

WĀHANGA 5  
PART 5

# Kaupapa Here Policies



## REVENUE AND FINANCING POLICY

1. The Revenue and Financing Policy provides a summary of Council's funding policies in respect of both operating expenses and capital expenditures. Council reviews its funding policy at least every three years. The last review was completed prior to the initiation of the 2024-34 Long Term Plan (LTP), and changes adopted are detailed in paragraph 15.
2. Sources of funds available to Council are as follows:
  - General rates.
  - Targeted rates.
  - Lump sum contributions.
  - Fees and charges.
  - Interest and dividends from investments.
  - Borrowing.
  - Proceeds from asset sales.
  - Development contributions.
  - Financial contributions.
  - Grants and subsidies.
  - Regional Fuel Taxes
  - Other sources permitted by statute.
3. Council's Revenue and Expenditure Policy deals with the revenue and financing mechanisms at a "Sub-Activity" level. Sub-Activities are a sub-set of "Activities", which in turn are a sub-set of "Activity Groups" using two examples:
  1. *One of Council's Activity Groups is "People".*  
*One of People's Activities is "Community Support".*  
*One of Community Support's Sub-Activities is "Grants and Donations".*
  2. *One of Council's Activity Groups is "Community Facilities".*  
*One of Community Facilities' Activities is "Reserves".*

4. In determining which funding sources were appropriate, Council gave consideration to the following matters in relation to each activity to be funded:
- How Activities contribute to Current/Future Social, Economic, Environmental and Cultural Well- Being of the Community (9.1);
  - The community outcomes to which the Activity primarily contributes (9.2);
  - The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (9.3);
  - The period in or over which those benefits are expected to occur (9.4);
  - The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity (9.5);
  - The costs and benefits, including consequences, for transparency and accountability, of funding the activity distinctly from other activities (9.6); and
  - The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.
5. Prior to determining the “Residual amount to be funded by General-type Rates”, Council identified all other funding sources appropriate to each activity. These other sources, and the approach taken by Council are listed in Tables 10.1 Operating Expenditure and 10.2 Capital Expenditure, which highlight the funding sources for every Council activity and any sub-activity which may exist.

The table in paragraph 10 illustrates how the residual rate funding requirement for each activity/sub-activity is proposed to be met, after provision has been made for the revenue sources identified Tables 10.1 and 10.2 and having given consideration to the matters in paragraph 9.

Council believes that its use of these rating tools will result in a fair and equitable funding result for each Activity.

### *Fees and Charges*

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

### *Grants and Subsidies*

These are sought and applied for whenever they are available.

### *General Revenues*

These are allocated to Geographic Rating Areas in proportion to the gross general-type rates and charges applicable to those Areas .

### *General-Type Targeted Rates and Charges*

The proportion of each activity’s costs to be met from general-type targeted rates and charges is detailed in **Table 14**. The allocations in that table reflect Council’s assessment of the benefits, and demands, which should be funded by land value rates, and the benefits and requirements which should be funded by uniform annual charge. In these instances Council believes separate general targeted rates and charges are the most equitable funding mechanism based on the benefits assessed for each targeted geographic area.

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

### *Separate Targeted Rates and Charges*

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

Council has adopted differential land value rates to fund the debt servicing requirement of the Combined sewerage and water schemes, which takes account of the median land values for each scheme; and of funding operating costs by way of a common uniform annual charge for the Combined sewerage scheme and a differential uniform annual charge for the Combined Water Scheme. The most significant benefits derived from these combined single sewerage and water funding schemes are a smoothing of rating spikes in smaller schemes and better cash flow management through the timing of capital works.

Council has adopted differential capital value rates to fund Wairau River catchment flood protection works.

**Note:**

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

For the 2024-2034 LTP there is a separate identified rate proposal which has been developed for the recovery of the storm damaged roads in the Marlborough Sounds. Councils share of the recovery costs, net of NZTA's financial assistance rate, will be funded by debt which this targeted rate will recover.

6. The following explanations will give readers an understanding of terminology used in this policy statement. Unless otherwise specified, the term:
- Uniform Annual Charge (UAC) or Charge refers to a targeted rate of a uniform amount calculated on each separately used or inhabited part of every rating unit; or for some charges, on every rating unit.
  - General-type targeted Rates are rates that are targeted to a particular geographic rating area or a differential rating area group. (These rates are based on the land value of each property).
  - General-type targeted Charges are charges that are targeted to a particular geographic rating area. (These charges are set differentially for the six geographic areas as a fixed amount on every separately used or inhabited part of a rating unit).
  - Separate targeted Rates are rates that are targeted to a particular area of benefit. e.g. Water, Sewerage, Sounds Roads. (Separate targeted rates are based on the land value of each property other than Wairau Valley River Works Rates and the Kenepuru Road Rate which are levied on capital value, or the Southern Valleys' Irrigation Loan Rate and the Flaxbourne Community Irrigation Scheme Loan Rate which are based on irrigable hectares) or the Energy Efficiency rates which are based on the service amount.
  - Separate targeted Charges are charges that are targeted to a particular area of benefit e.g. Water, Sewerage.
  - Land values, capital values or rating units refers to rateable land values, rateable capital values or rateable rating units as the case may be.

- Residual Rate Funding Percentages refer to the residual amount to be funded, after allowance for sources of funds other than rates.
- Funding relationship weightings refer to a methodology for allocating the various general-type rates and charges where the highest weighting is always expressed as 100.
- Where a weighting shows as zero, there is no contribution from that area. Where a weighting shows as a number between zero and 100 (e.g. 85), that area will pay a rate or uniform charge (as the case may be) of 85% of any area that has a weighting of 100.
- If all areas have a weighting of 100, the rate in the dollar or uniform charge (as the case may be) will be the same for all areas.

*Separately used or inhabited part of a rating unit (SUIP)*

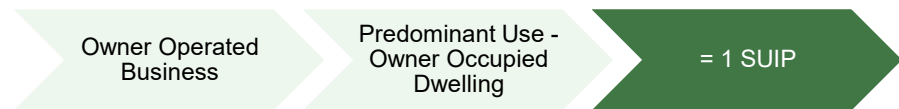
A SUIP includes any portion inhabited or used by the owner or a person other than the owner who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. It includes separately used parts, whether or not actually occupied at any particular time, which are 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.

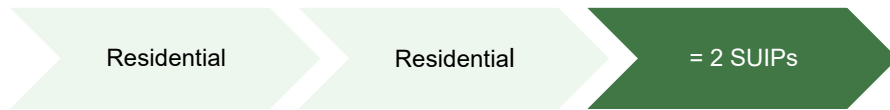


- Motels, and hotels used for commercial rental and dwellings used by owners or managers of a hotel or motel are treated as one business use even though each accommodation unit may be capable of separate use.

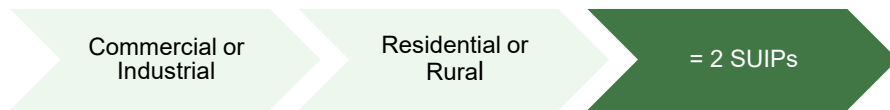


Examples of the application of the definition

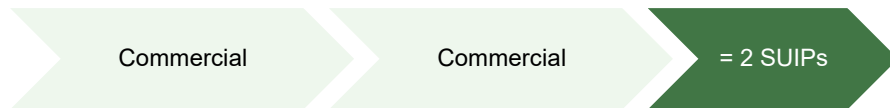
- Where a rating unit has two separately used parts, whether or not actually occupied at any particular time, they will be treated as two SUIPs.



- 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.



- The Council has adopted the following differential rating categories for general-type rates:

#### *Residential or Rural*

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

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

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

#### *Commercial or Industrial*

All land used for a commercial or industrial purpose. "Commercial purposes" includes but is not limited to, any trade or service or activity undertaken or provision of facilities, by any person with a view to making a profit irrespective of whether a profit is actually made, or charging any fee or deriving any other consideration in relation to the trade or service or activity or provision. "Industrial" includes a business, manufacturer, undertaking, or service associated with the production of any type of goods. For the purposes of the General Works and Services Rate, this differential category includes residential rest homes and residential establishments that provide residential care 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 with the exemption of:

- Properties where the principal purpose is the provision of longstay accommodation, i.e. 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 farmstay category.

#### *Homestay or Farmstay*

Includes all rating units that are used for a homestay or farmstay activity on land predominantly used for residential or rural purposes, where a Building Act or Resource Consent was required for such a use.

#### *Utilities*

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

#### *Multiple Land Uses*

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

### **Te Ture Whenua Māori Act 1993**

7. The Council will promote the retention of Māori land in the hands of its owners, their whanau, and their hapu; and to protect wahi tapu; and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau and their hapu. Council will do this through the consideration of applications for remission or postponement of rates on Māori freehold land in accordance with the policy adopted by Council regarding remissions and postponements of rates on other land. The Rates Remission and Postponement Policy

### **Property Valuation System**

8. Independent property valuations are provided to Council, under contract, by Quotable Value Ltd. The Marlborough District was last revalued on 1 July 2023 and the new values apply from the 2024-25 rating year.

### **Compliance with Financial Management Requirements**

9. The “Activities” that comprise the twelve “Activity Groups” of People, Community Facilities, Roads and Footpaths, Flood Protection and Control, Sewerage, Stormwater Drainage, Water Supply, Solid Waste Management, Environmental Management, Regulatory, Regional Development and Corporate are listed in the following tables together with a summary of Council’s consideration of whether activities contribute to the four well beings contained in the Local Government Act 2002 and Council’s outcomes in the table below.

#### **9.1 How activities contribute to Current/Future Social, Economic, Environmental and Cultural Well-Being of the Community:**

<b>Democratic Process</b>	The provision of effective decision making and leadership for the community, and through effective public information.
<b>Culture and Heritage</b>	The positive promotion of cultural enrichment, giving residents the opportunity to gain valuable knowledge of their heritage.
<b>Housing for Seniors</b>	The provision of safe and comfortable Senior Housing.
<b>Community Support</b>	Promoting cultural enrichment and opportunities for residents to participate in community life.
<b>Library Services</b>	Providing individuals with the opportunity to enhance learning and contributes to the wellbeing of the community.
<b>Emergency Management</b>	Maintaining readiness to respond to adverse events, and assisting with the health, safety and well-being of the community.
<b>Community Facilities</b>	Promoting recreation and cultural enrichment and opportunities for residents to be involved in community life.
<b>Roads and Footpaths</b>	An efficient road transport network enables the efficient and safe movement of people and goods.
<b>Flood Protection and Control</b>	Adequate river protection minimises the likelihood and potential damage from significant flood events.
<b>Sewerage</b>	Treatment and disposal will protect the health of the community and the environment from adverse effects of untreated or uncontrolled effluent disposal.
<b>Stormwater Drainage</b>	An adequate drainage system minimises the likelihood and potential damage of significant rainfall events.
<b>Water Supply</b>	Water is a necessity of life and the supply of water is a critical activity for the health and well-being of the community.
<b>Solid Waste Management</b>	Protecting the health of the community and the environment through the effective collection and treatment of Solid Waste, including recycling.
<b>Environmental Policy</b>	Protecting the sustainability of the community through the development and maintenance of the Marlborough Environment Plan.

<b>Environmental Science and Monitoring</b>	Protecting the sustainability of the community by providing robust science to inform the development of Environmental Policy.
<b>Resource Consents</b>	Providing effective public information and applying due diligence in processing in accordance with the provisions of the Marlborough Environment Plan.
<b>Environmental Protection</b>	Providing effective public information and applying due diligence in processing and maintaining compliance with the conditions contained in Resource Consents.
<b>Biosecurity</b>	Protecting the sustainability of the community as pests have the potential to severely impact Marlborough's largely land and water-based industries.
<b>Building Control</b>	Providing effective public information and applying due diligence in processing and maintaining compliance with building industry codes of practise.
<b>Environmental Health</b>	Providing effective public information and applying due diligence in processing and maintaining compliance with food and alcohol legislative requirements in particular.
<b>Animal Control</b>	Through education and diligent policing of this activity.
<b>Harbours</b>	Promoting the safe use and passage of people and goods in Marlborough's extensive waterways.
<b>Regional Development</b>	Promotion of the Marlborough economy and the provision of irrigation and CBD parking.
<b>Corporate</b>	Funding received through these activities contributes to specific community or infrastructure projects or to the reduction of general rates.

## 9.2 Community Outcomes to which Activities Contribute:

Council Activities Community Outcomes	Governance	Environment	People	Economy	Connectivity	Living
Democratic Process	✓	✓	✓	✓	✓	✓
Culture and Heritage	✓		✓	✓		✓
Housing for Seniors	✓		✓		✓	✓
Community Support	✓	✓	✓		✓	✓
Library Services	✓		✓	✓	✓	✓
Emergency Management	✓	✓	✓	✓		✓
Community Facilities	✓	✓	✓	✓	✓	✓
The Provision of Roads and Footpaths		✓	✓	✓	✓	✓
Flood Protection and Control Works		✓	✓	✓	✓	✓
Sewerage Including Treatment and Disposal		✓	✓	✓		✓
Stormwater Drainage		✓	✓	✓		✓
Water Supply		✓	✓	✓		✓
Solid Waste Management		✓	✓	✓	✓	✓
Environmental Policy	✓	✓	✓	✓	✓	✓
Environmental Science and Monitoring	✓	✓	✓	✓		✓
Resource Consents	✓	✓		✓		✓
Environmental Protection	✓	✓	✓	✓		✓
Biosecurity		✓	✓	✓		✓
Building Control		✓		✓		✓
Environmental Health	✓		✓	✓		✓
Animal Control	✓	✓	✓		✓	✓
Harbours	✓	✓	✓	✓	✓	✓
Regional Development	✓	✓	✓	✓	✓	✓
Corporate	✓	✓	✓	✓	✓	✓



### 9.3 Distribution of Benefits

Group	Activity	District-wide	Targeted area	Individuals
People	Democratic Process	100%		
	Culture and Heritage	100%		
	Housing for Seniors			100%
	Community Support			
	<ul style="list-style-type: none"> <li>• Community Support and Development</li> <li>• Events Management</li> <li>• Energy Efficiency</li> <li>• Passenger Transport</li> <li>• Smart and Connected Communities</li> </ul>	100%		100%
		100%		50%
		10%	50%	90%
	Library Services	80%		20%
	Emergency Management	100%		
Community Facilities		50%	50%	
Roads and Footpaths		100%		
Flood Protection and Control		20%	80%	
Sewerage			100%	
Stormwater Drainage			100%	
Water Supply			100%	
Solid Waste Management		15%	15%	70%
Environmental Management	Environmental Policy	100%		
	Environmental Science and Monitoring	100%		
	Resource Consents	40%		60%
	Environmental Protection	40%		60%

Group	Activity	District-wide	Targeted area	Individuals
Regulatory	Biosecurity	80%	20%	
	Building Control	20%		80%
	Environmental Health	40%		60%
	Animal Control	20%		80%
	Harbours	10%	50%	40%
Regional Development	<ul style="list-style-type: none"> <li>Economic Development</li> <li>Marketing and Tourism</li> <li>Research Centre</li> <li>Commercial Events</li> <li>Irrigation</li> <li>CBD Parking</li> <li>Business Improvement District</li> </ul>	80%	20%	30%
		70%		
		100%		100%
		100%		100%
			100%	
Corporate	<ul style="list-style-type: none"> <li>Investment Income</li> <li>Petroleum Tax</li> <li>Non Activity Asset Sales</li> <li>Development &amp; Financial Contributions</li> <li>Forestry</li> </ul>	100%		
		100%		
		100%		
			100%	
		100%		

#### 9.4 The period in or over which those benefits are expected to occur

Benefits are expected to occur for at least the duration of the 10 year Plan. However, many benefits, particularly in the infrastructure intensive Activities such as Roads and Footpaths, Flood Protection and Control, Sewerage, Stormwater Drainage, Water Supply and Solid Waste Management will last for generations. To better match the time over which benefits are generated with who pays, Council may use debt as one means of achieving this.

## 9.5 Extent to which the Actions or Inaction of Particular Individuals or a Group Contribute to the Need to Undertake the Activity.

<b>Democratic Process</b>	Ratepayers and residents are becoming increasingly interested in Council's activities and wanting to become better informed and involved in Council decision making.
<b>Culture and Heritage</b>	Many residents are interested and consider these activities an important part of a balanced community. Arts and culture are seen as essential to the health and well-being of society. Also, a strong community needs to be knowledgeable of its heritage and past achievements to help guide its future.
<b>Housing for Seniors</b>	The social and economic position of some seniors creates the need for Senior Housing.
<b>Community Support</b>	This Activity is very diverse in that it enables the community demand to access a broad range of recreational, arts, cultural, social opportunities, and passenger transport (including Total Mobility).
<b>Library Services</b>	The library is often viewed as one of the cornerstones of society. As such the demand to have a well-resourced functioning library comes from right across the community, because of the opportunity it creates to develop a lifestyle that enhances learning and creates recreational, cultural and social opportunities.
<b>Emergency Management</b>	Regional and national communities need an emergency response capability; knowledge of hazards; and measures to mitigate and contain harmful effects to minimise the damage to the community and speed recovery. Also, individual users need hazard information to provide knowledge of risks that directly affect them and learn how to mitigate the effects.
<b>Community Facilities</b>	As leisure time availability and the diversity of sport and other recreational activities increases there is demand on Council to provide facilities to enable residents to participate and enjoy those activities.
<b>Roads and Footpaths</b>	Users of the roading network create the need for further development and maintenance of the networks from the number of trips that are made and which type of vehicle is used. Light vehicles typically create the need for network capacity, while heavy vehicles create the need for road strength and much of the network's maintenance. There are also requests to further extend Marlborough's sealed road network. In this case the area of benefit will typically make a contribution to those works.  In relation to the recovery of the Marlborough Sounds storm damaged roads the directly affected area will contribute a greater amount on an individual property basis, with a broader targeted rate or charge helping to keep the overall rate affordable for all areas in Marlborough.
<b>Flood Protection and Control</b>	Ratepayers have invested heavily in the land, buildings and other developments they own. They want the value in those assets, human life and community access to be protected from flood events. As rain falls across Marlborough and ultimately finishes in the river systems, all property owners are contributing to varying degrees the water volumes in rivers and potential to flood.  There is also a desire from residents to preserve or enhance the environment and amenity values of river corridors.
<b>Sewerage</b>	People who are connected to sewer schemes are creating the need for the Council to collect and treat sewerage to protect public health and minimise the environmental damage to the District's waterways.  New residential and industrial developments are adding to the demands placed on schemes, requiring Council to undertake new capital works and increase operating costs.
<b>Stormwater Drainage</b>	Owners of developed properties require that there are systems for the collection and disposal of stormwater. New residential and industrial developments are adding to the demands placed on schemes, requiring Council to undertake new capital works and increase operating costs.

<b>Water Supply</b>	People connected to water schemes are creating the need for the Council to undertake work relating to the availability of potable water. It is considered appropriate for these people to fund the work through targeted rates. New residential and industrial developments are adding to the demands placed on schemes, requiring Council to undertake new capital works and increase operating costs.
<b>Solid Waste Management</b>	Council provides waste management services for public health reasons and to protect the environment. Benefits apply directly to those who are in an area which has kerbside refuse or kerbside refuse and recycling collection services. The Council considers that properties that receive, or will receive, a waste collection service should be responsible for funding expenditure relating to collection and those that dispose of refuse at the transfer stations should pay a disposal fee.
<b>Environmental Policy</b>	The whole Community needs sound policy development, reviews and planning to enable the sustainable management of the District's resources.
<b>Environmental Science and Monitoring</b>	The Community is the primary beneficiary of this activity as the information collected provides the basis for monitoring and reporting, sound policy development, reviews and planning. It should be noted that an increasing proportion of this activity is driven by national requirements.
<b>Resource Consents</b>	Persons or organisations applying for Resource Consents are wanting a fair, transparent approach to the allocation of regional resources in accordance with the Marlborough Environment Plan. Also, other residents want protection of their current rights and ability to peacefully enjoy their property.
<b>Environmental Protection</b>	The whole community needs this Activity to ensure the conditions attached to Resource Consents are in fact met.
<b>Biosecurity</b>	Because of Marlborough's land and water industry, this Activity is needed by the whole community as the management of pests is essential for the District's continued prosperity, environmental sustainability and health.
<b>Building Control</b>	Property owners require assurance that the building that they're looking to purchase has been constructed in a manner that meets building code requirements and earthquake resilience rating requirements
<b>Environmental Health</b>	As this Activity has a significant food and alcohol focus, all members of the community need to be assured of their health and safety. In addition, with Marlborough having a significant hospitality industry the Activity is needed to protect the district's reputation as visitor destination
<b>Animal Control</b>	With Marlborough having over 10,000 dogs, this Activity is needed to ensure the safe interaction between dogs, their owners and the remainder of the Community.
<b>Harbours</b>	Marlborough has the largest coastline of any district in NZ. This Activity is needed to ensure the safe use of its waterways by a wide diversity of users including commercial shipping, commercial fishing owners, marine farmers and recreational harbour users. Safe use includes avoiding natural and other hazards e.g., collisions, maintaining a clean marine environment and shorter duration of pollution.
<b>Regional Development</b>	Regional Development is needed by significant portions of the Marlborough community to assist the District to achieve its economic development outcomes, in particular attracting visitors, residents and investment to Marlborough, irrigation, CBD parking and in turn adding value to Marlborough enterprises and enriching the quality of life for Marlborough residents.
<b>Corporate</b>	Corporate activities are needed to provide some balance to the District's funding strategies by providing support to specific projects or events and, in some cases, general rates.

## **9.6 Costs and Benefits of Funding the Activity Distinctly from Other Activities:**

Council has reviewed its Activity and sub activity structure plus its underlying highly detailed Rates Funding Allocation Model and believes that the costs associated with further disaggregation would outweigh the benefits.

## **9.7 The overall impact of Funding on the Social, Economic, Environmental and Cultural well-being of the community**

This Revenue and Financing Policy contains few changes to previous versions, apart from the Sounds Roads Recovery funding, has undergone consultation with this and previous LTP processes, and has delivered significant outcomes for the community. There have been no identified future adverse impacts on the community because of this policy.



## 10.0 Funding of Operating and Capital Expenditure Requirements

### 10.1 Operating Expenses Funding Policy

The following table summarises Council's possible Operating Expenses Funding Policy at an Activity level:

Group	Activities	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
People	Democratic Process	Yes	Yes	Yes	No	No	No	Yes	Yes
	Culture and Heritage	Yes	Yes	Yes	No	No	No	Yes	Yes
	Housing for Seniors	No	Yes	No	No	No	No	Yes	Yes
	Community Support	Yes	Yes	Yes	No	No	No	Yes	Yes
	Library Services	Yes	Yes	Yes	No	No	No	Yes	Yes
	Emergency Management	Yes	Yes	Yes	No	No	No	Yes	Yes
Community Facilities		Yes	Yes	Yes	No	No	No	Yes	Yes
Roads and Footpaths		Yes	Yes	Yes	Yes	No	No	Yes	Yes
Flood Protection and Control		Yes	Yes	Yes	No	No	No	Yes	Yes
Sewerage		Yes	Yes	Yes	No	No	No	Yes	Yes
Stormwater Drainage		Yes	Yes	Yes	No	No	No	Yes	Yes
Water Supply		Yes	Yes	Yes	No	No	No	Yes	Yes
Solid Waste Management		Yes	Yes	Yes	No	No	No	Yes	Yes
Environmental Management	Environmental Policy	Yes	Yes	Yes	No	No	No	Yes	Yes
	Environmental Science and Monitoring	Yes	Yes	Yes	No	No	No	Yes	Yes
	Resource Consents	Yes	Yes	Yes	No	No	No	Yes	Yes
	Environmental Protection	Yes	Yes	Yes	No	No	No	Yes	Yes
Regulatory	Biosecurity (Pest Management)	Yes	Yes	Yes	No	No	No	Yes	Yes
	Building Control	Yes	Yes	Yes	No	No	No	Yes	Yes
	Environmental Health	Yes	Yes	Yes	No	No	No	Yes	Yes
	Animal Control	Yes	Yes	Yes	No	No	No	Yes	Yes
	Harbours	Yes	Yes	Yes	No	No	No	Yes	Yes
Regional Development		Yes	Yes	Yes	No	No	No	Yes	Yes
Corporate		No	Yes	Yes	No	No	No	Yes	Yes

## 10.2 Capital Expenditure Funding Policy

The following table summarises Council's possible Capital Expenditure Funding Policy at an Activity level: The utilisation order of the various funding sources is detailed in paragraph 11, Funding of Capital Requirements.

Group	Activity	Targeted Rates	Fees and Charges	Interest and Dividends from Investments	Borrowing	Proceeds from Asset Sales	Development Contributions and/or Financial	Grants and Subsidies	Other Sources
People	Democratic Process	Yes	No	Yes	Yes	Yes	No	Yes	Yes
	Culture and Heritage	Yes	No	Yes	Yes	Yes	No	Yes	Yes
	Housing for Seniors	No	Yes	No	Yes	Yes	No	Yes	Yes
	Community Support	Yes	No	Yes	Yes	Yes	No	Yes	Yes
	Library Services	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	Emergency Management	Yes	No	Yes	Yes	Yes	No	Yes	Yes
Community Facilities		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Roads and Footpaths		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flood Protection and Control		Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Sewerage		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Stormwater Drainage		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water Supply		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Solid Waste Management		Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Environmental Management	Environmental Policy	Yes	No	Yes	Yes	Yes	No	Yes	Yes
	Environmental Science and Monitoring	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	Resource Consents	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	Environmental Protection	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Regulatory	Biosecurity (Pest Management)	Yes	No	Yes	Yes	Yes	No	Yes	Yes
	Building Control	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	Environmental Health	Yes	No	Yes	Yes	Yes	No	Yes	Yes
	Animal Control	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	Harbours	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Regional Development		Yes	No	Yes	Yes	Yes	No	Yes	Yes
Corporate		No	Yes	Yes	Yes	Yes	No	Yes	Yes

## 11 Funding of Capital Requirements

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

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

## 12 Funding of Depreciation and Debt Servicing Costs

In this Plan Council has funded Depreciation and Debt Servicing Costs on the following basis:

- (i) Depreciation has been fully funded for all assets with the following exceptions:
  - Roads, where funding has been adjusted to take account of NZ Transport Agency financial contributions.
  - Depreciation on the revaluation impact of Three Waters assets in the 2024-25 and 2025-26 years which is not being funded. From 2026-27 Council begins to progressively fund the impact at the level of \$1.75M per year. By 2034 we will be fully funding depreciation.
  - Halls, Convention Centre, reserves, drains, river channels, retards and Taylor Dam as it is planned that these assets are either maintained in perpetuity, or their replacement is not certain because of changing community needs.
  - Southern Valleys' Irrigation Scheme, where funding is capped at current levels in accordance with practice established following community consultation.

- Activities with loans as well as a high value of non-depreciable assets, as below.

- (ii) Debt Servicing Costs have been funded from depreciation reserves with the following exceptions:

- In activities with loans as well as a high value of non-depreciable assets debt servicing costs are fully funded from revenues and/or reserves and depreciation is not funded.

Where there is a specific rate or dedicated part of any rate to meet debt servicing costs.

## 13. General Revenue Sources

There are some revenue sources which are grouped into a separate Activity, labelled Corporate, which are utilised by Council to assist in funding a number of Council activities either directly or indirectly.

These include:

### *Dividends and Interest from Investments*

- Funded to specified Reserves for particular purposes or events (eg: 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*

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

### *Asset Sale Proceeds*

- Proceeds from the sale of non- activity assets are used to fund the Forestry and Land Development Reserve.

### *Development and Financial Contributions*

- Contributions received from developments and subdivisions are applied towards the cost of infrastructure to mitigate the effects of growth. (Where capital expenditure can be funded from these contributions,



Council will generally use these sources of funding to meet the cost of growth of the District in preference to other sources).

### Forestry Income

- Currently used to fund the Forestry and Land Development Reserve which is used to fund projects as determined by Council.

## 14. Funding of Expenditure by Activity

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

for any applicable Fees, Charges, Grants, and Subsidies; or other Direct Revenue that relates to the activity/sub-activity; and having given consideration to the matters in paragraph 9.

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

**Table 14 - Residual Rate Funding Basis**

Group	Activities/ Sub-activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UACs" %	
People	Democratic Process	Democratic Process	0	100	0	0	
	Culture and Heritage	Arts: Marlborough Art Gallery Grants	Arts: Marlborough Art Gallery Grants	40	60	0	0
		Arts: Other Grants	Arts: Other Grants	40	60	0	0
		Heritage: Marlborough Historical Society Grants	Heritage: Marlborough Historical Society Grants	40	60	0	0
		Heritage: Other Grants	Heritage: Other Grants	40	60	0	0
		Museums – Picton	Museums – Picton	40	60	0	0
		Museums: Renwick	Museums: Renwick	40	60	0	0
		Museums: Edwin Fox	Museums: Edwin Fox	40	60	0	0
	Community Support	Community: Grants and Donations	Community: Grants and Donations	40	60	0	0
		Community: Recreation	Community: Recreation	0	100	0	0
		Community: Security Cameras [Blenheim CBD]	Community: Security Cameras [Blenheim CBD]	100	0	0	0
		Energy Efficiency Initiatives	Energy Efficiency Initiatives	0	0	100	0
		Smart and Connected Communities	Smart and Connected Communities	40	60	0	0
		Events Management	Events Management	0	100	0	0
		Passenger Transport	Passenger Transport	100	0	0	0
	Library Services	Library Services	0	100	0	0	
	Emergency Management	Emergency Management	40	60	0	0	

Group	Activities/ Sub-activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UACs" %
Community Facilities	Cemeteries		0	100	0	0
	Halls	Group 1 - Awarua Park	100	0	0	0
		Group 2 – Waitaria	100	0	0	0
		Group 3 - Gen Rural Halls	100	0	0	0
		Group 4 – Blenheim	100	0	0	0
		Group 5 - Fairhall Hall	100	0	0	0
		Group 7 - Wairau Road C/Centre	100	0	0	0
		Group 8 – Queen Charlotte College	100	0	0	0
		Group 9 - B/Vic. Halls	100	0	0	0
	Memorials	Cleghorn Rotunda	100	0	0	0
		Picton	100	0	0	0
		Seymour Square	100	0	0	0
		Town Centre Clock	100	0	0	0
		Other	100	0	0	0
	Public Conveniences		0	100	0	0
	Reserves	Group 1a - BIn Neighbourhood and unspecified	1	99	0	0
		Group 1b – Spring Creek, Kahikatea and B/V Neighbourhood	1	99	0	0
		Group 2a - Ptn Neighbourhood	1	99	0	0
		Group 2b - P/V Neighbourhood	1	99	0	0
		Group 3 - WV Domain	1	99	0	0
		Group 4 - BIn Vicinity Domains	4	96	0	0
Group 5 - Endeavour Park/Waitohi Domain		4	96	0	0	

Group	Activities/ Sub-activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs %" "	Separate Targeted Rates %	Separate Targeted Charges "UACs" %
		Group 6 - A&P/Horton Park	10	90	0	0
		Group 7 - Athletic Park/Oliver Park	10	90	0	0
		Group 8 – Picton, Bobs Bay/Picton Foreshore etc	40	60	0	0
		Group 9 - Churchward Park	28	72	0	0
		Group 10 - Rural Domains	4	96	0	0
		Group 10 – Havelock War Memorial Park	4	96	0	0
		Group 11 - Nelson Square	28	72	0	0
		Group 12 – Taylor Riverside/Pocket Parks etc	40	60	0	0
		Group 12 – Pollard & Seymour	40	60	0	0
		Group 13 - Wither Walkway etc	40	60	0	0
		Group 14 – Esplanade, Picton & Koromiko, Riverlands, Blairich & Ward and other Rural Reserves	100	0	0	0
		Group 15 – Raceway & Polo and Misc Leased Reserves	100	0	0	0
	Street Trees, Berms and Plots		100	0	0	0
	Street Trees, Berms and Plots (Separate Targeted Rates)	Landscaping (Urban 1)	0	0	0	100
		Landscaping (Urban 2)	0	0	0	100
		Landscaping (Rural 1)	0	0	0	100
		Landscaping (Rural 2)	0	0	0	100
	Swimming Pools	Aquatic Centre	3	97	0	0
		Awatere	3	97	0	0
		Picton	3	97	0	0

Group	Activities/ Sub-activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs %"	Separate Targeted Rates %	Separate Targeted Charges "UACs" %
Roads And Footpaths	Subdivisional Works		100	0	0	0
	Roading Network		100	0	0	0
	Roading Related Works		100	0	0	0
	Roads: Small Township Upgrades (Blenheim Vicinity)		100	0	0	0
	Roads: Small Township Upgrades (General Rural)		100	0	0	0
	Roads: Marlborough Sounds Roads Recovery		0	0	25	75
	CBD Works	Blenheim	100	0	0	0
		Picton	100	0	0	0
	Targeted	French Pass Road	0	0	0	100
		Kenepuru Road	0	0	100	0
		Other Roads (as approved)	0	0	0	100
Other Roads (as approved)		0	0	100	0	
Flood Protection and Control	Rivers in Wairau Valley District - (Separate Targeted Rate)		0	0	100	0
	Rivers outside WV Rating District		100	0	0	0
Sewerage (Targeted Rates)	Combined Sewerage Scheme	Capital (includes Blenheim, Grovetown, Renwick, Spring Creek, Picton, Seddon and Havelock)	0	0	100	0
		Operating (includes Blenheim, Grovetown, Renwick, Spring Creek, Picton, Seddon and Havelock)	0	0	0	100
	Loans – No Lump Sum	Grovetown Sewerage	0	0	100	0
		Renwick Sewerage	0	0	100	0
		St Andrews Sewerage	0	0	100	0

Group	Activities/ Sub-activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs %"	Separate Targeted Rates %	Separate Targeted Charges "UACs" %
<b>Water Supply: Combined Water Scheme (Separate Targeted Rates)</b>	Blenheim, Havelock, Picton, Koromiko and Renwick	Capital	0	0	100	0
		Metered	0	0	100	0
		UAC	0	0	0	100
	Seddon Water	Metered	0	0	100	0
		UAC	0	0	0	100
	Wairau Valley	Metered	0	0	100	0
		UAC	0	0	0	100
	Commercial Metered Water	Blenheim, Havelock, Picton, Picton Onsold, Renwick, Seddon and Wairau Valley	0	0	100	0
	Rural Awatere Water	Metered	0	0	100	0
		UAC	0	0	0	100
Riverlands Water	Metered	0	0	100	0	
<b>Stormwater Drainage</b>	Stormwater		100	0	0	0
<b>Solid Waste Management</b>	Residential Refuse and Kerbside Recycling Collection (Separate targeted rates) Blenheim, Grovetown, Havelock, Picton, Rarangi, Rai Valley, Renwick, Seddon, Spring Creek, and Tuamarina and any additional areas for which the service is offered.		0	0	0	100
	Blenheim/Picton (Residential) and Commercial/Industrial) Refuse Collection (Separate targeted rates) and any additional areas for which the service is offered.		0	0	0	100
	Sounds Area Waste Projects		0	100	0	0
	Landfills, Transfer Stations, Waste Minimisation		0	100	0	0
<b>Environmental Management</b>	Environment Policy		80	20	0	0
	Nautical and Coastal Science		80	20	0	0
	Environment Science and Monitoring		80	20	0	0
	Resource Consents	Resource Consents	100	0	0	0
		Hearings	0	100	0	0
		Advocacy and Practice Integration	100	0	0	0
Environmental Protection		100	0	0	0	

Group	Activities/ Sub-activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs %"	Separate Targeted Rates %	Separate Targeted Charges "UACs" %
Regulatory	Biosecurity	Biosecurity: Regional Pest Control	100	0	0	0
		Bovine TB Control	100	0	0	0
	Building Control	Building Control	100	0	0	0
		LIM Section	100	0	0	0
		Pool Inspection	0	0	0	100
	Environmental Health		0	100	0	0
	Animal Control	Dog Control	100	0	0	0
		Other Animal Control	100	0	0	0
	Harbours		100	0	0	0
	Regional Development	Parking	Blenheim	100	0	0
Picton			0	100	0	0
Economic Development			100	0	0	0
Events			100	0	0	0
Marlborough Event Centre			100	0	0	0
Business Improvement District			0	0	100*	100**
Marketing and Tourism			100	0	0	0
Tourism (separate targeted rates)			0	0	0	100
Research Centre			100	0	0	0
Flaxbourne Irrigation		Capital – No Lump Sum	0	0	100	0
		Metered	0	0	100	0
Southern Valleys' Irrigation		Capital – No Lump Sum	0	0	100	0
		Metered	0	0	100	0
Other Developments			100	0	0	0

\*\* Final % between separate targeted rate and separate targeted Uniform Annual Charge (UAC) will be determined following the approval of each Business Improvement District (BID) under Council's BID Policy and the subsequent referendum by affected ratepayers in each possible BID area. The sum percentage of targeted rate plus UAC will not exceed 100%.

Non-Group Activities	Allocation of costs to geographic areas, land use categories and other targeted rates	General-type Targeted "Rates" %	General-type Targeted Charges "UACs" %"	Separate Targeted Rates %	Separate Targeted Charges "UACs" %
Forestry		100	0	0	0
Land Development		100	0	0	0
Rental Housing		100	0	0	0
Commercial Leases		100	0	0	0
River Leases		100	0	0	0
MDC Holdings		100	0	0	0
Agencies		0	0	0	100
Special Revenues		100	0	0	0
General Revenues (allocated on the basis of gross general-type rates and charges)		variable	variable	0	0

## 15. Changes to Existing Funding Policy

15.1 Following an in-depth review of its Revenue and Financing Policy, Council initiated a very few funding changes that will take effect from 1 July 2024.

The review included the following issues:

- Consideration of the background to the existing funding policies.
- A review of user charges.
- An examination of the provisions of the Local Government (Rating) Act 2002.
- The appropriateness of the existing geographic areas for levying general-type rates and charges.
- The advantages and disadvantages of using either Land Value or Capital Value for levying general-type rates. (The current system is based on property land values).
- Review of the "funding relationship weightings system" (see explanation of this in Terminology), to ensure that appropriate funding allocations are made to take account of the Financial Management considerations outlined in section 101 of the Local Government Act 2002.

- Consideration of the pre-ambles to the Te Tura Whenua Māori Act 1993 which promotes the retention, and facilitation of the use, of land that is of special significance to Māori people, in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu. A section has been added to the policy reflect this.
- The addition of a "Corporate" activity which amalgamates unallocated Overheads together with the General Revenue sources identified in Section 12 of this Policy.
- The addition of a Sounds Road Recovery item in the Roads and Footpaths activity group, reflecting the recovery of costs associated with the repairs and improvements to the roads in the Marlborough Sounds that were subject to significant damage following the 2021 and 2022 storms.

15.2 The review of the "funding relationship weighting system" identified that no changes were required.



# RATES REMISSION AND POSTPONEMENT POLICIES

## Rates Remission Policy

This policy was prepared pursuant to sections 102 and 109 of the Local Government Act 2002 for consultation using the special consultative procedure detailed in the same Act for the 2024-2034 Long Term Plan.

While the majority of the policy remains largely unchanged since the last consultation in 2021, there is one new section. These are rates remissions for:

- Māori freehold land under development.
- updates due to Act amendments or process changes.

## Community, sporting and other organisations

### *Objective of the policy*

To facilitate the ongoing provision of community services or recreational opportunities for the residents of Marlborough where there is no statutory provision in Schedule 1 Part 2 of the Local Government (Rating) Act 2002.

The purpose of granting rates remission to an organisation is to:

- assist the organisation's survival; and
- make membership of the organisation more accessible to the general public, particularly children, youth, young families, aged people, and economically disadvantaged people.

### *Conditions and criteria*

The land must be owned by Council or owned, occupied or leased by an organisation (with liability for rates), which is used exclusively or principally for sporting, recreation, or community purposes.

The organisation must not operate for private pecuniary profit.



Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

Organisations making application should include the following documents in support of their application:

- Statement of objectives;
- Most recent financial accounts (preferably audited);
- Details of any leases (where applicable);
- Information on activities and programmes;
- Details of membership or clients.

### *Application*

Generally, the policy will 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. The policy does not apply to areas of the rating unit covered by a club licence under the Sale and Supply of Alcohol Act 2012.

The policy shall apply to such organisations as approved by Council (or Council Officers with delegated authority) as meeting the relevant criteria.

Remissions to any qualifying organisation shall be on the basis of a 50% reduction in rates and charges except that no remission will be granted on targeted rates/charges for water supply, sewerage disposal or refuse and recycling collection.

## **Land protected for natural, historic or cultural conservation purposes**

### *Objective of the policy*

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

### *Conditions and criteria*

Ratepayers with rating units which have some feature of cultural, natural or historic heritage on the land which is voluntarily protected, may qualify for remission of rates under this part of the policy.

Land that is non-rateable under Section 8 of the Local Government (Rating) Act 2002 and is liable only for targeted rates covering water supply, sewage disposal or refuse and recycling collection will not qualify for remission under this part of the policy.

Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

Applications should be supported by documentary evidence of the protected status of the land on the rating unit eg; a copy of the covenant or other legal mechanism.

In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:

- The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.
- The degree to which features of natural, cultural or historic heritage are present on the land.
- The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.

### *Application*

The extent of any remission shall be determined by Council or its delegated officer[s] on a case by case basis.

In granting remissions under this part of the policy, Council may specify certain conditions before remission 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.

## Residential land in commercial or industrial areas

### *Objective*

To ensure that owners of residential rating units situated in commercial or industrial areas are not unduly penalised by the zoning decisions of this Council and the former authorities.

### *Conditions and criteria*

To qualify for remission under this part of the Policy, the rating unit must:

- be situated within an area of land that has been zoned for commercial or industrial use. (Ratepayers can determine how their property has been zoned by inspecting the Marlborough Environment Plan (MEP), copies of which are available from either the Council offices, or on Council's website [www.marlborough.govt.nz](http://www.marlborough.govt.nz)).
- be listed as a "residential" property for differential rating purposes. Ratepayers wishing to ascertain whether their property is treated as a residential property may inspect Council's rating information database at the Council offices, or obtain that information from the rate records on Council's website [www.marlborough.govt.nz](http://www.marlborough.govt.nz).

### *Application*

Following triennial revaluation Council will direct its valuation service provider to prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the District. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

The extent of any remission shall be determined by Council or its delegated officer(s) and will be based on valuations supplied by its valuation service provider.

## Land affected by natural disaster

### Residential land affected by natural disaster

#### *Objective of the policy*

To enable rate relief to be provided where the use that may be made of any land used for a private residence has been detrimentally affected by natural disaster.

### *Conditions and criteria*

Council may remit wholly or in part, any rate or charge made and levied in respect of the land, where it considers it to be fair and reasonable to do so.

All applications must be on the prescribed form.

### *Application*

The extent of any remission shall be determined by Council or its delegated officer[s].

## General-type uniform annual charges and targeted charges on non-contiguous pastoral rating units

### *Objective of the policy*

To provide relief from General-type Uniform Charges and Targeted Charges on rural pastoral land which is non-contiguous, provided it is farmed as a single entity with the ratepayer(s) in common.

### *Conditions and criteria*

Non-contiguous pastoral units may qualify for a remission of uniform annual general charges and targeted rates calculated as a fixed amount per rating unit where Council agrees that the economics of each farm property are inter-dependent on the other.

The ratepayer will remain liable for at least one uniform annual general charge and one set of each type of targeted rate calculated as a fixed amount per rating unit.

Only one residential unit can exist on the qualifying rating units except where the farm contains accommodation on a rent free basis for the owner or staff associated with the farm.

Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

### *Application*

Council or its delegated officer[s] shall determine whether the criteria are met.

## General-type uniform annual charges and targeted charges on contiguous rating units in separate ownership, used jointly as a single entity

### *Objective of the policy*

To limit the incidence of multiple charges where a farming or other business entity consists of a number of contiguous rating units with different owners.

### *Conditions and criteria*

Each rating unit must be leased to the operator for a term not less than five years.

The operator must provide Council with a declaration confirming that each unit will be operated as part of the entity.

The ratepayer will remain liable for at least one uniform annual general charge-type and one set of each type of targeted rate calculated as a fixed amount per rating unit.

Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

### *Application*

The extent of any remission shall be determined by Council or its delegated officer[s].

## Limitation of general-type uniform annual charges and targeted charges in certain circumstances

### *Objective of the policy*

To limit the incidence of general-type uniform annual charges and targeted rates calculated as a fixed amount per rating unit in certain circumstances.

### *Conditions and criteria*

Council will assess the general-type uniform annual charges and targeted rates [calculated as a fixed amount per rating unit] on the basis of every separately used or inhabited part of a rating unit (SUIP) but, the following situations will be deemed not to create a separately used or inhabited part of a rating unit:

### **In the case of a farm, orchard, other horticultural type property, or business:**

- Where the farm, orchard, horticultural operation, or business contains additional accommodation on a rent free basis for the owner, or staff associated with the farm, orchard, horticultural operation or business.

### **In the case of a rating unit that contains one additional separately inhabited unit or dwelling, occupied by family members:**

- Where members of the owner's family inhabit the separate part of the property on a rent free basis.

Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

### *Application*

Council will remit any rates in excess of those payable under this policy. Ratepayers in receipt of this remission will be periodically required to declare that the SUIP has not been rented out on either a short term or long term basis.

Where the second SUIP is inhabited by the owner's family on a rent free basis the rating unit will retain its second water allowance where water metering is applicable.

## Urban residential 2 land in rural areas

### *Objective of the policy*

To ensure that owners of residential rating units situated in rural areas are not unduly penalised by the zoning decisions of Council.

### *Conditions and criteria*

To qualify for remission under this part of the policy, the rating unit must:

- be situated within an area of land that has been zoned 'Urban Residential 2 Greenfield Zone' in the Proposed Marlborough Environment Plan (PMEP) (ratepayers can determine how their property has been zoned by viewing PMEP zoning on the relevant Council Smart Map ([www.marlborough.govt.nz/smaps](http://www.marlborough.govt.nz/smaps)); and
- remain unsubdivided ie; subdivision title has not been granted; and

- continue, for any remaining unsubdivided area, to have a land use that is consistent with the rural character that existed on approval of the zone.

### *Application*

All rating units located within the 'Urban Residential 2 Greenfield Zone' will be rated on the basis of the underlying land being zoned Rural 3 Rural Environment.

Following triennial revaluation Council will direct its valuation service provider to prepare a valuation that will treat the rating unit as if it were a comparable rating unit in zoned Rural 3. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal for valuations of this nature.

The extent of any remission shall be determined by Council or its delegated officer(s) and will be based on valuations supplied by its valuation service provider.

## Subdivisions that create four or more but less than ten rating units

### *Objective of the policy*

To provide a positive development incentive to commercial developers by remitting general-type uniform charges on unsold subdivided land without an occupied dwelling or commercial building, for a maximum period of three years.

### *Conditions and criteria*

To qualify for remission under this part of the policy, the rating unit must remain in the developer's name.

Remission will not apply to water, sewerage or other targeted rates calculated as a fixed amount per rating unit.

Remission will cease on those rating units which are sold. Remission will also cease on rating units which remain unsold after three years of the lots being created.

The ratepayer will remain liable for at least one uniform annual general-type charge and one set of each type of targeted rate calculated as a fixed amount per rating unit.

### *Application*

Council or its delegated officer[s] shall determine whether the criteria are met.

## Subdivisions that create ten or more rating units

### *Objective of the policy*

To provide a positive development incentive to commercial developers by remitting general-type rates and uniform charges on all unsold subdivided land without an occupied dwelling or commercial building (*other than any balance of land*) for a maximum period of five years. This policy only applies to subdivisions that are deposited after 1 July 2009.

### *Conditions and criteria*

To qualify for remission under this part of the policy, the rating unit must remain in the developer's name.

Remission will not apply to water, sewerage or other targeted rates calculated as a fixed amount per rating unit.

Remission will cease on those rating units which are sold. Remission will also cease on rating units which remain unsold after five years of the lots being created.

The ratepayer will remain liable for all rates and charges on the un-subdivided lot (balance of land).

### *Application*

Council or its delegated officer[s] shall determine whether the criteria are met.

## Rate penalties

### *Objective of the policy*

To enable Council to remit penalties where:

- payment has not been received by the penalty date, due to circumstances outside the ratepayer's control; or
- it is deemed equitable to remit the penalty for other reasons.

### *Conditions and criteria*

Each application will be considered on its merits and remission may be granted where it is considered just and equitable to do so.

Council will consider remission of rate penalties where an application is made and meets any of the following criteria:

- payment has been late due to significant family disruption [significant family disruption would include death, illness, or accident of a family member]; or
- the late payment has resulted from matters outside their control; or
- penalties have arisen through processing errors in Council's records or
- the ratepayer provides a reasonable explanation of the circumstances which caused the late payment, and this is the first occasion on which late payment has occurred.

### *Application*

The extent of any remission will be determined by Council or its delegated officer[s].

## *Water losses*

### *Objective of the policy*

To provide ratepayers with a measure of relief, by way of partial rates remission where, as a result of the existence of a water leak on the property which they occupy, the payment of full water rates is inequitable.

### *Conditions and criteria*

This remission policy does not apply to Council's irrigation water supplies (Southern Valleys' Irrigation Scheme and Riverlands Irrigation Scheme). There will be no refunds for water losses for irrigation supplies.

The existence of a significant leak on the occupied property has been established and there is evidence that steps have been taken to repair the leak as soon as possible after its detection.

### *Application*

Council will calculate the volume of water lost based on average water consumptions during similar periods of previous years.

When an application for water rates remission is approved pursuant to this policy, the amount of the remission will depend on when the leak is repaired.

- If the leak is repaired before the following scheduled quarterly reading, the remission will be equivalent to the assessed volume of water that has been lost through the leak, since the scheduled quarterly reading prior to the leak being discovered; or
- If the leak is not repaired before the following quarterly scheduled reading, the remission calculation will be assessed on the next scheduled reading interval; or
- Where there are extenuating circumstances, Council or its delegated officer[s] may extend the period for a re-assessment of the water rate.

A property displaying ongoing leakage showing likely system failure of the pipe network within the property will be provided with no more than three remissions for water loss.

The maximum remission for any one water loss will be \$3,000 unless there are extenuating circumstances verified by the Operations and Maintenance Engineer.

Council or its delegated officer[s] shall determine whether the criteria are met.

## *Extreme financial hardship*

### *Objective of the policy*

To enable Council to grant remission, for cases of extreme financial hardship, on a case by case basis, of all or part of the rates.

### *Conditions and criteria*

Council may remit rates in accordance with the policy where the application meets all of the following criteria:

- The ratepayer(s) must be the current occupier(s) of the rating unit which must be solely used for their personal residential purposes.
- Council must be satisfied that extreme financial hardship exists or would be caused by requiring payment of the whole or part of the rates.
- The ratepayer[s] must provide any evidence that Council deems appropriate to support the claim of extreme financial hardship.

- The ratepayer[s] must make acceptable arrangements for payment of future rates, for example, by setting up a system for regular payments.

Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

### *Application*

Applications for remissions shall be considered by Council or its delegated officer[s].

## Sundry remissions

### *Objective of the policy*

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be recovered pursuant to sections 67-76 of the Local Government (Rating) Act 2002, or where Council or its delegated officer(s) consider the levy impractical to recover; or where Council considers it equitable in the particular circumstances to remit rates.

### *Conditions and criteria*

The extent of any remission shall be determined by Council or its delegated officer[s].

## General-type uniform annual charges and targeted charges on commercial SUIPs less than 20m<sup>2</sup>

### *Objective of the policy*

To provide relief from general-type uniform charges and targeted charges on separately used or inhabited parts (SUIPs) of a commercial rating unit where the SUIPs have less than 20m<sup>2</sup> floor area and where the extra charges assessed would economically disadvantage the ratepayers and where Council deems it equitable to do so.

### *Conditions and criteria*

Council may remit rates in accordance with the policy where the application meets all of the following criteria:

- The separately used or inhabited part (SUIP) of the commercial rating unit must have a floor area of less than 20m<sup>2</sup>.
- Council must be satisfied that financial hardship exists or would be caused by requiring payment of the uniform or targeted charges.
- The ratepayer must inform Council if a commercial business expands and occupies a total area greater than 20m<sup>2</sup>.

Applications received during a rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

### *Application*

Applications for remissions shall be considered by Council or its delegated officer[s].

## Residential rural rating units with an out of district connection to the combined water or sewerage scheme

### *Objective of the policy*

To provide relief to Residential Rural rating units with an out of district connection to the combined water scheme and/or combined sewer scheme where the water and/or sewerage capital works rates would be calculated on a land value that is disproportionate to the land value of an urban section and the benefit received.

### *Conditions and criteria*

To qualify for remission under this part of the policy, the rating unit must be identified by Council staff as paying higher combined water scheme capital works rates and/or combined sewerage capital works rates because of its disproportionately higher land value.

Remission will only apply to the combined water scheme capital works rate and combined sewerage scheme capital works rate on the affected properties.

Remission will cease on those rating units which are sub-divided and where the land value subsequently ceases to be disproportionately higher than the value of an urban section.

### *Application*

Council or its delegated officer[s] shall determine whether the criteria are met.

## Māori freehold land under development

### *Objective of Policy*

To facilitate the occupation, development, and utilisation of Māori freehold land for the benefit of its owners if the ratepayer or another person is developing, or intends to develop, the land.

### *Conditions and criteria*

The land must be Māori freehold land.

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by the Māori Land Court by freehold order.

Māori freehold land where the development is likely to have any or all the following benefits:

- (a) Benefits to the district by creating new employment opportunities.
- (b) Benefits to the district by creating new homes.
- (c) Benefits to the Council by increasing Council's rating base in the long term.
- (d) Benefits to Māori in the District by providing support for marae in the district.
- (e) Benefits to the owners by facilitating the occupation, development, and utilisation of the land.

Applications received during the rating year will be applicable from the commencement of the following rating year. All applications must be on the prescribed form and will not be backdated.

### *Application*

Council or its delegated officer[s] shall determine whether the criteria are met.

## Rates Postponement Policies

### Extreme financial hardship

#### *Objective of the policy*

To assist ratepayers experiencing extreme financial hardship.

#### *Conditions and criteria*

All applications must be on the prescribed form.

When considering whether extreme financial circumstances exist, all of the ratepayer[s] personal circumstances will be relevant.

Council must postpone rates in accordance with the policy where the application meets all of the following criteria:

- The ratepayer[s] must be the current occupier[s] of the rating unit which must be solely used for their personal residential purposes.
- Council must be satisfied that the ratepayer[s] is/are unlikely to have sufficient funds left over after the payment of rates, for normal health care, appropriate provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day to day living expenses.
- The ratepayer[s] must not own any other rating units or investment properties or other realisable assets.
- The ratepayer[s] must make acceptable arrangements for payment of future rates, for example, by setting up a system for regular payments.

Even if rates are postponed, as a general rule the ratepayer[s] will be required to pay the first \$645 of the annual rate levy.

Council may add a postponement fee to the postponed rates for the period between the due date and the date they are paid. This fee will not exceed an amount which covers Council's administration and financial costs.

The policy will apply from the beginning of the rating year in which the application is made although Council may consider backdating past the rating year in which the application is made depending on the circumstances.

Any postponed rates will be postponed until:

- the death of the ratepayer[s]; or
- the ratepayer[s] ceases to be the owner or occupier of the rating unit; or
- the ratepayer[s] ceases to use the property as his/her residence; or
- a date determined by Council in any particular case.

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 by paying the postponed rates or any part thereof.

### *Application*

Postponed rates will be registered as a statutory land charge on the rating unit's title.

Applications for rate postponements shall be considered by Council or its delegated officer[s].

## Residential Ratepayers aged 65 and over

### *Objective of the policy*

To offer ratepayers aged 65 years and over a facility to unlock the equity in their residential property by postponing all or part of their rates to a future date, at no cost or risk to Council.

### *Conditions and criteria*

All applications must be on the prescribed form.

Rates postponement is available on properties that are occupied by the ratepayer applicant(s) as their principal place of residence. Holiday homes are not eligible.

Postponement is available to applicant(s) who are the legal owners of their property. Units in retirement villages held under licences to occupy and any other arrangement where the applicant is not the registered owner are only eligible for postponement if the amount of the rates for the unit/dwelling that is lived in is clearly identified for rating purposes (i.e. separately rated), and that the full benefit of the postponement is passed on to the resident.

Postponement is available only for ratepayers age 65 or over. In the case of the couple, at least one applicant must be of that age.

Applicants must have at least one “decision facilitation” interview with a decision facilitator engaged by Council, to ensure that independent advice has been provided on the implications of the postponement offer.

Rates may be postponed until:

- the death of the ratepayer(s) (the Council will allow up to 12 months for any resolution of estate or trust affairs required to enable repayment); or
- the ratepayer(s) ceases to be the owner of the rating unit; or
- the rating unit ceases to be the principal place of residence of the ratepayer(s) – this means that if the ratepayer(s) moves out of the home into residential care, technically the postponed rates become due and payable. In practice, if Council is satisfied that the principal reason for moving out is to go into care, the postponement will remain in place.

Council will offer full postponement unless testing the expected outcome through Council's actuarial model suggests that equity on expected repayment (the death of the applicant or the survivor of joint applicants) would be less than twenty percent. If that is the case, then postponement entitlement will be based on the maximum proportion projected to leave a minimum of twenty percent equity available at the end of the postponement period.

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

Postponed rates and any part thereof may be paid at any time. Applicants may elect to postpone a lesser amount than the maximum they would be entitled to under Council's policy.

If accrued rates and charges reach eighty percent of the value of the property, Council will not postpone any further rates but instead require that all further rates are paid as they fall due. Accrued rates and charges will remain payable only on an event of repayment (eg, death, sale) and will continue to accrue interest and other annual charges.

One-off costs to the ratepayer will relate to the initial postponement application fee, a contribution to the facilitation process, and any other incidental fees and charges relevant to the particular application.



Other costs to the ratepayer (or their estate) will be the amount of the postponed rates and charges, interest on the accumulated postponement amount, and an annual administration fee to cover management and the scheme's operating costs.

All of the above fees and charges will be added to the postponed rates.

Legal Fees – if an applicant wishes to consult a lawyer, the applicant will need to meet the costs of doing so.

### *Application*

Postponed rates will be registered as a statutory land charge on the rating unit's title.

Applications will be considered by delegated officers in accordance with the scheme's criteria.

## Māori Freehold Land

### Remission and postponement of rates on Māori freehold land

#### *Objectives of the policy*

Section 102(2)(e) of the Local Government Act 2002 requires Council to adopt a policy on the remission and postponement of rates on Māori freehold land; Section 108 and Schedule 11 set out the matters to be considered.

#### *Conditions and criteria*

Council has reviewed the matters set out in Section 108 and Schedule 11 and has decided that the appropriate policy is to consider applications for remission or postponement of rates on Māori freehold land in terms of the policies adopted by Council regarding remissions and postponements of rates on other land.





# ENGAGEMENT AND SIGNIFICANCE POLICY

## Purpose

The decisions Council make affect its communities on a daily basis. The purpose of this policy is to let the community know how and when they can expect to be engaged informed/consulted in Council’s decision-making processes. This policy will tell you:

- When the community can expect to be engaged (consulted) with;
- What decisions Council and the community think are particularly significant (important);
- How Council will assess the significance (importance) of the decisions.
- How the community can expect to be engaged (consulted) with;

## Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

Term	Definition
<b>Community</b>	<p>A group of people—</p> <ul style="list-style-type: none"> <li>• living in the same place; or</li> <li>• having a particular interest or characteristic in common; or</li> <li>• owning property in the same place.</li> </ul> <p>It includes interested parties, affected people and key stakeholders.</p>
<b>Decision</b>	<ul style="list-style-type: none"> <li>• Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. (Management decisions made by officers under delegation during the implementation of council decisions will not be considered significant).</li> </ul>
<b>Engagement</b>	<ul style="list-style-type: none"> <li>• The process of involving the community in decision-making (see engagement levels and methods matrix)</li> </ul>

Term	Definition
<b>Proposal</b>	<ul style="list-style-type: none"> <li>Decision to be made by Council on a specific issue, asset or activity.</li> </ul>
<b>Significance</b>	<ul style="list-style-type: none"> <li>In relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for: <ul style="list-style-type: none"> <li>the district or region;</li> <li>any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;</li> <li>the capacity of the local authority to perform its role, and the financial and other costs of doing so.</li> </ul> </li> </ul>
<b>Strategic Asset</b>	<p>The assets and groups of assets in terms of s.90(2) that Marlborough District Council considers to be strategic are:</p> <ul style="list-style-type: none"> <li>The local roading network as a whole.</li> <li>District storm water networks.</li> <li>District water supply networks.</li> <li>District sewerage networks.</li> <li>River control assets.</li> <li>Shares in MDC Holdings Ltd.</li> <li>Commercial forestry known as Marlborough Regional Forestry.</li> </ul>

## Statements

- Community engagement helps to strengthen the legitimacy of decisions. It enables communities to influence decisions and it increases the accountability of Council. It ensures the community are aware and can respond to Council proposals based on a range of knowledge, views and values.
- When Council has a proposal, it needs to decide whether and how to engage (consult) with the community, individuals or particular interest groups. Council has to apply the principles of engagement set out in the Local Government Act 2002 when deciding what process to follow when consulting on a particular proposal. Council will use this policy when deciding how to consult or engage.

- This policy is in four parts:
  - Engagement - describes when Council will engage with the community;
  - Significance - describes how Council decides if a proposal is significant (important). The level of significance (together with other factors set out in this policy) then determines what level of engagement is required;
  - Details on community preferences about engagement and the Engagement Levels and Methods Matrix; and
  - A brief description of the Special Consultative Procedure.

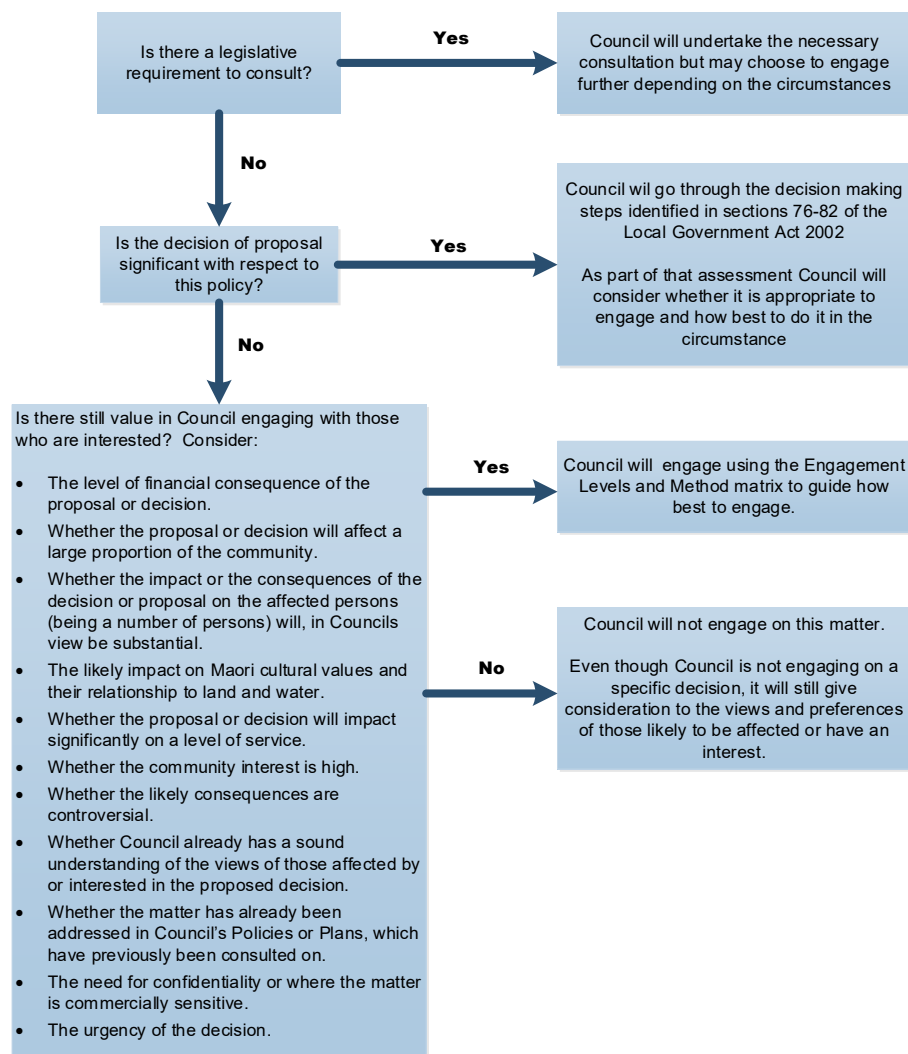
## Engagement with Māori

- Council has a current policy on engagement with Māori, the Māori Capacity Development Policy, made under section 81 of the Local Government Act 2002. Council will continue to engage with Māori under that Policy. Council and Marlborough's tangata whenua iwi are reviewing the basis on which they interact. This review is likely to result in a dedicated Māori engagement policy.

## Engagement

- Council is committed to effective engagement with Marlborough's communities on what matters to them. In return people expect to have the opportunity to be involved and have their say.
- This part of the policy describes:
  - The process to determine whether Council will engage with the community?
  - When Council will not engage with the community.
  - Feedback on decisions made.
- Unless engagement is required by statute, it is open to Council to decide whether engagement is required in order to determine community views, and if so, the nature and extent of consultation
- If the proposal or decision is affected by a number of the considerations below it is more likely to have a higher need of engagement.

## Process to determine whether Council will engage with the community



## When Council will not engage with the community

9. There are times when it is not necessary, appropriate or possible to engage with the community on a proposal or decision. These include:
  - (a) On decisions to take (or not take) enforcement action in a particular case (even where the matter may be highly significant under this Policy (for example, where the matter has high public interest)).
  - (b) In emergency situations where an immediate response is necessary.
  - (c) On administrative matters (for example, tendering and contracting, delegations, appointments (staff, commissioners, directors, and trustees), insurance and risk management).

## Feedback on decisions made

10. Council will make sure that the public is told what choices and decisions were made and why. Council will endeavour to directly contact everyone who had input or made a submission. Council may use the media or the Council website to let people know.

## Significant proposals and decisions

11. This part of the Policy describes:
  - (a) The criteria or procedures Council will use to assess significance
  - (b) The approach Council will take to determining the significance of proposals and decisions. How significant a proposal or decision is has a direct impact on the level of consultation required.
12. Marlborough District Council will consider any decisions concerning the following as significant:
  - (a) Expenditure on issues, assets, or other matters (not including strategic assets) that represent more than 10% of Council's total budgeted annual income.
  - (b) Any transfer of ownership or control to or from the Council, or the construction, replacement or abandonment, of a strategic asset as defined by the Act or listed in this policy.
  - (c) Reducing Council's shareholding in any Council Controlled Organisation and Joint Operating Committee below 100% of the shareholding held as at 30 June 2012.

- (d) Entry into any partnership with the private sector to carry out a significant activity.
  - (e) Whether an affected asset is a strategic asset within the meaning of the Act or listed in this policy.
13. Degrees of significance will be determined after consideration of the following criteria:
- (a) Whether an affected asset is a strategic asset within the meaning of the Act or listed in this policy.
  - (b) The extent to which there is, or is likely to be, a change in the level of service in carrying out any significant activity.
  - (c) The extent to which there is, or is likely to be, a change in the capacity of the Council to provide any significant service or carry out any significant activity.

## Engagement levels and methods matrix

14. This part of the Policy details community preferences for engagement and the engagement levels and methods matrix.

## Community preferences for engagement

15. Many interest groups and communities already effectively engage with Council on an on-going basis. Council will continue to support existing community and interest groups in engaging with Council.
16. Council has established the “Smart and Connected” programme which brings together industries and interest groups to better manage their futures. The Smart and Connected economic strategy aims to create a partnership between Council and the community to promote the vision for Marlborough.
17. Council will look for other opportunities for communities and interest groups to engage with Council in this way. These opportunities may be single-issue or ongoing. They may involve establishing forums for communities and new Smart and Connected Cluster groups. These forums and groups allow people to express their views to Council on matters affecting them, allows Council to provide information of interest to them, and Council can assist them to make decisions for their future development.

18. When engaging with the community, Council will apply the following principles:
- (a) Undertake the engagement with an open mind. (Council expects other people involved in the engagement to also have an open mind)
  - (b) Be fair, informal and not too bureaucratic.
  - (c) Seek the views of interested and affected people.
  - (d) Seek the views of the people who it does not normally hear from.
  - (e) Give people relevant and easily understood information in a way that suits them.
  - (f) Use plain language.
  - (g) Make it easy for people to give their views to the Council.
  - (h) Engage in the community by going to where people are and not always expecting them to come to the Council.
  - (i) Involve people right through the decision making process.
  - (j) Give people time to think about the issues and respond to them.
  - (k) Be clear about the process being used and the levels of influence that people have.
  - (l) Be receptive to new ideas.
  - (m) Give people involved in the engagement a response to the issues they raise.
  - (n) Undertake the engagement in a cost effective way.
19. Council will look for other ways to engage with the community over the term of this Policy.
20. Council will use a variety of methods of engagement. The methods will vary greatly in accordance with the significance of the decision to be made in accordance with this policy and more than one method may be used over time on one project.

## Engagement levels and methods matrix

Level	Inform	Consult	Involve	Collaborate	Empower
<b>What does it involve</b>	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision making	Working in partnership to develop an understanding of all issues and interests to work out alternatives and identify preferred solutions. Sharing of resources (e.g. people) for a common purpose.	The final decision making is in the hands of the public. Under the LGA 2002, the Mayor and Councillors are elected to make decisions on behalf of their constituents
<b>Types of issues that we might use this for</b>	Water restrictions	Rates review	Smart & Connected Leadership Groups	Resource Management Plan Review	Election voting systems (MMP, STV or first past the post)
<b>Tools Council might use</b>	Websites Social media Information flyer Public notices Public meetings Community papers	Formal submissions and hearings, focus groups, surveys (for example, phone and web—based polling surveys)	Workshops Focus groups	External or joint working groups (involving community experts or stakeholders)	Binding referendum Local body elections
<b>When the community can expect to be involved</b>	Council would generally advise the community once a decision is made	Council would advise the community once a proposal is determined by Council and would generally provide the community with at least 4 weeks to participate and respond	Council would generally provide the community with a greater lead in time to allow them time to be involved in the process	Council would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered	Council would generally provide the community with a greater lead in time to allow them time to be fully involved in the process

Note: the tools described in each column may also include tools described to the left of that column

## Brief description of the special consultative procedure

21. The special consultative procedure is an open invitation to the public to be involved in decision making. It is used when the issue to be decided on affects the whole of Marlborough or all ratepayers and residents in Marlborough are likely to be interested in the decision to be made. It is a formal process that is set out in the Local Government Act 2002. The main steps in the process are:
- (a) Council issues a statement of proposal which is open for the community to provide views. It remains open for at least a month. The community can make a submission on the proposal.
  - (b) Council will hold a hearing if the community want to present their views in person.

- (c) Council makes a decision on the proposal taking into account the views expressed.
- (d) The process can take four to six months (or even longer) to complete.
- (e) Council will provide an opportunity for people to present their views in a manner that enables spoken (or NZ sign language) interaction between the person and Council, if requested.
- (f) Council may allow a person to present their views by audio or audio-visual link, if requested.

Council will ensure that the consultation documents are accessible to the public and that the fact the proposal is open for consultation widely known (for example, on Council's website).





# STATEMENT ON CONTRIBUTIONS TO DECISION-MAKING PROCESSES BY MĀORI

## Introduction

Council provides a wide range of services which make important contributions to the many communities in Marlborough. People should have the opportunity to participate in decisions about those services that affect them.

## Context

Council recognises the uniqueness accorded to Māori as tangata whenua.

There are a wide range of Māori, iwi, hapū, business and community organisations in the Marlborough District as well as social and cultural organisations.

Māori make up more than 13% of the population of the Marlborough region (2018 Census), of which a significant number are mana whenua. Iwi authorities are an increasingly significant component of the Marlborough economy, following Te Taihū Tiriti settlements.

There are eight iwi groups within Marlborough, who have completed Te Tiriti settlements. Most of these iwi have interests across Te Taihū —

- Ngāti Kūia, Rangitāne o Wairau, and Ngāti Apa ki te Rā Tō (*Kurahaupō waka*)
- Ngāti Koata, Ngāti Rārua and Ngāti Toa Rangatira (*Tainui waka*)
- Te Ātiawa o Te Waka-a-Māui (*Tokomaru waka*)
- Ngāi Tahu (*Uruao waka*)

Council recognises and respects the Crown's responsibility to take appropriate account of the principles of Te Tiriti, and to maintain and improve opportunities for Māori to contribute to local government decision-making processes.



## Contributions to decision-making

Council is charged with the responsibility to promote opportunities for Māori and tauīwi (other members of the public) to contribute to its decision-making processes.

These obligations apply to all Māori in the district. Council acknowledges that Māori other than tangata whenua may be resident in the area.

Council engages with the iwi authorities that have settled, for day-to-day business operations.

A number of key themes emerge from the various pieces of legislation including:

- (a) in Council decision-making processes:
  - i. to consider Te Tiriti o Waitangi principles;
  - ii. facilitating iwi participation;
  - iii. recognising and understanding Māori cultural values and perspectives including mātauranga Māori (Māori knowledge), tikanga Māori (Māori principles and protocols); and kaitiakitanga (Māori guardianship);
- (b) Council's duty to contribute to Māori capacity and to enable and promote Māori well-being as part of a comprehensive and effective long-term strategy of the Council; and
- (c) the Māori contribution to the social, economic, environmental, and cultural well-being of Marlborough.

*Council has identified three main areas on which it needs to focus:*

- (a) Assist Māori to build capacity to engage with Council.
- (b) Developing contributions to decision-making processes by iwi.
- (c) Building Council capacity.

## Assist iwi to build capacity

Council needs to find out how it can help with resourcing so that iwi can better engage in Council processes and decision-making.

To do this, Council needs to understand from iwi:

- What are their aspirations?
- What are their expectations of Council?

Council has historically provided assistance to iwi through their Tiriti settlement negotiation processes. Council provides information to iwi on infrastructure provision and various economic development opportunities. However, post-settlement there may be more that Council can do.

Together we can assess what iwi need to be able to fully participate in Council decision-making processes.

## Council decision-making

There is a need for iwi to be involved in Council decision-making which requires us to develop relationships of mutual respect, co-operation and goodwill.

Council will engage with iwi to ensure that its decision-making processes provide opportunities for iwi to take part.

Strong on-going personal relationships and structural arrangements can assist with this.

Regular relationship meetings with key iwi stakeholders allow Council and iwi at governance and management levels to focus on long-term strategic engagement, understanding each other's goals and aspirations.

Council will also review how iwi can have influence at the governance level.

*In particular, Council continues to:*

- (a) invite iwi authorities to take part in its annual and three-yearly strategic planning to develop the Annual Plan and the Long-Term Plan;
- (b) have a Māori Ward established from the 2022 Local Government elections (but this may require a confirmation referendum in 2025);
- (c) have positions available for iwi on Council's main standing committees;
- (d) consult on new and revised bylaws and other regulatory or planning instruments; and
- (e) engage with iwi over Policy statements and Plans under the RMA.

#### **“Kia Kotahi Te Tauihu – A Partnership Agreement for a Stronger Te Tauihu”**

This agreement provides a platform for a stronger TeTauihu by affirming a strong partnership between Ngā Iwi o Te Tauihu (the “iwi”) and Ngā Kaunihera o Te Tauihu (the “councils”) - to enhance the wellbeing of Te Tauihu now and in to the future. The Agreement follows and enhances this statement. It will be reviewed annually through a partnership Wānanga where priority outcomes will be aligned.

The agreement can be found on Council's website:

[https://www.marlborough.govt.nz/repository/libraries/id:2ifzri1o01cxbymxkvwz/hierarchy/documents/your-council/Te\\_Tauihu-iwi\\_2023/Together%20Te%20Tauihu%20Partnership%20Agreement%20-%20B%26W.pdf](https://www.marlborough.govt.nz/repository/libraries/id:2ifzri1o01cxbymxkvwz/hierarchy/documents/your-council/Te_Tauihu-iwi_2023/Together%20Te%20Tauihu%20Partnership%20Agreement%20-%20B%26W.pdf)

#### **Proposed Marlborough Environment Plan (PMEP)**

The Proposed Marlborough Environment Plan (PMEP) includes Volume 1 Chapter 3. “Marlborough’s Tangata Whenua iwi” developed with Marlborough iwi to determine resource management issues of significance to them. It is a comprehensive chapter providing objectives and policies to address the identified issues. The PMEPE can be found on Council's website.

#### **Build Council capacity**

Council needs to have a good understanding of Māori in our community, their aspirations and expectations. Knowing about and respecting tikanga, kawa, tē reo, tē Ao Māori will aid in developing relationships for effective engagement.

Council can do some basic things that will make staff and Councillors more at ease in moving in a Māori world.

Council will –

- employ a Kaihautū – Māori Partnership Manager;
- promote appreciation and understanding of tē Ao Māori;
- develop resources and provide training for Councillors and staff to better engage with iwi and Māori and provide opportunities to understand Council's obligations; and
- facilitate the securing and application of government funds to assist iwi capacity to engage in Council decision making processes.