

9. FUNDING

The underlying tenet of the Biosecurity Act is that the beneficiaries of a Pest Management Strategy, or those who exacerbate a pest problem, should be required to pay.

Funding of the Strategy is determined through two Acts:

- Biosecurity Act 1993 – sections 77 and 97 – based on cost/benefit and exacerbator/beneficiary principles;
- Local Government Amendment Act 2002 – which sets out a process for apportionment of costs and developing funding mechanisms to test equity and reasonableness; and

section 77 of the Biosecurity Act requires a Strategy to specify:

- Beneficiaries and Exacerbators
- The rationale for the proposed allocation of cost; and
- Identify any unusual administrative costs or problems

9.1. BENEFICIARIES AND EXACERBATORS

Pest management is an individual land occupier's obligation in the first instance. Landowners/occupiers (urban, rural ratepayers and the Crown) are beneficiaries and exacerbators of pest problems, to varying degrees. The extent to which a land owner/occupier contributes to pest problems depends on whether their inaction has the potential to cause significant impairment to other land occupier values or to the environment generally.

The Northland Regional Council has determined that achieving the purpose and objectives of the Pest Management Strategies benefits landowners/occupiers collectively and is 'public good' (that is, the Regional community generally benefits from the implementation of the Strategies).

Beneficiaries include:

- Public, communities and individuals
- Landowners/occupiers
- Sectoral public (i.e. industries, interest groups)
- Crown

Exacerbators include:

- Owners of pest habitat (i.e. landowners/occupiers)
- Owners of pests (e.g. breeders)
- Vectors of pests (i.e. those who move pests around, for example, dumpers of garden waste)

9.2. FUNDING SOURCES AND RATIONALE

The Council, pursuant to sections 16-18 of the Local Government (Rating) Act 2002, will fund the implementation of these Strategies by way of a uniform targeted Land Management Rate on the land value of all rateable land in the constituent districts of the Northland Region. This rate is set to recover the estimated costs of land and river

management planning and biosecurity activities including pest control, that have a direct impact on and relationship to land. These Council activities are carried out pursuant to the Biosecurity Act, the Soil Conservation and Rivers Control Act 1941, and the Civil Defence Emergency Management Act 2002.

Ratepayers are often both beneficiaries and exacerbators, thereby making any distinction between them somewhat arbitrary. Across the whole Region, it is considered that all landholders and residents will benefit sufficiently to justify funding most of the Strategies activities. The targeted Land Management Rate, and a share of the Northland Regional Council's income from investments, will cover the cost of education, publicity advisory services, regulation and administration and, for those pests so identified, pest control operations.

In some cases there may be a direct relationship between area of land and extent of benefit. In that case, a charge per unit area, collected by direct contribution or by way of a rate, is appropriate. Where the value of the land reflects the benefit to be gained, a contribution or a rate struck on a land value basis will be more appropriate.

In other cases, direct charging according to time spent, pests killed, or on some other basis may be considered and implemented (i.e. nassella Strategy).

Bounties and subsidies were considered but rejected because of the lack of control over where the effort is applied, a concern that the beneficiaries of such services do not appreciate the true value of the service and experience of abuse and ineffectiveness in the past.

The Council has agreed to be bound by the rating relief and postponement policies of its constituent territorial authorities as set out in the Northland Regional Council Rating Policies which have been adopted in conjunction with the Northland Long Term Community Plan (Volume 2). The Northland Regional Council has appointed its constituent district councils as its lawful agents for the receipt, approval or dismissal of applications for rates relief under the Northland Regional Council Rating Policies.

Crown Land

Crown agencies are considered to be significant beneficiaries and exacerbators of pest management in the Region. section 87(2) of the Biosecurity Act exempts the Crown and Crown agencies from being legally bound by the funding provision or the rules in the Northland Regional Pest Management Strategies. The Northland Regional Council will continue to liaise with the Crown and other Crown land occupiers over their pest management obligations on public land, and ensure that all parties commit to the Regional Pest Management Strategies and secure funding to fulfil their obligations.

9.3. COST RECOVERY

Section 135 of the Biosecurity Act provides Regional Councils with options to recover the costs of administering the Act and performing the functions, powers, duties under a Pest Management Strategy. The mechanisms include user charges and cost recovery in the event of non-compliance with a legal direction (refer section 6.5 of this document).

9.4. OTHER FUNDING PROVISIONS

Additional funding may be required to manage potential pests not included in the Strategies (under section 13 Biosecurity Act) where there is a clear public need for information and assistance. This can be provided from the general rate based on equalised land value through the Long Term Council Community Plan.

9.5. COMPENSATION

In terms of section 76(1)(n) of the Biosecurity Act, no compensation shall be payable by the Northland Regional Council with regard to losses incurred by landowners/occupiers as a direct result of the implementation of these Strategies, including the removal of pests as required under the Strategies rules.

9.6. IDENTIFICATION OF ANY UNUSUAL ADMINISTRATIVE COSTS OR PROBLEMS

No unusual administrative problems or costs are expected in recovering the costs to any of the persons that are required to pay.