

Funding Impact Statement

Clause 20 of Schedule 10 of the Local Government Act 2002 requires a funding impact statement for the year to which the Annual Plan relates.

All Funding Impact Statements for individual Council activity groups, together with the Whole-of-Council Funding Impact Statement, are presented from page XX above. They identify:

- The sources of funding to be used by the Council
- The amount of funds expected to be produced from each source
- How the funds are to be applied.

If the sources of funding include a general rate, the funding impact statement must:

- Include particulars of the valuation system on which the general rate is to be assessed, e.g. land, annual, or capital value
- State whether a uniform annual general charge is to be included and, if so, how the charge is to be calculated and the Council's definition of a separately used or inhabited part of a rating unit if the charge is to be calculated on that basis
- State whether the general rate is to be set differentially and, if so, state the category or categories that will be used for differentiating the general rate within the meaning of Section 14 of the Local Government (Rating) Act 2002 and the objectives of the differential rate in terms of the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category.

If the sources of funding include a targeted rate, the funding impact statement must:

- Specify the activity or groups of activities for which a targeted rate will be set
- Specify any category or categories of rateable land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate
- State any factor or factors that will be used to calculate liability for a targeted rate
- State the Council's definition of a separately used or inhabited part of a rating unit if the rate is to be calculated on that basis
- State the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category if the targeted rate is to be set differentially
- State whether lump sum contributions will be invited in respect of the targeted rate
- State the basis for setting charges for water supply if it is to be by volume of water consumed, e.g. as a fixed charge per unit of water consumed or supplied or according to a scale of charges.

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council are covered in the Revenue and Financing Policy.

The method and impact of both general and targeted rates is covered in the 'Rating System' section that follows.

Rating System

The rating system comprises either general or targeted rates, or specific charges such as a uniform annual charge or excess water meterage charges. Rates are set each year through the annual planning process.

The principles by which rates are imposed and their variation in nature are a consequence to rating reviews that are conducted from time-to-time. When a rating review is conducted is determined by Council.

General rates

The Council proposes to set a general rate based on the capital value of each rating unit in the District.

The general rate will be set on a differential basis over three rating categories as follows:

General rates – differential factor	
Residential	1.0
Commercial	1.8
Rural	0.8

Where –

- Residential means:
 - all rating units used primarily for residential purposes within the residential zone of the Carterton District as depicted in the District Plan
 - all rating units located in the commercial and industrial zones of Carterton District, as depicted in the District Plan, that are used primarily for residential purposes
 - all rating units associated with utility services (water, telecommunications, etc.) that are located in the urban area.
- Commercial means:
 - all rating units in the commercial zone of Carterton District, including the Carterton Character Area, as depicted in the District Plan, and all rating units outside the said commercial zone that have existing use rights or resource consent to undertake commercial land use activities under the Resource Management Act 2001
 - all rating units in the industrial zone of Carterton District, as depicted in the District Plan, and all rating units outside the said industrial zone that have existing use rights or resource consent to carry out industrial land use activities under the Resource Management Act 1991.
- Rural means:
 - all rating units within the rural zone of Carterton District, as depicted in the District Plan, but excluding those rating units that hold and are exercising existing use rights or resource consent to carry out commercial or industrial land use activities under the Resource Management Act 1991
 - all rating units associated with utility services (water, telecommunications, etc) that are located in the rural area.

Uniform Annual General Charge

The Council proposes to set a Uniform Annual General Charge on each rating unit in the District to fully fund Governance activities and to fund Community Support activities within the maximum possible under section 21 of the Local Government (Rating) Act 2002.

The Uniform Annual General Charge is calculated as one fixed amount per rating unit.

Targeted rates

Regulatory and planning service rate

The Council proposes to set a regulatory and planning service rate for regulatory, resource management, and district planning services on every rating unit in the District, calculated on capital value.

Urban wastewater rate

The Council proposes to set a differential targeted rate for the Council's urban wastewater and treatment and disposal of wastewater services of a fixed amount per separately used or inhabited part of a rating unit in relation to all land in the district to which the Council's urban wastewater service is provided or available.

The rate applied is as follows:

- A charge per separately used or inhabited part of a rating unit that is able to be connected
- A charge per separately used or inhabited part of a rating unit connected

The Council also proposes to set a rate (pan charge) per water closet or urinal within each separately used or inhabited part of a rating unit after the first one for rating units with more than one water closet or urinal.

For the purposes of this rate:

- 'Connected' means the rating unit is connected to the Council's urban wastewater service
- 'Able to be connected' means the rating unit is not connected to the Council's urban wastewater drain but is within 30 metres of such a drain
- A separately used or inhabited part of a rating unit used primarily as a residence for one household is treated as not having more than one water closet or urinal.

Waingawa wastewater rate

The Council proposes to charge a targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that is connected to the Waingawa wastewater service.

Additionally, the Council proposes to set a differential targeted rate based on capital value on all properties connected or able to be connected to the Waingawa wastewater service. The rate will be set on a differential basis over two rating categories:

- All rating units located in the Waingawa industrial zone of Carterton District, as depicted in the District Plan, that are used primarily for residential purposes
- All other rating units in the Waingawa industrial zone of Carterton District.

For the purposes of this rate:

- 'Connected' means a rating unit that is connected to the reticulated wastewater service
- 'Able to be connected' means a rating unit that can be connected to the wastewater service, but it not, and is a property situated within 30 metres of such a drain.

The purpose of this rate is to fund the operation and maintenance of the Waingawa wastewater service.

Stormwater rate

The Council proposes to set a stormwater rate on all rating units within the urban area and is calculated on land value. For the purposes of this rate the 'urban area' includes rating units:

- Within the residential zone of the Carterton District as depicted in the District Plan
- Adjacent to the residential zone where stormwater from the property drains to the Council's urban stormwater system.

Refuse collection and kerbside recycling rate

The Council proposes to set a refuse collection and kerbside recycling rate for kerbside refuse and recycling collection on every separately used or inhabited part of a rating unit to which the Council's collection service is provided or available.

Urban water rate

The Council proposes to charge a targeted urban water rate of a fixed amount on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Council's urban water supply system.

Additionally, the Council proposes to charge a targeted metered water rate per cubic metre of water supplied, as measured by meter, for water consumed over 225 cubic metres per year. This rate will be invoiced separately from land rates.

The Council proposes to charge a targeted urban water rate of a fixed amount per separately used or inhabited part of a rating unit for rating units that are not yet connected but are able to be connected to the urban water supply.

For the purposes of this rate:

- 'Connected' means a rating unit to which water is supplied
- 'Able to be connected' means a rating unit to which water can be, but is not, supplied being a property situated within 100 metres of the water supply.

The purpose of this rate is to fund the operation and maintenance of the urban water supply.

Rural water race rate

Carterton Water Race Systems

The Council proposes to charge a single targeted rate on a differential basis, calculated on land area, on rating units within both the Carrington and Taratahi water race system classified areas as follows:

Class A land area 200 metres either side of the centreline of the water race

Class B land area from 200 to 500 metres either side of the centreline of the water race

Class C land area able to be irrigated from water drawn from natural watercourses fed from the Water Race System, calculated from conditions of the applicable resource consent.

Additionally, the Council proposes to set a rural water services rate on every rating unit situated in both the Carrington and Taratahi Water Race Classified Areas for provision of the service. The amount is a rate per rating unit. For the purposes of this rate 'provision of the service' means the provision of water for stock or domestic use, including where:

- The water race channel passes over the ratepayer's property
- The water race is piped through the ratepayer's property
- Water is extracted from the water race on a neighbouring property.

Waingawa water rate

The Council proposes to charge a targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Waingawa Water Supply service.

Additionally, the Council proposes to charge a targeted rate per cubic meter of water supplied, as measured by meter. This rate will be invoiced separately from other rates.

For the purposes of this rate:

- 'Connected' means a rating unit to which water is supplied.

The purpose of this rate is to fund the operation and maintenance of the Waingawa Water Supply service.

Definition of 'separately used or inhabited part of a rating unit'

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner or a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

Examples of properties with multiple SUIPs include, but are not limited to, the following situations:

- Single dwelling with flat attached
- Two or more houses, flats or apartments on one record of title
- Business premise with flat above
- Separate business premise and dwelling on same record of title
- Commercial building leased, or sub-leased, to multiple tenants
- Farm or horticultural property with more than one dwelling

- Council property with more than one lessee
- Individually surveyed lots of vacant land on one record of title offered for sale separately or in groups
- Where part of a rating unit that has the right of exclusive occupation by more than one ratepayer/owner
- Retirement village with self-contained flats or dwellings

Rate Examples

Some examples are provided below of the general and targeted rates for a range of rateable land types and property values.

Property Type	Current		Proposed		Current		Proposed		Increase/ (Decrease) \$	Increase/ (Decrease) %
	Land Value	Land Value	Capital Value	Capital Value	Current	Proposed	Current	Proposed		
Residential - Vacant	\$ 210,000	\$ 265,000	\$ 210,000	\$ 265,000	\$ 2,625	\$ 2,991	\$ 366			13.9%
Residential - Low	\$ 170,000	\$ 215,000	\$ 295,000	\$ 340,000	\$ 3,796	\$ 4,272	\$ 476			12.5%
Residential - Low	\$ 175,000	\$ 230,000	\$ 405,000	\$ 450,000	\$ 4,021	\$ 4,499	\$ 479			11.9%
Residential - Low	\$ 145,000	\$ 180,000	\$ 465,000	\$ 530,000	\$ 4,125	\$ 4,644	\$ 519			12.6%
Residential - Medium	\$ 180,000	\$ 225,000	\$ 600,000	\$ 690,000	\$ 6,344	\$ 7,164	\$ 820			12.9%
Residential - High	\$ 455,000	\$ 650,000	\$ 1,045,000	\$ 1,250,000	\$ 5,477	\$ 6,304	\$ 828			15.1%
Residential - High	\$ 270,000	\$ 400,000	\$ 1,385,000	\$ 1,700,000	\$ 26,229	\$ 32,528	\$ 6,299			24.0%
Residential - High	\$ 400,000	\$ 530,000	\$ 2,600,000	\$ 2,900,000	\$ 26,451	\$ 32,154	\$ 5,704			21.6%
Rural - Residential (less than 0.75 Ha)	\$ 220,000	\$ 240,000	\$ 660,000	\$ 790,000	\$ 2,261	\$ 2,615	\$ 354			15.7%
Rural - Residential (less than 0.75 Ha)	\$ 220,000	\$ 240,000	\$ 1,120,000	\$ 1,340,000	\$ 3,018	\$ 3,530	\$ 511			16.9%
Rural - Residential (less than 0.75 Ha)	\$ 340,000	\$ 410,000	\$ 1,010,000	\$ 1,210,000	\$ 3,702	\$ 4,147	\$ 445			12.0%
Rural - Residential (less than 0.75 Ha)	\$ 310,000	\$ 355,000	\$ 800,000	\$ 960,000	\$ 4,418	\$ 5,069	\$ 652			14.8%
Rural - Residential (less than 0.75 Ha)	\$ 200,000	\$ 220,000	\$ 300,000	\$ 360,000	\$ 2,586	\$ 2,730	\$ 143			5.5%
Rural - Residential (less than 0.75 Ha)	\$ 240,000	\$ 265,000	\$ 850,000	\$ 1,020,000	\$ 3,959	\$ 4,273	\$ 314			7.9%
Rural	\$ 1,000,000	\$ 1,200,000	\$ 1,020,000	\$ 1,221,000	\$ 2,854	\$ 3,332	\$ 478			16.8%
Rural	\$ 870,000	\$ 980,000	\$ 1,350,000	\$ 1,510,000	\$ 3,397	\$ 3,812	\$ 415			12.2%
Rural - with Water Race	\$ 14,850,000	\$ 17,250,000	\$ 18,850,000	\$ 21,600,000	\$ 52,931	\$ 54,506	\$ 1,574			3.0%
Rural - with Water Race	\$ 4,030,000	\$ 4,840,000	\$ 4,710,000	\$ 5,580,000	\$ 10,549	\$ 11,937	\$ 1,388			13.2%
Rural	\$ 5,820,000	\$ 7,180,000	\$ 7,390,000	\$ 8,900,000	\$ 14,204	\$ 16,931	\$ 2,728			19.2%
Rural	\$ 95,000	\$ 119,000	\$ 102,000	\$ 127,000	\$ 1,343	\$ 1,513	\$ 170			12.7%
Rural	\$ 2,220,000	\$ 2,770,000	\$ 3,010,000	\$ 3,640,000	\$ 6,129	\$ 7,353	\$ 1,224			20.0%
Rural	\$ 3,450,000	\$ 4,280,000	\$ 4,000,000	\$ 4,880,000	\$ 7,759	\$ 9,415	\$ 1,656			21.3%
Rural	\$ 8,760,000	\$ 10,950,000	\$ 11,250,000	\$ 13,700,000	\$ 19,693	\$ 24,078	\$ 4,384			22.3%
Rural - with Water Race	\$ 4,540,000	\$ 5,690,000	\$ 5,440,000	\$ 6,680,000	\$ 15,326	\$ 16,752	\$ 1,426			9.3%
Rural - with Water Race	\$ 900,000	\$ 1,030,000	\$ 1,120,000	\$ 1,270,000	\$ 4,445	\$ 4,610	\$ 164			3.7%
Rural - Lifestyle	\$ 430,000	\$ 470,000	\$ 730,000	\$ 880,000	\$ 2,376	\$ 2,765	\$ 389			16.4%
Rural - Lifestyle	\$ 460,000	\$ 510,000	\$ 900,000	\$ 1,080,000	\$ 2,656	\$ 3,097	\$ 441			16.6%
Rural - Lifestyle	\$ 480,000	\$ 550,000	\$ 980,000	\$ 1,160,000	\$ 2,788	\$ 3,230	\$ 443			15.9%
Rural - Lifestyle	\$ 350,000	\$ 385,000	\$ 1,100,000	\$ 1,400,000	\$ 2,985	\$ 3,629	\$ 644			21.6%
Rural - Lifestyle	\$ 340,000	\$ 340,000	\$ 1,830,000	\$ 2,140,000	\$ 4,187	\$ 4,860	\$ 673			16.1%
Rural - Lifestyle	\$ 490,000	\$ 540,000	\$ 910,000	\$ 1,090,000	\$ 3,432	\$ 3,754	\$ 322			9.4%
Rural - Lifestyle	\$ 370,000	\$ 395,000	\$ 900,000	\$ 1,070,000	\$ 4,144	\$ 4,441	\$ 297			7.2%
Rural - Lifestyle	\$ 600,000	\$ 750,000	\$ 2,020,000	\$ 2,310,000	\$ 5,309	\$ 5,824	\$ 515			9.7%
Rural - Forestry	\$ 58,000	\$ 75,000	\$ 62,000	\$ 80,000	\$ 1,277	\$ 1,435	\$ 158			12.4%
Rural - Forestry	\$ 220,000	\$ 240,000	\$ 230,000	\$ 255,000	\$ 1,553	\$ 1,726	\$ 173			11.1%
Rural - Forestry	\$ 440,000	\$ 570,000	\$ 510,000	\$ 650,000	\$ 2,014	\$ 2,383	\$ 368			18.3%
Commercial - Urban	\$ 350,000	\$ 420,000	\$ 770,000	\$ 1,560,000	\$ 13,860	\$ 19,547	\$ 5,687			41.0%
Commercial - Urban	\$ 160,000	\$ 180,000	\$ 800,000	\$ 890,000	\$ 6,312	\$ 7,400	\$ 1,088			17.2%
Commercial - Urban	\$ 148,000	\$ 175,000	\$ 165,000	\$ 220,000	\$ 4,774	\$ 6,205	\$ 1,431			30.0%
Commercial - Urban	\$ 107,000	\$ 128,000	\$ 250,000	\$ 360,000	\$ 4,138	\$ 5,475	\$ 1,338			32.3%
Commercial - Urban	\$ 365,000	\$ 435,000	\$ 520,000	\$ 650,000	\$ 7,228	\$ 9,079	\$ 1,851			25.6%
Commercial - Urban	\$ 360,000	\$ 430,000	\$ 580,000	\$ 680,000	\$ 8,404	\$ 10,387	\$ 1,984			23.6%
Commercial - Rural	\$ 205,000	\$ 245,000	\$ 600,000	\$ 700,000	\$ 3,514	\$ 4,452	\$ 938			26.7%
Commercial - Rural	\$ 220,000	\$ 260,000	\$ 280,000	\$ 395,000	\$ 2,266	\$ 3,363	\$ 1,096			48.4%
Commercial - Rural	\$ 180,000	\$ 205,000	\$ 360,000	\$ 435,000	\$ 3,443	\$ 4,339	\$ 897			26.0%
Commercial - Rural	\$ 300,000	\$ 365,000	\$ 2,200,000	\$ 2,580,000	\$ 10,617	\$ 12,000	\$ 1,383			13.0%
Commercial - Rural	\$ 380,000	\$ 470,000	\$ 1,020,000	\$ 1,180,000	\$ 5,151	\$ 6,166	\$ 1,015			19.7%
Commercial - Rural	\$ 385,000	\$ 440,000	\$ 10,950,000	\$ 13,400,000	\$ 62,673	\$ 73,528	\$ 10,855			17.3%
Commercial - Rural	\$ 180,000	\$ 200,000	\$ 880,000	\$ 1,050,000	\$ 4,606	\$ 5,702	\$ 1,096			23.8%
Commercial - Rural	\$ 58,000	\$ 70,000	\$ 128,000	\$ 160,000	\$ 1,674	\$ 2,524	\$ 850			50.8%
Commercial - Light Industrial	\$ 250,000	\$ 320,000	\$ 650,000	\$ 860,000	\$ 6,607	\$ 8,420	\$ 1,813			27.4%
Commercial - Light Industrial	\$ 270,000	\$ 500,000	\$ 970,000	\$ 1,460,000	\$ 6,922	\$ 9,371	\$ 2,449			35.4%
Commercial - Light Industrial	\$ 270,000	\$ 390,000	\$ 500,000	\$ 590,000	\$ 5,324	\$ 6,530	\$ 1,206			22.7%
Commercial - Light Industrial	\$ 910,000	\$ 1,090,000	\$ 3,390,000	\$ 4,440,000	\$ 17,906	\$ 21,878	\$ 3,971			22.2%
Commercial - Light Industrial	\$ 380,000	\$ 455,000	\$ 1,320,000	\$ 1,450,000	\$ 9,412	\$ 10,740	\$ 1,329			14.1%
Commercial - Light Industrial	\$ 680,000	\$ 810,000	\$ 1,810,000	\$ 2,080,000	\$ 12,323	\$ 14,246	\$ 1,923			15.6%
Commercial - Light Industrial	\$ 145,000	\$ 175,000	\$ 295,000	\$ 390,000	\$ 5,049	\$ 6,713	\$ 1,664			33.0%
Commercial - Waingawa	\$ 140,000	\$ 280,000	\$ 140,000	\$ 280,000	\$ 2,332	\$ 4,048	\$ 1,715			73.5%
Commercial - Waingawa	\$ 140,000	\$ 280,000	\$ 430,000	\$ 940,000	\$ 4,628	\$ 7,744	\$ 3,116			67.3%
Commercial - Waingawa	\$ 225,000	\$ 450,000	\$ 850,000	\$ 1,270,000	\$ 7,659	\$ 10,568	\$ 2,909			38.0%
Commercial - Waingawa	\$ 200,000	\$ 450,000	\$ 610,000	\$ 2,010,000	\$ 5,927	\$ 12,270	\$ 6,343			107.0%
Commercial - Waingawa	\$ 335,000	\$ 800,000	\$ 1,510,000	\$ 3,140,000	\$ 12,219	\$ 19,629	\$ 7,410			60.6%
Commercial - Waingawa	\$ 550,000	\$ 1,450,000	\$ 1,060,000	\$ 3,200,000	\$ 9,175	\$ 18,283	\$ 9,108			99.3%
Commercial - Waingawa	\$ 440,000	\$ 950,000	\$ 2,490,000	\$ 3,580,000	\$ 20,144	\$ 25,791	\$ 5,647			28.0%
Commercial - Waingawa	\$ 1,220,000	\$ 3,030,000	\$ 11,050,000	\$ 13,500,000	\$ 64,227	\$ 73,217	\$ 8,991			14.0%

Rating Summary 2024/25

The following rates and charges should be read in conjunction with the funding impact statement above.

	BASIS	GST INCLUSIVE 2024/25	RATES REQUIRED
GENERAL RATES - differential factor			
Residential		1.0	
Commercial		1.8	
Rural		0.80	
GENERAL RATES - capital value			
Residential	1,598,329,000	0.19140 cents in the \$	\$3,059,159
Commercial	198,984,500	0.34452 cents in the \$	\$685,532
Rural	2,807,595,030	0.15312 cents in the \$	\$4,298,929
Uniform Annual General Charge			
Full Charge	4,764	\$1,301.94	\$6,202,420
50% Charge	11	\$650.97	\$7,161
REGULATORY & PLANNING SERVICES - capital value			
	4,604,908,530	0.012612 cents in the \$	\$580,770
URBAN SEWERAGE			
Connected	2,949	\$1204.59	\$3,551,723
Able to be connected (half charge)	134	\$602.29	\$80,707
Pan charge	132	\$1204.59	\$159,005
WAINGAWA SEWERAGE - capital value			
Connected	37	\$203.00	\$7,511
Connected or able to be connected commercial properties in the Waingawa industrial zone	39,617,000	0.39179 cents in the \$	\$155,217
Connected or able to be connected residential properties in the Waingawa industrial zone	1,640,000	0.19590 cents in the \$	3213
STORMWATER - land value			
	554,582,000	0.06151 cents in the \$	\$341,132
REFUSE - collection & kerbside recycling			
	2,836	\$133.00	\$377,836
URBAN WATER			
Connected	2,982	\$833.65	\$2,485,533
Able to be connected	131	\$416.83	\$54,604
Metered water in excess of 225 cubic metres		\$2.00/cubic metre	\$120,750
WAINGAWA WATER			
Connected	63	\$546.86	\$34,452
Metered water		\$3.13/cubic metre	\$269,635
RURAL WATER RACE			
Rural water services rate	519	\$402.64	\$208,973
Class A	7,447	\$47.55237 per ha	\$354,115
Class B	3,369	\$10.91168 per ha	\$36,760
Class C	356	\$292.40078 per ha	\$104,095
Economic Development Rate - Commercial Industrial			
	236	\$650.24	\$153,457