

Report 00.383

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Report to the Rural Services and Wairarapa Committee
from Wayne O'Donnell, Manager, Biosecurity

Bovine Tb Rates – 2000/01

1. Purpose

To obtain Council approval for adoption of the 2000/01 Bovine Tb rates, implemented to recover part of the costs associated with vector control activities.

2. Background

A land area differential rating system for Bovine Tb rates was introduced in the 1995/96 financial year. The differential provided for 77.5% of rates to be funded from operational areas and the remaining 22.5% from non-operational areas. In 1996/97, Council determined that the ratio should change to 80:20 to reflect the increase in operational activities.

The Council, at its meeting on 13 April 2000, agreed to further amend the ratio to 90:10. A Special Order amending the Bovine Tb Rate differentials was publicly notified. Confirmation of the Special Order is scheduled for the Council meeting on 29 June 2000.

The Bovine Tb rating contribution is required to amount to 40% of the total Council share.

The rating totals proposed for 2000/01 are based on Council gaining Animal Health Board (AHB) approval for three new operations –

- ◆ the Eradication Zone in northern Wairarapa
- ◆ Tora – Tukurumuri in south-east Wairarapa, and
- ◆ Ruamahanga River, linking the Waingawa and Martinborough operations

Approval of these operations will remain unknown until the Government budget for 2000/01 is announced in mid June.

3. 2000/01 Rate Requirements

The total rate to be collected in 2000/01 amounts to \$582,568, an increase of approximately \$59,000 over the 1999/2000 total. A further \$120,440 will be required from the Bovine Tb rate reserve.

The proposed rates are:

- ◆ Operational areas \$1.3317 per rateable hectare (\$1.26 in 1999/00)
- ◆ Non-operational areas \$0.2667 per rateable hectare (\$0.37 in 1999/00)

The above totals exclude GST.

4. Future Rating Requirements

The expected rating totals for the financial years 2000/01 to 2004/5 are indicated below –

Year	2000/01	2001/02	2002/03	2003/04	2004/05
Bovine Tb Rates	\$582,568	600,368	627,068	627,068	627,068
Reserves	\$120,443	90,974	18,885	97,634	58,047
Totals	\$703,011	691,342	645,953	724,702	685,115

Reserves will continue to be used to hold the rates at a constant level per hectare. The gradual increase in the Bovine Tb rate reflects Council's desire to enter an expansionary phase. The rates reflect the proposed commencement of new operations in south-east Wairarapa in the period 2000 – 2004.

New operations may not proceed in the next financial year as currently scheduled unless matching Animal Health Board funding is achieved. The position with this is still not known. However it is suggested that the Bovine Tb rates for 2000/01 be set at the amounts per hectare proposed in this report. Any differences between the rates income received in 2000/01 and the funding required for the actual works programme can be accommodated by transfers to or from the Bovine Tb rate reserve.

Members should note that there might also be changes to the rating contributions in future years if the new National Pest Management Strategy is approved for 2001 and beyond. The AHB have signalled that a reduced regional contribution may arise if all the stakeholders accept the proposed funding apportionments.

5. Recommendation

1. *That the Committee resolve to recommend that the Bovine Tb Rates for 2000/01 be as follows –*

Operational rate: \$1.3317 (plus GST) per rateable hectare

Non-operational rate: \$0.2667 (plus GST) per rateable hectare

2. *That a minimum rate of \$10.00 (plus GST) be applied to all rateable property as provided for under the Rating Powers Act 1988.*

Report prepared by:

Approved for submission by:



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