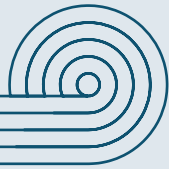


PART 4



Rates Information

Rates Funding Impact Statement

Rating Definitions

Rating Unit

What is a rating unit is decided by the Valuer General. It generally is a property comprised in one record of title. It can include parts of titles in very limited circumstances or two or more titles if the land is:

- owned by the same person or persons; and
- is used together as a single unit; and
- adjacent to one another.

Activities Funded by Rates and Charges

Council makes decisions about local issues and services taking into account local needs and priorities. We break our business down into activity groups such as providing and maintaining community facilities, roads and footpaths, managing building activity, the environment and water and sewerage. (Full details of activity groups and activities can be found in the LTP at <https://www.marlborough.govt.nz/your-council/long-term-and-annual-plans-policies-and-reports/long-term-plan> or at our offices.)

Rates and charges are set by calculating how much of each activity is not funded by other sources such as user pay fees and charges, Government subsidies, development contributions, Reserves interest and dividends from subsidiaries.

Non-rateable Properties

Certain categories of property can be fully non-rateable or 50% rateable. These properties are still rated for services such as water, sewerage and refuse/recycling collection (where the service is provided). (These properties are defined in Schedule 1 of the Local Government Rating Act 2002 (LGRA)). Examples of fully non-rateable properties are public and some other types of schools, public libraries and public gardens.

Land Value and Capital Value

These are the values assigned to the property at the last rateable revaluation.

Rateable Revaluation

A rateable revaluation of the district took place on 15 August 2020. The property values from this are used for rating purposes for three years from 1 July 2021.

Separately Used or Inhabited Part of a Rating Unit (SUIP)

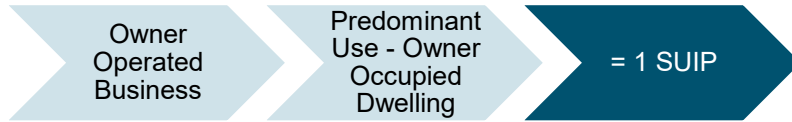
A SUIP includes any portion inhabited or used by the owner or a person other than the owner who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. It includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

A rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

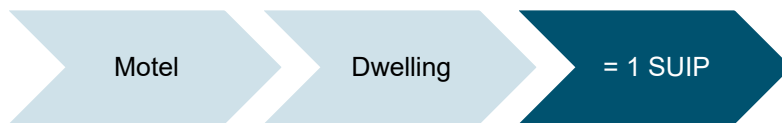
Vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

Exceptions to the definition

- Predominantly residential rating units where the owner of the unit resides and operates a business (including a homestay or farmstay activity) from the same rating unit will be charged as being one SUIP.

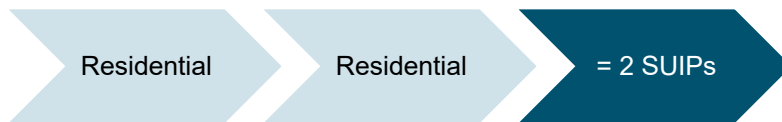


- Motels, and hotels used for commercial rental and dwellings used by owners or managers of a hotel or motel are treated as one business use even though each accommodation unit may be capable of separate use.

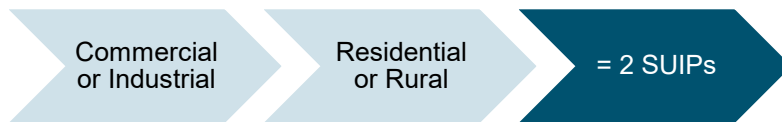


Examples of the application of the definition

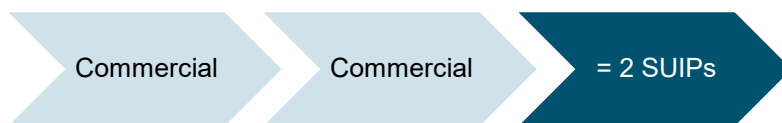
- Where a rating unit has two separately used parts, whether or not actually occupied at any particular time, they will be treated as two SUIPs.



- Where a rating unit contains both a commercial or industrial type use, and a residential or rural type use they will be treated as two SUIPs.



- Where a number of different businesses are located on one rating unit, each separate business will be assessed as a SUIP.



Rating Categories

It shall be at the sole discretion of the Council to determine the use or predominant use of any property in the district. The Council has adopted the following rating categories:

Residential or Rural

All land used for a private residence and all land used for rural purposes. This excludes rest homes and residential establishments that provide residential care. It also excludes all forms of commercial accommodation.

Rural purpose means any agricultural, horticultural or pastoral purpose and includes the keeping of bees, poultry or livestock. This group will include all rating units not otherwise categorised within a specified category.

Forestry is included in this category for the purposes of the General Works and Services Rate.

Commercial or Industrial

All land used for a commercial or industrial purpose. It includes but is not limited to, any trade or service or activity undertaken or provision of facilities, by any person with a view to making a profit or charging any fee or deriving any other consideration in relation to the trade or service or activity or provision.

Industrial includes a business, manufacturer, undertaking, or service associated with the production of any type of goods.

For the purposes of the general works and services rate, this category includes residential rest homes and residential establishments that provide residential care and all forms of commercial accommodation as well as rating units otherwise assessed as utilities.

Commercial accommodation includes but is not limited to the provision of accommodation for a fee or other consideration but does not include:

- properties where the principal purpose is the provision of long stay accommodation ie: 28 days or more;
- properties that provide accommodation for five or less people;
- properties that were originally constructed as residential properties that provide accommodation for six or more, which are included in the homestay or farm stay category;

Homestay or Farm Stay

Includes all rating units that are used for a homestay or farm stay activity on land predominantly used for residential or rural purposes, where a Building Act or resource consent was required for homestay or farm stay use (i.e. for six or more persons).

Infrastructural Utilities

Land used for an essential service such as water, electricity, gas, telecommunications or sewerage.

Multiple Land Uses

The Council will partition a rating unit where there are two or more land uses that fit into different rating categories (residential or rural and commercial or industrial) except for predominantly residential properties where the owner of the commercial or industrial operation resides on the same rating unit.

GST

Figures quoted are inclusive of GST unless otherwise stated.

General Type Targeted Rates and Charges

\$64,931,546

Geographic Area General Works and Services Rate

\$39,606,579

This rate pays for activities that are not funded by other targeted rates, user pay charges, general revenue or reserves. The rate is assessed on a land value basis. The General Works and Services Rate is set differentially for six geographic areas, depending on where the land is situated and the benefit that rating area derives from the services these rates fund. (See figures 1-5 for the definition of the geographic rating areas.)

Within each geographic area, the rating units are further differentiated into categories depending on the use to which the land is put. The categories are:

- Residential or Rural;
- Commercial or Industrial;
- Homestay or Farmstay.

For a detailed explanation of these categories see page 124.

For this rate utilities will be treated as falling within the commercial or industrial differential category.

Overall this rate will increase by \$2,946,648. However, there are varying impacts on the geographic areas and their differential rates.

(Further information on the calculations of general type targeted rates and charges can be found here <https://www.marlborough.govt.nz/services/rates/funding-allocations-summary>)

General Works and Services Rates are set in each geographic area as follows:

Geographic Area	Differential Rating Categories	Levy	Cents in \$
Blenheim	Residential/rural	10,427,721	0.354053
	Commercial/industrial	4,752,217	1.069335
	Homestay/farmstay	3,376	0.532844
Blenheim Vicinity	Residential/rural	8,957,944	0.283375
	Commercial/industrial	450,522	0.535362
	Homestay/farmstay	21,984	0.346435
Picton	Residential/rural	2,643,357	0.447149
	Commercial/industrial	799,823	0.855511
	Homestay/farmstay	3,558	0.549471
Picton Vicinity	Residential/rural	543,013	0.251197
	Commercial/industrial	28,764	0.520496
	Homestay/farmstay	1,672	0.318570
General Rural	Residential/rural	10,176,602	0.287838
	Commercial/industrial	193,756	0.464206
	Homestay/farmstay	4,555	0.331944
Sounds Admin Rural	Residential/rural	570,682	0.147148
	Commercial/industrial	26,554	0.275265
	Homestay/farmstay	479	0.179186

Geographic Area General Works and Services Charges

\$25,324,967

A targeted Geographic General Area Works and Services charge on the basis of a fixed amount on every separately used or inhabited part of a rating unit ensures that rating units contribute on a uniform basis to fund the respective rating area's share of activities that are not funded by other targeted rates, user pays charges, general revenues or reserves.

These charges are set differentially for the same six geographic areas (as the General Works and Services Rates), depending on where the land is situated and the benefit that rating area derives from the services these charges fund.

There is also a differential charge for Infrastructural Utilities.

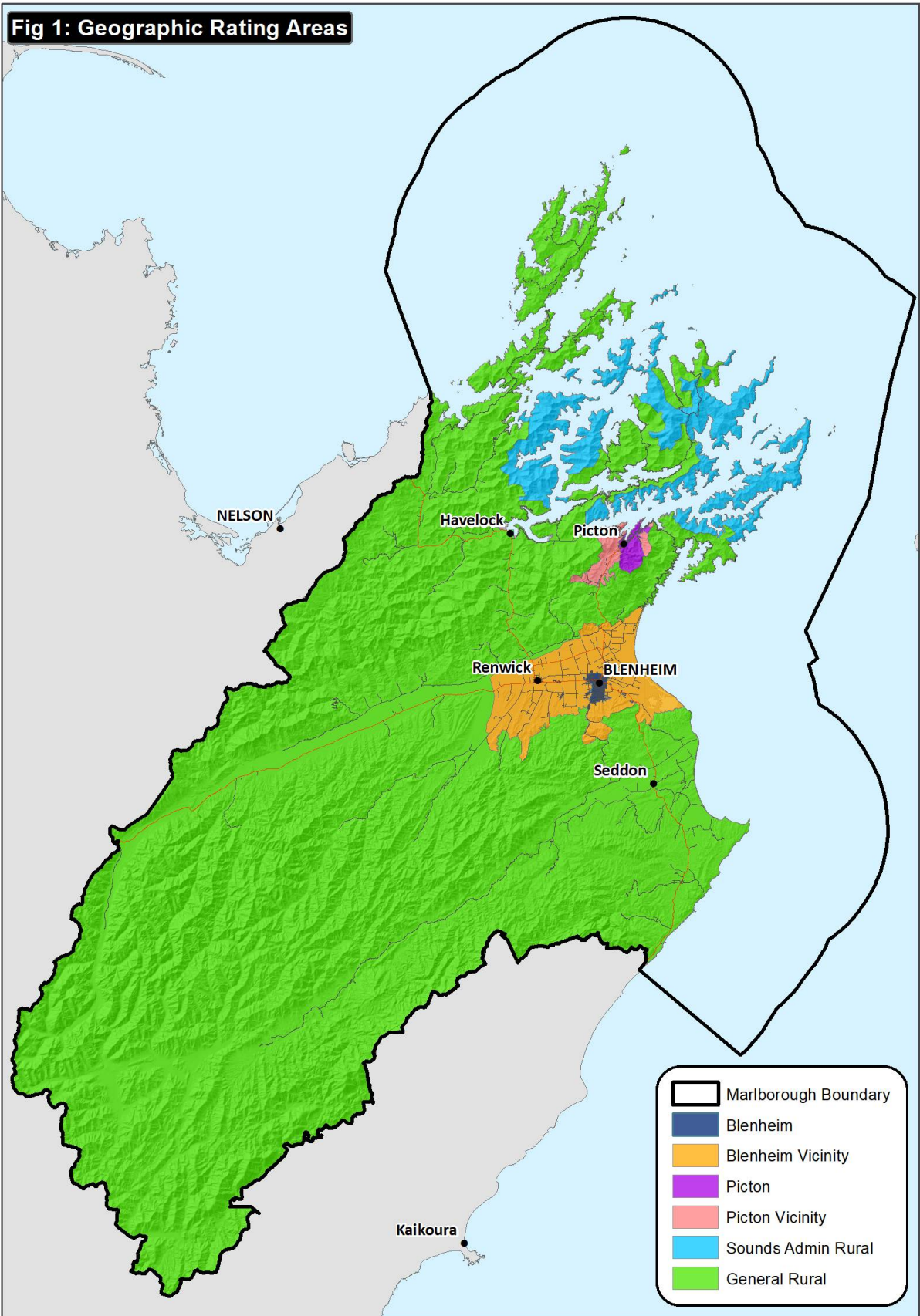
Overall, these charges will increase by \$2,875,935 with the increases assessed on an area by area basis.

General Works and Services Charges are set in each geographic area as follows:

Geographic area	Levy	Unit charge
Blenheim	13,585,422	1,004
Blenheim Vicinity	3,857,275	915
Picton	2,925,796	1,015
Picton Vicinity	473,107	882
General Rural	3,702,044	666
Sounds Admin Rural	735,346	536
Infrastructural Utilities	45,977	836

Although the general type targeted rate and general type targeted charges have increased overall by \$5,822,665, there are varying percentage movements (both up and down) which are the result of expenditure movements not equally affecting each geographic area.

Geographic Rating Areas



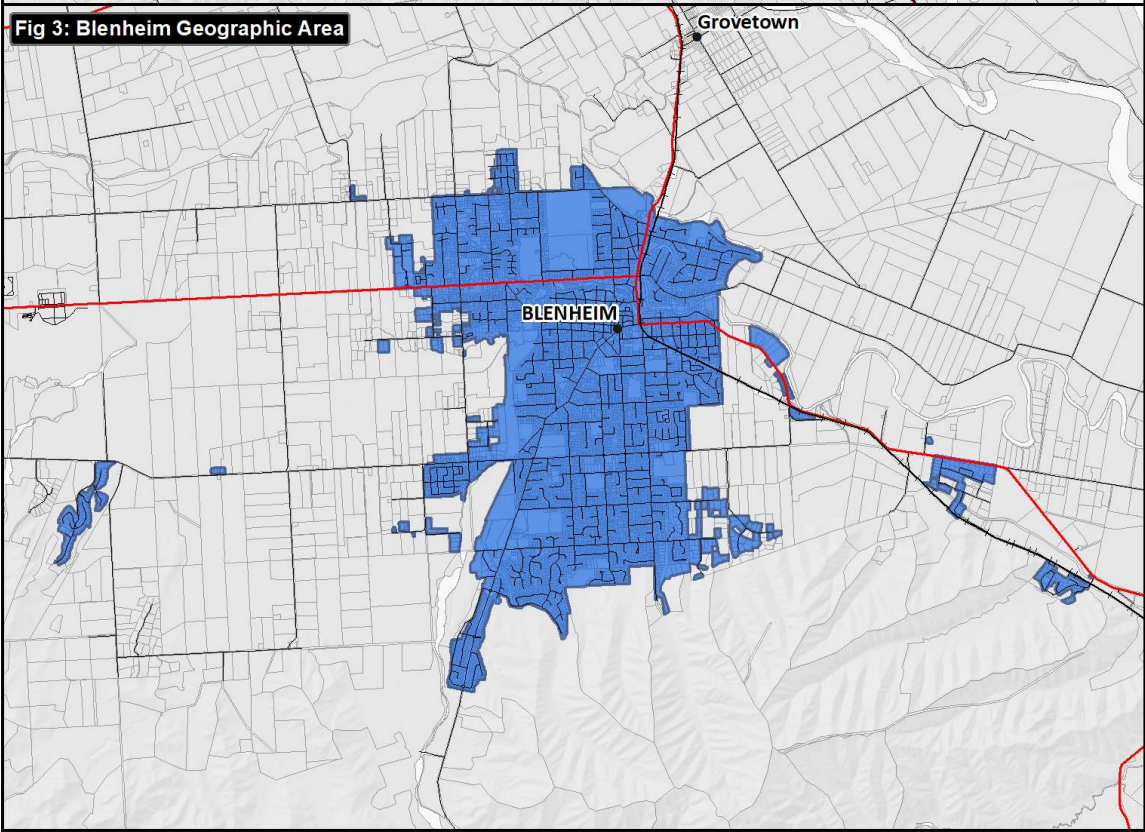
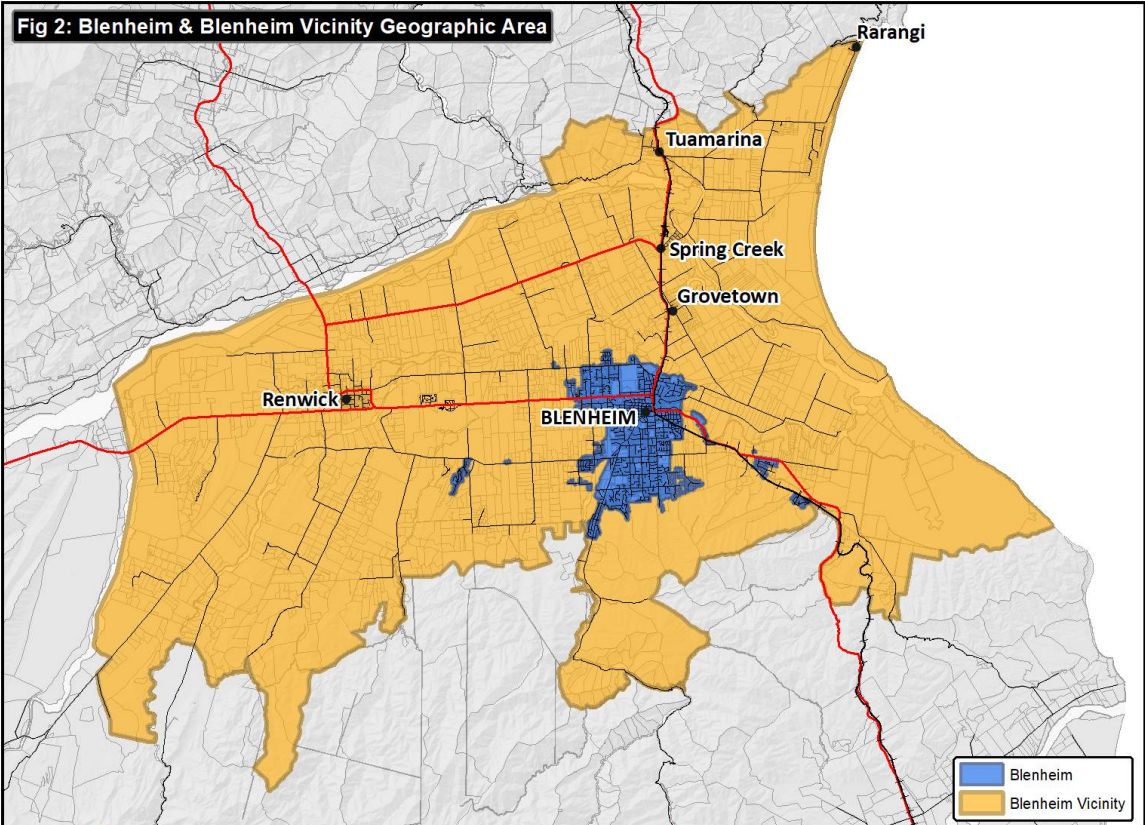


Fig 4: Picton & Picton Vicinity Geographic Area

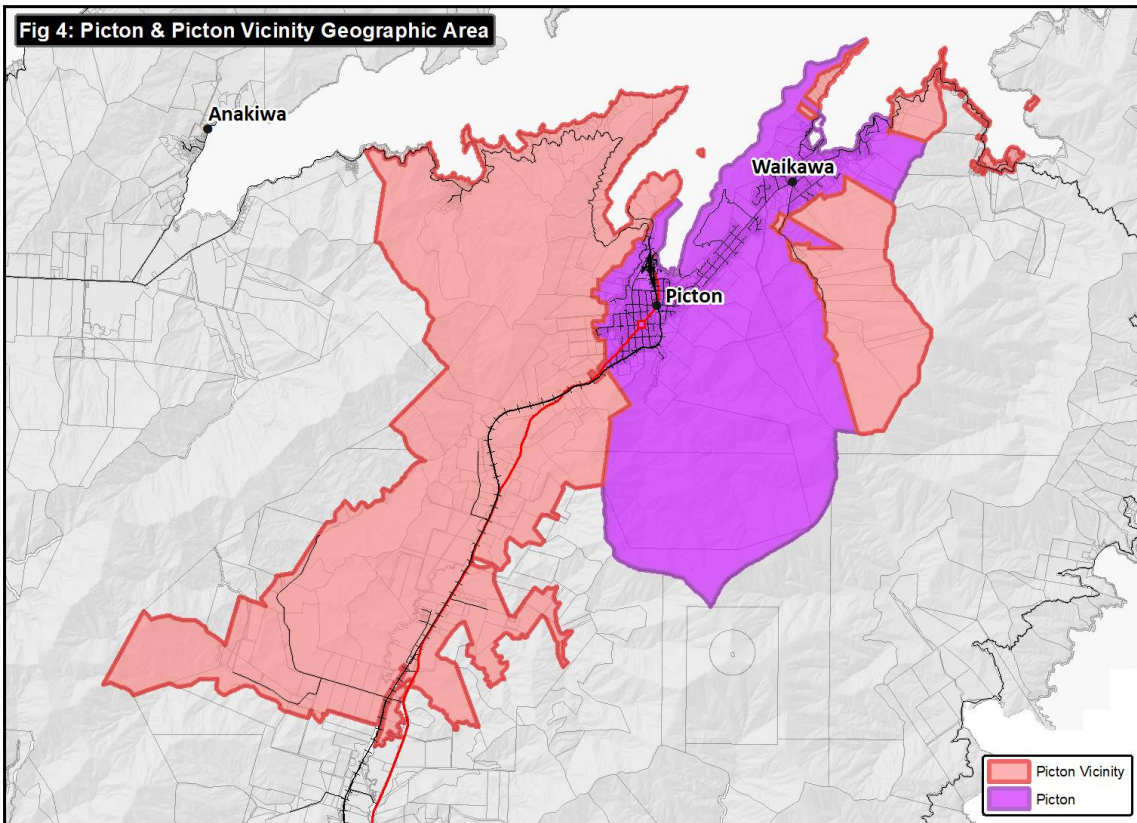
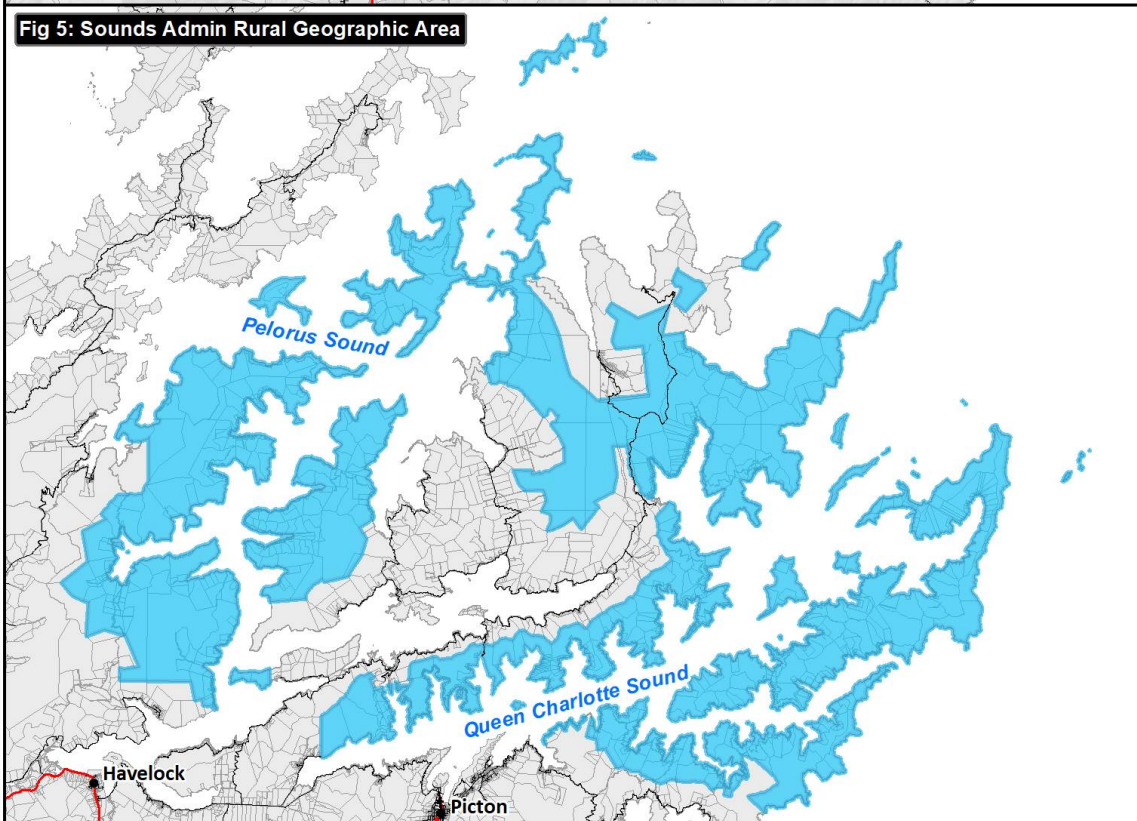


Fig 5: Sounds Admin Rural Geographic Area



Targeted Debt Servicing Rates

\$1,238,014

Grovetown Sewerage Loan Rate

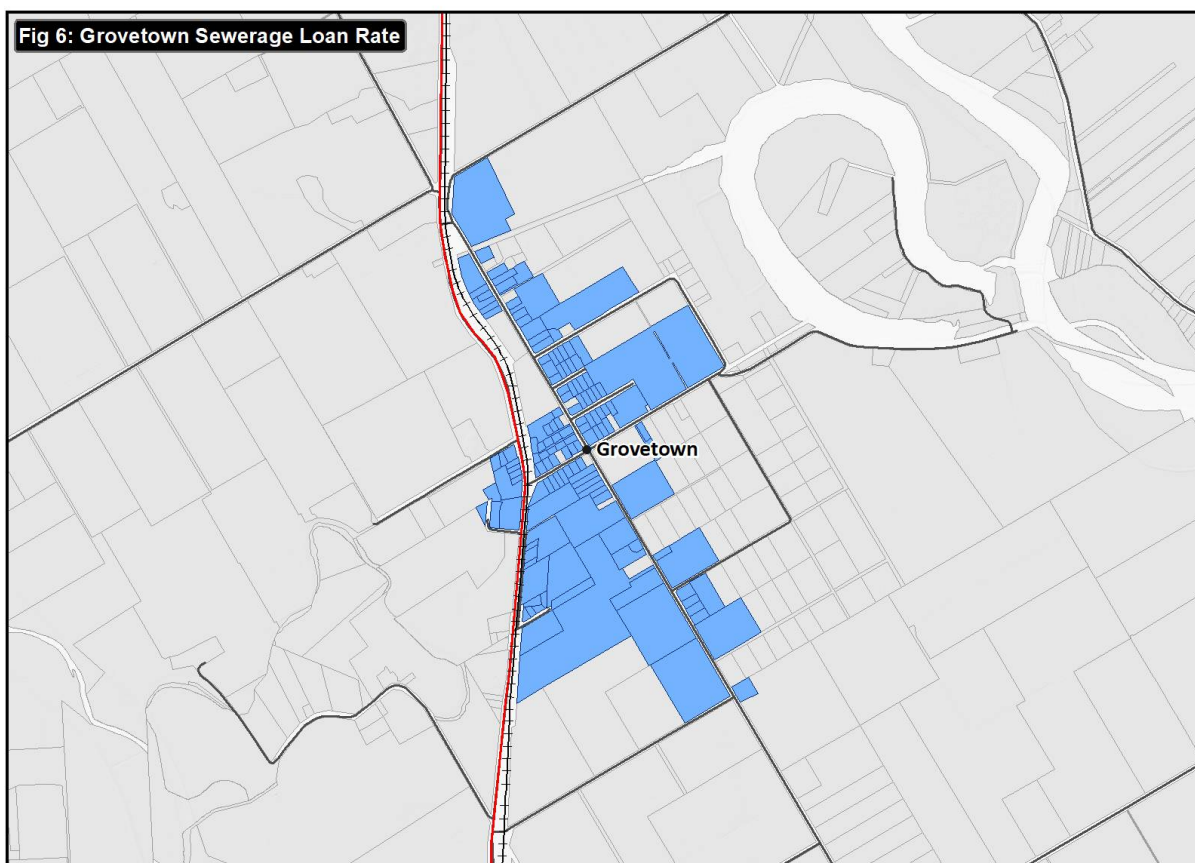
\$99,933

This targeted rate pays the debt servicing costs of the Grovetown sewerage loan scheme and is assessed on a land value basis. It is charged on properties where no lump sum contribution to the sewerage scheme was chosen (see figure 6).

Overall this rate will increase by \$7,520.

The loan rate will continue until 30 June 2039 when the borrowing will be fully repaid.

Per calculation	Rate in the \$
Land value	0.242685



Renwick Sewerage Loan Rate

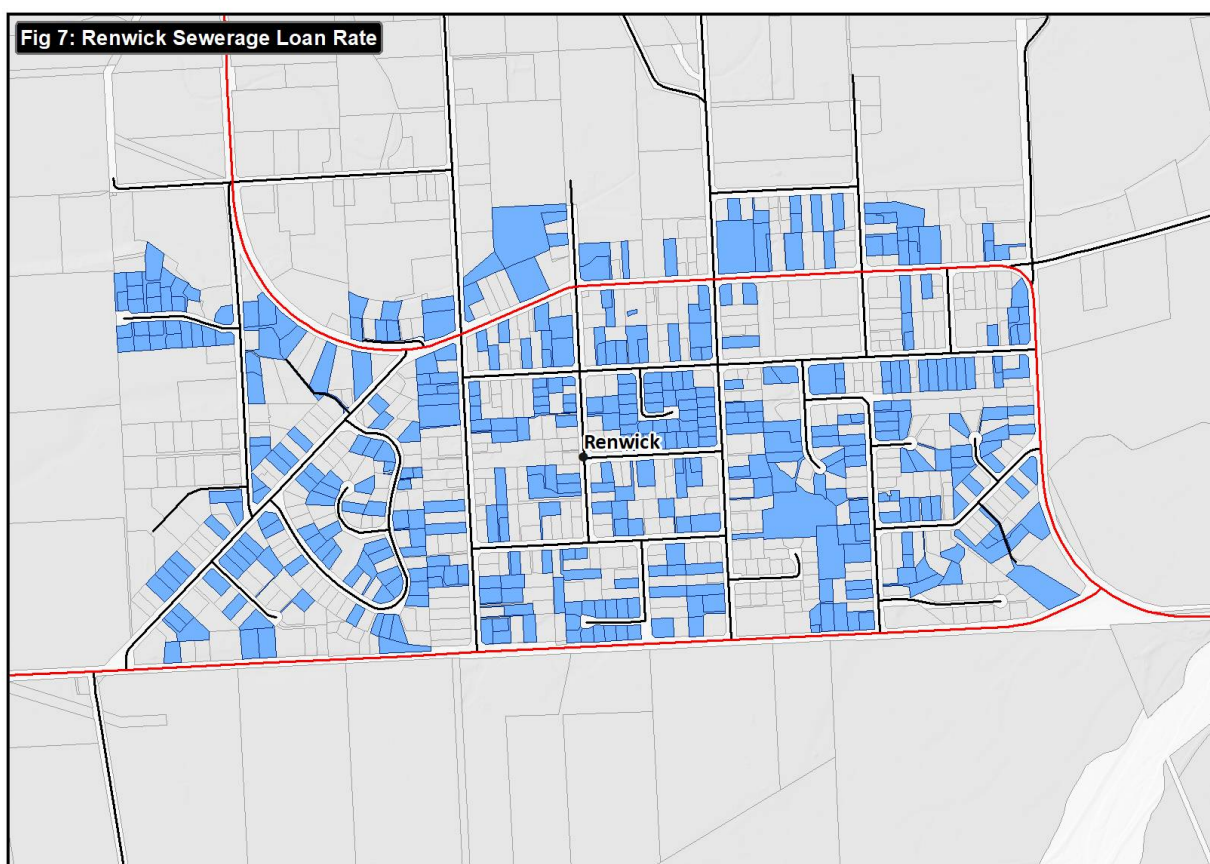
\$34,644

This targeted rate pays the debt servicing costs of the Renwick sewerage loan scheme and is assessed on a land value basis. It is charged on properties where no lump sum contribution to the sewerage scheme was chosen (see figure 7).

Overall this rate will decrease by \$76.

The loan rate will continue until 30 June 2026 when the borrowing will be fully repaid.

Per calculation	Rate in the \$
Land value	0.034049



Southern Valleys' Irrigation Loan Rate

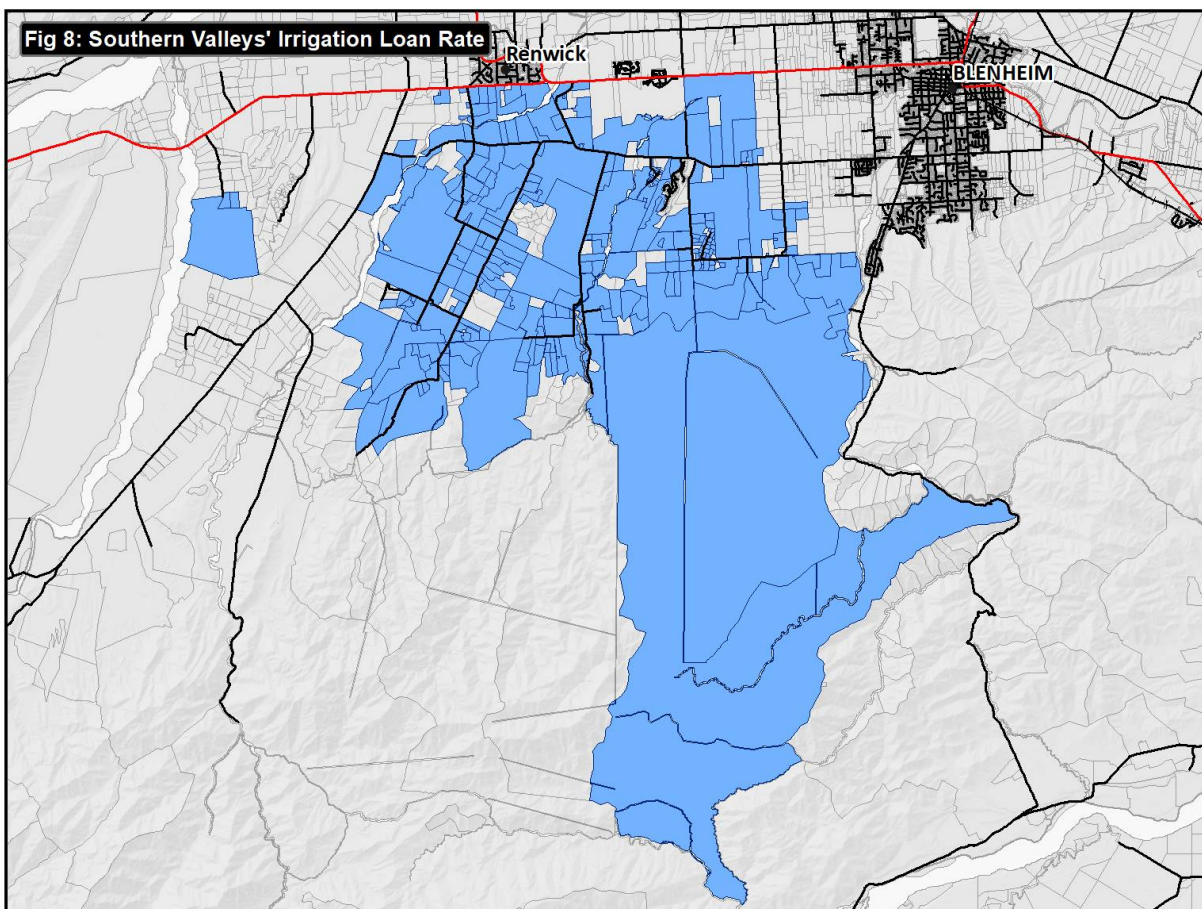
\$1,102,250

This targeted rate funds the debt servicing costs on the capital cost of the Southern Valleys' irrigation scheme. It is assessed on the basis of a fixed amount per hectare on all irrigable land on every rating unit in the special rating area (see figure 8) where no lump sum contribution to the irrigation scheme was chosen.

Overall this rate will increase by \$25,843.

The loan rate will continue until 30 June 2027 when the borrowing will be fully repaid.

Per calculation	Rate in the \$
Per hectare	296.40



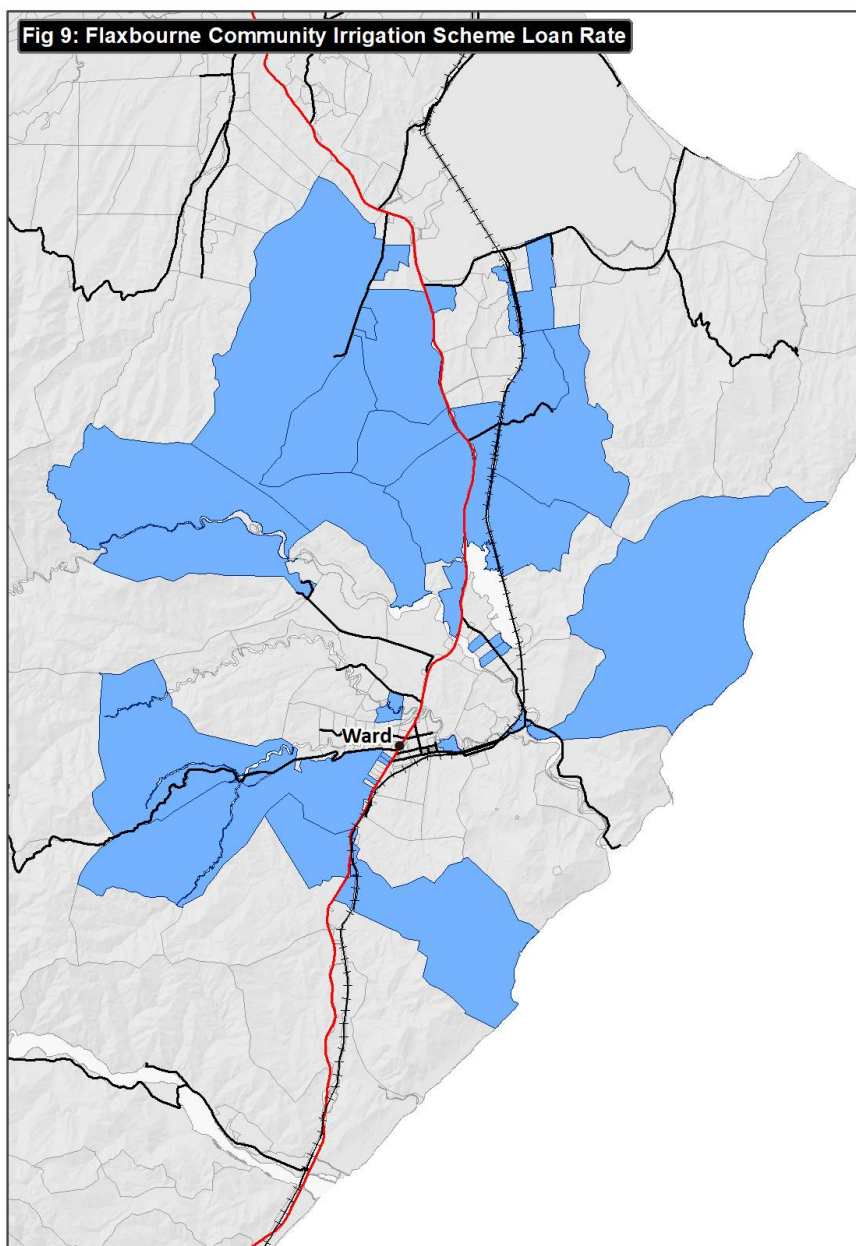
Flaxbourne Community Irrigation Scheme Loan Rate

\$1,187

This targeted rate will be used to either fund investigation costs incurred should the scheme not proceed or the total cost of the scheme should construction contracts be awarded. It is assessed on the basis of a fixed amount per hectare on all land committed to receive a base allocation of water amounting to 2,250 m³ per hectare on land identified within the Flaxbourne Special Rating Area (see figure 9).

Overall this rate will remain the same as last year. The amount of the loan rate will change as the scheme proposal is progressed.

Per calculation	Rate in the \$
Per hectare	1.00



Roading Rates and Charges

\$72,867

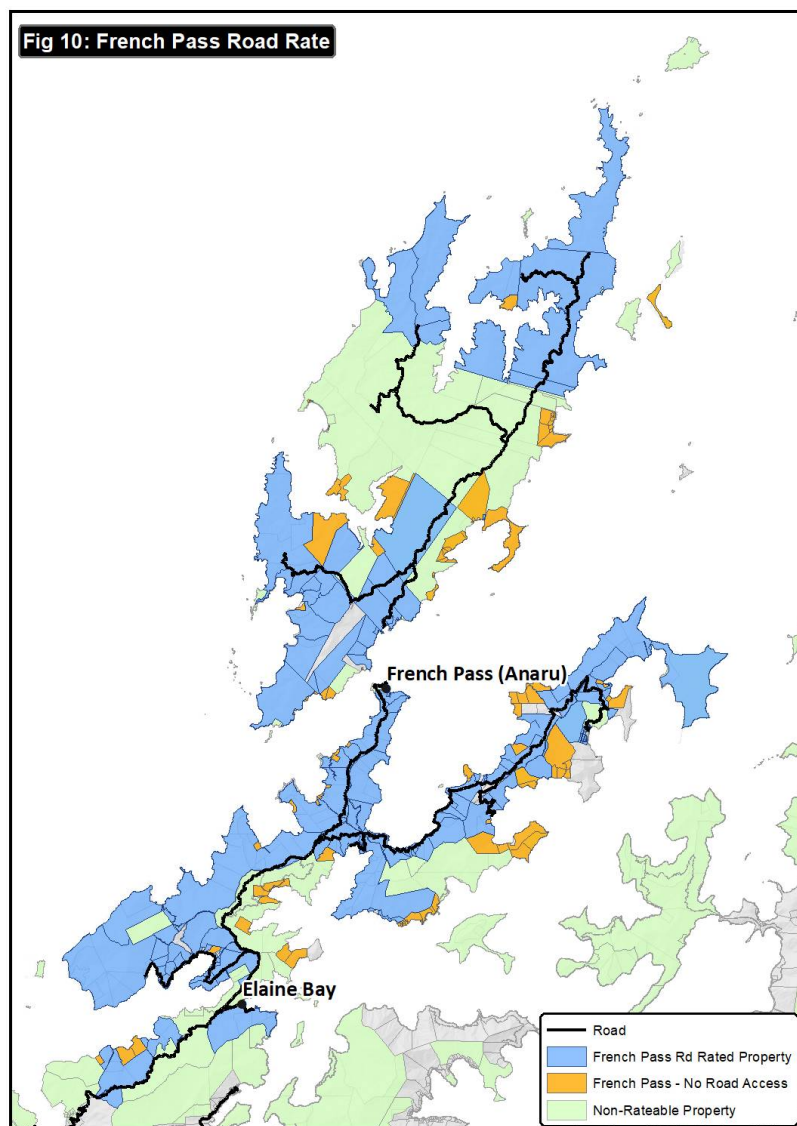
French Pass Road Charge

\$32,045

This targeted charge pays for the cost of seal extension in the French Pass rating area. It is charged on every rating unit in the area (see figure 10).

The charge for rating units with Road access will remain the same as last year. The rate for rating units without direct road access is a new rate from this year and is calculated as 25% of the rate for rating units with road access.

Per calculation	Rate in the \$
Per rating unit with Road Access	99.00
Per rating unit without Road Access	25.00



Kenepuru Road Rate

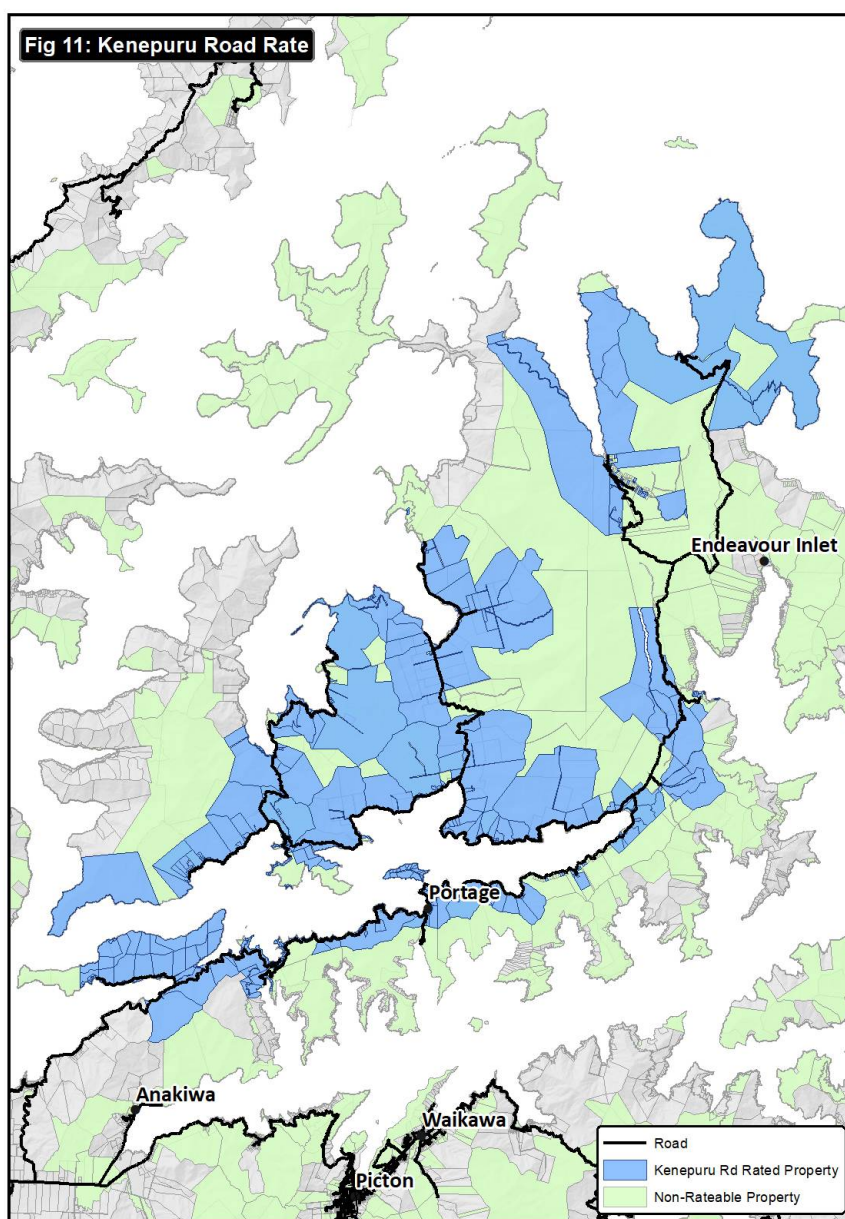
\$40,822

This targeted rate pays for the cost of roading improvements in the rating area. It is calculated on the capital value of every rating unit in the former Kenepuru Riding (see figure 11).

This rate will be remitted for 2023-24.

Overall this rate will remain the same as last year.

Per calculation	Rate in the \$
Capital value	0.009824



Wairau Valley Rivers Works Rate

\$6,110,414

This targeted rate covers the costs of river planning, control and flood protection in the Wairau Catchment and is calculated on a Capital Value basis on every rating unit in the Wairau Valley Rivers Rating Area (see figures 12-14). The differential rates in the dollar reflect the benefits derived by the defined locations of each group.

The funding requirements from each area are apportioned as follows (according to costs for that area):

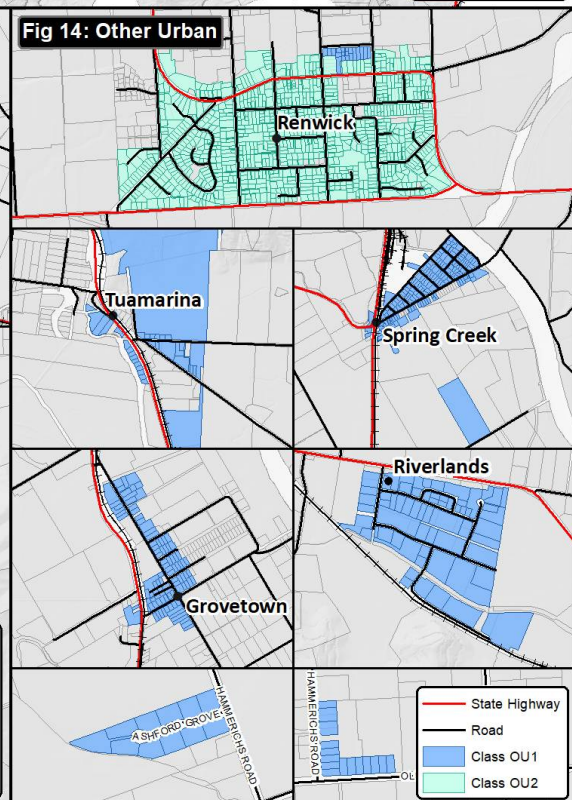
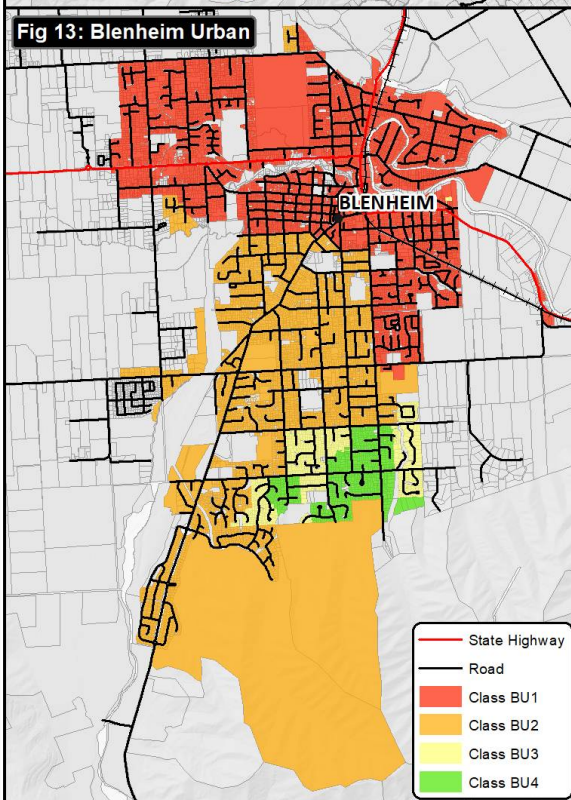
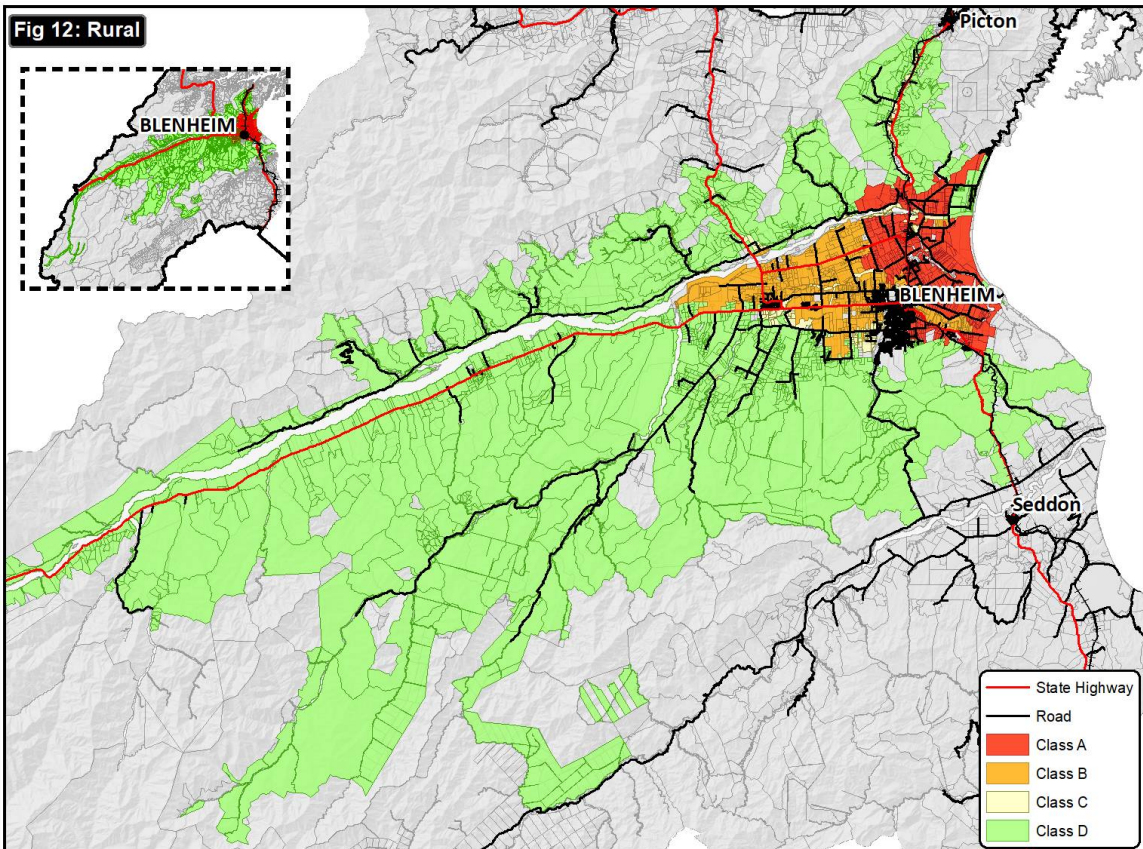
Blenheim Vicinity (Rural)	47.57%
Blenheim Urban	47.84%
Other Urban	4.59%

Overall this rate will increase by \$424,411.

Wairau Valley River Works Rates are set in the river rating areas as follows:

Rating Areas	\$	Cents in the \$
Rural A Rating Units	860,433	0.065616
Rural B Rating Units	1,465,088	0.05971
Rural C Rating Units	343,775	0.044619
Rural D Rating Units	237,429	0.005906
Blenheim Urban 1 Rating Units	1,660,101	0.048687
Blenheim Urban 2 Rating Units	1,044,058	0.041654
Blenheim Urban 3 Rating Units	140,783	0.036245
Blenheim Urban 4 Rating Units	78,281	0.020557
Other Urban 1 Rating Units in Wairau Catchment	141,717	0.046528
Other Urban 2 Rating Units in Wairau Catchment	138,751	0.031573

Wairau Valley Rivers Rating Area



Combined Sewerage Scheme Rates and Charges

\$10, 646,534

An overall increase of \$746,307 will occur.

Combined Sewerage Scheme Capital Works Rate

\$1,990,544

This rate funds the capital expenditure and borrowing costs of the combined sewerage scheme and is assessed on the land value of every rating unit in the combined sewerage rating area which includes Blenheim, Picton, Havelock and Seddon (figures 15 – 18). The rate is set on a differential basis (depending on location and ability to benefit).

Overall the rate will increase by \$4,376.

Rating Group	Levy	Cents in \$
Blenheim	1,595,065	0.04215
Havelock	46,264	0.06449
Picton	320,725	0.04594
Seddon	28,490	0.07713

Combined Sewerage Scheme Charges

\$8,655,990

This uniform charge funds operating costs of the combined sewerage scheme including treatment, reticulation, depreciation and other costs associated with the combined sewerage scheme improvements. Blenheim and Picton rating units with sewerage discharges where the quantity or the strength of the effluent is greater than the average domestic rating unit, will be assessed an additional trade waste charge.

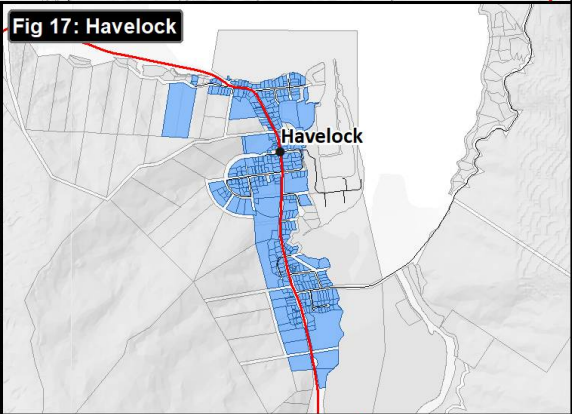
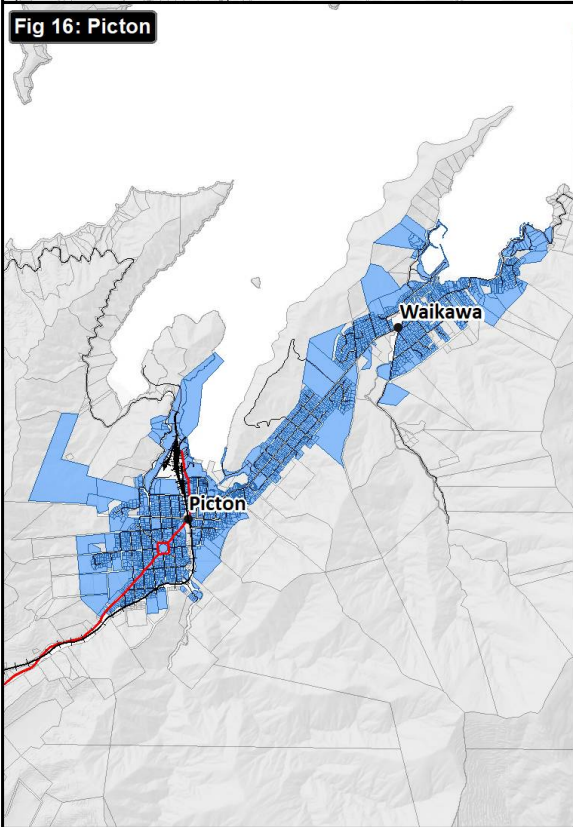
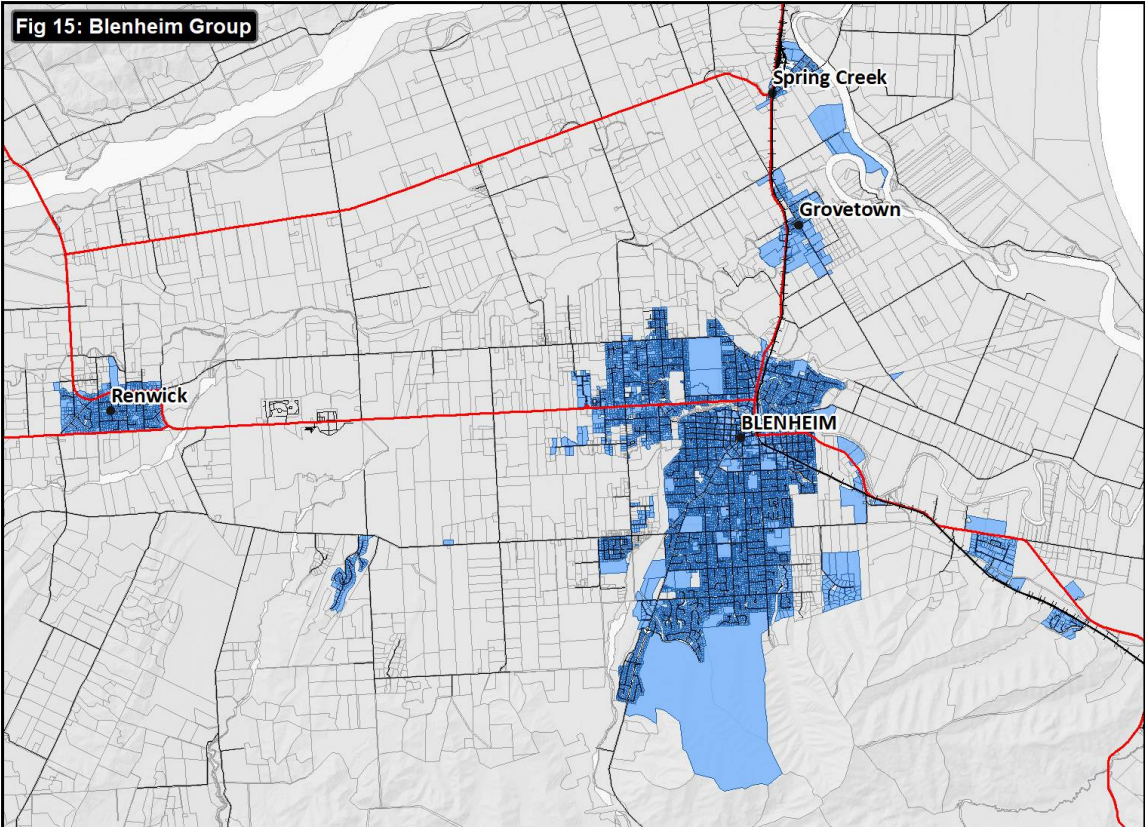
Overall the charge will increase by \$741,931.

Categories	Charge per SUIP
Connected	\$482
Serviceable	\$241

Definitions:

“Connected” refers to any separately used or inhabited part of a rating unit that is connected, either directly or indirectly, through a private drain to a public drain. “Serviced” has the same meaning.

“Serviceable” refers to any separately used or inhabited part of a rating unit situated within 30 metres of a public sewerage or storm water drain to which it is capable of being effectively connected, either directly or through a private drain, but which is not so connected.



Water Supply Rates and Charges

\$14,037,333

An overall increase of \$878,907 will occur.

Definitions:

“Serviced” or “Connected” refers to any separately used or inhabited part of a rating unit to which water is supplied.

“Serviceable” refers to any separately used or inhabited part of a rating unit to which water can be but is not supplied (being property situated within 100 metres from any part of the waterworks).

Combined Water Scheme Rates and Charges

\$9,320,416

Overall this will increase by \$171,746.

Combined Water Scheme Capital Works Rate

\$2,243,369

This rate funds the Capital Expenditure and Debt Servicing costs of the combined water scheme. It is assessed on the land value of every rating unit in the Combined Water Rating Area on a differential basis. The Koromiko rating units subject to the special pipeline agreement are included.

Overall this rate will increase by \$102,895.

Rating Group	Levy	Cents in \$
Blenheim	1,653,656	0.048486
Havelock	54,865	0.074184
Picton	368,429	0.052850
Koromiko	2,387	0.033456
Renwick	127,351	0.051881
Seddon	36,681	0.088730

Fig 19: Seddon Water Supply

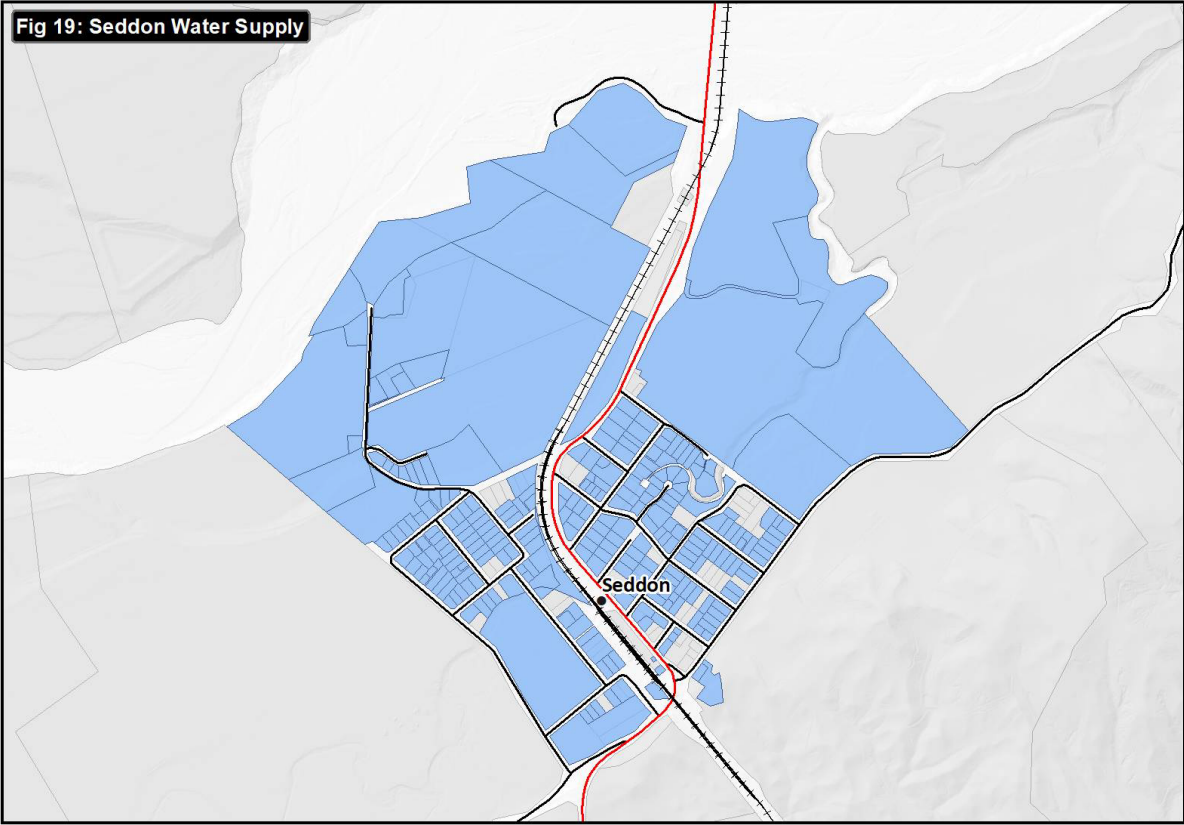
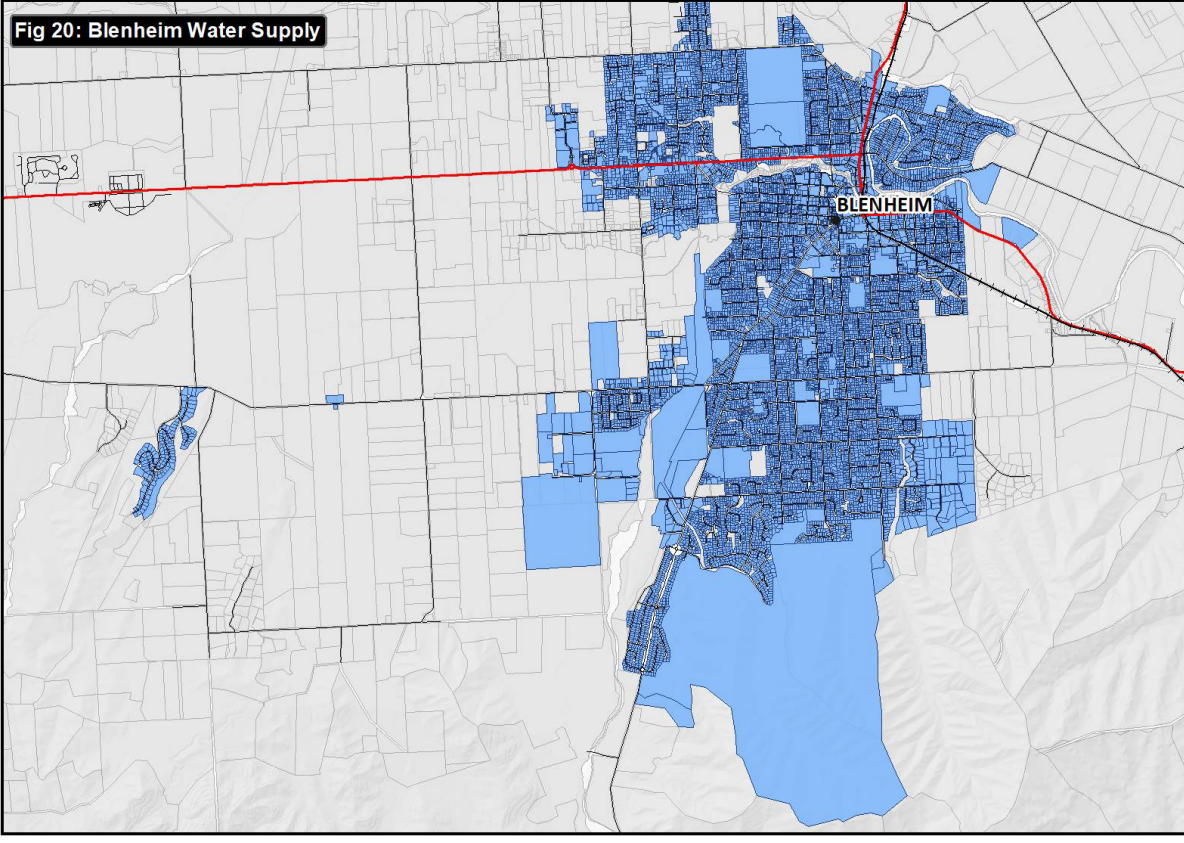
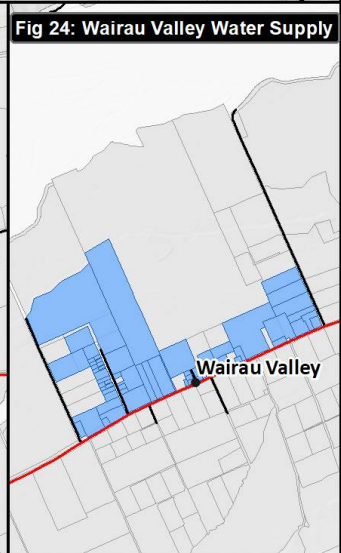
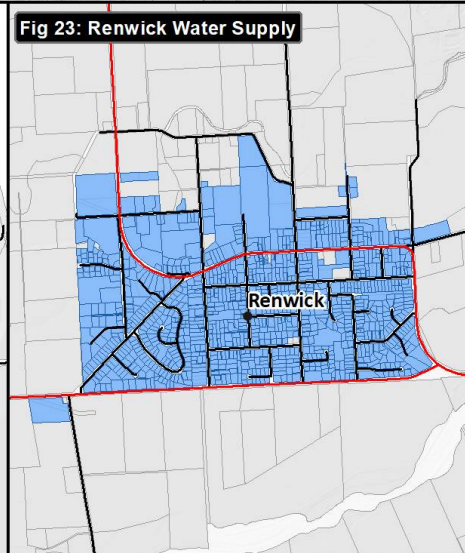
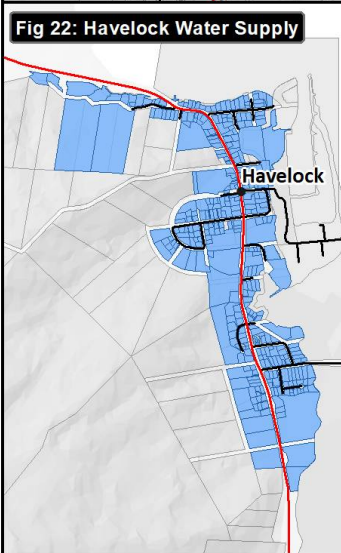
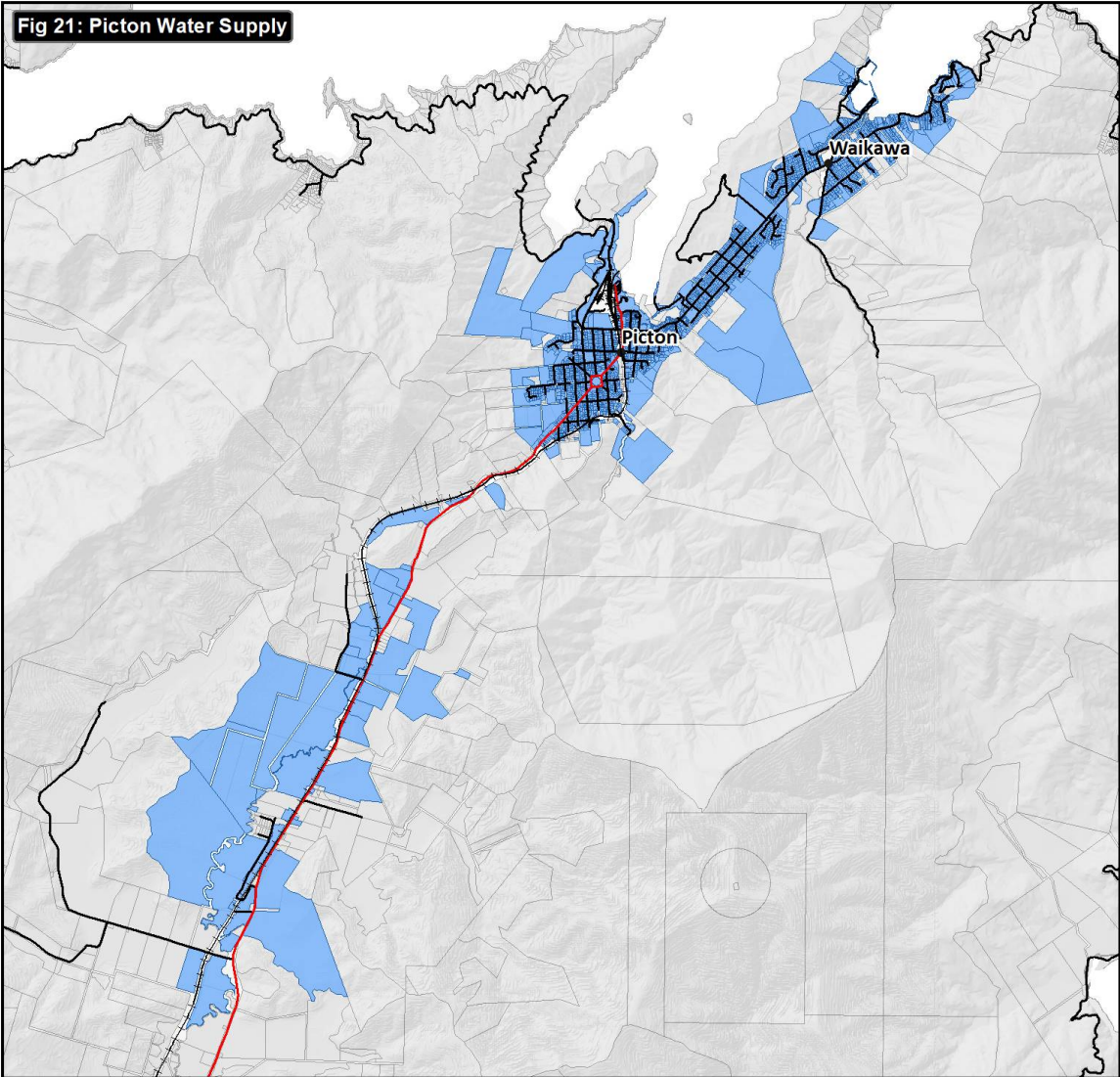


Fig 20: Blenheim Water Supply





Combined Water Scheme Charges

\$7,077,046

These charges fund the balance of expenditure other than Capital and Debt Servicing costs, including operating costs of the combined water scheme including treatment, reticulation, depreciation and other costs associated with the combined water scheme improvements.

These charges are set on a differential basis.

Overall this charge will increase by \$617,446.

Blenheim Water Charges

\$4,634,310

These charges are calculated as a fixed amount on every non-metered separately used or inhabited part of a serviced rating unit in the Blenheim Water Supply Area (including the Burleigh Extension) (see figure 20); and half that amount for each non-metered separately used or inhabited part of every serviceable rating unit in the same area.

Categories	Charge per SUIP
Connected	\$376
Serviceable	\$188

Havelock Water Charges

\$149,776

This charge is for every separately used or inhabited part of a serviced residential rating unit whether connected or not in the Havelock water supply area (see figure 22).

Categories	Rate in the \$
Per SUIP	\$384

Picton Water Charges

\$1,651,426

These charges are calculated as a fixed amount on every non-metered separately used or inhabited part of a serviced rating unit in the Picton Water Supply Area (see figure 21) and half that amount on each non-metered separately used or inhabited part of every serviceable rating unit in the same area.

Categories	Charge per SUIP
Connected	\$642
Serviceable	\$321

Renwick Water Charges

\$470,378

This charge is for every separately used or inhabited part of a serviced residential rating unit whether connected or not in the Renwick water supply area (see figure 23).

Per calculation	Rate in the \$
Per SUIP	\$384

Seddon Water Charge

\$159,831

The charge will be on every separately used or inhabited part of a rating unit within the Seddon Water Supply Area (see figure 19), (excluding all commercial consumers), and any new lots created by subdivision of such rating units whether connected or not.

Per calculation	Rate in the \$
Per SUIP	\$576

Wairau Valley Water Charge

\$11,325

This charge is set to recover the net cost of operations, capital expenditure and debt servicing costs.

The charge will be for each water meter, excluding all commercial water meters, connected to a rating unit within the Wairau Valley Water Supply Area (see figure 24).

Per calculation	Rate in the \$
Per water meter	\$257

Residential Metered Water Charges

\$307,172

These charges exclude water supplied to commercial metered rating units.

Overall these charges will decrease by \$241,423.

Blenheim Metered Water Charge

\$57,877

This charge is assessed on the basis of the quantity of water supplied to residential metered rating units (including the Burleigh Extension).

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 62m ³	\$94.24
Over 62m ³	\$1.52 per cubic metre

Havelock Metered Water Charge

\$40,247

This charge is assessed on the basis of the quantity of water supplied to all Havelock residential consumers where consumption exceeds 200 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	2.30

Picton Metered Water Charge

\$47,661

Ordinary Charge

A Picton Metered Water Ordinary Charge is assessed on the basis of the quantity of water supplied to residential metered rating units.

Volume	Charge
Less than or equal to 38m ³	\$158.46
Over 38m ³	\$4.17 per cubic metre

Koromiko Charge

A Picton Metered Water Koromiko charge is assessed on the basis of the quantity of water supplied to Koromiko Special Pipeline Agreement rating units.

Per calculation	Rate in the \$
Per m ³	3.34

Renwick Metered Water Charge

\$127,991

This charge is assessed on the basis of the quantity of water supplied to all Renwick residential consumers where consumption exceeds 200 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	1.28

Seddon Metered Water Charge

\$21,796

This charge is assessed on the basis of the quantity of water supplied to residential metered rating units where consumption exceeds 275 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	2.18

Wairau Valley Metered Water Charge

\$11,600

This charge is set to recover the net cost of operations, capital expenditure and debt servicing costs.

This charge is assessed on the basis of the quantity of water supplied to each residential water meter connected to a rating unit within the Wairau Valley Water Supply Area where consumption exceeds 350 cubic metres per annum.

Per calculation	Rate in the \$
Per m ³	2.90

Other Water Supply

Commercial Metered Water Charges

\$1,499,426

These water charges fund the net cost of operations.

Overall these charges will increase by \$199,243.

Blenheim Commercial Metered Water Charge

\$577,700

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections (including the Burleigh Extension).

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$54.50
Over 50m ³	\$1.09 per cubic metre

Havelock Commercial Metered Water Charge

\$201,280

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$148.00
Over 50m ³	\$2.96 per cubic metre

Picton Commercial Metered Water Charge

\$598,620

Ordinary Charge

A Picton Metered Water Ordinary Charge is assessed for metered rating units on the basis of the quantity of water supplied to commercial metered connections (excluding connections where water is onsold).

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$172.00
Over 50m ³	\$3.44 per cubic metre

Onsold Charge

A Picton Metered Water Onsold Charge is assessed for metered rating units on the basis of the quantity of water supplied to commercial metered connections that is subsequently onsold.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 45m ³	\$170.55
Over 45m ³	\$3.79 per cubic metre

Renwick Commercial Metered Water Charge

\$66,600

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$111.00
Over 50m ³	\$2.22 per cubic metre

Seddon Commercial Metered Water Charge

\$53,086

This charge for metered rating units is assessed on the basis of the quantity of water supplied to commercial metered connections.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$209.00
Over 50m ³	\$4.18 per cubic metre

Wairau Valley Commercial Metered Water Charge

\$2,140

This charge is set to recover the net cost of operations, capital expenditure and debt servicing costs.

This charge for metered rating units is assessed on the basis of the quantity of water supplied to each commercial water meter connected to a rating unit within the Wairau Valley water supply area.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 50m ³	\$214.00
Over 50m ³	\$4.28 per cubic metre

Rural Awatere Water Supply

\$1,058,948

The following charges fund the net cost of operations, Capital Expenditure and Debt Servicing costs.

Overall this will decrease by \$37,684

Rural Awatere Water Charge

\$352,982

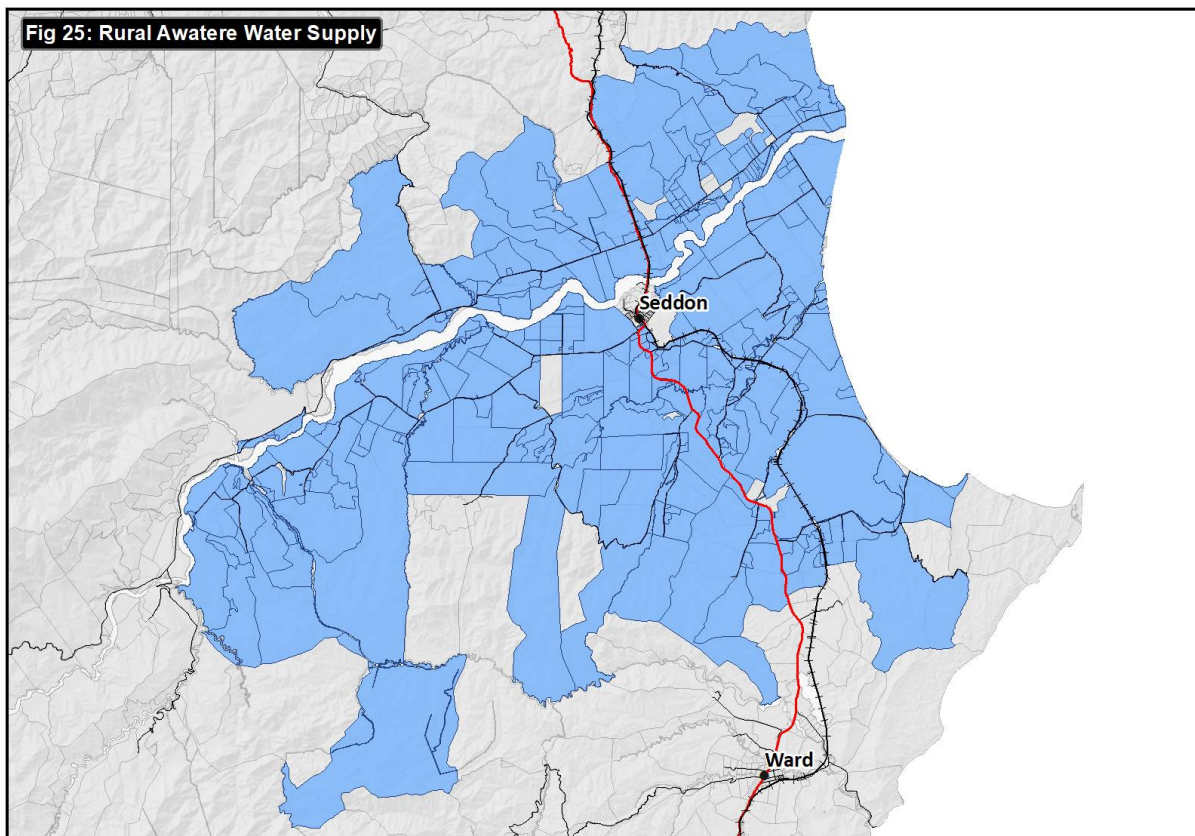
The uniform charge will increase from \$990 to \$1,000 on every separately used or inhabited part of a rating unit within the Rural Awatere Water Supply Area (see figure 25) and any new lots created by subdivision of such rating units whether connected or not.

Rural Awatere Metered Water Charge

\$705,966

This charge for metered rating units is assessed on the basis of the quantity of water supplied to all consumers where consumption exceeds 275 cubic metres per annum.

The metered charge will be \$2.43 per cubic metre for all usage in excess of 275 cubic metres, for all consumers on the Rural Awatere water supply.



Riverlands Water Supply

\$1,068,014

This charge funds the cost of operations, capital expenditure and debt servicing costs.

This charge for metered rating units is assessed on the basis of the quantity of water supplied to metered rating units.

Operating costs have increased by \$209,091.

Metered water charges on a quarterly basis are as follows:

Volume	Charge
Less than or equal to 40m ³	\$60.50
Over 40m ³	\$1.51 per cubic metre

Southern Valleys' Irrigation Scheme

\$783,358

This charge for metered rating units is assessed on the basis of the quantity of water supplied to metered connections. This rate funds the net operating costs of the Southern Valleys' Irrigation Scheme.

Operating costs have increased by \$29,340.

Per calculation	Rate in the \$
Per m ³	0.27

Refuse and Recycling Charges

\$1,992,747

Overall, refuse and recycling charges will increase by \$134,960.

Residential Refuse and Kerbside Recycling Collection Charges

\$1,890,069

This charge pays for the cost of residential refuse and kerbside recycling collection where Council provides or is prepared to provide the service.

This charge is a fixed amount per SUIP where Council provides the service (see figures 26-27).

Service	Charge per SUIP
Kerbside recycling	\$56
Refuse collection	\$96
Total	\$152

Refuse Collection Charges

\$102,678

This charge pays for the cost of refuse collection where Council provides or is prepared to provide the service.

This charge is a fixed amount per SUIP where Council provides the service (see figures 26-27).

Service	Category	Charge per SUIP
Refuse collection	Residential	\$96
Refuse collection	Commercial/industrial	\$96

Fig 26: Blenheim

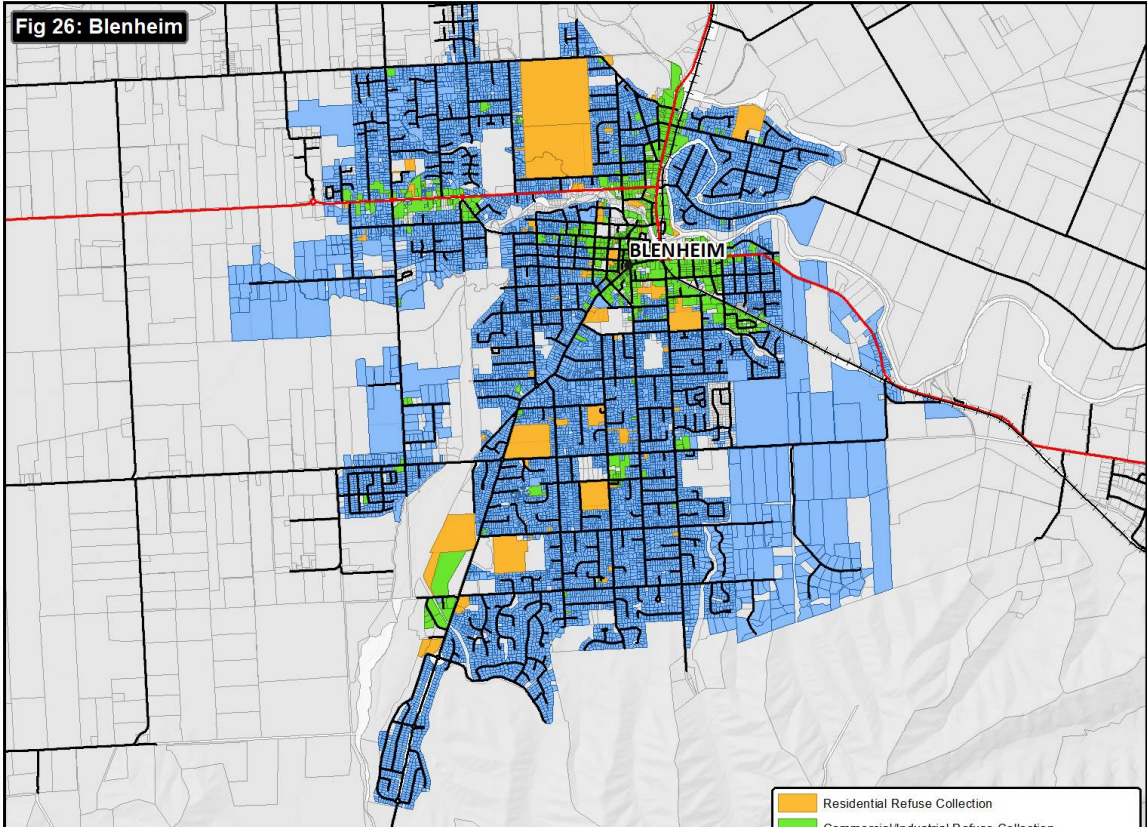
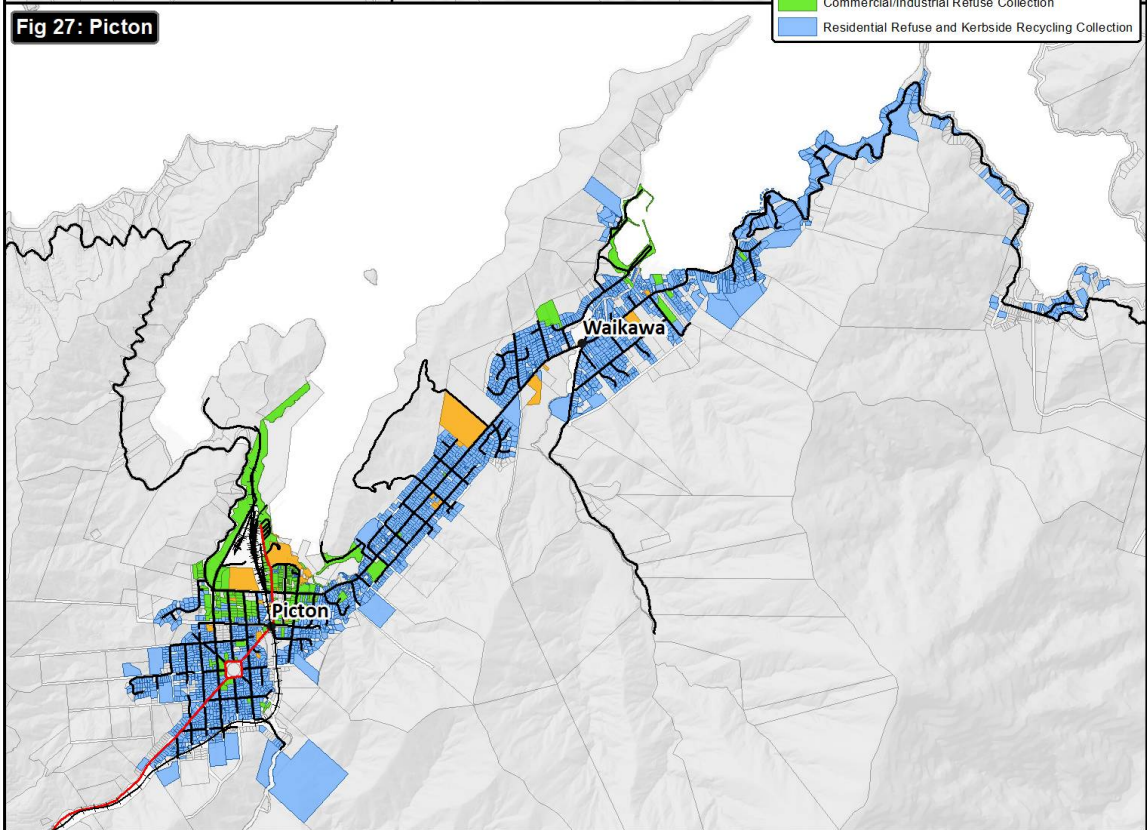


Fig 27: Picton



- Residential Refuse Collection
- Commercial/Industrial Refuse Collection
- Residential Refuse and Kerbside Recycling Collection

Energy Efficiency Rates

\$861,276

These voluntary targeted rates repay the amount of energy efficiency funding supplied (including interest and fees) for energy efficiency solutions added to residential homes. It is payable by residential ratepayers who have had assistance from Council's energy efficiency funding service.

Funding is offered for:

- insulation;
- clean home heating (heat pumps, wood or pellet fires);
- solar water heating;
- solar power.

The rate is payable for nine years. The interest rate for the current year is 5.0%.

The rate is calculated as a percentage of the total amount to be repaid as follows:

First year rated	Final rating year	Percentage paid this year
2015-16	2023-24	16.096598
2016-17	2024-25	15.963864
2017-18	2025-26	15.897569
2018-19	2026-27	15.832943
2019-20	2027-28	15.801902
2020-21	2028-29	15.771579
2021-22	2029-30	15.807701
2022-23	2030-31	15.877303
2023-24	2031-32	15.946051

Residential Pool Inspections Charge

\$123,960

This targeted rate funds the costs of carrying out residential pool inspections under the Building (Pools) Amendment Act 2016. It is charged on every SUIP with a residential pool.

Overall this charge will increase by \$5,048.

Per calculation	Rate in the \$
Per SUIP	105.00

Tourism Charges

\$234,888

This targeted rate is collected on behalf of Destination Marlborough to promote Marlborough as a tourist destination. It is charged as a fixed amount per SUIP where the ratepayer is engaged in tourism activities as follows:

Activity	Rating category	Charge per rating unit
Properties that are advertised for short term rental accommodation	Residential/ Rural	\$255
Short term rental accommodation <30 people	Commercial	\$255
Short term rental accommodation >30 people	Commercial	\$390
Tourism activities (not included in above)	Commercial	\$284

Where a ratepayer operates in two or more of the groups above from the same rating unit, only the highest applicable group charge will be assessed.

Landscape Charges

\$1,174

A targeted landscape charge on new subdivisions (and existing subdivisions following consultation) is assessed where higher landscaping standards result in additional maintenance costs and is calculated as a fixed amount on every separately used or inhabited part of a rating unit set differentially on the following basis:

Properties with Urban level 1 landscaping standards	\$45
Properties with Urban level 2 landscaping standards	\$57
Properties with Rural level 1 landscaping standards	\$63
Properties with Rural level 2 landscaping standards	\$192

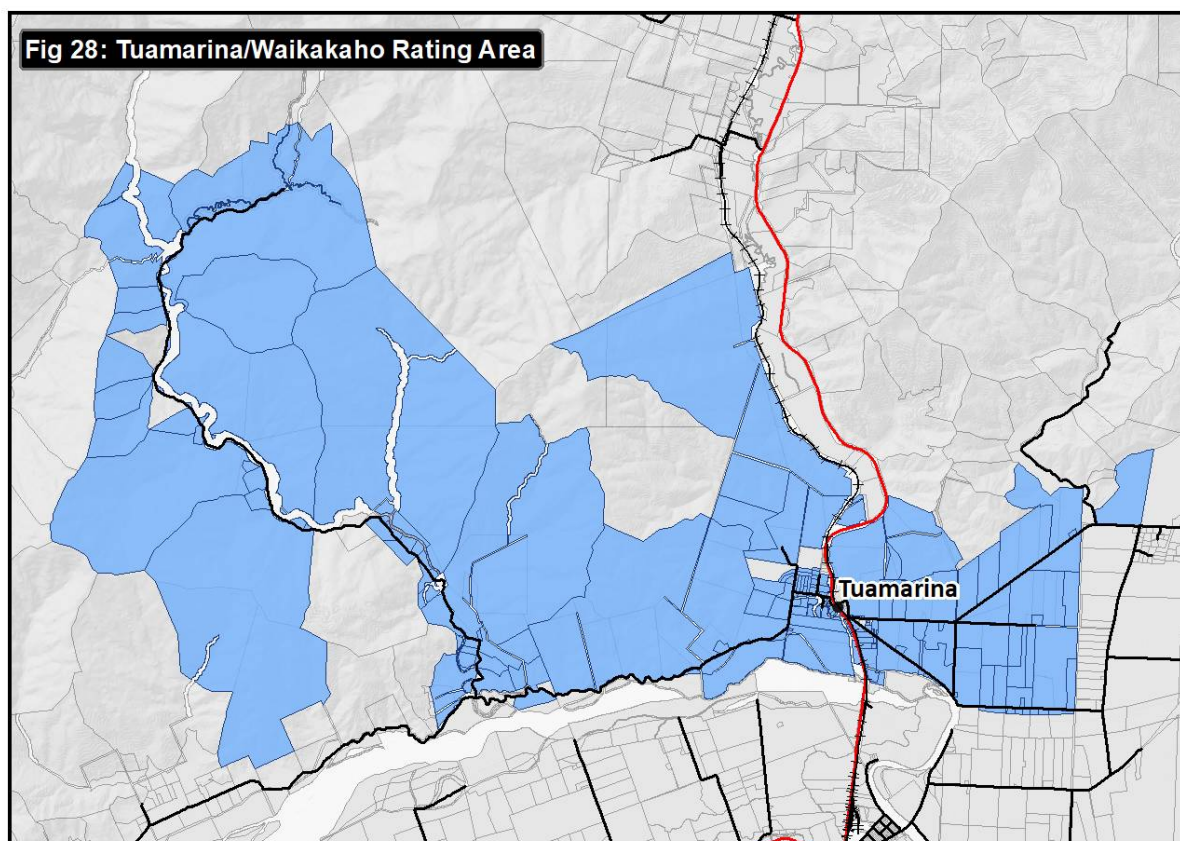
Street berms, trees and plots are included under the Community Facilities Activity.

Tuamarina/Waikakaho Hall Charge

\$2,914

This charge pays for the upkeep of the Tuamarina/Waikakaho Hall. It is payable by ratepayers in the Tuamarina/Waikakaho special rating area.

Overall this charge will increase by \$18.



Per calculation	Rate in the \$
Per rating unit	18.45

Residential Rates Postponement Scheme

To cover costs for this scheme, the following fees and charges are set for the 2023-24 rating year. All fees and charges will be added to the approved applicant's rate account as either a one-off fee or an annual charge, where applicable.

Initial charges	Fees and charges
Application fee	\$50.00
Contribution to the decision facilitation	\$300.00
Annual charges	
Administration fee	\$50.00
Interest rate	
2023-2024	5.0%

Instalments

The above rates and charges are for the period 1 July 2023 to 30 June 2024 and will become due and payable by four instalments as follows:

Instalment	Last date for payment before penalty is added
One	7 September 2023
Two	7 December 2023
Three	7 March 2024
Four	7 June 2024

Each instalment is one quarter of the annual rates for the current year.

Charges for Metered Water

Meter reading date between	Last date for payment before penalty is added
1 Jul 2023 –30 Sept 2023	20 Oct 2023
1 Oct 2023 – 31 Dec 2023	20 Jan 2024
1 Jan 2024 - 31 Mar 2024	20 Apr 2024
1 Apr 2024 – 30 Jun 2024	20 Jul 2024

Penalty Provisions (additional charges on unpaid rates)

A penalty, equivalent in amount to 10% of the instalment amount remaining unpaid at the close of day on the “Last Date for Payment”, shall on the next day be added to that amount of unpaid rates.

A further penalty of 10% will be added to all rates and charges from previous years that remain unpaid on 30 June 2023.

All payments are allocated to the oldest debt first so if the instalment is not paid in full by the date shown a 10% penalty is added to any amount of the instalment still outstanding. All penalty charges are exempt from GST.

Penalty Provisions (unpaid metered water)

A penalty, equivalent in amount to 10% of the metered water amount remaining unpaid at the close of day on the ‘last date for payment’ shall, on the next day, be added to that amount which remains unpaid.

Pursuant to sections 57/58 of the Local Government (Rating) Act 2002, a further penalty of 10% will be added to any unpaid amount from the third quarter or earlier that remain unpaid on 30 June 2023.

General Revenue Sources

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

Dividends and Interest from Investments \$12,363,398

This total amount is made up of:

- internal loans interest \$7,882,298;
- interest on General Funds \$5,100;
- interest on Investments \$572,000;
- dividends \$3,904,000.

These are used as follows:

- funding specified reserves for particular purposes or events (eg: Emergency Events Reserve);
- used to subsidise general type rates and charges by way of general revenue allocation;
- used to fund interest and funding costs on external borrowings.

Petroleum Tax \$415,000

These funds are used to subsidise general type rates and charges by way of general revenue allocation.

Contributions Received from Development and Subdivision \$7,418,796

These are applied towards the cost of infrastructure related to the development and community facilities.

COVID-19 Rates Relief Reserve \$4,500,000

These funds are used to decrease the impact of the rates rise for the 2021-22 year.

Forestry Income \$0

It is expected that no forestry income will be received this year.

Geographic Areas

The geographic areas can generally be described as follows:

Blenheim Area (BM) (Fig 3)

All of that area encompassed by the former Blenheim Borough Council together with those properties within a 1.5 km radius of that area which have a zoning of Residential or Industrial in the Wairau/Awatere Resource Management Plan (eg: includes, Burleigh, Hammerichs Road, Riverlands and Waipuna Street); as well as any properties that are connected to (or are able to be connected to) either the Blenheim Water or Blenheim Group Sewerage Schemes, but excluding properties in the Renwick, Spring Creek and Grovetown Sewerage Rating Areas; and residential/rural properties and properties in the Riverlands Industrial Estate and Cloudy Bay Business Park that have an area of greater than one hectare.

Also included in the Blenheim area are a number of properties where it was an express condition of subdivisional resource consent.

Growth areas rezoned Urban Residential 2 Greenfields will be excluded from the Blenheim Area until granting of subdivision title.

Other land rezoned Urban Residential 2 or 3 as a result of the Proposed Marlborough Environment Plan will be similarly excluded from the Blenheim Area until granting of subdivision title.

Blenheim Vicinity Area (BV) (Fig 2)

All of that area encompassed within the following general description, but excluding the Blenheim areas described above:

From just north of the Rarangi Settlement following around the foothills in a south-westerly direction; taking in the Tuamarina Settlement; to the south bank of the Wairau River and then up the Wairau south bank to the Waihopai River; up the east bank of the Waihopai River to just north of Omaka Downs; and then generally following the base of the foothills; around to include the Taylors Pass in a south easterly direction as far as the Branch River; following the boundaries of properties on the south east side of the Taylor River; then around the base of the foothills to include land between SH 1 and both sides of Redwood Pass Road to and including 393 Redwood Pass Road; then to the coast on the south of the Vernon Lagoons.

Picton Area (PN) (Fig 4)

All of that area encompassed by the former Picton Borough Council; together with the area of those properties serviced by the Picton Water or Sewerage Schemes (excluding those properties listed in the schedule below).

Schedule

Pt Lot 1 DP 6881, Pt DP 467 Waitohi Valley Blk XI Linkwater SD, Lot 1 DP 303616 Lot 1 DP 8240, Pt Sec 41 District of Waitohi, Lot 2 DP 3716, Lot 1 DP 3716, Lot 1 DP 9175, Lot 2 DP 9175, Lot 1 DP 10989, Lot 2 DP 10989, Lots 1 2 DP 1353 Lot 1 DP 1148 Pt Sec 37 Waitohi Reg Dist, Lots 2 5 DP 3183, Pt Sec 103 Waitohi Valley District Blk XV Linkwater SD, Lot 1 DP 402932 Lot 1 DP 5595 Lot 2 DP 5660 Sec 38 Pt Sec 37 Waitohi Dist, Lot 1 DP 9268, Pt Lot 1 DP 7160 , Lot 1 DP 12294, Lot 2 DP 10225 Lot 1 DP 10476, Lot 1 DP 10882, Lot 2 DP 434941 Pt DP 747 Pt Sec 25 Wairau Dist Pt Lots 1-3 DP 693 Pt Sec 12 Pt Sec 13 Blk XV Linkwater SD, Secs 105 106 Pts Sec 36 104 Waitohi Valley Dist, Lot 1 DP 6397, Lots 1 2 DP 303945, Lots 3 4 DP 303945 Sec 129 Pt 159 Picton Subn Sec 18 Blk XV Linkwater SD, Lot 1 DP 302741, Lot 1 DP 10871, Lot 1 DP 6129, Lot 1 DP 759 Lot 2 Pt Lot 1 DP 1594, Pt Sec 63-65 Picton Subn. Lots 1-9 12 DP 1086, Sec 1 SO 429571 Lot 10 DP 1086, Lot 11 DP 1086, Lot 13 DP 1086, Lot 14 DP 1086, Lot 2 DP 3080, Sec 1 SO 416848 Lot 1 DP 3080, Sec 2 SO 416848 Lot 16 DP 1086, Lot 18 DP 1086, Pt Waikawa 2C2, Lot 4 DP 11736, Lot 1 DP 335692, Lot 2 DP 344933, Lot 3 DP 11736, Lot 1 DP 11736, Lot 1 DP 344933, Lot 2 DP 404985, Lot 1 DP 424360, Lot 2 DP 424360, Lot 3 DP 424360, Lot 4 DP 424360, Lot 5 DP 424360, Waikawa 3B Blk XII Linkwater SD Blk XI Arapawa SD, Lot 1 DP 9994, Lot 1 DP 10354, Waikawa Sec A2 Waikawa West Blk XII Linkwater SD Blk XI Arapawa SD, Waikawa Sec 4B2 Waikawa West Blk XII Linkwater SD Blk XI Arapawa SD, Lot 2 DP 7961 Pts Sec 10 & Pt Sec 11 Waitohi Dist Pts Sec 100 Waitohi Dist, lot 3 DP 8884.

Also included in the Picton area are a number of properties where it was an express condition of subdivisional resource consent.

Picton Vicinity Area (PV) (Fig 4)

All of that area from the western point of Ngakuta Bay to the former Picton Borough boundary; plus all of that area from the eastern point of Waikawa Bay to Whatamango Bay; plus a corridor area from the southern boundary of the former Picton Borough to Speeds Road; excluding properties serviced by the Picton Water or Sewerage Schemes, but including the properties listed in the Schedule above.

General Rural Area (GR) (Fig 1)

All of that area administered by the former Marlborough County and excluding that part of the former County's area which has been included in either the Blenheim, Blenheim Vicinity, Picton, Picton Vicinity or Sounds Admin Rural areas.

Sounds Admin Rural (AR) (Fig 5)

All of that area with basically sea access only, which was subject to the former Marlborough County Council Empowering Act 1965.

Rates Movements 2023-24

Total Rates and Charges for 23-24 are estimated at \$87,177,101 (GST exclusive). This represents an increase of \$6,494,809 (8.05%) on last year's levy. Following the removal of voluntary targeted rates the rates increase reduces to 7.97%.

The rating effect will be different for individual properties because of the varying effects of the recent district-wide revaluation; movements in general-type rates not impacting uniformly on all geographic rating areas; and movements in targeted separate rates (such as Sewerage and Water, etc) affecting only those properties able to receive these services.

Significant Contributors to the Overall Rates Increase are as Follows:

General Rates and Charges		
General Roothing and Footpaths	1,519,771	The main increase is in depreciation costs due to an increase in revaluation of the assets.
Library	1,256,682	Increased operating and depreciation costs due to a larger library building.
Community Facilities	984,945	The main increase is due to additional costs for the District's reserves and public conveniences. This includes an increase in operating costs for the Lansdowne sports hub.
Sewerage	655,435	The main increase is in depreciation costs due to increase in assets in prior years.
Water Supply	556,206	The main increase is in depreciation costs due to an increase in assets and their values in prior years.
Environmental Management	444,236	Additional resources are required for environmental review to keep pace with government (National policy and environmental statements) and the community demand for quality environmental data and monitoring to position Council well for the future.
Solid Waste Management	389,452	Waste disposal levy increasing from \$30 per tonne to \$50 per tonne. It is expected that this will increase to \$60 per tonne next year.
Flood protection	379,256	Increased operating cost in insurance, electricity and minor works.
Democratic Process	362,047	As there is an LTP next year the audit fees costs are budgeted, offsetting the reduced election costs that featured in the 2022-23 budget. The increase in councillor fees are also in this category.
Storm water	360,490	The main increase is in depreciation costs due to increase in asset values in prior years.
Building control	316,992	The personnel & operating costs have increased due to inflation. A separate paper proposing increased fee levels is contained in this agenda and will largely offset this increase.
Targeted Rates and Charges:		
Riverlands Water Supply	181,818	Additional costs due to the Riverlands new water treatment plant including treatment costs.

Indicative Impact on Benchmark Properties

Council uses Benchmark Properties in different geographic areas to illustrate the effect of its rating proposals. The rating effect on individual properties varies because movements in general-type rates do not impact uniformly on Council's geographic rating areas and movements in targeted separate rates (such as Sewerage and Water) affect only properties in those rating areas.

Benchmark Property	Land Value	Capital Value	22-23 Actual Rate Levy	23-24 Final Plan Rate Levy	Total \$ Rate Mov	Total % Rate Mov
01-Blenheim Residential	320,000	620,000	3,399.39	3,695.26	295.87	8.70%
02-Blenheim Residential	270,000	465,000	3,130.28	3,408.35	278.07	8.88%
03-Blenheim Residential	300,000	620,000	3,192.87	3,475.52	282.65	8.85%
04-Blenheim Residential	315,000	750,000	3,479.23	3,779.92	300.69	8.64%
05-Blenheim Residential	295,000	620,000	3,295.24	3,584.09	288.85	8.77%
06-Blenheim Vacant Section	280,000	280,000	2,567.36	2,794.76	227.40	8.86%
07-Blenheim Commercial	134,000	580,000	3,499.99	3,794.75	294.76	8.42%
08-Blenheim Commercial	425,000	1,210,000	6,873.76	7,384.99	511.23	7.44%
09-Picton Residential	220,000	540,000	3,227.17	3,492.07	264.90	8.21%
10-Picton Residential	270,000	510,000	3,486.30	3,765.05	278.75	8.00%
11-Picton Vacant Section	180,000	180,000	2,365.86	2,559.70	193.84	8.19%
12-Picton Commercial	305,000	345,000	4,550.74	4,787.63	236.89	5.21%
13-Picton Motels (19 units)	730,000	1,390,000	8,616.50	8,949.43	332.93	3.86%
14-Blenheim Vicinity	1,460,000	2,830,000	7,257.93	7,912.10	654.17	9.01%
15-Blenheim Vicinity	950,000	1,990,000	4,654.47	5,064.82	410.35	8.82%
16-Blenheim Vicinity	9,540,000	16,100,000	34,855.77	37,562.45	2,706.68	7.77%
17-Blenheim Vicinity	2,010,000	3,980,000	9,377.55	10,192.01	814.46	8.69%
18-Blenheim Vicinity	9,100,000	15,650,000	34,631.71	37,366.80	2,735.09	7.90%
19-Renwick Residential	240,000	500,000	2,501.31	2,844.64	343.33	13.73%
20-Renwick Residential	235,000	425,000	2,541.55	2,882.10	340.55	13.40%
21-Spring Creek Residential	230,000	455,000	2,145.78	2,357.41	211.63	9.86%

Benchmark Property	Land Value	Capital Value	22-23 Actual Rate Levy	23-24 Final Plan Rate Levy	Total \$ Rate Mov	Total % Rate Mov
22-Grovetown Residential ⁹	315,000	410,000	2,385.34	2,613.17	227.83	9.55%
23-Grovetown Residential ¹⁰	370,000	615,000	3,477.07	3,785.52	308.45	8.87%
24-Rarangi Residential	365,000	1,200,000	1,825.93	2,020.19	194.26	10.64%
25-Picton Vicinity	1,300,000	1,655,000	3,920.81	4,245.31	324.50	8.28%
26-Ngakuta Bay - bach	235,000	575,000	1,332.80	1,472.31	139.51	10.47%
27-General Rural - French Pass	2,010,000	2,205,000	6,091.43	6,550.54	459.11	7.54%
28-General Rural - Manaroa	4,360,000	5,570,000	13,677.08	14,683.93	1,006.85	7.36%
29-General Rural - Opouri Valley	2,780,000	3,520,000	8,055.51	8,667.90	612.39	7.60%
30-General Rural - on Awatere Water	2,130,000	2,710,000	7,303.95	7,796.95	493.00	6.75%
31-Havelock Residential	205,000	520,000	2,136.22	2,406.35	270.13	12.65%
32-Seddon Residential	134,000	355,000	3,591.38	3,760.24	168.86	4.70%
34-Sounds Admin Rural - farm	5,350,000	6,360,000	8,644.55	9,199.42	554.87	6.42%
35-Sounds Admin Rural - bach	190,000	415,000	748.21	815.58	67.37	9.00%
36-Sounds Admin Rural - bach	320,000	575,000	928.98	1,006.87	77.89	8.38%

⁹ This property opted to make a lump sum payment for the Grovetown sewerage scheme.

¹⁰ This property opted to pay the Grovetown sewerage loan rate which will continue until 2039, in lieu of the lump sum payment.