Policy

Revenue and Financing Policy

Team	Finance
Responsibility	Finance Manager
Adopted	30 June 2026
Review	Every three years, or as required
Consultation	Section 82 of Local Government Act
Related Documents	Local Government Act 1974, Local Government Act 2002, Local Government (Rating) Act 2002, Ashburton District Council Long-Term Plan 2024-34, and other policies and strategies as detailed in section 3.2 of this document.

1. Introduction and Purpose

This policy details Council's approach to funding its operating and capital expenditure. It determines who pays for Council activities, and on what basis, with a view to achieving the fairest funding mix for the community as a whole. The overall objective is to ensure users and beneficiaries of Council services pay what is fair and equitable.

Rates provide the net funding requirement of the Council's work programme after allowing for budgeted income from other sources such as fees, user charges and subsidies. Rates are levied under the provisions of the Local Government (Rating) Act 2002.

2. Glossary of Terms

These definitions are intended to explain terms used in this policy in plain English. For legal definitions see the Local Government Act 2002, the Local Government (Rating) Act 2002 and the Local Government Act 1974.

Benefit – refers to the positive effect able to be gained as a result of a Council-provided activity or service.

Business (non-residential) – means those rating units where there are any of the following:

- business operations carried out on the property,
- purpose-built buildings or modified premises for the purpose of carrying out business,
- resource consents relating to business activity,
- advertising of business services on the property, or through media identifying the property as a place of business, and/or
- The property has a traffic flow greater than would be expected from a residential dwelling.

Capital expenditure – means expenditure on new assets or on assets that increase the level of service provided or extend the life of an asset - for example replacement of assets (cyclic renewals).

Capital Value (CV) – means the assessed value of a property comprising the value of the land plus the value of improvements (if any) at the time of valuation.

Community-wide benefit – means a benefit that is available to every person or property in the district.

Connected – is a term used in the rating of water and wastewater services. A connected property attracts a full charge of the uniform targeted rate. For water services, a property is considered "connected" when the house or building is connected to the service or when the land is connected to the service by way of a lateral connection to the boundary.

For wastewater services, a property is considered "connected" when the house or building is connected to the service.

See also "Serviceable"

Council - means Ashburton District Council.

Exacerbator pays – where the activity is required due to the actions or inactions of identifiable groups. It is preferable for such costs to be paid for by those groups contributing to the need for the activity.

Existence benefit – means a benefit that arises through the existence of certain facilities, even if the person who values them may never contemplate using them personally.

Fees and charges – see "User Charges"

General rate – is a rate levied on all rateable properties within the local authority jurisdiction, based on:

- capital value of a property/land
- land value of the land
- annual value of the land

Intergenerational equity – is the principle that the cost of an asset or service should be spread over its life, so that both current and future residents who benefit contribute a fair share of the costs.

Operating expenditure – means the costs incurred to provide normal day-to-day services and the maintenance of services and assets.

People benefit – is a benefit that people and residents can enjoy without owning property. Council looks to fund people benefit through uniform annual charges.

Private good – means goods or services that directly benefit an individual rather than the community as a whole. Private goods or services are an indicator that users should pay, either through fees and charges or targeted rates.

Property benefit – is a benefit that accrues to a property or to property owners. This may be a service to a property or an activity that benefits property values. Council looks to fund property benefit through CV rates.

Public good – means goods or services that one individual can consume without reducing the availability to another individual. Public goods are usually both non-rival and non-excludable. An example of a public good is a community park.

Rates – are funds collected by Council through taxes on property within the district.

Rating boundaries – Council may specify the properties where a rate is levied by way of a map. Maps are recorded in a document titled "Ashburton District Council Rating Maps" which is available on Council's website. Council can resolve to make minor amendments to the map boundaries for matters of low significance (as per Council's Community Engagement Policy).

Residential – refers to all properties occupied as or used for residential accommodation.

Serviceable – is a term used in the rating of water and wastewater services. A serviceable property attracts a 50% charge of the uniform targeted rate. For water services, a property is considered "serviceable" when a main runs past the property.

For wastewater services, a property is considered "serviceable" when a main runs past the property or when the land is connected to the service by way of a lateral connection to the boundary.

See also "Connected."

Separately used or inhabited part (SUIP) of a rating unit – means any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayer's household, having a right to use or inhabit that portion by virtue of tenancy, lease, or other agreement.

Targeted rate – a rate charged for a specific service through a tax on each rateable unit or separately used or inhabited portion of a rating unit deemed to benefit from the service. An example is the rate imposed on properties within the Ashburton central business district for additional footpath cleaning in that area.

Targeted rate, based on CV – is a rate charged for a specific service to the rateable units deemed to benefit from that service, and based on the capital value of the property. For example, Roading Rate, Rural Amenity Rates and Urban Amenity Rates.

Uniform Annual General Charge (UAGC) – a Council charge of an equal amount on each rateable unit or separately used or inhabited portion of a rating unit in the district (this charge does not vary with the capital value of the unit).

User charges – a Council charge or fees paid by those who use specific services provided by Council. An example is the fee payable for processing a resource consent application.

Uniform Targeted Rate – a targeted rate that is charged as an equal amount on each rateable unit or separately used or inhabited portion of a rating unit in the defined area that receives benefit (this charge does not vary with the value of the unit). For example, water rates.

3. Policy Context

3.1. Local Government Act 2002

The Local Government Act 2002 (LGA) requires all councils to adopt a 'Revenue and Financing Policy'. Sections 102 and 103 require the policy to demonstrate how operational expenditure and capital expenditure are funded or financed from:

- **a)** general rates (including choice of valuation system, differential rating, uniform annual charges)
- **b)** targeted rates
- **c)** fees and charges
- **d)** interest and dividends from investments
- **e)** borrowing
- **f)** proceeds from asset sales
- **g)** development contributions
- **h)** financial contributions
- **i)** grants and subsidies
- **j)** other sources of income.

Section 101(3)(a) requires that Council has, for each activity funded, shown it has given consideration to the:

- **i.** community outcomes to which the activity contributes,
- **ii.** distribution of benefits between the community as a whole, any identifiable part of the community, and individual, for the period in or over which those benefits are expected to occur,
- **iii.** extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity, and
- **iv.** costs and benefits, including the transparency and accountability, of funding the activity distinctly from other activities.

Section 101(3)(b) also requires that Council considers the overall impact of any allocation of liability for revenue needs on the community.

3.2. Related Council Plans, Policies, and Strategies

Council's Revenue and Financing Policy provides a high-level funding framework that links with other Council documents impacting on funding decisions for the wider community and in some cases for individual ratepayers. These include:

Annual Plan – details Council's activities, work programme and budgets for the year to which it relates and shows how Council will account for its performance to the community.

Community Engagement Policy - details Council's approach to determining the level of significance of a particular proposal or decision, and how it will engage with the community based on the level of significance.

Development and Financial Contributions Policy - details the basis on which Council charges development contributions to ensure developers pay a fair and proportionate share of the costs of providing infrastructure required to cater for growth.

Financial Strategy - details Council's approach to delivering its high-level funding requirements including limits on rates and borrowing.

Infrastructure Strategy - details Council's approach to provision of core infrastructure, how much it intends investing over the next 30 years and how this investment will be funded. Activities included in the strategy are: roads, footpaths, drinking water, wastewater, and stormwater.

Long-Term Plan – details Council's activities, work programme and budgets for the ten-year period to which it relates and shows how Council will account for its performance to the community. It also contains key policies and strategies applying to the ten-year plan.

Policy on Rates Remission including on Māori Freehold Land – details the circumstances in which Council will provide for the remission of rates and rates penalties and why.

Policy on Rates Postponement including on Māori Freehold Land – details the circumstances in which Council will provide for the postponement of rates and why.

4. Rating Framework & Funding Sources

There are a variety of approaches which may be used to apply rates. Council applies the following:

4.1. Valuation System

When setting general rates based on property value councils can rate according to land value, capital value or annual value.

Council uses capital value (CV) to decide rateable value. Council believes that CV rating best reflects a property owner's stake in the district and is fairer for property owners whose property value is comprised mostly of the value of the land.

4.2. Unit of Rating – Separately Used or Inhabited Parts (SUIP) of a rating unit

Under the Local Government (Rating) Act 2002 charging separately used or inhabited parts of a rating unit is an option for the UAGC and for targeted rates.

Council defines a separately used or inhabited part of a property in section 2 of this Policy.

For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person, other than the owner, and generally used as such are defined as 'used'. Examples of separately used or inhabited parts of a rating unit include:

- a flat attached to a single dwelling,
- two or more houses, flats, or apartments on one certificate of title (rating unit),
- a residential unit attached to business premises,
- separate parts of a single business unit leased to multiple tenants,
- each residential dwelling or unit on a farm property, and
- where part of a rating unit that has the right of exclusive occupation has more than one ratepayer/owner.

4.3. Differential Rating

General rates can be set by applying differential rates meaning councils may choose to set different rates in the dollar of rateable value for different categories of rateable land.

4.4. Non-Rate Revenue Sources

Grants, Sponsorship, and Subsidies - Council expects to continue to receive substantial subsidies from New Zealand Transport Agency (NZTA) for road maintenance and renewal and other expenditure related to transportation. Council can receive grants and sponsorship for projects which are eligible for particular grant or sponsorship schemes.

Investment Income, Dividends, and Interest – Local authorities/councils generate revenue from interest and investments in property, forestry, and Council Controlled Trading Organisations (CCTO's). Revenue generated from such sources can be used to offset the general rate, the UAGC, and the targeted CV rate for roading.

Development Contributions (DC) – A fee charged on new developments that helps recover cost of infrastructure. Capital Expenditure (CAPEX) for growth is the only form of capital spending that can be funded from DC. Revenue from development contributions is used to pay debt outstanding on the proportion of current loans that funded CAPEX for growth.

Financial Contributions (FC) - Charged on subdivisions to address social and environmental impacts. FC are charged on every new lot created and are aimed at ensuring provision of open spaces and recreational facilities.

Proceeds from asset sales - Council may sell assets that are deemed to be surplus to requirements, or that are not providing satisfactory returns. Proceeds are typically invested, or used to fund capital expenditure associated with the activity which held the original asset.

Council may choose to use proceeds to fund capital expenditure and pay down debt associated with other activities or operational expenditure of other activities.

Fees and charges - Council charges for some services it provides and this revenue funds all or part of the costs of service delivery for these activities. Examples include consent fees, dog registration fees and charges for some administrative services. Some activities show a range of fees and

charges. Council will aim to maximise fees and charges where possible to ensure a fair funding system, however demand and market affordability also need to be considered.

Bequests - Council occasionally receives bequests that can be used, normally for a specified purpose described in the bequest document.

Borrowing - Council generally borrows to fund capital expenditure as a way of promoting intergenerational equity and as a way to make the significant cost of some capital projects affordable. Borrowing may be internal (Council borrowing from itself) or external. Council does not borrow for operating expenditure unless this is deemed to be prudent and is approved by Council on that basis.

Lump sum contribution - Council may offer the option for ratepayers to pay their share of a capital project through a lump sum payment rather than through rates over a longer period of time. This can be beneficial for all parties as it reduces the interest paid by ratepayers over the life of the loan and Council can retire a portion of debt earlier or reduce the need for borrowing.

4.5. Rate Revenue Sources

The rates charged by Council as sources of funding are:

General rate - charged on all rateable properties in the district on the basis of Capital Value.

UAGC – A uniform amount is charged on every rating unit in the district irrespective of the CV, location, or use of the property (business or residential).

Targeted rate – a rate charged on specific properties in the district on the basis of the property or owner being able to receive benefit from the service provided that is not available to all. Targeted rates may be charged on the basis of CV or as a uniform targeted rate (all properties are charged the same amount).

Differential rate – In some cases Council charges differential rates based on factors like location of land, land use, and availability of the service. In another case council applies differential rate per hectare of land. Council can determine various criteria for setting differential rates.

4.6. Rating Area Boundaries

Council may specify the properties where a rate is levied by way of a map. Maps are recorded in a document titled “Ashburton District Council Rating Maps” which is available on Council’s website.

Council may amend any rating map by resolution. The new boundary will take effect at the commencement of the next rating year. Council will assess the significance of any rating boundary change before making any decision about the extent of consultation.

5. Funding Operating Expenditure

Operating expenditure is the day-to-day costs Council incurs to provide services including the maintenance of existing assets. Council is able to fund operating expenditure from the following sources:

- General rates, including a UAGC

- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Grants and subsidies from central government and contribution from external parties
- Other operating revenue

Council may choose to not fully fund operating expenditure in any activity in any particular year if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years. An operating deficit will only be budgeted when considered prudent to avoid significant fluctuations in rates, fees, or charges. Council will need to consider the requirements of s.100 (Balanced budget requirement) of the Local Government Act 2002.

Council may choose to fund more than is necessary to meet its operating expenditure in any particular year. Council will only budget for an operating surplus to fund an operating deficit in the immediately preceding or following years, to repay debt, and to contribute to capital. Council will have regard to forecast future debt levels when deciding whether it is prudent to budget for an operating surplus for debt repayment.

6. Funding Capital Expenditure

Council is able to fund Capital Expenditure from following sources.

- Borrowing
- Lump sum contributions
- Council reserve funds
- Development contributions (only used to fund CAPEX for growth)
- Financial contributions
- Grants and subsidies from central government and contributions from external parties - such as the NZTA
- Depreciation reserves (funded through operational revenue)
- Proceeds from asset sales
- Operating surpluses
- Bequests

Capital expenditure is the costs Council incurs to provide new assets or the portion of replacement assets that increases the level of service or provides additional capacity to cater for growth in demand for that asset.

Council usually borrows, either internally or from capital markets to fund capital expenditure (unless using one or more sources listed above). Borrowing for capital expenditure enables Council to spread the cost of providing a capital asset over the expected average life of the asset. Council may choose to fund capital expenditure through borrowing and repay the loan over a shorter or longer period if this is considered prudent.

Borrowing for capital expenditure reduces peaks and troughs in the funding required each year and promotes intergenerational equity. Council's borrowing requirement and the cost of servicing loans for capital expenditure may be reduced to the extent that other funding sources can be used.

7. Policies on the Use of Funding Sources

7.1. Funding Depreciation

Depreciation is the process of recognising that an asset is progressively used up over its useful life. By funding depreciation Council is able to provide funding to replace assets at the end of their useful life, or reduce the amount borrowed to replace the assets. Depreciation is funded within each activity as part of the operating revenue each year.

In general, Council will fully fund depreciation unless this is not considered to be in the best interests of the community, in which case it will decide on the appropriate level of depreciation to be funded (which may include not funding any depreciation). If Council decides to not fully fund depreciation of an asset it will provide the community with information on why it has decided not to fully fund depreciation and the likely impact of this decision.

7.2. Maximize Use of 30% Cap

The Local Government (Rating) Act 2002 specifies that revenue from uniform charges (including UAGCs and uniform targeted rates applying across the district but excluding uniform targeted water and wastewater rates) must not exceed 30% of rates revenue.

In the situation where the strict application of the Revenue and Financing Policy would see Council breach the 30% cap, Council will look first to investment income to bring the uniform charges to under 30%. If there is not sufficient investment income, the general rate will be used to bring the uniform charges under 30%.

The allocation of investment income funding is applied first to activities funded wholly by the UAGC to bring the revenue from uniform charges under 30%. The balance is then allocated to the General Rates activities and Targeted Roading rate to offset rates across the district.

Interest earned on special funds and separate reserves is used only for the purpose of the fund or specific reserve. This allocation may be amended to ensure the UAGC remains within the statutory requirements in Section 21 of the Local Government (Rating) Act 2002.

7.3. Investment Income

Interest and investment returns from Council's forestry and property investments are used to offset the general rate, the UAGC, and the targeted CV rate for roading.

8. Analysis to Decide the Funding of Activities

In preparing this policy, Council has considered each activity (and in some cases discrete items within an activity) to determine the most appropriate funding approach. Council endeavours, where possible, to allocate cost to the primary beneficiary of any function or activity it provides. The matters considered in the assessment are:

8.1. Distribution of Benefits

The benefits provided by each activity are assessed using three categories: private benefit, group benefit and community-wide benefit. Out-of-district benefit is typically deemed to be community-wide benefit as there is generally no practicable way of allocating the cost of the benefit. Some out-of-district benefit (such as use of swimming pools by visitors) can be recovered from user-charges, but many (such as use of local roads by visitors) cannot.

Private benefit accrues to identifiable individuals. Activities that provide a high level of private benefit will normally be funded from fees and charges.

An example of a Council service that provides a high level of private benefit is the processing and granting of a consent. This enables the applicant applying for a consent to undertake an activity that primarily benefits them.

Group benefit accrues to identifiable groups within the community. Activities that provide a high level of group benefit will normally be funded from a targeted rate or charge on properties able to receive the service.

An example of a Council service that provides a high level of group benefit is the provision of drinking water. Only those able to connect to the drinking water supply are able to benefit.

Community-wide benefit (or a public benefit) accrues to the community or public as a whole.

An example of a Council service that provides a high level of community-wide benefit is the provision of the road network. Everyone has the opportunity to access and use the service, or benefits from its use by others.

Activities providing a community-wide benefit will normally be funded from the community as a whole, through the general rate or the UAGC, or in the case of roading, a targeted capital value rate across the whole district.

Out-of-district benefit accrues to visitors to the district or residents outside this district.

An example of a Council service that provides a level of out-of-district benefit is provision of the road network. Out-of-district residents are able to use our road network but there is no efficient means of charging for this.

Activities that provide out-of-district benefit are normally funded as if they provide district-wide benefit i.e., through the general rate or UAGC.

8.2. Period of Benefit

Council considers the period over which the benefit provided by an activity flows. This provides a rationale for deciding the period over which expenditure should be funded. If the benefit an activity provides relates wholly or largely to the immediate year, then the activity will normally be funded from rates or other income in the year the expense is incurred.

If the benefit is available over a longer period of time Council will normally borrow to fund the activity (or asset) to ensure future ratepayers who will enjoy some of the benefit will pay a fair proportion of the cost.

8.3. Control of Negative Effects (Exacerbator Pays)

Council may incur expenditure to protect the community from actual or potential problems. Council looks to identify the cost to the community of controlling negative effects caused by individual or group actions and to recover any costs directly from those causing the problem. Examples are dog control (funded from dog registration fees) and parking enforcement (funded from parking meter fees and infringement fees).

Where a fee or charge is not practicable or efficient the cost will normally be funded as if it provides district-wide benefit – through the general rate or UAGC.

8.4. Distinct Funding

Transparency and accountability are most evident when an activity is funded separately from other activities. This allows ratepayers or payers of user charges to see how much money is being raised and spent on the activity, and to assess whether or not the cost of the activity represents value for money.

Council must consider the costs and benefits of distinct funding of an activity, including the consequences of the chosen funding method in terms of transparency and accountability. Council will fund activities distinctly where this is practicable and efficient.

8.5. Property versus People Benefit

When deciding on the appropriate funding mechanism, Council will consider whether the benefit provided by an activity flows primarily to the value of the property or to the people who live at the property. In general, Council will look to fund property-related benefit through a rate based on capital value and people-related benefit through a UAGC or a uniform targeted rate. Making decisions on this type of assessment are often not straightforward and can be highly subjective.

8.6. Community Impact

Council must consider the overall impact the allocation of liability for revenue needs has on the community. Elected member judgement plays a key role in this assessment, as benefit distribution assessments and resulting cost allocations can be subjective. In considering community impact and the allocation of costs, Council will have regard to:

- the impact a particular funding approach may have on the achievement of community outcomes,
- fairness and equity issues arising from the allocation of costs, and
- any other impacts on the community such as affordability of rates for some or all ratepayers.

Council may decide to fund an activity in a way other than generally prescribed in this policy if this approach to funding will promote the achievement of community outcomes or will address perceived affordability issues.

8.7. Practicality

Council may choose to make minor variations to the funding approach detailed in this policy for reasons of practicality. This is particularly the case for activities that are partly funded from fees and charges or from external funding sources.

In some cases, the funding from fees and charges and external sources may vary from year to year or may be uncertain at the time of budgeting. In these cases, Council may choose to adjust the funding from rates to accommodate changes or uncertainty.

For activities funded partly from fees and charges, the revenue generated from this source is often dependent on the demand for services at the time. Council may decide to adjust the level of funding from rates to smooth the level of fees and charges from year to year.

A net surplus in an activity will normally be credited to Council's general reserves unless that activity has its own ~~surplus~~ targeted reserve, in which case it will be credited to the appropriate specified purpose reserve fund.

For activities with a specified purpose reserve fund, this fund may be used for rates smoothing purposes (rather than rates) if Council is able to use the fund in this way and deems this a prudent approach.

Council may fund capital grants from operating revenue in the year it is expended. Capital expenditure items may also be funded from reserves or loan funding so as to minimise extreme rate movements and more accurately reflect the inter-generational costs.

8.8. Voluntary Targeted Rates

In some circumstances Council applies a targeted rate on properties that agree to receive and fund services not normally provided by Council. Applications from communities for this funding approach to be used are considered by Council on a case-by-case basis. Council will only agree to apply a rate of this type if this approach is the most cost-effective means of funding the service.

Examples where Council has agreed to this approach are the Lyndhurst water supply and the Barrhill Village water supply where Council supplied loan funding to these schemes. Council will only rate properties where the owner has agreed to participate in the scheme.

Council will not apply availability charges (half rates) on properties able to receive the service that do not take it up. A property is either rated for the service or it is not.

Te Ture Whenua Māori Principles

Our Revenue and Financing Policy supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.

9. Consideration of overall impact of allocation of liability for funding on community wellbeing

Section 101(3)b of the LGA enables Council to consider the overall impact of its funding decisions on current and future community wellbeing. One mechanism that Council uses to reduce this impact is the use of contributors. For example, contributors include the application of dividends, other investment income or reserve funds.

In the first instance, Council's policy is to apply these to activities that are funded by the Uniform Annual General Charge (UAGC) or General rate, as these rates impact on all ratepayers. Contributors are applied to these activities at the end of the funding process, after taking into consideration the Council policy to ensure the UAGC does not breach the 30% cap of rates revenue (see 7.2).

The effect of this approach means for some activities, the split of funding sources outlined below may not match at the end of the funding process. How this is applied differs from year to year depending on the decisions that Council makes and the level of contributors that Council chooses to apply.

10. Activity Summary

	UAGC	General Rate (CV)	Targeted Rate (CV)	Uniform Targeted Rate	Fees & Charges	Diff. Targeted Rate	Any Other Source
			Local Infrastructure				
			District Water Management				
Drinking Water				95-100%	0-5%		
Wastewater				95-100%	0-5%		0-5%
Stormwater		10%	90%				
Stockwater Management		10-20%				80-90%	
			Transportation				
Roads			90-100%		0-10%		
Footpaths & Cycleways		30%	70%				
			Waste Reduction & Recovery				
Solid Waste Collection				95-100%	0-5%		
Solid Waste Management		20-40%			60-80%		
			Public Service				
			Community Governance & Decision Making				
Community Grants and Funding	100%						
Ashburton Water Management Zone Committee		100%					
Council	100%						
Methven Community Board				100%			
			Economic Development				
Business & Economic Development		100%					
Commercial Property					100%		
Forestry							100%
Ashburton Airport		60-70%			30-40%		
District Promotion & Tourism		50%	50%				

			Community Services				
Elderly Persons Housing		0-30%			70-100%		
Public Conveniences	80%		20%				
Community Safety (CCTV & Security)	75%	25%					
Memorial Halls & Reserve Boards			95-100%		0-5%		
Campgrounds		65-75%			25-35%		
			Parks and Open Spaces				
Cemeteries		40-50%			50-60%		
Rural Beautification		50%	50%				
Urban Beautification (including Ashburton Domain)		50%	50%				
			Recreation Facilities				
Ashburton Library	95-100%				0-5%		
Ashburton Museum	95-100%				0-5%		
EA Networks Centre	50-70%				30-50%		
			Regulatory Functions				
Alcohol Licensing & Gambling Venue Consenting		20-25%			75-80%		
Animal Control		5-15%			85-95%		
Building Regulation		10-20%			80-90%		
District Planning (including Land Information)		20-40%			60-80%		
District Plan (policy and development)		100%					
Environmental Health – Monitoring and Enforcement		100%					
Environmental Health – Licensing		10-20%			80-90%		
Emergency Management	50%	50%					
Parking					100%		

1. District Water Management – Drinking Water

Council provides drinking water to homes and businesses through water supplies at Ashburton, Chertsey, Dromore, Fairton, Hakatere, Hinds, Mayfield, Methven, Methven/Springfield, Montalto, Mt Somers and Rakaia.

Council rates for the loan interest and principal costs for two privately owned drinking water supplies – Lyndhurst and Barrhill. This is done through a voluntary rate as provided for under this policy.

The drinking water activity primarily contributes to the following community outcomes.

- A balanced and sustainable environment
- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Group Benefit 100%
(Households and businesses receiving drinking water)

Who creates a need: High users generate a greater need than other users through higher consumption.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses receiving a drinking water service. High users are invoiced for metered consumption over a threshold allocation.
- Serviceable properties (which are not connected to a main) pay 50% of the uniform targeted rate as an availability charge.
- Uniform targeted rates and fees and charges apportion costs fairly, efficiently and transparently.

Funding sources of operating expenditure

Targeted rate 95-100%	**Fees and charges 0-5%**

Group Water Supplies

- Differential targeted rate is charged on a fixed amount per separately used or inhabited part of a rating unit for:
  - Properties that are connected to a group water supply; and
  - Properties in the group water supplies area which serviceable (except for Methven-Springfield Supply).

- Extraordinary Users will pay a fixed amount per 1,000 litres in excess of 90 cubic metres consumed per quarter.
- Residential Extraordinary Users will pay a fixed amount per 1,000 litres of water in excess of 438 cubic metres consumed per annum.
- Extraordinary Users – is defined in clause 7.11.5 of the water bylaw. Residential Extraordinary Users is defined as properties connected to the Council water supply network located in Residential D or Rural A zones of the Ashburton District Plan or the Methven-Springfield supply.

Montalto Water Supply

- A uniform targeted rate per rating unit in the Montalto water supply area; and
- A differential targeted rate based on hectares of land

Lyndhurst and Barrhill Water Supplies

Operational Expenditure is not funded by Council

- A uniform targeted rate per rating unit in the Lyndhurst water supply area; and
- A uniform targeted rate per rating unit in the Barrhill water supply area.

Funding sources of capital expenditure

Group Water Supplies

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges
- Borrowing
- Development contributions
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

Montalto Water Supply

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

Lyndhurst and Barrhill Water Supplies

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
    - A uniform targeted rate per rating unit in the Lyndhurst water supply area; and
    - A uniform targeted rate per rating unit in the Barrhill water supply area.
- Borrowing
- Any other source of funding.

2. District Water Management – Wastewater

Council provides wastewater schemes in Ashburton, Methven and Rakaia for the collection, treatment and disposal of wastewater.

The wastewater activity primarily contributes to the following community outcomes.

- A balanced and sustainable environment
- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Group Benefit 100%
(Households and businesses able to access Council wastewater schemes.)

Who creates a need: Commercial volumes of waste can result in higher costs to run the network, as do industrial waste discharges to the network. Non-complying discharges require monitoring and enforcement.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses able to access Council wastewater schemes. This is apportioned fairly, efficiently and transparently with targeted rates. Extra demand is also apportioned through additional targeted rates on a per pan basis.
- Fees and charges apportion the additional costs of demand from commercial volumes of wastewater and industrial discharges.
- Serviceable properties (which are not connected to a main) pay 50% of the uniform targeted rate as an availability charge.

Funding sources of operating expenditure

Targeted rate 95-100%	**Fees and charges 0-5%**	**Any other sources 0-5%**

- Differential targeted rate is charged on a fixed amount per separately used or inhabited part of a rating unit for:
  - Properties that are connected to a group wastewater scheme; and
  - Properties in the group wastewater scheme areas which are serviceable.
- Differential targeted rate to service Rakaia wastewater loan on a fixed amount per separately used or inhabited part of a rating unit for connected and serviceable properties

- Differential targeted rate for wastewater disposal on connected non-residential rating units within the Group wastewater schemes areas on the basis of a fixed amount per urinal or pan in excess of three in each rating unit.
- Businesses that discharge trade wastes will be liable for fees and charges under the Trade Wastes Bylaw. Septic tank cleaning businesses pay septage fees to discharge to the wastewater treatment plant. Properties connecting to wastewater reticulation pay connection fees
- Revenue is received from grazing contracts and sales of standing grass at Ocean Farm

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges
- Borrowing
- Development contributions
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

3. District Water Management – Stormwater

Council provides stormwater collection, treatment and disposal networks in Ashburton, Hinds, Methven, Rakaia and some rural communities.

The wastewater activity primarily contributes to the following community outcomes:

- A balanced and sustainable environment
- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Group Benefit 90% (Households and businesses served by Council stormwater infrastructure.)	**Community-wide Benefit 10%**

Who creates a need: Property developments that fail to provide appropriate stormwater collection, treatment and discharge to the stormwater network (if in the area serviced) could result in adverse impacts on the road network and neighbouring or downstream properties.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses served by Council stormwater infrastructure. This is apportioned efficiently and transparently with targeted rates on the catchments.
- Community-wide benefits include the protection of public health through sanitary drainage, protection of public infrastructure from flooding, and by enabling safe transit within the scheme area during rainfall events. This is funded efficiently from General Rate

Funding sources of operating expenditure

Targeted rate CV 90%	**General Rate 10%**

- Targeted rates for stormwater on the basis of the capital value of each rating unit in the Ashburton, Hinds, Methven and Rakaia townships.
- A general rate based on the capital value of each separately used or inhabited part of a rating unit in the District.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Targeted rates
- Borrowing

- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

4. District Water Management – Stockwater

Council owns and operates a stockwater race network that includes 1,567 km of water races.

The stockwater activity primarily contributes to the following community outcomes:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A balanced and sustainable environment

Who benefits

Group Benefit 80-90% (All rural properties that have a stockwater service available to them)	**Community-wide Benefit 10-20%**

Who creates a need: Additional demand is created by property owners that use stockwater for reasons other than agricultural production and communities that discharge stormwater into stockwater races.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to rural properties that have a stockwater service available to them. This is apportioned efficiently and transparently with targeted rates. Targeted rates include a minimum charge and a differential based on race length, as race maintenance is a significant proportion of the overall cost of the activity.
- Community-wide benefits include land drainage functions, cultural and environmental benefits, public health and environmental benefits. This is funded efficiently from General Rate

Funding sources of operating expenditure

Differential Targeted Rate 80-90%	**General Rate 10-20%**

- The differential targeted rate is charged per metre of water race located on, adjoining or abutting a property. A minimum charge applies for race lengths up to 246m. Urban properties in Ashburton and Methven adjoining a stockwater race are exempt.
- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Targeted rates
- Borrowing
- Grants and Subsidies.

- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

5. Transportation – Roads

Council provides and maintains a district wide road network and associated infrastructure (excluding state highways). Much of this work attracts subsidy, from Waka Kotahi NZ Transport Agency at a financial assistance rate of 51%, currently applicable for the Ashburton District. The policy sets at how council funds its share of subsidized and unsubsidized work. The roading activity and network enables efficient travel throughout the district to support economic and social interaction.

The roading activity primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Community wide benefit 100%

Who creates a need: All residents and visitors travelling through the district create a need for a reliable roading network.

When benefits occur: The benefits of operational expenditure are enjoyed for short-term once the funds are expended. The benefits of capital expenditure on roading assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily district wide as it is a shared network therefore, a targeted rate for roading applicable across the district is appropriate and transparent.

Funding sources of operating expenditure:

Targeted Rate CV 90-100%	**Fees & Charges 0-10%**

- Targeted Rate on the CV of each SUIP of a rating unit in the district (90-100%).
- Fees and Charges 0-10%.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges
- Borrowing - The Council may decide to loan fund specific roads projects on a case by case basis. Projects will be assessed on the following criteria:
    - Expected useful life of the asset – must be over 25 years, and

    - Cost – the impact on rates is such that funding the project in the year it is undertaken would increase rates unreasonably if funded only from that year.
- Development contributions – levied under Council's Development and Financial Contributions Policy
- Financial contributions – levied under the Ashburton District Plan
- Private contribution - Council may agree to undertake specified work (additional to planned work programme) at the request of a resident if the resident pays for the work.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying capital projects. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.
- Grants and Subsidies (Excluding Waka Kotahi (NZTA subsidy).
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

6. Transportation – Footpaths and Cycleways

Council provides and maintains footpaths, streetscapes, and cycleways in urban communities in the district. Council receives funding from Waka Kotahi (NZTA) for approved footpath improvements. The level of funding each year depends on the financial assistance rate of 51%, currently applicable for the Ashburton District.

Provision of footpaths & cycleways contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Group benefit 70 % (Residents in urban areas where footpath & cycleways are provided)	**Community wide benefit 30 %** (Attractive & safe footpaths across the district)

Who creates a need: All residents and visitors create a need for safe footpaths and cycleways.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on footpaths and cycleways are enjoyed over the life of the assets.

Reasons for funding arrangement

- Separate funding through targeted CV rate and general rate is appropriate as the degree of benefit differs for those residing in urban areas with footpaths and cycleways.
- A targeted CV rate is applicable because high level of cleaning is provided for footpaths in the Ashburton inner CBD area.

Operating Expenditure

Funding Arrangement – Footpaths & Cycleways

Targeted Rate CV 70%	**General Rate 30%**

- A number of targeted CV rate (amenity rate) applies on Ashburton, Lake Hood, Methven, and Rakaia.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.

Funding Arrangement – Ashburton Inner CBD Footpath Cleaning

Targeted Rate CV 100% (Ashburton Inner CBD Properties)

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Borrowing
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.
- Financial contributions – are levied under the Ashburton District Plan
- Grants and Subsidies
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

7. Waste Reduction & Recovery – Solid Waste Collection

Council provides a kerbside wheelie bin rubbish and recycling collection service in Ashburton (urban), Ashburton CBD (inner), Chertsey, Fairton, Hinds, Lake Clearwater, Lake Hood, Mayfield, Methven, Mt Somers, Rakaia, Rangitata Huts, Willowby and Winslow.

The solid waste collection activity primarily contributes to following community outcomes.

- A balanced and sustainable environment
- A district of great spaces and places

Who benefits

Group Benefit 100% (Households and businesses receiving kerbside collection)

Who creates a need: The same parties that enjoy the benefits of solid waste collection.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses receiving a kerbside collection service. Some users choose to pay extra through fees and charges for a higher level of service.
- Community-wide benefit comes from the environmental and public health benefits of recycling and sanitary waste collection. People not receiving a kerbside collection service bear the costs of managing their own household waste so a community-wide charge is not supported.
- Uniform targeted rates and fees and charges apportion costs fairly, efficiently and transparently.

Funding sources of operating expenditure

Uniform targeted rate 95-100%	**Fees and charges 0-5%**

- Uniform targeted rate is set on the basis of a fixed amount per separately used or inhabited part of a rating unit for each area to which the service is provided. (95-100%)
- Fees and charges payable by households and businesses choosing to purchase additional collection services. (0-5%)

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges

- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

8. Waste Reduction & Recovery – Solid Waste Management

Council operates resource recovery parks in Ashburton and Rakaia, recycling and green waste drop-off facilities in Methven, and rural recycling drop-off facilities at Carew Peel Forest, Fairton, Hinds, Lauriston, Mayfield, Mt Somers, Pendarves, Rangitata Huts, South Rakaia Huts, Staveley and Willowby. This activity also covers the costs of closed landfills at Ashburton, Hinds, Mayfield, Methven, Mt Somers and Rakaia and community waste education.

The solid waste management activity primarily contributes to the following community outcomes:

- A balanced and sustainable environment
- A district of great spaces and places

Who benefits

Private benefit 60% (Households, businesses and individuals that use resource recovery parks and drop-off facilities)	**Community-wide benefit 40%**

Who creates a need: Households, businesses and individuals that generate higher volumes of waste or fail to separate residual waste from recyclables drive the need for these services.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households, businesses and individuals that use resource recovery parks and drop-off facilities. This is apportioned efficiently and transparently through user charges.
- Community-wide benefits include public health benefits from sanitary disposal of waste and environmental benefits from the effective management and monitoring of Kate Valley landfill and closed landfills in Ashburton District. This is funded efficiently from the General Rate.

Funding sources of operating expenditure

Fees and charges 60-80%	**General Rate 20-40%**

- Fees and charges are recovered for the drop-off of waste at resource recovery parks and green waste drop-off at the Methven green waste drop-off facility.
- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district. Rates funding includes an annual income transfer from the Solid Waste Collection activity.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

9. Community Governance and Decision-making – Community Grants and Funding

Council provides grant funding for community projects, services, facilities, and events. Grants are predominately for 'not for profit' community and voluntary groups working for the benefit of Ashburton District communities. The following community grants and funding are covered by this activity:

- **Arts and Culture** – Ashburton Trust Event Centre (ATEC) funding, Community Library Grant.
- **Community Development** – Safer Ashburton Funding, Community Agency Funding, Community Project Grant.
- **Economic Development** – Community Events Grant.
- **Natural & Built Environment** – Biodiversity Grant, Heritage Grant, Community Infrastructure Grant.
- **Sports & Recreation** – Sport Mid Canterbury Funding, School Holiday Programme Grant, Community Pools Health & Safety Grant (Community Pools Grant)
- **Discretionary**

This activity contributes to following community outcomes.

- Residents are well-represented, included and have a voice.
- A district of great spaces and places.

Who benefits

Community wide benefit 100%
(All residents get benefit from Council grants enabling community services, facilities, projects, and events.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- General charge is applicable as community as a whole benefits from public based benefit.

Operating Expenditure

Uniform Annual General Charge 100%

- Exception – Methven Pool receive a grant funded through a targeted rate charged for the Methven Community Board activity.

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Borrowing

- Grants and Subsidies
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

10. Community Governance and Decision-making – Democracy (Ashburton Water Management Zone Committee)

The Ashburton Water Management Zone Committee (ZC) provides important representation for residents in the district on water management issues. District water management activities such as the stock water exit strategy investigations are funded through this activity.

This activity contributes to the following community outcome.

- Residents are well-represented, included and have a voice.

Who benefits

Group benefit 100%
(provided through representation, advocacy, communication, and engagement for all residents on water management issues)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- General rate is applicable as community as a whole benefits from this representation.

Operating Expenditure

General Rate 100%

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General Rate
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

11. Community Governance and Decision-Making – Democracy (Council)

Council undertakes a range of policy, planning and decision-making processes associated with its local democratic functions. Council meetings, decision-making, research, monitoring and community engagement provides the community with the opportunity to participate appropriately in Council's decision-making processes.

This activity contributes to the following community outcome.

- Residents are well-represented, included and have a voice.

Who benefits

Community Wide Benefit 100%
(Provided through representation, advocacy, communication, and engagement for all residents.)

Who creates a need: All residents create a need through requiring representation on issues.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- A general charge is applicable as the community as a whole benefits through the activity that enables local representation.

Operating Expenditure

Uniform Annual General Charge 100%

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

12. Community Governance and Decision-making – Democracy (Methven Community Board)

The Methven Community Board (MCB) provides a coordinated voice that represents the Methven community's interests in Council decision-making.

This activity contributes to the following community outcome.

- Residents are well-represented, included and have a voice.

Who benefits

Group benefit 100%
(Provided to Methven residents as the Board represents Methven area only and on other part of the district has this level of additional representation.)

Who creates a need: Residents of Methven create a need by requiring representation provided by MCB.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- A uniform charge targeted at Methven residents is appropriate as they benefit from additional representation.

Operating Expenditure

Uniform Targeted Rate 100%

- All properties in the Methven Community Board rating area are charged a uniform annual targeted rate.
- This activity also funds grant for Methven Pool.

Capital Expenditure

Council may use any combination of following sources up to 100%

- Targeted Rate
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

13. Economic Development – Business & Economic Development

Council provides funding for business & economic development activity including local training solutions for the Ashburton workforce and employers, upskilling of business owners, lowering barriers for business, encouraging higher foot-traffic into the Ashburton Central Business District, develop resources promoting Ashburton District as a place to invest, supporting the Mayor's Taskforce for Jobs and growing a calendar of events.

The business & economic development activity primarily contributes to the following community outcome:

- A prosperous economy based on innovation and opportunity

Who benefits

Community-wide benefit 100%
(The benefits of a growing economy are enjoyed across the District as a whole, and by employers, workers and people outside the workforce.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits of a growing economy and more successful business and events are spread across the community as a whole. General rate is an efficient tool to fund community-wide benefit.

Funding sources of operating expenditure

General Rate 100%

- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

14. Economic Development – Commercial Property

Council owns and manages a portfolio of properties including commercial freehold and leasehold properties and residential properties. Council maintains and develops land and buildings used to house its operations. This activity also includes land sales, purchases and the subdivision of Council land.

The commercial property activity primarily contributes to the following community outcome:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Private Benefit 100%
(Tenants receive private benefit from their tenancy of Council properties)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which are the tenants of the property.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The primary beneficiaries of commercial property are the tenants who occupy the land and buildings. Fees and charges are a transparent and accountable method to fund those benefits.
- The secondary beneficiary from the activity are ratepayers, as the activity generates a surplus which is used by Council to offset general rates and uniform annual general charges. Where income is generated from properties that are deemed reserves under the Reserves Act 1977, this income must be expended on reserves.

Funding sources of operating expenditure

Fees and charges 100%

- Fees and charges come in the form of licence fees and rentals.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges
- Borrowing
- Development contributions
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

15. Economic Development – Forestry

Council owns and manages forests for financial return.

The forestry activity primarily contributes to the following community outcome:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Private Benefit 100%
(Forestry profits are generated from the sale of logs at harvest to third parties)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, who buy the harvested logs

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The primary beneficiaries of forestry are the purchasers of the logs at harvest. Fees paid by purchasers are a transparent and accountable method to fund those benefits.
- The secondary beneficiary from the activity are ratepayers, as the activity generates a surplus which is used by Council to offset general rates and uniform annual general charges.

Funding sources of operating expenditure

Other Source 100%

- Forestry net profit of sale. Operating activity across the life-cycle of forestry investments generates a surplus which council applies to offset increases in general rate and UAGC. In periods of lower return, Council addresses shortfall through forestry reserves.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

16. Economic Development – Ashburton Airport

Council operates Ashburton Airport, which is located at Seafield Road, Ashburton. The Airport is a facility for recreational and commercial aviation including air shows, and home to the Ashburton Aviation Museum and the Ashburton Speedway.

The Ashburton Airport activity primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Community wide benefit 20%	**Group Benefit 80% (Airport users)**

Who creates a need: Nearby residential activity creates a need for regulation of aircraft to ensure compliance with noise requirements.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to users of the Airport, some of whom are tenants. All aviators are required to pay landing fees.
- Community-wide benefit comes from the activities and events held at the airport. The Airport is also a potential point of access to the district in times of emergency.
- Funding of private benefits through lease rentals and landing charges is transparent and accountable. General rate is an efficient way to fund community-wide benefit.

Funding sources of operating expenditure

General Rate CV 60-70%	**Fees and charges 30-40%**

- General rate is a uniform general rate on the capital value of each separately used or inhabited part of a rating unit in the district. (60-70%)
- Fees and charges are collected through rental and licence fee income from airport tenants and landing charges from aviators. (30-40%)

Funding sources of capital expenditure

Council may use any combination of following sources up to 100%

- General rate
- Fees & Charges
- Borrowing

- Financial contributions
- Grants and Subsidies
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

17. Economic Development – District Promotion & Tourism

Council provides district promotion funding to undertake marketing of the district. Council may also invest in the development of tourism product on a case by case basis.

The district promotion & tourism activity primarily contributes to the following community outcome:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places.

Who benefits

Community-wide Benefit 50%	**Group benefit 50%** (Direct and indirect economic benefit to business from tourism visitors)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The Group benefit from this activity goes to businesses who directly, or indirectly, profit from tourism. A targeted rate is an efficient method to recover these costs from those businesses.
- The community-wide benefit of investing in tourism goes to the economy and the community as a whole. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

General Rate 50%	**Targeted Rate CV 50%**

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.
- Targeted rate CV is set on the capital value of each business rating unit in the Ashburton, Methven and Rakaia business amenity rate areas..

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Targeted rates
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

18. Community Services – Elderly Persons Housing

Council provides elderly housing units in Ashburton, Methven, and Rakaia to enable elderly residents of limited means to live independently in quality accommodation.

The service primarily contributes to following community outcomes.

- Residents are well-represented, included and have a voice.

Who benefits

Private benefit 100% Tenants receive private benefit from this activity

Who creates a need: Some elderly residents require affordable accommodation to enable them to live independently and safely.

When benefits occur: The benefits of operational expenditure are enjoyed within the year that funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily private; it is appropriate and transparent to implement user charge for majority of the cost.
- Due to the age of the units and legislative requirements to bring the units up to standard, Councils have included a general rate component for the activity to alleviate the increase on existing tenants.

Funding sources of operating expenditure:

Fees and Charges 70-100%	**General Rate 0-30%**

- Fees and charges are collected through rental income. Council is usually able to fully fund the service through fees and charges when units are fully tenanted.
- In the event of a shortfall such as investment in capital upgrades of units, Council will apply general rate to assist with the necessary unit upgrades. An immediate increase in fees and charges to cover these upgrades would be too severe and unsustainable and such increases would likely be phased in over a period of time.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Fees & Charges
- General Rates
- Borrowing
- Grants and Subsidies
- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

19. Community Services – Public Conveniences

Council provides and maintains toilet facilities for public to allow for the health and safety of the community and protect the environment. These facilities are located in areas visited by the public including business areas in Ashburton, Methven & Rakaia.

The service primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places.

Who benefits

Community wide benefit 80% (All residents and visitors are able to use the facilities.)	**Group benefit 20%** (Businesses in Ashburton, Methven, & Rakaia)

Who creates a need: All residents and visitors create a need through having access to public conveniences. Businesses within proximity of conveniences receive an additional benefit.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge applies because the community as a whole benefits and the benefit is people-based.
- Businesses in proximity to the public conveniences get the benefit of facilities that meet the needs of shoppers and funds a group share.

Funding sources of operating expenditure:

UAGC 80%	**Targeted CV 20%**

- The uniform annual general charge applies on each separately used or inhabited part of a rating unit in the district.
- The targeted CV rate applies to all business rating units in the Ashburton, Methven, and Rakaia amenity rating area.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Uniform Annual General Charge
- Targeted rates

- Borrowing
- Environment contributions – are levied under the Ashburton District Plan
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

20. Community Services – Community Safety (CCTV and Security)

Council operates public community safety initiatives for the community including CCTV monitoring and security patrols. Monitoring key spaces with the community enhances community safety. The key locations include Ashburton & Tinwald Domain, EANC, Friendship Lane, Art Gallery & Museum, refuse sites & public toilets in Ashburton, Methven, & Rakaia, clock tower, and locations in CBD.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Community wide benefit 100% (All residents get benefit from enhanced community safety)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- General charge component applicable district wide through UAGC and general rate is considered as appropriate as all residents experience the benefits of community safety.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 75%	**General Rate 25%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Uniform Annual General Charge
- General rates
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

21. Community Services – Memorial Halls and Reserve Boards

There are a number of Memorial Halls and Reserve Boards in the district which provide community facilities and visitor attractions. Reserve Boards are appointed by Council to manage reserves and memorial halls. Council provides funding to assist with the maintenance of those facilities.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Group benefit 100% (Residents in proximity to reserves and memorial halls receive group benefit. For example, Methven have location benefit over & above district-wide access to the Methven Heritage Centre which incorporates the Mt Hutt Memorial Hall.)

Who creates a need: All residents and visitors create a need through being able to access memorial halls and reserves.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- It is appropriate to apply a number of targeted rates based on proximity to reserve boards and memorial halls as it is these ratepayers who benefit above others.
- Fees & charges are collected through renting halls. The proportion of funds collected through fees & charges vary from one hall to another.

Funding sources of operating expenditure:

Targeted CV Rate 95-100%	**Fees & charges 0-5%**

The targeted rate is applied as follows:

- Ashburton Urban Amenity Rate funds Tinwald Memorial Hall and Tinwald Reserve.
- Methven Amenity Rate funds Methven Reserve.
- Mt Hutt Memorial Hall Rate funds Heritage Centre & Mt Hutt Memorial Hall.
- Rakaia Amenity Rate funds Rakaia Memorial Hall and Rakaia Reserve.
- Rural Amenity Rate funds all other halls & reserves.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted Rates
- Fees & Charges
- Financial contributions – are levied under Ashburton District Plan.
- Borrowing

- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

22. Community Services – Campgrounds

Council provides campgrounds throughout the district. These include campgrounds at Hakatere, Kowhai Flats, Lake Clearwater, Rakaia Huts and Rangitata.

Where Council leases land for privately-managed camping grounds, funding for this is addressed through the Commercial Property activity.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Private benefit 50% (Users of campgrounds get benefit.)	**Community wide benefit 50%** (Residents & visitors are able to access campgrounds.)

Who creates a need: The need for this service is driven by campground users.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Applying user charge principle is appropriate due to high private benefit.
- Insufficient revenue would be obtained through fees and charges, and it would be unfavorable to increase fees to such a level that the activity could sustain itself. The general rate is therefore required to support and maintain the activity.

Funding sources of operating expenditure:

General Rate 65-75%	**Fees & Charges 25-35%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- General Rates
- Fees & Charges
- Borrowing
- Financial contributions - are levied under the Ashburton District Plan.
- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

23. Parks and Open Spaces – Cemeteries

Cemeteries are provided and maintained by Council to ensure a safe and healthy community, enable a diverse community to observe culturally appropriate practice and preserve the social history of the district.

The service primarily contributes to the following community outcomes.

- A balanced and sustainable environment.
- A district of great spaces and places.

Who benefits

Private benefit 80% (Provided to users of cemetery facilities, largely friends & family of deceased.)	**Community wide benefit 20%** (Through ensuring the deceased are interred in a sanitary way.

Who creates a need: All residents create for cemeteries through requiring cemetery service and open spaces. There is a private benefit which Council attempts to recover through fees and charges.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The user charge principle is appropriate to address the private benefit aspect of the service.
- Insufficient revenue would be obtained through fees and charges, and it would be unacceptable to the community to increase fees to a level that fees fully funded this activity. The general rate is therefore required to support funding.

Funding sources of operating expenditure:

Fees & Charges 50-60%	**General Rate 40-50%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Fees & Charges
- General Rates
- Borrowing
- Any other source of as above.

Loan repayments will be funded on the same basis as operating expenditure.

24. Parks and Open Spaces – Rural Beautification

Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in rural areas of the district. This activity excludes Ashburton, Methven, and Rakaia townships which make up the urban beautification activity.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Group benefit 50% (To rural residents who live in proximity to rural beautification.)	**Community-wide benefit 50%** (To all residents who enjoy enhanced rural surroundings across the district.)

Who creates a need: All residents create a need for rural beautification through having access to visit and enjoy these areas. Those in closer proximity drive additional need.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The targeted CV rate is appropriate as those in close proximity experience the benefit of rural beautification more greatly.
- General rate is applicable as community as a whole experience district-wide rural beautification.

Funding sources of operating expenditure:

Targeted CV Rate 50%	**General Rate 50%**

- A targeted CV rate (rural amenity rate) is charged on all rating units in the rural area.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- General rates
- Borrowing
- Financial contributions – are levied under Ashburton District Plan
- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

25. Parks and Open Spaces – Urban Beautification (including Ashburton Domain)

Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in the Ashburton, Methven, & Rakaia townships. Urban beautification in Ashburton township includes the Ashburton Domain and Lake Hood. Water quality improvement work for Lake Hood is also funded through this activity.

Council also collects and disposes of rubbish from street-side litter bins located in Ashburton, Methven, and Rakaia.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Group benefit 50% (Residents & businesses in Ashburton, Methven, & Rakaia get benefit through these localities being attractive places to live, work, & shop.)	**Community-wide benefit 50%** (All residents get benefit through being able to use the recreational facilities provided & from having urban surroundings that are clean throughout the district.)

Who creates a need: All residents create a need for urban beautification through having access to visit and enjoy these areas. Those in closer proximity drive additional need.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The targeted CV rate is appropriate as those in close proximity experience the benefit of urban beautification more greatly.
- General rate is applicable as community as a whole experience district-wide urban beautification and cleanliness.

Funding sources of operating expenditure:

Targeted CV Rate 50%	**General Rate 50%**

- A targeted CV rate – Ashburton urban amenity rate applies on Ashburton & Lake Hood
- A targeted CV rate – Methven amenity rate applies on Methven.
- A targeted CV rate – Rakaia amenity rate applies on Rakaia.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- General rates
- Borrowing

- Financial contributions
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

26. Recreation Facilities – Ashburton Public Library

Council operates the Ashburton Public Library which provides educational, informational, and recreational resources for the district's residents. Council has built Te Whare Whakatere which includes a new library Te Kete Tuhinga.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Community wide benefit 100% (Provided to residents who have access to library service.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge component application through UAGC is appropriate as all residents can access the library facility.
- A small component of user charge is applicable for instances like use of printers, books rentals and fines. These funds are reflected as fees and charges.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 95-100%	**Fees & Charges 0-5%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Fees & Charges
- Borrowing
- Any other sources.

Loan repayments will be funded on the same basis as operating expenditure. Capital expenditure on the Library Building is part of the Commercial Property activity.

27. Recreation Facilities – Ashburton Art Gallery & Museum

Council operates and maintains the Ashburton Art Gallery and Museum. The facility enables proper care and display of district's history, art and culture and caters for current and future generation requirements.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Community wide benefit 100% (Provided through having cultural & heritage activities accessible to the residents.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge component applicable through UAGC is appropriate as all residents can access the art gallery and museum.
- A small portion of income is generated through sales in the Art Gallery & Museum shop. These funds are reflected as fees and charges.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 95-100%	**Fees & Charges 0-5%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Fees & Charges
- Borrowing

Loan repayments will be funded on the same basis as operating expenditure. Capital expenditure on the Ashburton Art Gallery & Museum is addressed under Commercial Property activity.

28. Recreation Facilities – EA Network Centre

Council owns and operates the EA Network Centre to encourage and support recreation and leisure activities by providing affordable and accessible quality sports facilities. Council also operates Tinwald Community Pool during the summer months and is consulting on whether this continues under this long-term plan.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Private benefit 50% (Provided to users of recreation facilities)	**Community wide benefit 50%** (Provided to residents being able to access and use recreation facilities)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge component applicable through UAGC is appropriate as all residents can access the recreational facilities.
- Council attempts to recover the private benefit of the activity through applying user charge.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 50-70%	**Fees & Charges 30-50%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Fees & Charges
- Borrowing
- Any other sources.

Loan repayments will be funded on the same basis as operating expenditure. Capital expenditure on the EA Network Centre building is addressed under Commercial Property.

29. Regulatory Services – Alcohol Licensing & Gambling Venue Consenting

Council processes, assesses and grants applications for alcohol licenses and managers' certificates under the Sale and Supply of Alcohol Act 2012. Council also monitors and enforces the requirements of licences and certificates.

Council also provides a venue consenting role addressing where new gambling venues may be situated under the Gambling Act 2003 and the Racing Industry Act 2020.

The alcohol licensing & gambling venue consenting activity primarily contributes to the following community outcomes:

- A balanced and sustainable environment.
- A district of great spaces and places.

Who benefits

Private benefit 80% (Benefits to owners of licensed businesses being able to operate.)	**Community-wide benefit 20%**

Who creates a need: People who drink or gamble excessively can suffer harm. Legislative requirements and policies are intended to reduce such harm.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to businesses who profit from their licensed activities. Fees and charges are an appropriate funding tool.
- The community-wide benefit goes to the community as a whole who enjoy the public safety and health benefits of appropriately regulated activity. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 75-80%	**General Rate 20-25%**

- Fees and charges for alcohol licensing are set under the Sale and Supply of Alcohol (Fees) Regulations 2013. Gambling venue consent fees are charged under the relevant statute.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges

- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

30. Regulatory Services – Animal Control

Council provides dog and stock control services to protect the community from harm caused by uncontrolled dogs or stock. Dog control activities include dog registration and licensing, operating the dog pound, regular dog patrols including monitoring of dog exercise areas, responding to barking and wandering dog complaints and enforcement of the Dog Control Act 1996 and the Dog Control Bylaw.

Stock control activities include responding to complaints of wandering stock including impounding of stock where necessary.

The animal control activity primarily contributes to the following community outcomes:

- A district of great spaces and places.

Who benefits

Private benefit 95% (Benefits to dog owners and the owners of wandering stock)	**Community-wide benefit 5%** (Safety of the general public)

Who creates a need: Irresponsible dog owners create a higher demand as their animals are more likely to wander or pose harm to others.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to dog owners and owners of wandering stock. Fees and charges are an appropriate funding tool to recover costs from these people.
- The community-wide benefit of protection from animal-related harm is enjoyed by the general public. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 85-95%	**General Rate 5-15%**

- Fees and charges include dog license fees, impounding and infringement fees, stock impounding fees and sustenance fees.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

31. Regulatory Services – Building Regulation

Council is an accredited building control authority, responsible for the roles set out in section 12(1) of the Building Act 2004 as well as the roles of a territorial authority set out under section 12(2) of the Act. As Building Control Authority, Council issues building consents, inspects building work, and issues notes to fix, code compliance certificates and compliance schedules.

As territorial authority, Council issues project information memoranda: grants exemptions, waivers and modifications; issues certificates of acceptance, issues and amend compliance schedules where building consent is not required, administers annual building warrants of fitness, performs functions related to dangerous, insanitary or earthquake-prone buildings, and enforces duties in relation to residential pools.

The building regulation activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Private benefit 90% (Benefits to building owners and construction contractors being able to build in a manner that meets the requirements of the Act and the NZ Building Code.)	**Community-wide benefit 10%** (Safety of the general public)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to building owners and builders. Fees and charges are an appropriate funding tool to recover costs from these people.
- The community-wide benefit of protection from unsafe buildings is enjoyed by the general public. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 80-90%	**General Rate - 10-20%**

- Fees and charges include building consent processing fees, inspection fees Code of Compliance certificate fees and a variety of other fees related to the processing of different applications.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

32. Regulatory Services – District Plan Consents & Land Information

Council issues resource consents for land uses that meet the requirements of the District Plan and the Natural and Built Environment Act 2023 to control the actual and potential adverse effects of land use.. Council maintains property records and makes information available to the public through a land information memorandum.

The district plan consents & land information activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A balanced and sustainable environment
- A district of great spaces and places.

Who benefits

Private benefit 80% (Benefits to applicants for resource consents and applicants for land information memoranda.)	**Community-wide benefit 20%** (Public good aspects of consenting including rights to submit)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to applicants for resource consent and land information memoranda. Fees and charges are an appropriate funding tool to recover costs from applicants.
- The community-wide benefits include environmental protection and participation in decision-making processes. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 60-80%	**General Rate 20-40%**

- Fees and charges include resource consent processing fees other applications for planning approvals, and applications for land information memoranda.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges

- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

33. Regulatory Services – District Plan Policy & Development

Council plans for the future growth of the district and aims to control the actual and potential adverse effects of land use. These activities are carried out primarily through the District Plan and includes the processing of District Plan changes and advocacy on land use statutes, national policy statements, national environmental standards, regional plans and regional policy statements.

The district plan policy & development activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A balanced and sustainable environment
- A district of great spaces and places.

Who benefits

Community-wide benefit 100%
(Public good aspects of district plan policy & development including rights to participate in the planning process and the social, economic and environmental benefits of effective planning).

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The community-wide benefits include environmental and cultural protection, economic growth and participation in decision-making processes. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

General Rate 100%

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

34. Regulatory Services – Environmental Health Monitoring & Enforcement

Council monitors and enforces environmental health functions including registered food premises, investigation of notifiable diseases and responding to noise and other nuisance complaints.

The environmental health monitoring & enforcement activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Community-wide benefit 100%
(Public good aspects of district plan policy & development including rights to participate in the planning process and the social, economic and environmental benefits of effective planning).

Who creates a need: Any individuals who are persistently non-compliant drive demand to a greater extent than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The community-wide benefits include assurance that public health standards will be met and upheld. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

General Rate 100%

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

36. Regulatory Services – Environmental Health Licensing

Council provides environmental health licensing to businesses and individuals to uphold compliance with legal standards that protect public health. The activity includes licensing of food premises, hairdressers, funeral directors, camping grounds, offensive trades, hawkers, itinerant traders, amusement devices, mobile shops and stalls.

The environmental health licensing activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Private benefit 90% (Benefits to individuals and businesses requiring environmental health licensing.)	**Community-wide benefit 10%** (Safety of the general public)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to individuals and businesses that require licensing. Fees and charges are an appropriate funding tool to recover costs from these people.
- The community-wide benefit of protection from unsafe business activities is enjoyed by the general public. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 80-90%	**General Rate 10-20%**

- Fees and charges include licensing fees across a range of activities.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges
- Borrowing
- Grants and Subsidies.

- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

37. Regulatory Services – Emergency Management

Council undertakes contingency planning and readiness for natural disasters and provides response and recovery services in the event of a civil defence emergency.

The emergency management activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Community-wide benefit 100% (Community-wide benefits include the protection of people and property.)

Who creates a need: Any individuals who are persistently non-compliant drive demand to a greater extent than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The community-wide benefits include the protection of people and property across the district as a whole.
- Uniform annual general charge is an appropriate method to recover the costs of protecting life, as it is a household-based charge. General rate is an efficient method to recover the costs associated with the protection of property.

Funding sources of operating expenditure

General Rate 50%	**Uniform Annual General Charge 50%**

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.
- Uniform annual general charge is a uniform charge on each separately used or inhabited part of a rating unit in the district.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Uniform annual general charge
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

38. Regulatory Services – Parking

Council provides on and off-street parking in the central business district of Ashburton, the commercial centres of Methven and Rakaia and suburban shopping centres throughout the district. Council also monitors and enforces compliance with parking restrictions and traffic regulations.

The parking activity primarily contributes to the following community outcome:

- A prosperous economy based on innovation and opportunity

Who benefits

Private benefit 100%
(Benefits to users of parking facilities.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to individuals and businesses that use parking facilities. Fees and charges are an appropriate funding tool to recover costs from these people.

Funding sources of operating expenditure

Fees and charges 100%

- Fees and charges include meter fees and infringement fines.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.