of Council.

Comment [KWPaRM1]: Replace this so if the charge is altered we don't need to alter the policy.

2.5 Delegation

Council delegates the authority to approve applications for rate postponement to the Chief Executive Officer.

3. Ratepayers Aged 65 Years and Over

3.1 Objective

- To give ratepayers a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal.

3.2 General Approach

Only rating units defined as residential and used for personal residential purposes by the applicant(s) as their sole or principal residence will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older.

Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality as between ratepayers who use the postponement option and those who pay as rates are levied.

Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s') estate will be liable for any shortfall.

3.3 Criteria

1. Eligibility

Any ratepayer aged 65 years or over is eligible for postponement provided that the rating unit is used by the ratepayer as their sole or principal residence. This includes, in the case of a family trust owned property, use by a named individual or couple. Residents of retirement villages who hold an occupation licence will be able to apply for postponement of the rates payable by the retirement village on their unit with the agreement of the owner of the retirement village.

2. Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, the Council uses a model developed by an actuary to forecast, on a case by case basis, expected equity, when repayment falls due. If that is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

For prudential reasons, the Council will need to register a statutory land charge against the property to protect its right to recover postponed rates. At present the law does not allow councils to register such a charge against Maori freehold land. Accordingly, Maori freehold land is not eligible for rates postponement (unless and until the law is changed so that the Council can register a statutory land charge).

If the property in respect of which postponement is sought is subject to a mortgage, then the applicant will be required to obtain the mortgagee's consent before the Council will agree to postpone rates.

3. *Insurance*

The property must be insured for its full value and evidence of this produced annually.

To assist ratepayers who are currently uninsured, Council is arranging for the development of a group insurance policy to provide all risks cover. This will achieve cover against catastrophic loss at minimum cost. The premium will be treated as part of the postponement fee and thus come within the postponement arrangements. Council expectations are that arrangements for the group insurance policy will be completed in time for it to come into effect from 1 July 2006.

Comment [KWPaRM2]: Update

If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable under subclause 4.

4. *Rates Able to be Postponed*

All rates are eligible for postponement except for:

- a. *target rates for water supplied by volume (water by meter rates)*
- b. *lump sum options which are rates paid in advance.*

3.4 Conditions

Any postponed rates (under this policy) will be postponed until:

1. The death of the ratepayer(s) or named individual or couple, (in this case the council will allow up to 12 months for payment so that there is ample time available to settle the estate or, in the case of a trust owned property, make arrangements for repayment); or
2. The ratepayer(s) or named individual or couple ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or
3. If the ratepayer(s) or named individual or couple continue to own the rating unit, but are placed in residential care, Council will consider them to still be occupying the residence for the purpose of determining when postponement ceases and rates are to be paid in full;
4. A date specified by Council.

Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year.

The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs, a 1% p.a. levy on outstanding balances to cover external management and promotion costs, a reserve fund levy of 0.25% p.a., and a contribution to cover the cost of independent advice).

To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained independent person. A certificate confirming this, will be required before postponement is granted. Council has made arrangements with a reputable and appropriately qualified non-government organisation to provide this service.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy. Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

4. Review of Suspension of Policy

This policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme to continued postponement of all future rates. Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the ratable value of the property as recorded in Council's rating information database. This will require the ratepayer(s) for that property to pay all future rates but will not require any payment in respect of rates postponed up to that time. These will remain due for payment on death or sale.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

5. Procedures

1. Applications must be on the required form which will be available from ~~any the~~ Council office. The policy will apply from the beginning of the rating year in which the application is made.
2. ~~This policy was implemented effective from 1 July 2006.~~

Comment [KWPaRM3]: Not relevant in footer



REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND POLICY

1. Objectives

- To recognise that certain Maori owned land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide for relief from rates.
- To recognise that the Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.
- To meet the requirements of section 102 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

2. Conditions and Criteria

1. Application for remission or postponement under this policy should be made prior to the commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of the Council. A separate application must be made for each year.
2. Owners or trustees making application should include the following information in their applications:
 - a. *Details of the rating unit or units involved.*
 - b. *Documentation that shows that the land qualifies as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court.*
3. The Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the district.
4. Relief, and the extent thereof, is at the sole discretion of the Council and may be cancelled and reduced at any time.
5. Council will give a remission or postponement of up to 100% of all rates for the year for which it is applied or based on the extent to which the remission or postponement of rates will:
 - a. *Support the use of the land by the owners for traditional purposes.*
 - b. *Support the relationship of Maori and their cultural traditions with their ancestral lands.*
 - c. *Avoid further alienation of Maori freehold land.*

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- d. Facilitate any wish of the owners to develop the land for economic use.*
 - e. Recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.*
 - f. Recognise and take account of the importance of the land for community goals relating to:*
 - The preservation of the natural character of the coastal environment.
 - The protection of outstanding natural features.
 - The protection of significant indigenous vegetation and significant habitats of indigenous fauna.
 - g. Recognise the level of community services provided to the land and its occupiers.*
 - h. Recognise matters relating to the physical accessibility of the land.*
 - i. Provide for an efficient collection of rates and the removal of rating debt.*
6. Decisions on the remission and postponement of rates on Maori freehold land may be delegated to council officers or a committee of the Council. All delegations will be recorded in the Council's delegation schedule.

Maori Policy

Goal

To formulate, develop and implement policies and programmes in partnership with Maori of the District which are in accord with the requirements of the Local Government Act 2002, which reflect the underlying intentions and principles of the Treaty of Waitangi and the statutory obligations to Maori under the provisions of the Resource Management Act 1991.

Strategies and Policies

The South Wairarapa District is rich in Maori history and culture. Some of the earliest known occupational sites exist within its boundaries and for centuries the natural environment has provided both material and spiritual sustenance. Its place in the Maori political history of New Zealand is a matter of national record.

Lake Wairarapa and the South Wairarapa coastline are of immense cultural, spiritual and historic significance to Maori.

Comment [KWPaRM1]: Included in 2009/12 LTP

The Local Government Act 2002 signals that the social, cultural and economic development of Maori is of particular importance.

The Resource Management Act 1991 places an obligation on the Council to consult with Maori during the planning process. This obligation is in turn derived from the underlying principles of the Treaty of Waitangi, which in this context, refers to:-

- **Partnership** - the development of an active and on-going relationship between the Council and local Iwi.
- **Participation** - a principle which emphasises positive Maori involvement in the business of the Council, and in particular its planning and delivery functions.
- **Protection** - the requirement to ensure that Maori well-being is enhanced whenever possible, and that principles of equity towards Maori are observed in the Council's decision making process.

The Council is committed to engage in active consultation with Maori and to foster positive relationships in pursuance of the partnership envisaged under the Treaty of Waitangi, on matters that affect and concern Maori.

Nature and Scope of Activity

The Council has established a Maori Standing Committee comprising:-

2 Representatives from Kohunui Marae
2 representatives from Hau Arika Marae
2 Representatives from Papawai Marae
1 Representative from Kahungunu o Wairarapa
1 Representative from Rangitaane o Wairarapa
2 Councillors

Its role is to:-

- a) Advise on tangata whenua and Maori interests in the Council's major areas of activity, and particularly in the areas of:-

- Economic ~~D~~development.
- Resource ~~M~~management.
- Tourism.
- Reserve ~~M~~management.
- Environmental ~~health~~Health.
- Employment.
- ~~C~~ommunity ~~D~~development.

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- b) Establish a method of consultation, which involves tangata whenua and iwi, on all matters relating to the District's resources, and involving the District's planning processes.
- c) Advise on consultation processes with Maori in the District and assist in the development of consultation networks throughout the District.
- d) Promote the development of processes within Council, which develop policy, processes and guidelines, based on the Treaty of Waitangi principles of participation, partnership and active protection.



REMISSION OF RATES POLICY

1. Introduction

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

2. Remission of Penalty Rates

2.1 Objectives

- To enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date.
- To provide relief and assistance to those ratepayers experiencing financial hardship.

2.2 Criteria and Conditions

Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

2.3 Criteria

1. Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
2. Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.
3. Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under these criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.
4. Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will generally be up to a period of 24

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Review due: 30 June 2018

12 months. Penalty rates remission will not be considered if the agreement plan is not being adhered to, or a prior repayment scheme has not been adhered to.

5. Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one installment. Future installments do not qualify under these criteria.

2.4 Conditions

1. Application for remission of penalty rates must be in writing using the prescribed form.
2. Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.

2.5 Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Group Manager Corporate Support. Chief Executive Officer or the Policy & Reporting Manager

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3. Remission of Rates for Land Used by Sporting, Recreational and Community Organisations

3.1 Objective

- To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the district.
- To provide indirect financial assistance to community organisations.
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

3.2 Conditions and Criteria

1. This policy will apply to land owned by the Council or owned and occupied by a charitable-not for profit organisation, which is used exclusively or principally for sporting, recreation or community purposes.
2. Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting

Adopted 29 June 2009
Revised: 24 June 2015
Review: 30 June 2018

2

M/900

organisations will qualify for 50% remission regardless of whether they hold a current licence under the ~~Sale of Liquor Act 1989~~[Sale and Supply of Alcohol Act 2012](#).

3. The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.
4. The policy does not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.
5. Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. All rating units that have remissions in place at 1 July 2002 are not required to make application.
6. Organisations making application should include the following documents in support of their application. Information of activities and programmes, details of membership and statement of objectives.
- 6.7. [Remissions will remain in force until the purposes of the organization change such that the criteria is no longer met. No annual applications are required following the granting of a remission.](#)

3.3 Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the ~~Group Manager Corporate Support~~[Policy & Reporting Manager](#).

4. Remission of Rates on Land Protected for Natural, Historical or Cultural Conservation Purposes

4.1 Objective

- To preserve and promote natural resources and heritage.
- To encourage the protection of land for natural, historic or cultural purposes.

4.2 Conditions and Criteria

1. Ratepayers who own rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy.
2. Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, sewage

disposal or refuse collection will not qualify for remission under this part of the policy.

3. Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the covenant or other legal mechanism.
Receipt of evidence of protection without a written application will not be considered.
4. In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:
 - a. *The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.*
 - b. *The degree to which features of natural, cultural or historic heritage are present on the land.*
 - c. *The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.*
5. In granting remissions under this part of the policy, Council may specify certain conditions before remissions will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
6. Council will decide what amount of rates will be remitted on a case-by-case basis.

4.3 Delegations

Applications for the remission of rates for protection of heritage will be considered by Council.

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5. Remission of Uniform Annual General Charge in Certain Circumstances

5.1 Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.

5.2 Conditions and Criteria

1. For subdivision purposes, this policy will apply to land that is:
 - a. *subdivided into two or more lots; and*

- b. *where title has been issued, and*
- c. *the unsold lots remain in common ownership.*

Remission will be the charge for each unsold lot except one.

2. For multiple rating units, this policy will apply to land that is:
 - a. *contiguous, and*
 - b. *are used as part of the farming operation.*

Remission will be the charge for each unit except the main farm residence unit.

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5.3 Delegation

Council delegates the authority to remit UAGCs to the Chief Executive officer or the [Group Manager Corporate Support Policy & Reporting Manager](#).

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6. Remission of Reserves and Civic Amenities Charge

6.1 Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation
- To provide relief to rural farming properties for a vacant unit used as a run-off.

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6.2 Conditions and Criteria

1. For subdivision purposes, this policy will apply to land that is:
 - a. *subdivided into two or more lots; and*
 - b. *where title has been issued, and*
 - c. *the unsold lots remain in common ownership.*

Remission will be the charge for each unsold lot except one.

2. For multiple rating units, this policy will apply to land that is:

- a. *contiguous, and*
- b. *are used as part of the farming operation.*

Remission will be the charge for each unit except the main farm residence unit.

- 3. For a run-off unit the policy will apply to one unit used as a run-off for a farming operation. A separate application in writing must be made for consideration of this remission. Remissions will apply to the following rating year and will not be retrospective.

6.3 Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the [Group Manager Corporate Support Policy & Reporting Manager](#)

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7. Remission of Rates for Natural Disasters

7.1 Objectives

To provide relief to properties affected by natural disasters.

7.2 Conditions and Criteria

- 1. Council will remit rates to those properties identified according to the conditions and criteria set by Central Government.

The level of remission will be to the extent of funding provided by Central Government.



FINANCIAL CONTRIBUTIONS POLICY

1 Introduction¹

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions are a way of ensuring that any adverse effects from subdivision and development on the environment or on community resources are minimised, including ways of offsetting any adverse effects with a contribution toward environmental improvements. Such contributions can be in the form of money, land, works or services and may include the provision of roads and services, the protection of an important historic or natural feature, the visual enhancement of a site through landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Financial contributions for subdivision and land use consents may include the costs of upgrading and expanding community works and services as a result of the proposal, including (but not limited to) public roads, public water supplies, and the disposal of sewage and stormwater. This section deals with the requirements for financial contributions, either as a standard of a permitted activity, or a land use or subdivision consent.

Where a financial contribution is required as a condition of a permitted activity or resource consent, the purpose, circumstances in which a contribution may be required, and the amount of that contribution are stated. For some types of contributions, a maximum contribution is specified to ensure such contributions are equitable and not unreasonably onerous for some forms of development.

Contributions for land use development through the resource consent process will be sought in full, unless a previous contribution has been received in the subdivision of the site. Conversely, if a contribution was paid at the time of land use development, then no contribution may be required at the time of any subsequent subdivision consent in recognition of the previous contributions.

2 Reserve Contributions Standard

2.1 Circumstances when a general reserves contribution is required as a condition of a permitted activity or a resource consent

- a. As a condition of a land use resource consent for any additional residential unit, provided that a general reserve contribution has not

¹ Refer to the District Plan, Section 18 Subdivision, Land Development and Urban Growth for the objectives and policies on Financial Contributions.

- already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- b. As a condition of subdivision resource consent for any new
- c. allotment, provided that a general reserve contribution has not already been made under the relevant Council's Long Term
- d. As a standard of a permitted land use activity for any additional residential unit, with the payment of the contribution to be made prior to the issuance of code of compliance certificate for the building consent, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

2.2 Amount of Contribution for reserves as a standard of a Permitted Activity or as a condition of Resource Consent

- a. For subdivision, a general district-wide reserves contribution of 3% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide reserves contribution and any general district-wide roads, access, parking and loading contribution taken under Rule 23.4.2(g) shall be \$7,500 (plus GST) per allotment created by a subdivision; or
- b. For land use development for residential purposes, a general district-wide reserves contribution of 0.25% of the value of each additional residential unit (plus GST).

2.3 Assessment Criteria for Remission or Waiver of Reserves Contribution

In determining whether to grant a remission or waiver of any reserves contribution, regard shall be had, but not limited to, the following criteria:

- a. The activity's impacts on the reserve network and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.
- b. Measures proposed by the developer to enhance an existing reserve or the open space of the locality.
- c. Other methods proposed by the developer to avoid, remedy or mitigate any adverse effects on the reserve network.
- d. Whether any site of natural and cultural heritage can and should be enhanced or protected.

2.4 Form of Contribution

- a. The contribution may be required in the form of money or land or any combination thereof.
- b. If the reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as reserve shall be established on the basis of a registered valuer's report. Registered

valuer's reports shall be produced at the consent holders cost and be no older than 3 months at the time the contribution is paid.

2.5 Purpose

- a. To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development.
- b. To protect conservation values of riparian and coastal margins, and associated water quality and aquatic habitat.
- c. To provide opportunities for public access to and along water bodies including the coast.
- d. To provide recreational opportunities near water bodies.

2.6 Contributions Payable

- a. For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b. For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c. For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

3 Infrastructure Contributions Standard

3.1 Circumstances when an infrastructure contribution is required as a standard of a permitted activity or as a condition of a resource consent

- a. As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes towards particular works of one or more of the types referred to in sections 23.3.2(a) to (f) and a contribution under section 23.3.2(h) or (i), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2(h) or (i) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- b. As a condition of subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 23.3.2(a) to (f) and a contribution under section 23.3.2(g), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2(g) have not already been made under the relevant Council's Long Term Council Community Plan.
- c. As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 23.3.2(a) to (f) and a contribution under section 23.3.2(h) or (i), with the

payment of the contribution(s) to be made prior to the issuance of code of compliance certificate for the building consent, provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2(h) or (i) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

3.2 Amount of contribution for infrastructure as a standard of a permitted activity or as a condition of a resource consent

- a. The actual cost of water supply, wastewater or stormwater disposal systems to the development; and
- b. The actual cost of all necessary water supply, wastewater or stormwater disposal reticulation within the development for each allotment or building; and
- c. The actual cost of connections between the water supply, wastewater or stormwater disposal reticulation in the development and the Council's water supply, wastewater and stormwater disposal system; and
- d. The actual cost of upgrading of any existing Council water supply, wastewater or stormwater disposal system to the extent that it is necessary to service the development; and
- e. A share of the cost of the existing water supply, wastewater or stormwater disposal system where additional capacity has been created in anticipation of future development. The share will be calculated on the proportion of the additional capacity required to serve the development; and
- f. A share of the cost of new water supply, wastewater or stormwater disposal system or upgraded water supply, wastewater or stormwater disposal system where additional capacity will be required by the cumulative effects of an area's development – the share will be calculated on the proportion of the additional capacity required by the development; and
- g. For subdivisions, a general district-wide infrastructure contribution of \$5000 (plus GST) per allotment that connects with public infrastructure and services; or
- h. For land use development for residential, administrative, commercial and industrial purposes, a general district-wide infrastructure contribution of \$5000 (plus GST) per new unit for linking with public infrastructure and services; plus 0.5% of the assessed value of any building development in excess of \$1,000,000 (plus GST). The assessed value of the development will be based on the estimated value of the building as stipulated on the building consent application, or
- i. For land use development for additions and alterations for administrative, commercial or industrial purposes that connects with public infrastructure and services, a general district-wide infrastructure contribution of 0.5% of the assessed value of any building development in excess of \$50,000 (plus GST). The assessed value of the development will be based on the estimated value

(excluding GST) of the building as stipulated on the building consent application.

3.3 Assessment Criteria for Remission or Waiver of Infrastructure Contribution

In determining whether to grant a remission of any infrastructure contribution, regard shall be had, but not limited to, the following criteria:

- a. Whether any allotment or any part of the development is proposed to be connected to public infrastructure and services.
- b. The effect of the proposed subdivision or development on the infrastructure and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.
- c. Measures proposed by the developer to upgrade any existing infrastructure.
- d. Whether any contribution had been previously made towards the establishment or upgrade of the infrastructure.

3.4 Form of Contribution

- a. The contribution may be required in the form of money or works or any combination thereof.

3.5 Purpose

- a. To provide a potable water supply.
- b. To safeguard the health of inhabitants and protect the natural environment from inappropriate disposal of sewage.
- c. To prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of stormwater.
- d. To ensure sufficient water is available for fire fighting purposes.

3.6 Contributions Payable

- a. For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b. For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c. For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

4 Roads, Access, Parking & Loading Contributions Standard

4.1 Circumstances when a roads, access, parking and loading contribution is required as a standard of a permitted activity or as a condition of a resource consent

- a. As a condition of a land use resource consent for any residential, commercial or industrial activity towards particular works of one or more of the types referred to in sections 23.4.2(a) to (f) and a contribution under section 23.4.2(g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 23.4.2(g) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- b. As a condition of a subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 23.4.2(a) to (f) and a contribution under section 23.4.2(g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 23.4.2(g) have not already been made under the relevant Council's Long Term Council Community Plan.
- c. As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 23.4.2(a) to (f) and a contribution under section 23.4.2(g) with the payment of the contribution(s) to be made prior to the issuance of code of compliance certificate for the building consent, provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 23.4.2(g) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- d. As a condition of land use resource consent in the Commercial or Industrial Zones in which the waiver of all or some of the required on-site parking is sought.

4.2 Amount of contribution for roads, access, parking and loading as a standard of a permitted activity or as a condition of a resource consent

- a. The actual cost of providing a road or access to the development concerned; and
- b. The actual cost of all necessary roads and accesses within the development area for each allotment or building; and
- c. The actual cost of road or access crossings between allotments, or buildings in the development; and
- d. A share of the cost of the existing roads and access where additional capacity has been created in anticipation of future subdivision or development. The share will be calculated on the proportion of that additional capacity which is to serve the development; and

- e. A reasonable share of the cost of new or upgraded roads or access where additional capacity or safety improvements are necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of additional traffic likely to be generated by the development; and
- f. The cost of forming of the parking spaces (where a waiver from the District Plan parking requirements is sought, the cost of forming a parking space is deemed to be at a rate of \$5,000 (plus GST) per space); and
- g. For subdivision, a general district-wide roads, access, parking and loading contribution of 2% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 3% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide roads, access, parking and loading contribution and any general district wide reserves contribution taken under Rule 23.2.2(a) shall be \$7,500 (plus GST) per allotment created by a subdivision.

4.3 Form of Contribution

- a. The contribution may be required in the form of money or land or any combination thereof.

4.4 Purpose

- a. To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

4.5 Contributions Payable

- a. For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b. For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c. For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.



POLICY AND FINANCE COMMITTEE MEETING MINUTES

4 February 2015

Present: Mayor Adrienne Staples (Mayor), Councillors Margaret Craig, Dean Davies, Brian Jephson, David Montgomerie, Viv Napier, Colin Olds, Julie Riddell, Solitaire Robertson and Max Stevens.

In Attendance: Paul Crimp (Chief Executive Officer) and Suzanne Clark (Committee Secretary).

Conduct of Business: The meeting was held in the South Wairarapa District Council Chambers at 19 Kitchener Street, Martinborough and was conducted in public between 1:10pm and 2:05pm.

A Preliminary Matters

A1. Apologies

There were no apologies.

A2. Conflicts of Interest

No conflicts of interest were declared.

A3. Public Participation

There was no public participation.

A4. Policy & Finance Committee Minutes 19 November 2014

P&F RESOLVED (P&F2015/01) that the minutes of the Policy and Finance Committee meeting held on 19 November 2014 be received and confirmed as a true and correct record subject to the correction of 'Montgomery' to 'Montgomerie' as the seconder of motion P&F2014/30.

(Moved Cr Stevens/Seconded Cr Robertson)

Carried

A5. Risk and Audit Minutes for Receipt

P&F RESOLVED (P&F2015/02) that the minutes of the Risk and Audit Working Party meeting held on 23 October 2014 be received.

(Moved Cr Napier/Seconded Cr Stevens)

Carried

A6. Action Items from 19 November 2014

P&F RESOLVED (P&F2015/03) to receive the action items from 19 November 2014.

(Moved Cr Craig/Seconded Cr Davies)

Carried

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

B Policies and Reports

B1. Graffiti Working Party – Proposed Change to Name and Terms of Reference

Councillors discussed the report and made amendments for inclusion in the final Terms of Reference for adoption by Council on the 11 March 2015. Approval was given on the basis that the level of Council staff and resource commitment already being given would not increase.

P&F RESOLVED (P&F2015/04):

1. To receive the information.
2. To approve changing the name of the Graffiti Working Party to the Community Safety Working Party.
3. To approve the Terms of Reference for the Community Safety Working Party with changes as discussed.

(Moved Cr Riddell/Seconded Cr Napier)

Carried

Cr Montgomerie left the meeting at 1:39pm.

Cr Montgomerie returned to the meeting at 1:40pm.

B Finances

B1. Financial Report

The Chief Executive tabled the finances ending 30 November 2014 and 31 December 2014 reporting that Council was tracking well to budgets with expected fluctuations and small variances. Councillors discussed income collection from Martinborough Transfer Station, membership of the Risk and Audit Working Party and work towards an internal audit programme.

P&F RESOLVED (P&F2015/05):

1. To receive the tabled financial statements for the period ended 30 November 2014 and 31 December 2014.

(Moved Cr Craig/Seconded Cr Davies)

Carried

2. Action 41: Organise a press release highlighting the high activity in fees and licenses within the district; P Crimp

Confirmed as a true and correct record

.....(Mayor)

.....(Date)

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

**Risk & Audit Working Party
Minutes
25 November 2014
3.30 pm, Waiohine Room**

Present – Cr. V Napier (Chair), Cr M Craig, Cr M Stevens, Cr D Davies

Also in attendance – P Crimp.

Apologies Nil

Minutes – Minutes of the 23 October 2014 meeting were confirmed as a true and correct record.

Moved Craig/Davies

Matters Arising –

The Local Alcohol Policy was discussed briefly – hearing to be held Thursday 27 November

Monthly Financials – October management accounts presented and discussed. Too early to ascertain any full year trends but nothing to indicate any issues.

Risks

Risks discussed :

- Staffing
 - Full compliment
 - But LGC announcement from LGC due soon
- Legislation
- LTP
 - Need to get focus groups going
 - Farming
 - Business
- FAR review
 - SWDC to 52%/
 - Thought all Councils on same rate but they are not
 - We have applied for a review
- Featherston Land
- Town hall

General Business

Independent audit function

Paper to January Council meeting for proposal

Meeting closed 5.09pm

Next meeting:

**Risk & Audit Working Party
Minutes
29 January 2015
3.00 pm, Waiohine Room**

Present – Cr. V Napier (Chair), Cr M Craig, Cr M Stevens, Cr D Davies

Also in attendance – P Crimp.

Apologies Nil

Minutes – Minutes of the 25 November 2014 meeting were confirmed as a true and correct record.

Moved Craig/Davies

Matters Arising –

LTP Sector meetings – discuss at Council meeting, include Farming (incl viticulture); Business; Sport; Service Clubs (incl fire brigades); Youth; Elderly (Probus)

Monthly Financials – YTD December management accounts presented and discussed.

Risks

Risks discussed :

- Staffing
 - Full compliment
 - But LGC announcement may still impact engagement
- Legislation
- LTP
- FAR review
 - SWDC to 52%/
 - Thought all Councils on same rate but they are not
 - We have applied for a review
- Featherston Land
- Town hall, funding applications lodged some questions.

General Business

Independent audit function

Paper to January Council meeting for proposal

Meeting closed 5.09pm

Next meeting:

18 February 3pm;

18 March 3pm

15 April 8.30am

20 May 3pm

**Policy and Finance Committee
Action Items
From 4 February 2015**

Ref #	Meeting	Date	Action Type	Responsible Manager	Action or Task details	Status	Notes
41	P&F	4-Feb-15	Action	Paul	Organise a press release highlighting the high activity in fees and licenses within the district	Open	

POLICY AND FINANCE COMMITTEE

11 MARCH 2015

AGENDA ITEM B1

ADOPTION OF POLICIES

Purpose of Report

To present policies for adoption.

Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Adopt the Revenue and Financing Policy*
3. *Adopt the Postponement of Rates Policy*
4. *Adopt the Remission and Postponement of Rates on Maori Freehold Land Policy*
5. *Adopt the Maori Policy*
6. *Adopt the Remission of Rates Policy*
7. *Adopt the Financial Contributions Policy*

1. Executive Summary

Council has delegated authority to set and adopt various policies.

This paper presents a number of policies that relate to the Long Term Plan.

These policies will be identified in the Consultation Document as having been reviewed, and where they are located; there is no requirement to include the policies in the Consultation Document in their entirety.

2. Policies for Adoption

2.1 Revenue and Financing Policy

There have been some minor changes to update this policy as indicated in "track changes".

2.2 Postponement of Rates Policy

Paragraph 2.4.5 delete the fee of \$50.00 and insert the wording "Fees are outlined in the Annual Schedule of Fees and Charges"

This change is recommended as it is easier to alter fees if necessary through the annual plan process rather than a full policy review.

Paragraph 3.3.3 it is recommended that the full paragraph commencing " To assist ratepayers who are currently uninsured,..." and ending "Council expectations are that arrangements... 1 July 2006."

This change is recommended as it should still be the homeowners responsibility to source adequate insurance.

2.3 Remission and Postponement of Rates on Maori Freehold Land Policy

No changes recommended.

2.4 Maori Policy

Recommended minor changes have been highlighted using track changes.

2.5 Remission of Rates Policy

Recommended changes are noted using track changes.

2.5 Delegation, this change is procedural and provides delegation to the newly created Policy and Reporting Manager role.

3.2.1 This change is recommended as not all not for profit organisations are charities.

3.2.7 This change will result applicants only having to apply once for the remission and if approved will remain in force until circumstances change such that the organisation is no longer eligible. There had been a very low uptake of annual applications and in any event if we were to enforce this requirement there would be a high administrative overhead due not only to updating the rates database year by year, but also if organisations forgot to apply working through the feedback we would receive.

3.3 Update delegated authority per 2.5 above.

4.2.3 This change is recommended as a procedural matter to clarify the process. Notices of protection are sometimes received directly from the "Protecting Agency" (e.g. QE2) without any formal application for rates remission. Some property owners do not wish to apply for remission, others may feel that simply by being notified the remission should apply.

5.3 Update delegated authority per 2.5 above.

6.2.3 This is a procedural matter.

6.3 Update delegated authority per 2.5 above.

2.6 Financial Contributions Policy

No changes are recommended.

3. Appendix

Appendix 1 – Policies Showing Tracked Changes

Contact Officer: Paul Crimp, Chief Executive

Appendix 1 – Policies Showing Tracked Changes

REVENUE AND FINANCING POLICY

1. Introduction

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- Liability Management Policy.
- Investment Policy.
- Development and/or Financial Contributions Policy.
- Rates Remission Policies.
- Rates Postponement Policy.

Section 101 (3) of the Local Government Act 2002 (LGA) set out the requirements Council must consider as part of the development of the policy. Section 103 LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- Community outcomes - the community outcomes to which the activity primarily contributes (in other words your rationale for service delivery).
- The user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- The intergenerational equity principle – the period in or over which those benefits are expected to accrue.
- The exacerbator pays principle – the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

1.1 Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

1.2 Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

1.2.1. Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

1.2.2. Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



1.3 Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations,

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not just today. Many of the activities provided by local government are either network or community infrastructure which has long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25 year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs smooth funding over a limited period to avoid rate spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

1.4 Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging and, in many cases, it is not possible to pass this cost on to the exacerbator and, therefore, it becomes more a case of identifying the quantum of the issue and deciding who then should bear the cost, if not the exacerbator.

1.5 Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

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2. Selection of Tools

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as borrowings and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools from the list below.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. Therefore in this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

3. Revenue

3.1 General Rates

Including Uniform Annual General Charge.

This is usually used to recover public good.

South Wairarapa District uses land value for the application of its general rate.

Council believes that land of value allocates the costs fairly between the rural and urban communities.

During the preparation of the 2012/22 LTPWhen Council considered the advantages and disadvantages of each option ~~and it considered it~~ identified that:

- The ratio of land to capital value was inconsistent across the district and this would have lead more ratepayers having an increase than those decreases) in rates payable.

RATIO OF LAND CAPITAL VALUES	
MOVEMENT IN GENERAL RATES	PERCENT OF GENERAL PROPERTIES WITH MOVEMENT
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

Comment [KWPaRM1]: Is this still accurate

- As land value is the current method it is accepted and understood by the majority of ratepayers.
- There would be additional costs in both moving to capital value and additional costs in maintaining the rating database without out any significant increase in value.

3.2 Targeted rates

Any other rate includes, Uniform Annual Changes, rate set on a differential on value, rates set over at area of benefit and rates for a service or for an activity.

This can be used for both private good and public good.

Current targeted rates include the amenity rates.

3.3 Lump sum contributions

For the recovery of specific capital expenditure, otherwise loan funded (optional for ratepayer).

This must have a high component of private good.

3.4 Fees and charges

Any fee, recovery fine or charge made Council for service or activity.

Must have a high component of private good.

3.5 Interest and dividends from investments

Income from an investment. This would be generally public good.

3.6 Financial & development contributions

There are used to recover costs to mitigate the effects of development. Council has a Financial Contributions Policy under the Resource Management Act 1991 which explains the application and the levying of these fees. Council does not have a development contributions policy.

This must have a high component of private good.

3.7 Grants and subsidies

Income from external funding entity. These generally would be of a public good.

3.8 Borrowing

Loans, both short term and long term. This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

3.9 Proceeds from asset sales

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from the sale of corporate property were used to fund another activity. Again this is a funding tool.

3.10 Council Created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

Group of Activities, and Activity	Community Outcomes	user/beneficiary pays schedule	Intergenerational equity principle	exacerbator	costs and benefits	Proposed		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Governance/Leadership/Advocacy										
Representing the community	Vibrant and strong communities Sustainable South Wairarapa	NIL	NIL	L	L		100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rates & Reserve funding	
Public Protection										
Protection of public health	Healthy & economically secure people	M	NIL	M	M	70%-80%	30%-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Council has the ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement		H	NIL	L	M	80%-90%	20%-10%	Council has statutory obligation to enforce the building act	Fees & Charges General Rate	
Dog and animal control		L/M	NIL	H	L	60%-70%	30%-40%	For dog control the urban community receive a higher benefit than the rural community while for animal control the rural community receives a higher benefit than the urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	70%-80%	30%-20%	Council has a legal obligation to enforce liquor act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0	100%	Emergency management is for the protection of life and restoration of essential services	Fees & Charges General Rate	
Rural fire		M	NIL	H	M	75%-85%	25%-15%	Council has a statutory obligation to fund combined rural fire activity	General rate Targeted General rate	
Community Development										
Culture and community development	Vibrant and strong communities Sustainable South Wairarapa	L	NIL	NIL	H		100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
Economic Development		NIL	NIL	NIL	L		100%	Economic development provides a benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
Economic Development - Tourism		M	NIL	NIL	M	60%-70%	40%-30%	Tourism is a very important part of economic activity within Swai therefore has a high public good. However the benefit received from tourism develop also directly benefits the tourist related businesses	General rate Targeted rate	
Resource Management										
Resource Management Educated and knowledgeable people Vibrant and strong communities Sustainable South Wairarapa District Plan (review and development)		L	NIL	M	L	5%	95%	DP is a strategic and statutory planning document for the benefit of the district. However members of the community can apply and fund a private plan change	General rates, fees and charges, reserves and income (from items 1-3)	
Resource consent applications		H	NIL	H	H	95%	5%	Element public good for enquiries and consents that have a high public interest	General rates, F & C surplus	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surplus	

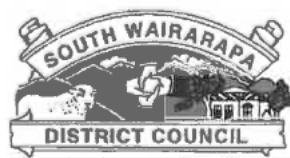
Comment [KWPaRM2]: ?

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Group of Activities, Community Outcome and Activity	Aims/Vision	user/beneficiary pays principle	intergenerational equity principle	externalizer pays costs and benefits	Proposed	Rationale	Funding Sources	
							Operational	Capital
Parks and Reserves including playgrounds		L	H	M	M	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Swimming Pools in Featherston, Greytown and Masterton		H	M-H	L	L	While pools provide recreation value council can restrict access	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Ownership of Camping Grounds in Masterton and Greytown		H	M	L	L	Masterton is a restricted area and Greytown has a restricted area council may in the future may look at options for Greytown	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Libraries in Featherston, Greytown and Masterton	Healthy & economically secure people. Educated and knowledgeable people. Vibrant and strong communities	H	L-H	L	M	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit	General rates, fees & charges	General rates, surplus funds & loans
Pensioner housing units in Featherston, Greytown and Masterton		H	M	L	L	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Masterton		H	M	H	M	Providing essential service to ensure a clean environment	Targeted rates	Targeted rates, surplus funds & loans
Public halls, Sports Stadium in Featherston, Greytown and Masterton		M-H	M	M	L	Halls while used for private benefit there are wider community benefits of having halls available. Halls are the focal point of the community	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Commissaries in Featherston, Greytown and Masterton		H	H	L	L	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rates, fees and charges	Targeted rates, surplus funds & loans
Highway / Land Transport								
	A place that's accessible and easy to get around	H	H	H	H	Road corridor provides high public good however the state of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, General Rates	Surplus funds, NZTA subsidy, tolls, contributions, General Rates
Solid Waste Management								
Waste collection		H	L	H	M	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Closed Landfill		NIL	M	L	L	Protect environment from impacts of previous events	General rates	General rates, surplus funds & loans
Transfer stations	Healthy & economically secure people	H	L	H	M	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Recycling		H	L	H	M	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans

Comment [KWPaRM3]: ?

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POSTPONEMENT OF RATES POLICIES

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1. Introduction

These policies are prepared under section 110 of the Local Government Act 2002.

2. Extreme Financial Circumstances

2.1 Objective

- To assist ratepayers experiencing extreme financial circumstances which affects their ability to pay rates.

2.2 Criteria and Conditions

- Council will consider, on a case by case basis, all applications received that meet the criteria listed below.

2.3 Criteria

1. The ratepayer(s) is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision of maintenance of the home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
2. The ratepayer(s) must be the current owner of the rating unit and have owned or resided on the property or within the District for not less than five years.
3. The rating unit must be used solely for residential purposes and the ratepayer(s) must reside on the property.
4. The ratepayer(s) must not own any other rating units or investment properties, whether in this District or another.

2.4 Conditions

1. Application must be in writing by the ratepayer(s) or by an authorised agent.
2. The ratepayer(s) is required to disclose to Council, all personal circumstances, including the following factors: age, physical or mental disability, injury, illness and family circumstances so that Council can consider these factors to establish whether extreme financial hardship exists.

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3. Applications for postponement of rates will only be considered from the beginning of the rating year in which the application is made. If Council decides to postpone rates the ratepayer(s) must first enter into an agreement with Council to make regular payments for future rates.
4. Council will charge a postponement fee on the postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the
5. Council's administrative and financial costs and may vary from year to year. Fees are outlined in the Annual Schedule of Fees and charges. ~~The fee is \$50.00.~~
6. Any postponed rates will be postponed until;
 - a. *the death of the ratepayer(s); or*
 - b. *until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or*
 - c. *until the ratepayer(s) ceases to use the property as their residence; or*
 - d. *until a date specified by the Council as determined by Council in any particular case.*
7. Postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
8. Postponed rates will be registered as a statutory land charge on the rating unit under the Statutory Land Charges Registration Act 1928 and no dealing with the land may be registered by the ratepayer while the charge is registered except with the consent of Council.

Comment [KWPaRM1]: Replace this so if the charge is altered we don't need to alter the policy.

2.5 Delegation

Council delegates the authority to approve applications for rate postponement to the Chief Executive Officer.

3. Ratepayers Aged 65 Years and Over

3.1 Objective

- To give ratepayers a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal.

3.2 General Approach

Only rating units defined as residential and used for personal residential purposes by the applicant(s) as their sole or principal residence will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older.

Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality as between ratepayers who use the postponement option and those who pay as rates are levied.

Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s') estate will be liable for any shortfall.

3.3 Criteria

1. *Eligibility*

Any ratepayer aged 65 years or over is eligible for postponement provided that the rating unit is used by the ratepayer as their sole or principal residence. This includes, in the case of a family trust owned property, use by a named individual or couple. Residents of retirement villages who hold an occupation licence will be able to apply for postponement of the rates payable by the retirement village on their unit with the agreement of the owner of the retirement village.

2. *Risk*

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, the Council uses a model developed by an actuary to forecast, on a case by case basis, expected equity, when repayment falls due. If that is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

For prudential reasons, the Council will need to register a statutory land charge against the property to protect its right to recover postponed rates. At present the law does not allow councils to register such a charge against Maori freehold land. Accordingly, Maori freehold land is not eligible for rates postponement (unless and until the law is changed so that the Council can register a statutory land charge).

If the property in respect of which postponement is sought is subject to a mortgage, then the applicant will be required to obtain the mortgagee's consent before the Council will agree to postpone rates.

3. **Insurance**

The property must be insured for its full value and evidence of this produced annually.

To assist ratepayers who are currently uninsured, Council is arranging for the development of a group insurance policy to provide all risks cover. This will achieve cover against catastrophic loss at minimum cost. The premium will be treated as part of the postponement fee and thus come within the postponement arrangements. Council expectations are that arrangements for the group insurance policy will be completed in time for it to come into effect from 1 July 2006.

Comment [KWPaRM2]: Update

If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable under subclause 4.

4. **Rates Able to be Postponed**

All rates are eligible for postponement except for:

- a. *target rates for water supplied by volume (water by meter rates)*
- b. *lump sum options which are rates paid in advance.*

3.4 Conditions

Any postponed rates (under this policy) will be postponed until:

1. The death of the ratepayer(s) or named individual or couple, (in this case the council will allow up to 12 months for payment so that there is ample time available to settle the estate or, in the case of a trust owned property, make arrangements for repayment); or
2. The ratepayer(s) or named individual or couple ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or
3. If the ratepayer(s) or named individual or couple continue to own the rating unit, but are placed in residential care, Council will consider them to still be occupying the residence for the purpose of determining when postponement ceases and rates are to be paid in full;
4. A date specified by Council.

Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year.

The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs, a 1% p.a. levy on outstanding balances to cover external management and promotion costs, a reserve fund levy of 0.25% p.a., and a contribution to cover the cost of independent advice).

To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained independent person. A certificate confirming this, will be required before postponement is granted. Council has made arrangements with a reputable and appropriately qualified non-government organisation to provide this service.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy. Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

4. Review of Suspension of Policy

This policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme to continued postponement of all future rates. Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the ratable value of the property as recorded in Council's rating information database. This will require the ratepayer(s) for that property to pay all future rates but will not require any payment in respect of rates postponed up to that time. These will remain due for payment on death or sale.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

5. Procedures

1. Applications must be on the required form which will be available from ~~any the~~ Council office. The policy will apply from the beginning of the rating year in which the application is made.
2. ~~This policy was implemented effective from 1 July 2006.~~

Comment [KWPaRM3]: Not relevant in footer



REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND POLICY

1. Objectives

- To recognise that certain Maori owned land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide for relief from rates.
- To recognise that the Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.
- To meet the requirements of section 102 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

2. Conditions and Criteria

1. Application for remission or postponement under this policy should be made prior to the commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of the Council. A separate application must be made for each year.
2. Owners or trustees making application should include the following information in their applications:
 - a. *Details of the rating unit or units involved.*
 - b. *Documentation that shows that the land qualifies as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court.*
3. The Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the district.
4. Relief, and the extent thereof, is at the sole discretion of the Council and may be cancelled and reduced at any time.
5. Council will give a remission or postponement of up to 100% of all rates for the year for which it is applied or based on the extent to which the remission or postponement of rates will:
 - a. *Support the use of the land by the owners for traditional purposes.*
 - b. *Support the relationship of Maori and their cultural traditions with their ancestral lands.*
 - c. *Avoid further alienation of Maori freehold land.*

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- d. Facilitate any wish of the owners to develop the land for economic use.*
 - e. Recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.*
 - f. Recognise and take account of the importance of the land for community goals relating to:*
 - The preservation of the natural character of the coastal environment.
 - The protection of outstanding natural features.
 - The protection of significant indigenous vegetation and significant habitats of indigenous fauna.
 - g. Recognise the level of community services provided to the land and its occupiers.*
 - h. Recognise matters relating to the physical accessibility of the land.*
 - i. Provide for an efficient collection of rates and the removal of rating debt.*
6. Decisions on the remission and postponement of rates on Maori freehold land may be delegated to council officers or a committee of the Council. All delegations will be recorded in the Council's delegation schedule.

Maori Policy

Goal

To formulate, develop and implement policies and programmes in partnership with Maori of the District which are in accord with the requirements of the Local Government Act 2002, which reflect the underlying intentions and principles of the Treaty of Waitangi and the statutory obligations to Maori under the provisions of the Resource Management Act 1991.

Strategies and Policies

The South Wairarapa District is rich in Maori history and culture. Some of the earliest known occupational sites exist within its boundaries and for centuries the natural environment has provided both material and spiritual sustenance. Its place in the Maori political history of New Zealand is a matter of national record.

Lake Wairarapa and the South Wairarapa coastline are of immense cultural, spiritual and historic significance to Maori.

Comment [KWPaRM1]: Included in 2009/12 LTP

The Local Government Act 2002 signals that the social, cultural and economic development of Maori is of particular importance.

The Resource Management Act 1991 places an obligation on the Council to consult with Maori during the planning process. This obligation is in turn derived from the underlying principles of the Treaty of Waitangi, which in this context, refers to:-

- **Partnership** - the development of an active and on-going relationship between the Council and local Iwi.
- **Participation** - a principle which emphasises positive Maori involvement in the business of the Council, and in particular its planning and delivery functions.
- **Protection** - the requirement to ensure that Maori well-being is enhanced whenever possible, and that principles of equity towards Maori are observed in the Council's decision making process.

The Council is committed to engage in active consultation with Maori and to foster positive relationships in pursuance of the partnership envisaged under the Treaty of Waitangi, on matters that affect and concern Maori.

Nature and Scope of Activity

The Council has established a Maori Standing Committee comprising:-

2 Representatives from Kohunui Marae
2 representatives from Hau Arika Marae
2 Representatives from Papawai Marae
1 Representative from Kahungunu o Wairarapa
1 Representative from Rangitaane o Wairarapa
2 Councillors

Its role is to:-

- a) Advise on tangata whenua and Maori interests in the Council's major areas of activity, and particularly in the areas of:-
- Economic ~~D~~development.
 - Resource ~~M~~management.
 - Tourism.
 - Reserve ~~M~~management.
 - Environmental ~~health~~Health.
 - Employment.
 - ~~C~~ommunity ~~D~~development.
- b) Establish a method of consultation, which involves tangata whenua and iwi, on all matters relating to the District's resources, and involving the District's planning processes.
- c) Advise on consultation processes with Maori in the District and assist in the development of consultation networks throughout the District.
- d) Promote the development of processes within Council, which develop policy, processes and guidelines, based on the Treaty of Waitangi principles of participation, partnership and active protection.

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REMISSION OF RATES POLICY

1. Introduction

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

2. Remission of Penalty Rates

2.1 Objectives

- To enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date.
- To provide relief and assistance to those ratepayers experiencing financial hardship.

2.2 Criteria and Conditions

Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

2.3 Criteria

1. Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
2. Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.
3. Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under these criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.
4. Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will generally be up to a period of 24

Approved 29 June 2011
Amended 24 June 2015
Review due: 30 June 2018

12 months. Penalty rates remission will not be considered if the agreement plan is not being adhered to, or a prior repayment scheme has not been adhered to.

5. Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one installment. Future installments do not qualify under these criteria.

2.4 Conditions

1. Application for remission of penalty rates must be in writing using the prescribed form.
2. Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.

2.5 Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Group Manager Corporate Support. Chief Executive Officer or the Policy & Reporting Manager

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3. Remission of Rates for Land Used by Sporting, Recreational and Community Organisations

3.1 Objective

- To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the district.
- To provide indirect financial assistance to community organisations.
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

3.2 Conditions and Criteria

1. This policy will apply to land owned by the Council or owned and occupied by a charitable-not for profit organisation, which is used exclusively or principally for sporting, recreation or community purposes.
2. Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting

Adopted 29 June 2009
Revised: 24 June 2015
Review: 30 June 2018

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organisations will qualify for 50% remission regardless of whether they hold a current licence under the ~~Sale of Liquor Act 1989~~[Sale and Supply of Alcohol Act 2012](#).

3. The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.
4. The policy does not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.
5. Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. All rating units that have remissions in place at 1 July 2002 are not required to make application.
6. Organisations making application should include the following documents in support of their application. Information of activities and programmes, details of membership and statement of objectives.
- 6.7. [Remissions will remain in force until the purposes of the organization change such that the criteria is no longer met. No annual applications are required following the granting of a remission.](#)

3.3 Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the ~~Group Manager Corporate Support~~[Policy & Reporting Manager](#).

4. Remission of Rates on Land Protected for Natural, Historical or Cultural Conservation Purposes

4.1 Objective

- To preserve and promote natural resources and heritage.
- To encourage the protection of land for natural, historic or cultural purposes.

4.2 Conditions and Criteria

1. Ratepayers who own rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy.
2. Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, sewage

disposal or refuse collection will not qualify for remission under this part of the policy.

3. Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the covenant or other legal mechanism.
Receipt of evidence of protection without a written application will not be considered.
4. In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:
 - a. *The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.*
 - b. *The degree to which features of natural, cultural or historic heritage are present on the land.*
 - c. *The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.*
5. In granting remissions under this part of the policy, Council may specify certain conditions before remissions will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
6. Council will decide what amount of rates will be remitted on a case-by-case basis.

4.3 Delegations

Applications for the remission of rates for protection of heritage will be considered by Council.

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5. Remission of Uniform Annual General Charge in Certain Circumstances

5.1 Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.

5.2 Conditions and Criteria

1. For subdivision purposes, this policy will apply to land that is:
 - a. *subdivided into two or more lots; and*

- b. *where title has been issued, and*
- c. *the unsold lots remain in common ownership.*

Remission will be the charge for each unsold lot except one.

2. For multiple rating units, this policy will apply to land that is:
 - a. *contiguous, and*
 - b. *are used as part of the farming operation.*

Remission will be the charge for each unit except the main farm residence unit.

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5.3 Delegation

Council delegates the authority to remit UAGCs to the Chief Executive officer or the [Group Manager Corporate Support Policy & Reporting Manager](#).

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6. Remission of Reserves and Civic Amenities Charge

6.1 Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation
- To provide relief to rural farming properties for a vacant unit used as a run-off.

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6.2 Conditions and Criteria

1. For subdivision purposes, this policy will apply to land that is:
 - a. *subdivided into two or more lots; and*
 - b. *where title has been issued, and*
 - c. *the unsold lots remain in common ownership.*

Remission will be the charge for each unsold lot except one.

2. For multiple rating units, this policy will apply to land that is:

- a. *contiguous, and*
- b. *are used as part of the farming operation.*

Remission will be the charge for each unit except the main farm residence unit.

- 3. For a run-off unit the policy will apply to one unit used as a run-off for a farming operation. A separate application in writing must be made for consideration of this remission. Remissions will apply to the following rating year and will not be retrospective.

6.3 Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the [Group Manager Corporate Support Policy & Reporting Manager](#)

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7. Remission of Rates for Natural Disasters

7.1 Objectives

To provide relief to properties affected by natural disasters.

7.2 Conditions and Criteria

- 1. Council will remit rates to those properties identified according to the conditions and criteria set by Central Government.

The level of remission will be to the extent of funding provided by Central Government.



FINANCIAL CONTRIBUTIONS POLICY

1 Introduction¹

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions are a way of ensuring that any adverse effects from subdivision and development on the environment or on community resources are minimised, including ways of offsetting any adverse effects with a contribution toward environmental improvements. Such contributions can be in the form of money, land, works or services and may include the provision of roads and services, the protection of an important historic or natural feature, the visual enhancement of a site through landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Financial contributions for subdivision and land use consents may include the costs of upgrading and expanding community works and services as a result of the proposal, including (but not limited to) public roads, public water supplies, and the disposal of sewage and stormwater. This section deals with the requirements for financial contributions, either as a standard of a permitted activity, or a land use or subdivision consent.

Where a financial contribution is required as a condition of a permitted activity or resource consent, the purpose, circumstances in which a contribution may be required, and the amount of that contribution are stated. For some types of contributions, a maximum contribution is specified to ensure such contributions are equitable and not unreasonably onerous for some forms of development.

Contributions for land use development through the resource consent process will be sought in full, unless a previous contribution has been received in the subdivision of the site. Conversely, if a contribution was paid at the time of land use development, then no contribution may be required at the time of any subsequent subdivision consent in recognition of the previous contributions.

2 Reserve Contributions Standard

2.1 Circumstances when a general reserves contribution is required as a condition of a permitted activity or a resource consent

- a. As a condition of a land use resource consent for any additional residential unit, provided that a general reserve contribution has not

¹ Refer to the District Plan, Section 18 Subdivision, Land Development and Urban Growth for the objectives and policies on Financial Contributions.

- already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- b. As a condition of subdivision resource consent for any new
- c. allotment, provided that a general reserve contribution has not already been made under the relevant Council's Long Term
- d. As a standard of a permitted land use activity for any additional residential unit, with the payment of the contribution to be made prior to the issuance of code of compliance certificate for the building consent, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

2.2 Amount of Contribution for reserves as a standard of a Permitted Activity or as a condition of Resource Consent

- a. For subdivision, a general district-wide reserves contribution of 3% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide reserves contribution and any general district-wide roads, access, parking and loading contribution taken under Rule 23.4.2(g) shall be \$7,500 (plus GST) per allotment created by a subdivision; or
- b. For land use development for residential purposes, a general district-wide reserves contribution of 0.25% of the value of each additional residential unit (plus GST).

2.3 Assessment Criteria for Remission or Waiver of Reserves Contribution

In determining whether to grant a remission or waiver of any reserves contribution, regard shall be had, but not limited to, the following criteria:

- a. The activity's impacts on the reserve network and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.
- b. Measures proposed by the developer to enhance an existing reserve or the open space of the locality.
- c. Other methods proposed by the developer to avoid, remedy or mitigate any adverse effects on the reserve network.
- d. Whether any site of natural and cultural heritage can and should be enhanced or protected.

2.4 Form of Contribution

- a. The contribution may be required in the form of money or land or any combination thereof.
- b. If the reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as reserve shall be established on the basis of a registered valuer's report. Registered

valuer's reports shall be produced at the consent holders cost and be no older than 3 months at the time the contribution is paid.

2.5 Purpose

- a. To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development.
- b. To protect conservation values of riparian and coastal margins, and associated water quality and aquatic habitat.
- c. To provide opportunities for public access to and along water bodies including the coast.
- d. To provide recreational opportunities near water bodies.

2.6 Contributions Payable

- a. For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b. For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c. For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

3 Infrastructure Contributions Standard

3.1 Circumstances when an infrastructure contribution is required as a standard of a permitted activity or as a condition of a resource consent

- a. As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes towards particular works of one or more of the types referred to in sections 23.3.2(a) to (f) and a contribution under section 23.3.2(h) or (i), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2(h) or (i) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- b. As a condition of subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 23.3.2(a) to (f) and a contribution under section 23.3.2(g), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2(g) have not already been made under the relevant Council's Long Term Council Community Plan.
- c. As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 23.3.2(a) to (f) and a contribution under section 23.3.2(h) or (i), with the

payment of the contribution(s) to be made prior to the issuance of code of compliance certificate for the building consent, provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2(h) or (i) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

3.2 Amount of contribution for infrastructure as a standard of a permitted activity or as a condition of a resource consent

- a. The actual cost of water supply, wastewater or stormwater disposal systems to the development; and
- b. The actual cost of all necessary water supply, wastewater or stormwater disposal reticulation within the development for each allotment or building; and
- c. The actual cost of connections between the water supply, wastewater or stormwater disposal reticulation in the development and the Council's water supply, wastewater and stormwater disposal system; and
- d. The actual cost of upgrading of any existing Council water supply, wastewater or stormwater disposal system to the extent that it is necessary to service the development; and
- e. A share of the cost of the existing water supply, wastewater or stormwater disposal system where additional capacity has been created in anticipation of future development. The share will be calculated on the proportion of the additional capacity required to serve the development; and
- f. A share of the cost of new water supply, wastewater or stormwater disposal system or upgraded water supply, wastewater or stormwater disposal system where additional capacity will be required by the cumulative effects of an area's development – the share will be calculated on the proportion of the additional capacity required by the development; and
- g. For subdivisions, a general district-wide infrastructure contribution of \$5000 (plus GST) per allotment that connects with public infrastructure and services; or
- h. For land use development for residential, administrative, commercial and industrial purposes, a general district-wide infrastructure contribution of \$5000 (plus GST) per new unit for linking with public infrastructure and services; plus 0.5% of the assessed value of any building development in excess of \$1,000,000 (plus GST). The assessed value of the development will be based on the estimated value of the building as stipulated on the building consent application, or
- i. For land use development for additions and alterations for administrative, commercial or industrial purposes that connects with public infrastructure and services, a general district-wide infrastructure contribution of 0.5% of the assessed value of any building development in excess of \$50,000 (plus GST). The assessed value of the development will be based on the estimated value

(excluding GST) of the building as stipulated on the building consent application.

3.3 Assessment Criteria for Remission or Waiver of Infrastructure Contribution

In determining whether to grant a remission of any infrastructure contribution, regard shall be had, but not limited to, the following criteria:

- a. Whether any allotment or any part of the development is proposed to be connected to public infrastructure and services.
- b. The effect of the proposed subdivision or development on the infrastructure and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.
- c. Measures proposed by the developer to upgrade any existing infrastructure.
- d. Whether any contribution had been previously made towards the establishment or upgrade of the infrastructure.

3.4 Form of Contribution

- a. The contribution may be required in the form of money or works or any combination thereof.

3.5 Purpose

- a. To provide a potable water supply.
- b. To safeguard the health of inhabitants and protect the natural environment from inappropriate disposal of sewage.
- c. To prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of stormwater.
- d. To ensure sufficient water is available for fire fighting purposes.

3.6 Contributions Payable

- a. For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b. For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c. For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

4 Roads, Access, Parking & Loading Contributions Standard

4.1 Circumstances when a roads, access, parking and loading contribution is required as a standard of a permitted activity or as a condition of a resource consent

- a. As a condition of a land use resource consent for any residential, commercial or industrial activity towards particular works of one or more of the types referred to in sections 23.4.2(a) to (f) and a contribution under section 23.4.2(g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 23.4.2(g) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- b. As a condition of a subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 23.4.2(a) to (f) and a contribution under section 23.4.2(g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 23.4.2(g) have not already been made under the relevant Council's Long Term Council Community Plan.
- c. As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 23.4.2(a) to (f) and a contribution under section 23.4.2(g) with the payment of the contribution(s) to be made prior to the issuance of code of compliance certificate for the building consent, provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 23.4.2(g) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- d. As a condition of land use resource consent in the Commercial or Industrial Zones in which the waiver of all or some of the required on-site parking is sought.

4.2 Amount of contribution for roads, access, parking and loading as a standard of a permitted activity or as a condition of a resource consent

- a. The actual cost of providing a road or access to the development concerned; and
- b. The actual cost of all necessary roads and accesses within the development area for each allotment or building; and
- c. The actual cost of road or access crossings between allotments, or buildings in the development; and
- d. A share of the cost of the existing roads and access where additional capacity has been created in anticipation of future subdivision or development. The share will be calculated on the proportion of that additional capacity which is to serve the development; and

- e. A reasonable share of the cost of new or upgraded roads or access where additional capacity or safety improvements are necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of additional traffic likely to be generated by the development; and
- f. The cost of forming of the parking spaces (where a waiver from the District Plan parking requirements is sought, the cost of forming a parking space is deemed to be at a rate of \$5,000 (plus GST) per space); and
- g. For subdivision, a general district-wide roads, access, parking and loading contribution of 2% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 3% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide roads, access, parking and loading contribution and any general district wide reserves contribution taken under Rule 23.2.2(a) shall be \$7,500 (plus GST) per allotment created by a subdivision.

4.3 Form of Contribution

- a. The contribution may be required in the form of money or land or any combination thereof.

4.4 Purpose

- a. To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

4.5 Contributions Payable

- a. For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b. For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c. For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.



POLICY AND FINANCE COMMITTEE MEETING MINUTES

11 March 2015

Present: Mayor Adrienne Staples (Mayor), Councillors Margaret Craig, Dean Davies, Brian Jephson, David Montgomerie, Viv Napier, Colin Olds (from 12:25pm), Julie Riddell, Solitaire Robertson and Max Stevens.

In Attendance: Paul Crimp (Chief Executive Officer) and Suzanne Clark (Committee Secretary).

Conduct of Business: The meeting was held in the South Wairarapa District Council Chambers at 19 Kitchener Street, Martinborough and was conducted in public between 12:22pm and 1:40pm.

A Preliminary Matters

The Committee agreed to add 'B2 Gliding Hanger Underwrite' to the agenda.

A1. Apologies

There were no apologies.

A2. Conflicts of Interest

No conflicts of interest declared.

A3. Public Participation

There was no public participation.

A4. Policy & Finance Committee Minutes 4 February 2015

P&F RESOLVED (P&F2015/06) that the minutes of the Policy and Finance Committee meeting held on 4 February 2015 be received and confirmed as a true and correct record.

(Moved Cr Napier/Seconded Cr Riddell)

Carried

A5. Risk and Audit Minutes for Receipt

P&F RESOLVED (P&F2015/07) that the minutes of the Risk and Audit Working Party meeting held on 25 November 2014 be received.

(Moved Cr Napier/Seconded Cr Craig)

Carried

A6. Risk and Audit Minutes for Receipt

P&F RESOLVED (P&F2015/08) that the minutes of the Risk and Audit Working Party meeting held on 29 January 2015 be received.

(Moved Cr Napier/Seconded Cr Craig)

Carried

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

A7. Action Items

P&F RESOLVED (P&F2015/09) to receive the action items from 4 February 2015.

(Moved Cr Davies/Seconded Cr Olds)

Carried

B Policies and Reports

B1. Adoption of Policies

P&F RESOLVED (P&F2015/10):

1. To receive the information.
2. To adopt the Revenue and Financing Policy
(Moved Cr Napier/Seconded Cr Montgomerie) Carried
3. To adopt the Postponement of Rates Policy
(Moved Cr Robertson/Seconded Cr Riddell) Carried
4. To adopt the Remission and Postponement of Rates on Maori Freehold Land Policy
(Moved Cr Jephson/Seconded Cr Craig) Carried
5. To adopt the Maori Policy following ratification by the Maori Standing Committee and with the following amendment:
 - a. A note to be added to the policy: 'It is envisaged Treaty Settlement will be reached between the crown and Rangitaane during this long-term plan period with an Agreement in Principal being signed between the parties in 2014. This will require input and consideration on how SWDC works during and after the transition including a review of the Maori Standing Committee'.*(Moved Cr Robertson/Seconded Cr Jephson)* Carried
6. To adopt the Remission of Rates Policy with the following amendments:
 - a. Clause 3.2 p1 change to '...Council or owned ~~and~~ OR occupied...'
 - b. Clause 2.2 p1 change to 'Ratepayers who own OR OCCUPIED rating units...'
 - c. Clause 4.2 p3 add a clause stating that the remission will not be retrospective.*(Moved Cr Stevens/Seconded Cr Riddell)* Carried
7. To adopt the Financial Contributions Policy with the following changes:
 - a. Policy to reference the LTP rather than the LTCCP.*(Moved Cr Olds/Seconded Cr Napier)* Carried
8. Action 152: Itemise the rural fire contribution and differential in the LTP consultation document; P Crimp

B Finances

B1. Financial Report

The Chief Executive reported that Council was tracking well to budget and discussed variances with councillors.

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

P&F RESOLVED (P&F2015/11) to receive the financial statements for the period ended 31 January 2015.

(Moved Cr Davies/Seconded Cr Jephson)

Carried

B2. Gliding Hanger Underwrite

The Chief Executive tabled a report which outlined a proposed offer to Gliding Wellington in order to secure agreement for Gliding Wellington's base of operations to be relocated to Papawai. The report requested that Council underwrite this arrangement and outlined the risks associated with endorsement.

Councillors noted that the terms of the lease with Gliding Wellington were still being determined and would be progressed on the basis that Gliding Wellington were a sporting club, that the site would be developed as an amenity, and that the joint venture would provide an economic development opportunity for the district.

Councillors noted that the risk exposure was in the range of non-existent to very low and that it was necessary to take the risk in order to secure an agreement with Gliding Wellington.

P&F RESOLVED (P&F2015/12):

1. To receive the tabled information.
2. To authorise the Chief Executive to continue negotiations with Gliding Wellington with a view to securing a 35-year lease and long term license to occupy and to accept underwriting of the hanger understanding the risks as presented.

(Moved Mayor Staples/Seconded Cr Olds)

Carried

Confirmed as a true and correct record

.....(Mayor)

.....(Date)

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

SOUTH WAIRARAPA DISTRICT COUNCIL

6 APRIL 2016

AGENDA ITEM C3

ANNUAL PLAN CONSULTATION

Purpose of Report

To adopt the Consultation Document 2015/25 and Summary of supporting information for public consultation in relation to the 2016/17 Annual Plan.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Adopt the Draft Cycle Strategy.*
3. *Adopt the Revenue and Financing Policy.*
4. *Adopt the 2016/17 Financial Information.*
5. *Adopt the Significant Activities Statements.*
6. *Adopt the proposed fees and charges.*
7. *Adopt the Consultation Document 2016/17.*

1. Executive Summary

The 2016/17 Annual Plan (AP) process differs significantly from previous AP's. The 2016/17 process consists of the preparation of a series of documents, collectively known as the "supporting documentation" and a separate Consultation Document.

There is no draft AP as in previous years.

The supporting documentation includes the LTP 2015/25 and documents addressing significant change. We have also opted to consult on the Cycle Strategy at this time.

2. Discussion

2.1 Cycle Strategy

2015/16 has seen the development of a Cycle Strategy for South Wairarapa through the Consultation process we will establish the communities support for the Strategy, and to assist with the development of the workplan in

2016/17 the communities focus priorities and the linkages the community the community would like to see us consider against the strategy.

The Cycle Strategy discussed at the I & P meeting will be tabled following amendments as recommended.

2.2 Policy

The only change to Policy is the addition of a clause in the Revenue and Financing Policy (Appendix 2).

We are adding a statement in relation to our current practice of applying rates to the oldest debt first, refer to new section 3.12.

2.3 Financial Information

This includes the prospective financial statements – Financial Performance and Position, Cashflow, and Capital projects (Appendix 4).

These statements will be updated once a final review has been completed and will be tabled including the Indicative financial Statements and funding impact statements, operating statements.

Prospective Income Statements and Balance Sheet.

The significant forecasting assumptions and accounting policies remain the same as the LTP 2015/25.

2.4 Significant Activity Statements

There are no changes to Service Delivery Performance measures or activity description. Appendix 3 outlines the 2016/17 projects.

2.5 Fees and Charges

These are attached in Appendix 5 as per previous circulation and discussion.

2.6 Consultation Document 2016/17

The consultation document will be circulated on receipt from the printer. Wording is as previously circulated.

3. Conclusion

Adoption of this information will see public consultation to open on April the 8th and close at 4pm 9th May 2016 as per the attached timeline (Appendix 6).

4. Appendices

Appendix 1 – Cycle Strategy (To be tabled)

Appendix 2 – Revenue and Financing Policy

Appendix 3 – Significant Activity Projects 2016/17(To be circulated 31/3/16)

Appendix 4 – Financial Information (To be circulated 31/3/16)

Appendix 5 - Proposed Fees and Charges

Appendix 6 – Annual Plan Timeline

Contact Officer: Kim Whiteman, Policy and Reporting Manager

Reviewed By: Paul Crimp, CEO

Appendix 1 – Cycle Strategy

Appendix 2 – Revenue and Financing Policy



REVENUE AND FINANCING POLICY

1. Introduction

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- Liability Management Policy.
- Investment Policy.
- Development and/or Financial Contributions Policy.
- Rates Remission Policies.
- Rates Postponement Policy.

Section 101 (3) of the Local Government Act 2002 (LGA) set out the requirements Council must consider as part of the development of the policy. Section 103 LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- Community outcomes - the community outcomes to which the activity primarily contributes (in other words your rationale for service delivery).
- The user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- The intergenerational equity principle – the period in or over which those benefits are expected to accrue.
- The exacerbator pays principle – the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

1.1 Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

1.2 Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

1.2.1 Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

1.2.2 Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

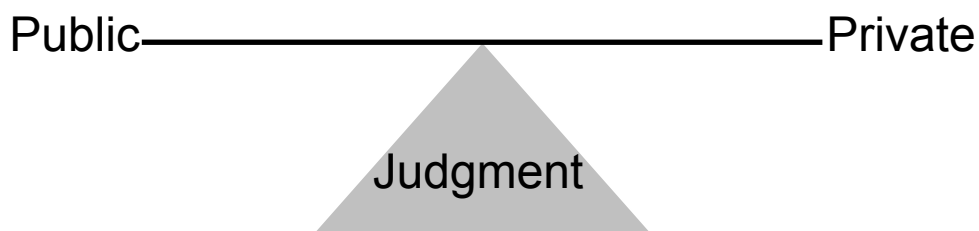
At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



1.3 Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations, not just today. Many of the activities provided by local government are either network or community infrastructure which has long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25 year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs smooth funding over a limited period to avoid rate spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

1.4 Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging and, in many cases, it is not possible to pass this cost on to the exacerbator and, therefore, it becomes more a case of identifying the quantum of the issue and deciding who then should bear the cost, if not the exacerbator.

1.5 Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

2 Selection of Tools

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as borrowings and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. Therefore in this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

3 Revenue

3.2 General Rates

Including Uniform Annual General Charge.

The Council differentiates the General Rate based on land valuation (Schedule 2 Local Government (Rating) Act 2002).

The differential categories are:

Group 1 Commercial

All rating units that are used (or available) primarily for any commercial or industrial purpose.

Group 2 Urban

All rating units used for residential and related purposes within the urban areas of the District Plan.

Group 3 Rural

All rating units within the rural area in the District Plan.

This is usually used to recover public good.

Council believes that land of value allocates the costs fairly between the rural and urban communities.

When Council considered the advantages and disadvantages of each option it considered it identified that:

- The ratio of land to capital value was inconsistent across the district and this would have lead more ratepayers having an increase than those decreases) in rates payable.

RATIO OF LAND CAPITAL VALUES	
MOVEMENT IN GENERAL RATES	PERCENT OF GENERAL PROPERTIES WITH MOVEMENT
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

- As land value is the current method it is accepted and understood by the majority of ratepayers.
- There would be additional costs in both moving to capital value and additional costs in maintaining the rating database without out any significant increase in value.

3.3 Targeted rates

Any other rate includes, Uniform Annual Changes, rate set on a differential on value, rates set over at area of benefit and rates for a service or for an activity.

This can be used for both private good and public good.

Current targeted rates include the amenity rates.

3.4 Lump sum contributions

For the recovery of specific capital expenditure, otherwise loan funded (optional for ratepayer).

This must have a high component of private good.

3.5 Fees and charges

Any fee, recovery fine or charge made Council for service or activity.

Must have a high component of private good.

3.6 Interest and dividends from investments

Income from an investment. This would be generally public good.

3.7 Financial & development contributions

There are used to recover costs to mitigate the effects of development. Council has a Financial Contributions Policy under the Resource Management Act 1991 which explains the application and the levying of these fees. Council does not have a development contributions policy.

This must have a high component of private good.

3.8 Grants and subsidies

Income from external funding entity. These generally would be of a public good.

3.9 Borrowing

Loans, both short term and long term. This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

3.10 Proceeds from asset sales

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from the sale of corporate property were used to fund another activity. Again this is a funding tool.

3.11 Council Created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

3.12 Rates payments applied to oldest debt

Payments received for rates will be applied to the oldest debt first, regardless of whether the payer requests the payment be applied to the current debt. Rates debt becomes unenforceable after a period of time; this policy assists in avoiding debt falling into this category.

Group of Activities, and Activity	Community Outcomes	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Governance/Leadership/Advocacy										
Representing the community	Vibrant and strong communities, Sustainable South Wairarapa	NIL	NIL	L	L		100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rate & reserve funding	
Public Protection										
Protection of public health	Healthy & economically secure people	M	NIL	M	M	70%-80%	30%-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Council has the ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement		H	NIL	L	M	80%-90%	20%-10%	Council has statutory obligation to enforce the building act	Fees & Charges General Rate	
Dog and animal control		L-M	NIL	H	L	60%-70%	30%-40%	For dog control the urban community receive a higher benefit than the rural community while for animal control the rural community receives a higher benefit than the urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	70%-80%	30%-20%	Council has a legal obligation to enforce liquor act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0	100%	Emergency management is for the protection of life and restoration of essential services	General rate	
Rural fire		M	NIL	H	M	75%-85%	25%-15%	Council has a statutory obligation to fund combined rural fire activity	Targeted General rate	
Community Development										
Cultural and community development	Vibrant and strong communities, Sustainable South Wairarapa	L	NIL	NIL	H		100%	Supporting community activities for which council believes there is a high public benefit	General rate	
Economic Development		NIL	NIL	NIL	L		100%	Economic development provides a benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate	
Economic Development - Tourism		M	NIL	NIL	M	60%-70%	40%-30%	Tourism is a very important part of economic activity within Swai therefore has a high public good. However the benefit received from tourism develop also directly benefits the tourist related businesses	General rate	
									Targeted rate	
Resource Management										
Educated and knowledgeable people	Vibrant and strong communities Sustainable South Wairarapa District Plan (reviews and development)									
		L	NIL	M	L	5%	95%	DP is a strategic and statutory planning document for the benefit of the district however members of the community can apply and fund a private plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
Resource consent applications		H	NIL	H	H	95%	5%	Element public good for enquiries, and consents that have a high public interest	General rates, F & C surpluses	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surpluses	

Group of Activities, Community Outcomes and Activity		user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Amenities										
Parks and Reserves including playgrounds	Healthy & economically secure people. Educated and knowledgeable people. Vibrant and strong communities	L	H	M	M	10%-15%	90%-85%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Swimming Pools in Featherston, Greytown and Martinborough.		H	M-H	L	L	30%-40%	70%-60%	While pools provide recreation value council can restrict access	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Ownership of Camping Grounds in Martinborough and Greytown.		H	M	L	L	70%-85%	15%-30%	Martinborough is a restricted area and Greytown is unrestricted however council may in the future may look at options for Greytown	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Civic Amenities										
Libraries in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant and strong communities	H	L-H	L	M	30%-40%	60%-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit.	General rate, fees & charges	General rates, surplus funds & Loans
Pensioner housing units in Featherston, Greytown and Martinborough.		H	M	L	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.		H	M	H	M	80%-90%	20%-10%	Providing essential service to ensure a clean environment	Targeted rates	Targeted rates, surplus funds & Loans
Public halls, Sports Stadium in Featherston, Greytown and Martinborough.		M-H	M	M	L	40%-60%	60%-40%	Halls while used for private benefit there are wider community benefits of having halls available. Halls are the focal point of the community	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Cemeteries in Featherston, Greytown and Martinborough.		H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Roading / Land Transport										
	A place that's accessible and easy to get around									
		H	H	H	H	70%-80%	30%-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, General Rates	Surplus funds, NZTA subsidy, tolls, contributions, general rates
Solid Waste Management										
Waste collection	Healthy & economically secure people	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Closed Landfill		NIL	M	L	L		100%	Protect environment from impacts of previous events	General rates	General rates, surplus funds & Loans
Transfer stations		H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Recycling		H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans

Group of Activities, Community Outcomes and Activity	user/beneficiary pays principle	Intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
					Private	Public		Operational	Capital
Stormwater									
Healthy & economically secure people									
Sustainable South Wairarapa.									
Stormwater Collection									
	H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rates, general rates, surplus funds and loans	Fees & Charges, contributions, targeted rates, general rates, surplus funds and loans
Stormwater Treatment	L	H	H	L-M	5%	95%	To protect the environment	Fees & Charges, targeted rates, general rates, surplus funds and loans	Fees & Charges, targeted rates, general rates, surplus funds and loans
Water Supply									
	H	H	H	M	90%	10%	Provides safe potable drinking water	Fees & Charges, targeted rates, contributions, surplus funds and loans	Fees & Charges, targeted rates, contributions, surplus funds and loans
Sewerage									
	H	H	H	M	75%	25%	Provide safe/sanitary treatment & disposal environment for waste	Fees & Charges, targeted rates, contributions, surplus funds and loans	Fees & Charges, targeted rates, contributions, surplus funds and loans

Appendix 3 - Significant Activity Projects 2016/17

Appendix 4 – Proposed fees and Charges



Schedule of Fees & Charges

2016-2017

(Effective 1/7/16)

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2016/17 Schedule of Fees and Charges

Effective 1 July 2016

Fees shown are inclusive of GST at the prevailing rate of 15%

DESCRIPTION	
COMMUNITY SERVICES	FEE \$
<u>Council Office</u>	
<i>Opening Hours</i>	
Monday to Friday 8.00am – 4.30 pm	
Rubbish Bags (bundle of 10)	8.00
Photocopying: Black and white (per copy)	
Single sided A4	.30c
Single sided A3	.50c
Double sided A4	.40c
Double sided A3	.60c
Photocopying: Colour (per copy)	
Single sided A4	3.00
Single sided A3	5.00
Double sided A4	4.00
Double sided A3	6.00
Street Index – with rates	127.00
Photocopy plans etc.:	10.00
Time involved to retrieve and/or photocopy plans (per 10 minutes)	
Any other services not covered elsewhere (per hour)	75.00

LIBRARY/SERVICE CENTRES		FEEs \$
<u>Featherston</u>		
<i>Opening Hours</i>		
Monday to Friday	9.30am - 5.00pm	
Saturday	10.00am - 12.00pm	
<u>Greytown</u>		
<i>Opening Hours</i>		
Monday to Friday	9.30am - 5.00pm	
Saturday	10.00am - 12.00pm	
<u>Martinborough</u>		
<i>Opening Hours</i>		
Monday to Friday	9.30am - 5.00pm	
Saturday	10.00am - 12.00pm	
<u><i>Charges</i></u>		
Rental Books		.50c
Magazines		No Charge
Premium Magazine Range		.50c
Reservation of Books		.50c
Replacement Cards (Lost)		2.00
(Theft or Worn Out)		No Charge
Inter-loans		7.00
Book Covering:	Paperback	.50c
	Hardback	1.00
	Large	2.00
Internet		No charge
Printouts (per page)		.20c
DVD/Video Hire (one week)		2.00
Laminating	A3	3.00
	A4	2.00
Fax Service:	Per page	.50c
	Australia - Per page	2.00
	Rest of World - Per page	5.00

POOLS		FEE\$
<u>Featherston</u>		
<i>Opening Hours During School Term:</i>		
Monday - Thursday	2.00pm – 5.30pm	
Friday	2.00pm – 7.30pm	
Saturday & Sunday	1.00pm - 5.30pm	
<i>Opening Hours During School & Public Holidays:</i>		
Saturday - Thursday	1.00pm – 5.30pm	
Friday	1.00pm – 7.30pm	
<u>Greytown</u>		
<i>Opening Hours During School Term:</i>		
Monday - Thursday	2.00pm – 5.30pm	
Friday	2.00pm – 7.30pm	
Saturday & Sunday	1.00pm - 5.30pm	
<i>Opening Hours During School & Public Holidays:</i>		
Saturday - Thursday	1.00pm – 5.30pm	
Friday	1.00pm – 7.30pm	
<u>Martinborough</u>		
<i>Opening Hours During School Term:</i>		
Monday - Thursday	2.00pm – 5.30pm	
Friday	2.00pm – 7.30pm	
Saturday & Sunday	1.00pm - 5.30pm	
<i>Opening Hours During School & Public Holidays:</i>		
Saturday - Thursday	1.00pm – 5.30pm	
Friday	1.00pm – 7.30pm	
<u>Charges (All towns)</u>		
Adults		3.00
College Students		2.00
Children 12 years and under		2.00
Adults accompanying children under 8 years and not swimming		No Charge
10 Swim Tickets (Adult)		15.00
10 Swim Tickets (Child)		10.00

COMMUNITY BUILDINGS		FEES \$
Fees and Charges – All venues (in addition to hire charges)		
Deposit (required to confirm booking) – All Venues		50% of hire charge
Bond if alcohol to be served		300.00
Cleaning Fee per hour (if required)		35.00
- Small & medium venues min 1 hr		
- Large venues min 2 hrs		
Custodian Call-out – per hour (if required)		25.00
Access to Kitchen Facilities (small and medium venues)		20.00
SMALL VENUES		
Featherston Anzac Hall Committee Room		FEES \$
Greytown Upstairs Meeting Rooms		
Martinborough Council Chambers		
Schools/ Public Meetings /Free Admission to General Public		
Weekday (morning or afternoon)		25.00
Monday to Friday – full day or part morning / part afternoon		50.00
Monday to Thursday evening		25.00
Friday evenings, Saturday, Sunday, public holidays		75.00
Private or Commercial Use		
Weekday (morning or afternoon)		30.00
Monday to Friday – full day or part morning / part afternoon		60.00
Monday to Thursday evening		30.00
Friday evenings, Saturday, Sunday, public holidays		120.00

MEDIUM VENUES	
Featherston Kiwi Hall and/or Supper Room Greytown WBS Room Greytown Old Library Martinborough Green Room	FEES \$
Schools/Public Meetings/Free Admission to General Public	
Weekday (morning or afternoon)	30.00
Monday to Friday – full day or part morning / part afternoon	60.00
Monday to Thursday evening	30.00
Friday evenings, Saturday, Sunday, public holidays	150.00
Private or Commercial	
Weekday (morning or afternoon)	40.00
Monday to Friday – full day or part morning / part afternoon	80.00
Monday to Thursday evening	40.00
Friday evenings, Saturday, Sunday, public holidays	150.00
<i>Note: Projector available in Greytown WBS Room</i>	
LARGE VENUES	
Featherston Anzac Hall (including Supper Room) Greytown Town Centre Forum Greytown Town Centre Forum & WBS Room Martinborough Town Hall (including Green Room) (Kitchen access included in hire charge)	FEES \$
Seated Functions (seating/ tables set up)	
Weekday – morning or afternoon up to 4 hours	135.00
All day or part day over 4 hours	195.00
Monday to Thursday evening	135.00
Friday evening, Saturday, Sunday and public holidays	375.00
Each hour after midnight	100.00
Functions (chairs/tables available but set up and put away by hirer)	
Weekday – morning or afternoon up to 4 hours	75.00

All day or part day over 4 hours	150.00
Monday to Thursday evening	100.00
Friday evening, Saturday, Sunday and public holidays	300.00
Each hour after midnight	100.00
Displays/Exhibitions (clear floor)	
Local and Free Admission	0.00
Non Local or Admission Charged or Commercial	100.00
Pack in/out per day	25.00
Sport and Fitness	
Clear Floor, Local Only, Activities with no Audience	20.00/hr
Sale of Goods/Auctions	
Local	150.00
Non Local per day	300.00
Pack in/out per day	50.00
Stage Performances/Musical Recitals etc.	
<i>Free Admission</i>	
Pack in/out and Rehearsals – per day	25.00
Performance Day	150.00
<i>Admission Charged – Local Amateur Performers</i>	
Pack in/out and Rehearsals – per day	25.00
Performance Day	150.00
<i>Admission Charged – Professional Performers</i>	
Pack in/out and Rehearsals – per day	50.00
Performance Day	300.00
SPORTS STADIUM	
Featherston Sports Stadium and Annex	FEES \$
<i>Hours:</i>	
Daytime: 8.00am – 6.00pm	
Evening: 6.00pm – 12.00am	
<i>Rates:</i>	
Hourly (Stadium) – minimum 2 hours	10.00/hr

Daytime	75.00
Evening	45.00
Hourly (Annex) – minimum 2 hours	2.00/hr
CEMETERIES	FEES \$
Burial	
Adult	665.00
Child – Under 10	305.00
Infant – Under 1	123.00
Burial of Ashes	204.00
Family Interment (registration fee)	50.00
Extra Depth Charge (not available in Featherston)	255.00
Plot Fee	
Adult	920.00
Infant under 1	153.00
Child under 10	306.00
Cremation Plot / Columbarium Wall	250.00
Top Soil Charge	300.00
Burial on Weekends, Holidays or before Noon on a Monday or the day before a Public Holiday	1022.00
Additional Fee – Non Resident (includes fee for weekend and public holiday burials)	777.00
Breaking Concrete	Actual Cost
Disinterment or Re Interment	By Arrangement
RSA	
No charge for plot, or out of district fee, charge interment fee only.	
PENSIONER HOUSING	FEES PER 4 WEEKS \$
<u>Greytown</u>	
Westhaven (\$66/week)	264.00
<u>Martinborough</u>	
Cecily Martin (\$76/week)	304.00

<u>Featherston</u>		
Burling (Single) (\$66/week)		264.00
Burling (Double) (\$81/week)		324.00
Matthews (\$81/week)		324.00
DOG REGISTRATION		FEES
		\$
General Fees		
Desexed	Urban	66.00
	Rural	42.00
Entire	Urban	95.00
	Rural	64.00
Late Fees Desexed	Urban	99.00
	Rural	63.00
Late Fees Entire	Urban	142.50
	Rural	96.00
Other Fees		
Flat fee for up to 10 Rural Dogs plus \$20.00 per additional dog		210.00
Late fee for up to 10 Rural Dogs plus \$30.00 per additional late dog		300.00
Surrender a dog for euthanasia		60.00
Permit application to keep more than two dogs in an urban area including breeder		140.00
Re-homing fee for impounded dogs		90.00
Costs and expenses relating to impounding and securing impounded dogs		Actual cost plus 10%
Replacement registration tag (if tag lost or damaged)		7.50
Bark Control Collars		Actual cost plus 10%
Impounding Fees		
First Impounding		90.00
Second Impounding		170.00
Third Impounding		265.00
Feeding (per day)		25.00

STOCK RANGING	FEES \$
Call out fee per hour or part of	140.80
Costs and expenses relating to the impounding and securing impounded stock	Actual cost plus 10%
Impounding Fees	
First Impounding per animal	200.00
Second Impounding per animal	400.00
Third Impounding per animal	600.00
Feeding (per day per animal)	50.00
HEALTH LICENSING FEES	FEES \$
Note: Food premises operating under an approved Food Control Plan and will be charged according to the food hygiene registration fees until new regulations come into force	
New Food Premises	255.00
Annual Registration of Food Premises	250.00
Minor Food Processing (limited sale)	125.00
Inspection Fee	140.00
Camping Ground (per annum)	150.00
Hairdressers Registration (per annum)	250.00
Offensive Trade Registration (per annum)	250.00
Hawkers licence (per annum)	150.00
Mobile shop licence – involving food (per annum)	150.00
Transfer of registration	130.00
Itinerant trader (per annum)	240.00
Street stall - large	150.00
Street stall – small	20.00
Food stall (Minimum)	150.00
Registration of event	150.00
Amusement gallery (per annum)	150.00
Amusement Devices –	
For one device, for the first seven days of proposed operation or part thereof	11.50
Additional Device – first week (or part week)	2.30
Additional Weeks (or part week) per device	1.15

Noise Control	
Noise control charges (seizure) - per callout to property	350.00
Return of seized equipment – administration and return fee per property,	100.00
PLUS:	
Burglar alarm disconnection (if required)	Electrician/ Service Call- out charges plus 10%
Bylaws	
Advertising Sign permit	150.00
Hoarding permit	150.00
Abandoned vehicles removal and disposal	Actual cost plus 10%
Long grass removal	Actual cost plus 10%
Removal of over-hanging vegetation public places	Actual cost plus 10%
Gambling	
Venue and gaming machine per consent	350.00
LIQUOR LICENSING	FEES \$
Licence applications	As per Act
Manager's Certificates	As per Act
Refer to the Sale and Supply of Alcohol Act 2012	
RESOURCE MANAGEMENT	FEES \$
Non-Notified Landuse	
Controlled	550.00
Restricted Discretionary - minor	350.00
Restricted Discretionary – other	650.00
Discretionary (Heritage Only – Minor)	350.00
Discretionary	800.00
Non-complying	1550.00
Limited Notified Landuse	
Restricted Discretionary	850.00
Discretionary (Heritage Only – Minor)	800.00
Discretionary	1100.00

Non-complying	1900.00
Non-Notified Subdivision	
Controlled	850.00
Restricted Discretionary	920.00
Discretionary	1,020.00
Non-complying	1,750.00
Limited Notified Subdivision	
Restricted Discretionary	1,120.00
Discretionary	1,300.00
Non-complying	2,100.00
Publicly Notified	
Restricted Discretionary	1,150.00
Discretionary (Heritage Only – Minor)	1,150.00
Discretionary	1,500.00
Non-complying	2,300.00
Plan Change and Resource Consents	
<i>All fees are a deposit only. Where the costs for processing an application exceed the fee deposit, the additional cost will be payable.</i>	
Staff time (per hour)	96.00
Plan Change	5,500.00
Additional Charges	
Site Inspection	140.80
Pre-hearing	510.00
Hearing	1,200.00
Hourly Rate above Deposit	96.00
External Consultancy	Actual cost plus 10%
Heritage Items (including notable trees)	No charge to Applicant *
<p><i>* Fees will not be charged for applications relating to modifying or removing trees listed in Appendix 1.4 Notable Trees of the Wairarapa Combined District Plan, additions and alterations to buildings listed at Appendix 1.7 (Heritage items) of the Combined District Plan, or located within a Historic Heritage Precinct (Appendix 1.8) of the Wairarapa Combined District Plan. This only applies where no other aspect of the proposal requires resource consent; e.g. a yard encroachment.</i></p>	

Certification		
223 Certificate		310.00
224 Certificate		375.00
S226 Certificate		375.00
S243 Approval		375.00
S348 of LGA Approvals		375.00
Certificate of Compliance		450.00
Planning Certificate (SSoA)		75.00
Request to vary condition of consent		350.00
Objection to condition of consent		400.00
LIM – Urgent (5 working days)		450.00
LIM – Standard (10 working days)		250.00
Certificate of Title Searches		25.00
BUILDING CONSENTS	PIM fee \$ (If applying prior or with BC application. Additional to BC fee)	Building Consent (BC) only fee (excluding BRANZ and DBH levies) \$
Plumbing & Drainage (P&D) Minor Work		
Solid fuel Heater	44.88	292.00
Minor plumbing, drainage work - fittings drain alteration, solar panel	44.88	368.00
Drainage work e.g. new minor subdivision services & common drains (see commercial fees for larger subdivisions)	44.88	942.00
Drainage work e.g. new effluent disposal system	44.88	942.00
Wet area shower (vinyl floor)	44.88	467.00
Wet area shower (tiled floor)	44.88	700.00
Private marquee <i>professional assembly only</i> (no inspection)	44.88	135.00
Public marquee >100 sq m < 50 people <i>professional assembly only</i> (no inspection)	44.88	135.00
Public marquee >100 sq m > 50 people		
Private marquee > 100 sq m (with inspection)	44.88	278.00

BUILDING CONSENTS	PIM fee \$ (If applying prior or with BC application. Additional to BC fee)	Building Consent (BC) only fee (excluding BRANZ and DBH levies) \$
Sheds / Garages / Conservatories etc		
Spa Pools, swimming pool >1200 high on ground & swimming pool fence only	n/a	81.00
All other and in-ground swimming pools	44.88	336.00
Garden sheds/retaining walls/carports/decks/proprietary aluminum conservatories/other minor works	44.88	494.00
Minor farm buildings/haysheds/covered yards 1-6 bays etc, incl. farm bridges <\$15,000	89.76	646.00
Larger farm buildings (covered yards, wool sheds) no plumbing or drainage, incl. farm bridges >\$15,000	89.76	1,014.00
Larger farm buildings (covered yards, wool sheds) with plumbing & drainage	89.76	1,409.00
Proprietary garages standard	89.76	682.00
Proprietary garages with fire wall	89.76	790.00
Proprietary garages with plumbing & drainage	89.76	996.00
Proprietary garages including sleep-out no plumbing or drainage	89.76	790.00
Proprietary garages including sleep-out with plumbing and drainage	89.76	1,077.00
Garages, simple custom design, single level	89.76	853.00
Garages, simple custom design, single level with plumbing and drainage (if sleep-out use dwelling fee)	89.76	1,248.00
Residential repile	44.88	557.00
Residential demolition	44.88	233.00
Residential New Dwellings		
Single storey brick veneer - urban	359.04	3,124.00
Single storey brick veneer - rural	359.04	3,770.00
Single storey weatherboard - urban	359.04	3,267.00
Single storey weatherboard - rural	359.04	3,949.00
Single storey stucco/texture coating/ply/steel/block or multi cladding - urban	359.04	3,501.00
Single storey stucco/texture coating/ply/steel/block or multi cladding - rural	359.04	4,219.00

BUILDING CONSENTS	PIM fee \$ (If applying prior or with BC application. Additional to BC fee)	Building Consent (BC) only fee (excluding BRANZ and DBH levies) \$
Multi storey brick veneer - urban	538.56	3,483.00
Multi storey brick veneer - rural	538.56	4,219.00
Multi storey weatherboard - urban	538.56	3,626.00
Multi storey weatherboard rural	538.56	4,308.00
Multi storey stucco/texture coating/ply/ steel/block or multi cladding urban	538.56	3,860.00
Multi storey stucco/texture coating/ply/ steel/block or multi cladding rural	538.56	4,578.00
Transportable dwelling (yard built)	89.76	2,747.00
<p><i>Note: Double Units charged at single unit rate plus 50%.</i></p> <p><i>Dwellings with multiple cladding types are charged at Stucco/Texture Coating/Ply/Steel/Block rate</i></p> <p><i>Other charges may apply. Check the last section of this schedule or contact a Council Officer.</i></p>		
Residential Dwelling Additions & Alterations		
Internal alterations	44.88	573.00
Internal alterations with plumbing & drainage	44.88	716.00
Single storey brick veneer	89.76	1,634.00
Single storey brick veneer with plumbing & drainage	89.76	1,813.00
Single Storey Weatherboard	89.76	1,813.00
Single storey weatherboard with plumbing & drainage	89.76	2,100.00
Single storey stucco/texture coating/ply/ steel/block	89.76	2,136.00
Single storey stucco/texture coating/ply/ steel/block with plumbing & drainage	89.76	2,424.00
Multi storey brick veneer	179.52	1,921.00
Multi storey brick veneer with plumbing & drainage	179.52	2,208.00
Multi storey weatherboard	179.52	2,172.00
Multi storey weatherboard with plumbing & drainage	179.52	2,459.00
Multi storey stucco/texture coating/ply/	179.52	2,406.00

BUILDING CONSENTS	PIM fee \$ (If applying prior or with BC application. Additional to BC fee)	Building Consent (BC) only fee (excluding BRANZ and DBH levies) \$
steel/block		
Multi storey stucco/texture coating/ply/ steel/block with plumbing & drainage	179.52	2,693.00
<i>Note: All residential additions with multiple cladding types are charged at Stucco/Texture coating/Ply/Steel/Block rate</i>		
Relocated Residential Dwellings		
<i>Note: If Relocation Includes Alterations or Additions add Alteration & Addition rate as above</i>		
Relocated residential Dwelling urban	538.56	1,616.00
Relocated residential Dwelling rural	538.56	1,903.00
<i>Note: See 'Other Charges' for Bonds</i>		
Commercial / Industrial		
Commercial demolition	44.88	557.00
Single storey Shop fit outs	89.76	1,158.00
Multi storey Shop fit outs	89.76	1,445.00
Single storey multi-unit apartments/motels	359.04	2,118.00 plus 430.00 per unit
Multi storey multi-unit apartments/motels	538.56	2,477.00 plus 718.00 per unit
Minor commercial work e.g. signs/shop fronts/ minor fit outs (no plumbing/drainage)	179.52	898.00
<i>Use Commercial rate for large subdivision services installations</i>		
Commercial/Industrial <\$50,000	287.23	2,190.00
Commercial/Industrial \$50,001 – \$100,000	430.85	3,052.00
Commercial/Industrial \$100,001 – \$150,000	574.46	3,914.00
Commercial/Industrial \$150,001 – \$250,000	718.08	4,775.00
Commercial/Industrial \$250,001 – \$350,000	861.70	5,637.00
Commercial/Industrial \$350,001 – \$500,000	1,005.31	6,499.00
Commercial/Industrial \$500,001 – \$1,000,000	1,005.31	7,073.00

BUILDING CONSENTS	PIM fee \$ (If applying prior or with BC application. Additional to BC fee)	Building Consent (BC) only fee (excluding BRANZ and DBH levies) \$
Commercial/Industrial Agricultural >\$1,000,001	1,005.31	7,073.00 plus 718.00 per \$100,000 value
<i>Development levies may apply to commercial building consents. Check with Council.</i>		
BUILDING CONSENTS - OTHER CHARGES	UNITS	FEES \$
<i>Infrastructure connections may apply to connections or additional loads on Council Services. Check with Council. Connection fees may apply to new connections to Council services. Check with Council.</i>		
Scanning and Administration Fee – payable on all Building Consent applications		75.00
Re-inspection Fee (includes ¾ hr inspection) plus \$180.00/hr over and above first ¾ hr		144.00
Amendment Fee (includes ½ hr assessment) plus \$180.00/hr over and above first ½ hr, plus additional inspections		269.00
BRANZ Levy (for work of \$20,000 or more)	Per \$1,000	1.00
Building Levy (for work of \$20,000 or more)	Per \$1,000	2.01
<i>The building consent fee does not include the cost of any structural or fire engineer's assessment which may be required.</i>		
Structural engineering or fire engineering assessment/peer review		Cost +10%
NZ Fire Service design review		Cost +10%
Building Warrant of Fitness – audit inspection per hour		180.00
Building Warrant of Fitness - renewal		100.00
Compliance Schedule – new or amended		180.00
Certificate of Acceptance - Building consent fee for the applicable building payable with lodgment plus actual charges	Per hour - payable on issue of certificate	180.00

BUILDING CONSENTS - OTHER CHARGES	UNITS	FEES \$
Building Certificate (SSoa)		75.00
Building Consent Exemption Fee (schedule 1 exempt building work)		269.00
Application for Certificate of Public Use		269.00
Application for modification or waiver to a building consent		90.00
Infrastructure Protection Deposits:-	(Refundable)	1,000.00
<ul style="list-style-type: none"> - All relocated dwellings (onto site or off site) - All work over a value of \$100,000 - All commercial work in urban areas with a value of more than \$20,000 - And at officer's discretion where there is risk to infrastructure. 		

INFRASTRUCTURE & SERVICES		FEES \$
Water and Sewer Connections <i>(All new dwellings on town supply)</i>		
Road Opening Bond		550.00
Water Administration Fee (paid to Council)		67.00
Sewer Administration Fee (paid to Council)		67.00
<ol style="list-style-type: none"> 1. New water and sewer connections are administered by Council. 2. The applicant must use a contractor acceptable to Council. 3. No work may commence until the administration fee has been paid, and Council's maintenance contractor or the contractor have been notified. 4. Council's maintenance contractor must be advised of <u>all</u> work. 		
Sewerage (Dumping Septic Tank Waste)		
4 cubic metre tank		480.00
8 cubic metre tank		960.00
Trade Waste Application		150.00
Trade Waste Annual Permit Fee		20.00
For Large Dischargers:		
Flow -		0.56/m3
BOD		0.59/Kg
SS		0.61/kg
Capital Contributions		
Financial Contribution water		3,736.83
Financial Contribution sewer		2,013.17
Water Rates		
Ad hoc water reading fee		40.00
Urgent water reading fee (within 48 hours)		100.00
Use over 350m3 costs an additional \$1.84 per m3		

Vehicle Crossings	
Vehicle Run Up Charge (Refunded after completed to Council specifications)	550.00
Rapid Numbers	
Rapid Numbering (per number)	50.00
TRANSFER / RECYCLING STATIONS	FEEES \$
Featherston – Recycling Station (Johnston Street)	
<i>Opening Hours:</i>	
Thursday	11.00am - 3.00pm
Saturday / Sunday	11.00am – 3.00pm
Greytown – Recycling Station (Cotter Street)	
<i>Opening Hours:</i>	
Tuesday	1.00pm - 3.30pm
Saturday	10.00am – 12.00pm
Sunday	10.00am – 1.00pm
Martinborough – Transfer Station and Recycling Station (Lake Ferry Road)	
<i>Opening Hours:</i>	
Wednesday	1.00pm – 3.00pm
Saturday	10.00am – 4.00pm
Sunday	10.00am – 1.00pm
Pirinoa – Recycling Station	
<i>Opening Hours:</i>	
Wednesday	1.00pm – 3.00pm
Saturday	10.00am – 12.00pm
Sunday (May-August)	3.00pm – 5.00pm
Sunday (September-April)	4.00pm – 6.00pm

Recycling		
Clean and sorted recyclable items		No charge
Replacement Recycling Bin		17.50
General Refuse (Martinborough Only)		
A minimum charge of \$10.00 per load will apply		185.00 per tonne
Car Bodies - Stripped		26.00
Green Waste (Recycling Stations)		
Car Boot		5.00
Van/Trailer	Up to 250 kg	10.00
Large Trailer / Small Truck	Up to 2 tonne	20.00
Large Truck	Up to 6 tonne	41.00
Larger loads by the discretion of Council's Operator		
Tyres (Martinborough Only)		
Tyres (per tonne)		500.00
Car & 4WD tyres – up to 4 tyres on rims		3.00 each
Truck, tractor or earthmover tyres, more than 4 tyres/load (any type) or mixed load containing tyres		500.00 per tonne

Appendix 5 – Annual Plan Timeline

SWDC 2016/17 ANNUAL PLAN TIMELINE

April

6 th	Council Meeting/ Policy and Finance Meeting – Supporting Documentation Adopted and CD Adopted		
7 th	Customer Service Staff briefed		
8 th	CD Published		
12 th	CD Published in Midweek		
19 th	Public Consultation	7pm	Featherston – ANZAC Hall
20 th	Public Consultation	7pm	Greytown – Town Centre
21 st	Public Consultation	7pm	Martinborough – Council Chambers
25 th	ANZAC		

May

4 th	Councillors Meeting – public meetings		
9 th	Submissions Close		
13 th	Managers complete comments		
18 th	Submissions with comment to councillors		
	Council Meeting/Policy & Finance Meeting		
25 th	Submission Hearings and Deliberation		
27 th	Mayor and CEO Intro Completed		

June

3 rd	Annual Plan content completed for formatting and final review etc		
6 th	Queen's Birthday		
15 th	Councillors Meeting – Final Plan		
22 nd	Final financials available		
29 th	Council Meeting/Policy & Finance Meeting – Adopt Annual Plan		



SOUTH WAIRARAPA DISTRICT COUNCIL MEETING MINUTES

6 April 2016

- Present:** Mayor Adrienne Staples (Chair), Councillors Margaret Craig, Dean Davies, Brian Jephson, David Montgomerie, Viv Napier, Colin Olds, Julie Riddell, Solitaire Robertson and Max Stevens.
- In Attendance:** Paul Crimp (Chief Executive Officer), Suzanne Clark (Committee Secretary) and for part only Mark Allingham (Group Manager Infrastructure and Services) and Murray Buchanan (Group Manager Planning and Environment).
- Also In Attendance:** Dayle Clarkson (Sport Wellington), Mark Hooker (Greater Wellington Regional Council) and Hayley Gastmeier (Wairarapa Times Age).
- Conduct of Business:** The meeting was held in the South Wairarapa District Council Chambers at 19 Kitchener Street, Martinborough and was conducted in public between 9:30am and 12:40pm except where expressly noted.

Procedural Matters

Mayor Staples advised that Dayle Clarkson would be presenting the Sport Wellington report at 10:00am.

A. Public Business

A1. Apologies

There were no apologies.

A2. Conflicts of Interest

There were no conflicts of interest declared.

A3. Public Participation

There was no public participation.

A4. Minutes for Confirmation

COUNCIL RESOLVED (DC2016/36) that the minutes of the Council meeting held on 24 February 2016 be received and confirmed as a true and correct record subject to the following corrections:

Page 3 – All instances of ‘Mr Malcolm’ to be corrected to ‘Mr Alexander’.

Page 7 – The sentence beginning ‘Cr Riddell acknowledged the Steering Group’ be corrected to ‘Cr Robertson acknowledged the Steering Group’.

Page 7 – Correct the spelling of ‘David Boreman’ to David Borman’.

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

Page 11 – Remove the sentence ‘A gambling venues policy hearing had been held and the Wairarapa Policies Working Group would be forwarding their decision to the next Council meeting for ratification’ and replace it with ‘A Wairarapa Policies Working Group meeting had been held and the Group would be forwarding their recommendation to the next Council meeting for ratification’.

(Moved Cr Davies/Seconded Cr Stevens)

Carried

A5. District Council Actions

COUNCIL RESOLVED (DC2016/37) to receive the action items.

(Moved Cr Jephson/Seconded Cr Montgomerie)

Carried

B Council Committee and Community Board Minutes

B1. Policy and Finance Committee

COUNCIL RESOLVED (DC2016/38) to receive the minutes of the Policy and Finance Committee 24 February 2016.

(Moved Cr Riddell/Seconded Cr Robertson)

Carried

B2. Martinborough Community Board

COUNCIL RESOLVED (DC2016/39) to receive the minutes of the Martinborough Community Board 14 March 2016.

(Moved Cr Craig/Seconded Cr Olds)

Carried

B3. Featherston Community Board

COUNCIL RESOLVED (DC2016/40) to receive the minutes of the Featherston Community Board 15 March 2016.

(Moved Cr Craig/Seconded Cr Olds)

Carried

B4. Greytown Community Board

COUNCIL RESOLVED (DC2016/41) to receive the minutes of the Greytown Community Board 16 March 2016.

(Moved Cr Craig/Seconded Cr Olds)

Carried

B5. Maori Standing Committee

COUNCIL RESOLVED (DC2016/42) to receive the minutes of the Maori Standing Committee 15 February 2016.

(Moved Cr Napier/Seconded Cr Stevens)

Carried

B6. Maori Standing Committee

COUNCIL RESOLVED (DC2016/43) to receive the minutes of the Maori Standing Committee 21 March 2016.

(Moved Cr Napier/Seconded Cr Stevens)

Carried

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C Decision Papers and Common Seal

C1. Proposed Gambling Venues Policy and Proposed TAB Venues Policy

The Wairarapa Policies Working Group had reviewed the policies as per the 3-yearly requirement. The key outcome was that the policies were working so no major changes were required. As a result of the sinking-lid policy, gaming machines and venues were dropping in the Wairarapa region and starting to align with other areas of NZ. It was noted that South Wairarapa still has one of the highest ratio of gaming machines/venues per head of population.

COUNCIL RESOLVED (DC2016/44):

1. To receive the information.
(Moved Cr Montgomerie/Seconded Cr Jephson) Carried
2. Adopt the proposed draft Gambling Venues Policy (as reviewed 2016) for the purposes of consultation under the Local Government Acts “special consultative procedures”.
3. Adopt the proposed draft TAB Venues Policy (as reviewed 2016) for the purposes of consultation under the Local Government Acts “special consultative procedures”.
4. To delegate authority to the Policy Working Group to hear and consider any submissions; and make recommendations back to Council on the final policies for adoption.
(Moved Cr Napier/Seconded Cr Riddell) Carried
5. Action 189: Request that the Wairarapa Combined Policy Working Group review the wording, intent and meaning of paragraph 1.4 bullet point one of the Wairarapa TAB Board Venue Policy; Viv Napier

C2. Execution of Council Common Seal

The Group Manager Planning and Environment undertook to determine the purpose of the Kuratawhiti Street access.

COUNCIL RESOLVED (DC2016/45):

1. To receive the information.
(Moved Cr Napier/Seconded Cr Jephson) Carried
2. To ratify the affixation of the Common Seal to an access strip easement agreement between Rannoch Limited and South Wairarapa District Council for property on Kuratawhiti Street, dated February 2016.
(Moved Cr Craig/Seconded Cr Napier) Carried

C3. Annual Plan Consultation

Mr Crimp tabled the draft Consultation Document, the Schedule of Fees and Charges 16/17, the Significant Activities Statements, the 16/17 Financial Information, proposed inclusions for the 16/17 Annual Plan and the draft South Wairarapa Cycling Strategy.

COUNCIL RESOLVED (DC2016/46):

1. To receive the information.
(Moved Cr Olds/Seconded Cr Robertson) Carried

DISCLAIMER

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2. To adopt the Draft Cycle Strategy for consultation.
3. To adopt the Revenue and Financing Policy for consultation.
4. To adopt the 2016/17 Financial Information for consultation.
5. To adopt the Significant Activities Statements for consultation.
6. To adopt the proposed fees and charges for consultation.
(*Moved Cr Stevens/Seconded Cr Napier*) Carried
7. To adopt the Consultative Document 2016/17 subject to minor nonmaterial amendments.
(*Moved Mayor Staples/Seconded Cr Napier*) Carried
8. Action 190: Consultation Document - Clarify and strengthen wording in the pensioner housing proposal, including the options wording; P Crimp
9. Action 191: Consultation Document - Clarify options under pensioner housing so that 'status quo' is worded to mean 'Council retains ownership' and clarify the difference between points two and four; P Crimp
10. Action 192: Consultation Document - Correct the survey section of fees and charges; P Crimp
11. Action 193: Consultation Document - Correct option 2 of the waste water section to reflect that it is Greytown not Featherston; P Crimp

C4. Waiohine Floodplain Management Plan for Consultation

The Waiohine Floodplain Management Planning Advisory Committee had endorsed the document for public consultation release subject to minor amendments. Mr Hooker discussed the potential rating impact, timeframe for the public release of the draft Plan and the potential flooding impact to the Carterton district with councillors.
COUNCIL RESOLVED (DC2016/47):

1. To receive the report and tabled draft Waiohine Floodplain Management Plan.
(*Moved Cr Montgomerie/Seconded Cr Olds*) Carried
2. To support the public release of the draft Waiohine Floodplain Management Plan by the Wellington Regional Council for public consultation.
3. To recognise that there are greater benefits on the true right bank and greater impacts on the true left bank in a 1:100 year flood event that may need mitigating.
(*Moved Cr Montgomerie/Seconded Cr Jephson*) Carried

D Operational Reports

D1. Planning and Environment Group Report

The Group Manager Planning and Environment discussed the status of Council's submission to the GWRC draft Natural Resources Plan, identification of earthquake fault lines/zones on LIM reports and animal control matters with councillors.

COUNCIL RESOLVED (DC2016/48) to receive the Planning and Environment Group Report.

(*Moved Cr Davies/Seconded Cr Olds*)

Carried

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D2. Infrastructure and Services Group Report

The Group Manager Infrastructure and Services answered councillor queries on potential NZ Transport Agency (NZTA) funding for the western Lake Wairarapa cycleway, recent audits undertaken by NZTA and Office of the Auditor General, water supply key performance indicators (KPIs), testing of fire hydrants, an increase in solid waste and recycling over the summer months, the recycling contract, and progress on the water race survey.

COUNCIL RESOLVED (DC2016/49):

1. To receive the Infrastructure and Services Group Report.
(*Moved Cr Robertson/Seconded Cr Riddell*) Carried
2. Action 194: Organise a Wairarapa Library Service Committee meeting; M Allingham

D3. Chief Executive Officer Report

Mr Crimp reported that the number of ratepayers in arrears was at a record low.

COUNCIL RESOLVED (DC2016/50):

1. To receive the Chief Executive Officer Report.
(*Moved Mayor Staples/Seconded Cr Robertson*) Carried
2. To receive the financial statements for the period ended 31 January 2016.
(*Moved Cr Napier/Seconded Cr Olds*) Carried
3. Action 195: Circulate the corrected arrears analysis to councillors; P Crimp

E Representation Reports

E1. Mayor's Report

Mayor Staples reported on work currently being undertaken by Local Government (LGNZ). An excellence programme was being developed which would see councils rated against best practice, climate change mitigation strategies were being developed, and potential gaps in councils depreciation allowances compared to the amount spent on infrastructure were being reviewed in order to help councils understand the value of underground assets and replacement costs. Mr Crimp advised that work was being undertaken by SWDC to ensure underground assets were adequately insured.

Mayor Staples had attended the Greytown Soaring Centre opening. Councillors noted the foresight and vision of Mr Crimp that enabled the venture as well as the potential for partnerships between the Centre and the community.

Mayor Staples reported that Bruce Pepperell, Civil Defence Emergency Management (CDEM), had committed a resource to the South Wairarapa to complete the community response plans.

COUNCIL RESOLVED (DC2016/51) to receive the Mayor's Report.

(*Moved Mayor Staples/Seconded Cr Stevens*) Carried

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E2. Reports from Councillors

Cr Craig

Wairarapa Road Safety Council, Wellington Region Waste Forum

Cr Craig reported on discussions about variable speed zoning around schools and discussed possible options for implementation.

Cr Napier

SportNZ Rural Travel Fund, Wairarapa Safer Community Trust

Cr Napier reported that the Wairarapa Safer Community Trust were preparing budgets and funding applications for the 16/17 year to ensure programmes of work could be carried out.

Cr Robertson

South Wairarapa Arts Council

Creative Communities Scheme Assessment Committee minutes were included in Council papers.

Cr Stevens

Wairarapa Rural Fire Board

A presentation had been made at the Wairarapa combined council forum. The total fire ban had been lifted to a restricted season.

Cr Montgomerie

Economic Development Task Force, Cobblestones Museum

A memorial for Graham Croton had been unveiled at Cobblestones, new lighting had been installed in the entrance building and a new fence was being installed on the East Street boundary. Sales of good quality local souvenirs were doing well.

E3. Council Groups and Working Parties

Emergency Services Working Party, Community Safety and Resilience Working Party

A report from the Community Safety and Resilience Working Party had been included in Council papers.

The Martinborough Community Centre Steering Group was being replaced by another group that would report to Council.

COUNCIL RESOLVED (DC2016/52) to receive councillor reports.

(Moved Cr Davies/Seconded Cr Montgomerie)

Carried

E4. GWRC Advisory Committees

Wairarapa Moana Wetlands Co-ordinating Committee

Cr Olds reported that Mr Ian Gunn, GWRC, had retired.

Whaitua Committee

Workload of the Committee remained high and meetings would be held every two weeks until February 2017. The Committee aimed to have something to present by

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Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

November 2016 and would make press releases on key items separately from GWRC.

COUNCIL RESOLVED (DC2016/53) to receive reports from the GWRC advisory committees.

(Moved Cr Robertson/Seconded Cr Napier)

Carried

E5. Economic, Cultural and Community Development Reports

Sport Wellington

Ms Clarkson presented the Sport Wellington 6-monthly report and answered councillors' questions on work activity and focus.

COUNCIL RESOLVED (DC2016/54) to receive the report and tabled information from Sport Wellington.

(Moved Cr Montgomerie/Seconded Cr Craig)

Carried

F Public Excluded

F1. Crown Redress Proposal for Wairarapa with Ngati Kahungunu Rangitane

COUNCIL RESOLVED (DC2016/55): That the public be excluded from the following part of the meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Report/General Subject Matter	Reason for passing this resolution in relation to the matter	Ground(s) under Section 48(1) for the passing of this Resolution
Crown Redress Proposal for Wairarapa with Ngati Kahungunu Rangitane	Good reason to withhold exists under section 7(2)(i)	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

Reason for passing this resolution in relation to the matter	Ground(s) under Section 48(1) for the passing of this Resolution
i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 7(2)(i)

(Moved Mayor Staples/Seconded Cr Napier)

Carried

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COUNCIL RESOLVED (DC2016/57) to move out of the public excluded section of the meeting

(Moved Cr Craig/Seconded Cr Napier)

Carried

Confirmed as a true and correct record

.....**(Mayor)**

.....**(Date)**

DISCLAIMER

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SOUTH WAIRARAPA DISTRICT COUNCIL

21 FEBRUARY 2018

AGENDA ITEM C3

REVIEW OF REVENUE AND FINANCE AND SIGNIFICANCE AND ENGAGEMENT POLICIES

Purpose of Report

To inform councillors of the recent review of the Significance and Engagement Policy (A800) and the Revenue and Financing Policy (M200)

Recommendations

Officers recommend that the Council:

1. *Receive the Review of Revenue and Finance and Significance and Engagement Policies Report.*
2. *Approve the amendments to the Significance and Engagement Policy (A800).*
3. *Approve the amendments to the Revenue and Financing Policy (M200).*
4. *Agree the next review date for these policies should be June 2021.*

1. Executive Summary

The following policies have been reviewed as part of the Long Term Plan process:

- Significance and Engagement Policy – A800
- Revenue and Financing Policy – M200

2. Background

Officers have now reviewed policy numbers A800 and M200.

The two of the policies were reviewed by the Long Term Plan Working Party at their meeting on 7 February 2018.

The table at the end of the Revenue and Financing Policy was reviewed by the Long Term Plan working Party at their meeting on 13 December 2017.

3. Discussion

Officers have reviewed the Significance and Engagement Policy and Revenue and Financing Policy. These changes have been approved by the Long Term Plan Working Party and the changes shown as tracked changes in the attached documents in Appendix 1 and 2.

4. Conclusion

The policies listed has been reviewed and updated.

They are now submitted to Council for their review and approval.

5. Appendix

Appendix 1 - Significance and Engagement Policy (A800)

Appendix 2 - Revenue and Financing Policy (M200)

Contact Officer: Jennie Mitchell, Group Manager Corporate Support

Reviewed By: Paul Crimp, CEO

Appendix 1 - Significance and Engagement Policy (A800)



SIGNIFICANCE AND ENGAGEMENT POLICY

1. Purpose

Council strives to enable democratic local decision making and action by and on behalf of communities. As part of this good communication is required.

2. Background

Council communication needs to be professional, genuine, effective and enabling with all stakeholders at all times. To further guide this the Local Government Act 2002 (LGA) requires local authorities to have a Significance and Engagement policy.

Once a decision is determined to be “significant” in accordance with the general approach, criteria and procedures in this policy, a higher standard of compliance is required. Section 76(3)(b) requires that the Council must ensure before a significant decision is made that subsection 76(1) has been “appropriately observed”.

The legislation (schedule 10 LGA) only requires the Long Term Plan (LTP) to contain a summary of the Significance and Engagement policy, but the entire policy is included in the LTP in place of the summary.

3. South Wairarapa District Council “General Approach” to Significance

The Local Government Act 2002 requires local authorities to set out their “general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters” (s76AA90(1)(a)).

The Council will determine the significance of any issue requiring a decision, by making judgments according to the likely impact of that decision on:

1. The current and future economic, cultural, environmental and social well-being of the district or region.
2. The achievement of, or ability to achieve, the Council’s strategic issues and objectives as currently set out in the LTP.
3. Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter.

4. The capacity of the local authority to perform its role and carry out its activities, now and in the future.
5. The financial, resource and other costs of the decision.

4. Thresholds, Criteria and Procedures

The Policy must also set out any “~~thresholds~~, criteria, and procedures” that the Council uses for assessing significance (section ~~90~~[76AA](#)(1)(b)).

The range of issues requiring decisions by local authorities is very wide and it is impossible to foresee every possibility. It is therefore recommended that thresholds are not used to determine significance.

The following procedure will be used to determine significance:

4.1 Procedure for Determining Significance

1. Identification of an issue requiring a Council decision (generally by officers).
2. Assessment of significance using the criteria set out in “South Wairarapa District Council’s General Approach to Significance”, set out above; followed by:
3. Officer or other professional advice on significance and options; followed by:
4. Council consideration and final decision-making on the;
 - Degree of significance of the issue.
 - Appropriate level and type of consultation.

Advice from Council officers will, in normal circumstances, be included in the Council approved report format. ~~It is proposed that t~~[This format has been](#) revised so that it specifically considers the impact of decisions as set out in the “general approach” above.

5. Strategic Assets

This policy must also list those Council owned assets, considered by the Council to be “strategic assets” (section ~~90(2)~~[76AA\(3\)](#)).

"Strategic asset" is defined in the LGA as:

" ... an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes: -

a. any asset or group of assets listed in accordance with section ~~90~~76AA(23) by the local authority; and

b. any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and

c. any equity securities held by the local authority in –

i. a port company within the meaning of the Port Companies Act 1998;

ii. an airport company within the meaning of the Airport Authorities Act 1966.

The list below shows the South Wairarapa District Council owned assets that are considered to be "strategic assets". Only those assets that are important to achieving the Council strategic objectives have been included.

- Roading Network (including footpaths, street lighting and parking).
- Wastewater Network and Oxidation Ponds.
- Water Treatment, Storage and Supply Network.
- Solid Waste Facilities.
- Stormwater Network and Water Races.
- Reserves and Sports Fields.
- Swimming Pools.
- Libraries.
- Community Buildings.
- Public Toilets.
- Cemeteries.
- Pensioner Housing.

NOTE:

1. Pensioner housing is a strategic asset by law.
2. The Council considers all asset classes listed above as single whole assets. This is because the asset class as a whole delivers the service. Strategic decisions, therefore only concern the whole asset class and not individual components, unless that component substantially

affects the ability of the Council to deliver the service, or would be deemed significant and strategic under the procedure above.

6. Engagement and Consultation

6.1 Rationale

To ensure a consistent approach is taken to [engagement and consultation](#) across South Wairarapa District Council in compliance with the consultation requirements of the [Local Government Act 2002](#).

This policy does not cover the submission process that may be required under the [Resource Management Act 1991](#) or the [subsequent Amendment Acts-2009](#).

6.2 Introduction and Background

As an organisation responsible to the community it serves, South Wairarapa District Council is committed to ongoing and effective consultation.

The Council already conducts consultation with the public on many issues and this policy reflects both current practice and its responsibilities under the Local Government Act 2002.

The Council will make its consultation policy publicly available after the three-yearly Local Body election of the Mayor and councillors, as set out in section 40 (1)(h) of the [Local Government Act 2002](#).

Note that within this policy, the word *council* refers to any decision-maker within Council. This could be the Council, a committee or sub-committee or an officer with delegated authority.

6.3 Commitment to Engagement and Consultation

A well-structured consultation process is a key part of improved decision making. The Council welcomes and values input from the people of South Wairarapa District so it can adequately reflect their views in its decision making. Decision making is improved as a result.

The Council is also committed to determining the overall community view as accurately as possible and will use the appropriate techniques to meet this objective.

Consultation will enhance the democratic process by contributing to the decision making of the Council.

The Council is committed to acknowledging the unique perspective of Māori and will consult with Council's Maori Standing Committee.

6.4 What is Consultation?

Consultation is a genuine exchange of information, points of view and options for decisions between affected and interested people and decision-makers before a decision has been made.

It does not mean that the decision will be delegated to those involved in the consultation process, but rather that the decision, when made, is likely to be improved by the public's involvement.

For the purpose of this policy South Wairarapa District Council has adopted the following definition of consultation:

Consultation is the dialogue that precedes decision-making

6.5 Consultation Means the Council Will:

- Seek input on a concept, issue or proposal that has not been decided upon.
- Encourage those people who will or may be affected by, or have an interest in, the matter to present their views (section 82 (1)(b) [Local Government Act 2002](#)).
- Provide those people who will or may be affected by, or have an interest in, the matter with reasonable access to relevant information about the matter, and clear information about the purpose of the consultation and the scope of the decisions to be taken following consideration of the views presented (section 82 (1)(a) and (c) Local Government Act 2002).
- Give people a reasonable opportunity to present their views according to their preferences and needs (section 82 (1)(d) Local Government Act 2002).
- Listen to what people have to say and consider their views and comments with an open mind (section 82 (1)(e) of the Local Government Act 2002).
- Decide if and how any proposal should be changed or developed further.
- Report on the final decision and the reasons for it (section 82 (1)(f) Local Government Act 2002).
- Respond to the people involved in the process (section 82 (1)(f) Local Government Act 2002).

According to this definition, the public's role in consultation will generally be one of expressing an opinion and providing additional information. It does not usually mean that the decision has been delegated to them.

Consultation may include market research techniques such as quantitative surveys, qualitative focus groups, ~~and~~ individual interviews [and online surveys](#).

6.6 Consultation is Not:

- Solely providing information (although effective communication forms part of consultation).
- Always about reaching an agreement or consensus.
- Always about negotiation.

6.7 Consultation is Not Appropriate When:

- A decision has already been made or the likely decision is apparent (section 82 (1)(e) Local Government Act 2002).
- There is a need for commercial sensitivity.
- It is a small issue with little public interest.
- The likely costs of the consultation are not in proportion to the benefits (section 82 (4)(e) Local Government Act 2002).
- There is a threat to public health or safety.

7. Concern

At any time someone is concerned with significance or engagement, ~~they are required to go through~~ the following channels are available to elevate their concerns to a point of resolution:

- Council Officers deal with matters from the public in the first instance.
- The public are ~~then~~ encouraged to direct any unresolved concerns or complaints to the respective Departmental Manager.
- Should a person believe that their concern has still not been dealt with satisfactorily they are ~~then~~ encouraged to bring the matter to the attention of the Chief Executive Officer.
- If a person remains un-satisfied with the decision of the Chief Executive Officer they may place their concern in writing for consideration by the Council.
- A register of complaints received from Officers and Elected Members shall be kept and acted upon. A report to Council shall be supplied 6 monthly on complaints received and their resolution.

Appendix 2 - Revenue and Financing Policy (M200)



REVENUE AND FINANCING POLICY

1. Introduction

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- Liability Management Policy.
- Investment Policy.
- Development and/or Financial Contributions Policy.
- Rates Remission Policies.
- Rates Postponement Policy.

Section 101 (3) of the Local Government Act 2002 (LGA) sets out the requirements Council must consider as part of the development of the policy. Section 103 of the LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- Community outcomes - the community outcomes to which the activity primarily contributes (in other words [your Council's](#) rationale for service delivery).
- The user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- The intergenerational equity principle – the period ~~in or~~ over which those benefits are expected to accrue.
- The exacerbator pays principle – the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

1.1 Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

1.2 Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

1.2.1 Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

1.2.2 Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

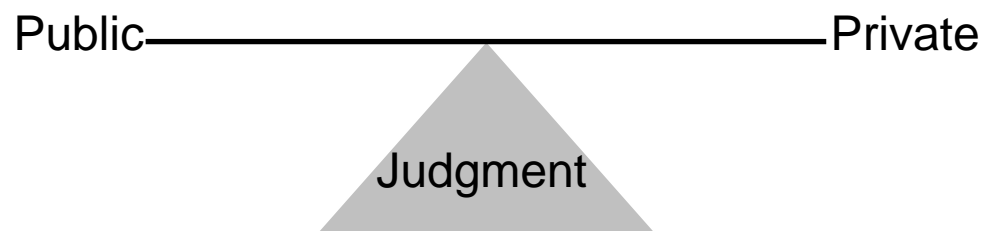
At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



1.3 Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations, not just today. Many of the activities provided by local government are either network or community infrastructure which have long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25 year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs or smooth funding over a limited period to avoid rate spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

1.4 Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging. ~~and, in many cases, it is not possible to pass this cost on to the exacerbator and, therefore, it becomes more a case of Council needs to~~ identifying the quantum of the issue and deciding who ~~then~~ should bear the cost, if not the exacerbator.

1.5 Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

2 Selection of Tools

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as ~~borrowings~~loans and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. ~~Therefore-~~In this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

3 Revenue

3.2 General Rates

Including Uniform Annual General Charge (UAGC).

The Council differentiates the General Rate based on land valuation (Schedule 2 Local Government (Rating) Act 2002).

The differential categories are:

Group 1 Commercial

All rating units that are used (or available) primarily for any commercial or industrial purpose.

Group 2 Urban

All rating units used for residential and related purposes within the urban areas of the District Plan.

Group 3 Rural

All rating units within the rural area in the District Plan.

This is usually used to recover public good.

Council believes that land ~~of~~ value allocates the costs fairly between the rural and urban communities.

When Council considered the advantages and disadvantages of each rating based on land values versus capital values ~~option it considered~~ it identified that:

- The ratio of land value to capital value was inconsistent across the district and this changing the rating basis to land values would have lead to more ratepayers having a rates increase than those having a decreases in rates payable.

- [The table below indicates the likely spread of increases and decreases in rates from a move to using capital values to charge for rates.](#)

RATIO OF RATING USING LAND CAPITAL VALUES VS CAPITAL VALUES	
MOVEMENT IN GENERAL RATES	PERCENT OF GENERAL PROPERTIES WITH MOVEMENT
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

- As land value is the current method it is accepted and understood by the majority of ratepayers.
- There would be additional costs in [both](#) moving to capital values and additional costs in maintaining the rating database without out any significant increase in [value benefit to Council or ratepayers.](#)

3.3 Targeted rates

[Any other rate includes, Uniform Annual Changes](#) [Targeted rates, are rates](#) set on a differential on value, rates set over an [are](#) area of benefit and rates for a service or for an activity.

[Targeted rates](#) ~~his~~ can be ~~used~~ [used to rate](#) for both private good and public good [services](#).

Current targeted rates include the [Uniform Annual Charge \(UAC\) – Reserves and Civic](#) ~~a~~ [amenity rates.](#)

3.4 Lump sum contributions

[Lump sum contributions are used](#) ~~f~~ [For the recovery of specific capital expenditure,](#) ~~otherwise loan funded (optional for ratepayer).~~

~~There~~ [must](#) have a high component of private good [to use lump sum contributions.](#)

3.5 Fees and charges

Any fee, recovery fine or charge made Council for service or activity.

[This](#) ~~M~~ [must](#) have a high component of private good.

3.6 Interest and dividends from investments

Income from an investment. This would be generally public good.

3.7 Financial & development contributions

~~There are used to recover costs to mitigate the effects of development. Council has a Financial Contributions Policy under the Resource Management Act 1991 which explains the application and the levying of these fees. Council does not have a development contributions policy.~~

These are used to recover costs to upgrade services to provide for and mitigate the effects of development. Council currently has a Development Contributions and Financial Contributions Policy. Financial Contributions are levied under the provisions of the Resource Management Act through the Wairarapa Combined District Plan. Development contributions are levied under the Local Government Act. As part of the LTP process, Council has reviewed the Development Contributions policy to better reflect recent changes in legislative requirements for such contributions.

This must have a high component of private good.

3.8 Grants and subsidies

Income from external funding entities. These generally would be of a public good.

3.9 Borrowing

Loans, both short term and long term. This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

3.10 Proceeds from asset sales

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from the sale of corporate property were used to fund another activity. ~~Again this is a funding tool.~~

3.11 Council Created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

3.12 Rates payments applied to oldest debt

Payments received for rates will be applied to the oldest debt first, regardless of whether the payer requests the payment be applied to

the current debt. Rates debt becomes unenforceable after a period of time; this policy assists in avoiding debt falling into this category.

4 [The following table summarises Council's view on the with regard to the appropriate funding mechanism for different types of Council expenditure. This table summarises the distribution of Private and Public benefits and indicates the funding sources SWDC uses for each category of activity.](#)

Activity		Community Outcomes	User/Beneficiary pays principle	Intergenerational equity principle	Exacerbator pays *	Costs and benefits	Distribution of benefits		Rationale	Funding Sources	
							Private	Public		Operational	Capital
Governance/Leadership/Advocacy		Vibrant and strong communities, Sustainable South Wairarapa									
Represent ng the commun ty			NIL	NIL	L	L	0%	100%	The democracy process s ava lable to all res dents and ratepayers, therefore all ratepayers benef t from th s act v ty	General rate & Reserve Fund ng	
Public Protection		Healthy & econom cally secure people									
Protect on of publ c health			M	NIL	M	M	70-80%	30-20%	Counc l has a statutory obl gat on to enforce publ c health leg slat on	Fees & Charges General Rate	
No se control and enforcement			NIL	NIL	H	L	10%	90%	Ab l ty to charge for mon tor ng and recover other costs	Fees & Charges General Rate	
Bu ld ng consents and enforcement nclud ng sw mm ng pool nspect ons			H	NIL	L	M	80-90%	20-10%	Counc l has a statutory obl gat on to enforce the Bu ld ng Act	Fees & Charges General Rate	
Dog and an mal control			L-M	NIL	H	L	60-70%	40-30%	For dog control the urban commun ty rece ve a h gher benef t than the rural commun ty., wh le for an mal control the rural commun ty rece ves a h gher benef t than urban	Fees & Charges General Rate	
L quor l cens ng			H	NIL	L	L	100%	0%	Counc l has a legal obl gat on to enforce L quor Act	Fees & Charges General Rate	
Emergency management and c v l defence			NIL	NIL	L	H	0%	100%	Emergency Management s for the protect on of l fe and restorat on of essent al serv ces	General rate	
Community Development		V brant and strong commun t es, Susta nable South Wa rarapa									
Cultural and commun ty development			L	NIL	NIL	H	0%	100%	Support ng commun ty act v t es for wh ch councl bel eves there s a h gh publ c benef t	General rate Targeted rate	
Econom c Development			NIL	NIL	NIL	L	0%	100%	Econom c Development s there for the benef t of the d str ct, but there are occas ons where parts of the d str ct benef t to a d fferent degree	General rate Targeted rate	
Econom c Development - Tour sm			M	NIL	NIL	M	60-70%	40-30%	Tour sm s a very mportant part of econom c act v ty w th n SW therefore has a h gh publ c good. However the benef t rece ved from tour sm also d rectly benef ts the tour st related bus nesses	General rate Targeted rate	
Resource Management		V brant and strong commun t es, Susta nable South Wa rarapa									
D str ct Plan (rev ews and development)			L	NIL	M	L	5%	95%	DP s a strateg c and statutory plann ng document for the benef t of the d str ct however members of the commun ty can apply and fund a pr vate plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
Resource consent appl cat ons			H	NIL	H	H	95%	5%	Element of publ c good for enqu r es, and consents that have a h gh publ c nterest	General rates, Fees & Charges, surpluses	
Resource consent appeals			H	NIL	H	L	50%	50%	Appeals potent ally cover a w de range of effects and have a w de range of benef ts	General rates / surpluses	
Amenities		Healthy & econom cally secure people. Educated and knowledgeable people. V brant & strong commun t es.									
Parks and Reserves nclud ng playgrounds			L	H	M	M-L	20%	80%	Reserves are there for recreat onal purposes and are open to all w thout restr ct on except for spec f c areas and t mes	Targeted rate, fees & charges	Targeted rate, contr but ons, surplus funds & loans
Sw mm ng Pools n Featherston, Greytown & Mart nborough.			L	M-H	L	L	30-40%	70-60%	Wh le pools prov de rec value councl can restr ct access	Targeted rate, fees & charges	Targeted rate, contr but ons, surplus funds & loans

	Ownership of Camping Grounds in Martinborough, Greytown & Lake Ferry.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	M	L	L	70-85%	30-15%	Mba is a restricted area and Gtn is unrestricted however council may in the future may look at options for Gtn	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Civic Amenities											
	Libraries in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	L-H	L	M	30-40%	60-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit. that as has a private benefit	General rate, fees & charges	General rate, surplus funds & loans
	Pensioner housing units in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	M	H	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community.	Fees & charges	Surplus funds & loans
	Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.		H	M	L	L	80-90%	20-10%	Providing essential service to ensure clean environment	Targeted rate	Targeted rate, surplus funds & loans
	Public halls in Featherston, Greytown and Martinborough.		M-H	M	M	L	40-60%	60-40%	While used for private benefit there are wider community benefits of having halls available, Halls are the focal point of the community	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
	Cemeteries in Featherston, Greytown and Martinborough.		H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rate, fees & charges	Targeted rate, surplus funds & loans
Roading / Land Transport		A place that's accessible and easy to get around.	H	H	H	H	70-80%	30-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, general rate	Fees & charges, NZTA subsidy, tolls, contributions, general rate
SOLID WASTE MANAGEMENT											
	Waste collection	Healthy & economically secure people	H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans
	Closed Landfill		NIL	M	L	L	0%	100%	Protect environment from impacts of previous events	General rates	General rate, surplus funds, & loans
	Transfer stations		H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans

	Recycling	Healthy & economically secure people	H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans
STORMWATER		Sustainable South Wairarapa									
	Storm water Collection		H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rate, general rate	Fees & charges, contributions, targeted rate, general rate, surplus funds & loans
	Storm water Treatment		L	H	H	L-M	5%	95%	To protect the environment	Fees & Charges, targeted rates, general rates	Fees & charges, targeted rate, general rate, surplus funds & loans
Water Supply		Healthy & economically secure people	H	H	H	M	90%	10%	Provides safe potable drinking water	Fees & Charges, targeted rate, contributions	Fees & charges, contributions, targeted rate, subsidies & grants, surplus funds & loans
Wastewater		Healthy & economically secure people, Sustainable South Wairarapa	H	H	H	M	75%	25%	Provide safe/sanitary treatment & disposal environment for waste	Fees & Charges, targeted rate, contributions	Fees & charges, contributions, targeted rate, subsidies & grants, surplus funds & loans