

# Revenue and Financing Policy 2021-2031

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<b>Group responsible:</b>	<b>Finance</b>
<b>Date adopted:</b>	<b>28 January 2021</b>
<b>Implementation date:</b>	<b>1 July 2021</b>
<b>File no:</b>	<b>R/20/10/60770</b>

## 1 Introduction

Council's Revenue and Financing Policy sets out the ways Council intends to pay for each activity that Council provides and why.

Council is required to have this policy by Section 102 of the Local Government Act 2002 to provide predictability and certainty to residents and ratepayers about the sources and levels of funding for Council's activities.

When read in conjunction with the Funding Impact Statement in Council's long term and annual plans, this policy links the funding decisions with the rates that each ratepayer is required to pay.

## 2 Policy Details

### 2.1 Legislative considerations

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The purpose of the Revenue and Financing Policy is to describe how Council funds its operating and capital expenses from the funding sources available to it and why it chooses the various mechanisms. Section 103 of the Local Government Act 2002 (LGA) details the funding sources that Council can use to fund its activities including rates, fees, subsidies, borrowing and other revenue.

In addition to identifying the sources of funding, the policy must outline why the Council has decided to fund its activities in this way. These funding decisions follow a two-step funding process outlined in the LGA that involves consideration of a set of funding principles to determine appropriate funding sources for activities (Section 101(3)(a)) and then considering the impact that the resulting allocation of revenue liability has on current and future community wellbeing (Section 101(3)(b)).

Firstly, for each activity, the Council must consider the following matters:

- the community outcomes to which the activity primarily contributes
- the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (the 'beneficiary -pays' principle).
- the period in or over which those benefits are expected to occur (the 'inter-generational equity' principle). For example, the benefits of some activities will occur over the entire life of the asset. This will benefit not only existing generations but future generations who should also contribute towards paying for the cost.

- the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity (the ‘exacerbator-pays’ principle which suggests that exacerbators should meet at least part of the cost of an activity).
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities. This particularly relates to transparency and accountability, but may also relate to factors like the financial scale of the activity (e.g. a small activity may not warrant separate funding due to the cost of establishing systems to support cost recovery).

Secondly, following consideration of these elements, the Council must consider the overall impact of any allocation of liability for revenue needs on the community, and to consider if any changes are needed. This involves weighing up the impact of the policy on the community. Such considerations might include:

- affordability - the ability to pay by low income households or small communities;
- barriers to accessing services;
- legal constraints (such as the ability of Council to only receive 30% of Council revenue from rates set on a uniform basis);
- fair treatment of the different sectors - balancing the ability to pay and the benefits actually received;
- alignment with the Council’s objectives and financial strategy which sets limits on rates increases and debt levels.

The Council may, as a final measure, modify the overall mix of funding in response to these considerations. Council’s consideration of these matters is noted under each individual activity in the detailed activity analysis from page 9.

## 2.2 Our funding approach

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Southland District communities are diverse and there are many different users of council services.

Wherever practical Council aims to maintain a relationship between the benefits received by groups of residents and ratepayers and the contributions they make for those services, especially where communities within the district have differing levels of service (the ‘beneficiary-pays’ principle).

Where the benefits are shared more equally and everyone is expected to make a contribution, or where it is impractical to exclude users or identify groups that principally benefit, it is deemed to be **“public”** and more likely to be collectively funded (e.g. through General rate).

Where individuals/groups receive the direct benefit of the activity exclusively, and the costs of the activity can easily be attributed to that individual/group or, their use of the service excludes others, or the nature of the benefit differs across the community, it is deemed to be **“private”** and more likely to be funded on a user pays basis (e.g. through fees and charges, targeted rates). In principle, Council seeks to recover the maximum amount possible from the direct users of a service (the ‘user-pays’ principle) or from those that create the need for a service (the ‘exacerbator-pays’ principle). However, Council must also ensure that the level of fees or charges (and targeted rates) are not at a point where the cost becomes prohibitive and could potentially impact the community’s use of the service, create detrimental effects or work against the achievement of community outcomes. As such their use needs to be balanced with other funding sources.

Council also seeks to ensure that people pay for services at the time they consume them, (the ‘inter-generational equity’ principle). Costs of service include capital costs, direct operational costs, depreciation, interest and loan repayments. The tools Council uses to achieve inter-generational equity include borrowing and depreciation funding.

In reality, most council services sit somewhere on the continuum between providing public and private benefits and most activities have characteristics of both private and public goods. As part of developing this policy, Council has endeavoured to use the public/private benefit to summarise its consideration of the LGA funding principles, initially in relation to each activity around assessing the nature of the benefits and who benefits (the whole community, identifiable parts of the community or individuals) over what period (section 101(3)(a)) and then again after considering the overall impact on the community (section 101(3)(b)).

It must be noted that Council's funding approach is a complex assessment of determining where the benefits of council services apply, what the best methods for funding those services are and how this can be equitably applied across district communities. Council must also consider affordability, both from a ratepayer perspective, and for individuals and groups using council provided services. Council has considered all of these elements and considers the overall funding approach detailed in this policy to be fair and equitable.

The outcome of these considerations is outlined in the activity funding analysis table in section 2.3.2 and has been used to inform the Council's thinking on what are the most appropriate sources of funding for operating and capital expenditure for each activity.

The indicative funding proportions that have been specified are not intended as an exact realisable proportion, they are intended to be a guideline. It is recognised that within each activity there may be justification for variation from those proportions on a case-by-case basis and in considering the impact that the allocation of liability for revenue has on the whole community.

The approach taken in this policy is to give the reader a high level of understanding of the key funding methods. As such the "key" funding sources are detailed in the indicative funding section of the activity funding analysis on page 9. At times minor costs may be funded from a source not indicated.

## 2.3 Funding mechanisms

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### Types of Expenditure

Broadly speaking, Council has two types of expenses: operating expenditure and capital expenditure.

**Operating expenditure** is used to fund the ongoing day-to-day activities and services of the Council. Operating revenue is set at such a level for the Council to meet its projected operating expenditure, as well as comply with applicable legislation and generally accepted accounting practice.

**Capital expenditure** is money spent in acquiring or upgrading a business asset such as equipment or buildings. The Council has three categories of capital expenditure spread across its activities:

- **renewals** - defined as capital expenditure that increases the life of an existing asset with no increase in service level.
- **increased level of service (ILOS)** - defined as capital expenditure that increases the service level delivered by the asset.
- **additional demand (AD)** - defined as capital expenditure that is required to provide additional capacity necessary to accommodate growth or demand.

The Council's funding of capital expenditure must comply with applicable legislation and generally accepted accounting practice, and is derived from a mix of revenue sources. The method of funding generally depends on the asset expenditure – whether it is a renewal of an existing asset or an upgrade of an existing asset or a completely new asset.

The major sources of funding operating (opex) and capital expenditure (capex) is summarised in Table 1.

Table 1: Description of the funding mechanisms and their general application

Funding source	Definition	Rationale for application	Application			
			Opex	Demand (AD)	Capex Levels of service (ILOS)	Renewal
<b>General rate (including UAGC)</b>	The General rate is assessed across all rateable properties in the district. The General rate is set on a rate in the dollar charged on capital value and a Uniform Annual General Charge (UAGC), which is a flat amount levied on each rating unit. The General rate is not set on a differential basis.	<p>The General rate is used to fund those services where there is a benefit to the district as a whole. It is typically used when there is a high public benefit in the services provided, when Council considers the community as a whole should meet the costs of the service, and when Council is unable to achieve its user-charge targets and must fund expenditure.</p> <p>Capital value (compared to land value) is seen as the best mechanism because it is easier to calculate given market sales information, is well understood, reflects the total investment in the property and is considered a better proxy for ability to pay and use of services/ infrastructure than other tools.</p> <p>The size of the UAGC is set each year by Council and is used as a levelling tool in the collection of the General rates. If the Uniform Annual General Charge (UAGC) were set at zero the effect would be to increase the amount of rates assessed on capital value which would increase the share levied on properties with higher capital values and decrease the share levied on lower capital values. In setting the level of the UAGC, Council balances the impact of high fixed charges (including the UAGC and other fixed charges) on those with low incomes and property values against the impact of a low UAGC on the relative share of rates levied on high value properties, such as large rural properties.</p>	✓		✓*	✓*
<b>Targeted rates</b>	Targeted rates are set for a specific activity or group of activities and can be charged in a number of different ways as defined in the Local Government (Rating) Act 2002 to collect funds over specific areas of benefit.	<p>Targeted rates are used when the Council considers that transparency is important, or where the location or method of rating makes the use of a targeted rate more appropriate and more equitable or a better match to the benefits of the activity.</p> <p>The Rates Funding Impact Statement in the Long Term Plan or Annual Plan outlines the Council's rating policies including details about how the rate is set and on which properties it will apply to.</p>	✓	✓	✓*	✓*
<b>Grants and subsidies</b>	Funding received from other agencies, usually for a specific purpose.	Council will use grants or subsidies from central government or other organisations where available, usually for a specific purpose. This approach minimises the cost to the community of undertaking projects and activities. Generally these are used for capital expenditure, but may also be used for operating expenditure in certain circumstances.	✓	✓	✓	✓
<b>Fees and Charges</b>	Fees charged to individuals or groups who are directly using Council services.	<p>The Council uses a range of fees and charges to recover a proportion of the costs of providing Council facilities and services. Generally, the greater the degree of identifiable private benefit, the more likely it is that the service costs can be recovered through fees /charges.</p> <p>The Council also considers issues like the affordability of user charges, particularly where the Council believes that setting a charge too high will reduce the use of a service and therefore diminish its value to the community and impose a greater cost on ratepayers.</p>	✓		✓*	✓*
<b>Investment Income</b>	Income received from any investments (e.g. forestry)	This income is generally used to reduce the amount of rate required or may be added to reserves to future fund projects.	✓	✓	✓	✓

Funding source	Definition	Rationale for application	Application			
			Opex	Demand (AD)	Levels of service (LOS)	Renewal
<b>Lump Sum Contributions</b>	Lump Sum contributions are where ratepayers agree to pay a capital (or lump sum) payment towards meeting the cost of providing a particular asset in their community (eg upgrading of a water supply) rather than paying for these capital costs via an annual targeted rate.	These contributions will be used to fund the repayment of debt for specific capital activity from time to time.	✓	✓*	✓*	✓*
<b>Proceeds from Asset Sales</b>	Proceeds from asset sales are the monies received from selling physical assets, such as plant and equipment.	Proceeds from asset sales will be used for the repayment of debt or the acquisition of new assets.		✓	✓	✓
<b>Depreciation Reserves</b>	Depreciation reserves are set to allow for the replacement of Council's capital assets when they reach the end of their useful life.	These reserves are used to fund both the renewal and increased level of service categories of capital expenditure, along with any debt repayment relating to prior year capital expenditure. Council will use depreciation from current and prior years that has not already been applied to fund asset replacements. Council's current approach is to phase in funding depreciation of roading, streetlights, water, wastewater, solid waste, computers and vehicle assets. Once this is completed Council will consider funding depreciation for other assets.	✓		✓	✓
<b>Financial and Development Contributions</b>	Financial contributions are a capital charge for works undertaken to mitigate the environmental effects of subdivision, land use and development. Development contributions are a capital charge on development to recover share of the capital costs that development imposes on network/community infrastructure.	Financial or development contributions are used to ensure that a fair proportion of the cost of infrastructure needed to serve growth or capital works needed to mitigate environmental effects is funded by those who cause the need (i.e. developments leading to growth). Council's Policy on Development Contributions and Financial Contributions sets out the conditions in which contributions are required and the method used to calculate them. Development Contributions are currently in remission under this policy, due to Council's desire to encourage growth in the district.		✓		
<b>Borrowing - internal</b>	Council currently operates an internal treasury function. This means that Council uses cash surpluses from some activities to lend to other activities that need to borrow. This reduces the overall cost of borrowing. Council charges interest on the funds lent to the borrowing activities, and receives interest on the funds borrowed from the lending activities.	Council will fund short term deficits with internal borrowing where this is considered to be prudent. Interest on reserves is calculated on the average balance of each reserve during the year. Interest is allocated at a prescribed interest rate (as discussed in the Long Term Plan assumptions). Both positive and negative reserves get interest charged or applied. For the majority of reserves held by local communities, this interest is added to the reserve, which has no impact on the rate requirement as these reserves are usually positive and are set aside for future projects. For the majority of district reserves, interest will reduce the rates required or increase the rates required if the reserve has a negative balance.	✓	✓	✓	✓

Funding source	Definition	Rationale for application	Application			
			Opex	Demand (AD)	Levels of service (LOS)	Renewal
<b>Borrowing – external</b>	Borrowing is not a source of revenue itself. Rather it is a 'bridging' mechanism to assist with the financing required for the construction of long term assets. Debt arising from borrowing still needs to be repaid from other sources of revenue (eg rates).	Borrowing to fund capital expenditure spreads the repayment of that borrowing over several years and helps to ensure fairness or intergenerational equity so that current ratepayers pay for the services they use now, and future ratepayers pay their share too.  Generally the Council will not borrow to fund operating costs, however Council may enter into short-term borrowing arrangements to manage cashflows. More detail about Council's borrowing is set out in its Investment and Liability Policy.	✓	✓	✓	✓
<b>Council Reserves</b>	Reserves are made up of funds that are either received or set aside for a specific activity or savings specific to each activity that may be available to fund expenditure subject to Council approval.  This can be used for both private good and public good.	Where past surpluses are available these may be used to fund capital expenditure and in some instances operating expenditure at Council's discretion. Reserves will be applied to expenditure in line with the purpose for which the funds were collected or in line with any conditions that were in place when the funds were received. These are typically classified as local reserves (where reserves are for the benefit of specific communities), or district reserves (where reserves are held for the benefit of the wider district).	✓	✓	✓	✓

\* Application depends on how the activity to which capital expenditure relates is funded.

Table 2 below outlines the general considerations for funding against the legislative requirements of the Local Government Act (2002) section 101(3)(a).

*Table 2: Legislative assessment of funding considerations*

LGA s101(3)(a)	Operating funding consideration	Capital funding considerations
<b>Community Outcome</b>	Council needs to take into account whether the proposed funding source will promote or work against the achievement of community outcomes.	
<b>Distribution of benefits</b>	Determining distribution of benefit is subjective and is for Council to determine. Council will consider how the benefit of an activity applies to households, businesses and the community as a whole. Generally, individual benefit leads to fees and charges, location based benefits lead to targeted rates, and community wide benefits leads to General rates or targeted rates applied across the district.	As per operating expenditure unless Council resolves otherwise. Council may also choose to target those people or organisations who primarily benefit through lump sum options or targeted rates.
<b>Period of benefit</b>	For most operating expenditure the benefit is received in the year the expense is incurred. For most activities Council will cash fund depreciation (an operating expense) from revenue sources and this, along with other surplus cashflow, will be used to fund capital expenditure for asset renewal or debt repayments. Some operational expenditure (provisions) may have a benefit over multiple years and so Council may choose to fund the activity over that period.	For most capital projects the benefit is received over the life of the asset. Council will have regard to the equitable distribution of costs to each generation for the building and renewal of the asset. Funding depreciation and borrowing (with associated interest costs) are the primary ways to spread the cost of asset over its life.
<b>Who creates the need</b>	Some things Council must do because the actions or inactions of individuals or groups creates the need to undertake the activity. Council may choose to target these people or organisations through fines, charges or targeted rate.	
<b>Separate funding</b>	Council must consider the practicalities of separate funding along with transparency and accountability. In some cases, while it may be desirable to charge individuals, there may be no practical way of doing so. When considering what rates will be charged, the costs and benefits of separate rating mechanisms for separate activities should be weighed up. Council does not wish to make a complex rating system that is expensive to maintain and confusing to interpret, as this will not contribute to improved transparency and accountability.	



### 2.3.1 Summary of funding sources

Table 3 shows the indicative percentages from each funding source used to fund operating costs following consideration of the relevant funding principles (summarising the activity funding analysis from page 9).

The table includes information related to the LTP activity groups as well as the sub-activities which make these up. Non-direct corporate overhead costs (for corporate functions like information management, people and capability, finance and customer service) are allocated at the activity group\* level only (grey shading). These costs are largely funded by the General rate.

For operational expenditure, funding portions for each activity are expressed as ranges - **low** (<33%); **medium** (33-66%); **high** (>66%).

Capital expenditure funding contributions are also identified in the detailed activity analysis. The proportion of capital costs funded from each source will vary depending on the nature of each capital project.

Table 3: Summary of operating expenditure funding sources by activity group\* and sub-activity

Activity Group Activity	Sub-activity	General rate	Targeted Rates	Fees and Charges	Other Sources (including grants and subsidies)
<b>Community Resources*</b>		<b>Medium</b>	<b>Medium</b>	<b>Low</b>	<b>Low</b>
Community Facilities	Halls		High	Low	Low
	Toilets	High		Low	
	Council/community buildings	Medium	Low		Medium
Community Services	Cemeteries	High		Low	Low
	Community Housing	Low			High
	Library Services	High		Low	Low
Open Spaces		Medium	High		Low
Waste Services		Low	Medium	Low	Low
Electricity Supply (SIESA)			Low	High	Low
<b>Stormwater Drainage*</b>		<b>Low</b>	<b>High</b>		<b>Low</b>
<b>Transport*</b>		<b>Low</b>	<b>High</b>	<b>Low</b>	<b>Low</b>
Roads, Footpaths, Airport and Cycle Trails	Roads, Footpaths and Cycle Trails	Low	High	Low	Low
	Airport	Low	High	Low	Low
Water Facilities		Low	Low	High	Low
<b>Sewerage*</b>		<b>Low</b>	<b>High</b>	<b>Low</b>	<b>Low</b>
<b>Water Supply*</b>		<b>Low</b>	<b>High</b>	<b>Low</b>	<b>Low</b>
<b>Community Leadership*</b>		<b>High</b>	<b>Low</b>		<b>Low</b>
Representation and Advocacy		High			Low
Community and Futures		High	Low		Low
Community Assistance		Medium	Medium		Low
<b>Environment Services*</b>		<b>Medium</b>		<b>Medium</b>	<b>Low</b>
Environment Services	Resource Management	High		Low	Low
	Animal Services	Low		High	Low
	Environmental Health	Medium		Medium	Low
	Building Solutions	Low		High	Low
Emergency Management		High			
<b>Key:</b>					
<33%		33% to <66%		≥66%	
<b>Low</b>		<b>Medium</b>		<b>High</b>	

Generally the process for funding operating costs of these activities is as follows:

- where it is practical to recover the designated portion of the net operating cost of an activity from a private user or exacerbator, fees and charges are set at levels designed to achieve this, provided there are no legislative constraints
- operating grants or subsidies for a particular activity are used to reduce the gross cost
- other income sources that may be appropriate such as interest, reserves and borrowing (largely for financially significant one-off projects that extend the life of an asset e.g. painting)
- where a fee or charge is not practical, targeted rates may be set in line with Council's rating policies
- any net income from investments may then be applied and any residual requirement will be funded through the General rate. For the purposes of this policy, any reference to the General rate as a funding source is considered to include the Uniform Annual General Charge (UAGC).

More detailed rating policies (including the details of targeted rates and how they are applied, the level of the UAGC, and the details of any differentials) will be outlined in the Funding Impact Statement in the Long Term Plan or Annual Plan, as appropriate.



2.3.2 Detailed activity funding analysis (sub-activity level)

The detailed sub-activity funding analysis below excludes the non-direct corporate overhead costs.

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
GROUP: COMMUNITY RESOURCES											
Activity: Community Facilities											
Halls											
<p>► Inclusive connected communities</p> <p>► A diverse economy creating healthy and affordable lifestyles</p> <p>The activity provides spaces for people to come together, which strengthens social connections within communities.</p> <p>The activity also provides common spaces where people can carry out recreational and physical activity.</p>	<p><b>Low</b></p> <p>The whole community benefits from the option they have to use halls which are available for public use.</p> <p>Facilities are spread widely across the district and have a range of community uses.</p> <p>The Council also supports some privately owned halls.</p>	<p><b>Medium</b></p> <p>Parts of the community that have a hall nearby have easier access and may experience a greater benefit than those who have to travel a longer distance to use a facility, particularly where other options are unavailable.</p>	<p><b>Medium</b></p> <p>Groups and individuals that use halls for community and recreational use experience a direct benefit.</p>	<p>Groups and individuals who wish to use facilities for events and activities in their community or to provide a focal point for communities.</p> <p>People wanting to use a hall pay a hire charge. In some cases, vandalism and accidental damage may cause additional costs. Where possible, costs will be recovered.</p>	<p><b>Current and future years</b></p> <p>Halls have long useful lives and will benefit both current and future generations.</p> <p>Council does not currently fund the depreciation on halls, with decisions on how to fund replacements or renewals to be made once individual halls reach the end of their useful life.</p> <p>Council may look to divest ownership where this is not critical to the provision of the activity, or the community feedback/usage indicates the hall is no longer needed.</p>	<p>While halls are a relatively small part of Council’s overall expenditure, Council is aware that each community generally has a stronger connection to the halls in their local area compared to those in other parts of the district. For this reason Council has chosen to amalgamate the overall funding of this activity under the community resources activity whilst retaining separate targeted rates for individual halls. This provides clarity over the funding needs of individual halls and reflects the variations in the types of halls and levels of service provided across the district.</p>	50%	50%	80%-100%	0%-20%	<p><i>Operational</i></p> <p>Targeted rates (High) - Area of Service</p> <p>Fees and Charges (Low)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>Targeted rates</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Other sources including reserves</p>
Toilets											
<p>► Kaitiakitanga for future generations</p> <p>► Empowered communities with the right tools to deliver the best outcomes</p> <p>The activity provides clean, safe and sanitary toilet facilities for visitors and residents along key travel routes and in high public use areas such as commercial areas, parks, beaches, playgrounds and freedom camping areas.</p> <p>The activity also ensures that human waste is appropriately dealt with to minimise any environmental or public health impacts.</p>	<p><b>High</b></p> <p>The whole community benefits because all people from within and outside of the district have the ability to use public toilets. There are also wider public health and environmental benefits through providing facilities for sanitary purposes.</p> <p>Facilities are spread widely across the district.</p>	<p><b>Medium</b></p> <p>Parts of the community that have a high number of visitor with toilet facilities nearby may experience a greater benefit. Shops located near to public toilets may also benefit indirectly.</p>	<p><b>High</b></p> <p>Visitors and residents that use toilet facilities experience a direct benefit.</p>	<p>Visitors and residents. While there are benefits to individuals who use the facilities, charging them for use may act as a disincentive and result in negative outcomes.</p> <p>In some cases, vandalism may cause additional costs. Where possible, costs will be recovered if perpetrators are caught.</p>	<p><b>Current and future years</b></p> <p>Public toilets have long useful lives and will benefit both current and future generations.</p>	<p>Toilets make up a small part of Council’s overall expenditure. Given this and that toilets are generally maintained to a consistent standard across the district, there is no benefit perceived from separate funding. For this reason Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate to reduce collection costs.</p>	50%	50%	80%-100%	0-20%	<p><i>Operational</i></p> <p>General rate (High) - District</p> <p>Fees and Charges (Low)</p> <p><i>Capital</i></p> <p>General rate</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Other sources including reserves</p>

							rates input). Grants may also be available from time to time but are difficult to predict.				
Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
							Public	Private	Public	Private	
Council/community buildings											
<div>▶ Kaitiakitanga for future generations</div> <div>▶ Inclusive connected communities</div> <div>▶ Empowered communities with the right tools to deliver the best outcomes</div> <div>The activity involves the maintenance and management of other Council properties which support the provision of Council services (like libraries) and other community delivered services (like maternity services or communication services). Some of the buildings and structures have a tourism/economic or heritage/memorial value.</div>	<b>Medium</b> The whole community benefits from land and buildings that support the delivery of Council services or that are available for public use.	<b>Medium</b> Parts of the community that have land and buildings that supports the delivery of community services in that location, benefit directly.	<b>Low</b> Property lessees are the direct beneficiaries of the activity and generally the space can only be occupied by one lessee at a time.	Groups and individuals who wish to use buildings or access the services delivered in them or retain them for their economic heritage/memorial value.	<b>Current and future years</b> Community buildings and structures have long useful lives and will benefit both current and future generations.	Given that the majority of these buildings support the delivery of other services there is no benefit perceived from separate funding other than rents. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate or relevant local targeted rate.	50%	50%	<b>80%-100%</b>	<b>0-20%</b>	<i>Operational</i> General rate (Medium) - District Targeted rate (Low) - Areas of Service Other sources (Medium)  <i>Capital</i> General and targeted rates Borrowing Proceeds from Asset Sales Other sources including reserves
Activity: Community Services											
Cemeteries											
<div>▶ Kaitiakitanga for future generations</div> <div>▶ Inclusive connected communities</div> <div>▶ Empowered communities with the right tools to deliver the best outcomes</div> <div>The activity provides a memorial space where family and friends can remember others as well as a record of a community’s history and heritage.</div> <div>The activity also ensures internments are managed in a way to minimise any environmental or public health impacts.</div>	<b>Low-Medium</b> The whole community benefits from the provision of an interment system that remembers and respects those who have passed away and maintains public health and environmental standards through safe disposal of human remains. Records of interment are linked to the history of the community and are of public benefit. Facilities are spread widely across the district.	<b>Low-Medium</b> Parts of the community that have a council owned and operated cemetery nearby may experience a greater benefit from being able to have family members buried nearby.	<b>Medium-High</b> Families and friends of the deceased (from within and outside of the district) are the direct beneficiaries of the service with individual gravesites provided for remembrance and burial as well as cemetery records which are available to those researching family history.	People wanting to be buried in the district pay interment fees. In some cases, vandalism and failure to maintain headstones may cause additional costs. Where possible, costs will be recovered.	<b>Current and future years</b> Cemeteries have long useful lives and will benefit both current and future generations. The cemeteries do have limited capacity and extensions are required when existing capacity is exhausted.	Cemeteries make up a small part of Council’s overall expenditure. Given this and that cemeteries are generally maintained to a consistent standard across the district, there is no benefit perceived from separate funding. For this reason Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate to reduce collection costs.	60%	40%	<b>80%-100%</b>	<b>0%-20%</b>	<i>Operational</i> General rate (High) - District Fees and Charges (Low) Other sources (Low)  <i>Capital</i> General and targeted rates Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Community Housing											
<div><div><div>► Inclusive connected communities</div><div>► A diverse economy creating healthy and affordable lifestyles</div><div>► Empowered communities with the right tools to deliver the best outcomes</div></div><div>This activity provides good quality affordable housing to people in need enabling them, where possible, to remain socially connected and living in their local community.</div></div>	<div><div>Low</div><div>The whole community benefits as the provision of low cost housing provides comfort to the wider community that vulnerable groups are being assisted supporting the current and future social and economic wellbeing of the district.</div></div>	<div><div>Low</div><div>Vulnerable groups in the community can access affordable housing to remain living in their local community where this is provided. Parts of the community that have council owned and operated housing nearby may experience a greater benefit from having friends and family living nearby. Facilities are available at key locations in the district.</div></div>	<div><div>High</div><div>Occupants of the housing units and their friends and family.</div></div>	<div>People who have a need for assistance with accommodation with either limited financial means or living in communities with limited housing availability.</div>	<div><div>Current and future years</div><div>Housing units have long useful lives and will benefit both current and future generations but require ongoing repairs and maintenance. Council does not currently fund the depreciation on community housing, with decisions on how to fund replacements or renewals to be made once units reach the end of their useful life.</div></div>	<div>Community housing makes make up a small part of Council's overall expenditure and is largely funded from rent. Given this, there is no benefit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate.</div>	<div>10%</div>	<div>90%</div>	<div>0%-20%</div>	<div>80%-100%</div>	<div>Operational</div> <div>General rate (Low) - District</div> <div>Other sources (High)</div> <div>Capital</div> <div>General rate</div> <div>Borrowing</div> <div>Proceeds from Asset Sales</div> <div>Other sources including reserves</div>
Library Services											
<div><div><div>► Kaitiakitanga for future generations</div><div>► Inclusive connected communities</div><div>► Empowered communities with the right tools to deliver the best outcomes</div></div><div>The activity provides access to printed and digital resources for education and recreation which promotes literacy and supports people to be more socially connected through the exchange of thoughts and ideas. They also provide access to resources to help with family or local history research and act as a community hub.</div></div>	<div><div>Medium</div><div>The activity benefits the whole community by building the knowledge and skills of residents, providing for their general enjoyment and social interaction. These resources are available and accessible to all. Facilities (including the bookbus) are available throughout the district and online.</div></div>	<div><div>Medium</div><div>Parts of the community that have a library nearby have easier access and may experience a greater benefit than those who have to travel a longer distance to use a facility.</div></div>	<div><div>High</div><div>Individuals who use the resources provided receive a direct benefit.</div></div>	<div><div>Library members and other users who access books, computers and other library resources. In addition, visitors who use library computers, resources and staff knowledge.</div><div>In some instances Council incurs costs where people do not return items on time. In these instances Council will charge penalties (i.e. overdue fines).</div></div>	<div><div>Current and future years</div><div>The library resources have relatively short useful lives and are renewed and replenished on a rolling basis. The benefits to individuals accessing information and learning are ongoing.</div></div>	<div>There is limited benefit from perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate to reduce collection costs.</div>	<div>50%</div>	<div>50%</div>	<div>80%-100%</div>	<div>0%-20%</div>	<div>Operational</div> <div>General rate (High) - District</div> <div>Fees and Charges (Low)</div> <div>Other sources (Low)</div> <div>Capital</div> <div>General rate</div> <div>Grants and Subsidies</div> <div>Borrowing</div> <div>Other sources including reserves</div>



Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Activity: Open Spaces											
Parks, reserves, playgrounds and streetscapes											
<div><div><div><div>► Inclusive connected communities</div><div>► Kaitiakitanga for future generations</div><div>► Empowered communities with the right tools to deliver the best outcomes</div><div>► A diverse economy creating healthy and affordable lifestyles</div></div><div>The activity provides open spaces where people can relax, connect and participate in sport and recreation, contributing to community health and wellbeing. Green spaces, landscapes and streetscapes are restful and enhance/maintain the visual appeal of areas and increase appreciation of natural areas.</div></div></div>	<div><div>High</div><div>The whole community benefits through the provision of open spaces. Individuals and groups can pursue active and passive leisure pursuits and learn about the natural environment. This can enhance community pride, contribute to community health and wellbeing, and generate positive perceptions of the district. Facilities are available throughout the district.</div></div>	<div><div>High</div><div>Parts of the community that have open spaces in their local area have easy access and may experience a greater benefit than those who have to travel a longer distance to use a facility. Open spaces and streetscapes also contribute to each community’s sense of place. There may also be some benefit to business by having open spaces that attract and provide for visitors.</div></div>	<div><div>Yes</div><div>Individuals and groups receive private benefit through their use of parks and sportsfields for recreational pursuits, events and organised sport. Some facilities are leased to sporting, recreational, cultural and community groups, who may have exclusive rights to use them.</div></div>	<div>The community in general creates the need, with some specific groups creating a need for particular facilities (sportsfields, playgrounds). Visitors who appreciate the aesthetic aspects and utilise the spaces and facilities also create a need. Those who dispose of rubbish to litter bins and vandals also create a need. New development may also create a need for additional open spaces.</div>	<div><div>Current and future years</div><div>Parks, reserves, playgrounds and streetscapes have long useful lives and will benefit both current and future generations. These also require ongoing repairs and maintenance annually.</div></div>	<div>While open spaces are available across the district, there are differences in the scale and level of service provided in different areas. For this reason, Council will use a mix of rating mechanisms. Costs associated with local facilities provided in local areas will funded from local targeted rates. Costs associated with facilities provided outside of these local areas or that have significance for the district will be amalgamated into the General rate. Where spaces are leased to clubs and community groups, Council will charge fees. As this activity makes up a relatively small amount of overall expenditure, Council has chosen to amalgamate the overall funding of this activity under the community resources activity.</div>	<div><div>80%</div><div>20%</div><div>80%-100%</div><div>0%-20%</div><div><div>Rationale</div><div>Generally, access to open spaces is unrestricted and charging individuals for their enjoyment of open spaces is not practical or desirable. In addition, while fees (through leases and rental agreements) may apply where individuals or groups enjoy exclusive access or have additional requirements over and above standard maintenance, these are set at a level to ensure people are not deterred from using facilities. Charging those who use litter bins or vandalize open spaces is not practical and as such these costs will be funded through rates. While the whole community benefits from this activity, those in communities with open spaces should pay more via a targeted rate because of the direct benefits received. This acknowledges the private benefit to these communities and the properties within these areas that receive the benefit and reflects a user pays approach. The wider public benefits also mean that a proportion of the costs should be paid by all properties in the district. Operational costs of this activity are funded mainly through targeted rates and the General rate to reflect the public good component of this activity. Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time but are difficult to predict. Financial and development contributions from developers may also be used to fund capital expenditure to mitigate the effect of developments or providing additional capacity.</div></div></div>	<div><div>Operational</div><div>General rate (Medium) - District</div><div>Targeted rates (High) - Area of Service</div><div>Other sources (Low)</div><div><div>Capital</div><div>General and targeted rates</div><div>Grants and Subsidies</div><div>Borrowing</div><div>Proceeds from Asset Sales</div><div>Development and/or Financial Contributions</div><div>Other sources including reserves</div></div></div>			

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate	
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted			
							Public	Private	Public	Private		
Activity: Waste Services												
Refuse, Recycling, Transfer Stations, Greenwaste, Wheelie Bins												
<p>► Kaitiakitanga for future generations</p> <p>This activity provides a range of solid waste management facilities including transfer stations, recycling/greenwaste sites and wheelie bin collections that enable people to dispose of their waste appropriately. The activity also supports waste reduction, reuse and recycling facilities and initiatives that help to maintain the health of the community and the natural environment.</p>	<p><b>Medium</b></p> <p>The whole community benefits from facilities that enable the community to dispose of waste appropriately. This helps to protect public health, maintains the attractiveness of areas and reduces environmental contamination from incorrect waste disposal. Education and recycling programmes benefit the environment and society in general. Facilities are available throughout the district.</p>	<p><b>Medium</b></p> <p>Parts of the community that have solid waste collection services in their local area have easy access and may experience a greater benefit than those who have to travel a longer distance to use a facility (particularly rural properties).</p>	<p><b>High</b></p> <p>Individual users (households / businesses / visitors) of the various Council-provided services, particularly kerbside bin collections, transfer stations and recycling / greenwaste sites.</p>	<p>The community in general creates the need by producing waste. In some cases, inappropriate disposal of hazardous waste and illegal dumping-causes additional costs to the community. Costs will be recovered if it is possible and economically viable to do so.</p>	<p><b>Current and future years</b></p> <p>There are intergenerational benefits to the community of facilities that have long useful lives. The activity also protects the environment from the adverse impacts of waste which can have a longer term benefit.</p>	<p>While Council has chosen to amalgamate the overall funding of this activity under the community resources activity, given the high degree of private benefit for some parts of the activity, Council has chosen to set targeted rates and separate fees for parts of the activity (wheelie bin collections, transfer stations) to ensure users are contributing towards the true cost of collection and disposal. The remaining costs are funded by a district-wide rate to reduce collection costs.</p>	<p>30%</p>	<p>70%</p>	<p><b>0%-20%</b></p>	<p><b>80%-100%</b></p>	<p><b>Rationale</b></p> <p>The private good components are largely paid for through targeted rates on households, businesses and communities where recycling and wheelie bin collection services are provided as well as fees and charges for users of the transfer stations. This approach ensures direct beneficiaries are contributing towards costs and also encourages users to minimise the amount of waste they produce. While a stronger user pays approach could be implemented, it is considered that this would result in a level of fees and charges that would deter users from disposing of their waste safely and appropriately.</p> <p>The General rate is used to fund the public benefit aspects of this activity associated with managing waste appropriately and safely including costs associated with the landfill, community recycling centres and waste minimisation.</p> <p>Operational costs are primarily funded through a mix of targeted rates (wheelie bin collections and Stewart Island/Rakiura Waste Management rate), General rate and fees and charges. Council also receives income from waste disposal levies which can be used to fund waste reduction initiatives.</p> <p>Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time but are difficult to predict and asset sales may be used to fund specific costs.</p>	<p><i>Operational</i></p> <p>General rate (Low) - District</p> <p>Targeted rates (Medium) - Area of Service Fees and Charges (Low)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Other sources including reserves</p>

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Activity: Electricity Supply											
Stewart island Electricity Supply (SIESA)											
<div><div><div>► Kaitiakitanga for future generations</div><div>► A diverse economy creating healthy and affordable lifestyles</div><div>► Empowered communities with the right tools to deliver the best outcomes</div></div><div>This activity generates and supplies a convenient and reliable source of electricity, which is essential for business, industry and residential needs on Stewart Island/Rakiura. The activity also operates waste collection services for the island.</div></div>	<div><div>Low</div><div>The whole community benefits because the electricity supply supports the island. As a key tourism destination, there is also a flow-on economic benefit to the rest of the district when visitors also choose to travel to other areas of the district. A coordinated supply also reduces the impact on the unique natural environment, which is located within a conservation estate.</div></div>	<div><div>Medium/High</div><div>SIESA provides electricity services for the Stewart Island/Rakiura community and supports the community's economic and social wellbeing by providing an essential service to local residents, businesses and visitors. The single generation source of electricity and waste management practice also reduces the impact on the local environment and protects amenity values for residents.</div></div>	<div><div>High</div><div>Individual property owners and businesses that are connected or able to connect to the supply receive a private benefit.</div></div>	Residents, businesses and visitors create the need.	<div><div>Current and future years</div><div>The electricity lines have long useful lives and will benefit current and future generations. The current diesel generators have shorter lives.</div></div>	While Council has chosen to amalgamate the overall funding of this activity under the community resources activity, given the high degree of private benefit, Council has chosen to set fees and charges for consumers to reflect a user pays approach to ensure consumers are aware of the costs associated with their use. A portion of the costs is also collected through a local targeted rate to reflect the public benefit in having a supply available for properties to connect to.	0%	100%	0%-30%	70%-100%-	<div><div>Operational</div><div>Targeted rates (Low) - Area of Service Fees and Charges (High) Other sources (Low)</div><div>Capital</div><div>Targeted rates Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Development and/or Financial Contributions Other sources including reserves</div></div>

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
GROUP: STORMWATER DRAINAGE											
Activity: Stormwater											
Stormwater Drainage											
<div>► Kaitiakitanga for future generations</div> <div>► A diverse economy creating healthy and affordable lifestyles</div> <div>► Empowered communities with the right tools to deliver the best outcomes</div> <div>This activity provides a safeguard for public health/safety and also helps to maintain access to properties during periods of wet weather. The activity also protects the environment by controlling pollutants and sediments in stormwater discharges to waterways or coastal areas.</div>	<b>Medium</b> <div>The whole community benefits because of the decrease in the risk from flooding, the protection of community infrastructure, the treatment of stormwater to protect the environment, and the maintaining safe transport links and accessibility during rainfall events.</div>	<b>High</b> <div>Parts of the community where a stormwater network is provided (typically urban areas) are likely to experience a greater benefit because these people, their land and their property are better protected from flooding. Property owners downstream and people who visit these areas or use services in these areas also benefit, but to a lesser extent.</div>	<b>High</b> <div>Individual property owners connected to a scheme benefit from the safe and efficient management of stormwater away from their properties.</div>	Urban development reduces the amount of permeable land area available for stormwater removal, which exacerbates the need for this activity. <div>Changing weather patterns and increased rainfall also exacerbate the need for stormwater.</div>	<b>Current and future years</b> <div>Stormwater infrastructure has a long useful life and will benefit both current and future generations. Council does not currently fund the depreciation on stormwater, with decisions on how to fund replacements or renewals to be made once individual assets reach the end of their useful life.</div>	Because this activity provides predominantly community benefits to specific locations, it is appropriate to fund the activity separately, as this allows Council to specifically charge those in the serviced areas. Given the increasing importance and increasing financial significance of this activity, ratepayers should be able to clearly identify the costs associated with the activity.	20%	80%	<b>0%-20%</b>	<b>80%-100%</b>	<div>Operational</div> <div>General rate (Low) - District</div> <div>Targeted rates (High) - Area of Service</div> <div>Other sources (Low)</div> <div>Capital</div> <div>Targeted rates</div> <div>Grants and Subsidies</div> <div>Borrowing</div> <div>Other sources including reserves</div>



Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
GROUP: TRANSPORT											
Activity: Roads, Footpaths, Airports and Cycle Trails											
Roads, Footpaths (including Around the Mountains Cycle Trail)											
<div><div><div>► A diverse economy creating healthy and affordable lifestyles</div><div>► Inclusive connected communities</div><div>► Empowered communities with the right tools to deliver the best outcomes</div></div><div><p>This activity provides and maintains transport networks (such as roads, footpaths and bridges), and traffic control mechanisms (such as signage, lighting and road markings). This activity provides for the safe and efficient movement of goods, services and people throughout the district which helps the community to remain connected and have active lifestyles and supports the local economy. The activity also provides for the Around the Mountain Cycle trail, which provides accessibility, tourism and recreational opportunities.</p></div></div>	<div><div>Medium</div><div>The whole community benefits from accessibility of the district and ease of transportation, connections to other transport networks, as well as property location/identification.</div></div>	<div><div>High</div><div>Rural landowners, industries and businesses benefit from being able to efficiently transport goods, services, customers and employees to and from their properties as well as visitors and tourists. Pedestrians in communities where footpaths and streetlights are provided (typically urban areas) have easy access and may experience a greater benefit than those who live in areas without footpaths/streetlights</div></div>	<div><div>High</div><div>Individuals, groups and businesses using the roading and footpath network to carry out their day-to-day business and activities. Utility networks that use the road corridor for their services.</div></div>	<div><div></div><div>The community in general creates the need and an extensive network is needed to service urban and rural areas. Heavy vehicles transporting freight have a significant impact and are a significant cost driver with these vehicles causing most of the structural pavement damage requiring maintenance and renewal. Weather, climate and heavy vehicles can shorten the lives of portions of the network  In some cases, additional costs may be caused to Council through vandalism and accidents.</div></div>	<div><div>Current and future years</div><div>Road, footpath and cycle trail infrastructure has a long useful life and will benefit both current and future generations. unexpectedly. Council does not currently fund the depreciation on footpaths with decisions on how to fund replacements or renewals to be made once individual assets reach the end of their useful life.</div></div>	<div><div></div><div>The scale of the activity means that it is appropriate to fund the activity separately. Given the importance and financial scale of the activity a district-wide level targeted rate has been set for roading to aid accountability and transparency. Footpaths and streetlights make up a small amount of expenditure in this activity. While footpaths are available across the district, there are differences in the scale and level of service provided in different areas. As such costs associated with footpaths and streetlights provided in local areas will be funded from local targeted rates with funding overall amalgamated in to roading activity.</div></div>	<div><div>30%</div><div>70%</div><div>0%-30%</div><div>70%-100%</div></div> <div><div>Rationale</div><div>Roads/Bridges: While the whole community benefits, some sectors benefit more or create additional costs for the activity. To reflect the differences in benefit and support a user pays approach, Council has chosen to use a targeted rate for roading that uses a sectorial approach to recognise the impact that different land uses sectors and the heavy vehicle movements that they create, can have on the network. The rate establishes a base contribution for access to the network (to reflect public benefit) and also allocates a higher share of the costs to the sectors that cause more damage to the network by allocating an amount per tonne (to reflect the exacerbator pays). A summary of the model used is included in Appendix A on page 24. A small amount of fees and charges may also be charged for activities that benefit individual properties. A portion of the private benefit is also collected via fuel taxes and road user charges by the government and allocated by a grant through NZ Transport Agency. Footpaths/Streetlights: Communities that have footpaths and streetlights should pay more because of the direct benefit received. This acknowledges the private benefit to these communities and the properties within these areas, and reflects a user pays approach through a local targeted rate. The wider public benefit means that is also appropriate for other properties in the district to contribute towards these costs, albeit at a lower level. Operational costs of these activities are partially funded by subsidies from the New Zealand Transport Agency, which provides funding toward the operating and capital costs of this activity with the remainder of the costs funded through a district-wide targeted rate and local targeted rates. Cycle trail costs are funded district-wide through the General rate. Capital expenditure will also be funded by subsidies from the New Zealand Transport Agency, reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time for specific projects but are difficult to predict. Financial and development contributions are used for funding the additional capacity of projects and to mitigate the effect of developments.</div></div>	<div><div>Operational</div><div>General rate (Low) - District Targeted rates (High) - District/Area of Service Fees and Charges (Low) Other sources (Low)</div><div><div>Capital</div><div>General and targeted rates Grants and Subsidies Borrowing Development and/or Financial Contributions Other sources including reserves</div></div></div>			

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Airports											
<p>► A diverse economy creating healthy and affordable lifestyles</p> <p>► Inclusive connected communities</p> <p>► Empowered communities with the right tools to deliver the best outcomes</p> <p>The Te Anau Manapouri airport provides aerodrome services (landing, take off and ground handling facilities) for scheduled airline services as well as locally based commercial, aero medical, agricultural, training and recreational aviation. The facility also provides a function center.</p>	<p><b>Low</b></p> <p>The whole community benefits from having an alternative transportation option that connects Fiordland with the rest of New Zealand and the world, and provides convenient access for visitors and businesses with flow-on economic benefits to the district when visitors also choose to travel to other areas.</p>	<p><b>Medium/High</b></p> <p>The airport provides aerodrome services for the local Fiordland community and supports the local economy by providing a transportation service to local tourism operators, aviation businesses and residents. The activity also provides an alternative transportation option in the event of an emergency.</p>	<p><b>Medium/High</b></p> <p>Recreational pilots and commercial users who use the airport for their business, and individuals who hire the facilities for events, receive a private benefit from the activity.</p>	<p>Aircraft operators, businesses and the rural sector use the airport for their operations and individuals who use the airport for recreation. To an extent, the presence of the Fiordland community also generates a need to provide flight connections to the area.</p>	<p><b>Current and future years</b></p> <p>The airport buildings and runway have long useful lives and will benefit current and future generations.</p>	<p>The airport is a relatively small part of Council’s overall expenditure and Council has chosen to amalgamate the overall funding of this activity under the transport activity. As the activity predominantly provides benefits to the Fiordland area, it is appropriate to fund the activity through a separate local targeted rate to properties within this area. This provides transparency to the community about the costs associated with the activity.</p>	<p>10%</p>	<p>90%</p>	<p><b>0%-15%</b></p>	<p><b>85%-100%</b></p>	<p><i>Operational</i></p> <p>General rate (Low) - District</p> <p>Targeted rates (High) - Area of Service</p> <p>Fees and Charges (Low)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Other sources including reserves</p>
Water facilities											
<p>► Kaitiakitanga for future generations</p> <p>► A diverse economy creating healthy and affordable lifestyles</p> <p>► Inclusive connected communities</p> <p>► Empowered communities with the right tools to deliver the best outcomes</p> <p>Water infrastructure like boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways as well as the ability for residents and visitors to access critical services/goods where the only practical access is available by water. Water facilities provide residents and visitors with easier access to special parts of the district, which enables appreciation of unique natural environments.</p>	<p><b>Medium</b></p> <p>The whole community benefits because the infrastructure is part of the larger transportation network that allows for the movement of people and goods throughout the district. The infrastructure also facilitates recreational activities and access to unique natural environments with flow-on economic and tourism benefits. Control structures (i.e. navigation aids, stop banks and marine walls) also support the environment (by protecting from flooding) and help ensure public safety (by having aids that improve navigation).</p>	<p><b>Medium</b></p> <p>The parts of the community that have water facilities and boats have easier access and may receive a more direct benefit - with flow-on recreational on economic benefits to the local area where facilities are provided. The activity also provides alternative transportation options to remote areas in the event of an emergency.</p>	<p><b>Medium/High</b></p> <p>Recreational and commercial users who use water facilities receive a private benefit from the activity. Commercial use includes vessel mooring and transporting goods/services/visitors. Facilities are also used by the fishing/aquaculture industry for employees to access work locations. Recreational use includes boating, fishing, and access for hunting and tramping.</p>	<p>Commercial and recreational marine users create the need for the activity. In some cases, additional costs may be caused by damage from vessels. Council may be able to recover damage-related costs where liability is able to be determined.</p>	<p><b>Current and future years</b></p> <p>Infrastructure associated with water facilities has a long useful life and will benefit current and future generations.</p>	<p>As water facilities are a relatively small part of Council’s overall expenditure, Council has chosen to amalgamate the overall funding of this activity under the transport activity. As the activity predominantly provides benefits to specific communities, and as there are differences in the scale and level of service provided in different areas, it is considered appropriate to fund the activity as part of local rates targeted to properties within these areas.</p>	<p>30%</p>	<p>70%</p>	<p><b>0%-30%</b></p>	<p><b>70%-100%</b></p>	<p><i>Operational</i></p> <p>General rate (Low) - District</p> <p>Targeted rates (Low) - Area of Service</p> <p>Fees and Charges (High)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Other sources including reserves</p>

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
GROUP: SEWERAGE AND THE TREATMENT AND DISPOSAL OF SEWAGE											
Activity: Sewerage											
Sewerage											
<div><div><div>► Kaitiakitanga for future generations</div><div>► A diverse economy creating healthy and affordable lifestyles</div></div><div>The activity provides a sewage disposal service to consumers who are able to connect to a scheme within the district, which helps to protect the environment, public health and facilitate economic development.</div></div>	<div><div>Low</div><div>The whole community benefits from the appropriate management of sewage and wastewater as this helps to protect public health and prevent environmental pollution. It also supports commercial and industrial businesses, which has flow-on benefits to the wider economy.</div></div>	<div><div>Medium</div><div>People, properties and businesses in the serviced areas benefit because the collection and treatment of sewage reduces the possibility of health problems in high density communities where on-site systems are not effective. The activity also ensures the disposal of sewage does not negatively impact the amenity value of an area or effect nearby waterways. It also enables commercial and industrial businesses in these areas to dispose of their trade waste.</div></div>	<div><div>High</div><div>Individual consumers who want to and are able to connect to a Council scheme can be identified as the beneficiaries as they can dispose of their wastewater safely and conveniently. Tankered waste businesses, whilst not connected, are able to discharge their effluent at treatment plants and therefore also benefit.</div></div>	<div>Premises with multiple pans and commercial and industrial enterprise create trade wastes which can impact/increase the load on treatment facilities. Growth in certain areas of the district can also contribute to the need, and require expansion of infrastructure.</div>	<div>Current and future years</div> <div>Sewerage infrastructure has a long useful life and will benefit both current and future generations.</div>	<div>There are benefits in funding the activity separately as this allows Council to specifically charge those in serviced areas. These properties can be readily identified and charged. Given the importance and financial scale of the activity, a targeted rate has been used to clearly identify the costs associated with the wastewater activity.</div> <div>Trade waste discharges cause additional costs and will be charged for via trade waste rates and fees and charges.</div>	<div>30%</div>	<div>70%</div>	<div>0%-30%</div>	<div>70%-100%</div>	<div>Operational</div> <div>General rate (Low) - District</div> <div>Targeted rates (High) - Area of Service (scheme)</div> <div>Fees and Charges (Low)</div> <div>Other sources (Low)</div> <div>Capital</div> <div>Targeted rates</div> <div>Grants and Subsidies</div> <div>Borrowing</div> <div>Proceeds from Asset Sales</div> <div>Development and/or Financial Contributions</div> <div>Other sources including reserves</div>

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding  Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
GROUP: WATER SUPPLY											
Activity: Water Supply											
Water supply											
<div><div><div>► Kaitiakitanga for future generations</div><div>► A diverse economy creating healthy and affordable lifestyles</div><div>► Empowered communities with the right tools to deliver the best outcomes</div></div><div>The activity provides a safe and reliable water supply for people to drink and clean with. This, and the firefighting capability of the water supply helps to protect public health and property and supports a healthy environment.</div><div>The activity also supports a productive economy by providing commercial, industrial and in some instances farms (via stock water supplies) with access to clean water for their activities.</div></div>	<b>Low</b> The whole community benefits from the provision of potable water, which provides public health and sanitation benefits. It also enables commercial and industrial businesses to have access to clean water for their activities which has flow-on benefits to the wider economy.	<b>Medium</b> People, properties and businesses in the serviced areas benefit from the availability of a safe and reliable water supply and the provision of firefighting capacity.	<b>High</b> Individual consumers connected to a Council serviced water supply get a direct benefit by having access to potable drinking water for domestic, business, industrial and stockwater uses.	People who are connected to the water schemes primarily create the need.  Commercial and industrial enterprise and other high users can place extra burden on the supply.  Growth in certain areas of the district can also contribute to the need and require expansion of infrastructure.	<b>Current and future years</b> Water supply infrastructure has a long useful life and will benefit both current and future generations.	There are benefits in funding the activity separately as this allows Council to specifically charge those in serviced areas. These properties can be readily identified and charged.  Given the importance and financial scale of the activity, a targeted rate has been used to clearly identify the costs associated with the supply of water. Supply of water in excess of residential volumes, causes additional costs and will be charged for via metered water rates or fees and charges.	30%	70%	<b>0%-30%</b>	<b>70%-100%</b>	<div><div>Operational</div><div>General rate (Low) - District Targeted rates (High) - Area of Service (scheme) Fees and Charges (Low) Other sources (Low)</div><div>Capital</div><div>Targeted rates Grants and Subsidies Borrowing Proceeds from Asset Sales Development and/or Financial Contributions Other sources including reserves</div></div>



Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate	
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted			
							Public	Private	Public	Private		
GROUP: COMMUNITY LEADERSHIP												
Activity: Community Leadership												
Representation and Advocacy												
<div><div><div>▶ Empowered communities with the right tools to deliver the best outcomes</div><div>▶ Inclusive connected communities</div></div><div>This activity provides for the ability to elect local representatives and supports elected members to be effective, responsible and accountable decision-makers and advocates for their community. This contributes to the open, transparent and accountable democratic process of local government.</div></div>	<div><div>High</div><div>The whole community benefits as council and community boards are the vehicles for making decisions affecting the whole district. Enabling decision-making at a range of levels helps to ensure as far as practical that those benefitting from services have an opportunity to have an input into decisions.</div></div>	<div><div>Medium</div><div>Community boards and other local committees represent particular areas or interests within the district.</div></div>	<div><div>Low</div><div>Individuals who interact directly with Council and engage in decision-making processes get a direct benefit.</div></div>	<div><div></div><div>Living in a democratic society contributes to the need for this activity.</div></div>	<div><div>Current year</div><div>The benefits of this expenditure on this activity are generally experienced in the current year. Advocacy on specific issues may, however have longer-term impacts for the community.</div></div>	<div><div></div><div>Given the high degree of public benefit there is limited benefit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community leadership activity with the rating mechanism to be amalgamated with other activities to reduce collection costs.</div></div>	<div><div>95%</div><div>5%</div><div>100%</div><div>0%</div></div> <div><div>Rationale</div><div>Given the high degree of public benefit and considering that council and community boards cover the whole district, the majority of the activity will be funded from the General rate. It would not be appropriate to charge for the private benefit as the activity plays a key part in a democracy. Operational costs are funded predominantly through the General rate reflecting the public good component of this activity.</div></div>	<div><div>Operational</div><div>General rate (High) - District Other sources (Low)</div><div>Capital</div><div>General rate Borrowing Other sources including reserves</div></div>				
Community and Futures												
<div><div><div>▶ Kaitiakitanga for future generations</div><div>▶ A diverse economy creating healthy and affordable lifestyles</div><div>▶ Inclusive connected communities</div><div>▶ Empowered communities with the right tools to deliver the best outcomes</div></div><div>This activity supports building the capacity and capability for communities to have greater resilience to change and helps people to understand the issues surrounding Council activities. It also provides opportunities to participate meaningfully in shaping the district. The activity supports benefits from improved economic activity, choice, employment opportunities and incomes.</div></div>	<div><div>High</div><div>The whole community benefits from having strong communities and encouraging collaboration and partnerships. Benefits from regional economic development and district promotions accrue largely to the community. This is due to the ongoing economic benefits created from business support, promotion, visitor spending, creation of employment and investment in the potential of the district.</div></div>	<div><div>Low-Medium</div><div>The activity does benefit particular communities or groups in some instances (e.g. youth, clubs, volunteer groups, retailers, tourist operators, accommodation providers). However it is often impractical and undesirable to target funding from these groups.</div></div>	<div><div>Medium</div><div>Some benefits may accrue to businesses or individuals using these services or involved in particular initiatives (e.g. community organisations or tourism operators) or people who gain employment.</div></div>	<div><div></div><div>All businesses, individuals, agencies, visitors and community groups in the district create the need.</div></div>	<div><div>Current year and future years</div><div>The benefits of this expenditure on this activity are generally experienced in the current year. The outcomes of community led development, planning and engagement and regional economic development may, however have longer term benefits.</div></div>	<div><div></div><div>Given the high degree of public benefit there is limited merit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community leadership activity, with the rating mechanism to be amalgamated with other activities to reduce collection costs.</div></div>	<div><div>70%</div><div>30%</div><div>80%-100%</div><div>0%-20%</div></div> <div><div>Rationale</div><div>The whole community benefits from the social, cultural and economic returns from this activity. Given the high degree of public benefit and considering that activities cover the whole district (and in some instances the region), the majority of the activity will be funded from the General rate. Charging fees for private benefit would be inconsistent with the overall aim of the activity and may prevent the community from making use of these services. Operational costs are funded predominantly through the General rate, reflecting the public good component of this activity.</div></div>	<div><div>Operational</div><div>General rate (High) - District Targeted rates (Low) - Area of Service Other sources (Low)</div><div>Capital</div><div>General rate and targeted rates Other sources including reserves</div></div>				

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate	
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted			
							Public	Private	Public	Private		
Community Assistance												
<div><div><div><div>▶ Kaitiakitanga for future generations</div><div>▶ Empowered communities with the right tools to deliver the best outcomes</div><div>▶ Inclusive connected communities</div><div>▶ A diverse economy creating healthy and affordable lifestyles</div></div><div>This activity provides funding support to various individuals and organisations to undertake a range of social, cultural and economic initiatives throughout the district, which benefit the wellbeing of the community.</div></div></div> <div>Medium</div> <div>The whole community benefits from funding provided to organisations that deliver services and activities to meet the social, cultural and economic needs of the community.  Support is provided to organisations throughout the district.</div> <div>Medium</div> <div>Groups and organisations can receive benefit, through the receipt of funding to support their activities.</div> <div>Medium</div> <div>Individuals receive benefit, through the receipt of funding to support their activities. Individuals who use any of the facilities/services offered by organisations that receive funding from Council, also will benefit.</div> <div>Individual community groups that are seeking assistance create the need. The community also create the need by requiring various services.</div> <div>Current year</div> <div>The benefits of this expenditure on this activity are generally experienced in the current year. The outcomes of funding (in terms of the impact on people and communities) may have longer term benefits, particularly where community facilities are built.</div> <div>Given the high degree of public benefit there is limited merit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community leadership activity, with the rating mechanism to be amalgamated with other activities to reduce collection costs.</div> <div>50%</div> <div>50%</div> <div>80%-100%</div> <div>0%-20%</div> <div><div>Rationale</div><div>The public good component of this activity recognises the contribution made by organisations and groups within the community.  Although the benefits will accrue to the groups and individuals who are recipients of funding, a greater number of people in the wider community will benefit from the expenditure.  Operational costs are funded predominantly through the General rate, reflecting the public good component of this activity. Some funding may also be provided from targeted district-wide rates (e.g. Regional Heritage rate) and targeted local community board rates where individual communities have chosen to support initiatives and projects within their community.  External funds are available from time to time, from central government agencies or other groups, but this cannot generally be anticipated in advance.</div></div> <div>Operational</div> <div>General rate (Medium) - District Targeted rates (Medium) - District / Area of Service Other sources (Low)</div> <div>Capital</div> <div>General and targeted rates Other sources including reserves</div>												
GROUP: ENVIRONMENTAL SERVICES												
Activity: Environmental Services												
Resource Management												
<div><div><div><div>▶ Kaitiakitanga for future generations</div><div>▶ Empowered communities with the right tools to deliver the best outcomes</div><div>▶ Inclusive connected communities</div><div>▶ A diverse economy creating healthy and affordable lifestyles</div></div><div>The activity controls the development of the district and provides for the sustainable management and enhancement of the environment for current and future generations.</div></div></div> <div>High</div> <div>The whole community benefits from the sustainable management of the district’s natural and physical resources and the appropriate development of land and buildings. Individuals also benefit from general planning advice relating to potential resource consents or resource management, as well as from resource consent monitoring and enforcement activities.</div> <div>Low</div> <div>The parts of the community where development occurs are protected from the adverse effects that development could create e.g. loss of privacy, inundation, local road congestion.</div> <div>Medium</div> <div>Benefits accrue to individuals who use these services (i.e resource consent applicants) who are provided with legal certainty to undertake an activity.  There is also often a direct economic benefit received by the applicant (e.g. developers).</div> <div>Individuals seeking concerns. There are also costs incurred in responding to those who do not comply with the rules or consent conditions. Some of the costs related to inspections and enforcement can be recovered. Considerable time can also be spent dealing with individual appeals and objections e.g. where a property owner disputes that a resource consent is required.</div> <div>Current year and future years</div> <div>The benefits of this expenditure on this activity are generally experienced in the current year. However there are intergenerational benefits to the community through protection from adverse environmental impacts.</div> <div>While Council has chosen to amalgamate the overall funding of this activity under the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service (with the rating mechanism to be amalgamated with other activities to reduce collection costs).</div> <div>60%</div> <div>40%</div> <div>70%-100%</div> <div>0-30%</div> <div><div>Rationale</div><div>The public good component of this activity recognises that the enabling and managing growth and environmental effects in the district is of wider benefit to the community. No particular group or individual benefits more than others from the provision of information, monitoring and enforcement activities so these cost should be allocated as part of the General rate.  The private good component represents the benefit to property owners and developers applying for subdivision and land-use consents.  Operational costs are funded through a mix of fees and charges to reflect the private benefit and General rate input to reflect the public component of the activity.</div></div> <div>Operational</div> <div>General rate (High) - District Fees and Charges (Low) Other sources (Low)</div> <div>Capital</div> <div>General rate Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves</div>												

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Animal Services											
<div>▶ Empowered communities with the right tools to deliver the best outcomes</div> <div>This activity protects human safety and health through the registration, and through the enforcement of legislation, bylaws and policies.</div>	<b>Low</b> The whole community benefits from the general advice and education provided about animals, and through animal management practices ensuring public safety.	<b>Low</b> Urban parts of the community with housing in close proximity may receive a greater benefit because of the higher probability of animal control complaints related to barking and wandering dogs.	<b>High</b> Benefits from the activity accrue mainly to animal owners, from the provision of a service.	Animal owners who do not manage their animals appropriately create additional costs associated with investigating complaints, impounding of stock and prosecution of offenders.  The general public, who have an expectation and desired standard for animal care and control, also create a need.	<b>Current year</b> The activity is primarily an operating activity, where the benefits are generally experienced in the current year.	While Council has chosen to amalgamate the overall funding of this activity under the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service with the rating mechanism to be amalgamated with other activities, to reduce collection costs.	10%	90%	<b>0%-30%</b>	<b>70%-100%</b>	<div>Operational General rate (Low) - District Fees and Charges (High) Other sources (Low)</div> <div>Capital General rate Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves</div>
Environmental Health											
<div>▶ Empowered communities with the right tools to deliver the best outcomes</div> <div>▶ A diverse economy creating healthy and affordable lifestyles</div> <div>This activity provides confidence to the public and visitors that activities that may affect public health and safety (e.g. food premises, hairdressers, licensed premises) are safe and comply with the law. It also ensures nuisances that could have a negative impact on community wellbeing, are dealt with.</div>	<b>Medium</b> The whole community benefits from the activity, as it ensures that facilities that have the potential to impact public health/wellbeing meet relevant standards and are safe, healthy and hygienic for the public to use. The activity also ensures nuisances will be responded to.	<b>Low</b> Parts of the community may benefit more than others from bylaws which regulate issues in specific areas.	<b>Medium</b> Individuals, businesses and organisations benefit directly from the assurance that premises are of an acceptable and healthy standard to the consumer and meet other legislative requirements (e.g. liquor licensing). Individuals also benefit from the investigation and resolution of nuisances.	Consumers of food, alcohol and other personal health services create the need for this activity. Suppliers who do not comply with the rules or who create nuisances, also create the need for the activity.	<b>Current year</b> The activity is primarily an operating activity where the benefits are generally experienced in the current year.	While Council has chosen to amalgamate the overall funding of this activity under the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service with the rating mechanism to be amalgamated with other activities to reduce collection costs.	40%	60%	<b>0%-50%</b>	<b>50%-100%</b>	<div>Operational General rate (Medium) - District Fees and Charges (Medium) Other sources (Low)</div> <div>Capital General rate Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves</div>



Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Building Solutions											
<div><div><div>▶ Kaitiakitanga for future generations</div><div>▶ A diverse economy creating healthy and affordable lifestyles</div><div>▶ Empowered communities with the right tools to deliver the best outcomes</div></div><div>This activity ensures that buildings and structures are safe and sanitary, reducing risks to people and other property.</div></div>	<b>Medium</b> <div>The whole community and visitors to the district benefit through the enforcement of regulations that ensure safe, sanitary and accessible buildings. The activity also provides general public benefit through projects, such as identifying insanitary and earthquake prone buildings and providing advice to the public.</div>	<b>Low</b> <div>Parts of the community which are growing may have a greater demand for the services of the building activity. There is some benefit to the construction industry and its customers.</div>	<b>High</b> <div>Individuals (i.e. people who apply for consents and build or alter buildings) receive a direct benefit from ensuring that their building meets requirements.</div>	People undertaking building work create the need. There are also costs incurred in responding to illegal building work or unsafe and insanitary buildings. Some of the costs related to inspections and enforcement can be recovered.	<b>Current year</b> <div>The activity is primarily an operating activity where the benefits are generally experienced in the current year. However the input into the quality of buildings being constructed are likely to have longer term benefits.</div>	While council has chosen to amalgamate the overall funding of this activity under the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service with the rating mechanism to be amalgamated with other activities to reduce collection costs.	20%	90%	<b>0%-30%</b>	<b>70%-100%</b>	<div>Operational General rate (Low) - District Fees and Charges (High) Other sources (Low)</div> <div>Capital General rate Fees and Charges Borrowing Proceeds from Asset Sales Other sources including reserves</div>
Activity: Emergency Management											
Emergency Management											
<div><div><div>▶ A diverse economy creating healthy and affordable lifestyles</div><div>▶ Empowered communities with the right tools to deliver the best outcomes</div><div>▶ Inclusive connected communities</div></div><div>This activity builds the capacity of the community to effectively prepare, respond to and recover quickly from emergency events.</div></div>	<b>High</b> <div>The whole community benefits from having measures in place to prepare the community for disasters and to be able to respond and recover from them.</div>	<b>Medium</b> <div>Certain parts of the community may be involved in emergency events and receive support during and after the event.</div>	<b>Low</b> <div>There is private benefit to those who are assisted directly in the event of an emergency.</div>	People in the district and particularly those living in high risk areas. The need for the activity is largely driven by natural disasters or weather events and the community expectation that relevant authorities will provide assistance during these events.	<b>Current year</b> <div>The activity is primarily an operating activity where the benefits are generally experienced in the current year. The outcomes of building resilience in communities however may have longer term benefits.</div>	Given the high degree of public benefit there is limited benefit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the environmental services activity, with the rating mechanism to be amalgamated with other activities to reduce collection costs	90%	10%	<b>100%</b>	<b>0%</b>	<div>Operational General rate (High) - District</div> <div>Capital N/A</div>

## Appendix A

### Overview of the Rooding Rate Model

*Provided for explanatory purposes and does not form part of the Policy*

The steps below outline how Council allocates rooding rates.

1. The total rooding rate required is identified through the Long Term Plan or Annual Plan process.
2. Rooding rates are first allocated for heavy vehicle usage (excludes Residential, Lifestyle and Other sectors)
  - \$1.10 is be allocated to each sector per tonne of freight moved (to attribute rooding rates to each sector, based on the damage it is causing to the roads)
  - Tonnage information is provided by an independent third party
  - A multiplier is applied to the tonnage amount for some sectors (to try and more fairly attribute rooding rates to each sector, based on the damage it is causing to the roads (this takes into tonnage not otherwise captured, concentrated road usage at the outer reaches of the rooding network and the equivalent standard axles used))
  - The multipliers are 1.2 for Forestry and 1.15 for both Dairy and Non-Dairy farming
  - Minimum tonnage amounts are set for the Industrial, Mining and Commercial sectors (230,000 tonnes) (also to try and fairly attribute rooding rates to each sector, based on the damage it is causing to the roads)
3. A uniform annual charge is then be allocated to all rating units
  - The uniform annual charge is set at a fixed value of \$80 + GST (as all ratepayers benefit from having access to the rooding network)
4. The remaining rooding rates ware then be allocated to all rating units
  - The remaining rooding rates are allocated based on a consistent rate in the dollar for all sectors
  - The rate in the dollar is obtained using the total capital value of all applicable rating units
  - A differential factor of 0.3 is applied to the 'Other' industry sector for the General rate in the dollar component of the model

The table below illustrates the resulting allocation of sector rates for 2020/2021. Please note that the information in this table reflects the required rates and model inputs at a certain point in time and will change in relation to future annual and long term plan rates funding impact statements.

How the model allocates sector rates (2020/2021)		
Sector (Landuse)	Total \$M (excluding GST)	%
Dairy	\$4,559	35.5%
Forestry	\$792	6.2%
Farming (non-dairy)	\$4,128	32.1%
Industrial	\$404	3.1%
Commercial	\$413	3.2%
Residential	\$1,493	11.6%
Lifestyle	\$674	5.2%
Other	\$125	1.0%
Mining	\$259	2.0%
<b>Total</b>	<b>\$12,849</b>	<b>100%</b>

### 3 Roles and Responsibilities

Party/Parties	Roles and Responsibilities
Chief Financial Officer	Ensure compliance with the Revenue and Financing Policy.

### 4 Associated Documents

- Local Government Act (2002).
- Local Government (Rating) Act (2002).
- Development and Financial Contributions Policy (R/20/7/30795).

### 5 Revision Record

The Revenue and Financing Policy will be reviewed three yearly as part of the Long Term Plan process.

Date	Version	Revision Description
28 January 2021	Final	Revenue and Financing Policy adopted by Council
21 October 2020	Version 1	Draft Revenue and Financing Policy for Council to approve for public consultation