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

Bovine Tb Works and Services Rates – 2002/03

1. Purpose

To obtain Council approval for adoption of the 2002/03 Bovine Tb rates, implemented to fund part of the costs associated with vector control activities.

2. Background

Significant changes were made to the funding of the Bovine Tb vector control programme for the 2001/02 financial year. Firstly, the Council was advised that the Council's share would be reduced from around 38-42% to 13% of the total annual programme costs. This resulted in savings of approximately \$600,000 per annum to the general rate and \$400,000 per annum to the Bovine Tb rate.

Secondly, the Council agreed that the rating of non-operational properties would discontinue from the start of the 2001/02 financial year. It was also agreed that the Bovine Tb Rate Reserve would be utilised as a smoothing mechanism for funding the new National Bovine Tb Pest Management Strategy (NPMS). The result was that the rate for operational properties decreased from \$1.33/ha to \$0.484/ha from 2000/01 to 2001/02.

At the February 2002 meeting, the Rural Services and Wairarapa Committee supported a reduction in the Bovine Tb rate to \$0.30/ha for rateable operational properties in the 2002/03 financial year. This decision was to allow greater use of the Reserve fund over the 10 year term of the NPMS.

3. 2002/03 Rate Requirements

The Animal Health Board has advised that the regional share for the 2002/03 programme totals \$636,521. This is based on completing vector control operations over 326,000 hectares, including a new operation at Mauriceville.

In accordance with the Funding Policy, the regional share would be funded 60% by general rate, (\$381,913) and 40% by the Bovine Tb rate (\$254,608).

With the Bovine Tb operational rate at \$0.30/ha, a total of \$131,040 would be collected. Therefore, a contribution of \$123,568 will be required from the Bovine Tb Reserve fund. This Reserve is likely to total approximately \$900,000 by 30 June 2002.

The above totals exclude GST.

4. Recommendation

That the Committee resolve to recommend

- (1) That the Bovine Tb Rates for 2002/03 be \$0.30 (plus GST) per rateable hectare in operational areas.*
- (2) That the rate apply to all rateable properties over 10 hectares in size residing within operations identified in the approved Bovine Tb vector control programme.*
- (3) 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:

Wayne O'Donnell
Manager, Biosecurity

Colin Wright
Divisional Manager, Wairarapa