REVENUE AND FINANCING POLICY

3 APRIL 2024

TE KAUNIHERA Ā-ROHE O WHAKAORIORI
MASTERTON DISTRICT COUNCIL

Contents

POLICY NUMBER: MDC003	
First Adopted	The policy was first adopted (as the Funding Policy) following public consultation in 1997. It has been reviewed, refined and revised by the Council every three years since then (apart from in 2021).
Latest Version	March 2024
Adopted by:	Masterton District Council
Review Date	March 2027

Purpose

This policy outlines the revenue sources used to fund the range of services the Council provides. It also sets out the factors that Council must consider when determining its funding sources in accordance with section 101(3) of the Local Government Act 2002.

This policy has been developed pursuant to the requirements of sections 101, 102 and 103 of the Local Government Act 2002.

Scope

This policy covers sources of funding for the operating and capital expenditure of Masterton District Council. The funding sources include, but are not limited to, external revenue, including NZ Transport Agency Waka Kotahi roading subsidies, user fees and charges, financial contributions and local authority rating.

The policy outlines where the revenue will come from to pay for services but does not determine the costs of providing each service. Council budgets for the costs of the services it provides in the Long Term and Annual Plans.

Principles

In making this policy, the Council must consider the funding of each of its sub-activities in the context of the requirements of sections 101(3) of the Local Government Act 2020. The requirements are a two-step process, as outlined below.

First Step Considerations

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

- the community outcomes to which the activity primarily contributes;
- the distribution of benefits between the community as a whole and individuals or groups (user pays principle);
- the period of time in which benefits are expected to occur (intergenerational equity principle);
- the extent to which the actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle);
- and the costs and benefits of funding the activity distinctly.

Second Step Considerations

A second step is then applied. This involves the Council considering the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.

The Council completes this step by considering the effects of applying the theoretical funding principles of step one, with the ability to modify for reasons of fairness, legality and practicality. The process seeks to match the costs of a service with the beneficiaries of a service, then modifies the allocation where appropriate, choosing the most appropriate funding mechanism based on Council's analysis. Where services can be identified as having a direct benefit to individual users and there is the ability to recover all or some of the costs, user charges have been set to recover the value of that benefit.

A summary of Council's section 101(3) analysis is available in Schedule 4.

Policy Statement

External Revenue

Wherever feasible and appropriate, the Council seeks to recover costs from users of a service via user charges. The Council also seeks to maximise its external revenue including from central Government funding such as NZ Transport Agency Waka Kotahi subsidies, local petrol tax and the waste levy. After external revenue, Council uses borrowing to fund specific capital projects and Council reserves/depreciation funding.

User Pays

Where the activity benefits an individual (or group of individuals) then user-pays is the initial funding source (i.e. requiring those individuals who receive a service, pay directly for all or some portion of the service). Council seeks to maximise the portion of the service paid for through user fees and charges wherever feasible and appropriate.

The following areas are the key sources of user charges and external revenue:

- Resource consent fees
- Building consent fees (including plumbing & drainage fees)
- Sports field charges and rents
- Property rents
- Mawley Holiday Park revenue
- Airport landing fees and leases
- Parking meter fees and fines
- Dog registration fees
- Refuse transfer station & composting user charges
- Waste levy
- Refuse collection recoveries (via bag sales)
- Hall hireage income
- Water & sewer connection recoveries
- Water meter charges (outside urban boundary)
- Trade waste charges
- Roading subsidies (from NZ Transport Agency Waka Kotahi)
- Local Petrol Tax
- Cost recovery charges (e.g. GWRC rates collection, CDC & SWDC shared services).

Rating Policy

After external revenue and user pays, the balance of the funding comes from the ability for Council under the Local Government (Rating) Act 2002 to charge property rates to recover the costs of services. This includes for the many Council services that have a wider community benefit where no equitable charge can be made based on usage.

The rating policy is based on the following principles:

- The rates required for each service are first allocated between urban and rural rating areas using a range of allocation bases;
- Targeted rates are set in the urban and rural areas. No 'General Rate' is applied across all properties in the district;
- For those costs that are charged across the whole district, an effective differential is achieved using the urban/rural allocations;
- Allocation bases include the current population split, the targeted area in which the service is available and (for subsidised roading) the locality of programmed expenditure.

Schedule 3 sets out the Rating Base used. It includes population (urban and rural), property and valuation figures of the Masterton district. These are key to the way the rates required are divided up amongst properties.

Urban/Rural Allocation Basis

As outlined above, the rates required for each service are first allocated between urban and rural areas. Schedule 1 summarises both the urban/rural split of the rating incidence and the rate types to fund each activity.

The allocation between urban and rural rating areas is set to 100 per cent / 0 per cent where the area of benefit for a service is confined to one rating area (either urban or rural). Examples of these services are water supplies, wastewater systems and recycling collection. Other services that benefit the whole district have been split between urban and rural areas based on either a population criterion, a valuation criterion or an estimate of where the benefit falls.

The allocation of rates between the two rating areas has been modified by the Council from that of a pure number of properties approach or a pure valuation-based approach. The relationships between the urban and rural areas are relevant where there is an overlap in the areas of benefit, or where the use of the service cannot be limited to specific areas. The Council's intention is to allocate costs based on reflecting usage of, or access to, Council services.

The Council has taken into account the following ratios:

Population based criterion: For services where the funding policy suggests the areas of benefit relate to significant levels of individual benefit but are not met by user charges or are services with the demands being relevant to people-based services, rather than property-based services, the population ratio has been selected as the most appropriate method of allocation between properties. The Council has taken into account the population ratio set out in Schedule 3.

Services allocated via population include:

- Regulatory services
- Emergency management/civil defence
- Archive, airport, forestry
- Waste minimisation
- Community development
- Economic development
- District building & other property
- Representation
- Cemeteries
- Public conveniences
- Refuse transfer station & recycling
- Parks & recreation
- Library
- Sports fields
- Arts & culture

Land Value – 44 : 56 (urban:rural) & Capital Value – 53 : 47 (urban:rural) While no district-wide services are allocated between the urban and rural rating areas on the basis of district wide land or capital value, the ratios are shown for comparison purposes.

Subsidised Roading – 30 : 70 (urban:rural) This reflects where the subsidised roading programme expenditure is expected to be spent in the coming three years, split between areas. This ratio may be subject to change outside of the LTP years, if roading expenditure varies from the LTP in any subsequent Annual Plan.

Solid Waste – 79 : 21 (urban:rural) Used for the allocation of the residual cost of solid waste management (after user pays income) - Nursery Road transfer station, recycling and composting. This allocation recognises that all residents have equal access to the solid waste services that are being funded by way of general rates, and that rural people will use and therefore benefit from the services at Nursery Road.

Solid Waste (rural) – 10 : 90 (urban:rural) For the allocation of rural waste management costs (rural transfer stations) recognising that rural ratepayers will be paying a share of Nursery Road operating costs, so urban carries a share of rural costs. A targeted rate on beach properties recovering a proportion of waste collection costs reduces the share carried by all other rural properties.

Rural Halls – 5 : 95 (urban:rural) For the allocation of the costs of rural halls and holding paddocks, recognising some 'district benefit' in the Council supplying these facilities.

Targeted Rates, Uniform and Services Charges

The Council has no 'General Rate.' Instead, the Council uses targeted rates and targeted uniform charges for urban and rural properties to fund the costs of services allocated to those areas. In addition, targeted services charges are used to charge properties connected or able to receive a specific service.

Table 1: Targeted Rates, Uniform and Service Charges

	Urban	Rural
Targeted Rates (differentiated between urban/rural properties based on cost allocations)		
Targeted Land Value (roading) rate	✓	✓
Targeted Land Value water races rates		✓
Targeted Capital Value rates	✓	✓
Targeted Uniform Charges (differentiated between urban/rural properties based on cost allocations)		
Targeted Uniform Charge	✓	✓
Targeted Roading Charge	✓	✓
Other Targeted Services Charges		
Urban Water Supply Charge	✓	
Urban Wastewater System Charge	✓	
Recycling Collection Charge	✓	✓*
Wastewater Treatment Charge**		✓
Castlepoint Sewerage Charge		✓
Riversdale Beach Sewerage Charge (connected)		✓
Riversdale Beach Sewerage Charge (serviceable)		✓
Beach (Refuse & Recycling) Collections Charge		✓
Tinui Water Supply Charge		✓
Tinui Sewerage Charge		✓

* *Charged in the rural periphery where the Council is prepared to offer the collection service.*

** *This charge will apply to those properties, particularly on the urban periphery, where septic tank overflow is piped into the urban sewer network. It is applied on a 'residential equivalents (RE)' basis where one RE equals 600 cubic metres of liquid effluent per day.*

The general effect of the targeted charges is to reduce the component of either land or capital value rates on the higher value properties and raise the minimum level of rates for lower value properties. The Local Government (Rating) Act 2002 places a restriction of 30 per cent maximum of Uniform General Charges to total rates income. Although there are no Uniform Annual General Charges in Masterton's rating policy, the targeted uniform and roading charges (levied in both rural and urban areas) can be considered equivalent.

Urban Differential – Non-Residential

The Council has determined that, in general, public services provide more benefits to the urban non-residential sector (i.e. commercial) than to residential. The effect of the high percentage of uniform and services charges is recognised as regressive - it reduces the impact on higher valued properties. A multiplier of 2.0 is then applied on each of the separate and targeted rates assessed on land and capital values.

Rating Valuations

The rating policy includes a large share the rates required being allocated based on property values (land value and capital value). The values are assessed by Quotable Value NZ Ltd and a revaluation process is completed every three years. The revaluation process is subject to audit by the Office of the Valuer General. The balance of the rates are allocated via targeted charges.

When a revaluation is completed, the Council applies the new values to its rating. This results in a greater share of rates being paid by those properties that have had valuation changes above the average change. There is often a large amount of variability in the valuations and it is difficult to generalise the outcome.

Funding of Capital Expenditure

The Council's policy with regard to the funding of capital expenditure is to:

- Fund roading network renewal expenditure from Waka Kotahi (NZTA) subsidies (currently 56% on subsidised work) and the balance from annual rates;
- There are exceptions to the above:
    - bridges – Council's share is from depreciation reserves
    - non-subsidised asset renewals (e.g. footbridges, street furniture) funded from depreciation reserves that are built up from annual rates
- Fund other replacement assets from depreciation reserve funds to the extent that those funds are available. Where depreciation reserves are insufficient, loan funding may be used
- Fund assets which increase levels of service by borrowing/loans
- Fund assets needed because of growth, from developers, either by the developer providing the infrastructure or by them making financial contributions at the outset of the development.

Review of Policy

This policy will be reviewed every three years as part of the Long-Term Plan process. A summary of changes from the last review is incorporated as Schedule 5.

Related Documents

Masterton District Council Long-Term and Annual Plans

Funding and Financial Policies

- Development and Contributions Policy
- Treasury Management Policy
- Rates Remission Policy
- Rates Postponement Policy
- Rates Remission and Postponement on Māori Freehold Land Policy

References

Local Government Act 2002

Local Government (Rating) Act 2002

Te Ture Whenua Māori Act 1993

Version Control

Version	Date	Summary of Amendments	Approved By
1.0	03/04/2024	Reviewed as part of 2024-34 LTP. Refer to Schedule 5.	Masterton District Council

Schedules

Schedule 1 – Masterton District Council Activity Funding Allocations

Schedule 2 – Sub-Activity Funding Analysis and 2024/25 Allocation Table

Schedule 3 – Rating Base

Schedule 4 – Section 101(3) Analysis

Schedule 5 – Summary of changes from the 2023/24 Revenue and Financing Policy Review

Schedule 1 – Masterton District Council Activity Funding Allocations

Definitions

CV = Capital Values - these are market values at a point in time, provided by Quotable Value (QV). Using CV as the basis to charge means properties with a higher CV (land plus improvements like buildings) pay a greater share of the rates than those with a lower CV.

LV = Land Values - The value of land alone based on QV valuations. Land values reflect market pricing at a point in time.

TSC = Targeted Service Charges – the same dollar amount is charged to all properties receiving services such as recycling collection, water and wastewater services.

TUC = Targeted Uniform Charges – the same dollar amount is charged to each property. The amount varies between urban and rural areas e.g. all urban properties are charged the same TUC, a different TUC is charged on rural properties.

#	Activity	User Pays Allocation		Urban/Rural Allocation		Funding Source	
		Community	User	Urban	Rural	Urban	Rural
1	Airport/Hood	40%	60%	79%	21%	CV	CV
2	Animal Control	30%	70%	79%	21%	TUC	TUC
3	Archive	95%	5%	79%	21%	TUC	TUC
4	Arts and Culture	100%	0%	79%	21%	CV	CV
5	Building Services	20%	80%	79%	21%	CV	CV
6	Cemetries	35%	65%	79%	21%	CV	TUC
7	Community Development	85%	15%	79%	21%	TUC	TUC
8	District Buildings	35%	65%	79.0%	21.0%	CV	CV
9	Economic Development	100%	0%	79.0%	21.0%	CV	CV
10	Emergency Management	72%	28%	79.0%	21.0%	CV	CV
11	Environmental Health	50%	50%	79.0%	21.0%	CV	CV
12	Environmental Initiatives	100%	0%	79.0%	21.0%	CV	CV
13	Forestry	40%	60%	79.0%	21.0%	TUC	TUC
14	Housing for Elderly	10%	63%	79.0%	21.0%	CV	CV
15	Library	95%	5%	79.0%	21.0%	TUC	TUC
16	Mawley Park	20%	80%	79.0%	21.0%	CV	CV
17	Other Property	35%	65%	79.0%	21.0%	CV	CV
18	Other Rural Water Services	85%	15%	0.0%	100.0%	n/a	CV
19	Parking Control	0%	100%	n/a	n/a	n/a	n/a
20	Parks, Reserves, Sportsfields	95%	5%	79.0%	21.0%	CV	TUC
21	Public Toilets	100%	0%	79.0%	21.0%	CV	CV
22	Recreation Centre	80%	7%	79.0%	21.0%	TUC	TUC
23	Recycling and Composting	35%	65%	79.0%	21.0%	CV	CV

#	Activity	User Pays Allocation		Urban/Rural Allocation		Funding Source	
		Community	User	Urban	Rural	Urban	Rural
24	Recycling Curbside Collection	100%	0%	100.0%	0.0%	TUC	n/a
25	Refuse Collection	30%	70%	100.0%	0.0%	CV	CV
26	Refuse Disposal	0%	100%	79.0%	21.0%	CV	CV
27	Resource Consents & Planning	70%	30%	79.0%	21.0%	CV	CV
28	Roading – storm damage	24%	76%	30.0%	70.0%	30% TUC, 70% LV	30% TUC 70% LV
29	Roading – subsidised	44%	56%	30.0%	70.0%	30% TUC, 70% LV	30% TUC 70% LV
30	Roading – non-subsidised rural	100%	0%	0.0%	100.0%	n/a	30% TUC 70% LV
31	Roading – non-subsidised urban	100%	0%	100.0%	0.0%	30% TUC, 70% LV	n/a
32	Rural Halls	99%	1%	5.0%	95.0%	CV	CV
33	Rural Refuse	85%	15%	10.0%	90.0%	CV	TUC/TSC (beach)
34	Stormwater	100%	0%	100.0%	0.0%	CV	n/a
35	Wastewater - Castlepoint	0%	100%	0.0%	100.0%	n/a	TSC
36	Wastewater – Riversdale Beach	0%	100%	0.0%	100.0%	n/a	TSC
37	Wastewater – Tinui	50%	50%	0.0%	100.0%	n/a	TSC / CV
38	Wastewater – Urban	90%	10%	100.0%	0.0%	30% TSC, 70% CV	n/a
39	Water Supply – Rural	20%	80%	0.0%	100.0%	n/a	CV
40	Water Supply - Urban	90%	10%	100.0%	0.0%	30% TSC, 70% CV	n/a
41	Representation	100%	0%	79.0%	21.0%	CV	CV

Schedule 2 – Sub-Activity Funding Analysis and 2024/25 Allocation Table

REVENUE & FINANCING POLICY - SUB-ACTIVITY FUNDING ANALYSIS SUMMARY

*TU Chrg = Targeted Uniform Charge, TSC = Targeted Services Charge

Activity	Operational Funding Analysis Public	Private	Comment	Draft 2024/25 RATES REQ. GST Incl.	Ward Allocation Urban %	Rate Type	Rural %	Rate Type	Basis of urban/rural
Representation	100%	0%	40% internally allocated as overheads	1,068,304	79.0%	CV	21.0%	CV	Population
Community Development	85%	15%		1,438,304	79.0%	CV	21.0%	CV	Population
Arts & Culture	100%	0%		564,024	79.0%	CV	21.0%	CV	Population
Economic Development	100%	0%		1,730,387	79.0%	CV	21.0%	CV	Population
Parks, Reserves & Sportsfields	95%	5%	Low level of user charges	4,586,696	79.0%	CV	21.0%	TU Chrg	Population
Recreation Centre	80%	7%	External revenue to facility manager	1,907,346	79.0%	TU Chrg	21.0%	TU Chrg	Population
Cemeteries	35%	65%	Burial fees & sale of plots	301,962	79.0%	CV	21.0%	TU Chrg	Population
District Building	35%	65%	Hall hire & internal rents	632,228	79.0%	CV	21.0%	CV	Population
Housing for the Elderly	10%	63%	Rentals set below market	231,082	79.0%	CV	21.0%	CV	Population
Other Property	35%	65%	Rentals	410,043	79.0%	CV	21.0%	CV	Population
Public Conveniences	100%	0%		656,060	79.0%	CV	21.0%	CV	Population
Rural Halls	99%	1%	Hall hire & internal rents	214,928	5%	CV	95%	CV	Location of service
Mawley Park	20%	80%		278,660	79.0%	CV	21.0%	CV	Population
Library	95%	5%	Recoveries	2,519,459	79.0%	TU Chrg	21.0%	TU Chrg	Population
Archives	95%	5%	Recoveries	787,922	79.0%	TU Chrg	21.0%	TU Chrg	Population
Forestry	40%	60%	Internal charge to roading	53,464	79.0%	TU Chrg	21.0%	TU Chrg	Population
Airport	40%	60%		600,595	79.0%	CV	21.0%	CV	Population
Resource Mgmt & Planning	70%	30%	Consent fees income	1,655,144	79.0%	CV	21.0%	CV	Population
Environmental Health	50%	50%	Largely internal recoveries	2,036,036	79.0%	CV	21.0%	CV	Population
Building Inspection	20%	80%	Consent fees income	380,809	79.0%	CV	21.0%	CV	Population
Animal Control	30%	70%	Dog fees	286,253	79.0%	TU Chrg	21.0%	TU Chrg	Population
Parking Control	0%	100%	Meters & fines, offsets Econ Dev	4,588	79.0%	TU Chrg	21.0%	TU Chrg	Population
Emergency Mgmt/CD	72%	28%		387,576	79.0%	CV	21.0%	CV	Population
Urban Water supply	90%	10%	Targeted charge & CV rate	5,886,619	100%	30% TSC/70% CV	0%		Location of service
Rural Water supplies	20%	80%	Targeted rates	107,377			100%	Targeted rates & chrgs	Location of service
Other rural water services	85%	15%		121,067			100%	CV	Location of service
Urban Wastewater system	90%	10%	Trade waste chrgs, TUChrg & CV rate	9,180,702	100%	30% TUChrg/70% CV	0%		Location of service
Stormwater	100%	0%	Urban area only	1,193,135	100%	CV	0%		Location of service
Castlepoint sewerage	0%	100%	Targeted charge	134,270			100%	Targeted chrg	Location of service
Riversdale Beach sewerage	0%	100%	Targeted charge	355,995			100%	Targeted chrg	Location of service
Tinui sewerage (operating)	50%	50%	Targeted charge	16,173			100%	Targeted chrg	Location of service
Refuse collection	30%	70%	Via refuse bag sales	-	100%	CV	0%	CV	Location of service
Refuse disposal	0%	100%	User charges (gate fees)	90,241	79.0%	CV	21.0%	CV	Population
Recycling kerbside collection	100%	0%	Targeted charge (serviced rating units)	1,014,377	100%	TUChrg	0%		Location of service
Recycling & composting	35%	65%	Composting gate charges	277,794	79.0%	CV	21.0%	CV	Population
Rural refuse	85%	15%	Rural Tsf Stn gate fees	400,048	10%	CV	90%	TUChrg/Targeted beach Chrg	Location of service
Subsidised Roading	44%	56%	NZTA subsidy 56%, TUChrg & LV rate	9,405,676	30%	30% TU Chrg/70% LV	70%	30% TU Chrg/70% LV	Location of service
Non-subsidised roading urban	100%	0%	Roading LV rate	1,604,383	100%	30% TU Chrg/70% LV	0%		Location of service
Non-subsidised roading rural	100%	0%	Roading TU chrg & LV rate	399,199	0%		100%	30% TU Chrg/70% LV	Location of service
Storm/Flood funding	24%	76%	Internally charged	572,968	30%	30% TU Chrg/70% LV	70%	30% TU Chrg/70% LV	Location of service
Total				$ 53,491,895					

= changed allocation from previous policy

REVENUE & FINANCING POLICY - Allocation Table

The table below is a summary of how the 2024/25 Rates Requirement is allocated based on the 2024 Revenue & Financing Policy.

C Targeted uniform charge (TUC)
CV Capital value rate
LV Land value rate

Allocations Urban	Allocations Rural	2023/24 Allocation Urban	2023/24 Allocation Rural		Notes	URBAN RATES Type	URBAN RATES Rate Name	URBAN RATES Amount	RURAL RATES Type	RURAL RATES Rate Name	RURAL RATES Amount	TOTAL
79.0%	21.0%	$ 843,960	$ 224,344	Representation		CV	Representation & Development	$ 843,960	CV	Representation & Development	$ 224,344	$ 1,068,304
79.0%	21.0%	$ 1,136,260	$ 302,044	Community Development	4	CV	Representation & Development	$ 1,136,260	CV	Representation & Development	$ 302,044	$ 1,438,304
79.0%	21.0%	$ 445,579	$ 118,445	Arts & Culture		CV	Representation & Development	$ 445,579	CV	Representation & Development	$ 118,445	$ 564,024
79.0%	21.0%	$ 1,370,631	$ 364,345	Economic Development & Promotion		CV	Representation & Development	$ 1,370,631	CV	Representation & Development	$ 364,345	$ 1,734,975
79.0%	21.0%	$ 3,623,490	$ 963,206	Park, Reserves & Sportsfields		CV	Civic Amenities rate	$ 3,623,490	C	TUC	$ 963,206	$ 4,586,696
79.0%	21.0%	$ 1,506,803	$ 400,543	Recreation Centre		C	TUC	$ 1,506,803	C	TUC	$ 400,543	$ 1,907,346
79.0%	21.0%	$ 238,550	$ 63,412	Cemeteries		C	Civic Amenities rate	$ 238,550	C	TUC	$ 63,412	$ 301,962
79.0%	21.0%	$ 499,460	$ 132,768	District Buildings		CV	Sundry facilities rate	$ 499,460	CV	Sundry facilities rate	$ 132,768	$ 632,228
79.0%	21.0%	$ 323,934	$ 86,109	Other Property		CV	Sundry facilities rate	$ 323,934	CV	Sundry facilities rate	$ 86,109	$ 410,043
79.0%	21.0%	$ 518,288	$ 137,773	Public Conveniences		CV	Sundry facilities rate	$ 518,288	CV	Sundry facilities rate	$ 137,773	$ 656,060
5.0%	95.0%	$ 10,746	$ 204,182	Rural Halls	5	CV	Sundry facilities rate	$ 10,746	CV	Sundry facilities rate	$ 204,182	$ 214,928
79.0%	21.0%	$ 182,555	$ 48,527	Housing for elderly		CV	Sundry facilities rate	$ 182,555	CV	Sundry facilities rate	$ 48,527	$ 231,082
79.0%	21.0%	$ 220,142	$ 58,519	Mawley Park		CV	Sundry facilities rate	$ 220,142	CV	Sundry facilities rate	$ 58,519	$ 278,660
79.0%	21.0%	$ 1,990,372	$ 529,086	Library		C	TUC	$ 1,990,372	C	TUC	$ 529,086	$ 2,519,459
79.0%	21.0%	$ 622,458	$ 165,464	Archive		C	TUC	$ 622,458	C	TUC	$ 165,464	$ 787,922
79.0%	21.0%	$ 474,470	$ 126,125	Airport		CV	Civic Amenities rate	$ 474,470	CV	Sundry facilities rate	$ 126,125	$ 600,595
79.0%	21.0%	$ 1,307,564	$ 347,580	Resource Mgmt & Planning		CV	Regulatory services rate	$ 1,307,564	CV	Regulatory services rate	$ 347,580	$ 1,655,144
79.0%	21.0%	$ 1,909,307	$ 507,537	Regulatory Services		CV	Regulatory services rate	$ 1,909,307	CV	Regulatory services rate	$ 507,537	$ 2,416,845
79.0%	21.0%	$ 226,140	$ 60,113	Dog Control		C	TUC	$ 226,140	C	TUC	$ 60,113	$ 286,253
79.0%	21.0%	$ 306,185	$ 81,391	Civil Defence		CV	Regulatory services rate	$ 306,185	CV	Regulatory services rate	$ 81,391	$ 387,576
100.0%	0.0%	$ 5,886,619	$ -	Water supply - urban		C/CV	Water supply rate and Charge	$ 5,886,619				$ 5,886,619
0.0%	100.0%	$ -	$ 89,571	Opaki water race					LV	Opaki water race	$ 89,571	$ 89,571
0.0%	100.0%	$ -	$ 17,806	Tinui water supply					C	Tinui water supply charge	$ 17,806	$ 17,806
0.0%	100.0%	$ -	$ 121,067	Other rural services					CV	Sundry facilities rate	$ 121,067	$ 121,067
100.0%	0.0%	$ 9,180,702	$ -	Sewerage system - urban		C/CV	Sewerage rate & Charge	$ 9,180,702				$ 9,180,702
100.0%	0.0%	$ 1,193,135	$ -	Stormwater - urban		CV	Sundry facilities rate	$ 1,193,135				$ 1,193,135
0.0%	100.0%	$ -	$ 134,270	Rural Sewerage - Castlepoint					C	Castlepoint sewerage charge	$ 134,270	$ 134,270
0.0%	100.0%	$ -	$ 355,995	Rural Sewerage - Riversdale					C	Riversdale sewerage charges	$ 355,995	$ 355,995
0.0%	100.0%	$ -	$ 16,173	Tinui sewerage - operating					C	Tinui sewerage charges	$ 16,173	$ 16,173
100.0%	0.0%	$ 1,014,377	$ -	Kerbside recycling collection		C	Kerbside recycling charge	$ 1,014,377		Kerbside recycling charge	$ -	$ 1,014,377
79.0%	21.0%	$ 290,748	$ 77,287	Solid waste (incl recycling)		CV	Sundry facilities rate	$ 290,748	CV	Sundry facilities rate	$ 77,287	$ 368,035
10.0%	90.0%	$ 40,005	$ 360,043	Rural Solid Waste	7	CV	Sundry facilities rate	$ 40,005	C	TUC	$ 360,043	$ 400,048
30.0%	70.0%	$ 2,993,593	$ 6,985,050	Roading - Subsidised programme	6	LV/C	Roading rate and Charge	$ 2,993,593	LV/C	Roading rate and Charge	$ 6,985,050	$ 9,978,643
100.0%	0.0%	$ 1,604,383	$ -	Roading - Non Subsidised urban		LV	Roading rate	$ 1,604,383			$ -	$ 1,604,383
0.0%	100.0%	$ -	$ 399,199	Roading - Non Subsidised rural					LV/C	Roading rate and Charge	$ 399,199	$ 399,199
		$ 40,002,693	$ 13,489,202	Total			**2024/25 Total**	**$ 40,002,693**		**2024/25 Total**	**$ 13,489,202**	**$ 53,491,895**
							Actual - 2023/24 LTP Yr3	$ 36,113,661		Actual - 2023/24 LTP Yr3	$ 11,644,686	$ 47,758,347
										Rural sewerage changes	$ -	$ -
							Other increases	$ 3,889,032		Other increases	$ 1,844,516	$ 5,733,548
							Net Increase (before growth)	$ 3,889,032		Net Increase (before growth)	$ 1,844,516	$ 5,733,548
							Estimated effect of growth in rating base	*$ 541,705*		*Estimated effect of growth in rating base*	*$ 116,447*	*$ 658,152*
							% Change (after growth)	***9.3%***		*% Change (after growth)*	***14.8%***	***10.6%***

Notes

1. The above rates include GST at 15% and allowance for rates penalty income and rates remissions.
2. Specific rural water & sewer schemes rates are applied only to those properties serviced by the schemes.
3. Land and capital value rates in the Urban Rating Area are subject to the differential (see the funding policy).
4. Urban/Rural population split is 79/21 (as per extrapolation on Census 2018 and growth data).
5. Rural halls charge of 95% to rural area, to charge ward where largest portion of benefit arises.
6. Subsidised roading urban/rural split is based on expected spend in each rating area.
7. Rural solid waste costs charged largely in the area they are incurred.

Schedule 3 – Rating Base

Listed below are the population, property and valuation figures of the Masterton District. These are key to the way the rates required are divided up amongst properties.

Table 1: Masterton Population*		
Area	**Number of people**	**%**
Rural	6,090	21%
Urban	22,800	79%
Total	**28,970**	**100%**

*Usually resident – Statistics NZ census data 2018 adjusted for growth (9.8 per cent increase over five years since the 2018 Census)

Table 2: Masterton land area		
Area	**Hectares**	**%**
Rural	227,704	92%
Urban	1,796ha	8%
Total	**229,500ha**	**100%**

Table 3: Masterton Separately Ratable Units 2023/24		
Area	**Number**	**%**
Rural	4,091	30%
Urban	9,324	70%
Total	**13,415**	**100%**

**Subject to final confirmation of 2023 revaluation, effective September 2023, due to be received in March 2024.*

Table 4: Rating Valuation Totals (effective Sept 2023*)	
Land Value	**$ million**
Rural	$3,244 million
Urban	$2,494 million
Total	**$5,738 million**
Capital Value	**$ million**
Rural	$4,936 million
Urban	$5,536 million
Total	**$10,472 million**

Schedule 4 – Section 101(3) Analysis

Consideration of Appropriate Funding Sources

The following analysis has been prepared as summary record of the consideration given by the Council while reviewing the Revenue & Financing Policy for inclusion with the 2024-34 Long Term Plan.

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
1	Airport	There is a public benefit from the provision of the only sealed runway in the Wairarapa, encouraging industry and investment. The facility provides opportunities for recreational activities related to aviation and for events. The public benefit is assessed as 40 per cent of operating costs. Airport users benefit from access to the aviation facilities. Commercial aircraft operators and other lessees gain access to the airport to undertake their businesses. Recreational users and event organisers benefit through access to a venue. The airport is used by the Life Flight Trust to transport patients to and from hospitals in larger centres which is a significant public benefit to the whole Wairarapa district.	Ground leases are set based on market rentals. A landing charges regime is in place. Special events (such as air shows) pay per use. The user charge income target is 60 per cent of costs. The balance of costs is funded from rates. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. Rates funding is charged as part of the differential targeted Sundry Facilities CV rate. Renewals of assets (runway surface and lights are the main assets) are funded from depreciation. Development will be funded by loans, capital contributions and the extra revenue generated from leases. Current developments are part-funded by Government grants.
2	Animal Control (including Dog Control)	General community benefits arise through the enforcement of dog control legislation. Benefits include safety, health and reduced public nuisances (barking, fouling). Private benefits arise to dog owners through education and registration. Dog owners who infringe the law (exacerbators) are charged through infringement fines. Council points to the Dog Control Act 1996 which expects dog owners to pay the full costs of dog control, while allowing a small portion to be rates funded. Council considers 30 per cent is the appropriate level of funding input from the wider community.	For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. Dog control registration fees, pound fees and infringement fines will be set to recover 70 per cent of the costs of this activity. The Council believe a 70/30 split between dog fees and rates is appropriate to recognise the public benefit to non-dog owners. The rated component is charged as part of the Targeted Uniform Charge in each area. The allocation of the fee component between different categories of dog owner or dog is a feature of the Dog Fee setting process.
3	Archive	Community benefits arise from the cataloguing and storing of historically significant information	In the interests of public access, charges to researchers are

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		and the collection is an education resource to help younger generations understand the past. Benefits accrue to individuals who undertake research using the records. People who deposit records gain a safe and secure storage facility, but in order to encourage the preservation of historical material, no charge is made on people who deposit material.	minimal. Recoveries are approximately 5 per cent of costs. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. Rates funding is levied as part of the Targeted Uniform Charge in both urban and rural areas. Note: the Wairarapa Archive is located in Masterton District and provides a service to the whole of the Wairarapa, but no funding is provided by the other Wairarapa Councils. The possibility of other Wairarapa Councils contributing to the cost of running the archive is to be explored.
4	Arts & Culture	The community 'wellbeing' benefits (i.e. quality of life) include a better informed and educated community through access to history, arts, music and culture. A private benefit is recognised as accruing to individuals from activities such as visiting an art exhibition. Consequently, the Council's service contract with the Wairarapa Cultural Trust, being the largest portion of the Arts & Culture activity, requires Aratoi to achieve at least 20 per cent of its funding from sources other than the Masterton District Council.	Urban/rural split based on population. 100 per cent funded by the differential targeted Representation & Development Rate based on CV. Rating is considered to be the best available tool to apportion costs of the public benefit and CV is considered to be the best available measure of 'ability to pay'.
5	Building Services	The community benefits through the Council enforcing legislative standards applied to buildings and construction. Benefit arises to current owners and occupiers who gain the protection of consistent standards applied to their asset, protecting the value of the investment in that asset. The public benefit is assessed at up to 20 per cent of the costs of the activity.	For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. The percentage funded by user pays (building consents) is somewhat dependent on the level of building activity in the district. The proportion funded from rates will therefore vary from year to year. Rates required are included in the differential targeted Regulatory Services Rate charged on capital value.
6	Cemeteries	Community benefits include the appropriate burial of the deceased while meeting the spiritual and	Burial fees are set to at least recover the contractor's costs to undertake the work. Income from sales of burial

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		emotional needs of families. Cemeteries also have public open space benefits and heritage value. Private benefits accrue to families of the deceased. This is initially assessed at 65 per cent of the costs.	plots takes some account of the on-going maintenance of the plot for the next 50 years. Maintenance of existing/historical plots is funded by rates. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. The per cent community share is recovered via a CV rate in urban area and part of the TUC in the rural area. Cemetery extensions are funded by the lawn cemetery reserve fund. Service level Improvements will be funded from a combination of reserves, rates and loans.
7	Community Development	There are general community 'well-being' benefits which arise from the provision of this activity. External funding is sort where available, to fund programmes. At least 85 per cent of the cost is expected to be funded by rates. Community groups and individuals who benefit may also find other funding sources, but Council does not intend to recover any portion of the funding it gives. The Council considers its community development activity benefits the whole community and a population based urban/rural split is appropriate.	Uniform Charge rating is considered to be the best available tool to apportion costs of the public benefit of this activity evenly across the community. Some one-off grants to community groups for one-off projects or facilities could be funded from Council's carried forward reserve funds.
8	District Building	While the Town Hall & District Building are closed due to structural issues, no rental revenue is expected to be generated. The Council may choose to hire out rooms to the public in Waiata House. Private benefit accrues to venue hirers. Various Council departments utilise the Waiata House office space and 161 Queen Street (which is leased). A market rental is charged internally to recognize a rental cost for each activity of Council.	Venue hire income recovers approximately 0 per cent of costs currently, internal rental income recovers some 55 per cent of costs. The remaining public benefit of 45 per cent is charged as part of the differential targeted Sundry Facilities CV rate. Council want to increase the internal rental recovery to 65 per cent. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. Renewals are funded by way of depreciation funding. Upgrading of

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
			public facilities, and office space, will be loan funded. The proposed Civic Centre that will replace the Town Hall will be funded by a loan.
9	Economic Development and Promotion (incl CBD Amenities)	Community benefits include supporting the local business sector and economy through running an in-house economic development unit and funding the tourism agency Destination Wairarapa, Wairarapa Economic Development Strategy (WEDS) and providing support and funding for a range of events and promotions. There are benefits that accrue indirectly to businesses and tourism operators from the work being funded. **CBD Amenities:** Public safety and security are enhanced by security cameras and under-veranda lighting. Business owners in the CBD benefit from better security for their property. Private property owners would benefit from undergrounding of power lines and this would be addressed as part of any project spend on undergrounding power. Capital expenditure on renewals will be from depreciation reserves, asset extensions will be from a combination of external funding and Council reserves.	Urban/rural split based on population. 100 per cent funded by the differential targeted Representation & Development Rate based on CV. CV Rating is considered to be the best available tool to apportion costs of the public benefit as it factors in an 'ability to pay' across the community. Businesses pay a 2X differential on the Value-based rates partly to recognize the benefits that arise to them indirectly from Council undertaking this activity. Considered as part of the Economic Development activity (above) and allocated between urban and rural based on population as there is a whole of community benefit. Operating costs 100 per cent funded by a differential targeted rate based on CV. CV rating is considered to be the best available tool to apportion costs of the public benefit as it factors in a measure of 'ability to pay'.
10	Civil Defence & Emergency Management	There are a wide range of risks to which the community is vulnerable and everyone benefits from the Council's work in risk reduction, readiness and recovery. While some groups may be more vulnerable than others, ultimately, everyone benefits. Cost sharing of Emergency Operations Centre costs with CDC & SWDC generates external income of 28 per cent	For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. The rates required for Emergency Management are included in the differential targeted Regulatory Services Rate charged on capital value.
11	Environmental Services (incl	The community benefit is in the maintenance of food hygiene standards of food premises.	Monitoring and compliance work done for Council functions such as water supplies, sewerage and solid

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
	Alcohol & Bylaws)	Liquor licensing contributes to public health and safety. Water supply monitoring provides confidence in potable water supplies. Noise control and swimming pool fence compliance are regulatory activities designed to ensure a safe and 'livable' community. Benefits accrue to businesses selling food and liquor. Water supply consumers and sewerage and solid waste customers all benefit indirectly through the monitoring regimes undertaken. There are few opportunities to recover costs from noise complaints or swimming pool fence compliance. The overall public benefit target (i.e. rates component) is set at 50 per cent of costs. There are public safety benefits from the monitoring and control of nuisances such as abandoned vehicles, long grass and overhanging trees. Private benefits accrue to the neighbours of people who infringe, but there is no means to charge them. Infringers (exacerbators) are charged for the costs incurred in rectifying the issues (i.e. removing abandoned cars, cutting long grass), but recovery of all costs is often not possible.	waste are charged out internally to those activities. Liquor licensing fees are set by Council via the Local Alcohol Policy. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. The rates required are included in the differential targeted Regulatory Services Rate charged on capital value.
12	Environmental initiatives	The community benefits from a range of environmental sustainability initiatives including water conservation, air quality improvements, supporting environmental education and climate change initiatives.	100 per cent funded by a CV based rate. Population split between urban and rural areas based on population as benefits are across the whole community. There is public benefit to the activity and CV is considered to be the best available measure of 'ability to pay'.
13	Forestry	A community benefit is seen in the utilisation of otherwise unproductive land to produce a return to ratepayers. Costs associated with the management of roadside forestry	For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. After the allocation of costs to roading, the residual costs are rated as part of the Targeted Uniform Charge in both urban and rural

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		are charged to the non-subsidised rural roading activity.	areas. Net proceeds from harvest are added to reserve funds.
14	Housing for the Elderly	The provision of low cost accommodation to pensioners with low asset holdings was encouraged by central governments in the 1970s through the provision of low interest loans. The public benefit is a better social environment for all members of the community. In the past, Council had a policy of no ratepayer funding subsidising the activity – i.e. the private benefit of the accommodation should be 100 per cent user pays. However, by holding rents to below 30 per cent of the pension, the income generated is insufficient to cover all costs (including depreciation) so not all depreciation has been funded to reserves.	The Council has chosen to fund up to 10 per cent of the activity's operating costs from rates to supplement the user pays income. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. There remains a funding shortfall of around 27 per cent (nominally depreciation) which is unfunded. If the Council rebuilds in the future both loans and Government subsidies would be the principal elements of the capital funding. Capital renewals and major redecoration costs are funded from depreciation reserves.
15	Library	Community benefits of libraries include the promotion of literacy and contributing to the quality of life of citizens. Libraries are a key part of the education framework in a community where benefits are believed to accrue through a literate society. Benefits do accrue to users of library services and programmes, however user charges are believed to act as disincentives to those on low incomes who potentially can benefit the most.	All user charges, recoveries and grants currently recover approximately 5 per cent of operating costs. Rates funding is expected to cover the remaining 95 per cent of library costs. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. There is even access to all so Rates funding is levied as part of the Target Uniform Charge (TUC) in both urban and rural areas.
16, 17	Other Property	The Council holds certain assets for strategic purposes, some related to service delivery such as water supply or parks. The funding policy aim is to achieve market rental returns wherever possible. Not all miscellaneous property held by the Council achieves break-even rental return to cover all holding costs. Mawley Park camping ground is an example where the operating costs are met from revenue but renewals	Rental income would ideally fund 100 per cent of this activity, however this is currently closer to 65 per cent. Any shortfall is charged as part of the differential general Sundry Facilities CV rate. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. Asset purchases are funded from general capital reserves.

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		and depreciation costs are funded by rates.	
18	Stormwater – rural & Other Rural Water Supplies (also see 39)	Both Riversdale Beach and Castlepoint have a number of stormwater assets in place. The value of these is significant but operating costs are minimal. The Council tests rural drinking water supplies and incurs other costs supporting rural schemes that are not fully recoverable from those schemes.	The Riversdale Beach costs to rate for are included in the beach sewerage scheme rates, paid for by the properties connected. The costs of Castlepoint stormwater assets, excluding the seawall, are recovered via the Castlepoint Sewerage rate. Other Rural Water Services are allocated 100% in the rural area on CV.
19	Parking	Community benefit is the efficient turnover of parking spaces. Safety, amenity, convenience and community health (disabled parking) benefits also arise. Private benefit accrues to motorists, retailers and other businesses who want to park in the CBD Exacerbators are those who park illegally or do not comply with bylaws – infringement income results.	Income from parking meters and parking fines should cover the activity's costs. Any rates component to align with the Economic Development activity rating basis.
20	Parks & Reserves	Community benefits arise from the amenity value of residents having access to open space areas for relaxation and recreation. Council provides these amenities for all of the community and does not wish to separately charge individuals based on use. A small amount of revenue is achieved through the lease of depot facilities to contractors. Costs of maintaining beach reserves are included in the overall activity costs and include costs associated with the Castlepoint seawall.	Net operating cost (approx 95 per cent of total costs), will be funded in the urban area by a differential targeted rate based on CV. In the rural area it is funded as part of the rural Targeted Uniform Charge (TUC). The varying rating treatment between areas is needed because the Civic Amenities CV rate is only applied in the urban area where the parks amenity values are seen to enhance all other property values. The use of the TUC in the rural area sees funding equated closer to units of habitation than valuations. Renewals and new assets are funded by way of reserves contributions from developers, depreciation reserves and loan funding.
20	Sports fields	The provision of sports fields encourages an active, healthy, community. This is considered to provide benefits to the community as a whole.	User charges generate approximately 5% of operating costs. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21.

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		Private benefits accrue to individuals who have access to the facilities and to sports associations who also utilise them. Council policy is to try and recover from sports clubs 50 per cent of the marginal costs of maintaining the sports field for the intended sport. Variations may be made on a case by case basis. Rate remissions are also applied to sports fields.	The net operating cost is funded in the rural area as part of the rural TUC. The use of the TUC sees funding equated closer to units of habitation than valuations. The urban share is funded as part of the differential targeted CV rate (Civic Amenities) in the urban area. The Civic Amenities CV rate is only applied in the urban area as the sports field amenity values are seen to enhance all other property values.
21	Public Conveniences	Community benefits include health, convenience and cleanliness of public toilet facilities. There are economic benefits to the district from providing public toilets at beach resorts. Public toilets provide a benefit to individual users who can be identified and could be charged, but it is not considered economically feasible to do so. CBD businesses benefit from the CBD restrooms.	For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. 100% funded from rates as part of the differential targeted Sundry Facilities CV rate. The commercial differential means CBD businesses will pay proportionately more. Asset renewals are funded from depreciation reserves. New assets will be funded by loans.
22	Recreation Centre	Community benefits of the Centre are a healthy and fit community and the availability of a facility in which the public can access indoor sporting facilities, supervised indoor and outdoor swimming, and learn-to-swim education provision. The encouragement of active, healthy pursuits keeps young people engaged. The facility increases the District's attractiveness as a place to live, work, visit and invest. Benefits accrue to individual users through their use in a controlled environment, whether as swimmers, spectators, sports participants or event organisers. User benefit has been assessed at approximately 70% of the costs of the facility. The Council has modified this, taking account of the disincentive which high user fees would have on	User charges and other recoveries by the Council or the facility operator are targeted at 30 per cent of total operating costs. The facility operator charges the Council a contract fee net of these user charge recoveries, giving the operator an incentive to maximise usage, while there is a requirement to report the usage and income figures. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. The facility is available to the whole community to use and so rates funding is via the Targeted Uniform Charge (TUC) in both urban and rural areas. Not all depreciation is funded because some 50% of the value of the new facility, built in 2004, was funded by external grants.

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		use, particularly to the lower socio-economic groups who are understood to value the swimming pools highly as a community amenity. The modified private benefit/user charge target is 30 per cent.	Asset renewal and minor capital items will be funded by depreciation reserves. Future replacement is assumed to be at least 50 per cent funded by external funding.
23	Waste Minimisation (Recycling and Composting)	This activity incorporates recycling and composting where there are real environmental benefits through the reduced use of resources and the removal of items from the residual waste stream to landfill. Direct benefits arise to those who are disposing of the materials they no longer want, but in the interests on encouraging recycling, the Council has decided to continue to accept recyclable materials free of charge at the transfer station and offer a recycling collection service in urban areas. Compostable materials are separately identifiable and can be charged for. Current policy is to achieve as much as possible from those depositing compostable materials, while still pricing the service at a level that encourages removal of greenwaste from going to landfill.	User charge income is collected for greenwaste with charges set to recover approximately 80 per cent of the contracted costs of processing the greenwaste. A recycling collection service is provided in the urban areas and rated for with a targeted charge - see next section. The balance of costs (largely recycling) to be rated are allocated on population split between urban and rural and funded by way of the differential Sundry Facilities CV rate. Funding of expansion of the waste processing and minimisation facilities will be by loan funding and subsidies from the Waste Levy.
24	Recycling Kerbside Collection	Recycling has environmental benefits through the reduced use of resources. It also removes items from the residual waste stream to landfill. Private benefits arise to those who are disposing of the materials via a collection service from their gate. The Council provides the collection service in the urban area and has also introduced a service in some rural areas. The cost recovery includes a share of the contract costs for handling the recyclable materials, as well as the cost of the collection.	The service is available to all in the refuse collection area. The Council has decided to fund the activity by way of a targeted rate, set on a targeted uniform basis and charged on every separately used or inhabited portion of a rating unit in the serviced areas. When a food waste collection is implemented as required under the regional waste minimization plan, the costs will be recovered via the targeted charge described above. At Castlepoint and Riversdale Beaches the cost of the refuse and recycling collections is charged as a targeted rate on serviceable properties (see below)

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
25	Refuse Collection	The Council provides a convenient, domestic rubbish bag collection and disposal service, contributing to a tidy, clean, healthy and safe environment. All urban and beach resort property owners have the opportunity to use the collection service. The benefits are regarded as partially 'private', as the generators of the waste should pay the cost of disposing of it, but there is also a public benefit to not having litter and household rubbish in the community. Some users choose to pay for private wheelie bin services to collect their household refuse. By charging for blue council rubbish bags a 70 per cent cost recovery is currently achieved for the service, the pricing also acts as an incentive to reduce waste volumes, thereby contributing to a positive environmental outcome.	The target is to fund the service by the recoveries received from the sale of official Council rubbish bags however charges will be set at a level that will recover as much of the costs as possible while still encouraging appropriate behaviours to minimise waste and recycle. The bags are sold via retail outlets. The cost of the bag includes the pick up from the gate and the disposal on a landfill. Rates component is 100 per cent urban, included as a CV-based rate.
26	Urban Transfer Station (Refuse Disposal)	The provision of a landfill/transfer station contributes to a tidy, clean, healthy and safe environment. There are private benefits to those who wish to dispose of their refuse via the Council-provided facility. The waste generators can range from domestic households to commercial and industrial waste and hazardous wastes. The level of service of the facility in terms of opening hours is directly related to costs, hence the convenience of seven days per week opening should be paid for by the users of the facility. Retention of large volume customers is seen as desirable to ensure the lowest cost per tonne can be achieved for all users.	Users can be identified and charged by way of a weighbridge and manned gate fee kiosk. The Council has a target of 100 per cent cost recovery via user (gate fee) charges however variable volumes may result in revenue greater than or less than the budget target income. Some landfill closure costs are not appropriate to fund from current waste volumes. The balance of costs (if any) are funded by CV rates, which recognises the public good aspect of the long opening hours of the transfer station and to hold the gate charges at an economically affordable level. Discounted tonnage rates can be negotiated for high volume customers in order to retain their business. The provision of new infrastructure can be funded by user charges, waste levy grants, reserves and loans.

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
27	Resource Management and Planning	Community benefits arise from the application of a consistent set of rules for sustainable management of the District's resources (via the Combined District Plan). There are fair opportunities for change (development) and control of adverse effects. The public gains a better quality of life through control of nuisances and adverse environmental effects of development. The council also enables members of the public to seek advice on planning issues. Private benefits arise to developers from advice about planning processes and the value they gain from gaining a consent to progress a development. There is little ability to recover the full cost from the development community alone. Contributions to GWRC river management schemes are included in this activity's costs.	For rating, the allocation of costs between urban and rural areas uses the population split of 79/21. Consent fees target to recover is 30 per cent of the costs of the activity (providing advice and processing consents). Land Information Memoranda are charged as full cost recovery of time spent retrieving the information supplied. Some resource management costs have no opportunity for cost recovery. Rates will fund approximately 70% of costs via the differential targeted Regulatory Services rate. Financial contributions charged under the District Plan are included as revenue in this activity but are not used to offset operating costs – they are transferred directly to reserve funds.
29	Subsidised Roading	The Council provides a network of roads throughout the District. Public benefits arise through the provision of the essential infrastructure for the local economy and community to function. Private benefits accrue to individual road users and the properties that the roading network services. Those properties may be residences, businesses, farms, beach baches, schools, etc. Exacerbators include heavy transport operators who carry tonnages in excess of road design or road condition limits. All motorists currently pay fuel taxes and vehicle registration fees to the government. Truck operators pay road user charges. Council receives a share of this funding via a subsidy from Waka Kotahi (NZ Transport Agency). Local petrol taxes also contribute to the funding of this activity.	The Waka Kotahi subsidy base rate is 56 per cent. The current Land Value split between urban and rural areas is 45/55 (urban/rural) excluding the non-residential differential. The average ratio of spending of the subsidised programme (excluding emergency works) for the last two years 2021-23 and budget 2023- 24 is 30/70 (previously 31/69). Use of a General Rate would need a differential applied between the two areas to ensure equity. To ensure rural ratepayers are paying a fair share of the cost of the service being provided, the costs will be allocated 30/70 between rating areas (urban/rural) before rating tools are selected. The Council has chosen to recognise the broad public benefit of the roading network by allocating 30 per cent of the rates required to fund the costs of subsidised roading in each

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		For the Council share, the District-wide roading network should be funded by general rates levied on all properties and split between urban and rural properties to recognise the different expenditure levels in each area. Land values (as opposed to Capital Values) reflect the benefits that arise from the road network, linking to productive use of the land that the roading network serves e.g. in the rural area, farming and forestry. Renewals are done as part of the roading programme approved to ensure the maximum Waka Kotahi subsidy is achieved and so are funded by both subsidy and rates. Asset additions (e.g. safety improvements) are done as part of the subsidised programme if possible, but if it does not qualify for subsidy, direct beneficiaries of the upgrade should pay the equivalent of the subsidy (e.g. seal extension) The Council's share of depreciation on bridges is allocated against this activity.	area, by way of a targeted uniform charge in each area. The balance of 70 per cent to be funded within each area, charged by way of a differential targeted rate assessed on land value (LV). After targeted uniform charges spread 30 per cent of the costs, LV is considered the best of the available tools to allocate roading costs between properties. A property's land value, particularly in the rural area, bares some relationship to the economic benefit which is derived from the roading network. It is also recognised that LV for forestry-use land does not adequately act as a proxy for the use or consumption of the rural roading network by that particular land use (i.e. it is discounted below pastoral farming land values). The Council has begun initial investigations to demonstrate evidence of the impact that forestry logging has on our rural roads. If justified, Council will look at implementing changes to the rating policy mechanism for forestry land use in 2025.
28, 30	Non-Subsidised Roading – Rural & Flood Damage	The non-subsidised roading costs that are specific to the rural area are a benefit to ratepayers in that area, so should be allocated in full to the rural area – 100 per cent rural. Flood/storm damage costs (on the roading network) have been incurred in the rural area, but all road users can use the roads, justifying some urban rates contribution.	The Rural Non-subsidised Roading rates required are allocated on the same basis as the rural area share above, i.e. split between a (rural) targeted Roading Charge (currently collecting 30 per cent) and (rural) LV Roading rate (70 per cent). Roading storm damage is aligned with the non-subsidised roading rates to be funded 30 per cent from urban Roading rates and 70 per cent from rural Roading rates, then allocated as per above.
31	Non-Subsidised Roading – Urban	The non-subsidised roading costs include street verge mowing, street gardens, CBD footpaths and street trees. There is a large element of 'public good' - all ratepayers can use and enjoy the assets/services. They are provided within the urban	To follow through on the principle used above, the costs incurred in the rating area (urban area) will be funded 100% from the urban area and collected via the targeted Roading Rate based on LV for 70 per

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		area but are available to all residents and visitors. Past practice has been all costs are allocated to the urban area. A share of local petrol taxes are allocated to offset costs, but rates will be the principle source of funding. Renewals of assets such as CBD paving and street furniture are funded via a depreciation reserve that is funded by annual rates from this activity	cent and a targeted Roading Charge 30 per cent.
32	Rural Halls	Rural people can gain a sense of 'community' from the provision of a rural hall. Benefits arise for users of the halls and rural holding paddocks. Usage of both rural halls and holding paddocks is low and there are few practical means of monitoring usage and collecting revenue, hence only 1% user charges recovery is expected.	Of the rateable costs, 95 per cent are allocated to the rural area. Rates funding is charged as part of the differential targeted Sundry Facilities CV rate. Renewals are funded from depreciation although not all depreciation is funded. Disposal of some halls and holding paddocks may be the outcome of a review of the holdings. Proceeds would be held within the General Capital Reserve.
33	Rural Refuse	The provision of two transfer stations and specific collection services in parts of the rural area helps contribute to a tidy, clean, healthy and safe environment. Refuse & recycling collection services are provided to some rural communities. Full user pays is difficult to achieve as it is not cost effective. Collection services are only part funded from bag charges as rural collection and disposal costs are higher than in the urban area. There are private benefits to those who dispose of their refuse via the Council-provided facilities. The costs of operating the rural transfer station sites are high in relation to the volumes received. Targeted rating of the localities serviced has been consulted on with the communities. Council has	User charge income at rural transfer stations is currently targeted to recover approximately 5 per cent of costs. The costs of providing Riversdale and Castlepoint refuse & recycling services can be identified and will be partly charged as a targeted rate on those beach properties which receive the service. Currently 15 per cent of rural refuse services are collected by way of the Beach Collections Rate. The balance of the cost of providing the rural refuse services (approx. 85 per cent) is allocated 90/10 between rural and urban respectively. The basis for urban allocation is that urban people can use the rural transfer stations, but have less access. In the urban area the cost is included in the differential general Sundry

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		signalled it wishes to move away from general rating funding services in specific localities. Upgrading of facilities will be funded by way of loans.	Facilities Rate. In the rural area, after the targeted beach collection rate, the balance is part of the rural Uniform Annual Charge.
34	Stormwater	There are public safety and health benefits in the Council providing infrastructure to remove stormwater from urban built-up areas, reducing the risk of flooding. There are private benefits to property owners whose properties are at risk of inundation but no practical means to differentiate how much to charge, other than through rates. A large share of the costs relate to the CBD stormwater upgrade undertaken in the mid 1990s. Other costs arise from maintaining pipes and creeks. Renewals will be funded by way of depreciation reserves.	The rates required are funded as part of the targeted urban Sundry Facilities and Services Rate, charged on capital value (CV). The proportionately larger benefit received by commercial (CBD) properties is one of the reasons for the commercial differential.
35, 36, 37	Rural Wastewater	There are three separate rural sewerage schemes at Castlepoint, Riversdale and Tinui. Each has its own cost structures and each is expected to be fully funded by the connected properties. The Riversdale Beach sewerage scheme is a reticulated system servicing the Riversdale Beach settlement. Tinui septic tank system has been upgraded and the costs of the upgraded service will be met by the users/connected properties. The Castlepoint sewerage scheme is a reticulated system servicing the Castlepoint Beach settlement. The funding of renewals at Castlepoint and Riversdale is from depreciation reserves. New capital works and scheme extensions are funded from a combination of loans and capital contributions.	A Castlepoint Sewerage targeted rate is charged to fund the costs of operating the Castlepoint scheme. This is a flat charge on each connection. The camping ground has been assessed at 20 equivalent connections. Capital contributions are charged based on the historical scheme capital costs. A Riversdale Sewerage targeted rate is charged to fund the costs of operating the Riversdale Scheme. This is a flat charge on each assessed Residential Equivalent (RE) property connected in the serviced area. In addition a flat charge is levied on each serviceable property that is not yet connected to the scheme. The capital funding of the Riversdale Beach scheme was from a combination of capital contribution, Council reserves, Government subsidies and a loan. Individual properties connected to the scheme paid a capital contribution rate to recover each property's share of the

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
			costs of the scheme. Some 32 properties are paying off their contribution over 20 years. New connections are charged a capital contribution which goes to repay the Council debt that remains on the scheme. A Tinui sewerage rate is charged to cover the operating costs of the small reticulation network and ponds. A general rural ratepayer subsidy (50 per cent) is allowed for on the basis of affordability. A capital contribution rate is charged on 8 of the 19 connections as they pay off their share of the costs of upgrading the scheme.
38	Urban Wastewater	A reticulated sewer network and treatment plant contributes to a high standard of public health. It is one of the core services that ensure the local community, economy and environmental impact are sustainable. Private benefits arise to the connected properties from which effluent is taken. The nominal network (community) benefit versus users benefit is assessed at 70/30. Council has a trade waste by-law which is designed to monitor and reduce the potentially inappropriate use of the sewerage system. Because of the level and nature of trade waste discharges, the funding generated is minor. Septic tank discharges to sewer are charged for and baleage sales also generate external revenue (approx. 10%). Renewal of the infrastructure is undertaken with a mixture of loan funding and use of depreciation reserves. Financial contributions are required from developers (per the District Plan) to fund any upgrading of the infrastructure and expansion of the area serviced.	Trade waste charges and septic tank waste charges generate income before the rates required from all serviced properties are calculated. Revenue is collected from CDC for the Waingawa industrial area. The funding requirement (from rates) is funded by way of: • 30 per cent from Targeted Charge for Sewerage, levied on each connected and separately used or inhabited portion of a property. This has the effect of spreading a portion the cost of the service evenly across all properties. • The balance of 70 per cent by way of a differential targeted Sewerage Rate charged on the capital value of properties in the urban area. The capital value rate has the effect of charging higher value properties more for the sewerage than lower value ones – this being a rough proxy for usage. All properties within the supply area are charged this rate to recognise the ability to access the infrastructure.

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
			A Sewerage Charge is levied on those properties (per residential equivalent) that are outside the urban serviced area, but discharge liquid effluent to the Masterton sewerage system – (Milford Downs & Rathkeale College)
39	Rural Water Supplies	The range of rural water supplies the Council provides are all seen as providing a private benefit to the connected properties, whether they are a water race, untreated supply or potable supply. Full cost recovery from the connected properties is the theorical position. Testing and monitoring costs of all rural water supplies (including those not operated by the Council) cannot currently be recovered from the supply operators, hence the costs are recovered through rural rates.	Opaki water race - targeted rate on LV Tinui water supply – targeted charge The Tinui water supply services some 28 properties but the full costs of the supply make it uneconomic to charge full cost recovery, hence a general rural ratepayer subsidy is helping to fund the scheme. Taueru water supply – targeted charge, invoiced. Upper Plain water supply (trickle feed) – targeted charge in rates and separate portion invoiced. Wainuioru water supply – invoiced charge as per separate scheme rules, set under delegated authority of Council. Other rural water costs – allocated 100 per cent rural – rated as part of the differential general Sundry Facilities and Services capital value rate.
40	Urban Water Supply	A treated and reticulated water supply contributes to public health and fire safety. It is one of the core services that ensure the local community and economy are sustainable. Private benefits arise to the consumers of the water. Council does have water meters installed for 95% of urban properties connected to the water supply network. At this stage, these are not being used for charging on the basis of usage , but information provided is being used to detect and remedy leaks. Charging for water use (using the water meters) is intended to be introduced from 1 July 2025. Policy development to enable this will occur over the 2024/25 year.	The funding requirement, after deducting income from rural metered properties and properties in the Waingawa industrial area (in Carterton District), will be allocated by way of: • 30 per cent as a Targeted Charge for Water, levied on each connected and separately used or inhabited portion of a property. This has the effect of spreading a portion the cost of the service evenly across all properties. • The balance of 70 per cent by way of a differential targeted Water Supply Rate charged on the capital value of properties in the urban area. The capital value rate

#	Activity	Who Benefits and how should it be funded	Allocation of Cost
		Many commercial properties utilise larger lateral connections in order to service sprinkler systems and reduce insurance premiums. Their usage may not reflect the benefit that the fire fighting capacity provides. Those connected properties outside the urban area have water meters or restrictor valves and are charged based on usage. Properties connected in the Waingawa area of Carterton are metered and charged via CDC (who pass on the revenue to MDC). External (non-rates) revenue is 10 per cent. Renewal of the infrastructure is undertaken with a mixture of loan funding and use of depreciation reserves. Financial contributions are required from developers (per the District Plan) to fund upgrading of the infrastructure and expansion of the area serviced.	has the effect of charging higher value properties more for the water supply – this being a rough proxy for usage and value protected for fire fighting. All properties within the supply area are charged this rate to recognise the ability to access the infrastructure. The Council has installed water meters on the majority of connected properties, and will implement a regime for charging for water use based on the meter readings. The intention is to start that regime from 1 July 2025 and incorporate a split between a targeted charge, usage charges above a fixed allocation and CV rates that recognise a public interest component including fire fighting protection.
41	Representation	The whole community benefits through the system of democratic local representation. The Council is also the organisation's governing body. Representation comprises a mayor, one councillor elected in a Māori ward, seven (7) other councillors and two (2) iwi representatives. For rating, the allocation of costs between urban and rural areas uses the population split of 79/21.	40 per cent of the costs of this activity are allocated as overheads. The balance of 60 per cent is to be rated using a differential targeted rate - the Representation & Development Rate - based on Capital Values (CV). Allocation between urban and rural areas can be based on population as Council consider all councillors represent all ratepayers. Rating is considered to be the best available tool to apportion costs of the public benefit and CV is considered to be the best available measure of 'ability to pay'.

Schedule 5 – Summary of changes from the 2023/24 Revenue and Financing Policy Review

As part of the development of the 2023/24 Long Term Plan, the Council considered the funding of each of its sub-activities in the context of the requirements of section 101(3) of the Local Government Act 2002.

A summary of section 101(3) analysis and consideration given by Council while reviewing the Revenue and Financing Policy ahead of the 2024-34 Long Term Plan is available as supporting information.

Through the review there were minor changes made to cost allocation bases where costs are split between urban and rural properties. The population percentage split has moved slightly and the subsidised roading cost allocation percentage has also changed to remain in line with the policy of allocating the value of subsidised roading work planned on the ratio of the programme spend. The Community Development activity will now be funded by way of the Targeted Uniform Charge (previously it was a CV rate). These changes and the impact of these changes are outlined below.

The 2023/24 review was subject to a consultation process completed in late 2023. The policy as set out above forms part of the supporting information to the 2024-34 Long Term Plan and is subject to public consultation as part of that Plan.

External Revenue Policy Changes

The Revenue & Financing Policy review identified support for an approach to maximise user pays, wherever feasible and appropriate. The review resulted in some changes to the level of user charges compared with the previous policy.

User fees and charges were been reviewed in all areas of Council activities and a number of changes are proposed in order to maintain relativity between user charge funding and rates in an inflationary environment where Council's costs are increasing. Those changes to the fees & charges are subject to consultation as part of the 2024/34 LTP.

Some specific examples of changes to external revenue include:

- **Regulatory Fees and Charges** - user charge fees in the regulatory area will increase to maintain alignment with the policy split between rates funding and user charges.
- **Animal Services** - will be funded 70 per cent by fees and charges and 30 per cent from rates.
- **Senior Housing** - the Council will continue to gradually increase rents with a goal to increase the percentage of this activity paid by users and reduce the amount of contributions from other ratepayers to no more than 10 per cent of total costs.

Rating Policy Changes

There have been minor changes to the Rating Policy and new data for allocation bases has resulted in changes to the allocations as per below.

1. **Urban/Rural population** – 2023 Census data for population by mesh block is not currently available. The 2018 Census data showed a split of the population between urban 77.5 per cent / rural 22.5 per cent. Based on the Council's knowledge of additional properties built since the last Census, the population split is now considered to be 79 per cent urban / 21 per cent rural. This population allocation is applied to approximately 43 per cent of the rates required. The change will result is approximately $310k more rates allocated to urban properties.
2. **Subsidised Roading** - a change will be applied in the allocation of costs between urban and rural properties, to be consistent with the policy of using locality of expenditure. Over the first three years of the LTP an average of 30 per cent of the subsidised roading programme will be spent in the urban area (excluding the Town Centre revamp work). Conversely 70 per cent will be spent in the rural area of the district. The previous split was 31 percent urban/69 per cent rural. The new split of 30 percent urban/70 percent rural applies from 2024/25. The new allocation sees approximately $76k moved from urban property rating to rural property rating. The resulting overall increase is 0.21 per cent more rates for rural properties than if the revised allocation percentages were not applied.
3. **Storm damage to roading** – The Council's share of costs to repair storm damage to roads has previously been split 65 percent rural/35 per cent urban. As all these road repairs are on rural roads, Council has agreed to adjust this ratio to 70 per cent rural/30 per cent urban, in alignment with the subsidised roading programme and recognising that urban ratepayers use rural roads on a less frequent basis.
4. **Urban water and wastewater** – The portion of urban water and wastewater funded by rates has previously been charged to ratepayers by a combination of targeted uniform charge (TUC) and capital value rates. The ratio has been 25 per cent TUC / 75 per cent CV rate. The Council has decided to move this ratio to 30 per cent TUC / 70 per cent CV rate.
5. **Community development** - Community development activities were previously funded by a CV rate for urban properties. The Council have decided to change this to be funded as part of the Targeted Uniform Charge (TUC) for both urban and rural properties.

The Urban Non-Residential differential multiplier of 2.0 was considered as part of the review and is still considered to be appropriate so this remained unchanged.

Rating Valuation Changes

A rating revaluation was completed in 2023 (effective date 1 September) and will be applied in the 2024/25 year.

The 2023 revaluation has resulted in modest CV increases for urban residential properties (averaging 10%) with small variations between lower, average and higher value properties. Urban non-residential property values have increased on average 25%, driven by LV increases close to 30% and evidenced by recent market sales. This variation will mean a greater proportion of rates paid by the non-residential properties than under the previous (2020) valuation basis. This movement reverses the trend over the last two valuation cycles where residential increases were higher than non-residential.

In the rural area the average increase in CV has been 22% with some variation between farms, lifestyle, beach and forestry use properties.

These new values will be applied as part of this Policy and the 2024/25 rates resolution. It is not expected that any changes will be made in response to the impacts of the revaluation. The increases in values do have a level of variability and do result is variability of rates payable. There will be properties who receive a smaller share of the overall rates required (i.e. their rates do not increase as much as the average) because their value increased less than the average value change. Conversely, many properties will have rates increases above the average as their value change has been above the average increase.

When the revaluation is available we will model the impacts and include a list of sample properties. As part of the LTP consultation material, an on-line rates calculator will be available to assist ratepayers to assess how much they will pay in Masterton District Council rates in 2024/25 as a result of the policy changes, new budgets and new valuations.

Overall impact of policy changes

After combining all the effects of the policy changes, the overall impact is a reduction in the share of CV rates and an increase in the share of targeted uniform and service charges.

Previously, the targeted uniform charges accounted for 20.4 per cent of total rates. This has increased to 22.9 per cent under the new policy. This remains within the maximum restriction of 30 per cent Uniform General Charges to total rates income set by the Local Government (Rating) Act 2002.

Rating mix prior to 2023/24 review

The prior year (2023/24) Rating Policy mix before the above policy changes are applied are summarised in the table below.

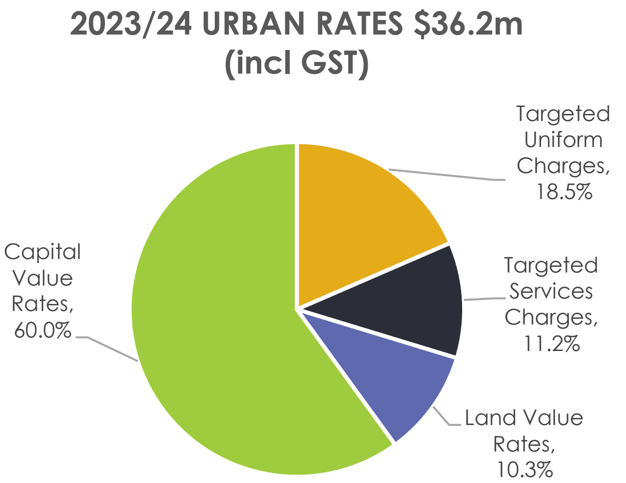
Table 1: 2023/24 Rating mix (prior to 2023/24 policy review)			
Rates Type	**Urban**	**Rural**	**Total**
Targeted Uniform Charges*	15.6%	35.0%	20.4%
Targeted Service Charges	9.7%	6.0%	7.6%
Land Value Rates	9.8%	35.1%	16.2%
Capital Value Rates	64.9%	23.9%	55.8%

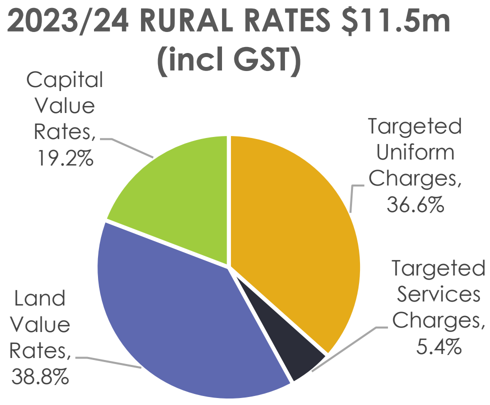
Rating mix with policy changes from the 2023-24 review incorporated

After incorporating the policy changes outlined above, the rating mix for the 2023/24 year is summarised as follows (subject to roundings):

Table 2: 2023/24 Rating mix (with 2023/24 policy review changes incorporated)			
Rates Type	**Urban**	**Rural**	**Total**
Targeted Uniform Charges*	18.5%	36.6%	23.1%
Targeted Service Charges	11.2%	5.4%	9.5%
Land Value Rates	10.3%	38.8%	17.7%
Capital Value Rates	60.0%	19.2%	49.7%

The following two pie charts show the previous table in visual form.





Overall impacts incorporating the 2024/25 budget, new valuations and policy changes

This section provides a summary of the impacts on property rates from three different components: the above policy changes, the new valuations and the proposed Council net expenditure budgets.

The Council's 2024/25 rates required is 12% more than the prior year (before growth). Growth in property numbers and rateable values since June 2023 is projected to reduce the average increase to 10.6%. That increase will vary between urban and rural properties as the rates required for the subsidised roading programme make up a large proportion of the increase and the share allocated to rural area of that activity is higher.

Overall, the 2024/25 budget changes result in an average 9.3% increase (after growth) for urban properties and an average of 14.8% increase (after growth) for rural properties. Roading cost increases impact to a larger extent on rural rates due to the policy allocations.

After combining the effects of the small allocation changes (noted above), the rating revaluations and the 2024/25 proposed rates required (average 10.6% after growth in the rating base):

- Urban residential properties will pay (on average) increased rates of 8% due to the Council's rates requirement increasing and the effects of revaluations.
- Commercial and industrial properties value increases have been above the urban average, but are quiet variable, so no average property change can be proposed.
- Large variations in rates changes will result where valuation changes vary away from the average changes.
- Rural farm properties can expect increases averaging 15%, plus or minus the effects of the revaluation. Rural lifestyle properties can expect to pay 12% more as many have had valuation increases below the rural average.
- Beach properties can expect increases of between 14% & 16% but large variations as a result of valuation increases will see larger increases for many.
- Forestry use properties have had larger value increases than the rural average, so will pay on average 33% more rates in 2024-25.

While considering the finalisation of it's LTP and Revenue and Funding Policy, the Council has been aware of some of the effects of valuation changes, particularly as they affect commercial and forestry, but has decided not to implement any policy changes as a response to the valuation changes.