

DRAFT STATEMENT OF PROPOSAL

REVENUE AND FINANCING POLICY

Background

Environment Canterbury's Revenue and Financing Policy outlines the rationale and process of selecting various funding sources to support the operating and capital expenditure we undertake. It includes the guiding principles under which funding source decisions are made.

Given the increased focus on biodiversity and biosecurity, as signalled in the Long-Term Plan 2018-28, a number of changes are now proposed. We have detailed below our rationale and other possible options, indicating our preferred approach.

Targeted rates for pest management

The Policy allows for a targeted rate for pest management (the Regional Targeted Pest Management Rate). Targeted pest rates are calculated on the basis of land value and land area of a property. In the current policy this is calculated as a 50:50 split, land value to land area. We are proposing that a change is made from this 50:50 split value:area, to an 80:20 split.

In forming this proposal we considered the following options:

1. Status quo – no change is made from the current 50:50 split. This 50:50 split has caused a number of very large properties to be adversely penalised by disproportionately high targeted rates.
2. Variations of the split looking at the impact on rate payers and the dollar amounts they would pay for each split.
3. The 80:20 split, which will better apportion the rates for targeted pest management work. This is our preferred option.

Sample properties are outlined [here](#) to show the rating impact of the options.

Pest-free Banks Peninsula (PFBP)

The community-driven Pest-free Banks Peninsula initiative is supported by Environment Canterbury and many community groups and other agencies, working towards being effectively pest free by 2050.

In the Long-Term Plan 2018-28 we signalled an investigation into the feasibility of expanding the Banks Peninsula Community Initiative Programme (CIP) rate. This investigation has been undertaken and we are now proposing that the Banks Peninsula Community Initiative Programme rate be replaced with a new Pest-free Banks Peninsula (PFBP) rate.

Before making this proposal, we considered the following options:

1. Status quo – we continue the CIP as it is currently (targeting rural properties for possum control only). This would slow the progress of the PFBP initiative.
2. Applying either 100% general rates for the PFBP work (ie all ratepayers in the region would contribute), or 100% targeted rate (ie the rates contribution would be paid by the local ratepayers only). Neither of these acknowledge that the benefits of the PFBP initiative are both local and regional in terms of biosecurity and biodiversity outcomes.
3. Applying a 50% general rate/50% targeted rate split. This is our preferred option.

We also considered a number of different geographical areas for the application of the targeted rate component, looking at ecological districts, ecological region or an alternative based on the Banks Peninsula ecological region and including Kaitorete Spit. Our preferred option is outlined on the map below.

The 2018-28 Long-Term Plan signalled consideration of a wider range of properties (including the Port Hills) to be rated for the PFBP work, and including the management of more pests.

We are therefore proposing for feedback, our preferred option of:

A combination of general and targeted rates for Pest-free Banks Peninsula work, to be made up of 50% general rates (ie all properties in Canterbury) and 50% targeted rate for local properties (based on 80% land value and 20% land area).

The targeted rate will be collected from all rateable property types in the proposed new rating area shown on the map. This includes the Port Hills, Banks Peninsula and Kaitorete Spit.

The PFBP initiative will produce immediate benefit to Port Hills and Banks Peninsula landowners and occupiers and longer-term public benefit from thriving indigenous flora and fauna, as well as amenity benefits, which will have flow-on effects for the region.

Having your say

The proposed changes are available for community and stakeholder feedback via the submission process from 18 February – 19 March 2019 (5:00pm). Submissions can be made via [URL](#). Submitters will be able to speak to Council at the hearings scheduled for 30 April by indicating this on the submission form.

Map of proposed Pest-free Banks Peninsula rating area

[MAP](#)