



Jersey Bull Calves
Ashburton District Council



Part 8

KEY COUNCIL POLICIES

Revenue & Financing Policy

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 of the policy 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 income from other sources such as fees, user charges and subsidies. Rates are levied on each separately used or inhabited part of a rating unit under the statutory provisions of the *Local Government (Rating) Act 2002*.

2. Glossary of Terms

These definitions are intended to explain terms used in the *Revenue and Financing 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, regardless of whether this is taken up or not.

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

- business operations are 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 business services on the property, or through media identifying the property as a place of business, and
- 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 level of service - for example replacement of

assets (cyclic renewals).

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

Community-wide benefit – means a benefit that applies to the whole community, irrespective of property location or value.

Council – means Ashburton District Council.

Exacerbator – those who contribute to the need for a Council facility or service should contribute to the cost of the facility or service.

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

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

- capital value of a property
- how the property is used
- whether the property's location is urban or rural.

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, and not just current residents.

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 are an indicator that users should pay.

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 capital value 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.

Residential – refers to all properties that are not zoned business (non-residential) as per the Ashburton District Plan.

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 a Uniform Annual Charge (UAC) – 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).

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.

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 value of the unit).

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

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 of the LGA 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) of the LGA requires that Council has, for each activity funded, shown it has given consideration to the:

- a.) community outcomes to which the activity contributes,
- b.) 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,
- c.) extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity, and
- d.) costs and benefits, including the transparency and accountability, of funding the activity distinctly from other activities.

Section 101(3)(b) of the LGA 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 that impact on funding decisions for the wider community and in some cases for individual ratepayers. These documents include:

Development and Financial Contributions Policy

Details the basis on which Council charges development contributions to ensure developers pay a fair share of the costs of providing infrastructure required to cater for growth.

District Plan

Details Council's approach to charging Financial Contributions for new developments under the Resource Management Act 1991.

Significance and 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.

Rates Remission Policy

Details the circumstances in which Council will provide for the remission of rates and rates penalties and why.

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, stormwater and stockwater.

Financial Strategy

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

Together, these policies and strategies guide Council's approach to funding its planned work programme which links specifically with the provisions of the Revenue and Financing Policy.

4. Rating Framework

Councils are able to use a variety of approaches in their overall rating framework. These approaches are how Council applies rates in the district, and include the following:

4.1 Valuation system

When applying rates based on property value councils can rate according to land value, capital value or annual value. Council uses the capital value rating system.

Council believes that capital value 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 Differential rating

When applying rates councils can rate properties using differential rates according to a range of categories detailed in schedule 2 of the Local Government (Rating) Act 2002. An example is a business differential rate, where properties zoned or used for business pay a higher rate than residential properties.

4.3 Unit of rating - separately used or inhabited parts 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 a uniform annual general charge and for targeted rates.

A separately used or inhabited part of a property or building includes any part of a rating unit inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license, or other agreement.

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.

5. Funding Sources Available

Council has a range of funding sources available which are often suited to a particular type of funding requirement. While rates are often the most appropriate source of funding for a particular requirement, Council's preference is to use other sources of funding, if appropriate.

5.1 Non-rate revenue sources

Grants, sponsorship and subsidies

Council expects to continue to receive substantial subsidies from 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

Interest and investment returns from Council's forestry and property investments are used to offset the general rate, the uniform annual general charge and the targeted capital value rate for roading.

The allocation of investment income funding to each of the rates is proportionate to the ratio of each rate in terms of the requirement. For example, if the general requirement is \$6 million and the uniform annual general charge requirement is \$3 million then the investment income is allocated 66.6% to the general rate and 33.3% to the uniform annual general rate.

Interest earned on special funds and separate reserves is used only for the purpose of the fund or 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.

Development contributions

Charged on new developments where Council has or plans to incur capital expenditure specifically to cater for demand associated with growth. Revenue from development contributions is used to pay debt outstanding on current loans.

Financial contributions

Charged on new developments to provide for recreation and open space land and 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 may be invested, used to fund capital expenditure or operating expenditure associated with the activity which held the original asset.

Council may, in exceptional circumstances, choose to use proceeds for operational expenditure in another 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 some administrative services.

Bequests

Council occasionally receives bequests that can be used, normally for a specified purpose.

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.

5.2 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, the location of the property and what the property is used for.

UAGC - charged on all separately inhabited or used portions of a rating unit on a uniform (equal) basis.

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 capital value or as a uniform annual charge (all properties are charged the same amount).

6. 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 other external sources
- 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 s100 (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, or to repay debt. Council will have regard to forecast future debt levels when deciding whether it is prudent to budget for an operating surplus for debt repayment.

7. Funding Capital Expenditure

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. 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 (ensuring today's ratepayers are not required to fund the whole cost of assets with a long useful life).

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. Other funding sources include:

- Lump sum contributions
- Council reserve funds
- Development contributions
- Financial contributions
- Contributions from external parties - such as the NZTA
- Depreciation (funded through operational expenditure)
- Proceeds from asset sales
- Operating surpluses
- Bequests.

Minor capital expenditure is normally funded from rates in the year the expenditure is incurred.

Borrowing is undertaken in accordance with Council's Financial Strategy.

8. 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 against the assets. Depreciation is funded within each activity as part of the operating expenditure 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.

9. 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:

9.1 Distribution of benefits

The benefits provided by each activity are assessed to establish to whom these flow. Benefit distribution is assessed using three categories; private benefit, group benefit and community-wide benefit. Out-of-district benefit is deemed to be community-wide benefit as there is generally no practicable way of allocating the cost of the benefit.

9.1.1 Private benefit

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.

9.1.2 Group benefit

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.

9.1.3 Community-wide benefit

Community-wide benefit accrues to the community 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.

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.

9.1.4 Out-of-district benefit

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.

9.2 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.

9.3 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 uniform annual general charge.

9.4 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.

9.5 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 UAC rate (all properties being charged the same amount). Making decisions on this type of assessment are often not straightforward and can be highly subjective.

9.6 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.

9.7 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.

Surplus revenue generated from fees and charges will normally be credited to Council's general reserves unless this is precluded 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 minor capital expenditure from operating revenue in the year it is expended. Non-minor capital expenditure items will be funded from reserves or loan funding so as to minimise extreme rate movements and more accurately reflect the inter-generational costs.

9.8 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.

9.9 Policy Review

Council conducts a full review of the Revenue and Financing Policy every three years, as part of preparing its Long Term Plan.

The Revenue and Financing Policy may be amended at any time as long as the review process includes community consultation that gives effect to the requirements of section 82 of the Local Government Act 2002.



Revenue & Financing Policy Activity Tables - Funding analysis for each council service or activity

Local Infrastructure

District Water Management – Drinking Water

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council provides drinking water to homes and businesses through 12 potable water schemes. These schemes service over 70% of the district's residents.</p> <p>In operating these schemes Council is responsible for sourcing, treating, reticulating and monitoring the water supplied.</p> <p>Council rates for the loan interest and principal costs for two non-Council drinking water supplies – Lyndhurst and Barrhill. This is done through a voluntary rate as provided for under this policy.</p>	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Access to safe quality drinking water is important for many businesses in the district.</p> <p><i>A balanced and sustainable environment</i></p> <p>The sustainable use and management of water is of central importance to all residents.</p>	<p><i>Plan for and provide fit for purpose services.</i></p> <p>Council manages the operations of the drinking water schemes, often balancing competing demands of limited resources.</p> <p><i>Represent the district on regional/national issues and partner with others as needed.</i></p> <p>Council works closely with the Ministry of Health for the delivery of safe, clean drinking water.</p> <p><i>Lead the community with clear and rational decision-making.</i></p> <p>Council strategically plans for the management of drinking water to meet requirements of the Drinking Water Standards of New Zealand (DWSNZ).</p>	<p>Group benefit – 90%</p> <p>Group benefit is provided to residents able to connect to Council water schemes.</p> <p>Community-wide benefit 10%</p> <p>Community-wide benefit is provided through the public health benefits of having safe drinking water available in areas that are serviced.</p> <p>It is considered inequitable for the community-wide benefit to be funded by all ratepayers, as residents not able to connect to a water scheme must provide their own drinking water source. This benefit is therefore funded as a group benefit.</p> <p>Private benefit</p> <p>There is a private benefit for non-residential and extraordinary residential connections, which is charged as user pays.</p>	<p>Operating expenditure:</p> <p>Targeted UAC rate 100%</p> <p>Operating costs are rated as a fixed rate on properties able to connect to Council water schemes. This means each connected property pays the same targeted fixed rate and promotes affordability for residents connected to smaller schemes.</p> <p>Lyndhurst and Barrhill: Targeted UAC rate 100% (fully funded from within each scheme).</p> <p>Methven/Springfield and Montalto: Water rate based on water used and property size respectively.</p> <p>Non-residential and extraordinary residential connections:</p> <p>Targeted fixed rate for a set amount of water. Water in excess of this is charged per cubic metre.</p> <p>Serviceable properties:</p> <p>Properties able to be serviced by a water scheme but not connected are charged half the applicable fixed rate.</p> <p>Capital expenditure:</p> <p>Normally loan funded with the cost funded as for operating expenditure.</p> <p>Development Contributions:</p> <p>Charged for most new connections to water schemes in Ashburton, Methven, Rakaia, Hinds & Faiton. See Ashburton District Council's 'Development & Financial Contributions Policy' for information.</p> <p>Government subsidies:</p> <p>Government may provide subsidy funding for some expenditure. Council rate contribution is net of any subsidies.</p>

District Water Management – Stormwater

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides stormwater collection and disposal networks in Ashburton, Methven, Rakaia and some rural communities.	<p><i>A prosperous economy based on innovation and opportunity.</i></p> <p>The safe collection and disposal of stormwater protects property and enables transport networks to function in rain events contributing to the economic well-being of the district.</p> <p><i>A balanced and sustainable environment</i></p> <p>The safe collection and disposal of stormwater helps maintain the environmental health of our district.</p> <p><i>A district of great spaces and places</i></p> <p>The safe collection and disposal of stormwater assists with making the district a great place to live, work and play.</p>	<p><i>Plan and provide fit for purpose services.</i></p> <p>Council manages stormwater, often balancing competing demands of limited resources.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the management of stormwater through development and implementation of a stormwater management plan.</p>	<p>Group benefit 90%</p> <p>Group benefit is provided to residents in areas where stormwater facilities are provided and give protection from flood for residents and properties.</p> <p>Community-wide benefit 10%</p> <p>Community-wide benefit accrues through protection of assets, such as roads, and by enabling safe transit within the scheme area during rainfall events.</p>	<p>Operating expenditure:</p> <p>Targeted CV rate 90%.</p> <p>Rated on properties in the catchment of a Council stormwater scheme with a separate rate for each scheme.</p> <p>General rate 10%.</p> <p>Capital expenditure:</p> <p>Normally loan funded with the cost funded as for operating expenditure.</p>

District Water Management - Wastewater

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides wastewater schemes in Ashburton, Methven and Rakaia for the collection, treatment and disposal of wastewater.	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Safe collection and disposal of wastewater is important for the overall economic well-being of the district.</p> <p><i>A balanced and sustainable environment</i></p> <p>The safe collection and disposal of wastewater is important to maintain the environmental health of our district.</p> <p><i>A district of great spaces and places</i></p> <p>The safe collection and disposal of wastewater assists with making the district a great place to live, work and play.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages wastewater, often balancing competing demands of limited resources.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the management of wastewater.</p>	<p>Group benefit 90%</p> <p>Group benefit is provided to residents able to connect to Council wastewater schemes.</p> <p>Community-wide benefit 10%</p> <p>Community-wide benefit is provided through the health and environmental benefits of having wastewater treated and disposed of safely.</p> <p>It is considered inequitable to fund the community-wide benefit across the district as residents not able to receive the service must provide their own wastewater collection and disposal. This benefit is therefore funded entirely as a community-wide benefit.</p>	<p>Operating expenditure:</p> <p>Residential: Targeted UAC rate 100%. Rated as a uniform annual charge on properties able to connect to a Council wastewater scheme with a separate rate for each scheme.</p> <p>Non-residential: Targeted fixed rate as for residential for up to three toilet pans. If more than three pans a pan charge of 33% of the residential rate per additional pan is applied.</p> <p>Serviceable properties: Properties able to be serviced by a wastewater scheme but not connected are charged half the applicable fixed rate.</p> <p>Capital expenditure: Normally loan funded with the cost funded as for operating expenditure. On a case by case basis, Council may consider a general rate contribution for capital projects.</p> <p><small>Note: Rates are set net of contributions from development contributions, trade waste fees, revenue from operations associated with wastewater operations and Government subsidies.</small></p> <p>Development Contributions:</p> <p>Charged for most new connections to wastewater schemes in Ashburton and Methven. See Ashburton District Council's 'Development & Financial Contributions Policy' for information.</p> <p>Trade waste fees: Non-residential properties connected to a wastewater scheme are assessed for a requirement to pay trade waste levies under the Council's "Trade Waste Bylaw". Net revenue from levies is applied to the relevant wastewater scheme.</p> <p>Ocean Farm: Net revenue is used to offset the targeted fixed rate for Ashburton wastewater.</p> <p>Government subsidies: Government may provide subsidy funding for some expenditure. Council rate contribution is net of any subsidies.</p>

District Water Management – Stockwater

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council owns and operates a stockwater network that includes over 2,150km of water races.	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>The stockwater service enables the economic and efficient farming of stock in the district.</p> <p><i>A balanced and sustainable environment</i></p> <p>The management of the stockwater network is important to maintain, and improve, the environmental health of our district.</p> <p><i>A district of great spaces and place</i></p> <p>The wise use of the stockwater network assists with making the district a great place to live, work and play.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages stockwater, often balancing competing demands of limited resources.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the management of stockwater.</p>	<p>Group benefit 90%</p> <p>Group benefit is provided to properties able to use the stockwater service.</p> <p>Community-wide benefit 10%</p> <p>Community-wide benefit is provided through the positive economic and environmental impacts the service provides to the wider community.</p>	<p>Operating expenditure:</p> <p>Targeted UAC rate 90%.</p> <p>(Charged per meter of water race on a property and or on stockwater services available to the property).</p> <p>General rate 10%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p> <p>Loan funding may be undertaken as required, with the cost funded as per operating expenditure.</p>

Transportation - Roads

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides and maintains the district's road network and associated infrastructure (excluding the state highways).	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>The road network is vital for getting goods to markets and plays an essential roles in supporting the local, regional and national economies.</p> <p><i>A district of great spaces and places</i></p> <p>Roads support the community to carry out their business, leisure and social activities in a safe and reliable way that is fit for purpose.</p>	<p><i>Plan for and provide fit for purpose services</i></p> <p>Council manages the repairs and maintenance of the roading infrastructure, often balancing competing demands.</p> <p><i>Represent the district on regional/national issues and partner with others as needed</i></p> <p>Council advocates to and works closely with New Zealand Transport Agency (NZTA) who ultimately determine the majority of the roading work programme. Council recently partnered with Mackenzie District Council, Timaru District Council and Waimate District Council to form the Aoraki Roading Collaboration, who work together in specific areas of asset management.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided to all residents and visitors to the district as all are able to use the road network.</p>	<p>Operating expenditure:</p> <p>Targeted capital value rate 100% (excludes NZTA funding and Petroleum Tax revenue).</p> <p>This rate is targeted on all separately used or inhabited properties in the district. This is to transparently identify the rates paid for roads by each ratepayer. It is levied on the same basis as the general rate.</p> <p>Capital expenditure:</p> <p>As for operational expenditure (excludes NZTA funding).</p> <p>Exception – capital expenditure:</p> <p>Council may decide to loan fund specific roads projects on a case by case basis. Projects will be assessed on the following criteria:</p> <ul style="list-style-type: none"> 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. <p>NZTA funding:</p> <p>Council receives funding from NZTA for qualifying road maintenance and capital projects. The level of funding each year depends on the “financial assistance rate” currently applicable for Ashburton District Council and on the work programme approved by NZTA.</p> <p>Private contribution:</p> <p>Council may agree to undertake specified work in addition to its planned work programme at the request of a resident if the resident pays for the work.</p>

Transportation - Footpaths & Cycleways

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides and maintains footpaths, streetscapes and cycleways in urban communities in the district.	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Footpaths help promote economic activity, particularly in the central business areas of the district.</p> <p><i>A district of great spaces and places</i></p> <p>Footpaths and cycleways support the community to connect and enable residents and visitors safe and smooth travel.</p>	<p><i>Plan for and provide fit for purpose services</i></p> <p>Council manages the repairs and maintenance of the footpath infrastructure, often balancing competing demands on limited resources.</p>	<p>Group benefit 70%</p> <p>Group benefit is provided to residents of towns where footpaths are provided.</p> <p>Community-wide benefit 30%.</p> <p>Community-wide benefit is provided to all residents through having attractive and safe footpaths, cycleways and streetscapes throughout the district.</p>	<p>Operating expenditure:</p> <p>Targeted capital value rate - 70% (excludes NZTA funding).</p> <p>Rate is targeted to identified communities.</p> <p>General rate - 30% (excludes NZTA funding)</p> <p>Capital expenditure:</p> <p>As for operational expenditure.</p> <p>Loan funding may be undertaken as required, with the cost funded as per operating expenditure.</p> <p>Exception to funding approach - Ashburton CBD:</p> <p>Properties in the Ashburton inner CBD rating area pay a capital value targeted rate for additional footpath cleaning.</p> <p>NZTA funding:</p> <p>Council receives funding from NZTA for qualifying footpath safety and realignment works. The level of funding each year depends on the “financial assistance rate” currently applicable for Council and on the work programme approved by NZTA.</p>

Waste Reduction and Recovery – Solid Waste Collection

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides a kerbside wheelie bin rubbish and recycling collection service in Ashburton, Lake Hood, Winslow, Fairton, Methven, Rakaia, Hinds, Mayfield and Mt Somers.	<p><i>A balanced and sustainable environment</i></p> <p>The recycling of suitable material and the appropriate disposal of residual waste helps minimise the negative effects of waste on our community.</p> <p><i>A district of great spaces and places</i></p> <p>The correct management of waste assists with making the district a great place to live, work and play.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages solid waste services, often balancing competing demands of limited resources.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the management of solid waste services through the Waste Management Minimisation Plan (WMMP).</p>	<p>Group benefit 100%</p> <p>Group benefit is provided to owners of properties receiving rubbish and recycling collection.</p>	<p>Operating expenditure:</p> <p>Targeted UAC rate 100%.</p> <p>(Charged to all properties able to receive the Council rubbish and recycling wheelie bin collection service).</p> <p>Capital expenditure:</p> <p>Normally loan funded with the interest and principal cost funded as for operating expenditure.</p>

Waste Reduction and Recovery – Solid Waste Management

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council operates resource recovery parks in Ashburton and Rakaia, and satellite recycling facilities in smaller communities throughout the district.</p> <p>Recyclable material is diverted from the waste stream for re-use and residual waste is transported to the regional landfill at Kate Valley for disposal.</p>	<p><i>A balanced and sustainable environment</i></p> <p>The recycling of suitable material and the appropriate disposal of residual waste helps minimise the negative effects of waste on our community.</p> <p><i>A district of great spaces and places</i></p> <p>The correct management of waste assists with making the district a great place to live, work and play.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages solid waste services, often balancing competing demands of limited resources.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the management of solid waste services through the Waste Management Minimisation Plan (WMMP).</p>	<p>Private benefit 60%</p> <p>Private benefit is provided through having facilities to recycle or dispose of unwanted waste and recyclable materials.</p> <p>Community-wide benefit 40%</p> <p>The community benefits from having refuse disposed of safely.</p>	<p>Operating expenditure:</p> <p>Fees and charges 60%. General rate 40%.</p> <p>Capital expenditure:</p> <p>Normally loan funded with the cost funded as for operating expenditure.</p>



Public Services

Community Governance & Decision-Making – Community Grants & Funding

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	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.	<p><i>Residents are included and have a voice</i></p> <p>Community groups and organisations can access Council funding to provide a range of initiatives that contribute to residents' quality of life.</p> <p><i>A district of great spaces and places</i></p> <p>Many community organisations funded by Council look after important community facilities.</p>	<p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council talks and listens to the community regularly through a range of mechanisms.</p> <p><i>Lead the community with clear and rational decision-making.</i></p> <p>Council strategically plans for the future of the district and Council as an organisation.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through residents being able to access community services, facilities, projects and events grant funded by Council grants.</p>	<p>Operating expenditure:</p> <p>Uniform annual general charge 100%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Community Governance & Decision-Making – Community Grants & Funding – Reserve Boards & Memorial Halls

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>There are 17 Reserve Boards around the district that administer community recreation reserves throughout the district.</p> <p>Council provides contestable grant funding for these reserves.</p>	<p><i>A district of great spaces and places</i></p> <p>Council supports reserves that are available to residents and visitors.</p>	<p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council supports community reserves through contestable grant funding, advice and guidance.</p>	<p><i>Community-wide Benefit 100%</i></p> <p>Community-wide benefit is provided through having these reserves available throughout the district.</p>	<p>Operating expenditure:</p> <p>General rate 100%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p> <p>Financial contributions:</p> <p>Council charges financial contributions for the acquisition and development of recreation and open space under provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure on the community reserves.</p>

Community Governance & Decision-Making - Democracy

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council undertakes a range of planning and decision-making processes associated with its local democratic functions.</p> <p>Council meetings, decision-making, research, monitoring and community engagement provides the community with the opportunity to participate appropriately in Council's decision-making processes.</p>	<p><i>Residents are included and have a voice</i></p> <p>Council provides a framework for democratic decision-making at the local level.</p>	<p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council talks and listens to the community regularly through a through a range of mechanisms.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the future of the district and Council as an organisation.</p> <p><i>Represent the district on regional/national issues and partner with others as needed.</i></p> <p>Council advocates on behalf of the district about a range of topics and issues, including the Ashburton Zone Committee whose role is work with the community to develop actions and tactics to deliver on the Canterbury Water Management Strategy.</p>	<p><i>Council and Ashburton Zone Committee</i></p> <p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through representation, advocacy, communication and engagement for all residents through Council and the Ashburton Zone Committee.</p> <p><i>Methven Community Board</i></p> <p>Group benefit 100%</p> <p>Group benefit is provided to Methven residents as the Board represents the Methven area only and no other part of the district has this level of additional representation.</p>	<p>Ashburton Zone Committee & Ashburton Youth Council:</p> <p>100% General Rate.</p> <p>Council Operating expenditure:</p> <p>Currently this is funded 50% UAGC; 50% General Rate. The Council activity will be funded 100% UAGC by Year 2 of the LTP 2018-28</p> <p>Yr 1 — Uniform annual general charge 75% — General rate 25%</p> <p>Yr 2 — Uniform annual general charge 100%</p> <p>Council Capital Expenditure:</p> <p>As for operational expenditure.</p> <p>Methven Community Board:</p> <p>Currently this is funded 50% targeted UAC; 50% targeted capital value rate on all properties in the rating area. The Methven Community Board activity will be funded 100% by a targeted UAC by Year 2 of the LTP 2018-28 (all properties in the Methven Community Board rating area)</p> <p>Yr 1 — Targeted UAC charge 75% — General rate 25%</p> <p>Yr 2 — Targeted UAC charge 100%</p>

Community Services – Community Safety

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides community safety initiatives for the community including CCTV monitoring and security patrols.	<i>A district of great spaces and places</i> Monitoring key spaces in places within the community enhances community safety.	<i>Plan and provide fit for purpose services</i> Council manages community safety requirements, often balancing competing demands of limited resources.	Community-wide benefit 100% Community-wide benefit accrues through the monitoring of key locations.	Operating expenditure: Uniform annual general charge 75%. General rate 25% Capital expenditure: As for operating expenditure.

Community Services – Elderly Housing

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides elderly housing units in Ashburton, Methven and Rakaia to enable elderly residents of limited means to live independently in quality accommodation.	<i>Residents are included and have a voice</i> Affordable accommodation for older residents enables them to live independently and safely.	<i>Plan and provide fit for purpose services</i> Council manages elderly housing requirements, often balancing competing demands of limited resources.	Private benefit 100% Tenants receive private benefit from this service.	Operating expenditure: User charges (rent) 100% Capital expenditure: Normally loan funded with the cost funded as for operating expenditure.

Community Services – Memorial Halls & Reserve Boards

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council owns and operates the Mt Hutt Memorial Hall and Heritage Centre as a community facility and visitor attraction.</p> <p>Council provides funding to all community halls to assist with insurance costs.</p> <p>Council provides additional funding and assistance to the Methven and Rakaia Reserve Boards to assist with day to day maintenance of those facilities, as these are classified as Public Reserves under the Reserves Act.</p>	<p><i>A district of great spaces and places</i></p> <p>Reserves, memorial and other community halls provide important recreation and social facilities for local communities.</p>	<p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council works with local communities to support local amenities.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through having the halls available for use by residents.</p> <p>Group benefit is provided to residents in Methven who have location benefit over and above district-wide access to the Methven Heritage Centre (which incorporates the Mt Hutt Memorial Hall Methven).</p>	<p>Operating expenditure:</p> <p>General rate 50%.</p> <p>Targeted CV rate 50%.</p> <p>Exception: Operating expenditure for the Mt Hutt Memorial Hall Methven and Heritage Centre is funded from a targeted capital value rate on all properties in the Methven urban rating area.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Community Services – Public Conveniences

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council operates public convenience facilities to allow for the health and safety of the community and to protect the environment.	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Providing public conveniences in the business areas of the district makes these areas more amenable for residents and visitors.</p> <p><i>A district of great spaces and places</i></p> <p>The provisions of public conveniences supports the spaces and places of local communities.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages public convenience requirements, often balancing competing demands of limited resources.</p>	<p>Group benefit 20%</p> <p>Group benefit is provided to business properties in the Ashburton, Methven and Rakaia business districts as these businesses don't need to provide facilities for shoppers themselves.</p> <p>Community-wide benefit 80%</p> <p>Community-wide benefit is provided to all residents and visitors able to use facilities.</p>	<p>Operating expenditure:</p> <p>Targeted capital value rate 20% all Business (non-residential) properties in Ashburton, Methven and Rakaia urban rating areas (pro rata on capital value of these businesses in the area).</p> <p>Uniform annual general charge 80%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Community Services – Reserves & Campgrounds

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council provides a range of formal and informal camp grounds throughout the district.</p> <p>There are a number of special purpose reserves vested in Council which are held for specified purposes such as gravel extraction or recreation.</p>	<p><i>A district of great spaces and places</i></p> <p>Reserves and campgrounds provide recreation and social facilities for local residents and visitors.</p>	<p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council works with local communities to support local amenities.</p>	<p>Private benefit 50%</p> <p>Private benefit is provided to users of camp grounds and other facilities available through this activity.</p> <p>Community-wide benefit 50%</p> <p>Community-wide benefit is provided through the use of the reserves, camp grounds, the Ashburton skate-park and other facilities.</p> <p>Tourism resulting from facilities provided brings economic benefit to the district.</p>	<p>Operating expenditure:</p> <p>Fees and charges 50%. (camping fees and lease revenues).</p> <p>General rate 50%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Economic Development – Business and Economic Development

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides funding for business and economic development in the district.	<p><i>A prosperous economy base on innovation and opportunity</i></p> <p>Encouraging new and supporting existing economic activity in the district strengthens our local economy.</p> <p><i>A district of great spaces and places</i></p> <p>Economic growth and prosperity enables our community to fund services and facilities that contribute to quality of life.</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the future of the district and Council as an organisation.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages economic development requirements, often balancing competing demands of limited resources.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through the economic growth and development of the district.</p>	<p>Operating expenditure:</p> <p>General rate 100%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Economic Development – Commercial Property

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council holds commercial property as part of its investment portfolio.	<p><i>A prosperous economy based on innovation and opportunity.</i></p> <p>While much of Council's property portfolio is held primarily to gain a return it also contributes to economic development through providing business premises in the district.</p>	<p><i>Lead the community with clear and rational decision-making.</i></p> <p>Council strategically plans for the future of the district and Council as an organisation.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through net property income being used to offset Council's rate requirement.</p>	<p>Net operating revenue is applied to offset the general rate, and the UAGC in proportion to the requirement for each. (see example – Investment income, dividends and interest.)</p> <p>Funds from property sales are not used to offset rates but can be used to meet interest costs on loans associated with property (such as for the Ashburton Business Estate). Otherwise they are held in the Property reserve account or used to repay Property related debt.</p> <p>Capital expenditure:</p> <p>Normally loan funded with the cost funded as for operating expenditure.</p> <p>Exception: Council has decided to repay loans for capital expenditure for the construction of the EA Networks Centre over 40 years rather than the normal 25 years or less. This is to promote community outcomes through making the loan repayments more affordable for ratepayers. It is likely that the period of the loan will be reviewed in future with a view to reducing the term towards the more usual 25 year duration.</p> <p>Development contributions: Development contributions for community infrastructure include a charge for funding the growth capacity of the Ashburton Art Gallery and Heritage Centre and the EA Networks Sports Complex. These development contributions are used to repay loans taken for the construction of these facilities. Refer to Council's "Development and Financial Contributions Policy" for more information.</p>

Economic Development – District Promotion

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides funding to Experience Mid Canterbury to undertake marketing of the district to visitors.	<p><i>A prosperous economy based on innovation and opportunity.</i></p> <p>Tourism contributes to the diversity and strength of the local economy.</p> <p><i>A district of great spaces and places.</i></p> <p>Tourism development creates spaces and places for local residents to enjoy.</p>	<p><i>Lead the community with clear and rational decision-making.</i></p> <p>Council strategically plans for the future of the district and Council as an organisation.</p>	<p>Group benefit 50%</p> <p>Group benefit is provided to businesses in the district through the direct and indirect economic gain from visitors to the district.</p> <p>Community-wide benefit 50%</p> <p>Community-wide benefit is provided through the overall economic, social and cultural benefits of attracting visitors to the district.</p>	<p>Operating expenditure:</p> <p>General rate 50%.</p> <p>Targeted capital value rate 50% - pro rata allocation based on the capital value of businesses in the Ashburton, Methven and Rakaia urban areas.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p> <p>Experience Mid Canterbury generates some revenue from business partner subscriptions and user charges for specialist services provided.</p>

Economic Development – Forestry

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council has forestry investments as part of its investment portfolio.	<p><i>A prosperous economy based on innovation and opportunity.</i></p> <p>Council's forestry portfolio is held primarily to gain a return. It also contributes to district economy.</p>	<p><i>Lead the community with clear and rational decision-making.</i></p> <p>Council strategically plans for the future of the district and Council as an organisation.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide is provided through net forestry income being used to offset the rate requirement.</p>	<p>Net revenue and any reserve funds can be used by Council to offset the general rate and UAGC in proportion to respective requirement.</p> <p>Council may also choose to use forestry reserve funds to offset the general rate and UAGC if there is no surplus.</p> <p>Council is currently reviewing its future approach to its forestry holdings and may look to sell some land held for that purpose. The proceeds of any sales of forestry land will be credited to the Property reserve fund.</p>

Recreation Facilities – Ashburton Public Library

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council operates the Ashburton Public Library which provides educational, informational and recreational resources for the district's residents.	<p><i>A district of great spaces and places</i></p> <p>Libraries are an important community resource for education and recreation and also provide opportunities for social engagement in the community.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages library service requirements, often balancing competing demands of limited resources.</p> <p><i>Lead the community with clear and rational decision-making</i></p> <p>Council strategically plans for the future of the library, including the new joint administration/library building.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided to residents who use the library services.</p>	<p>Operating expenditure:</p> <p>Uniform annual general charge 100%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p> <p>Note: Council considers that allocating costs only to users of the service would be an unreasonable disincentive to those residents use of the library services. Funding is therefore allocated district-wide.</p> <p>User charges:</p> <p>User charges from book rentals, fines and chargeable services such as printing currently contribute around 6% of the costs of providing this service. Funding allocation in this policy excludes these sources.</p>

Recreation Facilities – Ashburton Museum

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council operates the Ashburton Museum and aims to be the leading cultural heritage destination for Ashburton District.	<p><i>A district of great spaces and places</i></p> <p>Council cares for and shares collections related to the Ashburton district and New Zealand, to enable residents to enjoy social, cultural and heritage experiences that showcase our unique identity.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages museum service requirements, often balancing competing demands of limited resources.</p> <p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council works with the local community to support the presentation of social and cultural collections.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through having cultural and heritage activities accessible to residents.</p>	<p>Operating expenditure:</p> <p>Uniform annual general charge 100%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Recreation Facilities – EA Networks Centre

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council owns and operates the EA Networks Centre to encourage and support recreation and leisure by providing affordable accessible and quality sports facilities.</p> <p>Council also operates the Tinwald Community Pool during the summer months.</p>	<p><i>A district of great spaces and places</i></p> <p>Council provides quality recreation facilities that are accessible and affordable to residents and visitors.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages EA Networks Centre requirements, often balancing competing demands of limited resources.</p>	<p>Private benefit 50%</p> <p>Private benefit is provided to users of recreation facilities and services.</p> <p>Community-wide benefit 50%</p> <p>Community-wide benefit is provided to residents through being able to use facilities and services provided or funded by Council.</p>	<p>Operating expenditure:</p> <p>Fees and charges 40% (user fees for the EA Networks Centre)*</p> <p>Uniform annual general charge 60%.</p> <p>Capital expenditure:</p> <p>Normally loan funded with the costs funded as for operating expenditure.</p>

Recreation Facilities – Community Pools

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council provides annual funding to assist with pools costs to the following community pools operating in the district:</p> <ul style="list-style-type: none"> ▪ Hinds ▪ Mayfield ▪ Methven ▪ Mt Somers ▪ Rakaia ▪ Ruapuna 	<p><i>A district of great spaces and places</i></p> <p>Council supports recreation facilities that are accessible and affordable to residents and visitors.</p>	<p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council supports community pools through partial-funding, advice and guidance.</p>	<p>Community-wide benefit 100%</p> <p>Community-wide benefit is provided through having swimming pools accessible to residents.</p>	<p>Operating expenditure:</p> <p>Uniform annual general charge 100%.</p>

Parks & Open Spaces: Cemeteries

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council provides cemeteries to ensure a safe and healthy community, and to preserve the social history of the district.</p>	<p><i>A balanced and sustainable environment</i></p> <p>Council ensures interments are undertaken in ways that minimise the impact on the environment.</p> <p><i>A district of great spaces and places</i></p> <p>Council provides cemeteries that have a park-like setting.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages cemeteries throughout the district, often balancing competing demands of limited resources.</p>	<p>Private benefit 80%</p> <p>Private benefit is provided to users of cemetery facilities, largely friends and family of deceased.</p> <p>Community-wide benefit 20%</p> <p>Community-wide benefit is provided through ensuring the deceased are interred in a sanitary way.</p>	<p>Operating expenditure:</p> <p>Fees and charges 80%</p> <p>General rate 20%</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Parks & Open Spaces: Rural Beautification

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in rural areas of the district.</p> <p>This activity excludes Ashburton, Methven and Rakaia which make up the 'Township beautification' activity.</p>	<p><i>A district of great spaces and places</i></p> <p>Council provides open spaces that are attractive for residents and visitors.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages open spaces requirements throughout the district, often balancing competing demands of limited resources.</p>	<p>Group benefit 50%</p> <p>Group benefit is provided to rural residents who benefit directly from this activity by having attractive places to live.</p> <p>Community-wide benefit 50%</p> <p>Community-wide benefit is provided through having enhanced rural surroundings which are attractive places to live and visit.</p>	<p>Operating expenditure:</p> <p>Targeted capital value rate 50% (all properties except those in the Ashburton, Methven and Rakaia urban rating areas).</p> <p>General rate 50%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p> <p>Financial contributions:</p> <p>Council charges financial contributions for the acquisition and development of recreation and open space under provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure.</p>

Parks & Open Spaces: Urban Beautification (including Ashburton Domain)

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in the towns of the district, including Lake Hood.</p> <p>Council also collects and disposes of rubbish from street-side litter bins located in Ashburton, Methven and Rakaia.</p>	<p><i>A district of great spaces and places</i></p> <p>Council provides open spaces that are attractive for residents and visitors.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages open spaces requirements throughout the district, often balancing competing demands of limited resources.</p>	<p>Group benefit 50%</p> <p>Group benefit is provided to residents and businesses in Ashburton, Methven and Rakaia through these localities being more attractive places to live, work and shop.</p> <p>Community-wide benefit 50%</p> <p>Community-wide benefit is provided through residents being able to use the recreational facilities provided and from having attractive towns that are clean throughout the district.</p>	<p>Operating expenditure:</p> <ul style="list-style-type: none"> ▪ Ashburton Targeted capital value rate 50% (Ashburton urban amenity rating area, including Lake Hood*). General rate 50%. These rates are based on the costs of services in these areas. ▪ Methven Targeted capital value rate 50% (Methven urban rating area) General rate 50%. These rates are based on the costs of services in these areas. ▪ Rakaia Targeted capital value rate 50% (Rakaia urban rating area). General rate 50%. These rates are based on the costs of services in these areas. <p>Capital Expenditure:</p> <p>As for operating expenditure</p> <p>Financial contributions:</p> <p>Council charges financial contributions for the acquisition and development of recreation and open space under provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure.</p> <p>*Council has decided to introduce the Targeted Capital Value Urban Amenity rate over 2 years for Lake Hood residents (years 1 and 2 of the LTP 2018-28).</p>



Regulatory Functions

Alcohol Licensing & Gambling Venue Consenting

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council manages the sale and supply of alcohol and gambling licensing by way of processing applications, monitoring and enforcement requirements.	<p><i>A balanced and sustainable environment</i></p> <p>Council administers alcohol licensing in accordance with the Local Alcohol Policy and gambling licensing in accordance with the Class 4 Gambling Venue Policy.</p> <p><i>A district of great spaces and places</i></p> <p>Council ensures that licensing supports great spaces and places for the community.</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council leads the community with the monitoring of licensing and enforcement of associated legislation and policies.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages licensing throughout the district, often balancing competing demands of limited resources.</p>	<p>Private benefit 80%</p> <p>Private benefit is provided to owners of licensed businesses meeting legislative requirements and being able to operate.</p> <p>Community-wide benefit 20%</p> <p>Community-wide benefit is provided through standards and controls applied in the areas of alcohol and gambling venue licensing.</p>	<p>Operating expenditure:</p> <p>Fees and charges 80%</p> <p>General rate 20%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Animal Control

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides dog and stock control services to ensure the community is not endangered by uncontrolled dogs or stock.	<p><i>A district of great spaces and places</i></p> <p>Council ensures that animal control supports great spaces and places for the community.</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council leads the community with the monitoring of animal control and enforcement of associated legislation and bylaws.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages animal control throughout the district, often balancing competing demands of limited resources.</p>	<p>Private benefit 95%</p> <p>Private benefit is provided to dog owners, through provision of dog control services that would not be required if there were no dogs – dog owners create the need to provide the service (exacerbator pays principle).</p> <p>Community-wide benefit 5%</p> <p>Community-wide benefit is provided through Council being able to respond to and deal with dog and wandering stock issues in a timely manner.</p>	<p>Operating expenditure:</p> <p>Fees and charges 95% (dog license fees, impounding fees and infringement fees) (stock impounding fees and sustenance fees). General rate 5%.</p> <p>Capital expenditure:</p> <p>As for operational expenditure.</p>

Building Regulation

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council is an accredited building control authority, responsible for enforcing the requirements of the Building Act and NZ Building Code to ensure all buildings are structurally sound and safe for occupancy.	<p><i>A district of great spaces and places</i></p> <p>Council ensures that building control supports great spaces and places for the community.</p> <p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Building regulation supports the economic growth of the district.</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council leads the community with building regulation services and the enforcement of legislation.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages building regulation throughout the district, often balancing competing demands of limited resources.</p>	<p>Private benefit 90%</p> <p>Private benefit is provided to building owners and construction contractors through ensuring they meet legislative requirements.</p> <p>Community-wide benefit 10%</p> <p>Community-wide benefit is provided through Council providing information regarding building regulation requirements free of charge to property owners and residents looking at building development.</p>	<p>Operating expenditure:</p> <p>Fees and charges 90%. General rate 10%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

District Planning

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
<p>Council plans for the future growth of the district and aims to control the actual and potential adverse effects of land use.</p> <p>These activities are carried out primarily through the District Plan.</p>	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>A well-planned community is likely to be efficient and effective in delivering services.</p> <p><i>A district of great spaces and places</i></p> <p>The District Plan sets rules and guides Council decisions to ensure our environment is preserved.</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council leads the community with robust district planning.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages the land use throughout the district, often balancing competing demands of limited resources.</p> <p><i>Work with the community and engage in meaningful conversations</i></p> <p>Council consults the community on the District Plan.</p>	<p>Private benefit 80%</p> <p>Private benefit is provided to resource consent applicants through their being able to undertake activities not provided for under the District Plan.</p> <p>Community-wide benefit 20%</p> <p>Community-wide benefit is provided through the environmental protection provided by the District Planning activity.</p>	<p>Operating expenditure:</p> <p>Fees and charges 80%.</p> <p>General rate 20%.</p> <p>Capital expenditure:</p> <p>As for operational expenditure.</p> <p>Exceptions:</p> <p><u>Privately requested plan changes</u> 100% Fees & Charges</p> <p><u>Policy & Development</u> (including District Plan and advocacy e.g. CBD revitalisation) 100% General Rate.</p>

Environmental Health

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council undertakes environmental health monitoring and enforcement functions, including licensing, monitoring and legal enforcement regarding food premises, investigation of notifiable diseases, and responding to nuisance complaints.	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Council supports the local economy by ensuring that environmental health concerns are monitored and addressed.</p> <p><i>A district of great spaces and places</i></p> <p>Council provides environmental health services to assist great spaces and places for the community.</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council leads the community with environmental health services and the enforcement of legislation.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages the environmental health issues throughout the district, often balancing competing demands of limited resources.</p>	<p>Private benefit 20%</p> <p>Private benefit is provided to licensees through enabling them to legally trade.</p> <p>Community-wide benefit 80%</p> <p>Community-wide benefit is provided through potential impacts on public health being monitored and regulated effectively.</p>	<p>Operating expenditure:</p> <p>Fees and charges 20%.</p> <p>Uniform annual general charge 80%.</p> <p>Capital expenditure:</p> <p>As for operational expenditure.</p>

Emergency Management

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council undertakes contingency planning and readiness for natural disasters and provides emergency response and recovery services in the event of a natural disaster	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Council supports the local economy by being preparing for and responding to civil defence emergencies</p> <p><i>A district of great spaces and places</i></p> <p>Council provides civil defence capability to contribute to a reduction in the loss of property in a civil emergency event</p>	<p><i>Lead the community with clear and rational decision-making</i></p> <p>Council leads the community with emergency management services and the enforcement of legislation.</p> <p><i>Plan and provide fit for purpose services</i></p> <p>Council manages emergency management throughout the district, often balancing competing demands of limited resources.</p>	<p>Community-wide benefit (people) 50%</p> <p>Community-wide benefit is provided through the ability for the district to recover from a civil defence emergency event.</p> <p>Community-wide benefit (property) 50%</p> <p>Community-wide benefit is provided to residents and businesses affected by a civil defence emergency event and their ability to recover from a civil defence emergency event.</p>	<p>Operating expenditure:</p> <p>UAGC 50%.</p> <p>General rate 50%.</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>

Land Information

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council maintains records of all properties in the district. Information on any property is available to the public through a Land Information Memorandum (LIM).	<p><i>A district of great spaces and places</i></p> <p>Council ensures that land information services supports great spaces and places for the community.</p> <p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Land information supports the economic growth of the district.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages land information services for the district.</p>	<p>Private benefit 100%</p> <p>Private benefit is provided through the provision of information to any member of the public.</p> <p>This information gives property owners and purchasers certainty about the property and its features.</p>	<p>Operating expenditure:</p> <p>Fees and charges 100%</p> <p>Capital expenditure:</p> <p>As for operational expenditure.</p>

Parking

SERVICE	COMMUNITY OUTCOMES	STRATEGIC OBJECTIVES	WHO BENEFITS/ CREATES NEED?	FUNDING
Council provides on and off-street car parking in the central business district of Ashburton, the commercial districts of Methven and Rakaia and suburban shopping areas throughout the district.	<p><i>A prosperous economy based on innovation and opportunity</i></p> <p>Parking supports the economic growth of the district.</p>	<p><i>Plan and provide fit for purpose services</i></p> <p>Council manages parking services for the district.</p>	<p>Private benefit 100%</p> <p>Private benefit is provided to users of parking facilities.</p> <p>Business owners in areas with parking receive private benefit through the regular turnover of parking spaces allowing more customers to access shops.</p>	<p>Operating expenditure:</p> <p>Fees and charges 100%. (meter fees and infringement fines).</p> <p>Capital expenditure:</p> <p>As for operating expenditure.</p>



Summary of Rating Requirements

A summary of the rating requirements of all Council activities under this Revenue and Financing Policy is shown in the tables below.

Local Infrastructure

	UAGC	General Rate	Targeted Rates (CV)	Targeted Rates (UAC)	Fees & Charges
DISTRICT WATER MANAGEMENT					
Drinking Water				100%	
Wastewater				100%	
Stormwater		10%	90%		
Stockwater Management		10%		90%	
TRANSPORTATION					
Roads			100%		
Footpaths & Cycleways		30%	70%		
WASTE REDUCTION & RECOVERY					
Solid Waste Collection				100%	
Solid Waste Management		40%			60%

Public Services

	UAGC	General Rate	Targeted Rates (CV)	Targeted Rates (UAC)	Fees & Charges
COMMUNITY GOVERNANCE & DECISION-MAKING					
<i>Community Grants & Funding</i>					
Community Grants & Funding	100%				
Reserve Boards & Memorial Halls Grant		100%			
<i>Democracy</i>					
Ashburton Water Management Zone Committee		100%			
Council	75% - Yr 1 100% - Yr 2	25% - Yr 1			
Methven Community Board			25% - Yr 1	75% - Yr 1 100% - Yr 2	
ECONOMIC DEVELOPMENT					
Business & Economic Development		100%			
Commercial Property	Contribution to general rate	Contribution to general rate			
District Promotion (Tourism)		50%	50%		
Forestry	Contribution to general rate	Contribution to general rate			

	UAGC	General Rate	Targeted Rates (CV)	Targeted Rates (UAC)	Fees & Charges
RECREATION & COMMUNITY SERVICES					
<i>Community Services</i>					
Elderly Persons Housing					100%
Public Conveniences	80%		20%		
Community Safety (CCTV and security)	50%			50%	
Reserve Boards		50%	50%		
Reserves & Campgrounds		50%			50%
<i>Parks & Open Spaces</i>					
Cemeteries		20%			80%
Rural Beautification		50%	50%		
Urban Beautification (including Ashburton Domain)		50%	50%		
<i>Recreation Facilities</i>					
Ashburton Library	100%				
Ashburton Museum	100%				
EA Networks Centre	60%				40%
Community Pools	100%				

Regulatory Functions

	UAGC	General Rate	Targeted Rates (CV)	Targeted Rates (UAC)	Fees & Charges
REGULATORY SERVICES					
Alcohol Licensing		20%			80%
Animal Control		5%			95%
Building Regulation		10%			90%
District Planning		20%			80%
Environmental Health	80%				20%
Emergency Management	50%	50%			
Land Information					100%
Parking					100%



Appendix

Boundary maps for rating areas have been included as part of the Revenue and Financing Policy. These can be found on the Council website www.ashburtondc.govt.nz. The following rating areas can be found as part of this appendix to the Policy:

AREA	MAP	APPENDIX PAGE NUMBER	RATE
District-wide	ADC General / Road / UAGC Boundary	1	UAGC
			General Rate
			Roading Rate
	ADC Rural Amenities Boundary	2	Rural Amenities Rate
	ADC Stockwater Race Services / Connected	3	Stockwater Rate
Ashburton Township	ADC Group Water Connected / Serviceable	4	Group Water Supply Rate
	Ashburton CBD Refuse Collection	5	Ashburton Refuse Collection Rate
	Ashburton CBD (Inner) Footpath Cleaning	6	Ashburton CBD (Inner) Footpath Cleaning Rate
	Ashburton Refuse Collection Boundary	7	Ashburton Refuse Collection Rate
	Proposed Ashburton Urban / Residential and Business Amenities	8	Ashburton Business Amenity Rate
			Ashburton Urban Amenity Rate
			Ashburton Residential Amenity Rate
	Ashburton Water Supply and Wastewater Connected / Serviceable and Wastewater Pans	9	Ashburton Water Supply Rate Ashburton Wastewater Rate (including Pans charge)
Barrhill Village	Barrhill Village Water Loan Repayment Connected	10	Barrhill Village Water Supply Rate
Chertsey	Chertsey Refuse Collection	11	Chertsey Refuse Collection Rate
	Chertsey Water Supply / Serviceable Boundary	12	Chertsey Water Supply Rate
Dromore	Dromore Water Supply Connected / Serviceable	13	Dromore Water Supply Rate
Fairton	Fairton Water Supply Connected / Serviceable	14	Fairton Water Supply Rate
	Fairton Refuse Collection	15	Fairton Refuse Collection Rate
Hakatere	Hakatere Water Supply Connected / Serviceable	16	Hakatere Water Supply Rate
Hinds	Hinds Amenity Rates Boundary	17	Hinds Amenity Rate
	Hinds Refuse Collection Boundary	18	Hinds Refuse Collection Rate (including Winslow)
	Hinds Water Supply Connected / Serviceable Boundary	19	Hinds Water Supply Rate

AREA	MAP	APPENDIX PAGE NUMBER	RATE
Lake Clearwater	Lake Clearwater Refuse Collection Boundary	20	Lake Clearwater Refuse Collection Rate
Lake Hood	Lake Hood Water Supply Connected Serviceable	21	Lake Hood Water Supply Rate
	Lake Hood Refuse Collection	22	Lake Hood Refuse Collection Rate
Lyndhurst	Lyndhurst Water Supply Loan Repayment	23	Lyndhurst Water Supply Rate
Mayfield	Mayfield Water Supply Connected / Serviceable and Refuse Collection Area	24	Mayfield Water Supply Rate
			Mayfield Refuse Collection Rate
Methven / Springfield	Methven / Springfield Stockwater Connected / Serviceable	25	Methven-Springfield Stockwater Rate
Methven	Methven Urban / Residential & Commercial Amenities	26	Methven Urban Amenity Rate
			Methven Residential Amenity Rate
			Methven Commercial Amenity Rate
	Methven Community Board Area	27	Methven Community Board Rate
	Methven Community Pool Boundary	28	Methven Community Pool Rate
	Methven Refuse Collection	29	Methven Refuse Collection Rate
	Methven Wastewater Connected / Serviceable and Pans	30	Methven Wastewater Rate
	Methven Water Supply Connected / Serviceable	31	Methven Water Supply Rate
Montalto	Montalto Stockwater / Stockwater Connected	32	Montalto Stockwater Rate
Mt Somers	Mt Somers Water Supply Connected / Serviceable and Waste Collection	33	Mt Somers Water Supply Rate
Rakaia	Rakaia Urban Residential & Commercial Amenities Rates Boundary	34	Rakaia Urban Amenity Rate
			Rakaia Residential Amenity Rate
			Rakaia Commercial Amenity Rate
	Rakaia Refuse Collection	35	Rakaia Refuse Collection Rate
	Rakaia Wastewater Connected Serviceable, Pans and Loan	36	Rakaia Wastewater Rate (including Pans charge)
			Rakaia Wastewater Loan Repayment Rate
	Rakaia Water Supply Connected / Serviceable	37	Rakaia Water Supply Rate
Rangitata Huts	Rangitata Huts Waste Collection Boundary	38	Rangitata Huts Refuse Collection Rate
Winslow	Winslow Refuse Collection	39	Winslow Refuse Collection Rate



Notes:**Amenity Boundaries**

Boundaries for the residential and urban amenity rates have been aligned as much as possible with the Ashburton District Plan. Properties zoned Residential C have been aligned to the residential and urban amenity boundaries in Ashburton, Methven, Rakaia and Hinds, where possible.

Properties in Methven currently rated for residential amenities will continue to be charged this rate.

Water Supply and Wastewater Rating Boundaries

All properties within the boundary connected to the wastewater and/or water supply will be charged the appropriate serviced water supply and/or wastewater connected rates. Properties within the boundary that are able to be connected will be charged the appropriate serviceable water supply and/or wastewater rates. Properties that are not able to be connected will not be charged a wastewater and/or water supply rate.

Refuse Collection Rates

Properties within the appropriate rating boundaries that receive or are able to receive the service will be charged the refuse collection rate.

Stockwater Rate

Properties within the appropriate rating boundaries connected to the stockwater scheme will be charged the relevant stockwater rate.

Pans (including urinals) Charges

Commercial properties connected to the Ashburton, Methven or Rakaia wastewater schemes, that have more than three pans, will be subject to an additional pan charge (above the wastewater rate). Each additional pan will be charged 1/3 of the applicable wastewater rate.

Development & Financial Contributions Policy

1. Introduction

1.1 Background

The population of Ashburton District is growing and is expected to continue to grow in the future. Council must plan for this growth by investing in infrastructure that will enable new homes and businesses to connect to Council water and wastewater infrastructure, and provide the opportunity for new residents to use community facilities.

Development contributions enable Council to charge developers of new residential and business units a share of the cost of providing capacity to cater for growth.

This policy sets out the development contributions payable; how and when these are calculated and paid, and includes a summary of the methodology used to calculate contributions.

1.2 Policy objectives

This policy is intended to assist Council to achieve the following objectives:

- enable Council to plan for and fund infrastructure and facilities provision that meets the anticipated growth requirements of the district,
- provide predictability and certainty regarding the infrastructure required to cater for growth,
- enable a share of the costs Council incurs to provide infrastructure to cater for growth to be fairly and equitably recovered from those directly benefiting from Council infrastructure – i.e. developers,
- provide for the wider ratepayer base to contribute to funding infrastructure provision that raises service standards, and
- to promote understanding and awareness of what Council intends to fund and how this applies to a particular development.

1.3 Legislative context

Local authorities are required, under section 102 of the Local Government Act 2002, (“the Act”) to adopt funding and financial policies as part of their financial management obligations. As part of the requirements for funding and financial policies, section 102(4)(d) of the Act requires a policy on development contributions or financial contributions.

The purpose of the development contributions provisions in the Act is to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

The Act requires any development contributions policy to be prepared taking into account principles detailed in section 197AB. In summary these are:

- development contributions should only be required if the effects or cumulative effects of developments will create or have created a requirement for provision of new or additional assets, or assets of increased capacity,
- development contributions should be determined in a manner that is generally consistent with the capacity life of the assets for which they are intended,
- cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets,
- development contributions must be used for or towards the purpose of the activity or the group of activities for which the contributions were required, and for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required, and
- territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why they are being used.

1.4 Financial management policies

This policy has been prepared within the wider context of the Council’s overall financial management policies.

This policy is consistent with the provisions of Council’s Revenue and Financing Policy and provides for development contributions and financial contributions to be used as part of Council’s overall approach to funding capital expenditure.

1.5 Funding to provide for growth

Development contributions and financial contributions are used by Council to fund some of the costs associated with providing infrastructure that caters for demand from growth.

Council aims to take a balanced and fair approach to how it raises funding required for new developments. Other sources of funding of capital expenditure may include:

- outside sources such as New Zealand Transport Agency (NZTA) subsidies, grants, regional council or central government funding; and
- funding from sources such as rates and sale of assets.

2. Policy on Development Contributions

2.1 Requirement for a development contribution

Under section 198 of the Act, Council may require a development contribution to be made when:

- resource consent is granted under the Resource Management Act 1991 for a development in Ashburton District,
- building consent is granted under the Building Act 2004 for building work situated in Ashburton District,
- authorisation for a service connection is granted without a building consent being issued*, and
- a change in use of a business unit.

*An example of this is where a tap is connected to the piped water system for watering or a temporary connection to the sewer system is made. In both cases the connection can be used without a building consent but requires a development contribution to be made.

Development contributions can only be required where a development as defined by section 197 of the Act is to occur. Under section 197, development means:

- a.) “any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
- b.) does not include the pipes or lines of a network utility operator.”

On receiving an application for subdivision consent, resource consent, or building consent, Council will first:

- a.) test that the application represents a development under section 197,

- b.) determine whether alone or in combination with other developments the application under consideration will have the effect of requiring new or additional assets or assets of increased capacity and, as a consequence, the council will incur capital expenditure to provide appropriately for this, and
- c.) ensure that any development contribution that may be required, is provided for in this policy.

If Council is satisfied that the application meets the legal requirements above, it will assess contributions following the process set out in the Assessment section.

2.1.1 Exceptions: For clarity, development contributions are not required for:

- an addition or alteration to a residential unit that does not result in any additional unit or units
- an addition or alteration to a non-residential unit that does not result in any additional unit or units and the development does not result in an increase in demand on the water or wastewater schemes servicing the property
- change of use for a non-residential unit that does not result in an increase in demand on the water or wastewater schemes servicing the property
- a new or replacement out-building or ancillary building servicing a non-residential unit that does not result in any additional unit or units and the development does not result in an increase in demand on the water or wastewater schemes servicing the property.
- a new residential or business unit that is replacing like with like.
- a Crown development - the Crown is exempt from the provisions of this policy by virtue of section 8 of the Local Government Act 2002.

2.2 Activities

Council requires a development contribution for the following infrastructure services:

- **Drinking water** – applies to Council drinking water supplies where Council has incurred or plans to incur capital expenditure to cater for growth.
- **Wastewater** – applies to Council wastewater schemes where Council has incurred or plans to incur capital expenditure to cater for growth.
- **Community infrastructure** - applies to Council community infrastructure projects where Council has incurred or plans to incur capital expenditure to cater for growth – EA Networks Centre and Ashburton Art Gallery and Heritage Centre.

2.3 Catchments

A catchment is the area served by the network infrastructure or community infrastructure asset where common benefits are received. The following are treated as catchments for the purposes of assessing development contributions:

- **Drinking Water** – each of the Council’s drinking water supplies is a separate catchment.
- **Wastewater** – each of the Council’s wastewater schemes is a separate catchment.
- **Community Infrastructure** – the district as a whole is treated as a single catchment.

2.4 Units of demand

The calculation of the development contribution required for water and wastewater is based on the average demand of a single residential housing unit using the average household size of 2.5 residents (based on 2013 Census data for Ashburton District). This unit of demand is referred to as a “Household Unit Equivalent” or HUE.

Residential

Each single residential unit (regardless of size or number of occupants) is treated as being 1 HUE for assessing drinking water, wastewater and community infrastructure development contributions.

Non-residential

Each single non-residential unit will be assessed for the demand it is expected to place on

the water and wastewater networks based on the type of business. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment. The assessment uses the information in the Water Consumption Non-residential Properties table in Schedule 4 of this policy as the base line demand for various uses.

For assessing community infrastructure development contribution each non-residential unit is treated as being 1 HUE.

2.5 Capacity Credit

Where a new development is replacing an existing residential or non-residential unit the demand on infrastructure generated by the previous use will be recognised in any assessment of development contributions with units of demand from existing development deducted from the total units of demand assessed to be generated by the new development.

This credit applies only to a building which has been inhabited or used for the stated purpose within the last two years or the building has been used as a place of business within the last two years.

A credit can be transferred from one property title to another as long as the two properties are regarded as contiguous (effectively operating as a single property) as described in section 20 of the Local Government (Rating) Act 2002.

2.6 Calculation of development contribution

An assessment of requirement to pay development contribution will be made at the time Council receives an application for:

- building consent for a new residential or non-residential unit, or
- building consent or resource consent for an addition, alteration, or change of use for a business unit.

If a development meets the requirement for a development contribution detailed in section 2.1 of this policy, Council will undertake a development contribution calculation using the calculations detailed in Schedule 3 of the Policy.

2.7 Limits on Development Contributions

As part of seeking a balanced and fair approach to funding capital expenditure required to cater for growth, Council may decide to limit the level of development contributions

for a particular contribution. Any such limit will be detailed in the section of the Policy regarding calculation of development contributions. Where a limit is in place the funding that would normally come from development contributions is instead funded by rates from the existing community.

2.8 Reconsideration of requirement for development contribution

An applicant may request Council to reconsider a requirement to make a development contribution if the applicant has grounds to believe that:

- a.) the development contribution was incorrectly calculated or assessed under this policy,
- b.) Council incorrectly applied provisions of this policy, or
- c.) the information used to assess the applicant's development, or the way Council has recorded or used information when requiring the development contribution, was incomplete or contained errors.

A request for reconsideration must be made within 10 working days after the date on which the applicant receives notice from Council (invoice) of the level of development contribution required.

A reconsideration cannot be requested if an objection under section 199C and Schedule 13A of the Act has already been lodged.

A request for reconsideration must be made in writing to the chief executive and identify the basis on which the reconsideration is sought together with, as appropriate, the legal and evidential grounds supporting the application.

Council may, within 10 working days of receiving the request for reconsideration, request further information from the requester to support the grounds stated in the reconsideration.

Council will proceed to determine the request for reconsideration if:

- a.) it has, in its view, received all required information relating to the request; or
- b.) the requester refuses to provide any further information requested by Council (as set out above).

In considering the request for reconsideration, Council will make its decision without convening a hearing.

In all cases, Council will give written notice of the outcome of its reconsideration to the applicant within 15 working days after:

- a.) the date the application for reconsideration is received, if all required information is provided in that application; or
- b.) the date the application for reconsideration is received, if the applicant refuses to provide further information; or
- c.) the date the further information is received from the applicant.

An applicant requesting a reconsideration may object to the outcome of that reconsideration by lodging an objection under section 199C of the Act.

2.9 Objection to assessed amount of development contribution

An applicant may object to the assessed amount of development contribution required.

An objection may be made only on the following grounds:

- a.) Council has failed to properly take into account features of the development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the district or parts of the district; or
- b.) Council has required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
- c.) Council has required a development contribution in breach of section 200 of the Act; or
- d.) Council has incorrectly applied its development contributions policy to the objector's development.

An objection may be lodged irrespective of whether a reconsideration of the requirement for a development contribution has been requested.

The right of objection does not apply to challenges to the content of this policy.

Schedule 13A of the Act details the procedure relating to development contribution objections.

Council may (under section 252 of the Act) recover actual and reasonable costs from an applicant lodging an objection that relate to the following costs it incurs:

- a.) the selection, engagement, and employment of the development contributions commissioners; and
- b.) the secretarial and administrative support of the objection process; and
- c.) preparing for, organising, and holding the hearing

2.10 Postponement of development contribution payment

Postponements may be allowed for substantial developments at the discretion of Council. A request for postponement must be made in writing to the Chief Executive stating the reasons why a postponement is sought. Requests for postponement will be considered on a case by case basis by the Finance and Business Support Committee.

2.11 Refund of development contribution

A development contribution will be refunded if:

- i) the building consent or resource consent that triggered the requirement for a development contribution lapses or is surrendered
- ii) the development does not proceed
- iii) Council does not provide infrastructure for which a development contribution was required.

An administration fee of \$150 will be charged in the case of (i) and (ii) above.

2.12 Payment of development contribution

Following assessment of the requirement for a development contribution and a calculation of applicable development contribution required an invoice will be issued at the time of:

- a building consent being uplifted
- a resource consent for a change in use deemed to result an increase in demand for service for water or wastewater services being granted

Payment is treated as any Council charge and is due by the 20th of the following month.

Non-payment of development contributions will be treated the same as other Council debt and will result in penalties, debt collection fees and court costs as applicable.

In addition, in situations of non-payment Council may take the following actions:

- Code of Compliance Certificate (section 95 of the Building Act 2004) will not be issued
- Network connections will not be completed
- Statutory Land Charge may be lodged against the property.

2.13 Development contribution for Council development

Development carried out by Council will be subject to any applicable development contribution except for any required for the same activity as the development.

2.14 Private development agreements

Council may enter into private development agreements in circumstances where there is a need to allocate responsibility between developers and Council for the construction and funding of public works associated with a development.

This policy is a funding policy for planned capital expenditure on community facilities. Private development agreements will not be used to reduce the amount of any contribution charge calculated under this policy.

Any private development agreement entered into must show how costs payable to a developer for public works will be funded.

2.15 Financial contributions

The Resource Management Act 1991 (RMA) authorises local authorities to require financial contributions from developers in certain situations.

Council's District Plan provides for developments to be assessed for financial contributions at the resource consent application stage. In particular, Council can require developers to provide cash or land for the provision of open space and recreation areas for the following purposes:

- provision of new neighbourhood parks in areas where there are existing or potential deficiencies in the provision of local parks,
- development of neighbourhood and District parks to a level at which they are usable and enjoyable for children's play, general recreation and visual amenity, and
- provision and development of neighbourhood walking and cycling linkages.

The full provisions relating to financial contribution requirements are contained in section 9 (policy 9.3C) of the Ashburton District Council District Plan.

Council cannot require a development contribution to fund an asset for which a financial contribution has been paid.

Council's District Plan is available for inspection from:

- Council's website www.ashburtondc.govt.nz
- Council offices, 5 Baring Square West, Ashburton.

Please note – Council will no longer be able to require financial contributions to be paid under the Resource Management Act from 18 April 2022. Council intends to review the mechanism for charging financial contributions prior to this date.

2.16 Limitations applying to requirement for development contribution

Council must not require a development contribution for a reserve, network infrastructure, or community infrastructure if:

- it has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose;
- the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure;
- Council has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance; or
- a third party has funded or provided, or undertaken to fund or provide, the same reserve, network infrastructure, or community infrastructure.

2.17 Public inspection of development contributions policy information

This policy and its supporting information is available on Council's website www.ashburtondc.govt.nz or on request from the Council offices.

2.18 Policy review

This policy will be adopted in conjunction with Ashburton District Council's Long Term Plan 2018-28. The policy must be reviewed at least every three years and may be amended at any time if required. Any review of the policy must be undertaken using a

consultation process that gives effect to the requirements of section 82 of the Act.

This policy has been prepared to comply with relevant legislation including the requirements of the Local Government Act 2002 Amendment Act 2014 and the Local Government Act 2002.



Appendix 1. Definitions

Accommodation unit: means units, apartments, rooms in one or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.

Act: means the Local Government Act 2002.

Activity: means a good or service provided by Council (as per section 5 of the Local Government Act 2002), and for which development contributions are collected.

Allotment: has the meaning given to it in section 218(2) of the Resource Management Act.

Authorised Officer: is an officer authorised in accordance with Council's delegations register to carry out functions under this policy.

Catchment: is a defined area of the district that receives a discrete service subject to development contributions as detailed in this policy.

Business property: a non-residential development using land or buildings for the provision of services in the course of a trade or business.

Community facilities: reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199 of the LGA

Community infrastructure: means the following assets when owned, operated, or controlled by Council:

- a.) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated,
- b.) play equipment located on a neighbourhood reserve,
- c.) toilets for use by the public,
- d.) other community infrastructure projects covered by schedule 1A (8) of the Local Government Act 2002.

Development: means any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but does not include the pipes or lines of a network utility operator

Development agreement: is a voluntary contractual agreement made (under sections

207A to 207F of the LGA) between one or more developers and one or more territorial authorities for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in one or more districts or a part of a district.

Development contribution: a contribution—

- a.) provided for in a development contribution policy of a territorial authority; and
- b.) calculated in accordance with the methodology; and
- c.) comprising—
 - i) money; or
 - ii) land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Māori Act 1993, unless that Act provides otherwise; or
 - iii) both.

Development contribution objection: an objection lodged under clause 1 of Schedule 13A of the LGA against a requirement to make a development contribution.

Development contributions commissioner: a person appointed under section 199F of the LGA.

District Plan: means the Operative Ashburton District Plan including any proposed plan or variation.

Household unit: is a building or part of a building capable of being used as an independent residence and includes apartments, semi-detached or detached houses, units, town houses, granny flats (or similar), and caravans (where used as a place of residence or occupied for a period of time exceeding six months in a calendar year).

Household Unit Equivalent (HUE): is a unit of demand representing one average household unit.

Methodology: is the methodology for calculating development contributions set out in Schedule 13 of the LGA.

Network infrastructure: means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

Network utility operator: has the meaning given to it by section 166 of the Resource Management Act 1991.

Non-residential development any development that is not for residential purposes. This includes:

- all buildings that are considered a fundamental place of work such as dairy milking sheds, shearing sheds and indoor farming facilities such as for chickens or pigs
- all buildings for the provision of sport, recreation or entertainment
- all buildings for the provision of social or cultural pursuits.

Objector: means a person who lodges a development contribution objection.

Residential development: use of land and buildings by people for the purpose of permanent living accommodation in a household unit where the majority of occupiers intend to live at the site for a period of one month or more of continuous occupation per annum and will generally refer to the site as their home and permanent address.

It includes accessory buildings and leisure activities associated with needs generated principally from living on the site.

Resource consent: has the meaning given to it in section 2(1) of the Resource Management Act 1991 and includes a change to a condition of a resource consent under section 127 of that Act.

Service connection: means a physical connection to a service provided by, or on behalf of, Council.

Appendix 2. Key Assumptions

The following assumptions have been used in the preparation of this policy:

Capital expenditure

Future capital expenditure costs are based on the best available knowledge at the time of preparation. These take into account known or likely construction costs and assumed inflation rates.

Population growth

Council has prepared population growth forecasts based on Statistics NZ medium

population projections.

Inflation

All project costs in the Development Contributions Policy are based on current estimates of infrastructure construction prices in 2018 dollars with inflation of all capital costs over the period using local government cost adjusters supplied by BERL.

Cost of capital

No cost of capital (including interest) is included in the cost of providing for growth and therefore is not included in development contribution calculations. The cost of capital is carried by the relevant ratepayer body.

Residential household size and household demand

Each residential unit is assumed to have the same number of residents living at the property. This is the average household size in Ashburton District from the 2013 Census – 2.5 residents (1 HUE).

Each household is assumed to place the same demand on Council infrastructure.

Appendix 3. Calculation methodology

Development contribution for residential unit for water and wastewater

1. Determine the overall growth capacity of the applicable scheme

Maximum connections (HUEs) - current connections (HUEs)

= Growth Capacity (GC) (HUEs)

GC as a ratio of maximum connections = Scheme Growth Factor (SGF %)

2. Identify capital projects (and the cost of those projects) that include a cost to provide capacity for future growth = Capital Expenditure (CE).

The projects identified will be:

- completed capital projects with identified residual growth capacity and which are not fully paid for – i.e. have an outstanding loan
- current capital projects with identified cost component to provide growth capacity



- planned capital projects included in the Council's Long Term Plan with identified cost component to provide growth capacity and that will be given effect to within the next 10 years
3. Identify the proportion of CE for each project that is provided to cater for growth to get a Project Growth Factor (PGF%)

Scheme Growth Factor (GF%) is used for completed projects and a project growth factor (PGF%) is used for current and future projects.

The lower of the project growth factor or the scheme growth factor is used for calculations – Applied Growth Factor (AGF%).

Cost associated with component capacity over and above current scheme capacity will be recovered when the scheme capacity is increased or will be funded by the scheme as a whole.

4. Multiply capital expenditure identified in step 2 by the Growth Factor = Net Growth Expenditure (NGE \$)
5. Divide Net Growth Expenditure (NGE) by the Excess Capacity in Household equivalents (EC) = Development Contribution to be levied per household equivalent.
 - The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

$$CE \times GF\% \text{ EC} = \text{development contribution amount.}$$

Calculation methodology to determine non-residential development contribution for water and wastewater (HUEs)

The demand impact of a non-residential unit for both water and waste water is determined by assessed water consumption.

1. Determine water consumption per person per day based on the use of the property.

Water consumption is determined by typical water consumption based on the property uses listed in Appendix IV.

If there is no suitable property use listed in Appendix IV on which to make a fair assessment, the developer will be requested to provide an assessment of water consumption.

If this assessment is not deemed appropriate the assessment will be determined by a Council officer with delegated authority.

2. Determine the expected maximum occupancy of the property (persons)

This assessment is based on information and design drawings submitted as part of the development approval process i.e. management plans, bed or seating plans or other such plan as agreed by Council, or where no available fire service occupancy rates may be used.

3. Determine total water consumption

$$\begin{array}{l} \text{Total Water Consumption (litres per day)} = \\ \text{water consumption per person(litres per day)} \\ \times \\ \text{maximum occupancy (persons)} \end{array}$$

4. Convert to household unit equivalent (HUEs)

$$\begin{array}{l} \text{Demand Impact (HUEs)} = \\ \text{Total Water Consumption (litres per day)} / \\ \text{HUE consumption} \end{array}$$

Household Unit Equivalent water consumption is 550 litres per day

- Assumed water demand of 1 person =220 litres per day
- Assumed household of 2.5 persons

Normal rounding protocols shall be applied to the result to yield a whole number.

5. Determine non-residential development contribution for applied property

$$\begin{array}{l} \text{Non-residential development contribution} = \\ \text{Demand Impact (HUEs)} \times \text{Development Contribution (per HUE)} \end{array}$$

6. Calculation methodology to determine development contribution for community infrastructure – per HUE

The development contribution for community infrastructure is levied on all new developments within the district at a uniform rate per property unit.

Methodology

1. Determine the growth capacity of each asset to be levied that is designed to accommodate future development growth = Growth Factor (GF%).

- District population for which the asset has been designed minus current district population = Excess Capacity (EC) in household equivalent units

2. Identify capital expenditure which has a growth component = CE.

- Any capital expenditure which maintains Excess Capacity (EC) has a growth component equal to the Growth Factor. If the capital expenditure results in an increase in Excess Capacity then the Growth Factor will also increase proportionately.

3. Multiply capital spending identified in Step 2 by the Growth Factor = Net Growth Expenditure (NGE).

- The growth related component of the capital expenditure in dollars is identified.

4. Divide Net Growth Capital Expenditure (NGE) by the Excess Capacity in Household equivalents (EC) = Development Contribution to be levied per household equivalent.

- The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

$$CE \times GF\% \div EC$$

Important Note: The above methodology has been applied to establish the maximum development contribution for community infrastructure.

Council has decided that the community infrastructure development contribution will be capped at \$2,500 excluding GST per HUE. This limit has been introduced to ensure the level of development contributions does not inhibit development, therefore promoting the economic well-being of the district.

Council indicates a desire to increase this limit in 2021.

Schedule 1 – Development Contributions for Community Facilities

1. Development contributions by location

This table shows the development contributions by location under the current policy. Figures are inclusive of GST.

CATCHMENT	WATER	WASTEWATER	COMMUNITY INFRASTRUCTURE	TOTAL 2018/19
Ashburton*	\$878.00	\$3,604.00	\$2,875.00	\$7,357.00
Methven	\$3,718.00	\$336.00	\$2,875.00	\$6,929.00
Rakaia	\$256.00	-	\$2,875.00	\$3,131.00
Hinds	\$917.00	-	\$2,875.00	\$3,792.00
Fairton	\$2,367.00	-	\$2,875.00	\$5,242.00
All Other	-	-	\$2,875.00	\$2,875.00

*Ashburton includes Lake Hood.

2. Event giving rise to requirement for development contributions

An assessment of liability to pay development contributions will be made at the time Council receives an application for:

- building consent for a new residential unit
- building consent for a new non-residential unit
- building consent or resource consent for an addition, alteration, or change of use for a non-residential unit.

3. Schedule of assets for which a development contribution is required

Details of the community infrastructure assets for which development contributions are required are included in Schedule 2 of this policy.



Period of CAPEX	Project Description	Year Incurred / Proposed	Amount (\$)	Project Growth Factor	Applied Growth Factor	Funding from Other Sources (\$)	Cost of Providing for Growth (\$)	Development Contribution per Hue (\$)
Recent	Internal loan	2004/17	4,753,076	22.22%	12.77%	4,145,997	607,079	466.14
	External loan	2004/17	1,340,000	22.22%	12.77%	1,168,851	171,149	131.41
Current	Tarbottons Road Extension	2017/18	560,000	47.00%	12.77%	488,475	71,525	54.92
Future LTP- 2018-28	New Bore Development	2023/24	550,000	100.00%	12.77%	479,752	70,248	53.94
	Chalmers Ave	2018/19	355,800	15.59%	12.77%	310,356	45,444	34.89
	Chalmers Ave	2022-24	228,400	15.59%	12.77%	199,228	29,172	22.40
Ashburton water supply – development contribution (excl GST)								763.70
GST								114.56
Ashburton water supply – development contribution (inc GST)								\$878.00

HUE calculation

Maximum connections	1,057
Current connections	965
Growth capacity (HUEs)	92

Scheme growth factor 8.70%

Period of CAPEX	Project Description	Year Incurred / Proposed	Amount (\$)	Project Growth Factor	Applied Growth Factor	Funding from Other Sources (\$)	Cost of Providing for Growth (\$)	Development Contribution per Hue (\$)
Recent	Internal loan	2004/17	1,515,074	12.34%	8.70%	1,383,289	131,785	1,432.94
	External loan	2004/17	65,000	12.34%	8.70%	59,346	5,654	61.48
Current	Chapman Street Renewal	2017/18	97,199	5.00%	5.00%	92,239	4,860	52.84
	Patton Street Renewal	2017/18	5,102	5.00%	5.00%	4,847	255	2.77
Future LTP-2018-28	Patton Street Renewal	2018/19	171,114	25.00%	8.70%	156,230	14,884	161.84
	Reservoir Upgrade	2018/20	794,000	7.51%	7.51%	734,371	59,629	648.37
	Trunkmain Renewal (WTP End)	2018/20	550,620	5.00%	5.00%	523,089	27,531	299.35
	McDonald St Renewal	2019/20	117,620	5.00%	5.00%	111,739	5,881	63.95
	Main St Renewal	2019/20	68,950	5.00%	5.00%	65,503	3,448	37.49
	McKerrow St Renewal	2020/22	164,000	5.00%	5.00%	155,800	8,200	89.16
	Mackie St Renewal	2021/23	130,080	5.00%	5.00%	123,576	6,504	70.72
	Spaxton Street Renewal	2022/24	136,800	5.00%	5.00%	129,960	6,840	74.37
	Cameron St Renewal	2024/26	145,870	5.00%	5.00%	138,577	7,294	79.30
	Jackson St Renewal	2025/27	150,350	5.00%	5.00%	142,833	7,518	81.74
	Spaxton Street Renewal	2026/28	130,480	5.00%	5.00%	123,956	6,524	70.94
	Year 11 Project Design	2027/28	4,038	5.00%	5.00%	3,836	202	2.20
Methven water supply – development contribution (excl GST)								3,238.82
GST								484.92
Methven water supply – development contribution (inc GST)								3,718.00

HUE calculation	Maximum connections	682
	Current connections	571
	Growth capacity	111
	(HUEs)	

Scheme growth factor 16.33%

[illegible]

HUE calculation	Maximum connections	147	Scheme growth factor	5.53%
	Current connections	139		
	Growth capacity (HUEs)	8		

[illegible]

[illegible]

Development contribution - Ashburton wastewater (Includes Lake Hood)

HUE calculation	Maximum connections	9,534	Scheme growth factor	6.00%
	Current connections	8,962		
	Growth capacity (HUEs)	572		

Period of CAPEX	Project Description	Year Incurred / Proposed	Amount (\$)	Project Growth Factor	Applied Growth Factor	Funding from Other Sources (\$)	Funding from Development Contributions (\$)	Development Contribution per Hue (\$)
Recent	Internal loan	2005/17	7,714,981	11.08%	6.00%	7,252,393	462,588	809.22
	External loan	2005/17	6,120,000	25.00%	6.00%	5,753,047	366,953	641.93
Current	ARS & River Crossing	2017/18	3,000,000	25.00%	6.00%	2,820,121	179,879	314.67
	Ocean Farm - Effluent Irrigation Extension	2017/18	10,000	4.74%	4.74%	9,526	474	0.83
Future LTP- 2018-28	Ocean Farm - Effluent Irrigation Extension	2018/19	190,000	4.74%	4.74%	180,991	9,009	15.76
	Walnut Ave Renewal (Creek to West)	2018/19	423,444	4.74%	4.74%	403,367	20,077	35.12
	Chalmers Ave Renewal (Victoria/Walnut)	2018/19	462,726	4.74%	4.74%	440,787	21,939	38.38
	ARS & River Crossing	2018/20	6,300,000	25.00%	6.00%	5,922,254	377,746	660.81
	Farm, Allens & Carters Road Sewermain Extensions + Pump Station	2018/21	1,897,000	100.00%	6.00%	1,783,256	113,744	198.98
	Chalmers Ave Renewal (Cameron/Victoria)	2018/20	541,770	4.74%	4.74%	516,083	25,687	44.94
	Cameron St (William/Chalmers)	2018/20	277,090	4.74%	4.74%	263,952	13,138	22.98
	William St Renewal (Dobson/Burnett)	2019/21	771,630	4.74%	4.74%	735,044	36,586	64.00
	Grit Chamber Pipeline Renewal (Chamber/ River Crossing)	2019/21	3,143,600	4.74%	4.74%	2,994,552	149,048	260.74
	William St Renewal (Burnett/Cameron)	2020/22	307,720	4.74%	4.74%	293,130	14,590	25.52
Ashburton Wastewater Scheme – development contribution (excl GST)								3,133.87
GST								470.08
Ashburton Wastewater Scheme – development contribution (inc GST)								3,604.00

HUE calculation

Maximum connections	1,454	Scheme growth factor	27.25%
Current connections	1,058		
Growth capacity (HUEs)	396		

Period of CAPEX	Project Description	Year Incurred / Proposed	Amount (\$)	Project Growth Factor	Applied Growth Factor	Funding from Other Sources (\$)	Funding from	Development Contribution per Hue (\$)
Recent	Internal loan	2005/17	309,493	29.09%	27.25%	225,168	84,325	212.86
	External loan							
Current	Barkers Rd Renewal	2016/18	90,725	5.00%	5.00%	86,189	4,536	11.45
Future LTP- 2018-28	Dolma St Renewal	2018/19	179,284	5.00%	5.00%	170,320	8,964	22.63
	Mt Hutt College Main Renewal (Entrance/Courts)	2020/22	121,450	5.00%	5.00%	115,378	6,073	15.33
	Mt Hutt College Main Renewal (Courts/20 Main)	2021/23	125,270	5.00%	5.00%	119,007	6,264	15.81
	Cameron Street Rear Sewermain Renewal (29 to 7)	2023/25	106,510	5.00%	5.00%	101,185	5,326	13.44
	McDonald St Ream Main Renewal	2027/28	7,077	5.00%	5.00%	6,723	354	0.89
Methven Wastewater Scheme – development contribution (excl GST)								292.42
GST								43.86
Methven Wastewater Scheme – development contribution (inc GST)								336.00

Development contribution – Ashburton District community infrastructure

HUE calculation	Projected population	37,800 ¹	Persons per household 2.5	Projected households	15,120
	Less current population	34,100 ²		Less current households	13,640
	Growth capacity (residents)	3,700		Growth capacity (HUEs)	1,480
			District growth factor		9.8%

PERIOD OF CAPEX	PROJECT DESCRIPTION	YEARS INCURRED	PROJECT CAPITAL (\$)	PROJECT GROWTH FACTOR	APPLIED GROWTH FACTOR	FUNDING FROM OTHER SOURCES (\$)	FUNDING FROM DEVELOPMENT CONTRIBUTIONS (\$)	LESS DEVELOPMENT CONTRIBUTIONS RECEIVED (\$)	DEVELOPMENT CONTRIBUTION PER HUE (\$)
Current	Ashburton Art Gallery and Heritage Centre	2012-15	10,200,000	11.50%	11.50%	9,027,000	1,173,000	1,014,080	685.00
	EA Networks Centre	2009 - 2015	34,500,000	11.50%	11.50%	30,532,500	3,967,500	3,429,956	2,317.00
Community Infrastructure – development contribution (excl GST)									3,002.00
Development contribution payable capped per HUE									2,500.00
GST									375.00
Development contribution payable per HUE (including GST)									2,875.00

¹ Source: Statistics New Zealand Population Projections for 2028 (2013 Census as a base – medium population projection)

² Source: Statistics New Zealand Population Estimates for 30 June 2017

Notes:

With a cap on the amount of development contributions able to be charged set at \$2,500 (+GST) the amount of funding coming from development contributions for the projects captured is less than it would otherwise be.

Development contributions for the Council administration building extension project have not been included in the schedule above as this project no longer meets the criteria of the Local Government Act for development contributions to be taken. Funds collected to date for this project will be applied to that project.

Schedule 4

Water consumption of non-residential properties by functional use

PROPERTY USE	WATER CONSUMPTION (LITRES / PERSON / DAY)	PROPERTY USE	WATER WCONSUMPTION (LITRES / PERSON / DAY)
Household (per person)	220	Offices, Shops or Dry Industries	
Boarding Houses / Homestays		Per staff member	40
Per bed	220	Public Toilets (incl. hand wash)	
Camping Grounds (Per guest)		Per person	20
Fully serviced	130	Restaurants/ Bars/ Cafes (per customer)	
Recreation areas	65	Dinner	30
Community Halls (Per person)		Lunch	25
With banquet facilities	30	Bar	20
Meetings	15	Rest Home (Per bed + per staff member)	
Hospitals (Per bed + per staff member)		Per bed	250
Per bed	250	Per staff member	60
Per staff member	60	Retirement Home (self-contained units)	
Lunch Bars (Per customer + per staff member)		Resident	220
With restroom facilities	25	Staff	50
Without restroom facilities	15	School (per pupil + per staff member)	
Per staff member	40	No gym, showers or cafeteria	20
Motels / Hotels		Gym, showers and cafeteria	100
Guests, resident staff	220	Boarding	250
Reception rooms	30	Shopping Centre	
Restaurant (per customer)	30	Per customer	25
Bar (per customer)	20		

Note: Typical water consumption figures based on examples contained in "On-site Wastewater Systems: Design and Management Manual", Auckland Regional Council technical publication No.58, third edition, August 2004.

Significance & Engagement Policy Summary

The Significance & Engagement Policy details (1) the process Council undertakes when determining the significance of issues, decisions or proposals, and (2) the process for determining how and when to engage with the community.

Background

Engagement is a process of dialogue between decision-makers, partners, communities and stakeholders for the purpose of making better decisions, policies or programmes. Community input into significant decisions, policies or programmes undertaken by Council is essential to ensure they reflect the aspirations and priorities of communities, Ngāi Tahu and interested groups.

The Significance & Engagement Policy aims to provide a flexible but focused approach to community engagement that:

- recognises the importance of involving communities in Council's work;
- provides a range of options and methods for engagement with different groups and communities for issues, decisions and proposals with different degrees of significance;
- demonstrates Council's commitment to building ongoing relationships and greater understanding of community views and preferences.

Council will consider community views when making decisions. The Policy establishes a general approach for determining the significance of Council issues, decisions or proposals and sets out when and how Council will engage the community in decision-making relative to the significance of the decision.

Overview of the Policy

The Policy includes different sections for Significance and Engagement. The aim is to first establish how significant an issue, decision or proposal is to the community, before determining the appropriate level of engagement. For instance, some decisions will be of low significance and provided as 'information only' to the community (such as decisions to award grant funding), whereas others will be of high significance, requiring more extensive community engagement (such as a large community-focused capital project).

The following sections are included in the Policy:

Significance

This section sets out the general approach to determining significance and making decisions. Specific criteria have been developed to help Council determine the level of significance.

Engagement

This section assists with determining the appropriate type of engagement, based on the level of significance. An 'Engagement Scale' is included, which shows the different levels of engagement, including inform, comment, consult, involve and collaborate. This section also details when Council is expected to engage to meet statutory requirements under various legislation. Council's engagement principles, in relation to facilitating Māori participation in local decision-making, are also detailed in this section.

Strategic assets

This section includes details of Council's strategic assets and sets out Council's legislative responsibility to use the special consultative procedure when substantially altering the level of service for any significant activity, or transferring ownership or control of a strategic asset.

Criteria and Procedure for Assessing Significance

Determining how significant an issue is to the community is important because it assists Council in deciding the best course of action for community engagement.

The following criteria will be used to determine the level of significance for the issue, decision or proposal being considered by Council. If any of the criteria are of high-level significance, the proposal or decision is immediately considered 'significant'. All criteria are weighted evenly. However, Council acknowledges that in different circumstances, criteria will be of varying levels of importance.

1. Involves strategic asset
2. Number of people affected
3. Level of impact on people affected
4. Level of *current* community interest
5. Level of *potential* community interest

- 6. Of interest to Te Runanga o Arowhenua as mana whenua
- 7. Cost of proposal
- 8. Impact on rates

- 9. Impact on levels of service
- 10. Overall assessment of risk
- 11. Overall assessment of health and safety considerations.



Engagement Scale

This Engagement Scale sets out Council's approach to determining what type of community engagement is best, once the level of significance has been determined. Issues, decisions or proposals of greater significance will generally require a more intensive engagement process. The tools available to Council are wide ranging from information only to full collaboration.

LEVEL	1. INFORM	2. COMMENT	3. CONSULT	4. INVOLVE	5. COLLABORATE
What it involves	One-way communication to provide the public with balanced, objective information to assist people in understanding problems, alternatives, opportunities and/or solutions.	Informal two-way communication to obtain selected feedback on alternatives. Asking the community for information to seek ideas, opinions and information in the development process.	Formal two-way communication to obtain public feedback on analysis, alternatives and/or decisions.	A participatory process to work with the community to ensure that public concerns and aspirations are consistently understood and considered.	Working together to partner with the community in each aspect of the decision including the development of alternatives and identifying the preferred solution.
Examples	<ul style="list-style-type: none"> Annual Report Changes to policy or bylaw schedules Low significance policies Decisions to award grants funding. 	<ul style="list-style-type: none"> Development of a timing schedule for a project, e.g. a 'Main Street upgrade' Annual Residents Survey. 	<ul style="list-style-type: none"> Long Term Plan (LTP) Annual Plan (where there are significant changes from the LTP) New or amended bylaws High significance policies District Plan changes Open Spaces Strategy Waste Minimisation Plan. 	<ul style="list-style-type: none"> Development of options for policy change for a significant issue Large capital projects (for example, Council's new administration building) Stock water closures 	<ul style="list-style-type: none"> Large community focussed capital project (for example, the new EA Networks stadium).
Tools Council might use	<ul style="list-style-type: none"> Media release Website Brochure/flyers Public notices Communication to key stakeholders. 	<ul style="list-style-type: none"> Informal meetings with affected groups Informal gatherings Telephone surveys. 	<ul style="list-style-type: none"> Formal submissions and hearings (Special Consultative Procedure, likely to incur cost) Social media Email Focus groups Phone surveys. 	<ul style="list-style-type: none"> Workshops Focus groups Interviews Targeted surveys. 	<ul style="list-style-type: none"> External working groups Open surveys.
When the community can expect to be involved	When a decision is made.	After the development of options but prior to the final decision by Council.	When a draft decision has been made, or 'adopted for consultation' by Council.	At the refining stage of options.	At the development stage of options.

LOW LEVEL SIGNIFICANCE

If an issue is of low level significance, the recommended engagement methods are 1 or 2

HIGH LEVEL SIGNIFICANCE

If an issue is of high level significance, the recommended engagement methods are 3, 4 or 5

.....➔ **SIGNIFICANT**

Point at which an issue is considered **significant**. Recommended engagement methods are 3, 4 or 5.

Strategic Assets

The table below is a schedule of the strategic assets of Council.

ACTIVITY / GROUP OF ACT	COUNCIL ASSET
Investments	Shareholding in Electricity Ashburton Shareholding in Transwaste Canterbury Ltd Shareholding in Rangitata Diversion Race Management Ltd
Drinking Water	Council’s water supply and reticulation networks as a whole
Wastewater	Council’s wastewater infrastructure as a whole
Transportation	Council’s road network as a whole
Open Spaces	Council cemeteries The land comprising the inner part of Baring Square Ashburton, including the Ashburton Town Clock and the Cenotaph Reserve lands as a whole including land held under the Reserves Act 1977 and land used for parks, gardens, sports fields and recreation areas. Ashburton Domain
Community services	Council’s Elderly Persons Housing stock as a whole

For more information

You can obtain a copy of the Policy from the Council reception, or online at: ashburtondc.govt.nz/our-council/policies-and-bylaws

