



Whangarei District Council Policy

***Revenue and Financing
Policy***

Policy 0060

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Background

The Revenue and Financing Policy is a requirement of the Local Government Act 2002. The policy is supported by analysis of the funding of each activity group and recognises that the funding policy is more than just a device for raising revenue but is also one of the instruments that can be used to promote community wellbeing. The Policy is supported by 'practice notes' that illustrate how the policy is applied. They are not part of the Policy itself and are simply estimates to provide guidance as to Council's view of the appropriate level and method of funding. The practice notes can be found in Appendix A.

Review process

Council has reviewed each individual activity and its funding in developing its Revenue and Financing Policy. As part of that process, Council has considered the nature of the activity provided and the benefits and beneficiaries of the activity. Considerations of the following during that deliberation were taken into account:

- community outcomes – which outcome the activity primarily relates to, and the rationale for doing it
- user/beneficiary pays principle – distribution of benefits between individuals or groups and the community as a whole
- inter-generational principle – the period over which the benefits are expected to accrue
- exacerbator pays principle – the extent to which actions or inactions of individuals or groups contribute to the need to undertake the activity and the costs that occur as a result
- costs and benefits of funding the activity, distinct from other activities.

Consideration was then given to the overall impact of any allocation of liability for revenue needs on the community. This may result in an alteration of the results of the first step, with the funding option or the level of funding from any source altered to ensure there are no barriers or disincentives, and that an inequitable burden is not placed on any particular community sector or group. Some questions pondered as part of that consideration were:

- how will the mix of funding impact on affordability, e.g. on the elderly or those on low incomes?
- will the policy impact on accessibility to some services?
- can we charge the amount required, or is it restricted by legislation?
- do we want to encourage or discourage a particular activity or behaviour?
- what is the effect on a particular sector of our community, community groups or rating categories?
- how will this impact based on current economic conditions?

By way of an example, for the funding of Library services activity the result was:

Activity	Community Facilities & Services – Libraries
Primary Community Outcome	Vibrant and healthy communities
Why do we do it	Facilitates community access to literacy resources regardless of age, income, or ability and encourages life long learning.
Who benefits	There are three main activities: – recreational, educational, informational. Users of the library gain a private benefit in that, with membership, they are able to access reading material. There is a wider community benefit in the provision of reading material, the availability of reference material and protection of heritage documents. Library users; Whole community;

Activity	Community Facilities & Services – Libraries			
Period of benefit (inter-generational equity)	Facilities provide both short and long term benefits. Facilities such as library buildings accrue benefits to be enjoyed by future ratepayers as well.			
Whose actions or inactions contribute	Books not returned mean others are disadvantaged. If lost, then replacements should be paid for. Follow recommended items per capita means population growth leads to increase in need.			
Assessment of options	The estimated distribution of private/public benefit of 50/50 means half the costs should be paid by users. Discretionary items (audio visual) should be charged in full. Fines should be charged for late returns.			
	Private benefit %	50	Public benefit %	50
Assessment of overall impacts of allocation of revenue needs	<p>The rationale is to encourage life long learning, therefore membership fees and item hireage costs could create a barrier to that goal.</p> <p>Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive.</p>			
Funding options	Type	%	Comments	
	User fees	Minor	Membership will be free to all ratepayers. A user fee for audio visual items, books to be borrowed for free enhancing access and affordability. Fines will apply for late returns. Internet access is chargeable.	
	General rates	Major	The ratepayer share of costs should be around 90%.	
	Development contributions	Capex	Payable to fund growth.	
	Loan funding	Capex	New facilities give long term benefit and should be funded by loans.	
	Depreciation	Capex	Used to repay loans and fund renewal expenditure.	
	Reserves	Capex	Used if appropriate and where available.	

Funding of operating expenses

Operating expenses are for the ongoing operations and for the maintenance of Council's assets. The different mechanisms available for funding operating expenses are:

General rates are used to fund those services where there is a benefit to the whole community (public benefit) or where there is no practical method for charging individual users. General rates fund a range of activities which are used by individual ratepayers to varying extents. This Council uses general rates rather than a number of targeted rates as it results in a simpler rating system. This makes it easier for ratepayers to understand how they are being rated and it is cheaper to administer. Rates are regarded as a tax, as there is no direct link between the activity or service provided and the individual ratepayer. General rates are assessed based on a property's value and as a uniform annual general charge.

Value-based general rates are assessed on land value and are differentiated by land use. The differentials to be applied are:

- residential differential, including steps on high value properties
- rural differential
- multi-unit differential
- commercial and industrial differential.

Full details of the differentials used may be found in the Funding Impact Statement.

The uniform annual general charge (UAGC) is applied to each separately used or inhabited part of each rating unit. This is used to fund activities where a fixed charge is deemed to be more appropriate than one based on property values.

Targeted rates are used to exclusively fund a particular activity, or may be used where the benefit is expected to accrue to one sector or location. The funds collected must be used for the purpose for which they are rated. Targeted rates are only used where Council considers it is an appropriate mechanism to fund that activity or where Council wishes to make clear the purpose for which the rate is collected. The revenue collected in any one year may result in a surplus, which is used to repay debt or to fund capital expenditure in future.

User fees and charges are used where the beneficiaries can be identified and charged. They include consent fees, licence fees, sales of goods, hireage fees or recoveries of costs incurred. When setting fees and charges, Council will consider any indirect benefit to the community, the distribution of those benefits and ability to pay. Some fees may be limited by legislation, meaning full recovery of costs is not possible.

Grants and subsidies are used where they are available.

Borrowing is not generally used to fund operating expenses, but is used to smooth the inter-generational benefits of the capital expenditure programme. Council may also use borrowing to give a grant to a community organisation to fund a community facility.

Income from dividends, interest and rents is used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do. In some cases where the income is from investment properties, some of the income is used to ensure the overall portfolio is maintained in terms of ongoing purchasing power.

Enforcement fees are charged where possible. They are used to promote compliance rather than to raise revenue, and may not recover the full cost depending on the level of compliance and the extent to which charges are limited by statute or the court.

Funding source for activities

The result of that review, and list of activities and the mechanisms used to fund these activities, are included in the table below. Definitions of funding sources are shown underneath the table.

Activity group	Activity	Funding source		
		General rates	Targeted Rates	Fees or subsidies
Transportation	Roading network	Major	Potential	Subsidy/petrol tax
	Car parking			Full
	Footpaths	Full		
	Alternate transport options	Major		Minor
Water	Water		Major	Minor
Wastewater	Wastewater	Minor	Major/potential	Subsidy/Minor fees
Stormwater	Stormwater	Full		
Flood Protection & Control Works	Flood Protection & Control Works			Full
Solid Waste Management	Rubbish and recycling collection and disposal		Minor	Major
	Clean district and waste minimisation		Full	Subsidy
Planning & Regulatory Services	Resource Consents	Minor		Major
	Building Consents	Minor		Major
	Regulatory Services	Minor		Major
	Policy & Monitoring	Major		Minor
Economic Growth	Tourism and visitor information services	Major		Minor
	Iwi Liaison	Full		
	Economic Development	Full		

Activity group	Activity	Funding source		
		General rates	Targeted Rates	Fees or subsidies
Community Facilities & Services	Parks & Recreation	Major	Potential	Minor
	Cemeteries and crematorium	Residual		Major
	Libraries	Major		Minor
	Property			Full
	Community Services	Full		Subsidy
	Venues & Events	Minor		Major

Definitions

Full means that all, or almost all, of the cost of the activity is funded from that source. It does not preclude the use of charges to cover a small portion of the total funding, or the use of general rates to meet the shortfall in any year. However, the revenue from these sources is a negligible part of the total funding.

Major means that the majority of the activity is funded from that source. In some cases, the decision not to fully fund the activity may result from the recognition of the public good portion of that activity, or it may result from constraints which mean full recovery is not possible or desirable.

Minor means a lesser portion of the activity is funded from that source. This may equate to the public good portion, or the portion which can be recovered from users.

Subsidy means that a portion of the activity is funded from a government subsidy. In some cases the subsidy is a small portion of the total cost, or in others such as transportation it is a significant portion of the total funding requirements.

Petrol Tax is the local government share of petrol tax levied by central government. It is used to contribute to the costs of maintaining roads.

Potential identifies activities where a particular project has a greater benefit to only one area of the community. The costs of the project are then recovered by way of a targeted rate to those in that area of benefit.

Funding of capital

Rates, either general or targeted, may be used to fund a portion of capital expenditure when it is considered appropriate to do so, and to repay debt. This will be balanced against affordability for current ratepayers and the current and future needs of the community.

Borrowing is an appropriate funding mechanism to enable the effect of peaks and troughs in capital expenditure to be smoothed and to ensure the costs of major developments are borne by those who ultimately benefit from the expenditure. It is not appropriate or sustainable for all capital expenditure to be funded from borrowings. In periods of low capital expenditure, borrowing will be reduced.

Proceeds from property sales will be invested in the property reinvestment reserve, and the funds may be used to purchase other commercial properties in future. Any funds in the reserve may be used to fund capital expenditure in other activities to smooth Council's overall cashflow requirements.

Proceeds from other asset sales may be used to fund capital works or to repay debt.

Depreciation is an indirect source of funding as Depreciation Reserves are not created. However, Rates are set at a level that offsets the calculated non-cash Depreciation cost. Operating surpluses (where available) are then used to fund renewal capital expenditure.

Development contributions will be used to fund the growth component of capital expenditure. The growth in our District drives a portion of our capital work requirement to maintain Levels of Service to a larger community. As the costs of growth are driven by development, Council considers it equitable that a development should make a contribution to the costs that are being imposed. Council has a development contributions policy which sets out the level of contributions required to fund infrastructure requirements.

Grants and subsidies are used when they are available.

Financial contributions will be used to fund capital expenditure in accordance with the Resource Management Act 1991.

Reserves including retained earnings from operating surpluses from previous years may be used to fund capital expenditure.

User contributions are typically paid in the form of a targeted rate by an identified group of direct beneficiaries. In many cases this group would have lobbied for the inclusion of the project during a consultation process.

Funding source for capital expenditure

Because Council funds some of its activities via targeted rates, debt is allocated based on a major activity. Through its Long Term Plan it determines what capital expenditure is sustainable within the prudent guidelines outlined in the Financial Strategy.

Asset management plans are maintained for all infrastructural assets and these provide detailed analysis of asset condition and asset renewal programmes required to maintain the agreed service level. Typical sources of funding for capital expenditure are:

Type of asset purchase	Typical funding sources
Replacement routine on-going plant and equipment purchases Smaller plant and equipment purchases	rates subsidies and grants (when available) proceeds of asset sales reserves depreciation borrowing
Capital renewals Larger capital projects that replace similar existing assets	rates subsidies and grants (when available) proceeds of asset sales reserves depreciation financial /development contributions (growth element in accordance with policy) borrowing
New capital developments New assets which are completely new or are significantly different from the asset which they replace	rates subsidies and grants (when available) proceeds of asset sales user contributions reserves depreciation financial/development contributions (growth element in accordance with policy) borrowing

Appendix A – Practice notes for each activity

These practice notes were developed as part of the review process for the Revenue and Financing Policy and are not part of the policy itself. They back up the policy published in the Long Term Plan (LTP) and provide detailed consideration notes for each activity. It is not intended to publish the appendix in the LTP as it is not part of the policy.

The percentages and/percentage ranges are estimates only and are used to provide guidance as to Council's view of the appropriate level of recovery. They are not intended to be an exact target.

The actual level of each source for funding of capital expenditure will depend on the mix of projects being funded in any particular year. Depending on the availability of funding from various sources, this will determine the most appropriate source of funding.

Overview

Activity	Name of funding: activity. This may be a part of the overall activity, but the funding source may be different. Overall activity = Transportation Funding activities = Roading network, Parking, Footpaths, Alternative transport options		
Primary Community Outcome	One community outcome to which activity contributes from the five outcomes: <ul style="list-style-type: none"> • Easy and safe to move around • A growing, resilient economy • Clean, healthy and valued environment • Vibrant and healthy communities • Well managed growth. 		
Why do we do it	Rationale of why this activity is undertaken. This should align with the strategic direction of Council and suggested wording has been written in that way (rather than we have to do it by legislation)		
Who benefits	LGA Sec 101 (3) (a) (ii) requires Council to assess the benefits to individuals and the community as a whole. This may include several groups - those that primarily benefit and those that benefit in the wider sense.		
Period of benefit (intergenerational equity)	Sec 101 (3) (a) (iii) requires Council to assess the period over which the operating and capital expenditure should be funded. The concept of intergenerational equity reflects the view that benefits occurring over time should be funded over time.		
Whose actions or inactions contribute	Sec 101 (3) (iv) requires Council to assess the extent to which each activity exists only because of the actions or inactions of individual or a group. For example, littering, dog control. The concept of exacerbator pays means that Council should recover the costs from those causing the problem.		
Assessment of Options	Sec 101 (3) (a) (v) requires Council to consider the costs and benefits of distinct funding for each activity. In considering the options the consequences on transparency and accountability of each option chosen.		
	Private Benefit % (specific to individual or group)		Public Benefit % (whole community and visitors)
Assessment of overall impacts of allocation of revenue needs	Sec 101 (3) (b) requires Council to consider the overall impact of any allocation of liability for revenue needs on the community. This may change the funding option or the level of funding from any source to ensure there are no barriers or disincentives, and that an inequitable burden is not placed on any particular community sector or group.		
Chosen Funding Option	Type	%	Comments
	User Fees		All funding associated with Operating and Capital expenditure are required to be identified.
	General Rates		
	Targeted Rates		
	Reserves		
	Vested Assets		
	Depreciation		
	Subsidies		
	Financial/Development Contributions		
	Loan Funding		

Activity	Transportation - Alternative transportation options		
Primary Community Outcome	Easy and safe to move around		
Why do we do it	Alternative transport options, including public transport, cycling and walking, provide healthy and cost-effective ways for people to move around the district for business and leisure purposes whilst reducing environmental impacts		
Who benefits	Public transport users; Cyclist, walkers, whole community		
Period of benefit (intergenerational equity)	Public transport provides short term benefits, although facilities have a medium to long term benefit (e.g. bus shelters). Cycle lanes and walking tracks provide short to medium term benefits		
Whose actions or inactions contribute	Bus service provided by Regional Council, facilities provided by WDC.		
Assessment of Options	Public transport and facilities to provide safe cycling and walking enables cost effective travel, and reduces congestion at peak times. This can reduce the need to provide facilities for parking, as well as reduce the negative impacts of noise and pollution. There is no easy mechanism to collect fees from cycle lanes and walking tracks. User fees for buses are collected by the Northland Regional Council.		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees		Collected for buses by NRC
	General Rates	90%-100%	
	Subsidies	0% -10%	As per NZTA
	Targeted rates	If appropriate	
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Reserves	Minor	Reserves used as a funding source if available.
	Lump sum contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions
	Loan Funding	Minor	Provision of expanded facilities

Activity	Transportation - Footpaths		
Primary Community Outcome	Easy and safe to move around		
Why do we do it	Good footpaths improve safety and movement within our communities by providing a separation between vehicles and people. It encourages walking and provides safe and enhanced mobility for disabled and elderly		
Who benefits	Residents; Individual property owners; disabled and elderly; youth; whole community		
Period of benefit (intergenerational equity)	Footpaths provide both short and long term benefits		
Whose actions or inactions contribute	Developers provide new footpaths as part of subdivision process; Demand from schools for safe access to and from school		
Assessment of Options	Footpaths provide safe access where provided but there is no mechanism to charge for use. The cost of new footpaths should be met by the developer (and ultimately the purchasers of the sections). The ongoing maintenance should be met by ratepayers		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive.		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	Fully funded by ratepayers
	Targeted Rates	If appropriate	Targeted rates for new footpaths in the specific areas
	Vested Assets	Capex	Provision by developers for New Subdivisions
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available
	Loan Funding	Minor	Provision of expanded facilities
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions

Activity	Transportation - Parking (Facilities)		
Primary Community Outcome	Well managed growth		
Why do we do it	Provision of Car parking supports the local business community and encourages economic growth. The provision and control of parking close to destinations provides access and mobility to the disabled and elderly.		
Who benefits	Residents; businesses; disabled and elderly		
Period of benefit (intergenerational equity)	Parking provides both short and long term benefits.		
Whose actions or inactions contribute	Businesses may be required to provide own parking facilities; Parking is controlled by time limits and fines		
Assessment of Options	The availability of car parking enables concentration of business activities. It is relatively easy to charge users and maximises the use of resources.		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those benefitting from this activity.		
Operational Expenditure	Type	%	Comments
	User Fees	90%-100%	Users should pay for parking time.
	General Rates	0%-10%	Balance if any
	Targeted Rates	If appropriate	
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available.
	Loan Funding	Minor	Provision of expanded facilities

Activity	Transportation - Rooding network		
Primary Community Outcome	Easy and safe to move around		
Why do we do it	Allows for easy movement of people and goods which is essential to the enjoyment and economic growth of our community. This is achieved by the provision of an integrated, safe, responsive and sustainable roading network which is provided in conjunction with the NZ Transport Agency		
Who benefits	All road users; whole community; visitors		
Period of benefit (intergenerational equity)	Roads provide both short and long term benefits.		
Whose actions or inactions contribute	Developers provide new roads as part of subdivision process thus increasing demand on existing roads; Negative impacts from noise, air and storm water pollution; Loss of amenity value and biodiversity. Heavy vehicles impose greater impact on wear and tear		
Assessment of Options	Government maintains State Highways and provides about 50%-60% funding from taxes via Subsidies for both operational maintenance and capital expenditure. This portion represents the benefit the whole Country gets from roading. The balance is payable by ratepayers. Where there is a greater impact on roads from a particular sector, they should pay for the added costs (for example – Forestry). Where a road is improved, there is a benefit to all users, whether they have paid for the improvement or not.		
	Private Benefit %	50%	Public Benefit % 50%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive. There may be an increase in use or development – for example – when a road is sealed. The full costs should not be allocated to only one type of user.		
Operational Expenditure	Type	%	Comments
	General Rates	40%-50%	Funding for the community benefit portion.
	Targeted Rates	0%-5%	Recovery of costs for sealing, Look at targeted rate for forestry sector
	Subsidies	50%-60%	As determined by NZTA
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available.
	Subsidies	Major	As determined by NZTA
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions
	Loan Funding	Minor	As required

Activity	Water - Potable water		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Supports good health and living standards by providing clean and safe water delivered directly to residents and businesses in our serviced communities. Adequate water is available to meet fire fighting requirements		
Who benefits	Users of the public water supply system		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Developments with a large need for water; Rural properties during periods of drought; Provision provided but no connection		
Assessment of Options	Water users should pay on a user pays basis via water metering. A fixed fee charged for the provision of a connection so the costs of supplying and reading meters is met whether there is any water consumption or not. Those using water without a meter should pay an average consumption rate. Facilities to collect water for delivery to unconnected properties should be provided.		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those benefitting from this activity. Users connected to the system pay for the ongoing costs. Where users are irregular and use during periods of drought the water could be provided at a premium or limited if supply is uncertain		
Operational Expenditure	Type	%	Comments
	User Fees	0%-10%	Metered stands
	Targeted Rates	90%- 100%	Metered water
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available.
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions
	Loan Funding	Minor	Provision of new water sources

Activity	Solid Waste Management - Litter control		
Primary Community Outcome	Clean, healthy and valued environment		
Why do we do it	Provision and collection of public rubbish bins encourages the appropriate disposal of litter protecting the natural environment.		
Who benefits	Whole community; visitors;		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Offenders increase costs and negative impacts on the environment.		
Assessment of Options	There is no viable method of charging for litter control. The costs of this activity benefit the whole community and costs should be paid from rates. Offenders caught littering should be fined to discourage negative behaviours.		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue is spread equally across all rating units as the benefits of this activity are felt by the whole community. Fines are set by legislation and may not recover the costs involved. Collection is difficult to enforce.		
Operational Expenditure	Type	%	Comments
	User Fees	minimal	Fines for offenders. Increased enforcement and fines
	General Rates		
	Targeted Rates	90%-100%	Funded from Refuse rate
	Reserves	Minor	JV income

Activity	Solid Waste Management - Rubbish & recycling collection & disposal		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Refuse collection and disposal minimises the negative impact of people on the environment and contributes to the health and safety of our communities.		
Who benefits	Properties serviced; Whole communities		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Negative impacts on environment from operation of landfills, noise and heavy traffic from movement of waste		
Assessment of Options	Serviced properties pay via a user charge for each rubbish bag collected. To encourage recycling, it is provided at no cost as there is a wider benefit in reducing the amount of waste sent to landfills. Use of transfer stations is chargeable to the user based on the volume of waste disposed.		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	Rates revenue is spread equally across all rating units as the benefits of this activity are felt by the whole community. The full costs may not be recoverable as this may lead to waste being disposed of inappropriately.		
Operational Expenditure	Type	%	Comments
	User Fees	40%-50%	Landfill (transfer station) fees and rubbish bag stickers
	Targeted Rates	50%-60%	Balance paid via Refuse rate
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries
	Reserves	Minor	Reserves used as a funding source if available
	Subsidies	Minor	Government funding for new facilities
	Loan Funding	Major	Provision of new facilities

Activity	Solid Waste Management - Waste minimisation		
Primary Community Outcome	Clean, healthy and valued environment		
Why do we do it	Encouraging waste minimisation reduces the cost of collection and disposal and the negative impact of waste on our environment		
Who benefits	Whole community;		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Growth in population increases amount of waste; landfills have limited life. Changing Government requirements contribute to the need.		
Assessment of Options	Waste minimisation levies collected from the disposal of waste are available from central government		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	All revenue is sourced from subsidies via fees from those using waste disposal facilities and services.		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates		
	Targeted Rates		
	Subsidies/Levies	0-100%	Waste minimisation levy from government
	Reserves	0-100%	JV income

Activity	Wastewater		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	The efficient collection, treatment and disposal of wastewater are essential to the health and safety of serviced communities. This is achieved by the provision of a reliable wastewater network which protects our natural environment, and enables population growth.		
Who benefits	Users connected to wastewater system; Whole community		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Population growth increases need. Our communities demand for improved environmental outcomes		
Assessment of Options	Connected users should pay for their use of the system. However there is a wider benefit in ensuring the system is not causing negative environmental effects. Systems are required where there is intensive housing and/or the environment is sensitive to impacts of on site disposal (e.g. coastal communities)		
	Private Benefit % 90%		Public Benefit % 10%
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those benefitting from this activity. However, there is no easy way to align charges directly with use without installing wastewater meters. For example, a one person household may pay the same as a large family.		
Operational Expenditure	Type	%	Comments
	User Fees	5%-10%	Lab testing and Tradewaste fees
	General Rates		Balance if insufficient recovered (none in AP)
	Targeted Rates	90%-95%	Pan charges & recovery of schemes
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Major	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available.
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions
	Subsidies	Potential/Minor	Government funding for new facilities
	Loan Funding	Major	Provision of expanded facilities

Activity	Wastewater - Public toilets		
Primary Community Outcome	Clean, healthy and valued environment		
Why do we do it	Provision of facilities for residents, visitors and tourists contributes to health and safety, and encourages and enhances tourism and outdoor activities		
Who benefits	Whole community; visitors;		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Increased visitor numbers increases need; Our communities demand for improved environmental outcomes		
Assessment of Options	The ability to recover costs via a user charge are limited. The facilities are freely available and provide a benefit to the whole community and should be funded by rates		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	Full rate funding
	Targeted Rates		
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available.
	Loan Funding	Major	Provision of new facilities

Activity	Storm water		
Primary Community Outcome	Well managed growth		
Why do we do it	Provides flood protection for public and private assets and enables urban population growth. Minimises the environmental impact of storm events		
Who benefits	Whole community		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Intensive development such as CBD. Pollution effects from runoff (traps etc)		
Assessment of Options	There are no easily identifiable parties from which costs can be recovered via a user charge. The control of negative impacts from storm water such as flooding benefit those in low lying areas such as the CBD. Development in the surrounding areas contributes to the impact in those areas and there is a wider community benefit in storm water control. The costs of adequate storm water control in new subdivisions is met by the developer and assets vested in Council		
	Private Benefit %	80%	Public Benefit % 20%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Lump Sum Contributions	Potential/Minor	Direct contributions by project beneficiaries.
	Reserves	Minor	Reserves used as a funding source if available.
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions

Activity	Flood Control - Hikurangi Swamp			
Primary Community Outcome	A growing resilient economy			
Why do we do it	Specific scheme which protects defined property from flood events and enables economic use of the land.			
Who benefits	Properties in defined area of benefit			
Period of benefit (intergenerational equity)	Short and long term			
Whose actions or inactions contribute	Resource consent conditions. Legislated rating structure			
Assessment of Options	Properties that benefit from the scheme pay the costs. Those that have the greatest benefit should pay the most.			
	Private Benefit %	100%	Public Benefit %	
Assessment of overall impacts of allocation of revenue needs	All revenue is sourced directly from those benefitting from this activity.			
	The rating structure and categorisation of properties has been legislated and is not easily changed.			
Operational Expenditure	Type	%	Comments	
	User Fees			
	General Rates			
	Targeted Rates	100%	Hikurangi Swamp scheme rate	
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure	
	Development contributions	Minor	Payable to fund capex related to growth	
	Reserves	Minor	Reserves used as a funding source if available.	
	Vested Assets	Potential/Minor	Provision by developers for New Subdivisions	
	Loan Funding	Major	Provision of new facilities	

Activity	Community Facilities and Services - Play areas, walking trails and coastal structures			
Primary Community Outcome	Vibrant and healthy communities			
Why do we do it	Encourages active participation in outdoor activities and provides access to our marine environment.			
Who benefits	All users; Whole community; Visitors			
Period of benefit (intergenerational equity)	Facilities provide both short and long term benefits. Facilities accrue benefits to be enjoyed by future ratepayers as well			
Whose actions or inactions contribute	Population growth leading to increase in need			
Assessment of Options	Users of these facilities could be charged to use them, although the costs of collection may be in excess of the revenue gained. The benefits of provision of free facilities encourage their use. Some coastal structures in high demand areas may control the use.			
	Private Benefit %	50%	Public Benefit %	50%
Assessment of overall impacts of allocation of revenue needs	Charging for use may discourage use and reduce participation which would not meet the objective for the activity. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive			
Operational Expenditure	Type	%	Comments	
	User Fees	Minimal		
	General Rates	100%	Balance to be met from rates	
	Targeted Rates	Minor		
Capital Expenditure	Depreciation	Minor	Used to repay existing loans and fund renewal capital expenditure	
	Financial Contributions/Development contributions	Minor	Payable to fund capex related to growth	
	Reserves	Minor	Reserves used as a funding source if available.	
	Loan Funding	Major	Provision of expanded facilities	

Activity	Community Facilities and Services - Parks, reserves & natural areas		
Primary Community Outcome	Clean, healthy and valued environment		
Why do we do it	Helps preserve our natural and cultural heritage and provides opportunities for enjoyment of the outdoors.		
Who benefits	Parks, Reserves and Natural areas provide open spaces which benefit all in the community. They encourage outdoor activities and protect the environment and biodiversity. Whole community; Visitors		
Period of benefit (intergenerational equity)	Facilities provide both short and long term benefits. Facilities accrue benefits to be enjoyed by future ratepayers as well		
Whose actions or inactions contribute	Population growth leading to increase in need		
Assessment of Options	There is no efficient method of recovering costs from the users of these facilities. There is a benefit to the whole community of providing and maintaining open spaces		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive.		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	Fully paid by general rates
	Targeted Rates	If appropriate	
Capital Expenditure	Depreciation	Minor	Used to repay existing loans and fund renewal capital expenditure
	Financial Contributions/Development contributions	Minor	Payable to fund capex related to growth
	Reserves	Minor	Reserves used as a funding source if available.
	Loan Funding	Major	Provision of expanded facilities

Activity	Community Facilities and Services - Sports & recreation facilities		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Provision of good quality leisure facilities enables community participation and contributes to the health and wellbeing of residents.		
Who benefits	Users of the sports and recreation facilities gain a private benefit. There is a wider community benefit in the provision of good quality facilities which encourage a more activity lifestyle. Users of facilities ; whole community; visitors		
Period of benefit (intergenerational equity)	Facilities provide both short and long term benefits. Facilities accrue benefits to be enjoyed by future ratepayers as well		
Whose actions or inactions contribute	Population growth leading to increase in need. Space used for sports parks is no longer available for residential or commercial development		
Assessment of Options	Sports parks provide a place for organised and informal sport and recreation. They are designed to be utilised by more than sporting code and are maintained appropriately. It is not always economic to charge users, but where possible (such as the Aquatic Centre) user fees will apply. Clubs are charged for the maintenance and upkeep of facilities.		
	Public benefit %	80%	Private benefit % 20%
Assessment of overall impacts of allocation of revenue needs	User fees and charges to clubs need to be at a reasonable level to ensure minimise affordability issues. The green spaces provided by sports fields can be used by the public for recreational activities without the need to belong to a club. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees	0%-10%	Recovery from user charges or clubs
	General Rates	90%-100%	Balance of funding
	Targeted Rates	If appropriate	
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Reserves	Minor	Reserves used as a funding source if available
	Loan Funding	Major	Provision of expanded facilities

Activity	Community Facilities and Services - Cemeteries & Crematorium			
Primary Community Outcome	Clean, healthy and valued environment			
Why do we do it	Ensuring suitable facilities for burials and cremations which allow families to celebrate life and mark death in accordance with their cultural beliefs.			
Who benefits	Relatives and Friends of deceased; Whole community			
Period of benefit (intergenerational equity)	Facilities provide both short and long term benefits. Facilities provide future generations knowledge of their heritage – a place of permanent memorialisation.			
Whose actions or inactions contribute	Legislation control burial/cremation requirements. Population growth leading to increase in need.			
Assessment of Options	Cost of funerals should be met by the families of the deceased. Ratepayers pay for the upkeep of closed or historic facilities. There is a wider community benefit in the provision of facilities both now and in the future.			
	Private Benefit %	90%	Public Benefit %	10%
Assessment of overall impacts of allocation of revenue needs	<p>Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive</p> <p>The plot purchase fee should allow for the ongoing maintenance of the facility, however the fee would only allow for around 34 years of maintenance at current rate. Unless an ongoing charge is applied (which would not be administratively easy) after that the costs are met by the ratepayer. It is assumed that this plot becomes part of historic facilities.</p>			
Operational Expenditure	Type	%	Comments	
	User Fees	35%-45%	Cost of burials and cremations met by families	
	General Rates	55%-65%	Upkeep and old cemeteries maintained from general rates	
	Targeted Rates			
	Grants	1%	RSA pays for maintenance of veterans cemetery	
Capital Expenditure	Depreciation	Minor	Used to repay existing loans and fund renewal capital expenditure	
	Development contributions	Minor	To allow for increase in need for facilities	
	Reserves	Minor	Reserves used as a funding source if available	
	Loan Funding	Major	Provision of expanded facilities	

Activity	Community Facilities and Services - Libraries		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Facilitates community access to literacy resources regardless of age, income, or ability and encourages life long learning.		
Who benefits	There are three main activities: - Recreational, Educational, Informational. Users of the library gain a private benefit in that, with membership, they are able to access reading material. There is a wider community benefit in the provision of reading material, the availability of reference material and protection of heritage documents. Library users; Whole community;		
Period of benefit (intergenerational equity)	Facilities provide both short and long term benefits. Facilities such as library buildings accrue benefits to be enjoyed by future ratepayers as well		
Whose actions or inactions contribute	Books not returned mean others are disadvantaged. If lost, then replacements should be paid for. Follow recommended items per capita means population growth leads to increase in need.		
Assessment of Options	The estimated distribution of private/public benefit of 50/50 means half the costs should be paid by users. Discretionary items (audio visual) should be charged in full Fines should be charged for late returns.		
	Private Benefit %	50	Public Benefit % 50
Assessment of overall impacts of allocation of revenue needs	The rationale is to encourage life long learning, therefore membership fees and item hireage costs could create a barrier to that goal. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive.		
Operational Expenditure	Type	%	Comments
	User Fees	5%-15%	Membership will be free to all ratepayers. A user fee for audio visual items, books to be borrowed for free enhancing access and affordability. Fines will apply for late returns. Internet access is chargeable
	General Rates	85%-95%	The ratepayer share of costs should be around 90%
	Targeted Rates		
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Development contributions	Minor	Payable to fund capex related to growth
	Reserves	Minor	Reserves used as a funding source if available.
	Loan Funding	Minor	Replacement facilities funded from Loans where required

Activity	Community Facilities and Services - Pensioner housing		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Provision of subsidised, affordable housing, supports eligible elderly people to be healthy, active and independent.		
Who benefits	Elderly; whole community		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	An increase in eligible elderly people may increase need, or reduce availability.		
Assessment of Options	Those living in the facilities should pay rent to cover costs. Government assistance may be available for improvement projects.		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	All revenue is sourced directly from those benefitting from this activity. Affordability could be an issue if costs are too high and rents are increased accordingly.		
Operational Expenditure	Type	%	Comments
	User Fees	100%	Rents
	General Rates		
	Targeted Rates		
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Reserves	Minor	Reserves used as a funding source if available
	Loan Funding	Minor	As required

Activity	Community Facilities and Services - Community development			
Primary Community Outcome	Vibrant and healthy communities			
Why do we do it	Support for community groups encourages a sense of place or community belonging and allows improved access to facilities and increased participation in activities. It also assists Council with developing a district that is inclusive of all residents and visitors.			
Who benefits	Whole community			
Period of benefit (intergenerational equity)	Short to long term			
Whose actions or inactions contribute	Community advisory groups such as the Positive Aging Advisory Group, the Disability Services Reference Group and the Whangarei Youth Network assist Council with being responsive to community issues as appropriate.			
Assessment of Options	Community development funds have been set aside to provide funding for facilities on Council owned land, or for facilities to be provided on private property. Funding for this facility development is provided by way of an interest free loan should criteria be met. Liaison with advisory groups ensures Council responds to a diversity of community needs through other levels of service (costs met by other activities of Council e.g. disabled car parks are provided by roading).			
	Private Benefit %		Public Benefit %	100%
Assessment of overall impacts of allocation of revenue needs	The availability of low cost loans enhances community groups' ability to expand enhancing social wellbeing. The use of loans as opposed to grants allows some groups to receive funding over time. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive			
Operational expenditure	Type	%	Comments	
	User Fees			
	General Rates	100%	To met costs of liaison	
	Targeted Rates			
	Development Funds	100%	Interest free loans to community groups	

Activity	Community Facilities and Services - Community funding		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Support for community groups encourages a sense of place or community belonging. It also allows for diversity and the promotion of heritage, cultural, and artistic activities and enables specific needs of community groups and their communities, across the district, to be addressed.		
Who benefits	All users; whole community; visitors		
Period of benefit (intergenerational equity)	Short to long term		
Whose actions or inactions contribute	Funds from this activity range from services Council may otherwise need to pay for through to 100% voluntary community events.		
Assessment of Options	There is a whole community benefit to encourage community involvement.		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Provides incentive for community groups to flourish enhancing social, cultural and/or environmental wellbeing Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	To fund grants to community groups. Grants may be used to fund capital expenditure

Activity	Community Facilities and Services - Venues and Events		
Primary Community Outcome	A growing, resilient economy		
Why do we do it	Provide suitable facilities and attract events which contribute to the vibrancy and economic wellbeing of the District.		
Who benefits	Attendees; Businesses; Whole community		
Period of benefit (intergenerational equity)	Short to long term		
Whose actions or inactions contribute	District growth increases the need for facilities. Community groups have limited access to suitable facilities at an affordable cost.		
Assessment of Options	The users of facilities should meet the costs on a user pays basis. Any shortfall due to the facilities not being fully utilised should be met from rates. .		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	<p>Facilities may be used by community groups to provide affordable facilities. The full costs should not be recovered but met from rates funding.</p> <p>The promotion of facilities to encourage events would have a flow-on effect on the economy and other businesses so should be paid for by them.</p> <p>Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive</p>		
Operational Expenditure	Type	%	Comments
	User Fees	20% -30%	Users of facilities pay hireage fees
	General Rates	70%-80%	To meet community needs & shortfall
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Reserves	Minor	Reserves used as a funding source if available.
	Loan Funding	Minor	As required

Activity	Positive Growth - Economic development			
Primary Community Outcome	A growing, resilient economy			
Why do we do it	Encourage economic growth and awareness of our District			
Who benefits	Businesses; Whole community			
Period of benefit (intergenerational equity)	Short to long term			
Whose actions or inactions contribute	Destination Northland promotions/events in neighbouring districts. Economic development activities by other District Council and the Regional Council			
Assessment of Options	It is not always possible to on charge the costs to those the benefit directly, and it may not be desirable to do so. The activities undertaken may have a short term benefit, but overall, and in combination with each other should contribute to the long term economic resilience of the district.			
	Private Benefit %	0%	Public Benefit %	100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive			
Operational Expenditure	Type	%	Comments	
	User Fees			
	General Rates	100%	To fund public good	
	Joint venture profits	Minor	Share of Resort and landfill operations	
Capital Expenditure	Reserves	Minor	Reserves used as a funding source if available	
	Loan Funding	Major	As required	

Activity	Positive Growth - Iwi Liaison		
Primary Community Outcome	Clean, healthy and valued environment		
Why do we do it	Form partnerships with Maori to enhance and recognise the cultural heritage of local Iwi.		
Who benefits	Whole community		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute			
Assessment of Options	Long term relationships with Iwi benefit the whole community. As treaty negotiations are settled in the North, they will become a large economic force in the district. The promotion of Maori culture has the potential to provide employment opportunities. As the benefit will be to the whole community it should be funded from general rates.		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive.		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	Funded for public good

Activity	Positive Growth - Tourism & Visitor Information Services		
Primary Community Outcome	A growing, resilient economy		
Why do we do it	Encourage economic growth and awareness of our District by attracting tourists and providing facilities to enhance their experience		
Who benefits	Tourists, Businesses; Whole community		
Period of benefit (intergenerational equity)	Short to long term		
Whose actions or inactions contribute	Tourism New Zealand and Northland Inc marketing / events in neighbouring districts / i-SITE New Zealand network activity.		
Assessment of Options	Those businesses which benefit directly from i-SITE services contribute via commissions paid when bookings are made. Businesses also pay fees for brochure and other display charges. The wider Whangarei economy benefits from visitor expenditure via Information Centre services which encourage longer stays and visiting a wider range of attractions and activities. Visitors and others using visitor booking services also pay also pay direct booking fees for some services.		
	Private Benefit %	10%	Public Benefit % 90%
Assessment of overall impacts of allocation of revenue needs	Recovering costs from tourists is difficult and may be counter productive as they may avoid using facilities or avoid visiting at all. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive. User fees are sourced from direct beneficiaries of this activity through commissions.		
Operational Expenditure	Type	%	Comments
	User Fees	30% - 40%	Commissions from tourism businesses, booking fees and admission fees.
	General Rates	60% - 70%	To fund public good portion
	Targeted Rates	If appropriate	
Capital Expenditure	Reserves	Minor	Reserves used as a funding source if available
	Loan Funding	Minor	As required

Activity	Planning and Regulatory Services - Building and environmental monitoring		
Primary Community Outcome	Well managed growth		
Why do we do it	Providing our communities a desirable place to live by setting rules and monitoring standards which control negative impacts of activities on others		
Who benefits	Home owners and buyers; Consent holders; neighbours; whole community		
Period of benefit (intergenerational equity)	Short term		
Whose actions or inactions contribute	Need to ensure consent conditions complied with. Offenders increase costs.		
Assessment of Options	Consents have conditions which minimise the impact on others so the costs of ensuring compliance should be met by the applicants. Offenders should meet the costs of investigation into compliance.		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	<p>It is difficult to recover the full costs of inspections and investigations. Fines are set by government legislation and may not meet the costs incurred. Reducing or eliminating charges may assist in compliance which has a greater benefit to the community as a whole.</p> <p>Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive</p>		
Operational Expenditure	Type	%	Comments
	User Fees	0%-10%	60% recovery of LU consent condition monitoring. Other activities little opportunity to recover.
	General Rates	85%-100%	Balance
	Targeted Rates		
	Fines	0%-5%	For non-compliance

Activity	Planning and Regulatory Services - Environmental policy		
Primary Community Outcome	Well managed growth		
Why do we do it	Develop and maintain district planning to enhance, control and encourage activity within the district in accordance with community objectives		
Who benefits	Whole community; Private plan change applicants, Visitors		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Addresses community needs. Allow Council to encourage sustainable development by stimulating growth in certain areas and limiting growth in others		
Assessment of Options	Planning is an essential function to ensure the district grows in a sustainable way. Negative effects of activities on others needs to be managed, best use of scarce resources encouraged, and clear guidelines set to achieve the objectives of the district. The district plan sets policies, rules and zoning. There is an opportunity to apply for changes to the plan. If this change is initiated by an individual or group and it will specifically apply to them. The benefit will accrue to the applicant therefore the costs should be met by them. If the plan change benefits the whole community the whole community should pay		
	Planning Private Benefit %		Public Benefit %
	Plan change Private benefit	100%	
Assessment of overall impacts of allocation of revenue needs	Appeals against all plan changes are normally not recoverable. Recovery will depend on Court order. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational expenditure	Type	%	Comments
	User Fees	0%-10%	Recovery of costs for private plan changes
	General Rates	90%-100%	To fund public benefit
Capital Expenditure	Reserves	Minor	Funding source if required

Activity	Planning and Regulatory Services - Resource consents			
Primary Community Outcome	Well managed growth			
Why do we do it	Promotes and implements the objectives of the District Plan. This is achieved by processing of subdivision and land use consents, and granting of permissions in accordance with legislation and plan rules.			
Who benefits	Applicants primarily; Whole community			
Period of benefit (intergenerational equity)	Short and potentially long term benefit to the applicant and future owners. Long term benefit to the whole community through sustainably managing the districts resources			
Whose actions or inactions contribute	Individuals and groups wanting resource consents create the need for the activity.			
Assessment of Options	The total cost of processing applications should be met by applicants on a users pays basis. Any appeals to decisions are not usually recoverable (at the current time). Providing advice and guidance to ratepayers and developers about land development and district plan matters is a public good and should not be charged on a user pays basis.			
	Private Benefit %	65%	Public Benefit %	35%
Assessment of overall impacts of allocation of revenue needs	<p>The bulk of revenue is sourced directly from those benefitting from this activity.</p> <p>The user fee needs to be set at a sustainable level to prevent disincentives to applying for consents. For subdivisions there are substantial costs to exercise the consent and the overall cost may be discouraging development. Charging for advice is an option but adds to administrative costs and may not assist to meet the objective of promotion of the district plan.</p> <p>Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive</p>			
Operational Expenditure	Type	%	Comments	
	User Fees	60% - 65%	Total cost (100%) for processing consents to applicants	
	General Rates	35%-40%	For provision of advice and appeal costs	

Activity	Planning and Regulatory Services - Building consents		
Primary Community Outcome	Well managed growth		
Why do we do it	Ensures all buildings constructed are fit for their purpose over the long term. This is achieved by processing of building consents in accordance with legislation and plan rules and by ensuring public safety of commercial buildings.		
Who benefits	Applicants primarily; Property purchasers (LIM); Whole community		
Period of benefit (intergenerational equity)	Short and long term benefit to the applicant. Long term benefit to the whole community in the control of negative effects.		
Whose actions or inactions contribute	Individuals and groups wanting building consents. Negative effects controlled by the Building Act		
Assessment of Options	The total costs of the applications should be met from applicants. The availability of property and building information can be charged to those who wish to access it. There is a benefit to community in ensuring buildings are built in accordance with regulations. Provision of advice as to building requirements is difficult to charge and has an educational benefit.		
	Private Benefit %	90%	Public Benefit % 10%
Assessment of overall impacts of allocation of revenue needs	<p>The bulk of revenue is sourced directly from those benefitting from this activity.</p> <p>The requirements of being a Council and the ongoing quality requirements add a significant cost to the process. The fee to recover the total costs would need to be set at an unsustainable level and may be a disincentive to obtaining consents. Therefore the recovery of all costs is not desirable. Leaky buildings could add additional costs over time.</p> <p>Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive</p>		
Operational Expenditure	Type	%	Comments
	User Fees	70%-90%	Recovered from building consent applications and LIM's
	General Rates	10%-30%	To meet the balance of costs and to recognise community wide benefit (AP ratio 40%)

Activity	Planning and Regulatory Services - Animal management			
Primary Community Outcome	Well managed growth			
Why do we do it	Providing our communities a safe and desirable place to live by controlling the impact of animals.			
Who benefits	Animal owners; Whole community, Visitors;			
Period of benefit (intergenerational equity)	Short term			
Whose actions or inactions contribute	Dog owners create need and legislation requires registration. Owners of dogs not registered should be penalised			
Assessment of Options	Animal owners create the need and should pay the costs. There is a benefit to the community by controlling animals and their negative impact. Improves safety by ensuring dangerous dogs are controlled. Where animals are unregistered they should be impounded, destroyed if not claimed and owners penalised where identified			
	Private Benefit %	80%	Public Benefit %	20%
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those benefitting from this activity. The registration fee should be set at a sustainable level to encourage compliance. Non-compliance should be charged at a rate which creates an incentive to comply			
Operational Expenditure	Type	%	Comments	
	User Fees	90-100%	Total costs should be recovered as need is created by animal owners	
	General Rates	0%-10%	To cover costs of enforcement where ownership cannot be established	
	Fines	0%-5%	For non- compliance	
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure	
	Reserves	Minor	Reserves used as a funding source if available	
	Loan Funding	Major	As required	

Activity	Planning and Regulatory Services - Bylaws		
Primary Community Outcome	Well managed growth		
Why do we do it	Providing our communities a desirable place to live by setting and monitoring standards which either control negative impacts of activities on others or provide benefits to disadvantaged groups.		
Who benefits	Whole community		
Period of benefit (intergenerational equity)	Short term		
Whose actions or inactions contribute			
Assessment of Options	Bylaws are used to control and manage a wide range of activities. They are used to provide benefits to particular sectors or to ensure equal access to all. Examples include provision of free parking for elderly to prevention of selling cars in public car parks. The option of cost recovery from user pays would negate the benefits envisaged. However there may be charges or costs for non-compliance (e.g. cars towed). The costs of bylaws should be met from general rate funding		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive.		
Operational Expenditure	Type	%	Comments
	User Fees		
	General Rates	100%	Funding the public good

Activity	Planning and Regulatory Services - Health			
Primary Community Outcome	Vibrant and healthy communities			
Why do we do it	Protect, promote and ensure public health and safety by the issue and monitoring of licences of food and other premises, testing and health of bathing water and notification of infectious diseases			
Who benefits	Licensed premises primarily; Whole community; Visitors;			
Period of benefit (intergenerational equity)	Short term			
Whose actions or inactions contribute	No legal sanction to recover some costs (e.g. infectious diseases).			
Assessment of Options	There is a benefit to those running eating establishments and the costs of licences should mostly be met by them. There is also a health benefit to whole community to know which premises meet standards, and in the prevention of illness. Bathing water monitoring ensures safety of beach goers, and notification of infectious diseases minimises the negative effects on the community.			
	Private Benefit %	50%	Public Benefit %	50%
Assessment of overall impacts of allocation of revenue needs	There is no identifiable user from which to recover costs of bathing water monitoring and notification of infectious diseases. These costs should be recovered from the ratepayer. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive			
Operational Expenditure	Type	%	Comments	
	User Fees	30%-45%	Approx 70% licensing cost recovery, 0% from other bathing water and infectious diseases	
	General Rates	55%-70%	Balance of funding	

Activity	Planning and Regulatory Services - Liquor		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Promoting responsible consumption of alcohol and ensure public health and safety by the issue and monitoring of licences.		
Who benefits	Licensed premises primarily; Whole community; Visitors;		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute	Requirements and negative effects controlled by Sale of Liquor Act. Charges controlled by the Sale of Liquor Act. Without licenses premises cannot operate.		
Assessment of Options	There is a benefit to licensed premises in ensuring controls are met. Managers need to be trained as well as premises licensed. There is also a benefit to users of those premises in knowing responsible consumption of alcohol will be promoted. There is also a wider community benefit in controlling the negative aspects of alcohol consumption.		
	Private Benefit %	80%	Public Benefit % 20%
Assessment of overall impacts of allocation of revenue needs	As government regulations set the fee which is chargeable, the revenue generated is not sufficient to meet the estimated private/public benefit. Therefore user fees are set at a level to meet 34 percent of the costs, with the 66 percent being met by ratepayers. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees	35%-45%	Fee set by government regulation. New bylaws to be introduced. 65% cost recovery for liquor licensing for regulatory costs
	General Rates	55%-65%	Balance of funding

Activity	Planning and Regulatory Services - Noise management		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Providing our communities enhanced wellbeing by controlling excessive noise		
Who benefits	Whole community, Visitors;		
Period of benefit (intergenerational equity)	Short term		
Whose actions or inactions contribute	Offenders determine need to undertake enforcement actions		
Assessment of Options	Noise creates a nuisance and the costs of monitoring and investigation should be met by the offenders. There is a benefit to the community by controlling noise.		
	Private Benefit %		Public Benefit % 100%
Assessment of overall impacts of allocation of revenue needs	There is no legal ability to recover costs from noise makers until enforcement process reaches prosecution stage. Seizure enables some costs to be recovered, but limited. Rates revenue sources are allocated after taking into account the relative benefits the Residential, Rural and Commercial sectors receive		
Operational Expenditure	Type	%	Comments
	User Fees	0%-5%	Minimal opportunity to recover cost
	General Rates	95%-100%	

Activity	Planning and Regulatory Services - Parking enforcement		
Primary Community Outcome	Well managed growth		
Why do we do it	Supporting business by ensuring parking resources are managed efficiently, traffic flows smoothly during peak periods and accessibility is enhanced to disadvantaged groups.		
Who benefits	Parking users; Whole community, Visitors;		
Period of benefit (intergenerational equity)	Short term		
Whose actions or inactions contribute	Offenders increase costs, car park overstayers prevent use by others.		
Assessment of Options	Aligns with the provision of car parking activity. Users pay for parking for a limited time and to ensure adequate availability should be penalised for staying longer than allowed or paid for. Ensures bus stops, taxi stops and road access are kept clear and minimises congestion at peak times by policing clear ways. Ensures convenient short term parking for delivery of goods to businesses is used appropriately. Offenders are fined for non-compliance with bylaws, and costs may be recoverable from third parties (e.g. towing firms).		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those benefitting from this activity. The use of fines encourages appropriate behaviour and improves accessibility for all users. Any shortfall is met from car park revenue.		
Operational Expenditure	Type	%	Comments
	User Fees	100%	Fines & recovery of costs from car park revenue
	General Rates		

Activity	Planning and Regulatory Services - Swimming pool inspections		
Primary Community Outcome	Vibrant and healthy communities		
Why do we do it	Providing our communities a desirable place to live by enforcing regulations that ensure the safety of the public		
Who benefits	Pool owners; Whole community		
Period of benefit (intergenerational equity)	Short term		
Whose actions or inactions contribute	Offenders increase costs and increase danger for children		
Assessment of Options	Pool inspections to ensure compliance with regulations should be met by the owners of the facilities. Those that do not comply should be charged for non-compliance (fines) and any additional inspections		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those benefitting from this activity. Fines are set by legislation and may be insufficient to recover the costs of enforcement. There is a wider community benefit to ensure pools are secure enough to prevent drowning.		
Operational Expenditure	Type	%	Comments
	User Fees	30%-50%	User charges for inspections and fines for non-compliance 80-90% costs. Reduced percentage for other non-chargeable costs
	General Rates	50%-70%	Balance funded from rates

Activity	Planning and Regulatory Services – Warrant of fitness enforcement		
Primary Community Outcome	Easy and Safe to move around		
Why do we do it	Supporting police enforcement by ensuring compliance with legislative requirements for warranting and registration of vehicles. Done in conjunction with parking activity as an efficient method of inspection		
Who benefits	Whole community,		
Period of benefit (intergenerational equity)	Short term		
Whose actions or inactions contribute	Offenders may drive vehicles which are a safety risk to themselves or to others. Registration costs contribute to insurance and ACC activities		
Assessment of Options	Aligns with the enforcement of car parking activity. Marginal costs of inspection in addition to enforcement of parking are minimal.		
	Private Benefit %	100%	Public Benefit %
Assessment of overall impacts of allocation of revenue needs	The bulk of revenue is sourced directly from those causing the need for this activity. The use of fines encourages appropriate behaviour and improves safety on our roads. Revenue received within sixty days of issue of fine is shared 50/50 with the NZ police		
Operational Expenditure	Type	%	Comments
	User Fees	100%	Fines & recovery of costs from WOF fines
	General Rates		

Activity	Support Services - Property		
Primary Community Outcome	A growing, resilient economy		
Why do we do it	Invest in assets which provide strategic growth opportunities or suitable investment returns		
Who benefits	Tenants; Whole community		
Period of benefit (intergenerational equity)	Short and long term		
Whose actions or inactions contribute			
Assessment of Options	Returns on properties (rents) should make the activity self funding. Any surplus can be used to reduce the rating burden.		
	Private Benefit %		Public Benefit %
Assessment of overall impacts of allocation of revenue needs	All revenue is sourced directly from those benefitting from this activity.		
Operational Expenditure	Type	%	Comments
	User Fees	100%	Rental income
	General Rates		
	Targeted Rates		
Capital Expenditure	Depreciation	Major	Used to repay existing loans and fund renewal capital expenditure
	Reserves	Major	Property portfolio reserve used as a funding source if available
	Loan Funding	Minor	As required