

Funding Impact Statements

Funding Impact Statement – Operating Expenditure

	Forecast 2006/07 \$000	Forecast 2007/08 \$000	Forecast 2008/09 \$000	Projection 2009/10 \$000	Projection 2010/11 \$000	Projection 2011/12 \$000	Projection 2012/13 \$000	Projection 2013/14 \$000	Projection 2014/15 \$000	Projection 2015/16 \$000
(All figures shown exclusive of GST)										
OPERATING STATEMENT										
Total project expenditure	303,425	316,437	329,441	340,753	349,015	361,180	368,603	375,703	385,365	392,593
Self-insurance reserve	500	500	500	500	500	500	500	500	500	500
Total operating expenditure	303,925	316,937	329,941	341,253	349,515	361,680	369,103	376,203	385,865	393,093
LESS EXPENDITURE NOT FUNDED UNDER SECTION 100 OF LGA:										
LTNZ Transport funded projects	(6,720)	(7,027)	(7,432)	(7,556)	(7,676)	(8,213)	(8,169)	(8,307)	(8,277)	(8,398)
Clearwater sewerage treatment plant	(2,356)	(2,356)	(2,509)	(2,509)	(2,509)	(2,728)	(2,728)	(2,728)	(2,910)	(2,910)
Living Earth joint venture	(755)	(755)	(779)	(779)	(779)	(847)	(847)	(847)	(904)	(904)
Total operating expenditure to be funded	294,094	306,799	319,221	330,409	338,551	349,892	357,359	364,321	373,774	380,881
FUNDED BY:										
General rates	98,287	104,280	111,091	117,398	123,079	128,416	132,609	134,877	139,533	143,429
TARGETED RATES:										
Sewerage rate	29,668	30,445	31,599	32,402	33,168	34,579	35,189	35,715	36,786	37,215
Water rate	25,790	26,621	27,698	28,335	28,938	30,185	30,653	31,065	32,021	32,330
Stormwater rate	11,583	12,200	12,912	13,294	13,707	14,456	14,696	14,897	15,404	15,454
Base (residential) sector targeted rate	5,617	5,865	5,955	5,672	5,823	6,042	6,183	6,400	6,654	6,760
Commercial sector targeted rate	1,354	1,397	1,445	1,487	1,525	1,563	1,599	1,629	1,658	1,689
Downtown levy	9,023	9,260	9,550	9,821	10,074	10,321	10,548	10,757	10,951	11,142
Tawa driveways levy	22	22	22	22	22	22	22	22	22	22
Marsden Village levy	13	13	13	13	13	13	13	13	13	13
Total targeted rates	83,069	85,823	89,194	91,046	93,270	97,181	98,902	100,498	103,509	104,625
Total rates to fund operating expenditure	181,357	190,103	200,285	208,444	216,349	225,597	231,512	235,375	243,042	248,054

Funding Impact Statement – Operating Expenditure

	Forecast 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
(All figures shown exclusive of GST)	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
User charges	86,202	90,084	92,578	95,831	97,793	100,037	101,535	104,469	106,133	108,059
OTHER INCOME										
Ground and commercial leases	15,533	15,493	15,122	14,788	12,961	12,711	12,674	12,755	12,800	12,892
Dividends	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Transfund subsidies	2,655	2,740	2,825	2,905	2,979	3,051	3,117	3,178	3,234	3,290
Interest on investments	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485
Petrol tax	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Miscellaneous	1,662	1,694	1,726	1,756	1,784	1,811	1,836	1,859	1,880	1,901
Total funding for operating expenditure	294,094	306,799	319,221	330,409	338,551	349,892	357,359	364,321	373,774	380,881

Funding impact statement – Capital expenditure and loans to other organisations

	Forecast 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
(All figures shown exclusive of GST)	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Renewal capital expenditure	54,895	59,575	60,357	58,887	60,893	62,352	62,235	64,650	67,229	67,400
Upgrade capital expenditure	29,630	47,224	47,959	36,006	37,599	29,774	23,813	26,223	21,505	27,470
Capital expenditure carried forward from 2005/06	21,041	9,815	4,650	-	-	-	-	-	-	-
Total capital expenditure to be funded	105,566	116,614	112,966	94,893	98,492	92,126	86,048	90,873	88,734	94,870
Loans to other organisations	2,000	13,000	-	-	-	-	-	-	-	-
Total capital expenditure and loans to be funded	107,566	129,614	112,966	94,893	98,492	92,126	86,048	90,873	88,734	94,870
FUNDED BY:										
Rates funded depreciation	50,297	51,666	55,885	58,618	59,273	62,352	62,235	64,650	67,229	67,400
LTNZ transport subsidies	9,487	10,107	10,644	10,920	10,035	10,277	11,523	9,660	9,829	13,282
Development contributions	610	1,219	2,134	3,354	4,878	6,098	6,098	6,098	6,098	6,098
Targeted rates	-	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132
Borrowings	47,172	66,622	44,303	22,001	24,306	13,399	6,192	10,465	5,578	8,090
Total funding for capital expenditure and loans to other organisations	107,566	130,746	114,098	96,025	99,624	93,258	87,180	92,005	89,866	96,002

Note: The forecast surplus of funding over expenditure in years 2007/08 to 2015/16, reflects targeted rates funding for the repayment of borrowings.

Summary Statement of Prospective Borrowings

	Forecast 2006/07 \$000	Forecast 2007/08 \$000	Forecast 2008/09 \$000	Projection 2009/10 \$000	Projection 2010/11 \$000	Projection 2011/12 \$000	Projection 2012/13 \$000	Projection 2013/14 \$000	Projection 2014/15 \$000	Projection 2015/16 \$000
Opening Gross Borrowings	212,000	259,172	324,663	367,234	387,503	410,077	419,699	420,619	427,848	426,094
Capital expenditure	105,566	116,614	112,966	94,893	98,492	92,126	86,048	90,873	88,734	94,870
New borrowings to fund loans to external organisations	2,000	13,000	-	-	-	-	-	-	-	-
LESS:										
Rates funded depreciation	(50,297)	(51,666)	(55,885)	(58,618)	(59,273)	(64,397)	(65,775)	(66,155)	(72,829)	(75,251)
Utilisation of development contributions	(610)	(1,219)	(2,134)	(3,354)	(4,878)	(6,098)	(6,098)	(6,098)	(6,098)	(6,098)
Utilisation of LTNZ subsidies	(9,487)	(10,107)	(10,644)	(10,920)	(10,035)	(10,277)	(11,523)	(9,660)	(9,829)	(13,282)
Targeted rates for capital projects	-	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)	(1,132)
Repayment of loans	-	-	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(15,600)
Closing Gross Borrowings	259,172	324,663	367,234	387,503	410,077	419,699	420,619	427,848	426,094	409,601
Closing Total Investments	62,262	75,762	75,662	75,562	75,462	75,362	75,262	75,162	75,062	59,962
Closing Net Borrowings	196,910	248,901	291,572	311,941	334,615	344,337	345,357	352,686	351,032	349,639

Statement of Prospective Capital Expenditure and Capital Expenditure Funding

	Forecast 2006/07 \$000	Forecast 2007/08 \$000	Forecast 2008/09 \$000	Projection 2009/10 \$000	Projection 2010/11 \$000	Projection 2011/12 \$000	Projection 2012/13 \$000	Projection 2013/14 \$000	Projection 2014/15 \$000	Projection 2015/16 \$000
CAPITAL EXPENDITURE:										
Renewals	54,895	59,575	60,357	58,887	60,893	62,352	62,235	64,650	67,229	67,400
New assets	29,630	47,224	47,959	36,006	37,599	29,774	23,813	26,223	21,505	27,470
Total annual capital expenditure programme	84,525	106,799	108,316	94,893	98,492	92,126	86,048	90,873	88,734	94,870
Carried forward capital expenditure	21,041	9,815	4,650	-	-	-	-	-	-	-
Total capital expenditure	105,566	116,614	112,966	94,893	98,492	92,126	86,048	90,873	88,734	94,870
Renewals funded by:										
Depreciation	50,297	51,666	55,885	58,618	59,273	62,352	62,235	64,650	67,229	67,400
Borrowings	4,598	7,909	4,472	269	1,620	-	-	-	-	-
New assets funded by:										
Borrowings	40,574	45,712	39,831	21,732	22,686	13,399	6,192	10,465	5,578	8,090
Development contributions	610	1,220	2,134	3,354	4,878	6,098	6,098	6,098	6,098	6,098
LTNZ subsidies	9,487	10,107	10,644	10,920	10,035	10,277	11,523	9,660	9,829	13,282
Sale of assets and investments	-	-	-	-	-	-	-	-	-	-
Funded by Wellington City Council	105,566	116,614	112,966	94,893	98,492	92,126	86,048	90,873	88,734	94,870
Reserve funds	-	-	-	-	-	-	-	-	-	-
Bequests	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	105,566	116,614	112,966	94,893	98,492	92,126	86,048	90,873	88,734	94,870

ASSUMPTIONS:

1. For LTCCP purposes it is assumed that Development contributions, Reserve fund and Bequests income are utilised in the year it is received.

Statement of Prospective Decline in Service Potential Funding

	Forecast	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Depreciation	60,128	61,804	66,605	69,462	70,237	76,185	77,519	78,037	84,920	87,463
Non cash funded depreciation	(9,831)	(10,138)	(10,720)	(10,844)	(10,964)	(11,788)	(11,744)	(11,882)	(12,091)	(12,212)
Cash funded depreciation	50,297	51,666	55,885	58,618	59,273	64,397	65,775	66,155	72,829	75,251
APPLIED TO:										
Asset renewals	50,297	51,666	55,885	58,618	59,273	62,352	62,235	64,650	67,229	67,400
Repayment of loans	-	-	-	-	-	2,045	3,540	1,505	5,600	7,851
Cash funded depreciation	50,297	51,666	55,885	58,618	59,273	64,397	65,775	66,155	72,829	75,251

Rates Funding Statement

The Councils rates & charges for the 2006/07 year are set out below:

Rate	Factor	Differentiation	Total Value of Factor	Rate/charge	Rates yield GST Inclusive (\$000's)
General Rate	Capital Value	Base differential use	\$27,321,707,588	¢0.174357	47,637
	Capital Value	Commercial, industrial & business use	\$8,203,597,094	¢0.7671810	62,937
Total					110,574
Sewerage Rate	Fixed charge	Base differential use / connection status	61,971 properties	\$112.50	6,972
	Capital Value	Base differential use / connection status	\$28,644,325,914	¢0.045572	13,054
	Capital Value	Commercial, industrial and business use / connection status	\$6,969,177,607	¢0.191564	13,350
Total					33,376
Water rate	Fixed charge	Base differential use/connection status	56,581 properties	\$112.50	6,365
	Capital Value	Base differential use/connection status	\$24,056,709,761	¢0.044266	10,649
	Consumption unit charge	Base differential use/connection status	n/a	\$1.37 / m ³	394
	Capital Value	Commercial, industrial and business use / connection status	\$758,305,420	¢0.285727	2,166
	Consumption unit charge	Commercial, industrial and business use / connection status	n/a	\$1.37 / m ³	9,439
Total					29,013

Rates Funding Statement continued..

Rate	Factor	Differentiation	Total Value of Factor	Rate/charge	Rates yield GST Inclusive (\$000's)
Stormwater rate	Capital value	Base differential use (excluding rural)	\$26,971,262,767	¢0.038650	10,424
	Capital value	Commercial, industrial and business use (excluding rural)	\$7,247,036,929	¢0.035961	2,606
Total					13,030
Base sector targeted rate	Capital Value	Residential use	\$27,321,707,588	¢0.023129	6,319
Commercial sector targeted rate	Capital Value	Commercial, industrial & business use	\$8,203,597,094	¢0.018575	1,524
Downtown levy	Capital Value	Commercial, industrial & business use / central city location	\$5,518,395,967	¢0.183954	10,151
Tawa driveways levy	Capital Value	Commercial, industrial & business use / central city location	256 properties	\$100.00	26
Marsden Village levy	Capital Value	Commercial, industrial & business use / central city location	\$10,016,665	¢0.140380	14
Total Rates Requirement (Including Gst)					204,027

Indicative rates for 2006/07

The tables below provide a guide for rates for 2006/07 (inclusive of GST). Indicative rates are shown for different types of property depending on the increase in the property's value since last year. Residential rates include a Uniform Targeted Rate of \$225 (including GST) per property for water and sewage. This assumes you have no water meter – if you do have a water meter, your rates bill will not include the Uniform Targeted Rate for water. Greater Wellington – The Regional Council rates are excluded from these figures.

Total Rates 2006/07 (including GST)				
	Base (residential) share	Commercial share	Total Rates	
	\$000	\$000	\$000	
General Rate	47,637	62,937	110,574	
Water Rate (incl. water meters & UAC)	17,408	11,605	29,013	
Sewerage Rate (incl. UAC)	20,026	13,350	33,376	
Stormwater rate	10,424	2,606	13,030	
Targeted sector rates	6,319	1,524	7,843	
Downtown Levy	-	10,151	10,151	
Tawa driveways	26	-	26	
Marsden Village	-	14	14	
Total Rates	101,840	102,187	204,027	

2006/07 Capital Values \$	2006/07 Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
		Expected percentage change in rates			
Indicative residential property (without a water meter)					
200,000	877	1%	5%	9%	13%
300,000	1,203	1%	6%	10%	14%
400,000	1,529	1%	6%	10%	15%
500,000	1,855	2%	6%	11%	15%
600,000	2,181	2%	6%	11%	15%
700,000	2,507	2%	6%	11%	16%
800,000	2,833	2%	6%	11%	16%
900,000	3,159	2%	6%	11%	16%

Indicative rates for 2006/07 continued...

Indicative suburban commercial property rates (with water meter)

2006/07 Capital Values \$	2006/07 Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
		Expected percentage change in rates			
250,000	2,533	-9%	-3%	3%	8%
500,000	5,066	-9%	-3%	3%	8%
750,000	7,600	-9%	-3%	3%	8%
1,000,000	10,133	-9%	-3%	3%	8%
1,500,000	15,199	-9%	-3%	3%	8%
2,000,000	20,266	-9%	-3%	3%	8%
5,000,000	50,664	-9%	-3%	3%	8%
10,000,000	101,328	-9%	-3%	3%	8%

Indicative downtown commercial property rates (without a water meter)

2006/07 Capital Values \$	2006/07 Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
		Expected percentage change in rates			
250,000	3,707	2%	8%	13%	18%
500,000	7,415	2%	8%	13%	18%
750,000	11,122	2%	8%	13%	18%
1,000,000	14,830	2%	8%	13%	18%
1,500,000	22,244	2%	8%	13%	18%
2,000,000	29,659	2%	8%	13%	18%
5,000,000	74,148	2%	8%	13%	18%
10,000,000	148,296	2%	8%	13%	18%

Indicative rates for 2006/07 continued...

Indicative downtown commercial property rates (with water meter)

2006/07 Capital Values \$	2006/07 Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
		Expected percentage change in rates			
250,000	2,993	-4%	2%	7%	13%
500,000	5,986	-4%	2%	7%	13%
750,000	8,979	-4%	2%	7%	13%
1,000,000	11,972	-4%	2%	7%	13%
1,500,000	17,959	-4%	2%	7%	13%
2,000,000	23,945	-4%	2%	7%	13%
5,000,000	59,862	-4%	2%	7%	13%
10,000,000	119,724	-4%	2%	7%	13%

RATING MECHANISMS

RATES

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database. Where rates are based on value, the capital value of the property as assessed annually by Quotable Value New Zealand Limited will apply. The latest revaluation was carried out as at 1 September 2005 and will be effective for the 2006/07 rating year.

Policy Objective

- To provide the Council with adequate income to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible, by balancing the level of service provided by the Council with ability to pay and the incidence of costs in relation to benefits received.
- To be neutral in that it does not encourage people to redirect activity in order to avoid its impact.
- To reflect the decisions of the Council's policies and rating reviews.

GENERAL RATES

General rates are set under section 13 of the Local Government (Rating) Act 2002 on all rateable rating units in the City of Wellington. The Council proposes to set a general rate based on the Capital Value of each rating unit within the city,

The general rate will be set on a differential basis, based on land use. All rating units (or part thereof) will be classified for the purposes of General rates within one of the following rating differentials:

DIFFERENTIAL RATING CATEGORIES

NON-RATEABLE

Included any land referred to in Part 1, Schedule 1 of the Local Government (Rating Act 2002). This land is non-rateable with the exception of targeted rates for sewerage and water where rates are applicable.

50 PERCENT NON-RATEABLE

Includes all land referred to in Part 2, Schedule 1 of the Local Government (Rating) Act 2002. This land is 50 percent non-rateable in respect of the rates that would have applied had the property not been classified as non-rateable, with the exception of targeted rates for sewerage and water for which the land is fully rateable.

BASE DIFFERENTIAL

This includes:

- a) Separately rateable land used solely for one or more household units; excluding those properties that provide short stay (28 days or less) commercial accommodation for which a tariff is charged.
- b) Vacant land zoned residential
- c) Rural land (including farmland and lifestyle blocks) under the District Plan that is administered by Council, but excluding any rating unit that is zoned rural industrial
- d) Separately rateable land occupied by a charitable organisation, which is deemed by the Council to be used exclusively or principally for sporting, recreation or community purposes and that does not generate any private pecuniary profit.

COMMERCIAL, INDUSTRIAL AND BUSINESS DIFFERENTIAL

This includes:

- a) Separately rateable land used for a commercial or industrial purpose
- b) Vacant land zoned commercial, industrial or rural industrial under the District Plan administered by the Council
- c) Land used for offices, administrative and/or associated functions
- d) Land used for commercial accommodation for which a tariff is charged and where the principle purposed is the provision of short stay accommodation
- e) Business-related premises used principally for private pecuniary benefit
- f) Utility networks
- g) Any property not otherwise categorised within the Base differential.

ANNUAL UNIFORM GENERAL CHARGE

The Council does not assess a Uniform Annual General Charge.

DIFFERENTIAL RATING CATEGORY CONDITIONS

- The Council has resolved to achieve a target in 2009/10, which modifies the differential apportionment so that the commercial, industrial and business sector pay 2.8 times the General rate per dollar of capital value payable by those properties incorporated under the Base (Residential) differential. For 2006/07 the General rate differential ratio will be 4.4:1.
- The separated parts of a rating unit will be differentially rated where a part of the property is non-rateable or the property fits under one or more rating differential and either:
 - a) The total capital value of the rating unit is above \$500,000 or
 - b) Minority use(s) account for more than 30 percent of the total capital value of the rating unit.

In any other case, the General rate differential is determined by principal use.

- In regard to the rates attributable to a rating unit during the transition period between two differential rating categories, a ratepayer may apply for a change in rating category at any time between the lodgement of a consent application with the Council (on the condition that the principal prior use has ended) and the earlier of either:
 - a) The time at which the Council gives final approval of the completed works, or
 - b) The property is deemed (by the Council) to be available for its intended use.

In situations where the change in land use does not require a Council consent, but warrants a change in differential rating category, the onus is on the ratepayer to inform the Council prior to the property being utilised under the new use.

- The rating differential classification of all rating units must be set prior to the commencement of a rating year and will remain in place for that entire rating year. Any change in circumstances that results in a change of differential classification during a rating year will apply from 1 July of the following rating year.
- Any property eligible for mandatory 50 percent non-rateability under Part 2, Schedule 1, of the Rating Powers Act will be first classified under the appropriate General rate differential classifications and the non-rateability applied to that rate.

TARGETED RATES

Targeted Rates are set under section 16 of the Local Government (Rating) Act 2002.

SEWERAGE RATE

A targeted sewerage rate is to be apportioned 60 percent:40 percent between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for the cost of the provision of the sewerage treatment facilities for the city.

For the purposes of these rates the sewerage collection and disposal service is treated as being provided if the rating unit is connected to a public sewerage drain (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Local Government (Rating) Act 2002.

The targeted Sewerage rate is calculated as follows:

For rating units incorporated in the Commercial, Industrial and Business differential:

A rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 40 percent of the required rates funding.

For rating units incorporated in the Base differential:

A fixed amount of \$112.50 (incl. GST) and a rate per dollar of capital value on all rating units connect to a public sewerage drain, to collect 60 percent of the required rate funding.

WATER RATE

A targeted rate for water is to be apportioned with the aim of achieving a 60 percent:40 percent split between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for water collection and treatment facilities, the water distribution network and water conservation for the city.

This rate is set on all rating units serviced by a water connection. For the purposed of these rates, the water service is treated as being provided if the rating unit is connected to the public water supply (either directly or indirectly), irrespective of whether the property is consider fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Local Government (Rating) Act 2002.

The targeted Water rate is calculated as follows:

For rating units incorporated in the Commercial, Industrial and Business differential, either:

a) A fixed water meter charge of \$1.37 (incl. GST) per cubic meter of water used by all rating units connected to the public water supply with a water meter installed, plus an administrative charge of \$84.37 (incl. GST) per annum

Or

b) A rate per dollar of capital value on all rating units connected to the public water supply, without a water meter installed.

For rating units rated incorporated in the Base differential, either:

a) A fixed water meter charge of \$1.37 (incl. GST) per cubic meter of water used by all rating units connected to the public water supply with a water meter installed, plus an administrative charge of \$84.37 (incl. GST) per annum

Or

b) A fixed amount of \$112.50 (incl. GST) per rating unit and a rate per dollar of capital value on all rating units connected to the public water supply without a water meter installed, to collect the required Base differential contribution.

STORMWATER NETWORK RATE

A targeted stormwater rate is to be apportioned 80 percent to the non-rural rating units incorporated under the Base differential and 20 percent to the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for the cost of the provision of the stormwater collection/disposal network for the city.

Properties classified as "rural" under the Council's operative District Plan are excluded from the liability of this rate.

The targeted Stormwater network rate is calculated as follows:

For non-rural rating units incorporated in the Commercial, Industrial and Business differential:

A rate per dollar of capital value to collect 20 percent of the required rates funding.

For non-rural rating units incorporated in the Base differential:

A rate per dollar of capital value to collect 80 percent of the required rates funding.

COMMERCIAL, INDUSTRIAL AND BUSINESS SECTOR TARGETED RATE

This rate pays for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to the commercial, industrial and business sector and where the activity is not incorporated in other service related targeted rates. This incorporates the following:

- 100% of the cost of the events attraction and support activity

This rate is levied on all properties incorporated in the commercial, industrial and business sector and is calculated on a rate per dollar of rateable capital value.

BASE SECTOR TARGETED RATE

This rate pays for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated under the Base differential rating category (incorporating residential ratepayers). This incorporates the following activities:

- 100% of the Facilitation of community environmental initiatives, cultural grants, facilitation of recreation partnerships and community advocacy activities.
- 80% of the provision of community centres and halls activities.

This rate is levied on all properties incorporated under the Base differential rating category and is calculated on a rate per dollar of rateable capital value.

DOWNTOWN LEVY

This rate pays for tourism promotion, facilitation of suburban and city centres vitality, the New Zealand International Arts Festival. It also pays for 70% of the visitor attractions activity and 25% of the provision of galleries and museums activity.

This rate is levied on all commercial, industrial and business properties in the downtown area and is calculated on a rate per dollar of rateable capital value. For the purpose of this rate, the downtown area refers to the area designated as the "Central Area" under the operative Wellington City District Plan.

TAWA DRIVEWAYS LEVY

This rate pays for the maintenance of a specified group of residential access driveways in the suburb of Tawa, overseen by the Council. This rate is levied on a specific group of rating units in the former Tawa Borough at a fixed amount of \$100 (including GST).

MARSDEN VILLAGE LEVY

This rate is collected by the Council on behalf of the Marsden Village Association on all commercial, industrial and business properties in the Marsden shopping village and is calculated on a rate per dollar of capital value.

RATES REMISSION AND POSTPONEMENT POLICIES

Refer to the Council Remission and Postponement Policies.