

# Ashburton District Council

## AGENDA

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### **Notice of Meeting:**

A meeting of the Ashburton District Council will be held on:

**Date:** Wednesday 21 February 2024

**Time:** 1.00pm

**Venue:** Hine Paaka Council Chamber  
Te Whare Whakatere, 2 Baring Square East, Ashburton

### **Membership**

Mayor	Neil Brown
Deputy Mayor	Liz McMillan
Members	Leen Braam
	Carolyn Cameron
	Russell Ellis
	Phill Hooper
	Lynette Lovett
	Rob Mackle
	Tony Todd
	Richard Wilson

## Meeting Timetable

Time	Item
<b>1.00pm</b>	Council meeting commences
<b>2.50pm</b>	Welcome to new and long-serving staff

### **1 Apologies**

### **2 Extraordinary Business**

### **3 Declarations of Interest**

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

### **Minutes**

<b>4</b>	Council – 7/02/24	<b>3</b>
<b>5</b>	Methven Community Board – 29/01/24	<b>5</b>

### **Reports**

<b>6</b>	Revenue & Financing Policy – Stockwater Management	<b>8</b>
<b>7</b>	Revenue & Financing Policy - Roads with Rural Targeted Rate	<b>22</b>
<b>8</b>	Revenue & Financing Policy – Consultation alongside LTP 2024-34	<b>35</b>
<b>9</b>	Draft Development & Financial Contributions Policy for Consultation	<b>125</b>
<b>10</b>	Exhibition Lighting Renewal	<b>169</b>
<b>11</b>	Mid-year Performance and Strategy & Plan Report	<b>175</b>
<b>12</b>	EA Networks Centre – Accessible Changing Rooms	<b>196</b>
<b>13</b>	Ashburton Car Club – Road Closure	<b>203</b>
<b>14</b>	Speed Limits and Urban Schools	<b>209</b>
<b>15</b>	Financial Variance Report – December 2023	<b>217</b>
<b>16</b>	Mayor’s Report	<b>252</b>

### **Business Transacted with the Public Excluded**

<b>17</b>	Council 7/02/24		<b>PE 1</b>
	• Ashburton Business Estate	Section 7(2)(h) Commercial activities	

## 4. Council Minutes – 7/02/24

Minutes of the Council meeting held on Wednesday 7 February 2023, commencing at 1pm in the Hine Paaka Council Chamber, Te Whare Whakatare, 2 Baring Square East, Ashburton.

### Present

His Worship the Mayor, Neil Brown; Deputy Mayor Liz McMillan and Councillors Leen Braam, Carolyn Cameron, Russell Ellis, Phill Hooper, Lynette Lovett, Rob Mackle, Tony Todd and Richard Wilson.

### In attendance

Hamish Riach (Chief Executive), Toni Durham (GM Democracy & Engagement), Jane Donaldson (GM Strategy & Compliance), Leanne Macdonald (GM Business Support), Neil McCann (GM Infrastructure & Open Spaces), Sarah Mosley (GM People & Facilities) and Phillipa Clark (Governance Team Leader).

Staff present for the duration of their reports: Mark Low (Strategy & Policy Manager), Andrew Guthrie (Assets Manager), Laretta Smith (Accountant) and Tania Paddock (Legal Counsel).

### 1 Apologies

Nil.

### 2 Extraordinary Business

Nil.

### 3 Declarations of Interest

Nil.

### 4 Confirmation of Minutes – 20/12/23

**That** the minutes of the Council meeting held on 20 December 2023, be taken as read and confirmed.

Cameron/Braam

Carried

### 5 LTP 2024-34 Update and Transitional Provisions

**That** Council confirms that the LTP 2024-34 Consultation Document is not subject to audit and will not include an Audit opinion.

Lovett/Todd

Carried

### 6 Fairton Water Supply – proposed connection to Ashburton Water Supply

The meeting was adjourned around 1.15pm for a fire alarm evacuation.  
Council returned to the Chamber at 1.36pm.

Council unanimously supported the proposal to connect Fairton to the Ashburton water supply.

**That** Council approves servicing the Fairton township from the Ashburton water supply, through a pipeline to be constructed in Company Road (from Ashford Avenue to Fairfield Road) and Fairfield Road (from Company Road to the existing Fairton water treatment plant).

McMillan/Braam

Carried

## 7 Naming of Road – McKain Lane

**That** the private right of way to be developed as part of Stage 2 of subdivision SUB22/0015 within the subdivision known as Mckain Future Investments, located at Trevors Road, be named McKain Lane.

Todd/Cameron

Carried

## 8 Financial Variance report – November 2023

Officers will check and report back on the following –

- West St carpark resource consent timeline
- Water Zone Committee income and expenditure

**That** Council receives the November 2023 financial variance report.

McMillan/Ellis

Carried

## 9 Mayor’s Report

The next report will be provided to Council on 21 February.

### Business transacted with the public excluded – 1.58pm.

**That** the public be excluded from the following parts of the proceedings of this meeting, namely – the general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:	
10	Council – 20/12/23 <ul style="list-style-type: none"><li>• Library &amp; Civic Centre PCG 12/12/23</li><li>• Ashburton Business Estate</li></ul> [Now in open meeting] <ul style="list-style-type: none"><li>• EANC heatpump maintenance</li></ul>	Section 7(2)(h)	Commercial activities
		Section 7(2)(h)	Commercial activities
11	Library & Civic Centre PCG – 23/12/23	Section 7(2)(h)	Commercial activities

Cameron/Lovett

Carried

The meeting concluded at 2pm.

Confirmed 21 February 2024

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MAYOR

## 5. *Methven Community Board – 29/01/24*

Minutes of the Methven Community Board meeting held on Monday 29 January 2024, commencing at 9.00 am, in the Mt Hutt Memorial Hall Board Room, 160 Main Street, Methven.

### Present

Kelvin Holmes (Chair), Megan Fitzgerald, Robin Jenkinson, Allan Lock, Richie Owen; Mayor Neil Brown, Deputy Mayor Liz McMillan and Cr Rob Mackle.

### In attendance

Toni Durham (GM Democracy & Engagement), Linda Clarke (Communications Advisor) and Mary Jenkin (Governance Support).

#### 1 Apologies

Megan Fitzgerald

Sustained

#### 2 Extraordinary Business

Discretionary grant requests – Methven Lions Club and Methven Bowling Club.  
The Chair accepted two late items for discussion and decision.

#### 3 Declarations of Interest

Nil.

#### 4 Confirmation of Minutes

**That** the minutes of the Methven Community Board meeting held on 27 November 2023 be taken as read and confirmed.

McMillan/ Lock

Carried

#### 5 Activity Reports

**That** the reports be received.

Jenkinson/Lock

Carried

#### 5.1 Democracy & Engagement

- **Alcohol policy** – events coming up in March include the Methven Show and Rodeo. Deputy Mayor McMillan asked if officers would assist with comms around this to help support local businesses.
- **Long Term Plan 2024-34 development**  
Methven Community Board will resubmit a proposal to Council on how lighting the Methven CBD could be funded. Council will consider this through the LTP consultation process.  
The Board noted that submissions open on 20 March and close at the end of April.

- **Representation Review**

The Board has made a submission.

- **Biodiversity Strategy**

The Deputy Mayor advised that the Garden of Harmony is being considered as part of the work being done on reserve management planning.

- **Draft Reserve Management Plans**

The Mayor commented that some reserves put in place 50 years ago may not be relevant today and asked whether it would be possible to swap reserve status. Board members will be provided with the map showing each of the reserves.

## 5.2 Business Support

- **Customer Request Management**

The Board noted a number of water issues in the CRM, mostly relating to aging infrastructure.

Two CRMs entered as received and not completed will be followed up with Customer Services. It was suggested there is some inconsistency with information gathering and completion sign-off.

- CRM1601425/23 – missing/damaged street signage
- CRM500002/24 – sinkhole (Brown Pub) – showing cancelled but still needing repair
- CRM1600021/24 – Status of 60km speed restriction to be followed up (noting Waka Kotahi's advice that speed limit changes can't be implemented until the new Plan is certified).

- **Finance Report**

Clarification was sought on whether paving at the Methven pool has been completed. Officers will check and report back.

- **Discretionary grants**

The Board briefly discussed the grants application process noting that accountability may have been a little relaxed and needs to be addressed. Further consideration will be given to this.

## 5.3 Compliance and Development

- **Building Services**

The Board noted that consents are down on the two previous years.

## 5.4 Infrastructure & Open Spaces

- **Reserves**

The Board suggested planting trees in the dog park. Officers will follow this up with the Open Spaces Manager.

Members were disappointed to see that signs at the skate park have been damaged and pushed over.

- **Biodiversity Community Workshop on Pest Control**

The meeting was very well attended in collaboration with the Department of Conservation, tying in with other entities involved with the trapping of pests.

- **Chambers Park community garden**

The Deputy Mayor outlined the background to the community garden – a group set up as the Methven Food Forest Group by Dr Sophie a few years ago as an initiative to plant food (fruit trees and vegetables) in Chambers Park. There is no longer anyone in the community taking responsibility for weeding and planting. The Food Forest Facebook group is now obsolete and the garden has become overgrown with weeds and is in a state of disrepair.

**That** the Chambers Park garden box be removed and the area returned to grass so it can be mown and tidied up.

Lock/Jenkinson

Carried

- **Garden of Harmony**

The Chair spoke about the community meeting held to discuss the future of the Garden of Harmony, an area of approximate two hectares. Discussion on how this land could benefit the community – potentially a submission from the Board for LTP consideration if resources are required by Council.

- **New rules for speed restriction**

The Deputy Mayor suggested that the Board asks the Mayor to write to the Minister of Transport regarding the speed signs that are going to be changed on SH77 (30 kph limit through town and 60 going out of town).

### **Extraordinary Business – discretionary grant requests**

#### **1) Methven Lions Club**

The application seeks approval for funding for the “Birdsong Initiative” – to bring back birdsong to Methven town and the foothills area between Mt Somers and Rakaia Gorge. \$10,000 is required to set up the trap library. The Board supports this initiative and is looking at the option of making unused reserve land available, adjacent to the Garden of Harmony.

The Board’s expectation is that accountability will be achieved with biannual updates from the Methven Lions.

At the request of the Group Manager Democracy & Engagement, proposed expenditure and trap costings will be provided by Robin Jenkinson.

**That** Methven Community Board allocates \$10,000 from its discretionary grant to the Methven Lions Club for the Birdsong Initiative.

Owen/Jenkinson

Carried

#### **2) Methven Bowling Club**

The application seeks approval for \$5,252 to install shade panels at the Methven bowling green.

**That** Methven Community Board allocates \$5,252 from its discretionary grant to the Methven Bowling Club for the installation of shade panels.

McMillan/Mackle

Carried

The meeting concluded at 10.23am.

Confirmed on 11 March 2024

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**Chairman**

## 6. *Draft Revenue & Financing Policy Stockwater Management*

Author	<i>Richard Mabon, Senior Policy Advisor</i>
Activity Manager	<i>Andrew Guthrie, Assets Manager</i>
Executive Team Member	<i>Neil McCann, Group Manager, Infrastructure &amp; Open Spaces</i>

### Summary

- The purpose of this report is to present policy options on the funding of stockwater management. A draft revenue and financing policy for the activity is attached as Appendix 1.
- The report discusses four consultation options and recommends that Council go out to consultation on Option Two – Increase minimum charge to \$700 in 2024/25 as the preferred Option.

### Recommendation

1. **That** Council adopt Option Two – Increase minimum charge to \$700 in 2024/25 – as its preferred policy option for public consultation.
2. **That** Council includes the three following options as alternatives for public consultation:
  - Option One - Maintain the status quo
  - Option Three - Increase the minimum to charge to \$500 in 2024/25
  - Option Four - Increase the minimum charge to \$700 by 2025/26

### Attachment

**Appendix 1** Draft Revenue & Financing Policy – Stockwater Management



## Background

### The current situation

#### *2021 Policy settings*

1. This policy was last reviewed in 2021. Under Council's 2021 policy the activity is assessed as having a mix of community-wide and group benefit.
2. Group benefits accrue to people who have a stockwater service available to them. Group benefits are assessed as 80-90% of the overall benefit.
3. Community-wide benefits are assessed as 10-20% of the overall benefit of the activity.

#### *Current rating tools*

4. Group benefits are recovered via targeted rates. The targeted rate is based on race length crossing or adjoining each property as race maintenance is a major driver of costs for the activity. There is a minimum charge of \$260 for race lengths up to 246m.
5. There are also charges for each pond service, pipe service, ram service, pump service, water wheel, windmill, dip service or extension pump service. This presumes that such services use more stockwater. These have been signalled to be removed for the 2024-34 Long Term Plan.
6. Community-wide benefit is funded from the general rate and in 2023/24 this was 7.5% of the total activity funding.

#### *What is the policy problem?*

7. There are several policy problems with the current funding model:
  - The model is not perceived as providing strong financial incentives to shift to more efficient sources of stockwater.
  - An estimated 45% of ratepayers do not need the stockwater race network as a source of stockwater. This adds to individual perceptions of unfairness amongst non-users.
  - While based on the principle of availability, there is a wide difference between the highest stockwater ratepayers (top 20% pay 54.5% of the targeted rates; the bottom 20% pays 4.9%).
  - As races close, the number of ratepayers paying targeted rates declines meaning that a budget exceeding \$1M is divided between fewer ratepayers over time, making the current approach unsustainable.
  - The nature of our service delivery means Council has no reliable information on the volume of stockwater each property uses, therefore we cannot use volume-based charging approaches without significant infrastructure investment.

#### *Benefits of stockwater management*

8. The benefits of stockwater management include:

- Land drainage/flood protection function\*
  - Processing of race closure applications\*
  - Cultural benefits (Mahika kai)
  - Ecological and biodiversity benefits
  - Public health, environmental and agricultural economic benefits (consented stockwater used for managed aquifer recharge)
  - Source water for surface water features in Ashburton domain
  - Ashburton stormwater system discharges to water races
9. There is a community perception that the stockwater races also serve a firefighting capability however this is largely historic and overstated as FENZ have indicated they seldom use stockwater sources for firefighting.

### **Previous Council decisions**

10. The 2018 Surface Water Strategy identified actions related to funding, including reviewing minimum charge rates.
11. Progress has been made on a number of actions in the Strategy, including reducing targeted ratepayers and race length since 2018.
12. In 2021, Council consulted on increasing the minimum charge for stockwater to be \$600, plus \$0.1665 per metre over 1,000 metres and removing the charge for 'stockwater services'.
13. 105 submissions were received, with the majority of submitters supporting the status quo. As a result of the submissions received and the presentations made, Council decided to increase to the minimum charge by \$50 per annum for the first three years of the 2021-31 Long-term Plan.
14. The 2018 survey (undertaken as a part of the development of the Surface Water Strategy) and 2021 consultation results provide a mixed view on whether increases to the minimum charge are an incentive for change. Some provided feedback that large minimum charge increases were a blunt instrument for change.

### **Objectives of this report**

15. The objectives of this report are to find a solution that:
- Is lawful in terms of process and content, complying with all relevant parts of the Local Government Act 2002 and the Local Government (Rating) Act 2002;
  - Is informed about the advantages, disadvantages and risks of each option and presents acceptable levels of risk;
  - Meets the funding needs of the stockwater management activity by:
    - Ensuring that the activity is sustainably funded;

- Ensuring, as far as practicable, that the incidence of funding reflects the parties who benefit;
- Addressing inequity experienced by people who do not use the stockwater network (as opposed to those who do);
- Addressing inequity experienced by people whose property is traversed or bounded by long lengths of water races (as opposed to those whose property is crossed or bounded by lengths up to 246 metres).
- Supports the collaborative action objectives of the Council set out in the Surface Water Strategy 2018. Council is seeking to align its funding and rating policies to incentivise rural property owners to move towards more efficient sources of stockwater.
- Aligns with Council's preferences indicated in the draft Long Term Plan 2024-34 about Council's role in the delivery of stockwater.<sup>1</sup>
- Can be implemented efficiently within operating budgets to take effect from 1 July 2024.

### **Interested and affected parties**

16. Interested and affected parties in relation to the stockwater management activity include all ratepayers (who pay general rates), ratepayers whose property adjoins or is crossed by stock water races, ratepayers who use stock water (who pay stockwater targeted rates), Ashburton stormwater ratepayers, Rūnaka (cultural & environmental interests), groups and individuals with an interest in ecology and the environment (environmental interests), Environment Canterbury (environmental and consent-related interests), and the Hinds Hekeao Water Enhancement Trust (consent-related interests).

### **What do others do?**

17. Few Councils deliver a stockwater service like we do, however Selwyn District Council does.

18. Their policy<sup>2</sup> provides for:

- A contribution from general rates in the range of 0-19%
- A water race (service) targeted rate which includes:
  - An annual charge of \$418 per rating unit larger than 0.5 hectares where the race service is available.

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<sup>1</sup> Elected members have expressed a preference for a three-year timeframe to exit the stockwater activity in the draft Long Term Plan 2024-34. This preference will be the subject of consultation with the community in March/April 2024.

<sup>2</sup> Selwyn District Council, [2023/24 Annual Plan](#), p 61

- A charge per hectare of \$21 per hectare up to a limit of 500 hectares (\$10,500) where the rating unit is larger than 0.5 hectares and the race service is available.
  - A water race (amenity) targeted rate of \$45 per rating unit where the area of the rating unit is up to 0.5 hectares, or no race service is available.
19. In concept, the Selwyn approach is like our Policy but uses different tools. It combines a mix of general rate and targeted rate to reflect the mix of community-wide benefit and the group benefit of availability of stockwater. The targeted rate is also differentiated on a basis that means that larger landholders with available stockwater will pay more.
  20. Council cannot replicate the Selwyn model. We have no capacity to model, understand and implement a move to differentiation based on land area within current resourcing.

## Options analysis

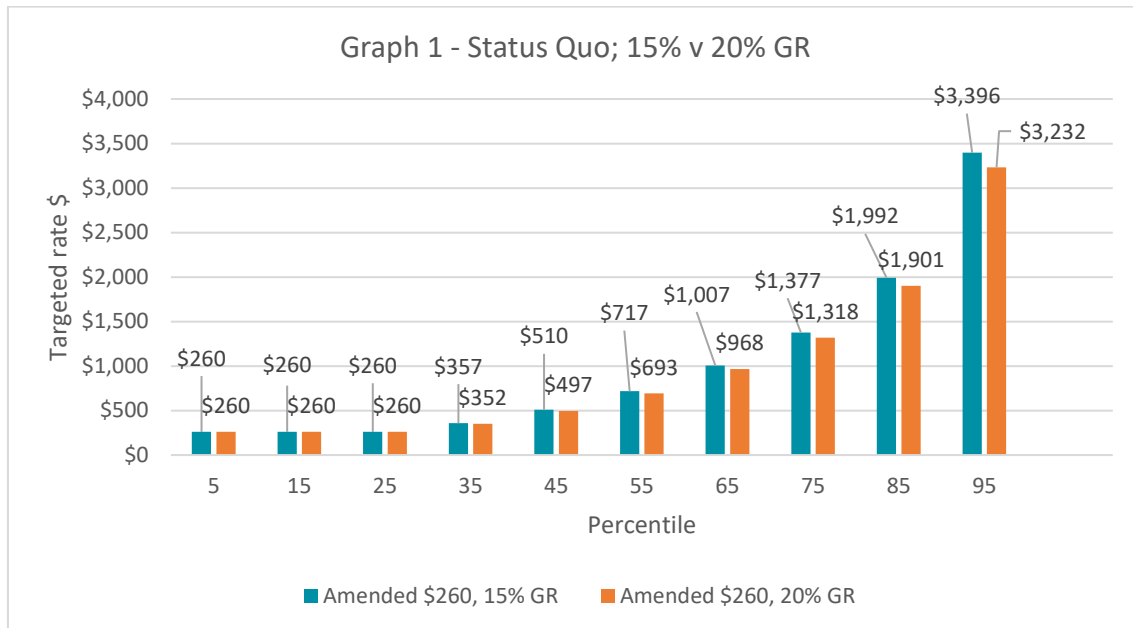
### General Comments

21. Funding the stockwater management activity is a major matter in the current review of the Revenue and Financing Policy. Council must:
  - determine a preferred option and
  - assess all reasonably practicable options in terms of their advantages and disadvantages, and
  - make that information publicly available.
22. The range of options consulted upon effectively sets the parameters for Council's final decision. Consulting on a maximum increase in the minimum charge of \$700 creates a community expectation that Council will not finally settle on \$800, \$1,000 or even \$701. A decision on \$800 or even \$701 represents a higher level of risk of legal challenge and a greater likelihood that, if challenged, Council's decision may not be upheld.
23. If Council wants to keep its decision-making options open above a \$700 minimum charge, and manage its legal risk, it would be appropriate to add another option.
24. Council should be cognisant of the principle that where the minimum charge is increased, the cost of stockwater is borne more by those who currently pay the least for the service. Conversely that those who currently pay the most will pay less which may reduce their desire to exit the service.

### Option 1 – Status Quo

25. Council could decide to retain the current minimum charge of \$260 for race lengths up to 246m for the term of the 2024-34 LTP. The per metre charge will be adjusted accordingly (to cover the balance of funding required after the general rate component has been applied) and service charges would no longer be used.

26. This is not the preferred option as it does not support all the objectives of the review as discussed earlier in the report.
27. The general rate contribution would sit between 10-20% of the activity costs. The graph below shows the impact on ratepayers with a 15% general rate component and a 20% general rate component. The effect of the higher general rate component is to lower stockwater rates for people paying more than the minimum charge. The rate lowers by around 0.4% for people paying a little above the minimum charge. The people paying the most stockwater rates see their stockwater rates lower by 5%.



**Advantages:**

Minimal impact to properties paying the least amount of stockwater rates.

**Disadvantages:**

Does not align with proposed Council direction to exit the stockwater activity.  
Does not address current issues of some users paying for a service that they do not want or need.

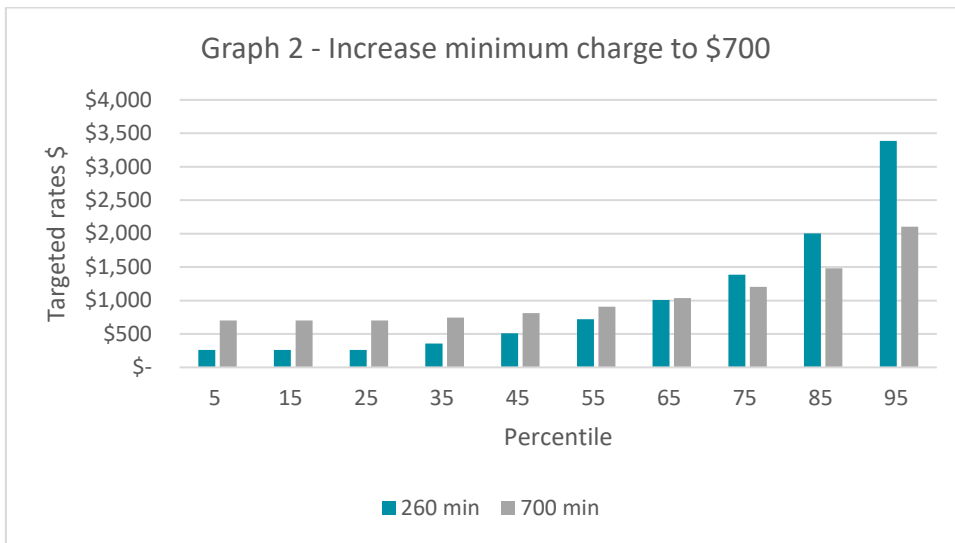
**Risks:**

Reputational risk to Council of not taking action to address the current funding inequities. Does not align well with Council's preferences for the future delivery of stockwater.

**Option Two – Increase minimum charge to \$700 over one year (in 2024/25)**

28. Under this option, the current minimum charge of \$260 is proposed to increase to \$700 in 2024/25. The per metre charge will be adjusted accordingly (to cover the balance of funding required after the general rate component has been applied) and service charges would no longer be used.
29. During LTP discussions, this option emerged as Council's preferred alternative based on information presented at that time.

30. The graph and table below shows the effect on properties of the minimum charge increasing to \$700. In short, the properties currently paying the least would see the largest increase and the converse is true for those currently paying the most.



Percentile	Rates at \$260 minimum charge	Rates at \$700 minimum charge	Change from \$260 (\$, %)
5 <sup>th</sup>	\$260	\$700	\$440, 169%
15 <sup>th</sup>	\$260	\$700	\$440, 169%
25 <sup>th</sup>	\$260	\$700	\$440, 169%
35 <sup>th</sup>	\$357	\$744	\$387, 108%
45 <sup>th</sup>	\$512	\$813	\$301, 59%
55 <sup>th</sup>	\$723	\$908	\$185, 26%
65 <sup>th</sup>	\$1,007	\$1,035	\$28, 3%
75 <sup>th</sup>	\$1,384	\$1,204	-\$180, -13%
85 <sup>th</sup>	\$2,003	\$1,482	-\$521, -26%
95 <sup>th</sup>	\$3,389	\$2,105	-\$1,284, -38%

**Advantages:**

Aligns with the Council intention to exit the stockwater activity.

Addresses the inequities between those with small race lengths and those with long race lengths.

**Disadvantages:**

Options like this proposal were not preferred by most submitters in 2021 when a \$600 increase was proposed.

May be an unsustainable increase for some properties.

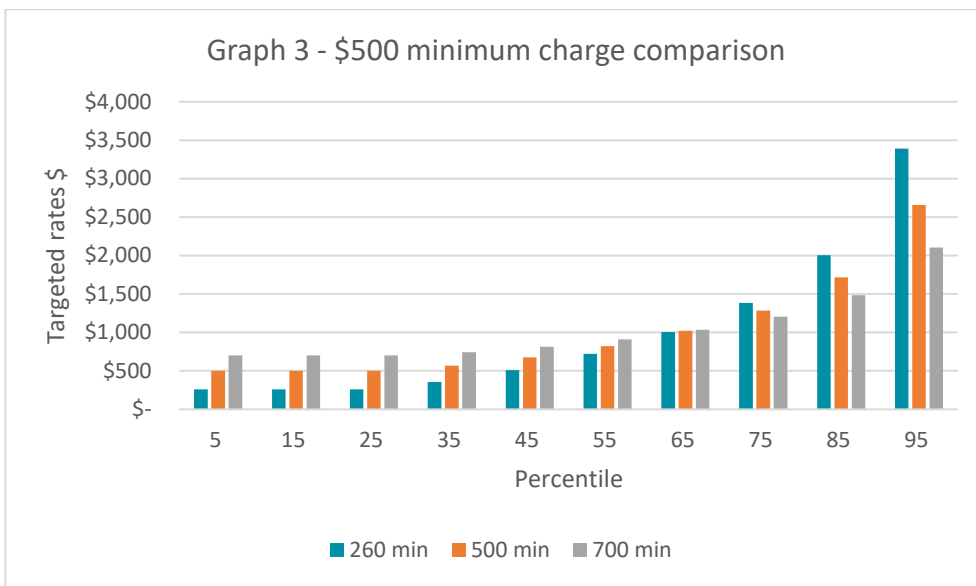
Does not address the inequity between users and non-users of stockwater

**Risks:**

Reputational risk to Council, especially from property owners with short race lengths who do not use stockwater. There is also an unintended incentive provided to properties with long race lengths that use stockwater. Overall reputational risk is MODERATE.

### Option three– Increase minimum charge to \$500 in 2024-25 (1 year)

31. Under this Option, the current minimum charge of \$260 is proposed to increase to \$500 in 2024/25. The per metre charge will be adjusted accordingly (to cover the balance of funding required after the general rate component has been applied) and service charges would no longer be used.
32. This is just over halfway between the current minimum charge of \$260 and the minimum charge of \$700 in Options two and four.
33. The graph and table below show the effect on properties of the minimum charge increasing to \$500 with a 15% general rate component and compared against the status quo and the \$700 minimum charge in 2024/25.



Percentile	Rates at \$260 minimum charge	Rates at \$500 minimum charge	Change from \$260 (\$, %)
5 <sup>th</sup>	\$260	\$500	\$240, 92%
15 <sup>th</sup>	\$260	\$500	\$240, 92%
25 <sup>th</sup>	\$260	\$500	\$240, 92%
35 <sup>th</sup>	\$357	\$568	\$211, 59%
45 <sup>th</sup>	\$512	\$676	\$164, 32%
55 <sup>th</sup>	\$723	\$824	\$101, 14%
65 <sup>th</sup>	\$1,007	\$1,023	\$16, 2%
75 <sup>th</sup>	\$1,384	\$1,286	-\$98, -7%
85 <sup>th</sup>	\$2,003	\$1,719	-\$284, -14%
95 <sup>th</sup>	\$3,389	\$2,659	-\$730, -22%

<p><b>Advantages</b></p> <p>Aligns with Council’s preferences for the future delivery of stockwater.</p> <p>Addresses the inequities between those with small race lengths and those with long race lengths.</p> <p>Provides benefit to the very largest landowners while introducing less impactful increases to properties with smaller race lengths.</p>	<p><b>Disadvantages:</b></p> <p>Options like this proposal were not preferred by most submitters in 2021 when a \$600 increase was proposed.</p> <p>May still be an unsustainable increase for some properties, but less so than Option Two..</p> <p>Does not address the inequity between users and non-users</p>
<p><b>Risks:</b></p> <p>Reputational risk to Council, especially from property owners with short race lengths who do not use stockwater. There is also an unintended incentive provided to properties with long race lengths that use stockwater. Overall reputational risk is less than Option Two.</p>	

**Option four – Increased minimum charge to \$700 by 2025/26 (2 years)**

- 34. Under this Option, the current minimum charge of \$260 is proposed to increase by increments of \$220 per year for the first two years of the 2024-34 LTP. This Option proposes a transition to a minimum charge of \$700 over two years. Council could alternatively stage this over three years, which would align more closely with the Council’s preferences for the future delivery of stockwater.
- 35. The per metre charge will be adjusted accordingly (to cover the balance of funding required after the general rate component has been applied) and service charges would no longer be used.
- 36. The graphs and tables in Option 2 show the effect on the range of properties, albeit this effect wouldn’t be complete until 2025/26.

<p><b>Advantages</b></p> <p>Aligns with Council’s preferences for the future delivery of stockwater.</p> <p>Addresses the inequities between those with small race lengths and those with long race lengths.</p> <p>Provides benefit to the very largest landowners while signalling incremental increases to properties with smaller race lengths.</p>	<p><b>Disadvantages:</b></p> <p>Options like this proposal were not preferred by most submitters in 2021 when a \$600 increase was proposal.</p> <p>May still be an unsustainable increase for some properties, but less so than Option Two..</p> <p>Does not address the inequity between properties who need/want and don’t need/want the stockwater race.</p>
<p><b>Risks:</b></p> <p>Reputational risk to Council, especially from property owners with short race lengths who do not use stockwater. There is also an unintended incentive provided to properties with long race lengths that use stockwater. Overall reputational risk is less than Option Two.</p>	



## Legal/policy implications

### Legislation

37. Section 21 of the Local Government (Rating) Act 2002 places a limit of 30% on the percentage of rates that can be collected from certain uniform targeted rates including the UAGC.<sup>3</sup> Council's policy position is to sit at or just below the statutory limit. Council allocates the proceeds from commercial property to keep the targeted rates revenue within the cap. This means that uniform targeted rates cannot be used to fund this activity.
38. Council must apply the section 101(3) tests from the Local Government Act 2002 when reviewing funding policy. Those tests are addressed in the draft policy statement in Appendix 1.

### Climate change

39. Climate change will lead to more extreme drought and more extreme flooding. The role of the race network in channelling flood waters is recognised by the community but not well understood<sup>4</sup>. Resilient infrastructure is important, and we know the current stockwater system has limited resilience, as well as high rates of evapotranspiration.

### Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

## Strategic alignment

40. The recommendation relates to Council's community outcomes as shown in the following table:

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<sup>3</sup> Targeted rates for drinking water and wastewater are excluded from the 30% cap.

<sup>4</sup> In the Surface Water Strategy 2018, Council identified the need for investigations of overland flowpaths in the district. This work is not yet completed.

Wellbeing	Reasons why the recommended outcome influences this wellbeing	
Residents are included and have a voice.	✓	Residents have an opportunity to have their say on how this activity is funded.
A district of great spaces and places.	✗	
A balanced and sustainable environment.	✓	Efficient use of all water resources, including stockwater, is beneficial to the ecology and biodiversity of the district
A prosperous economy based on innovation & opportunity.	✓	Stockwater supports agricultural activity, which is a cornerstone of our economy. Fair distribution of the costs of activities contributes to economic efficiency.

41. The recommendation relates to community well-being as shown in the following table:

Wellbeing	Reasons why the recommended outcome influences this wellbeing	
Economic	✓	Stockwater supports agricultural activity, which is a cornerstone of our economy. Fair distribution of the costs of activities contributes to economic efficiency.
Environmental	✓	Efficient use of all water resources, including stockwater, is beneficial to the ecology and biodiversity of the district
Cultural	✓	Stockwater benefits include the benefits of supporting Māori cultural practice, such as Mahika kai.
Social	✓	Residents have an opportunity to have their say on how this activity is funded.

## Financial implications

Requirement	Explanation
What is the cost?	The costs of consultation on the policy are included in operating budgets. Direct costs are limited to printing and advertising costs.
Is there budget available in LTP / AP?	Yes.
Where is the funding coming from?	This is primarily funded from the Communications and Strategy and Policy activities which in turn are funded from overheads and general rates.
Are there any future budget implications?	No.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium-to-high
Rationale for selecting level of significance	This issue has previously attracted over 100 submissions in previous consultations. It will be of interest to users of the stockwater system.
Level of engagement selected	Consult – formal two-way communication.
Rationale for selecting level of engagement	This policy review occurs as part of the review of Long-Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. This will occur alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	Mark Low, Strategy and Policy Manager

## Appendix 1 - District Water Management – Stockwater

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

The stockwater activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity.
- A balanced and sustainable environment

### Who Benefits

#### Group Benefit 80-90%

(All rural properties that have a stockwater service available to them)

#### Community-wide Benefit 10-20%

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

#### Differential Targeted Rate 80-90%

#### General Rate 10-20%

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

## **Funding Sources of Capital Expenditure**

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

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

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

## 7. *Revenue & Financing Policy for Roads*

Authors	<i>Tayyaba Latif; Policy Advisor</i>
Activity Managers	<i>Mark Low; Strategy &amp; Policy Manager</i> <i>Erin Register, Finance Manager</i> <i>Mark Chamberlain; Roading Manager</i>
Executive Team Members	<i>Neil McCann; GM Infrastructure &amp; Open Spaces</i> <i>Toni Durham; GM Democracy &amp; Engagement</i>

### Summary

- The purpose of this report is for Council to consider possible options for a targeted rural rate for expenditure on rural roads.
- The mechanism to introduce a targeted rate is through the draft Revenue and Financing Policy which will be out for consultation alongside the draft Long Term Plan (LTP) 2024-34.

### Recommendation

1. **That** Council approves the status quo funding approach for roads – Targeted Roading Rate (CV), for consultation alongside LTP (2024-2034).

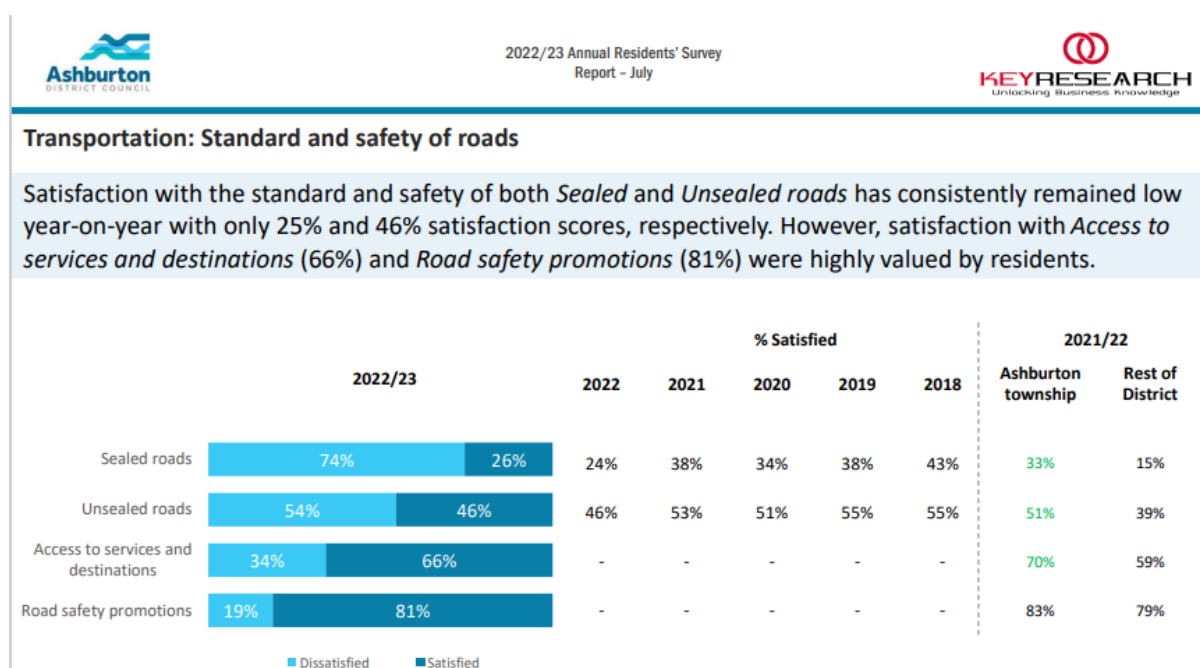
### Attachments

Appendix 1     Modelling to illustrate financial impacts on for option2

## Background

### The current situation

1. Council is required to review its funding and financial policies ahead of the Long-Term Plan 2024-2034, scheduled to be adopted in June 2024. The Revenue & Financing Policy (R&FP) is one of Council's core funding and financial policies that is currently up for review.
2. The policy supports Council's objective of prudent financial management and outlines Council's approach towards funding its activities and services.
3. Ashburton District Council is the Road Controlling Authority (RAC), which means it owns and manages the roading network in the district. Ashburton district has a large roading network of 2,632 km, of which 1,507km is sealed and 1,116 km is unsealed.
4. For the last few years, our annual resident's survey demonstrates high dissatisfaction levels with the standard and safety of both the sealed and unsealed roads in the network.



5. In recent years, rural ratepayers have expressed high levels of dissatisfaction on rural roads and have indicated they supported greater investment on those roads. However, this should not be misconstrued as a given that they would be willing to be targeted via rates for increased investment.
6. To ensure the roading activity is fit for purpose and meeting expected levels of service, increased investment is required for the roading activity. Due to significant cost escalation, and historic underfunding, substantially increased investment is required which will enable us to maintain the levels of service Council provided in prior years.

7. The situation means that even though Council aims to maintain affordability and community expectations, currently a significant rate increase associated with roading is proposed during 2024-2027 investment periods and in the future.
8. This report focuses on the proposed Revenue & Financing Policy approach for Transportation - Roads.

### **Road funding**

9. Council's current policy is to fund its share of subsidised and unsubsidised roads through a targeted capital value rate (90-100%) and fees & charges (0-10%). The targeted rate is charged on the capital value of each Separately Used or Inhabited Part (SUIP) of a rating unit in the district. This approach transparently identifies the rates paid for roads by each ratepayer. The current policy can be read [here](#).

### **NZTA (Waka Kotahi)**

10. Most of Council's roading activity receives a 51% financial assistance rate (subsidy) from NZTA (Waka Kotahi). Council is required to submit its three-year work programme which includes projects that are seeking NZTA subsidy.
11. The work programme agreed to by NZTA is based on the premise that our rural and urban roads operate as an overall network – to one degree or another, where rural ratepayers drive on urban roads and urban ratepayers similarly utilise the rural roads.
12. The work programme is developed using evidence-based information from the RAMM (Road Assessment and Maintenance Management) database, and considers the whole roading network, with no differentiation between Urban and Rural roads. NZTA undertake audits of council's methodology to ensure the subsidised work programme is supported by evidence-based condition assessments.

### **Funding use**

13. Under the current funding approach, Council officers estimate that rural ratepayers contribute approximately 70% of the total rates revenue for the roading activity. Urban ratepayers' contribution is 30% of the total rates revenue for roading. In 2022/23 Council officers estimate approximately 80- 90% of the total roading budget is spent on rural roads and 10-20% is spent on urban roads.

### **Targeted rate for rural roads**

14. Roading was identified as an activity where the funding approach could be reviewed. Discussion has focused on roading expenditure, and the high level of dissatisfaction expressed through the Annual Resident Survey results. Elected members consider there is a need to explore options for different rating mechanisms on rural roads.



15. Council supported the concept of further work on the option of introducing a rural roading (CV) rate targeted at rural ratepayers.
16. Council seeks to fund activities in a manner that reflects who benefits by selecting appropriate funding and rating tools. The shared roading network is equally accessible to residents (urban & rural), ratepayers (rural and urban) and visitors to the district. There are no restrictions on this accessibility and no single exacerbator who should be targeted to pay more than the general population.
17. The roading activity benefits accrue to the community as a whole and is therefore funded through the district-wide targeted CV rate. This approach is consistent with our current funding vs benefit principle.

### **Modelling Impact of Targeted Rural Roading CV Rates for Rural Roads**

18. A preliminary modelling document (attached) was prepared which outlines the impact of introducing a rural targeted CV rate for rural roads, appendix 1.
19. The modelling shows the impact on sample properties of re-allocating the current draft LTP budget for a 5%, 10% or 20% contribution for rural roads, targeted on the area covered by the existing rural amenity rate.

## **Options analysis**

### **Option one – Maintain the Status Quo funding approach for Roads – Targeted Roading Rate (CV) (Recommended Option)**

20. Under this option, Council would continue with the current policy. This means that all ratepayers continue to pay for roads via a targeted roading rate levied on the capital value of their properties.
21. This maintains the current funding approach that Council has used for many years.
22. This option aligns with the current successful funding model with Waka Kotahi where the entire roading network is considered altogether.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Increased investment on rural roads can be achieved under current policy.</li> <li>• Remains consistent with the current funding vs benefit principle.</li> <li>• Is legally compliant and maintains the ‘one network’ approach to funding the roading activity.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Council cannot target a specific group for rural roads through a targeted rural roading rate.</li> </ul>
<p><b>Risks:</b></p>	

There is no risk associated with this option.

**Option Two – Council approves an additional Rooding Rate mechanism - a Targeted Rural Rooding Rate CV and maintains the existing Targeted Rooding Rate (CV), for public consultation alongside LTP 2024-2034.**

23. Under this option, Council approves a draft policy with a new rooding rate mechanism that includes two rates – the existing targeted rooding CV rate (district-wide) and a new targeted rural rooding CV rate (rural ratepayers), for consultation.
24. The rating boundary to administer the new targeted rural rooding CV rate is proposed to be the area covered by the rural amenities rate boundary.
25. The introduction of an additional targeted rural rooding rate on the CV of each SUIP of a rating unit in the rural rooding area would be at a rate in the dollar of CV that is a percentage on top of the district-wide targeted CV rate for rooding. Rural ratepayers would pay both rates.
26. In selecting this option council will need to decide a percentage (for example any number between 5 to 20%), it wishes to levy each year under the Targeted Rural Rooding CV Rate. This would reduce the existing Targeted Rooding Rate (CV) accordingly.
27. Introduction of a targeted rural rate would mean that Council believes that parts of the rooding network solely benefit rural ratepayers, and as such enables Council to consider a specific funding mechanism that targets rural ratepayers. Council has always considered that rooding is a network and benefits all user and ratepayers. Our current funding approach is based on this premise.
28. Section 16 of the Local Government (Rating) Act provides that Council can set a targeted rate for an activity if that activity is identified in its Funding Impact Statement (FIS) as the activity for which the targeted rate is to be set. The draft LTP 2024-34 budgets have been prepared based on option 1, meaning that this option would require significant re-working of budgets before finalising the LTP and re-negotiating with NZTA Waka Kotahi.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Reallocate the current funding mechanism by targeting rural ratepayers.</li> <li>• Urban ratepayers would pay less overall towards roading</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Draft policy will shift away from the current funding vs benefit principle meaning roading work funded from a proposed Targeted rural roading CV rate will benefit everyone served by the shared network, including urban ratepayers and visitors, but only be paid for by rural ratepayers.</li> <li>• Change of funding approach that is untested with Waka Kotahi, would require significant re-work of the budget.</li> </ul>
<p><b>Risks:</b></p> <p>Higher operational and legal risk than option 1 as Council is changing the fundamental premise of roading being considered as a network by introducing a targeted rural roading rate.</p> <p>Greater reputational risk to Council as rural ratepayers may consider they are already paying enough for roading, and this may be viewed as unfair.</p>	

**Option Three – Maintain the Status Quo funding approach for Roads – Targeted Roading Rate (CV) and when needed introduce a Targeted Rural Roading CV Rate subject to consultation.**

29. Under this option, Council approves continuing with the current policy. This will mean that ratepayers continue to pay for roads via a targeted roading rate levied on the capital value of their properties. A targeted rural roading CV rate could be introduced in the future for specific rural roading projects levied on specific year/s rather than charged each year.
30. Section 16 of the Local Government (Rating) Act provides that Council can set a targeted rate for an activity if that activity is identified in its Funding Impact Statement (FIS) as the activity for which the targeted rate is to be set. The draft LTP 2024-34 budgets have been prepared based on option 1, meaning that this option would require some reworking of budgets before finalising the LTP.
31. Council should have an activity/specific (rural roading) project in place first then consult on it before levying any rates against it. This means Council should not have a targeted rate in place and use it to fund any work that is yet to be specified for an unspecified year in the future.
32. Section 95(5)(b) of Local Government Act allows council to vary from its FIS when it sets an annual plan. In this case council could choose to propose funding specific rural roading project/s through a new targeted CV rate when it sets an annual plan. For example, if council has a specific rural roading project that it wants to fund through a new targeted CV rate for

rural ratepayers, then it can consult on the revenue and financing policy during an annual plan cycle. Council would need to transparently demonstrate the funding versus benefit principle to the community. This would generally apply to unsubsidised rural roading projects.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Council may be able to raise additional investment to fund unsubsidised specific rural roading projects.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Resource intensive and complicated process.</li> <li>• May not attract Waka Kohai subsidy, and will require a rework of the relevant budget.</li> <li>• Effort may outweigh any benefit as it might be impossible to raise meaningful investment without exponential increase in rates leading to unaffordability.</li> <li>• Would need to consult annually as would be introducing a new rate.</li> </ul>
<p><b>Risks:</b></p> <p>Higher operational and legal risk than option 1 but less risk than option 2 as Council is changing the fundamental premise of roading being considered as a network. Greater reputational risk to Council as rural ratepayers may consider they are already paying enough for roading, and this may be viewed as unfair.</p>	

**Option Four – Investigate other options for funding Roading, including the potential for introducing a differential for implementation in a future year.**

33. This option would see Council decide to investigate other options for funding roading for future implementation should they be agreed. The reason for this being off the table for year 1 of the LTP is because the resources required to investigate and implement a funding change are already allocated with the current Long Term Plan work programme.
34. Currently, the roading rate is set per dollar of capital value. However, the rate paid can vary across ratepayer groups, for example rural properties are generally higher valued than urban meaning rural properties are already paying a higher proportion of the roading rate than urban properties.
35. Council could consider the introduction of differentials for example. These are typically expressed relative to the most common residential rate. For example, if most residential properties pay (say) \$1 per \$100,000 of rateable value, but rural ratepayers pay \$2, the rural differential is 2. In this example, what this means in practice is that rural ratepayers pay twice per dollar of rateable value than the residential ratepayer for the service.

36. This could enable the cost of roading to be shared between property owners and weight recovery more heavily to the rural sector, given the majority of the benefit falls on rural properties. It could be adjusted from year to year.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Council would be addressing the perceived inequity in roading funding in a transparent manner.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Resource intensive process means that this could not be addressed for year 1 of the 2024-34 LTP.</li> </ul>
<p><b>Risks:</b></p> <p>A lower risk approach than option 2 or 3.</p> <p>Greater reputational risk to Council as rural ratepayers may consider they are already paying enough for roading, and this may be viewed as unfair.</p>	

## Legal/policy implications

### Local Government Act 2002

37. Under [Section 102 \(2\) \(a\)](#) of the LGA, it is mandatory for local authorities to have a revenue and financing policy.
38. Under [Section 102 \(3A\) \(a\)](#), council’s revenue and financing policy must also support the principles set out in the [Preamble](#) to Te Ture Whenua Māori Act 1993.
39. Undertaking public consultation on the draft policy alongside consultation on LTP is consistent with [Section 82](#) of the LGA.
40. Setting a targeted rate occurs under [Section 16](#) of the Local Government (Rating) Act.

### Climate change

41. There are no obvious linkages between the content of the report and climate change mitigation or adaptation.

#### Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

## Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Supports economic wellbeing through the provision of reliable roading network across the district.
Environmental	✗	
Cultural	✗	
Social	✓	Support social wellbeing by enabling residents to carry out social activities in a safe and reliable way.

## Financial implications

Requirement	Explanation
What is the cost?	Consultation costs covered by existing budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	N/A
Are there any future budget implications?	No
Reviewed by Finance	Erin Register; Finance Manager

## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	Medium-High
Rationale for selecting level of significance	N/A
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	This policy review occurs as part of the review of Long-Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. The decision of Council (i.e. maintaining the current road funding approach or introducing a new road funding approach) will determine the level of community

	engagement that would occur. Either way, the policy will be consulted on alongside the LTP 2024-34.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

## Appendix 1– Modelling of impact of Targeted Rural Rate for Roothing

(based on draft LTP 24-34 budgets)

### Targeted Rural Rate for Roothing at 5% of district-wide Targeted Roothing Rate

#### Roads

2023/24		2024/25	2025/26	2026/27
0.000478	Rate in the \$	0.000551	0.000580	0.000625
\$9,727,439	Estimated Revenue	\$11,304,013	\$11,898,927	\$12,826,136
		16.2%	5.3%	7.8%

#### 5% of Targeted Rural Rate for Roothing

2023/24		2024/25	2025/26	2026/27
0.000034	Rate in the \$	0.000081	0.000082	0.000088
\$475,133	Estimated Revenue	\$1,130,718	\$1,145,024	\$1,221,999
		138.0%	1.3%	6.7%

#### Sample Properties

Ashburton - residential	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	441,000	441,000	441,000	441,000
General Rate	167.58	124.80	160.97	200.66
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	210.80	242.99	255.78	275.63
Ashburton Urban Amenity Rate	399.55	412.78	455.11	537.58
Ashburton Water Supply Rate	579.50	706.10	817.70	861.00
Ashburton Wastewater Rate	516.90	603.60	628.90	688.50
Ashburton Refuse Collection Rate	274.60	254.60	260.90	348.80
	<b>2,866.33</b>	<b>3,142.47</b>	<b>3,488.46</b>	<b>3,881.67</b>
	\$ increase	276.14	345.99	393.21
	% Increase	9.63%	11.01%	11.27%

Rural	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	8,790,768	8,790,768	8,790,768	8,790,768
General Rate	3,340.49	2,487.79	3,208.63	3,999.80
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	4,201.99	4,843.71	5,098.65	5,494.23
Rural Amenity Rate	298.89	712.05	720.84	773.59
	<b>8,558.77</b>	<b>8,841.15</b>	<b>9,937.22</b>	<b>11,237.12</b>
	\$ increase	282.38	1,096.07	1,299.90
	% Increase	3.30%	12.40%	13.08%



## Targeted Rural Rate for Roding at 10% of district-wide Targeted Roding Rate

Roads				
2023/24		2024/25	2025/26	2026/27
0.000478	Rate in the \$	0.000524	0.000551	0.000594
\$9,727,439	Estimated Revenue	\$10,740,768	\$11,304,889	\$12,183,677
		10.4%	5.3%	7.8%

### 10% of Targeted Rural Rate for Roding

2023/24		2024/25	2025/26	2026/27
0.000034	Rate in the \$	0.000121	0.000125	0.000134
\$475,133	Estimated Revenue	\$1,693,963	\$1,739,062	\$1,864,459
		256.5%	2.7%	7.2%

## Sample Properties

Ashburton - residential				
	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	441,000	441,000	441,000	441,000
General Rate	167.58	124.80	160.97	200.66
UAGC	717.40	797.60	909.10	969.50
Roding Rate	210.80	231.08	242.99	261.95
Ashburton Urban Amenity Rate	399.55	412.78	455.11	537.58
Ashburton Water Supply Rate	579.50	706.10	817.70	861.00
Ashburton Wastewater Rate	516.90	603.60	628.90	688.50
Ashburton Refuse Collection Rate	274.60	254.60	260.90	348.80
	<b>2,866.33</b>	<b>3,130.56</b>	<b>3,475.67</b>	<b>3,867.99</b>
		\$ increase	264.23	345.11
		% Increase	9.22%	11.02%
				392.32
				11.29%

Rural				
	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	8,790,768	8,790,768	8,790,768	8,790,768
General Rate	3,340.49	2,487.79	3,208.63	3,999.80
UAGC	717.40	797.60	909.10	969.50
Roding Rate	4,201.99	4,606.36	4,843.71	5,221.72
Rural Amenity Rate	298.89	1,063.68	1,098.85	1,177.96
	<b>8,558.77</b>	<b>8,955.43</b>	<b>10,060.29</b>	<b>11,368.98</b>
		\$ increase	396.66	1,104.86
		% Increase	4.63%	12.34%
				1,308.69
				13.01%

## Targeted Rural Rate for Roothing at 20% of district-wide Targeted Roothing Rate

### Roads

2023/24		2024/25	2025/26	2026/27
0.000478	Rate in the \$	0.000469	0.000493	0.000531
\$9,727,439	Estimated Revenue	\$9,614,279	\$10,116,813	\$10,898,758
		-1.2%	5.2%	7.7%

### 20% of Targeted Rural Rate for Roothing

2023/24		2024/25	2025/26	2026/27
0.000034	Rate in the \$	0.000202	0.000210	0.000226
\$475,133	Estimated Revenue	\$2,820,453	\$2,927,139	\$3,149,378
		493.6%	3.8%	7.6%

### Sample Properties

Ashburton	GST INCL			
Ashburton - residential	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	441,000	441,000	441,000	441,000
General Rate	167.58	124.80	160.97	200.66
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	210.80	206.83	217.41	234.17
Ashburton Urban Amenity Rate	399.55	412.78	455.11	537.58
Ashburton Water Supply Rate	579.50	706.10	817.70	861.00
Ashburton Wastewater Rate	516.90	603.60	628.90	688.50
Ashburton Refuse Collection Rate	274.60	254.60	260.90	348.80
	<b>2,866.33</b>	<b>3,106.31</b>	<b>3,450.09</b>	<b>3,840.21</b>
	\$ increase	239.98	343.78	390.12
	% Increase	8.37%	11.07%	11.31%

Rural	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	8,790,768	8,790,768	8,790,768	8,790,768
General Rate	3,340.49	2,487.79	3,208.63	3,999.80
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	4,201.99	4,122.87	4,333.85	4,667.90
Rural Amenity Rate	298.89	1,775.74	1,846.06	1,986.71
	<b>8,558.77</b>	<b>9,184.00</b>	<b>10,297.64</b>	<b>11,623.91</b>
	\$ increase	625.23	1,113.64	1,326.27
	% Increase	7.31%	12.13%	12.88%

\*Note: In the sample rural properties above the Rural Amenity rate includes what is currently charged for through the Rural Amenity rate plus the proportion that would be charged for a new Targeted Rural Roothing Rate.

## **8. Revenue & Financing Policy for consultation alongside LTP 2024-34**

Authors	<i>Tayyaba Latif; Policy Advisor Richard Mabon; Senior Policy Advisor</i>
Activity Managers	<i>Erin Register, Finance Manager Mark Low; Strategy &amp; Policy Manager</i>
Executive Team Members	<i>Leanne Macdonald; GM Business Support Toni Durham; GM Democracy &amp; Engagement</i>

### **Summary**

- The purpose of this report is to approve the draft Revenue & Financing Policy for consultation alongside the draft LTP 2024-34.
- Council has previously considered options for the Revenue & Financing Policy for the roading and stockwater management activities.
- This report combines those proposals with a decision on the balance of the policy content for consultation.
- Council has the following options regarding the policy:
  - Option 1: Approve the draft Revenue & Financing Policy for consultation alongside LTP 2024-2034
  - Option 2: Approve the draft Revenue & Financing Policy after making further changes for consultation alongside LTP 2024-2034.

### **Recommendation**

- 1. That** Council approves the draft Revenue and Financing Policy for consultation alongside LTP 2024-2034 (Option 1).

### **Attachments**

**Appendix 1** Draft Revenue and Financing Policy

## Background

1. Council is reviewing its funding and financial policies ahead of the Long-Term Plan 2024-2034, scheduled to be adopted in June 2024.
2. Section 102 (2) (a) of the Local Government Act 2002 (the Act) requires local authorities to adopt a Revenue & Financing Policy (R&FP).
3. In compliance with section 103 (1) & (2) of LGA, the R&FP states how Council will fund its operating and capital expenditure for the activities it is involved with.

### **The Current Situation**

4. Council's Revenue and Financing Policy is being reviewed and is planned to be consulted alongside consultation on LTP 2024-2034.
5. Separate R&FP reports for roads and stockwater management have been prepared. Council decisions on those reports will be integrated into the full draft policy for consultation.
6. This report is focused on Council's overall Revenue & Financing Policy, with activities with minor changes being presented to council for approval.

### **Summary of Proposed Changes**

7. Officers have completed a first principles review of the policy and determined that the policy needs some degree of redrafting such as minor editing to improve clarity and readability for users of the policy.
8. Individual activities in the draft policy have been redrafted and reformatted by applying section 103 (3)(a) tests to explain council's rationale behind choosing funding tools under every activity.
9. We are proposing to remove maps from draft revenue and financing policy. The rationale for this proposal is to enable council to undertake targeted consultation when making decisions affecting targeted groups of ratepayers such as the matter of expansion of kerbside collection areas. Wider consultations would not be required.
10. For non-substantive matters, removal of maps from draft policy will enable council to revoke, create, or amend maps by resolution.
11. All Revenue and Financing Policy maps will be available as separate document on our website.
12. There are two areas where we are proposing significant change: Stockwater Management and Roads (subject to council decision through separate reports).

13. We are proposing to make Ashburton Airport and Campgrounds as independent activities. Previously, Airport was part of Commercial Activity and Campgrounds was combined with Reserves into one activity. Treating them as separate activity in the policy will more transparently reflect how these activities are funded.
14. There are number of activities where minor changes are proposed to ensure that the funding in the policy is appropriate and splits of the activities are accurate.
15. There are number of activities where the R&FP is appropriate and do not require any change, therefore we are proposing status quo or no change for these activities.
16. **List of all Activities with Proposed Substantive, Minor, and No Change** - The table below lists each activity within current policy and proposed option for consultation.

Activities	Current Policy	Proposed Option	Rationale
1. Drinking Water	100% Uniform Targeted Rate	95-100% Uniform Targeted Rate  0-5% Fees & Charges  (Minor Change)	Volumetric charge applies to extraordinary users.  Minor change in funding split to recognise revenue from fees & charges.
2. Wastewater	100% Uniform Targeted Rate	90-100% Uniform Targeted Rate  0-5% Fees & Charges  0-5% Other sources (grass sales revenue)  (Minor Change)	Minor change in funding split to recognise revenue from fees & charges and other sources.
3. Stormwater	10% General Rate 90% Targeted Rate (CV)	Status quo	Funding is tracking as per policy no change is proposed.
4. Stockwater Management	10-20% General Rate 80-90% differential targeted rate on race length & services	Proposed option will be integrated after decision via separate report to council	

Activities	Current Policy	Proposed Option	Rationale
5. Roads	90-100% Targeted Rate (CV) 0-10% Fees & Charges	Proposed option will be integrated after decision via separate report to council	
6. Footpaths & Cycleways	30% General Rate 70% Targeted rate (CV) 100% Targeted rate (CV) for inner footpath cleaning	Status quo	Funding is tracking as per policy no change is proposed
7. Solid Waste Collection	100% Uniform Targeted Rate	95-100% Uniform Targeted Rate  0-5% Fees & Charges (Minor Change)	Minor change to recognise revenue from fees & charges.
8. Solid Waste Management	40% General Rate 60% Fees & Charges	Status Quo	Funding is tracking as per policy no change is proposed
9. Community Grants and Funding	100% UAGC	Status Quo	
10. Ashburton Water Management Zone Committee	100% General Rate	Status Quo	
11. Council	100% UAGC	Status Quo	
12. Methven Community Board	100% Uniform Targeted Rate	Status Quo	
13. Business & Economic Development	100% General Rate	Status Quo	
14. Commercial Property	Contribution to general rate & UAGC	100% Fees & Charges (Minor Change)	Proposed change is consistent with how revenue sources for all activities are explained in the

Activities	Current Policy	Proposed Option	Rationale
			policy & acknowledges use of surplus.
15. Forestry	Contribution to general rate & UAGC	100% Other Source (Forestry Net profit of sales) (Minor Change)	Proposed change is consistent with how revenue sources for all activities are explained in the policy & acknowledges use of surplus.
16. Ashburton Airport (Drafted as a separate activity)	Activity part of Commercial Property in current policy	Fee & Charges 40-50% General Rate 50-60%	Proposed to be treated as a separate activity to transparently reflect revenue sources. Overall change is minor.
17. District Promotion & Tourism	50% General Rate 50% Targeted Rate (CV)	Status Quo	Funding is tracking as per policy no change is proposed.
18. Elderly Persons Housing	70-100% Fees & Charges 0-30% General Rate	Status Quo	
19. Public Conveniences	80% UAGC 20% Targeted Rate (CV)	Status Quo	
20. Community Safety (CCTV & Security)	75% UAGC 25% General Rate	Status Quo	
21. Memorial Halls & Reserve Boards	100% Targeted Rate CV	Status Quo	
22. Reserves & Campgrounds	Part of combination of activities under Reserves & Campgrounds	Campgrounds 65-75% General Rate 25-35% Fees & Charges (Drafted)	Proposed to be treated as a separate activity to transparently reflect revenue

Activities	Current Policy	Proposed Option	Rationale
		as a separate activity)  Reserves to be reassigned to Commercial Property.	sources.  Reserves to be reassigned to Commercial Property activity due to better alignment.
23. Cemeteries	20-40% General Rate 60-80% Fees & Charges	40-50% General Rate 40-50% Fees & Charges (Minor Change)	The activity often struggles to achieve enough from fees & charges to meet the funding split. We are proposing to implement 40-50% range, with the intention of maximizing fees & charges.
24. Rural Beautification	50% General Rate 50% Targeted Rate (CV)	Status Quo	Funding is tracking as per policy no change is proposed.
25. Urban Beautification (including Ashburton Domain)	50% General Rate 50% Targeted Rate (CV)	Status Quo	
26. Ashburton Library	100% UAGC	95-100% UAGC 0-5% Fees & Charges (Minor Change)	Minor change to recognise revenue from fees & charges.
27. Ashburton Museum	100% UAGC	95-100% UAGC 0-5% Fees & Charges (Minor Change)	
28. EA Networks Centre	50-70% UAGC 30-50% Fees & Charges	Status Quo	Funding is tracking as per policy no change is proposed.
29. Alcohol Licensing &	20-25% General Rate	Status Quo	



<b>Activities</b>	<b>Current Policy</b>	<b>Proposed Option</b>	<b>Rationale</b>
Gambling Venue Consenting	75-80% Fees & Charges		
30. Animal Control	5-15% General Rate 85-95% Fees & Charges	Status Quo	
31. Building Regulation	10-20% General Rate 80-90% Fees & Charges	Status Quo	
32. District Planning (including Land Information)	20-40% General Rate 60-80% Fees & Charges	Status Quo	
33. District Plan (policy and development)	100% General Rate	Status Quo	
34. Environmental Health – Monitoring and Enforcement	100% General Rate	Status Quo	
35. Environmental Health – Licensing	10-15% General Rate 85-90% Fees & Charges	Status Quo	
36. Emergency Management	50% UAGC 50% General Rate	Status Quo	
37. Parking	100% Fees & Charges	Status Quo	

## Options analysis

### Option one – Approve Draft Revenue & Financing Policy with proposed minor and substantive changes for consultation alongside LTP 2024-34

17. Under this option, council approves the draft Revenue and Financing Policy for consultation alongside LTP 2024-34.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"><li>• Draft policy has been reviewed to make necessary changes to make it robust, up to date, and fit for purpose.</li><li>• Draft policy is consistent with funding vs benefit principle.</li><li>• Consultation will be held in resource and time efficient manner.</li></ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"><li>• Council might wish to propose further amendments in the policy.</li><li>• Change may not be supported by those who receive these services.</li></ul>
<p><b>Risks:</b></p> <p>Small reputational risk as community may expect to see further changes in the approach how council funds its services and activities.</p>	

### Option two – Approve draft Revenue & Financing Policy after making further changes for consultation alongside LTP 2024-2034.

18. Under this option, council proposes further amendments to the policy.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"><li>• Council will have to opportunity to propose further useful amendments.</li></ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"><li>• Council will lose the opportunity to make changes that might further improve the policy.</li><li>• Depending on the nature of the changes the timeline could be affected, which could impact on the review timeframes. A worst-case scenario would be that the review might not be completed within legislative timeframes.</li></ul>
<p><b>Risks:</b></p> <p>High reputational and legal risk if proposed changes were substantive.</p>	

## Legal/policy implications

### Local Government Act 2002

19. Under [Section 102 \(2\) \(a\)](#) of the LGA, it is mandatory for local authorities to have a Revenue and Financing Policy.

20. Under [Section 102 \(3A\) \(a\)](#), council's Revenue and Financing policy must also support the principles set out in the [Preamble](#) to Te Ture Whenua Māori Act 1993.
21. Undertaking public consultation on the draft policy alongside consultation on LTP is consistent with [Section 82](#) of the LGA.

## Climate change

22. There are no obvious linkages between the content of the report and climate change mitigation or adaptation.

### Review of legal / policy implications

Reviewed by In-house Counsel	Tania Paddock; Legal Counsel
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## Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Supports economic, environmental, cultural, and social wellbeing through the enabling prudent financial management of activities and services across the district.
Environmental	✓	
Cultural	✓	
Social	✓	

## Financial implications

Requirement	Explanation
What is the cost?	Consultation costs covered by existing budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	N/A
Are there any future budget implications?	No
Reviewed by Finance	Erin Register; Finance Manager

## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium

Rationale for selecting level of significance	Requires activity wise detailed assessment. A significant amendment to a policy may require audit.
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	This policy review occurs as part of the review of Long-Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. This will occur alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

## Next Steps

Date	Action / milestone	Comments
21 February 2024	Council determines draft revenue and financing policies for consultation alongside the draft LTP	
Feb/March 2023	Council adopts draft Revenue & Financing Policy for public consultation	Consultation for a month from late-March to late-April.
May 2023	Council hears and considers submissions on the draft Revenue & Financing Policy and deliberates on the outcomes.	
June 2023	Council adopts the 2024-27 Revenue & Financing Policy	

# Draft Policy

## Revenue and Financing Policy (2024-2027)

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

## 1. Introduction and Purpose

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

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

## 2. Glossary of Terms

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

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

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

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

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

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

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

**Connected** -- is a term used in the rating of water and wastewater services. A connected property attracts a full charge of the uniform targeted rate. For water services, a property

is considered “connected” when the house or building is connected to the service or when the land is connected to the service by way of a lateral connection to the boundary.

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

See also “Serviceable”

**Council** - means Ashburton District Council.

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

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

**Fees and charges** – see “User Charges”

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

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

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

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

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

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

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

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

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

**Rating boundaries** - boundary maps for rating areas have **been included as an appendix to the Revenue and Financing Policy**. Council can resolve to make minor amendments to the map boundaries for matters of low significance (as per Council’s Community Engagement Policy).

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

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

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

See also “Connected”

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

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

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

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

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

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



### 3. Policy Context

#### 3.1. Local Government Act 2002

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

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

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

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

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

### 3.2. Related Council Plans, Policies, and Strategies

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

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

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

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

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

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

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

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

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

## 4. Rating Framework & Funding Sources

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

### 4.1. Valuation System

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

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

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

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

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

For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person, other than the owner, and generally used as such are defined as 'used'.

Examples of separately used or inhabited parts of a rating unit include:

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

#### **4.3. Differential Rating**

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

#### **4.4. Non-Rate Revenue Sources**

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

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

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

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

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

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

**Fees and charges** - Council charges for some services it provides and this revenue funds all or part of the costs of service delivery for these activities. Examples include consent fees, dog registration fees and charges for some administrative services. Some activities show a range of fees and charges. Council will aim to maximise fees and charges where possible to ensure a fair funding system, however demand and market affordability also need to be considered.

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

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

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

#### 4.5. Rate Revenue Sources

The rates charged by Council as sources of funding are:

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

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

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

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

#### 4.6. Rating Area Boundaries

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

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

### 5. Funding Operating Expenditure

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

- General rates, including a UAGC.
- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Grants and subsidies from central government and contribution from external parties
- Other operating revenue

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

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

## 6. Funding Capital Expenditure

Council is able to fund Capital Expenditure from following sources.

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

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

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

Borrowing for capital expenditure reduces peaks and troughs in the funding required each year and promotes intergenerational equity. Council's borrowing requirement and the cost of

servicing loans for capital expenditure may be reduced to the extent that other funding sources can be used.

## **7. Policies on the Use of Funding Sources**

### **7.1. Funding Depreciation**

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

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

### **7.2. Maximize Use of 30% Cap**

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

In the situation where Council breaches the 30% cap, the general rate will be used to bring the uniform charges to under 30%. In the situation where Council looks to exceed the 30% cap, Council will look to investment income to bring the uniform charges to under 30%. If there are not sufficient investment income, the general rate will be used to bring the uniform charges under 30%.

The allocation of investment income funding is applied first to the UAGC to bring the uniform charges under 30%. The balance is then allocated to the General Rates activities to subsidise rates across the district.

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

### **7.3. Investment Income**

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

## 8. Analysis to Decide the Funding of Activities

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

### 8.1. Distribution of Benefits

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

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

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

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

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

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

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

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

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

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



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

## **8.2. Period of Benefit**

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

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

## **8.3. Control of Negative Effects (Exacerbator Pays)**

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

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

## **8.4. Distinct Funding**

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

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

### **8.5. Property versus People Benefit**

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

### **8.6. Community Impact**

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

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

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

### **8.7. Practicality**

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

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

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

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

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

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

### **8.8. Voluntary Targeted Rates**

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

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

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

## **9. Te Ture Whenua Māori Principles**

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

## 10. Activity Summary

	UAGC	General Rate (CV)	Targeted Rate (CV)	Uniform Targeted Rate	Fees & Charges	Differentiated Targeted Rate	Any Other Source
<b>Local Infrastructure</b>							
<b>District Water Management</b>							
Drinking Water				95-100%	0-5%		
Wastewater				95-100%	0-5%		0-5%
Stormwater		10%	90%				
Stockwater Management		15%				85%	
<b>Transportation</b>							
Roads			90-100%		0-10%		
Footpaths & Cycleways		30%	70%				
<b>Waste Reduction &amp; Recovery</b>							
Solid Waste Collection				95-100%	0-5%		
Solid Waste Management		40%			60%		
<b>Public Service</b>							
<b>Community Governance &amp; Decision Making</b>							
Community Grants and Funding	100%						
Ashburton Water Management Zone Committee		100%					
Council	100%						
Methven Community Board				100%			
<b>Economic Development</b>							
Business & Economic Development		100%					
Commercial Property					100%		
Forestry							100%

<b>Ashburton Airport District Promotion &amp; Tourism</b>		<b>50-60%</b>			<b>40-50%</b>		
<b>Community Services</b>							
<b>Elderly Persons Housing</b>		<b>0-30%</b>			<b>70-100%</b>		
<b>Public Conveniences</b>	<b>80%</b>		<b>20%</b>				
<b>Community Safety (CCTV &amp; Security)</b>	<b>75%</b>	<b>25%</b>					
<b>Memorial Halls &amp; Reserve Boards</b>			<b>95-100%</b>		<b>0-5%</b>		
<b>Campgrounds</b>		<b>65-75%</b>			<b>25-35%</b>		
<b>Parks and Open Spaces</b>							
<b>Cemeteries</b>		<b>40-50%</b>			<b>50-60%</b>		
<b>Rural Beautification</b>		<b>50%</b>	<b>50%</b>				
<b>Urban Beautification (including Ashburton Domain)</b>		<b>50%</b>	<b>50%</b>				
<b>Recreation Facilities</b>							
<b>Ashburton Library</b>	<b>95-100%</b>				<b>0-5%</b>		
<b>Ashburton Museum</b>	<b>95-100%</b>				<b>0-5%</b>		
<b>EA Networks Centre</b>	<b>50-70%</b>				<b>30-50%</b>		
<b>Regulatory Functions</b>							
<b>Alcohol Licensing &amp; Gambling Venue Consenting</b>		<b>20-25%</b>			<b>75-80%</b>		
<b>Animal Control</b>		<b>5-15%</b>			<b>85-95%</b>		
<b>Building Regulation</b>		<b>10-20%</b>			<b>80-90%</b>		

<b>District Planning (including Land Information)</b>		<b>20-40%</b>			<b>60-80%</b>		
<b>District Plan (policy and development)</b>		<b>100%</b>					
<b>Environmental Health - Monitoring and Enforcement</b>		<b>100%</b>					
<b>Environmental Health - Licensing</b>		<b>10-20%</b>			<b>80-90%</b>		
<b>Emergency Management</b>	<b>50%</b>	<b>50%</b>					
<b>Parking</b>					<b>100%</b>		

## 1. District Water Management – Drinking Water

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

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

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

- A balanced and sustainable environment
- A prosperous economy based on innovation and opportunity.

### Who benefits

**Group Benefit 100%**

(Households and businesses receiving drinking water)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**Targeted rate 95-100%**

**Fees and charges 0-5%**

### Group Water Supplies

- Differential targeted rate is charged on a fixed amount per separately used or inhabited part of a rating unit for:

- Properties that are connected to a group water supply; and
- Properties in the group water supplies area which serviceable (except for Methven-Springfield Supply).
- Extraordinary Users will pay a fixed amount per 1,000 litres in excess of 90 cubic metres consumed per quarter.
- Residential Extraordinary Users will pay a fixed amount per 1,000 litres of water in excess of 438 cubic metres consumed per annum.
- Extraordinary Users – is defined in clause 7.11.5 of the water bylaw. Residential Extraordinary Users is defined as properties connected to the Council water supply network located in Residential D or Rural A zones of the Ashburton District Plan or the Methven-Springfield supply.

### **Montalto Water Supply**

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

### **Lyndhurst and Barrhill Water Supplies**

Operational Expenditure is not funded by Council

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

## **Funding sources of capital expenditure**

### **Group Water Supplies**

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

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

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

### **Montalto Water Supply**

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

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



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

### **Lyndhurst and Barrhill Water Supplies**

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

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

## 2. District Water Management – Wastewater

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

The wastewater activity primarily contributes to the following community outcomes.

- A balanced and sustainable environment
- A prosperous economy based on innovation and opportunity.

### Who benefits

#### Group Benefit 100%

(Households and businesses able to access Council wastewater schemes.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

Targeted  
rate 95-  
100%

Fees  
and  
charges  
0-5%

Any  
other  
sources  
0-5%

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

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

### **Funding sources of capital expenditure**

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

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

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

### 3. District Water Management – Stormwater

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

The wastewater activity primarily contributes to the following community outcomes:

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

#### Who benefits

**Group Benefit 90%**

(Households and businesses served by Council stormwater infrastructure.)

**Community-**

**wide**

**Benefit 10%**

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

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

#### Reasons for funding arrangement

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

#### Funding sources of operating expenditure

**Targeted rate CV 90%**

**General**

**Rate**

**10%**

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

#### Funding sources of capital expenditure

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

- General rate

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

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

## 4. District Water Management – Stockwater

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

The stockwater activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity.
- A balanced and sustainable environment

### Who benefits

**Group Benefit 80-90%**

(All rural properties that have a stockwater service available to them)

**Community-wide**

**Benefit 10-20%**

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**Differential Targeted Rate 80-90%**

**General Rate 10-**

**20%**

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

### Funding sources of capital expenditure

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

- General rate
- Targeted rates

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

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

## 5. Transportation – Roads

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

The roading activity primarily contributes to following community outcomes.

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

### Who benefits

**Community wide benefit 100%**

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

**Targeted Rate CV 90-100%**

**Fees &  
Charges  
0-10%**

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

### Funding sources of capital expenditure:

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

- Targeted rates
- Fees & Charges



- Borrowing - The Council may decide to loan fund specific roads projects on a case by case basis. Projects will be assessed on the following criteria:
  - Expected useful life of the asset – must be over 25 years, and
  - Cost – the impact on rates is such that funding the project in the year it is undertaken would increase rates unreasonably if funded only from that year.
- Financial contributions – levied under the Ashburton District Plan
- Private contribution - Council may agree to undertake specified work (additional to planned work programme) at the request of a resident if the resident pays for the work.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying capital projects. The annual level of funding depends on the ‘financial assistance rate’ currently applicable for Ashburton District and on the work programme.
- Grants and Subsidies (Excluding Waka Kotahi (NZTA subsidy).
- Any other source of funding.

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

## 6. Transportation – Footpaths and Cycleways

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

Provision of footpaths & cycleways contributes to following community outcomes.

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

### Who benefits

#### Group benefit 70 %

(Residents in urban areas where footpath & cycleways are provided)

#### Community wide benefit 30 %

(Attractive & safe footpaths across the district)

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

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

### Reasons for funding arrangement

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

### Operating Expenditure

#### Funding Arrangement – Footpaths & Cycleways

#### Targeted Rate CV 70%

#### General Rate 30%

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

## Funding Arrangement – Ashburton Inner CBD Footpath Cleaning

### Targeted Rate CV 100% (Ashburton Inner CBD Properties)

#### Capital Expenditure

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

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

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

## 7. Waste Reduction & Recovery – Solid Waste Collection

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

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

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

### Who benefits

**Group Benefit 100%**

(Households and businesses receiving kerbside collection)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**Uniform targeted rate 95-100%**

**Fees and charges  
0-5%**

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

### Funding sources of capital expenditure

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

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

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

## 8. Waste Reduction & Recovery – Solid Waste Management

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

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

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

### Who benefits

#### Private benefit 60%

(Households, businesses and individuals that use resource recovery parks and drop-off facilities)

#### Community-wide benefit 40%

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

#### Fees and charges 60%

#### General Rate 40%

- Fees and charges are recovered for the drop-off of waste at resource recovery parks and green waste drop-off at the Methven green waste drop-off facility.
- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district.

### Funding sources of capital expenditure

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

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

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

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

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

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

This activity contributes to following community outcomes.

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

### Who benefits

#### **Community wide benefit 100%**

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

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

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

### Rationale for Funding Arrangement

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

### Operating Expenditure

#### **Uniform Annual General Charge 100%**

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



## Capital Expenditure

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

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

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

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

The Ashburton Water Management Zone Committee (ZC) provides important representation for residents in the district on water management issues.

This activity contributes to the following community outcome.

- Residents are included and have a voice.

### Who benefits

#### **Group benefit 100%**

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

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

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

### Rationale for Funding Arrangement

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

### Operating Expenditure

#### **General Rate 100%**

### Capital Expenditure

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

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

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

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

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

This activity contributes to the following community outcome.

- Residents are included and have a voice.

### Who benefits

#### **Community Wide Benefit 100%**

(Provided through representation, advocacy, communication, and engagement for all residents.)

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

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

### Rationale for Funding Arrangement

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

### Operating Expenditure

#### **Uniform Annual General Charge 100%**

### Capital Expenditure

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

- UAGC
- Borrowing
- Any other source of funding.

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

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

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

This activity contributes to the following community outcome.

- Residents are included and have a voice.

### Who benefits

#### **Group benefit 100%**

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

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

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

### Rationale for Funding Arrangement

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

### Operating Expenditure

#### **Uniform Targeted Rate 100%**

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

### Capital Expenditure

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

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

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

### 13. Economic Development – Business & Economic Development

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

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

- A prosperous economy based on innovation and opportunity

#### Who benefits

##### **Community-wide benefit 100%**

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

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

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

#### Reasons for funding arrangement

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

#### Funding sources of operating expenditure

##### **General Rate 100%**

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

#### Funding sources of capital expenditure

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

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

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

## 14. Economic Development – Commercial Property

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

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

- A prosperous economy based on innovation and opportunity.

### Who benefits

**Private Benefit 100%**

(Tenants receive private benefit from their tenancy of Council properties)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**Fees and charges 100%**

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

### Funding sources of capital expenditure

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

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

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



## 15. Economic Development – Forestry

Council owns and manages forests for financial return.

The forestry activity primarily contributes to the following community outcome:

- A prosperous economy based on innovation and opportunity.

### Who benefits

#### Private Benefit 100%

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

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

#### Other Source 100%

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

### Funding sources of capital expenditure

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

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

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

## 16. Economic Development – Ashburton Airport

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

The Ashburton Airport activity primarily contributes to following community outcomes.

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

### Who benefits

<b>Community wide benefit 20%</b>	<b>Group Benefit 80% (Airport users)</b>
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**Who creates a need:** Nearby residential activity creates a need for regulation of aircraft to ensure compliance with noise requirements.

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

<b>General Rate CV 50-60%</b>	<b>Fees and charges 40-50%</b>
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- General rate is a uniform general rate on the capital value of each separately used or inhabited part of a rating unit in the district. (55-65%)
- Fees and charges are collected through rental and licence fee income from airport tenants and landing charges from aviators. (35-45%)

### Funding sources of capital expenditure

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

- General rate

- Fees & Charges
- Borrowing
- Financial contributions
- Grants and Subsidies
- Any other source of funding.

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

## 17. Economic Development – District Promotion & Tourism

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

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

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

### Who benefits

**Community-wide Benefit 50%**

**Group benefit 50%**

(Direct and indirect economic benefit to business from tourism visitors)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**General Rate 50%**

**Targeted Rate CV 50%**

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

### Funding sources of capital expenditure

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

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

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

## 18. Community Services – Elderly Persons Housing

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

The service primarily contributes to following community outcomes.

- Residents are included and have a voice.

### Who benefits

#### Private benefit 100%

Tenants receive private benefit from this activity

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

#### Fees and Charges 70-100%

#### General Rate 0-30%

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

### Funding sources of capital expenditure:

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

- Fees & Charges
- General Rates

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

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

## 19. Community Services – Public Conveniences

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

The service primarily contributes to following community outcomes.

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

### Who benefits

#### Community wide benefit 80%

(All residents and visitors are able to use the facilities.)

#### Group benefit

20%

(Businesses in Ashburton, Methven, & Rakaia)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

UAGC 80%

Targeted CV 20%

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



## **Funding sources of capital expenditure:**

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

- Uniform Annual General Charge
- Targeted rates
- Borrowing
- Environment contributions – are levied under the Ashburton District Plan
- Any other source of funding.

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

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

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

**Community wide benefit 100%**

(All residents get benefit from enhanced community safety)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

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

**General Rate 25%**

### Funding sources of capital expenditure:

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

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

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

## 21. Community Services – Memorial Halls and Reserve Boards

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

#### Group benefit 100%

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

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

Targeted CV Rate 95-100%

Fees & charges  
0-5%

The targeted rate is applied as follows:

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

### Funding sources of capital expenditure:

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

- Targeted Rates

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

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

## 22. Community Services – Campgrounds

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

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

#### Private benefit 50%

(Users of campgrounds get benefit.)

#### Community wide benefit 50%

(Residents & visitors are able to access campgrounds.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

General Rate 65-75%

Fees & Charges 25-35%

### Funding sources of capital expenditure:

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

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

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

## 23. Parks and Open Spaces – Cemeteries

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

The service primarily contributes to the following community outcomes.

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

### Who benefits

#### Private benefit 80%

(Provided to users of cemetery facilities, largely friends & family of deceased.)

#### Community wide

#### benefit 20%

(Through ensuring the deceased are interred in a sanitary way.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

Fees & Charges 50-60%

General Rate 40-50%

### Funding sources of capital expenditure:

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

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

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

## 24. Parks and Open Spaces – Rural Beautification

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

#### Group benefit 50%

(To rural residents who live in proximity to rural beautification.)

#### Community-wide benefit 50%

(To all residents who enjoy enhanced rural surroundings across the district.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

#### Targeted CV Rate 50%

#### General Rate 50%

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

### Funding sources of capital expenditure:

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

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

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

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

Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in the Ashburton, Methven, & Rakaia townships. Urban beautification in Ashburton township includes the Ashburton Domain and Lake Hood.

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

#### Group benefit 50%

(Residents & businesses in Ashburton, Methven, & Rakaia get benefit through these localities being attractive places to live, work, & shop.)

#### Community-wide benefit 50%

(All residents get benefit through being able to use the recreational facilities provided & from having urban surroundings that are clean throughout the district.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

#### Targeted CV Rate 50%

#### General Rate 50%

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



### **Funding sources of capital expenditure:**

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

- Targeted rates
- General rates
- Borrowing
- Financial contributions
- Any other source of funding.

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

## 26. Recreation Facilities – Ashburton Public Library

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

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

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

**Uniform Annual General Charge (UAGC) 95-100%**

**Fees &  
Charges  
0-5%**

### Funding sources of capital expenditure:

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

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

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

## 27. Recreation Facilities – Ashburton Art Gallery & Museum

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

**Community wide benefit 100%**

(Provided through having cultural & heritage activities accessible to the residents.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

**Uniform Annual General Charge (UAGC) 95-100%**

**Fees &  
Charges  
0-5%**

### Funding sources of capital expenditure:

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

- UAGC
- Fees & Charges
- Borrowing

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

## 28. Recreation Facilities – EA Network Centre

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

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

### Who benefits

#### Private benefit 50%

(Provided to users of recreation facilities)

#### Community wide benefit 50%

(Provided to residents being able to access and use recreation facilities)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 50-70%

Fees & Charges 30-50%

### Funding sources of capital expenditure:

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

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

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

## 29. Regulatory Services – Alcohol Licensing & Gambling Venue Consenting

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

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

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

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

### Who benefits

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

**Community-wide benefit 20%**

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**Fees and charges 75-80%**

**General Rate 20-25%**

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

## **Funding sources of capital expenditure**

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

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

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

### 30. Regulatory Services – Animal Control

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

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

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

- A district of great spaces and places.

#### Who benefits

**Private benefit 95%**  
(Benefits to dog owners and the owners of wandering stock)

**Community-wide benefit 5%**  
(Safety of the general public)

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

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

#### Reasons for funding arrangement

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

#### Funding sources of operating expenditure

**Fees and charges 85-95%**

**General Rate 5-15%**

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

## **Funding sources of capital expenditure**

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

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

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



### 31. Regulatory Services – Building Regulation

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

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

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

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

#### Who benefits

##### Private benefit 90%

(Benefits to building owners and construction contractors being able to build in a manner that meets the requirements of the Act and the NZ Building Code.)

##### Community-wide benefit 10%

(Safety of the general public)

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

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

#### Reasons for funding arrangement

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

#### Funding sources of operating expenditure

##### Fees and charges 80-90%

##### General Rate 5-10-20%

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

## **Funding sources of capital expenditure**

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

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

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

## 32. Regulatory Services – District Plan Consents & Land Information

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

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

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

### Who benefits

#### Private benefit 80%

(Benefits to applicants for resource consents and applicants for land information memoranda.)

#### Community-wide benefit 20%

(Public good aspects of consenting including rights to submit)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

#### Fees and charges 60-80%

#### General Rate 20-40%

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

### Funding sources of capital expenditure

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

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

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

### 33. Regulatory Services – District Plan Policy & Development

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

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

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

#### Who benefits

##### **Community-wide benefit 100%**

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

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

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

#### Reasons for funding arrangement

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

#### Funding sources of operating expenditure

##### **General Rate 100%**

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

#### Funding sources of capital expenditure

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

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

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

## 34. Regulatory Services – Environmental Health Monitoring & Enforcement

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

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

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

### Who benefits

#### Community-wide benefit 100%

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

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

#### General Rate 100%

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

### Funding sources of capital expenditure

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

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

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

### 35. Regulatory Services – Environmental Health Licensing

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

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

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

#### Who benefits

<b>Private benefit 90%</b> (Benefits to individuals and businesses requiring environmental health licensing.)	<b>Community-wide benefit 10%</b> (Safety of the general public)
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**Who creates a need:** No groups or individuals drive demand other than the beneficiaries.

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

#### Reasons for funding arrangement

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

#### Funding sources of operating expenditure

<b>Fees and charges 85-90%</b>	<b>General Rate 10-15%</b>
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- Fees and charges include licensing fees across a range of activities.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

#### Funding sources of capital expenditure

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

- General rate



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

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

## 36. Regulatory Services – Emergency Management

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

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

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

### Who benefits

**Community-wide benefit 100%**

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

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**General Rate 50%**

**Uniform Annual General Charge 50%**

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

### Funding sources of capital expenditure

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

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

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

## 37. Regulatory Services – Parking

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

The parking activity primarily contributes to the following community outcome:

- A prosperous economy based on innovation and opportunity

### Who benefits

**Private benefit 100%**

(Benefits to users of parking facilities.)

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

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

### Reasons for funding arrangement

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

### Funding sources of operating expenditure

**Fees and charges 100%**

- Fees and charges include meter fees and infringement fines.

### Funding sources of capital expenditure

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

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

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

## 9. *Draft Development and Financial Contributions Policy for consultation*

Author	<i>Richard Mabon, Senior Policy Advisor</i>
Activity Manager	<i>Andrew Guthrie, Assets Manager</i>
Executive Team Member	<i>Neil McCann, Group Manager Infrastructure and Open Spaces</i>

### Summary

- The purpose of this report is to present a proposed Development and Financial Contributions Policy “DFC Policy” for approval by Council as a draft for public consultation.
- Since the last workshop on 7 February, quality assurance processes have identified some changes which reduce the development contribution (“DC”) calculations for Rakaia wastewater and community infrastructure.
- The major matters in this policy are:
  - Changes to the sums charged for DCs.
  - New water DCs at Methven-Springfield and Mount Somers.
  - Changes to water DCs at Fairton.
  - Changes to comply with the Local Government Act 2002.
  - Changes to introduce greater flexibility and fairness into charging for some kinds of accommodation development.
- It is intended to launch consultation on 27 March 2024 alongside consultation on the 2024-34 Long-term Plan

### Recommendation

- 1. That** Council approves the draft Development and Financial Contributions policy 2024-27 for public consultation alongside the 2024-34 Long-term Plan.

### Attachments

- Appendix 1** Other Councils’ approach to DCs on retirement villages  
**Appendix 2** Proposed draft Development and Financial Contributions Policy 2024-27

## Background

### The current situation

1. Council has operated a DC Policy since 2004. It is a funding and financial policy under the Local Government Act that enables council to recover a fair and proportionate share of the costs of growth from persons undertaking development.
2. Council reviews this Policy at least every three years to align with the capital expenditure planned in the long-term Plan.

### Primary issues

3. The major issue arising from the proposal is the amount that some existing DCs have increased and the amount that some new DCs are proposed to be set at. The following tables show the proposed new DCs by activity and community, compared to 2021. All figures are GST inclusive and represent the \$/household unit equivalent.

Community	2021 Water DC \$/HUE	2024 Water DC \$/HUE	Change in \$/HUE
Ashburton	840	1,401	561
Fairton	1,911	1,835	-76
Hinds	1,400	1,096	-304
Methven	2,182	5,105	2,923
Methven-Springfield	0	4,930	4,930
Mount Somers	0	21,510	21,510

**Table 1 – Proposed Water DC changes by community**

4. As DCs pay the costs of capital expenditure for growth, increases are typically driven by decisions or plans to spend on assets of greater capacity to allow for future development. In Ashburton, the growth component of a \$7M investment in UV disinfection and filtration lifts the charge. In Methven & Methven-Springfield Council has invested around \$9M (growth CAPEX over \$1M) in reservoirs and a membrane filtration plant. At Mount Somers, Council is investing over \$3M (growth CAPEX \$910K) in a membrane filtration plant.

Community	2021 Wastewater DC \$/HUE	2024 Wastewater DC \$/HUE	Change in \$/HUE
Ashburton	3,637	2,625	-1,012

Methven	303	1,215	912
Rakaia	107	0	0

**Table 2 – Proposed Wastewater DC changes by community**

5. Methven wastewater DC increases with a \$1.25M project (growth CAPEX \$321K) to upgrade the Line Road Trunk sewer main. During quality assurance work, officers clarified that the Rakaia sludge drying beds project contains no growth CAPEX. As a result, Council has no planned growth CAPEX at Rakaia and loans on previous growth CAPEX are now fully repaid. In Ashburton, the growth CAPEX for the next 10-year period has dropped from \$2.9M to \$2.6m and the overall growth capacity has lifted. Together these combine to reduce the DC.

Community	2021 Community infrastructure DC \$/HUE	2024 Community infrastructure DC \$/HUE	Change in \$/HUE
District-wide	4,892	6,972	2,080

**Table 3 – Proposed Community Infrastructure DC change**

6. The community infrastructure figure has reduced following quality assurance work post-workshop. Four elements account for the change in community infrastructure DCs. First is an overall increase in CAPEX for growth associated with the increased costs of building Te Whare Whakare. Second, the concept of “Applied growth factors” used in water and wastewater DCs does not apply to community infrastructure. Third, recalculation of the HUEs was adjusted to align with the policy requirement to consider “the population the asset was designed for” and the standard loan period of 25 years. The workshop figures were based on recovering 25 years of growth CAPEX over a 10-year period. Finally, Council previously “capped” this DC in 2021 and does not propose to cap this DC in 2024.

Community	Total 2021 DC \$/HUE	Total 2024 DC \$/HUE	Change in \$/HUE
Ashburton	9,369	10,998	1,629
Fairton	6,803	8,807	2,004
Hinds	6,292	8,068	1,776
Methven	7,377	13,292	5,915
Methven-Springfield	4,892	11,902	7,010
Mount Somers	4,892	28,482	23,590
Rakaia	4,999	6,972	1,973

Community	Total 2021 DC \$/HUE	Total 2024 DC \$/HUE	Change in \$/HUE
Rest of District	4,892	6,972	2,080

## Other issues

### *Fairton Water DC*

- At the 7 February Council meeting, Council decided to proceed with a proposal to service Fairton Township from the Ashburton water supply. Officers are aiming to complete this work before 30 June 2024. At cutover date, applications in Fairton township which trigger a DC will pay the Ashburton DC applying at the time.
- The draft policy aligns with Council's decision on 7 February and proposes that, if the cutover date occurs after 1 July, then Ashburton applications triggering a DC will be charged \$1,401 prior to cutover and an Ashburton-Fairton combined DC of \$1,405 after cutover. Fairton applications triggering a DC would be charged the proposed Fairton DC of \$1,835 prior to cutover and the Ashburton-Fairton Combined DC of \$1,405 after cutover.

### *Methven-Springfield Water DC*

- The proposal introduces a DC for Methven-Springfield as it is now supplied treated water from the membrane filtration plant at Methven. The DC for Methven-Springfield is based on the headworks projects only as they provide a benefit to Methven-Springfield. The DC does not include CAPEX related to main upgrades in Methven. As Methven-Springfield is a closed scheme for stockwater purposes, the DC will only be triggered by applications for new houses, which are relatively uncommon.

### *Preamble to Te Ture Whenua Māori Act 1993*

- Section 102(3A) of the Local Government Act requires Council to support the principles set out in Te Ture Whenua Māori Act 1993. Council proposes, in clause 1.5 of the proposed Policy, to consider whole or partial remissions of development contributions for developments on Māori freehold land.
- Māori freehold land is land where Māori customary interests have been converted to freehold title by the Māori Land Court or its predecessors by a freehold order. This land has therefore never been out of Māori ownership. Most Māori freehold land titles were created by the Land Courts in the 19th and early 20th centuries as part of a drive to convert communal ownership to individual title. Māori freehold land continues to be Māori land until the Māori Land Court changes its status.
- Today almost all Māori land is Māori freehold land. There are about 1.47 million hectares of Māori freehold land, which makes up roughly five percent of all land in Aotearoa. In Ashburton District, the proportion of land in Māori freehold is much smaller.



13. As noted earlier, the Māori Land Court retains powers to change land status to, or from, Māori freehold land by vesting order or status order. While it is difficult to obtain data on the frequency of such changes, it is considered low as 98% of Māori land is already Māori freehold land.

*Multi-unit and non-standard residential units.*

14. The draft policy proposes a change in relation to development contributions on multi-unit residential development and other non-standard residential units.
15. The current policy distinguishes between residential development, accommodation developments, and non-residential developments. A residential development is intended for permanent accommodation. An accommodation development is for temporary or overnight accommodation. Non-residential development is anything that is not either residential or accommodation development.
16. We have reliable information from various sources that retirement developments do not have the same level of occupancy that our policy assumes. A typical retirement village has an average occupancy of 1.6 people compared with the assumed average of 2.5 people in our policy. This equates to 0.64 HUE.
17. A similar argument can be made for tiny homes or apartments, where the level of occupancy or the nature of the development will influence demand on the infrastructure.

<b>Arguments for a more flexible approach</b>	<b>Arguments for the status quo</b>
The purpose of the policy is to ensure that developers pay a “fair and proportionate” share of CAPEX for growth. A standard charge that overstates demand by 36% on average is neither fair nor proportionate.	We design the infrastructure for maximum demand and the policy states that special assessment of DCs should be based on maximum occupancy.
Policies from other Councils, water meter data from existing developments, and evidence from developers aligns with the view that a typical retirement village development will average about 1.6 people per unit.	Councils can make reasonable judgments about the level of variation that should be recognised (and associated averaging effects) when assessing different development types. This enables development contributions, as a funding tool, to have relatively low transaction costs and provide a level of certainty for councils and developers.
Under objection a DC Commissioner will be able to review Council’s decisions about its policy and how it is implemented. Like council, the Commissioner must take into account the purpose and principles of the Act – including the “fair and proportionate” principle.	A person building a new home in a residential street should pay the same as a person building a retirement unit in a development. (The corollary is that the house in the residential street may be sold to a family of five but the unit in the retirement development will be sold to a retired

Arguments for a more flexible approach	Arguments for the status quo
	couple)
Councils whose policies have been legally tested have adopted approaches that take demand based on lower occupancy into account. For example, Hamilton City have multiple classes of residential development – one bedroom, two bedroom, standard residential and large residential. See Appendix 2.	Council declined a request for lower DCs at another development in 2011 so should remain consistent in its argument. See further discussion below.
While we design for maximum demand we share residential demand on an average basis, which means that smaller households subsidise larger households and commercial accommodation subsidises residential accommodation.	
Relevant aspects of this policy pre-date the 2014 amendments to the Local Government Act introducing the purpose, principles, and DC Commissioner provisions.	

18. Council considered a request to lower development contributions at Lochlea in 2011. The request was declined, noting that:
  - The policy was considered robust and defensible; and
  - The policy required the development to be assessed on its maximum occupancy, which on the available information at the time was four persons per unit; and
  - Officers recommended an approach which applied a household unit approach of 2.5 persons per unit (which was also defensible under the Policy as it stood)
  - Council rejected the argument based on average occupancy
19. Since 2011, Government has amended the Local Government Act in 2014, introducing statements as to the purpose and principles of development contributions and enabling DC commissioners to determine objections to DCs. The purpose of recovering a fair and proportionate share of growth CAPEX from development is central to the issue here.
20. In 2020 Council received a submission from the Retirement Village Association challenging Council’s policy and arguing for DCs to be based on average occupancy not maximum occupancy. Council noted relevant information at the time noting that all other “non-residential” uses are assessed on maximum occupancy and treating retirement villages as an exception was unfair. Officers also noted that it was too late in the process to effectively review the process in relation to all forms of non-residential development.

21. In 2020 Officers also looked at evidence of actual consumption across two retirement complexes. The evidence was two years of quarterly readings with data gaps at one complex. Peak consumption in the two year period reflected officer assessment of peak demand for a retirement village. Most of the time, the demand was somewhat lower and more reflective of the position sought by the RVA.
22. In 2024, Council has been approached again. In proposing a change from the previous position Officers note that:
- The local government sector is taking a more nuanced view in regard to development contributions that reflects the principles introduced in 2014. Councils are more open to policies that charge a “fair and proportionate” share.
  - Departing from the approach taken in 2011 reflects the current state of knowledge in the sector.
  - We are not proposing to treat retirement villages differently to other kinds of non-residential development. We are proposing that all non-residential assessment calculations are based on average occupancy rather than the maximum occupancy. This is also consistent with the averaging approach applied to residential development.
  - We also propose that in making assessments Council officers will also consider other relevant evidence such as historic consumption figures (average and peak) from metered developments of comparable types. Officers will also consider data supplied by developers including, but not limited to, occupancy rates and typical annual consumption.
  - The proposal reflects what was done with Haven Housing Trust. In terms of considering a wider body of evidence, including information from developers, this has been practice here for many years.

## Options analysis

### Option one – Approve the proposal as a draft Policy for public consultation.

23. Under this option, the policy enclosed as appendix 2 forms the basis for public consultation.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• The policy is up to date for historic, current and planned CAPEX for growth set out in the LTP.</li> <li>• The policy is lawful and fit-for-purpose.</li> <li>• The policy addresses an ongoing issue in terms of the fairness and proportionality of DCs for retirement villages.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• The policy sets some DCs at historically high levels for Ashburton District. Mount Somers is most notable. Council may expect some feedback on this through public consultation.</li> <li>• The policy enables public consultation on some changes. If councillors are not fully comfortable with every aspect of the proposal, they still have the opportunity to amend the Policy after considering</li> </ul>
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	<p>public views on the matter.</p> <ul style="list-style-type: none"> <li>• The policy does not address some issues which are on Council’s radar including taking DCs at subdivision and considering a transportation DC. The risks and impacts of these changes are still being worked through.</li> </ul>
<p><b>Risks:</b></p> <p>Any change to our methodology has the potential to produce unforeseen consequences. This is true of any policy. The revised approach reflects the kinds of evidence which officers typically consider in special assessments and is not unreasonably described as realigning policy with practise and with better practise in the sector. Risk is regarded as low to moderate.</p>	

**Option two – Amend the proposal prior to approval as a draft Policy for public consultation**

24. Under this option, the Council may choose to amend the policy enclosed as appendix 2 before going to public consultation. Matters that council may wish to discuss amendments include, but are not limited to:

- Changes for compliance with Te Ture Whenua Maori Act 1993
- Proposed changes to calculating DCs on retirement villages

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• The policy is up to date for historic, current and planned CAPEX for growth set out in the LTP. Should council amend the CAPEX for growth in the LTP the Policy should be amended to align.</li> <li>• The policy is lawful and fit-for-purpose. Any amendment must also be lawful and aligned to the purpose of the Policy.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• This Option enables Council to amend parts of the policy prior to public consultation if Council is uncomfortable with the change at this point. Taking those issues off the table is a barrier to Council introducing them, perhaps in an amended form, after public consultation.</li> </ul>
<p><b>Risks:</b></p> <p>Assessing the risks of unknown amendments is speculative. Officers will give advice on risks should amendments arise.</p>	

## Legal/policy implications

### Legal implications

25. Officers believe the policy is legally compliant.

### Policy implications

26. These are discussed throughout the report. The Policy is considered to be generally consistent with Council’s policies and strategies.

### Climate change

27. This policy is a funding and financial policy. It does not assess any capital work in terms of its implications for climate adaptation or mitigation. It should be noted that economic activity can be a generator of greenhouse gases. A development contribution that ensures that developments meet their fair and proportionate share of CAPEX for growth will be economically neutral in terms of encouraging development.

Review of legal / policy implications	
Reviewed by In-house Counsel	<i>Name; Position to be entered by the reviewer</i>

## Strategic alignment

28. The recommendation relates to Council’s community outcome of a prosperous economy based on innovation and opportunity because it ensures that development activity contributes its fair share to infrastructure required by the community.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	As per paragraph 28
Environmental	✗	
Cultural	✓	DCs contribute to the funding of infrastructure that supports the cultural well-being of the community such as Te Whare Whakaterere and the Ashburton Art Gallery & Heritage Centre.
Social	✓	DCs contribute to the funding of infrastructure that supports the social well-being of the community such as EA Networks Centre.

## Financial implications

Requirement	Explanation
What is the cost?	All costs associated with the development of the policy are covered in operating budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Strategy and policy work and communications are funded by overhead contributions from across the organisation.
Are there any future budget implications?	No.
Reviewed by Finance	<i>Name; Position to be entered by the reviewer</i>

29. At the time of writing, some figures in the development contributions schedules in the policy, and in this report, were subject to financial review and may be updated at the meeting.

## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	N/A
Level of engagement selected	Consult. This is required under the Local Government Act 2002.
Rationale for selecting level of engagement	Development contributions are the basis for charges incurred by many forms of development in the District. It is important that the community and developers can make their views heard. This policy review occurs as part of the review of Long Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. This will occur alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	<i>Mark Low; Strategy and Policy Manager</i>

## Next steps

Date	Action / milestone	Comments
21 February 2024	Council approves a draft policy for public consultation	
27 March 2024	Council opens public consultation on draft policy	Includes consultation on LTP policies and LTP itself.
27 April 2024	Public consultation closes	
13-22 May 2024	Council hears and deliberates on submissions	Includes hearings and deliberations on LTP policies and LTP itself.
26 June 2024	Council adopts final Policy	

## Appendix 1 – Other Councils’ approach to DCs on retirement villages

Council	Retirement village calculation
<p>Ashburton District</p> <p>These figures are from Appendix 6 of Council’s policy. however, other parts of the policy require Council to consider retirement units as being the same as ordinary household units, hence we do not apply this information except for rest homes and hospitals and communal facilities.</p>	<p>Rest home – two bed unit = 0.9 HEU + staff member allocation (assessed in aggregate across whole development)</p> <p>Rest home – single unit = 0.45 HEU + staff member</p> <p>Retirement home – double unit = 0.8 HEU + staff member</p> <p>Retirement home – single unit = 0.4 HEU + staff member</p> <p>Hospital care bed = 0.45 HEU + staff member</p>
Christchurch City	1 HUE per 265m <sup>2</sup> floor area
Selwyn District	0.5 HUE per residential unit
Waitaki District	<p>Care bed = 0.28HEU/bed + 1.30 HEU per property (water); 0.3 HEU/bed (wastewater)</p> <p>1 bed villa/house = 0.50HEU/villa/house + 1.30 HEU per property (water); 0.50 HEU/villa/house (wastewater)</p> <p>2 bed+ villa/house = 0.66HEU/villa/house + 1.30 HEU per property (water); 0.67 HEU/villa/house (wastewater)</p>
Dunedin City	0.5 EHU per residential unit. No separate calculation for retirement villages
Hamilton City	<p>One bedroom residential – 0.5HUE</p> <p>Two bedroom residential – 0.7 HUE</p> <p>Standard residential – 1.0 HUE</p> <p>Large residential – 1.3 HUE</p>
Queenstown Lakes District	0.68 HEU per unit (water); 0.60 HEU per unit (wastewater)



# Policy

## POLICY ON DEVELOPMENT & FINANCIAL CONTRIBUTIONS 2024

<b>TEAM:</b>	Assets
<b>RESPONSIBILITY:</b>	Assets Manager
<b>ADOPTED:</b>	(TBC) 2024 (effective 1 July 2024)
<b>REVIEW:</b>	Every three years or as required
<b>CONSULTATION:</b>	Council must give effect to Section 82, Local Government Act 2002
<b>RELATED DOCUMENTS:</b>	Ashburton District Council Long-Term Plan 2024-34, Building Act 2004, Local Government Act 2002, Local Government (Rating) Act 2002, and Resource Management Act 1991.

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## 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 developments a fair and proportionate 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 describes 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, and
- development contributions should be predictable and be consistent with the methodology and schedules of the policy under sections 106, 201, and 202, and
- when calculating and requiring development contributions, territorial authorities may group together certain developments by geographic area or categories of land use, provided that—
  - the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
  - grouping by geographic area avoids grouping across an entire district wherever practical.

### 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 environmental contributions to be used as part of Council’s overall approach to funding capital expenditure.

## **1.5 Compliance with Section 102(3A) of the Local Government Act 2002.**

Section 102(3A) of the Local Government Act 2002 states that the Policy on development contributions and financial contributions must also support the principles set out in the [Preamble of Te Ture Whenua Maori Act 1993](#).

The English text of the Preamble states:

*“Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.”*

In support of the principles stated in the Preamble, Council will consider full or partial remissions of development contributions for developments on Māori freehold land.

## **1.6 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
- borrowing, rates, reserves 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, building consent or service connection<sup>1</sup>, 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 **an accommodation unit or** 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 **an accommodation unit or** 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 **an accommodation unit or** 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 **unit, accommodation unit or non-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

<sup>1</sup> Service connection is defined in clause 2.6 of this policy as “service connection for an existing residential or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network”

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 –Ashburton Art Gallery and Heritage Centre, Te Whare Whakatere/ Ashburton Library and Civic Centre and EA Networks 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

### Drinking water and wastewater

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 2018 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, and wastewater development contributions.

### Accommodation Units

Each accommodation unit will be assessed for the demand it is expected to place on the water and wastewater networks based on the type of accommodation. 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.

### 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.

### Community Infrastructure

### Residential and Accommodation Units

For assessing community infrastructure development contribution each household unit is treated as being 1 HUE. Accommodation units and other forms of residential development will be assessed for the demand they are expected to place on the community infrastructure based on the type of business. This assessment will determine demand relative to a household unit and a HUE derived from that assessment.

Non-residential development attracts no HUE for community infrastructure.

## 2.5 Capacity Credit

Where a new development is replacing an existing residential, **accommodation unit** 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 to:

- a building which has been inhabited or used for the stated purpose within the last five years, or
- a building which has been used as a place of business within the last five years; or
- a vacant site from which a building meeting either of the above descriptions has been removed or demolished

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.

Requests to extend a capacity credit beyond five years will be considered by Council or a standing committee with appropriate delegated authority.

## 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, **accommodation unit** or non-residential unit;
- building consent or resource consent for an addition, alteration, or change of use for a business unit;
- **a subdivision resource consent deemed to result in an overall increase in lots being granted**
- Service connection for an existing residential, **accommodation unit** or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network; or
- Service connection for a new residential, **accommodation unit** or non-residential unit where the building consent for the development has been issued by a building consent authority other than the Ashburton District Building Consent Authority

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 collected under Council's revenue and financing policy.

## 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 network infrastructure and/or community facilities in the district or parts of the district; or
- b) Council has required a development contribution for network infrastructure and/or 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 Council or a standing committee acting under delegated authority.

## 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
- a subdivision resource consent deemed to result in an overall increase in lots being granted
- a service connection being granted for a residential, accommodation unit or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network
- A service connection being granted for a new residential or non-residential unit where the building consent for the development has been issued by a building consent authority other than the Ashburton District Building Consent Authority

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
- A certificate under section 224(c) of the Resource Management Act 1991 will be withheld
- 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](http://www.ashburtondc.govt.nz)
- Council offices, 2 Baring Square East, 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. Government has introduced the Resource Management Amendment Bill to repeal this provision, and the Bill is part way through parliamentary process. If it does not pass into law, Council will need to review whether it introduces a development contribution for Open Spaces.~~

## 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 any supporting information is available on Council's website [www.ashburtondc.govt.nz](http://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 2024-34.

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 and all subsequent amendments

## 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. Accommodation unit includes boarding houses, home stays, recreation lodges and visitor accommodation. . It also includes units, apartments, rooms in one or more buildings or hospital beds in lifestyle resorts, retirement villages, rest homes, care homes and associated hospitals.

**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 land, or development assets on land, owned or controlled by the Council for the purpose of providing public amenities; and includes land that the Council will acquire for that purpose.

**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 Maori 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 change 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). For the avoidance of doubt, this definition does not include accommodation within the definition of **Accommodation Units**

**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 or accommodation purposes. This includes:

- 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. Residential development includes household units, elderly persons' homes, and worker accommodation.

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**

Due to the delay from Statistics New Zealand with the 2023 data, Council has applied population growth forecasts developed by .id and based on the 2018 Census data. Information such as historical trends, resource consent numbers and factors that affect population change such as suburb life cycle were incorporated into the modelling for the projections.

### **Inflation**

All project costs in the Development Contributions Policy are based on current estimates of infrastructure construction prices in 2023/24 dollars with inflation of all capital costs over the period using local government cost adjusters supplied by BERL and Infometrics.

### **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 set of ratepayers who fund the rates for that activity under Council's revenue and financing policy.

### **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 2018 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 Applied 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.

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

### Calculation methodology to determine accommodation units and 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 6. Council will also consider other relevant evidence such as historic consumption figures from metered accommodation units and non-residential developments of comparable types. Council will also consider data supplied by developers, including but not limited to occupancy rates and typical annual consumption.



If there is no suitable property use listed in Appendix 6 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 **average** 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 not available fire service occupancy rates may be used.

3. Determine total water consumption

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

4. Convert to household unit equivalent (HUEs)

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

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

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

### **Calculation methodology to determine development contribution for community infrastructure – per HUE**

The development contribution for community infrastructure is levied on all new residential and accommodation developments within the district.

#### **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.

$$CE \times GF\% \text{ EC}$$

5. Each residential unit will be levied 1 HUE. Accommodation units will be assessed based on the **average** occupancy of the development. 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 not available fire service occupancy rates may be used. Convert the maximum total occupancy to household unit equivalents.

A household is 2.5 persons. So, for example, a 16 unit motel development that has average total occupancy of 32 persons attracts a DC of  $32/2.5 = 12.8$  HUE which rounds to the nearest full HUE i.e. 13 HUE.

**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 \$4,892 (including 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.

## Appendix 4. Development contributions by location

### 1. Development contributions by location

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

Catchment	Water (\$)	Waste Water (\$)	Community Infrastructure (\$)	Total (\$)/HUE Draft 2024/34 LTP
<b>Ashburton *</b>	1,401	2,625	6,972	10,998
<b>Fairton</b>	1,835	0	6,972	8,807
<b>Ashburton-Fairton combined (Ashburton)</b>	1,404	2,625	6,972	11,001
<b>Ashburton-Fairton combined (Fairton township)</b>	1,404	0	6,972	8,376
<b>Hinds</b>	1,096	0	6,972	8,068
<b>Methven</b>	5,105	1,215	6,972	13,292
<b>Methven-Springfield</b>	4,930	0	6,972	11,902
<b>Mount Somers</b>	21,510	0	6,972	28,482
<b>Rakaia</b>	0	0	6,972	6,972
<b>Rest of District</b>	0		6,972	6,972

\*Ashburton includes Lake Hood.

### 2. Schedule of assets for which a development contribution is required

Details of the **network infrastructure and** community facility assets for which development contributions are required are included in Appendix 5 of this policy.

## Appendix 5. Development contribution by activity and location

### Development contribution - Ashburton water supply

<b>HUE calculation</b>	Maximum connections	10,197	<b>Scheme growth factor</b>	13%%
	Current connections	8,909		
	Growth capacity (HUEs)	1,288		

Ashburton water supply development contribution calculation								
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 (\$)
<b>Recent</b>	Loans	2004/20	5,134,635	13%	13%	4,486,071	648,564	503.54
<b>Current</b>	Filtration & UV disinfection installation	2023/25	7,000,000	31%	13%	6,115,818	884,182	686.48
<b>Future LTP-2024-34</b>	Chalmers Ave trunk watermain renewal (Dobson St to River)	2025/26	288,240	16%	13%	251,832	36,408	28.27
<b>Ashburton water supply - development contribution (excl. GST)</b>								<b>1,218.29</b>
<b>GST</b>								<b>182.74</b>
<b>Ashburton water supply - development contribution (incl. GST)</b>								<b>1,401.03</b>

NOTE: Council is connecting Fairton township to Ashburton water supply during 2024. We aim to complete cutover before 1 July 2024. In the event that cutover occurs after 1 July, the development contributions on this schedule will apply until cutover date.

**Development contribution - Ashburton water supply (including Fairton Township)**

<b>HUE calculation</b>	Maximum connections	10,197	<b>Scheme growth factor</b>	13%
	Current connections	8,909		
	Growth capacity (HUEs)	1,288		

<b>Ashburton water supply development contribution calculation</b>								
<b>Period of CAPEX</b>	<b>Project description</b>	<b>Year incurred / proposed</b>	<b>Amount (\$)</b>	<b>Project growth factor</b>	<b>Applied growth factor</b>	<b>Funding from other sources (\$)</b>	<b>Cost of providing for growth (\$)</b>	<b>Development contribution per HUE (\$)</b>
<b>Recent</b>	Loans	2004/23	5,268,297	13%	13%	4,604,537	664,160	512.47
<b>Current</b>	Filtration & UV disinfection installation	2023/25	7,000,000	31%	13%	6,117,596	882,404	680.87
<b>Future LTP-2024-34</b>	Chalmers Ave trunk watermain renewal (Dobson St to River)	2025/26	288,240	16%	13%	251,905	36,335	28.04
<b>Ashburton water supply - development contribution (excl. GST)</b>								<b>1,221.37</b>
<b>GST</b>								<b>183.21</b>
<b>Ashburton water supply - development contribution (incl. GST)</b>								<b>1,404.58</b>

NOTE: Council is connecting Fairton township to Ashburton water supply during 2024. We aim to complete cutover before 1 July 2024. In the event that cutover occurs after 1 July, the development contributions on this schedule will apply from cutover date.

**Development contribution - Methven & Methven-Springfield water supply**

<b>HUE calculation</b>	Maximum connections	1,136	<b>Scheme growth factor</b>	6.33%
	Current connections	990		
	Growth capacity (HUEs)	67		

<b>Methven &amp; Methven-Springfield water supply development contribution calculation</b>								
<b>Period of CAPEX</b>	<b>Project description</b>	<b>Year incurred / proposed</b>	<b>Amount (\$)</b>	<b>Project growth factor</b>	<b>Applied growth factor</b>	<b>Funding from other sources (\$)</b>	<b>Cost of providing for growth (\$)</b>	<b>Development contribution per HUE (\$)</b>
<b>Recent</b>	Loans	2004/20	12,078,760	12%	12%	10,588,241	1,490,519	*4,052.53
<b>Current</b>	No growth related expenditure			8%	8%	0	0	0
<b>Future - LTP 2024-34</b>	Raw water trunk main renewal - design	2024/26	1,724,731	5%	5%	1,638,494	86,237	*234.47
	Spaxton St watermain renewal (Carr/Alford)	2025/26	226,400	5%	5%	215,080	11,320	30.78
	Cameron St watermain renewal (Alington/South Belt) - design	2026/28	233,393	5%	5%	221,723	11,670	31.73
	Jackson St watermain renewal - design	2027/29	240,562	5%	5%	228,534	12,028	32.70

<b>Methven &amp; Methven-Springfield water supply development contribution calculation</b>								
<b>Period of CAPEX</b>	<b>Project description</b>	<b>Year incurred / proposed</b>	<b>Amount (\$)</b>	<b>Project growth factor</b>	<b>Applied growth factor</b>	<b>Funding from other sources (\$)</b>	<b>Cost of providing for growth (\$)</b>	<b>Development contribution per HUE (\$)</b>
	Spaxton St (Alford/ Blackford) watermain renewal - design	2028/30	208,192	5%	5%	197,782	10,410	28.30
	Spaxton St (Blackford/ Main) watermain renewal - design	2029/31	129,216	5%	5%	122,755	6,461	17.57
	Bank Street (McMillan Street to Main Street)	2031/33	83,194	5%	5%	79,034	4,160	11.31
<b>Methven water supply – development contribution (excl. GST)</b>								<b>4,439.38</b>
<b>GST</b>								<b>665.91</b>
<b>Methven water supply – development contribution (incl. GST)</b>								<b>5,105.29</b>

<b>Methven-Springfield water supply – development contribution (excl. GST)</b>								<b>4,286.99</b>
<b>GST</b>								<b>643.05</b>
<b>Methven-Springfield water supply – development contribution (incl. GST)</b>								<b>4,930.04</b>

Methven-Springfield water supply development contribution includes growth CAPEX for headworks only, marked with an \* in the table

## Development contribution - Rakaia water supply

<b>HUE calculation</b>	Maximum connections	682	<b>Scheme growth factor</b>	12%
	Current connections	601		
	Growth capacity (HUEs)	81		

Rakaia water supply development contribution calculation								
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 (\$)
<b>Recent</b>	No growth related loans							0.00
<b>Current</b>	No growth related expenditure							0.00
<b>Future LTP- 2024-34</b>	No growth related expenditure							0.00
<b>Rakaia water supply - development contribution (excl. GST)</b>								<b>0.00</b>
<b>GST</b>								<b>0.00</b>
<b>Rakaia water supply - development contribution (incl. GST)</b>								<b>0.00</b>



## Development contribution - Hinds water supply

<b>HUE calculation</b>	Maximum connections	147	<b>Scheme growth factor</b>	1%
	Current connections	146		
	Growth capacity (HUEs)	1		

Hinds water supply development contribution calculation								
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 (\$)
<b>Recent</b>	Loans	2004/23	161,162	17.81%	1%	160,066	1,096	1096.34
<b>Current</b>	No growth related expenditure				0%	0	0	0.00
<b>Future LTP-2024-34</b>	No growth related expenditure				0%	0	0	0.00
<b>Hinds water supply – development contribution (excl. GST)</b>								<b>1,096.34</b>
<b>GST</b>								<b>164.45</b>
<b>Hinds water supply – development contribution (incl. GST)</b>								<b>1,260.79</b>

## Development contribution - Fairton water supply

<b>HUE calculation</b>	Maximum connections	84	<b>Scheme growth factor</b>	10%
	Current connections	76		
	Growth capacity (HUEs)	8		

Fairton water supply development contribution calculation								
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 (\$)
<b>Recent</b>	Loans	2008/23	134,062	18%	10%	121,294	12,768	1595.98
<b>Current</b>	No growth related expenditure				0%	0	0	0.00
<b>Future LTP-2024-34</b>	No growth related expenditure				0%	0	0	0.00
<b>Fairton water supply – development contribution (excl. GST)</b>								<b>1,595.98</b>
<b>GST</b>								<b>239.40</b>
<b>Fairton water supply – development contribution (incl. GST)</b>								<b>1,835.37</b>

NOTE: Council is connecting Fairton township to Ashburton water supply during 2024. We aim to complete cutover before 1 July 2024. In the event that cutover occurs after 1 July, the development contributions on this schedule will apply until cutover date.

## Development contribution – Mount Somers water supply

<b>HUE calculation</b>	Maximum connections	181	<b>Scheme growth factor</b>	27%
	Current connections	132		
	Growth capacity (HUEs)	49		

Mount Somers water supply development contribution calculation								
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 (\$)
<b>Recent</b>	No growth related loans				0%	0	0	0.00
<b>Current</b>	Membrane treatment plant	2022/23	3,380,000	30%	27%	2,469,065	910,935	18,705.04
<b>Future LTP-2024-34</b>	No growth related expenditure				0%	0	0	0.00
<b>Mount Somers water supply – development contribution (excl. GST)</b>								<b>18,705.04</b>
<b>GST</b>								<b>2,805.76</b>
<b>Mount Somers water supply – development contribution (incl. GST)</b>								<b>21,510.79</b>

## Development contribution - Ashburton wastewater

<b>HUE calculation</b>	Maximum connections	10,159	<b>Scheme growth factor</b> 11%
	Current connections	9,022	
	Growth capacity (HUEs)	1,137	

Ashburton wastewater development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other ADC sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
<b>Recent</b>	Loans	2005/23	20,617,603	11%	11%	18,310,071	2,307,532	2,029.49
<b>Current</b>	William Street sewer main renewal	2023/24	889,757	5%	5%	845,269	44,488	39.13
<b>Future LTP-2024-34</b>	Kermode street sewer main renewal (123 Kermode/Chalmers)	2026/28	460,889	5%	5%	437,845	23,044	20.27
	West Street sewer main renewal (Wills/Havelock)	2026/28	355,498	5%	5%	337,723	17,775	15.63
	Tuarangi Road block - Residential C Zone servicing	2027/29	1,644,720	100%	11%	1,460,642	184,078	161.90
	West Street sewer main renewal (Havelock/Tancred)	2027/29	369,655	5%	5%	351,172	18,483	16.26
<b>Ashburton wastewater - development contribution (excl. GST)</b>								<b>2,282.67</b>
<b>GST</b>								<b>342.40</b>
<b>Ashburton wastewater - development contribution (incl. GST)</b>								<b>2,625.07</b>

## Development contribution - Methven wastewater

**HUE calculation**

Maximum connections 1,454  
 Current connections 1,083  
 Growth capacity (HUEs) 371

**Scheme growth factor** 26%

Methven wastewater development contribution calculation								
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 (\$)
<b>Recent</b>	Loans	2005/23	247,114	29%	26%	184,061	63,053	169.95
<b>Current</b>	No growth related expenditure		0				0	0.00
<b>Future LTP- 2024-34</b>	Line Road Trunk sewermain	2024/26	1,258,400	44%	26%	937,309	321,091	865.47
	Cameron Street Rear Sewermain Relining	2025/26	161,894	5%	5%	153,799	8,095	21.82
	<b>Methven Wastewater Scheme - development contribution (excl. GST)</b>							<b>1,057.25</b>
	<b>GST</b>							<b>158.59</b>
	<b>Methven Wastewater Scheme - development contribution (incl. GST)</b>							<b>1,215.83</b>

## Development contribution - Rakaia wastewater

<b>HUE calculation</b>	Maximum connections	682	<b>Scheme growth factor</b> 12%
	Current connections	598	
	Growth capacity	84	
	(HUEs)		

Rakaia wastewater development contribution calculation								
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 (\$)
<b>Recent</b>	Loans	2005/23	0				0	0.00
<b>Current</b>	No capital expenditure for growth	2021/24	0				0	0.00
<b>Future LTP- 2021-31</b>	No capital expenditure for growth	2023/25	0	0%	12%	0	0	0.00
<b>Rakaia Wastewater Scheme - development contribution (excl. GST)</b>								<b>0.00</b>
<b>GST</b>								<b>0.00</b>
<b>Rakaia Wastewater Scheme - development contribution (incl. GST)</b>								<b>0.00</b>

## Development contribution – Ashburton District community infrastructure

Asset	Year built	Design population (25 years)	Current population	Excess capacity (HUE)
Art Gallery & Heritage Centre	2015	40,060	36,980	1,232
EA Networks Centre	2015	40,060	36,980	1,232
Te Whare Whakatere	2024	41,560	36,980	1,832

Ashburton District community infrastructure development contribution calculation									
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Funding from 3rd Parties	Funding from other ADC sources (\$)	Cost of providing for growth (\$)	Excess Capacity (HUE)	Development contribution per HUE (\$)
<b>Recent</b>	Loan - Ashburton Art Gallery and Heritage Centre	2005/20	2,473,795	11.50%	0.00	2,189,309	284,486	1,232	230.91
	Loan - EA Networks Centre	2009/20	26,074,186	11.50%	0.00	23,075,655	2,998,531	1,232	2,433.87
<b>Current</b>	Te Whare Whakatere - Library & Civic Centre	2021/22	21,000,000	14.16%	6,565,475	12,390,596	2,043,929	1,832	1,115.68
		2022/23	29,933,000	14.16%	9,358,303	17,661,320	2,913,377	1,832	1,590.27
		2023/24	13,038,000	14.16%	4,076,222	7,692,790	1,268,988	1,832	692.68
<b>Future LTP- 2024- 34</b>	No growth related expenditure								
<b>Uncapped Ashburton community infrastructure – development contribution (excl GST)</b>									<b>6,063.42</b>
<b>GST</b>									<b>909.51</b>
<b>Uncapped Ashburton community infrastructure – development contribution (incl GST)</b>									<b>6,972.93</b>

## Appendix 6. Water consumption of properties by functional use

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



## **10. Exhibition Lighting Renewal**

Activity Manager *Shirin Khosraviani; Ashburton Art Gallery and Museum Director*  
Executive Team Member *Sarah Mosley; Group Manager People and Facilities*

### **Summary**

- The purpose of this report is to seek approval for the renewal of the exhibition lighting asset at the Ashburton Art Gallery and Museum (AAGM), which will reach its ten-year life in 2025.
- Although the individual luminaires have performed exceptionally well, this asset is due for full renewal, so as to reduce the risk of facility closure due to faults or lighting quality changes.
- Officers recommend that the renewal happen now to reduce the risk of price increases (indicated to be 10% every 6-12 months) from the supplier. The luminaires can be stored until required.
- It is also recommended that the targeted Art and Culture Reserve Fund be used for this renewal.

### **Recommendation**

- 1. That** Council approves the purchase of new exhibition lighting for the AAGM with funds to come from the Arts and Culture Reserve.

## Background

1. The Ashburton Art Gallery and Heritage Centre was opened in 2015.
2. Assets purchased at the time of opening are nearing their ten-year life cycle and in need of appropriate asset management.
3. Specialist exhibition lighting exists throughout the first and second floor and is the main source of light during opening hours.
4. All luminaires of the AAGM are depreciated with the building itself and not a separate asset item. Some depreciation funding will be available, but the extent is unknown. Finance will advise on this when resourcing allows.

## The current situation

5. The ERCO luminaires are the only conservation grade lights available in the display areas of the AAGM. Additional house lights are only used for cleaning and afterhours use by officers.
6. Decline and failure of the luminaires present themselves as colour shifts or flickering light. Although the majority of the luminaires are performing well, there has been a noticeable change in approx 5% of the fittings where light is beginning to flicker.
7. To date, there have been little to no maintenance or replacement costs for the 250+ luminaires at the AAGM.
8. Due to the level of investment required to replace the luminaries, officers are concerned that delaying the renewal will result in significant loss resulting in closure of the exhibition spaces while emergency funding is sought.

## Options analysis

9. There are three options available to Council. Option one is to maintain the status quo and not renew the lighting asset. Option two is fully fund the renewal of the asset, and option three to fund the renewal over several years.
10. The preferred option is two, because it enables best-practice asset management for the AAGM and protects Council's reputation for providing high quality exhibition and object lighting for collections entrusted to its care.
11. The other short-listed options are not preferred because the asset renewal will be staggered risking some luminaires to fault out resulting in compromised lighting. It also increases the overall investment as costs will increase over time.

### Option one – do not renew the asset (status quo)

<b>Advantages:</b> <ul style="list-style-type: none"><li>• No further staff resource required on this project.</li></ul>	<b>Disadvantages:</b> <ul style="list-style-type: none"><li>• Funding for emergency purchases will be needed as luminaires fail.</li><li>• Poor light quality in exhibition spaces as the luminaries age.</li></ul>
<b>Risks:</b> <p>Luminaire fail rates increase resulting in closure of exhibition spaces. Council’s reputation damaged due to poor asset management.</p>	

### Option two – renew the asset in full (recommended option)

<b>Advantages:</b> <ul style="list-style-type: none"><li>• Council maintains best-practice procedures for asset management</li><li>• High quality, industry standard lighting is maintained for the AAGM</li><li>• AAGM facility continues to operate with no risk of closure from failing luminaires</li></ul>	<b>Disadvantages:</b> <ul style="list-style-type: none"><li>• High investment level required</li></ul>
<b>Risks:</b> <p>Majority of Art and Culture Reserve used on this one renewal project</p>	

### Option three – renew the asset across several years

<b>Advantages:</b> <ul style="list-style-type: none"><li>• Lower upfront investment</li></ul>	<b>Disadvantages:</b> <ul style="list-style-type: none"><li>• Ongoing staff resourcing is required to maintain the staggered purchasing of luminaires</li><li>• Cost increases will result in a higher overall investment</li><li>• There may be a mix and match visual outcome to the luminaires should the designs change</li></ul>
<b>Risks:</b> <p>Emergency funding may still be needed should larger quantities of luminaires fail over the period of 10 years.</p>	

## Legal/policy implications

12. There is no legislative requirement to renew the lighting asset of the AAGM.

## **Council policies and agreements**

13. This renewal project supports the responsibilities allocated to ADC in the Collection Management Agreement between the Ashburton Museum and Historical Society Inc. and Ashburton District Council, 2022, “To ensure collection management is in accordance with best practice Museum industry standards”.
14. The renewal also supports the responsibilities allocated to ADC in the Delegation and Management Agreement between the Ashburton Art Gallery Inc. and Ashburton District Council, 2021, “To Manage the collection within the accepted New Zealand Museums Standards scheme and the Museums Aotearoa Code of Ethics”.
15. The renewal will contribute to the policy objectives of the ADC Civic Art Collection Management Policy adopted December 2021.

[Civic Art Collection Management Policy 2021.docx \(adc.govt.nz\)](#)

16. This renewal will contribute to meeting priorities for ‘Caring for collections’ and ‘Risk Management’ identified in the Museum Activity Management Plan 2021-31.

[Ashburton Museum AMP 2021-31.pdf \(adc.govt.nz\)](#)

## **Climate change**

17. The proposal supports Council’s Climate Change Policy objective to “ensure the sustainability of Council assets and services for the present and future resilience and well-being of the Ashburton District.”

[Climate-Change-Policy-2022.pdf \(ashburtondc.govt.nz\)](#)

## **Strategic alignment**

18. The recommendation relates to Council’s community outcome of ‘a district of great places and spaces’ and ‘a balanced and sustainable environment’ because the AAGM is an important community facility. It is a welcoming space and free to all. As custodians to growing cultural collections and exhibitions, adequate professional care and access to these collections gives our community a sense of pride for generations to come. High quality lighting is a central factor to effective conservation practice and the ability to display objects for public enjoyment. Improved technology in LED lighting impacts positively on environmental sustainability by reducing overall energy consumption.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental	✓	New technology in LED exhibition lighting has proven impacts on reducing energy consumption ensuring the sustainability of Council assets and our energy footprint. This technology has further improved in the past ten years.
Cultural	✓	Exhibition-specific lighting is designed with object conservation in mind. The long-term care of art, objects, textiles and paper records ensures that our communities continue to have access to their rich cultural heritage and allow generations to pass down knowledge through these objects.
Social		

## Financial implications

19. The costing for this project has been developed by officers in discussion with specialist lighting consultants who supply ERCO luminaires.
20. Costings for the renewal is for the combined art gallery and museum lighting asset.
21. This renewal is currently under the management of the Property team.
22. It is proposed that ongoing financial management and maintenance of the asset should rest with the Ashburton Art Gallery and Museum Director as it is a specialist fixture of the activity of the Gallery and Museum.
23. It is also proposed that all new lighting will be listed and depreciated separately from the AAGM building itself.

Requirement	Explanation
What is the cost?	\$570,000
Is there budget available in LTP / AP?	No.
Where is the funding coming from?	It is proposed that funds from the Arts and Culture Reserve be used to fund this renewal. The fund has a balance of \$580,000
Are there any future budget implications?	Yes. Will fall under standard asset renewals for CAPEX items.
Reviewed by Finance	<i>Leanne Macdonald, Group Manager – Business Support</i>

## Significance and engagement assessment

24. This project has low significance, but high benefit to AAGM operations. As the matter is mainly operational it does not trigger a high level of engagement.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	N/A
Level of engagement selected	Inform – one-way communication
Rationale for selecting level of engagement	The proposal is an operational matter and does not trigger a higher level of community engagement.
Reviewed by Strategy & Policy	<i>Mark Low; Strategy and Policy Manager</i>

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## ***11. Mid-year performance and Strategy & Plan report***

Author	<i>Femke van der Valk; Corporate Planner</i>
Manager	<i>Mark Low; Manager Strategy &amp; policy</i>
Executive Team Member	<i>Toni Durham; GM Democracy &amp; Engagement</i>

### **Summary**

- The purpose of this report is
  - To provide the mid-year non-financial reporting against the performance measures set for Year 3 of the Long-Term Plan 2021-31; and
  - To provide a summary of our progress towards achieving the actions included in the Climate Resilience Plan 2022.
- These results are for the first half of the 2023/24 financial year, from 1 July 2023 – 31 December 2023.

### **Recommendation**

**That** Council receives the mid-year non-financial performance and strategy report.

**Appendix 1** 2023/24 Mid-year performance report

**Appendix 2** Climate Resilience Plan 2022 - Progress Report

## Background

### The current situation

1. Council monitors its progress towards achieving the non-financial performance measures. These are reported to Council mid-way through the financial year and at the end of the financial year. See Appendix-1 for the 2023/24 Mid-year performance report.
2. As part of the long-term plan process, Council sets levels of service for each activity. Accompanying these levels of services are performance measures and targets.
3. Performance measures enable Council and the community to assess whether the levels of service are being delivered to the community. Targets for each performance measure show the level of achievement Council is aiming for each year.
4. The end of year results are also included in Council's Annual Report.
5. In December 2022 Council agreed on a Strategy & Plan review schedule. The schedule requires a 6 monthly progress report for the Climate Resilience Plan 2022. The latest Climate Resilience Plan 2022 progress report is referred to in Appendix -2.

## Legal/policy implications

### Legislation

6. Council is required (Local Government Act 2002) to report against the performance targets set for each activity in the Annual Report.
7. While Council isn't required by legislation to provide progress reports on strategies and plans, to do so informs both Council and the community with how well Council is tracking on a timely basis.



## Financial implications

Requirement	Explanation
What is the cost?	Monitoring Council's performance is met from within existing budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	284 Community Planning
Are there any future budget implications?	No
Reviewed by Finance	Not required

## Significance and engagement assessment

8. The progress reporting of Council's achievement towards its non-financial performance measures and Strategies & Plans is not considered significant and is of low significance to the community.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low; Not significant
Level of engagement selected	1 – Inform the community
Rationale for selecting level of engagement	The community will be informed of Council's progress in achieving the non-financial performance measures through relevant media channels. Final achievement will be advised through the Annual Report 2023/24, to be completed by 31 October.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

## Mid-year performance report

### Local Infrastructure

#### HALF-WAY PERFORMANCE UPDATE – DRINKING WATER

**What we’re aiming for:** To promote the health and safety of the community through the provision of an efficient, safe and reliable water supply.

WHAT WE’RE WORKING TOWARDS <small>(Levels of service)</small>	HOW WE’LL MEASURE PROGRESS <small>(Performance measures)</small>	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS	
We provide quality drinking water to connected properties	All Council drinking water schemes achieve bacteria compliance	50%	100%	0%	Compliance with the new Drinking Water Quality Assurance Rules have not been met for the full time period.	
	All Council drinking water schemes achieve protozoal compliance	0%	100%	0%		
Council contractors respond to drinking water failures and requests with median response times	Median response time (in hours) to urgent and non-urgent callouts	Urgent call-out attendance 0.98 hours (59 minutes)	1 hour	1.00 hours		
		Urgent call-out resolution	4 hours	4 hours	2.90 hours	
		Non-urgent call-out attendance	1.83 days (44.01 hours)	1 day	2.88 days (69.13 hours)	
		Non-urgent call-out resolution	2.04 days (49.06 hours)	5 days	3.08 days (74.03 hours)	
We provide efficient and sustainable drinking water services	Reduction in real water loss from the reticulated systems	59%	34%	57%	Not all properties on Council supplies are metered and so the approved water loss calculation yields a coarse figure and includes losses on private reticulation.	
	Reduction in average consumption (per resident per day)	790 L	≤706 L	721 L	Mid year figures for this measure and the real loss water figure above have been calculated without full consumption data from Methven & Methven/Springfield supplies due to telemetry setup complications at new	

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
					Methven WTP. All data will be available at year end.
The majority of residents are satisfied with our drinking water services	Customer satisfaction with drinking water services a)Clarity b)Taste c)Odour d)Pressure or flow e)Continuity of supply f) Council's response to any of these issues	4.96 complaints / 1,000 connections	≤ 10 complaints / 1,000 connections	3.90 complaints / 1000 connections	
	Residents are satisfied with Council's drinking water supplies	80%	80%	85%	

#### HALF-WAY PERFORMANCE UPDATE – WASTEWATER

**What we're aiming for:** To help protect community health and safety, and the environment, through the provision of reliable and efficient wastewater schemes.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide an efficient and sustainable wastewater service	Dry weather overflow incidents	1.00 / 1000 connections	≤1.0/1000 connections	0.85 / 1000 connections	
	Compliance with resource consents	0	0	1	Rakaia WWTP issued abatement notice 27 November 2023 for sludge disposal non-compliance
	Infringement notices	0	0	1	Rakaia WWTP Sludge abatement notice of 27 November 2023 included infringement notice with a fee of \$1,000
	Enforcement orders	0	0	0	
	Convictions	0	0	0	

Council contractors respond to wastewater failures and requests with median response times	Median response time (in hours) to callouts	Call-out attendance time	0.78 hours (47 minutes)	1 hour	0.69 hours
		Call-out resolution	1.83 hours (110 minutes)	4 hours	2.96 hours
The majority of residents are satisfied with our wastewater services	Customer satisfaction with wastewater services	a) Sewage odour b) Sewerage system faults c) Sewerage system blockages d) Council's response to issues with our sewerage system	8.23 complaints/1,000 connections	≤10 complaints/1,000 connections	6.48 complaints / 1000 connections

## HALF-WAY PERFORMANCE UPDATE – STORMWATER

**What we're aiming for:** To ensure property and the environment are protected and roads and footpaths continue to be accessible during rain events.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS	
We provide protection from flooding for private properties	Flooding events from stormwater overflows *	The number of flooding events	0	0	0	
		The number of habitable floors affected for each flooding event	0	0	N/A	No flooding events in 2023/24 YTD
	Median response time (in hours) to callouts *	N/A	1 hour	N/A	No flooding events in 2023/24 YTD	
We provide efficient and sustainable stormwater services	Compliance with resource consents *	Abatement notices	0	0	0	
		Infringement notices	0	0	0	
		Enforcement notices	0	0	0	
		Convictions	0	0	0	
The majority of residents are satisfied with our stormwater services	Customer satisfaction with stormwater services (complaints / 1,000 connections) *	1.81	≤5	1.88		

## HALF-WAY PERFORMANCE UPDATE – STOCKWATER

**What we're aiming for:** To promote the productivity of rural land through the efficient provision of clean, reliable stockwater.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS	
We provide efficient and sustainable stockwater services	Compliance with resource consents	Abatement notices	1	0	0	No abatements received 2023/24 YTD.  1 abatement notice from 2022/23 period for unconsented weir renewal still outstanding.
		Infringement notices	0	0	0	
		Enforcement orders	0	0	0	
		Convictions	0	0	0	

## HALF-WAY PERFORMANCE UPDATE – TRANSPORTATION

**What we're aiming for:** To enable efficient travel throughout the district to support economic and social interaction.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide quality transportation services for the district	The footpath network is well maintained *	99%	85%		Data available at the end-of year
	The sealed local road network is smooth *	97%	90%		Data available at the end-of year
	The sealed local road network is well maintained * <i>The percentage of the sealed network that is resurfaced each year. Reseals and rehabilitations included.</i>	4.9%	4%	1.4%	18.600 km reseals completed 2.932 km rehabilitation completed
	Volume of metal replaced on unsealed roads	36,545 m <sup>3</sup>	≥48,000m <sup>3</sup>	27,697m <sup>3</sup>	
	Reduction in fatalities on local roads * <i>The change in the number from the previous financial year.</i>	-2	Decrease from previous year	+1	
	Reduction in serious injury crashes on local roads * <i>The change in the number from the previous financial year.</i>	+4	Decrease from previous year	-7	
Council contractors respond to transportation network failures and requests within required response times	Roading service requests are responded to within 5 working days *	98%	75%	96%	
	Footpath service requests are responded to within 5 working days *	98%	75%	97%	
The majority of residents are satisfied with Council's transportation services	Residents are satisfied with Council's unsealed roads	46%	65%	52%	
	Residents are satisfied with Council's sealed roads	26%	50%	27%	

## HALF-WAY PERFORMANCE UPDATE – WASTE REDUCTION & RECOVERY

**What we're aiming for:** To develop a cost-effective range of waste management services to ensure sustainable management, conservation of resources, and protection of the environment and public health.

WHAT WE'RE WORKING TOWARDS <i>(Levels of service)</i>	HOW WE'LL MEASURE PROGRESS <i>(Performance measures)</i>	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide kerbside collection services to the majority of residents in the district	Increase the volume of recyclable material from kerbside collection services	-3.8%	+1%	0.1%	Volume of recyclable materials from the pit and the delivered to the RRP's are expected to increase in the next half of the year similar to the trend from previous years.
	Residents are satisfied with rubbish and recycling services in the district	83%	90%	86%	
We provide waste reduction and recovery facilities throughout the district	Increase the volume of recyclable/recoverable material recovered from the waste stream	+5.7%	+1%	0.1%	The volume of diversion is similar to the volumes in the first half of last year



## Public Services

### HALF-WAY PERFORMANCE UPDATE - GOVERNANCE

**What we're aiming for:** To engage in meaningful conversations and lead the community with clear and rational decision-making that is based on robust monitoring, research and analysis.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
The community is informed of, and involved in, local decision making	Residents are satisfied that the Council provides opportunities to have their say	90%	80%	89%	
	Residents are satisfied with the quality of information about Council activities and events	94%	90%	95%	
The community's views are taken fully into account for effective governance by elected members	Residents are satisfied with the performance of the Mayor and councillors	86%	80%	91%	

### HALF-WAY PERFORMANCE UPDATE – COMMUNITY GRANTS & FUNDING

**What we're aiming for:** To support other organisations in the community in areas that are far better serviced by these groups than what we could do.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
Community-led projects are well supported to enhance community development and wellbeing	Residents are satisfied that the Council provides opportunities for grants and funding to support community-led projects	95%	90%	98%	

## HALF-WAY PERFORMANCE UPDATE - ECONOMIC DEVELOPMENT

**What we're aiming for:** To support the local economy by assisting tourism, employment and business development initiatives.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
Commercial property assets that are financially sustainable	Occupancy of all commercial tenancies at or above 95% at all times	98%	≥95%	98%	
Council builds relationships and collaborates with all sectors in the business community	Resident satisfaction with Council's roles in economic, business and tourism development	86%	90%	89%	Economic Development Strategy in place and working to activate the actions identified.

## HALF-WAY PERFORMANCE UPDATE – COMMUNITY SERVICES

**What we're aiming for:** To provide community services that meet resident's needs

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
Council will provide rental accommodation that meets the specific needs of eligible elderly members of the community	Occupancy rates of available Elderly Persons Housing	95%	95%	97%	
The majority of residents are satisfied with Council-provided public conveniences	Residents are satisfied with Council-provided public conveniences	93%	90%	95%	
We support the safety of Ashburton District	Residents are satisfied with Council's provision of CCTV, street lighting and security patrols within the district	88%	85%	90%	

## HALF-WAY PERFORMANCE UPDATE – PARKS AND OPEN SPACES

**What we're aiming for:** To provide the district with a network of open green spaces that contribute towards the beauty and enjoyment of the area for residents and visitors alike.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide residents with accessible, fit for purpose parks & open Spaces	Urban residents live within 400 metres of a park or open space.	95%	95%	95%	
	Residents throughout the district have access to sports parks (per 1,000 residents).	3.4 ha	≥3.5 ha	3.4ha	No new sports parks developed within this period.
Council responds to parks & open spaces failures and requests	Complaints are responded to within ten working days.	75%	75%	89%	
The majority of residents are satisfied with our parks & open spaces	Residents are satisfied with Council-provided parks & open spaces	95%	95%	97%	
Council responds to cemetery failures and requests	Complaints are responded to within ten working days	67%	95%	100%	
The majority of residents are satisfied with our cemeteries	Residents are satisfied with Council-provided cemeteries	97%	95%	99%	

## HALF-WAY PERFORMANCE UPDATE – RECREATION FACILITIES

**What we're aiming for:** To provide recreation services that are well utilised and meet the needs of the community.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS	
We provide all residents and visitors with accessible library resources for recreation and discovery	Most households in the district utilise the library	48%	60%	49%		
	Number of activity and programme sessions delivered in the library / by the library team across the year aimed at:	Children	382	400	162	
		Teens	56	200	60	
		Adults	231	200	99	
We will have a library that is a welcoming and community-centred destination	Users are satisfied with Council's library services	96%	95%	96%		
	Free public internet sessions (Aotearoa People's Network Kaharoa) are well utilised	29,374	40,000	15,231		
We provide a modern museum for the community that aligns with NZ Museum Standards	Museum programmes and services are well utilised and increasing	24,586	26,000	13,653		
	Ashburton Museum meets New Zealand Museum Standards	80%	75%	80%		
The majority of users are satisfied with the Museum	Users are satisfied with Council-provided Museum services and programmes	97%	93%	94%		
We provide quality gym, pool, and stadium facilities	EA Networks Centre is well utilised	442,139	490,000	238,256	48% of target YTD	
The majority of users are satisfied with EA Networks Centre	Users are satisfied with EA Networks Centre services and programmes	88%	92%	89%		

## Regulatory Services

### BUILDING REGULATION

**What we're aiming for:** To implement the requirements of the Building Act 2004 fairly and impartially so the public has confidence that buildings in the district are constructed in accordance with the building code.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide quality building regulation services	Building consents are processed and decisions made within 20 working days	55.8%	100%	68%	164 of 241 consents have been compliant within this reporting period.
	Code of Compliance Certificates are processed and decisions made within 20 working days	99.3%	100%	96.7%	356 of 368 certificates have been compliant within this reporting period.
	Buildings with compliance schedules are audited each year	10%	10%	2.5%	15 of 601 certificates have been audited within this reporting period. Target will be met by year end.
	A third of known swimming pool fences are inspected every year	100%	100%	75%	131 of 523 pools have been inspected so far this period. (inspection total number of pools = 3Years)
Council responds to concerns with building regulation services within required response times	Building service complaints are responded to within two working days	100%	100%		No written complaints received within this reporting period.

## DISTRICT PLANNING

**What we're aiming for:** To achieve a fit for purpose function which meets statutory obligations and customer expectations, while anticipating and reacting to the changing needs of the district.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide quality district planning services	Resource consent applications and exemptions are determined within statutory timeframes	96.4%	100%	97%	97 of 100 consents were processed within timeframes.
	Subdivision plan approval certificates (RMA s.223) are determined within ten working days	88%	100%	87%	68 of 78 applications were processed within timeframes.
Council responds to concerns with district planning services within required response times	District planning service complaints are responded to within five working days	92%	100%	100%	All complaints dealt with within target times.
The majority of residents are satisfied with the standard of our district planning services	Residents are satisfied with the standard of Council's planning services	79%	80%	86%	

## EMERGENCY MANAGEMENT

**What we're aiming for:** To support the community's ability to respond to and recover from emergency events.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We support emergency preparedness through community-based emergency management	A community response plan is developed or renewed annually	3	1	1	Lake Clearwater Community Response Plan renewed
The majority of residents are satisfied with the standard of our civil defence services	Residents are satisfied with the civil defence services provided by Council	97%	95%	98%	

## LAND INFORMATION

**What we're aiming for:** To provide an efficient production of Land Information Memoranda (LIM) within statutory timeframes and with a high degree of accuracy.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide quality land information services efficiently	LIM applications are processed within ten working days	100%	100%	100%	All LIMs processed within timeframe.

## REGULATORY COMPLIANCE

**What we're aiming for:** To improve, promote, and protect public health within the district by the promotion of sustainable environmental practices and the monitoring and enforcement of associated legislation and bylaws.

WHAT WE'RE WORKING TOWARDS (Levels of service)	HOW WE'LL MEASURE PROGRESS (Performance measures)	2022/23 RESULTS	2023/24 TARGET	2023/24 YTD RESULTS	COMMENTS
We provide quality alcohol licensing services	Licensed premises are monitored each year	100%	100%	75%	
	Stakeholder meetings are held each year	12	10	16	
The majority of residents are satisfied with Council's role in alcohol licensing	Residents are satisfied with how Council undertakes its role in alcohol licensing	90%	85%	92%	
We provide quality animal control services	Known dogs are registered (includes dogs otherwise accounted for)	98%	95%	95%	
Council contractors respond to animal control incidents within contractual response times	Urgent incidents are responded to within one hour	100%	100%	91%	Target met but contractors record keeping needs improvement
	Found, wandering or barking dog incidents are responded to within five working days	91%	100%	90%	
The majority of residents are satisfied with our animal control services	Residents are satisfied with Council's animal control services	87%	80%	92%	
We provide quality environmental health services	Registered food premises are appropriately risk assessed each year	97%	80%	95%	
Council contractors respond to environmental health issues within contractual response times	Noise complaints are responded to within two hours	100%	100%	76%	Urban noise complaints are responded to within 20 minutes, but record keeping needs improvement



## Appendix 2

## CLIMATE RESILIENCE PLAN PROGRESS REPORT

Adopted 17 August 2022. Short-term actions are those identified for completion within the first three years of the plan – i.e. by 30 June 2025.

ACTION	WHO RESPONSIBLE?	DATE BY	PROGRESS ON TRACK?	WITHIN BUDGET?	COMMENTS
Continue to support regional collaboration in response to climate change	Exec Team, Strategy & Policy	Ongoing	Yes	Yes	Funded from operating budgets
Underake a Local Climate Change Risk Assessment	Led by S&P	Short term	Yes.	Yes	<p>Scope and budget of the risk assessment to be decided. Business case to be prepared for Long-term Plan consideration.</p> <p>50K annually for Climate change related work has been approved for being considered during Long-Term Plan.</p>
Continue to be a part of and spread awareness of the 'It's Time Canterbury' campaign	Comms	Ongoing	Yes	Yes	<ul style="list-style-type: none"> <li>- Communicated on the green and sustainable features of Te Whare Whakare.</li> <li>- Regular updates on Fairfield freight hub and its capacity to reduce emissions.</li> <li>- Supporting and promoting the public transport survey</li> </ul>
Ensure Council's climate change webpage is kept up to date	Comms, S&P	Ongoing	Yes	Yes	Current site has been maintained
Form an internal Energy Management Group to investigate and implement energy savings	Exec Team	Ongoing	Yes	Yes	<p>ADC's Energy Management Group consists of a consultant (Venture Energy) and representatives from all teams across the council.</p> <p>The Group meets once every three months.</p> <p>Some of the actions discussed &amp; agreed upon among the group have been completed across different teams within the council. Eg. Transition and Audit Report on Fleet Performance has been completed. Energy and Carbon Audit for Mt Hutt Memorial Hall and Ashburton Holiday Park has been completed to achieve energy efficiency and low carbon emission in council facilities and vehicles.</p>
Continue investment in biodiversity	Open Spaces	Ongoing	Yes	Yes	Council is investing its resources in the development of a new Biodiversity Strategy for the district.

ACTION	WHO RESPONSIBLE?	DATE BY	PROGRESS ON TRACK?	WITHIN BUDGET?	COMMENTS
					Council has an annual contestable biodiversity grant of \$15,000 for biodiversity-focused projects in private farmland. Increased native tree planting around council reserves in the last year.
Invest in climate-resilient core infrastructure	Assets, Roding, Projects & Operations	Ongoing			Core infrastructure is three waters and roading infrastructure. Best examples are in stormwater, where we design for 1-in-50 year events based on an RCP 8.5 pathway. This is widely applied across local government and results in building stormwater infrastructure with greater capacity to cope better with larger rainfall/ flooding events. In a similar fashion, infiltration and inflow design rates are used in wastewater design to ensure that wastewater pipes and pumps are designed to cope with higher levels of groundwater.
Investigate a requirement for developers to provide climate-resilient infrastructure	Planning, Assets	Short term	Yes	Yes	Standards applied to privately-developed core infrastructure through resource consents reflect the same standards that Council applies to its own new and renewed infrastructure builds private vertical infrastructure (buildings) must meet the resilience and sustainability requirements of the Building Code.
Use sustainable designs in major projects	Led by Assets & Property	Ongoing	Yes	Yes	Previous answers are also relevant here. Council has embedded sustainability features into the design of the library Te Kete Tuhinga and civic centre Te Whare Whakatere
Incorporate climate change into Council's report template and guidance to report writers	S&P	Short term	Yes	Yes	The council report template and guidance to report writers includes material on addressing climate-related implications of decisions. This is an area of emerging practice in the sector and is likely to evolve over time.
Provide information and training to staff and elected members on climate change issues	S&P	Ongoing	No	Yes	There are many aspects of climate change that could offer learning opportunities for elected members and staff. Some work identifying training opportunities and areas of interest would be beneficial.
Repond to Government and other agencies when they seek feedback on climate related proposals	Council, S&P	Ongoing	Yes	Yes	Council has made climate-related submissions to the Department of the Prime Pinister and Cabinet on Lifting the Resilience of NZ Critical Infrastructure,

ACTION	WHO RESPONSIBLE?	DATE BY	PROGRESS ON TRACK?	WITHIN BUDGET?	COMMENTS
					Draft Canterbury Recovery Plan and the Rakitata Revival Strategy.
Pro-actively advocate on issues of concern to the Ashburton district	Council, S&P	Ongoing	No	Yes	Officers are not aware of Council pro-actively advocating on climate-related issues in 2022/23.
Develop community response plans for all Ashburton communities and review existing plans	Emergency Management	Ongoing	Yes	Yes	Reviews completed: <ul style="list-style-type: none"> <li>• Ashburton Tsunami Plan Review (January 2024)</li> <li>• Ashburton AE-8 Plan Review (November 2023)</li> </ul> New Plan: <ul style="list-style-type: none"> <li>• South Rakaia Hutts completed (January 2024)</li> </ul> Review Underway: <ul style="list-style-type: none"> <li>• Rakaia Commenced</li> <li>• Mt Somers Commenced</li> <li>• Ashburton Standard Operating Procedures commenced.</li> </ul>
Commission a carbon footprint analysis for Council activities	Exec Team	Short term	Yes	Yes	Previously Council received Corporate GHG Emission report for ADC for year 2020/21. ADC GHG Emission during 2020/21 were 11,665t CO <sub>2</sub> e.  ADC has commissioned the evaluation of Corporate GHG Emissions for year 2021/2022. The Study will help build robust data on Council's GHG emission and subsequent reduction targets.
Implement the emissions reduction plan and report progress annually	Energy Management	Ongoing	Yes		The GHG Emissions Reports are going to be used for setting future emission reduction targets.  Will potentially require additional budget.

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## 12. EA Networks Centre – Accessible Changing Rooms

Activity Manager

*Richard Wood, Sport & Recreation Manager*

Executive Team Member

*Sarah Mosley, GM People & Facilities*

### Summary

- The purpose of this report is to provide Council information regarding the accessible changing facilities in the EA Networks Centre Aquatic Area
- This report follows the request by Council for officer feedback following the Public Forum presentation on 6 December 2023.

### Recommendation

1. **That** no changes are made to EA Networks Centre accessible poolside change/bath rooms.

### Attachment

**Appendix 1** Facility Plan

**Appendix 2** Current signage on poolside change

## Background

### The current situation

1. EA Networks Centre pool area has four large disabled changing rooms available with one having an electric hoist/mesh bed and the other three having a fixed height mesh bed (see appendix 1)
2. Additionally there are two family rooms available alongside the main male and female change.
3. Other than the provision of accessible change/bath rooms, there is no legislation relating to their operation or whom can use them. Therefore people with and without disabilities can use accessible change/bathrooms. This is different to the laws associated with disabled carparking<sup>1</sup>
4. The four accessible changing rooms have a decal indicating the purpose of the room (see appendix 2)
5. When requested, staff assist people with accessibility needs by relocating the water wheelchairs to the desired location, manual lifting into the pool, enabling the spa hoist and other general access support.
6. We have no statistics, nor do we monitor who uses the poolside accessible change/bathrooms as it would be both intrusive (given the range of disabilities, some visible and others not), and resource intensive.
7. Although the two poolside accessible change/bathrooms are not the highest used areas, we know they are used by those who need to use the bathroom mid-swim or lesson (adults & children) and by competitors during swim meets, because of their visibility and proximity to the pool.
8. Management considered a submission regarding accessibility improvements at EA Networks Centre that was received in 2016. The submitter secured external funding for the hoist, with Council meeting the installation and all other improvements/asset maintenance costs, including but not limited to hardwired the hoist and replacing the matting of the hoist.
9. In addition to the hoist request, the submitter raised other points, which were referred to the Service Delivery Committee meeting, at this meeting officers shared counter views as to the need to implement the other points. The committee agreed and no resolution was passed.

1

[https://legislation.govt.nz/regulation/public/2004/0427/latest/DLM303600.html?search=ts\\_a ct%40bill%40regulation%40deemedreg\\_Land+Transport+\(Road+User\)+Rule+2004\\_resel\\_25\\_a&p=1%2f](https://legislation.govt.nz/regulation/public/2004/0427/latest/DLM303600.html?search=ts_a ct%40bill%40regulation%40deemedreg_Land+Transport+(Road+User)+Rule+2004_resel_25_a&p=1%2f)

10. At Council’s public forum on 6 December 2023, the same submitter asked again that the two poolside change/bathrooms be *only* for use by people with disabilities, with additional signage to inform other customers of the new sole purpose and to discontinue using them.

## Options analysis

### Option one – Make no changes to the current signage on the poolside accessible change/bathrooms (Recommended)

11. Officers welcome any current customer feedback or events that indicate an issue with the use of the poolside accessible change/bathrooms. If so, the concerns will be assessed and could be addressed through future signage upgrade projects.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• No operational change or costs.</li> <li>• A range of accessible change/bathroom facilities remain available in two locations within the aquatic area.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Disabled users do not have exclusive use facilities.</li> </ul>
<p><b>Risks:</b> Public Forum presenter will be disappointed with the outcome.</p>	

### Option two – Add exclusive use signage on the poolside accessible change/bathroom (with hoist)

12. New signage would indicate exclusive use to those with a disability. This option is not recommended by staff as they have no ability to enforce it.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• The new signage could result in less people using this change/bathroom, and this may reduce the wear and tear on the hoist, if it is currently being misused.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Enforcement of exclusive use signage is impracticable and offensive, therefore despite additional signage, disabled users still may not have exclusive use facilities.</li> <li>• Exclusive use signage may negatively impact usage by those without a visual disability, due to potential concern regarding identification.</li> </ul>
<p><b>Risks:</b> Public Forum presenter will be disappointed with the outcome.</p>	

### Option three – Add exclusive use signage on both poolside accessible change/bathroom

13. New signage would indicate exclusive use to those with a disability. This option is not recommended by staff as they have no ability to enforce it.

<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>Public Forum presenter will be satisfied with the change.</li> <li>Disabled users will have exclusive use facilities.</li> </ul>	<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>Potential for an increased number of pool/poolside incidents, should no bathroom facilities be available poolside.</li> <li>Enforcement of exclusive use signage is impracticable and offensive, therefore despite additional signage, disabled users still may not have exclusive use facilities.</li> <li>Exclusive use signage may negatively impact usage by those without a visual disability, due to potential concern regarding identification.</li> </ul>
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### Legal/policy implications

#### Building Code

14. The building code specifies a range of facilities that need to be in the building however not the operation of them.

#### Strategic alignment

15. The report relates to Council’s community outcomes of a district of great spaces and places and residents are included and have a voice.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	-	
Environmental	-	
Cultural	-	
Social	-	EANC is a community facility that enables play, active recreation and sport for all members of the community. Provision of accessible change/bathrooms is key to enabling use for those with a disability, however, exclusive use signage with no ability to enforce misuse is not recommended.

## Financial implications

Requirement	Explanation
What is the cost?	\$0
Is there budget available in LTP / AP?	N/A
Where is the funding coming from?	
Are there any future budget implications?	
Reviewed by Finance	<i>Nil</i>

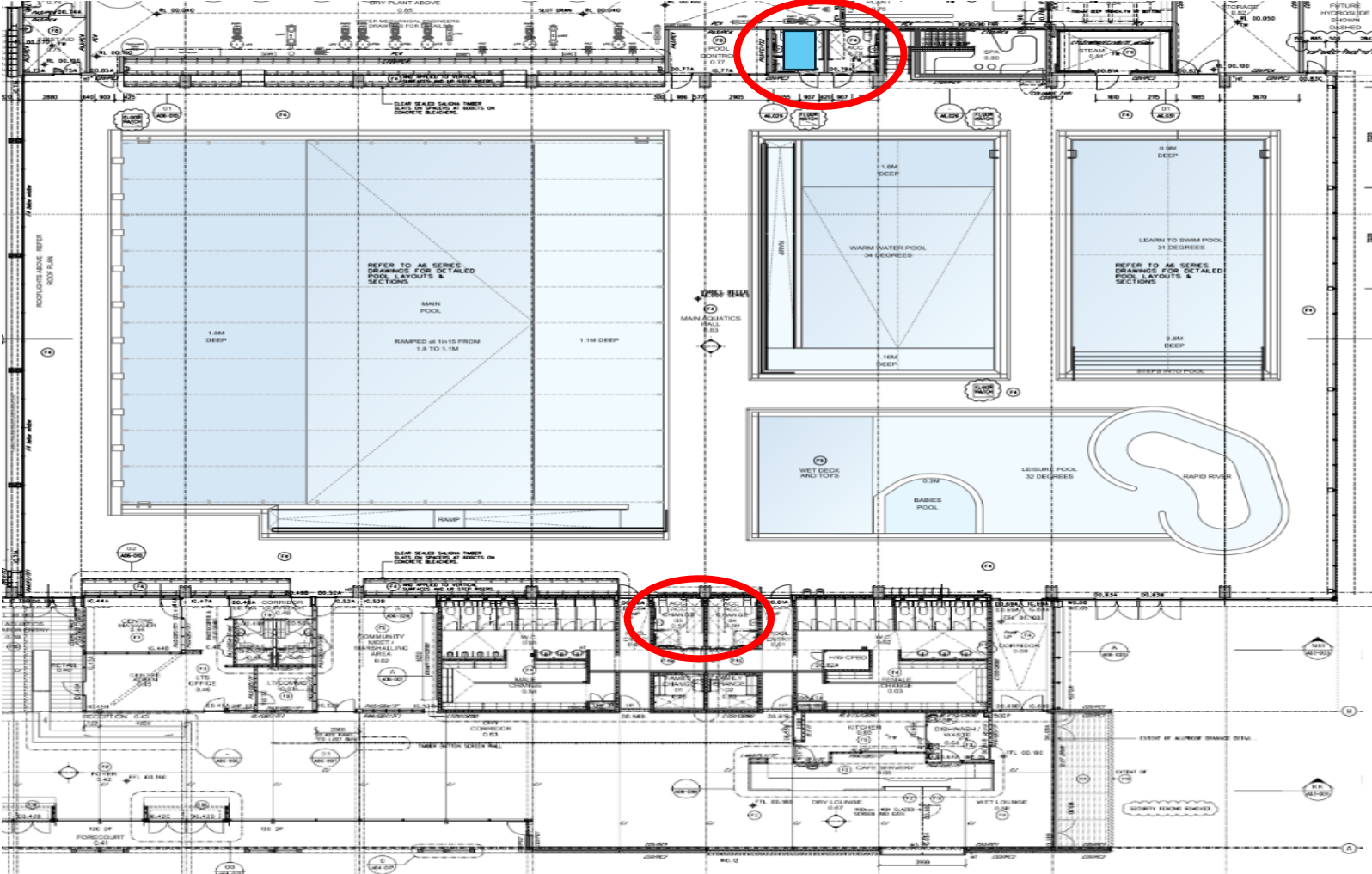
## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	<i>The recommendation does not change anything, so officer will only need to inform the public forum speaker of the outcome.</i>
Level of engagement selected	1. Inform
Rationale for selecting level of engagement	Item is likely to be of low interest to the community as facilities already exist and topic is on operation.
Reviewed by Strategy & Policy	Toni Durham: GM Democracy & Engagement



# Appendix One – Facility Plan

Yellow square indicating accessible change/bathroom with hoist.



**Appendix Two – Photo of Poolside Accessible Change/bathrooms**



## 13. Ashburton Car Club – Road Closure

Author	<i>Mark Smith; Corridor Manager-Roading</i>
Activity Manager	<i>Mark Chamberlain; Roading Manager</i>
Executive Team Member	<i>Neil McCann; Group Manager-Infrastructure &amp; Open Spaces</i>

### Summary

- This report considers an application from the Ashburton Car Club for temporary road closures of sections of Upper Downs Road Mt Somers on Sunday, 24 February 2024 to hold the Gravel Sprint Event.
- This report outlines the benefits and risks to be taken into consideration on whether to approve or decline the road closure.
- Council is not obliged to approve any road closures. Our practice has been to approve such requests, subject to being confident that the event organisers can manage the event safely, and that the road will be restored to pre-race condition.
- Officers are satisfied that the Ashburton Car Club can meet these expectations, as they have repeatedly done so for many years. This event requires no detours and the roads concerned do not experience high traffic volumes.

### Recommendation

1. **That** Council permits the Upper Downs Road, Mt Somers from Quarry Road to approximately 518 Upper Downs Road, to be closed from 8.00 am Sunday, 24 February 2024 until 6.00 pm the same day to allow the Gravel Sprint event to take place.

### Attachment

**Appendix 1** Road closure diagram

## Background

### The current situation

1. The Ashburton Car Club has applied for a road closure at Upper Downs Road to hold the Gravel Sprint Event on Sunday, 24 February 2024. The event will be held from 8.00 am to 6.00 pm. The affected length of Upper Downs Road runs from Quarry Road to approximately 518 Upper Downs Road. See attached diagram of the road closure (appendix 1).
2. This event has been advertised with a period for objections to be submitted. No objections have been received with the objections period closing on 26 January 2024.
3. The required insurances and traffic management plan have been received.
4. This application must be considered by Council under Paragraph 11(e) of the Tenth Schedule of the Local Government Act 1974, because New Zealand Motorsport, of which the Ashburton Car Club is a member, requires roads to be closed for motor sport events under the Local Government Act, as event participants may be under 17 years of age.
5. The Ashburton Car Club has run car racing events safely and successfully for over 18 years. Their events are well organised and every precaution is taken by the organisers to ensure that the highest levels of safety are maintained. Their events are highly supported by the local community and are a valued attraction to the District.

## Options analysis

### Option one – Approve road closure (recommended option)

6. Our practice has been to approve such requests, subject to being confident that the event organisers can manage the event safely, and that the road will be restored to pre-race condition.
7. Ashburton Car Club has a strong record of safe and successful management of these events in the district for over 18 years.
8. The responsibility for risk-free operation lies with the organisers and all contingencies are covered in the conditions of closure.
9. The road condition will be inspected by Roading staff before and after the event. Staff are confident that the asset will be returned to its pre—existing condition after the event.

<p><b>Advantages:</b> Event has been organised and run successfully for many years without incident. It is supported by the local community.</p>	<p><b>Disadvantages:</b> If an incident occurs this could prevent access to the road for a period of time.</p>
<p><b>Risks:</b> Safety issues due to it being a motor vehicle event. Travel impact on residents, road users, spectators, and local businesses. The impact on the condition of the gravel road. These risks are considered LOW overall as they can all be successfully managed.</p>	

## Option two – Decline road closure

10. This option is not recommended.

<p><b>Advantages:</b> Any safety, travel delay or impact on road condition are avoided.</p>	<p><b>Disadvantages:</b> Many people look forward to these types of events and they provide positive attraction to the district.</p>
<p><b>Risks:</b> Reputational risk to Council to hold motorsport events within the district.</p>	

## Legal/policy implications

11. Clause 11 of the Tenth Schedule of the Local Government Act 1974 provides –

“That Council may, subject to such conditions as it thinks fit... close any road or part of a road to all traffic (e)... for any exhibition, fair, market, concert, film making, race or other sporting event or public function.”

12. As noted previously, our practice is to enable these events to proceed subject to ensuring the safety of road users, residents, and spectators.

### Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

## Strategic alignment

13. The recommendation relates to Council’s community outcome of “*residents are included and have a voice*” because they are given the opportunity to comment on and participate in a community event.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural		
Social	✓	An opportunity for people to take part in, observe and enjoy an event on local roads.

## Financial implications

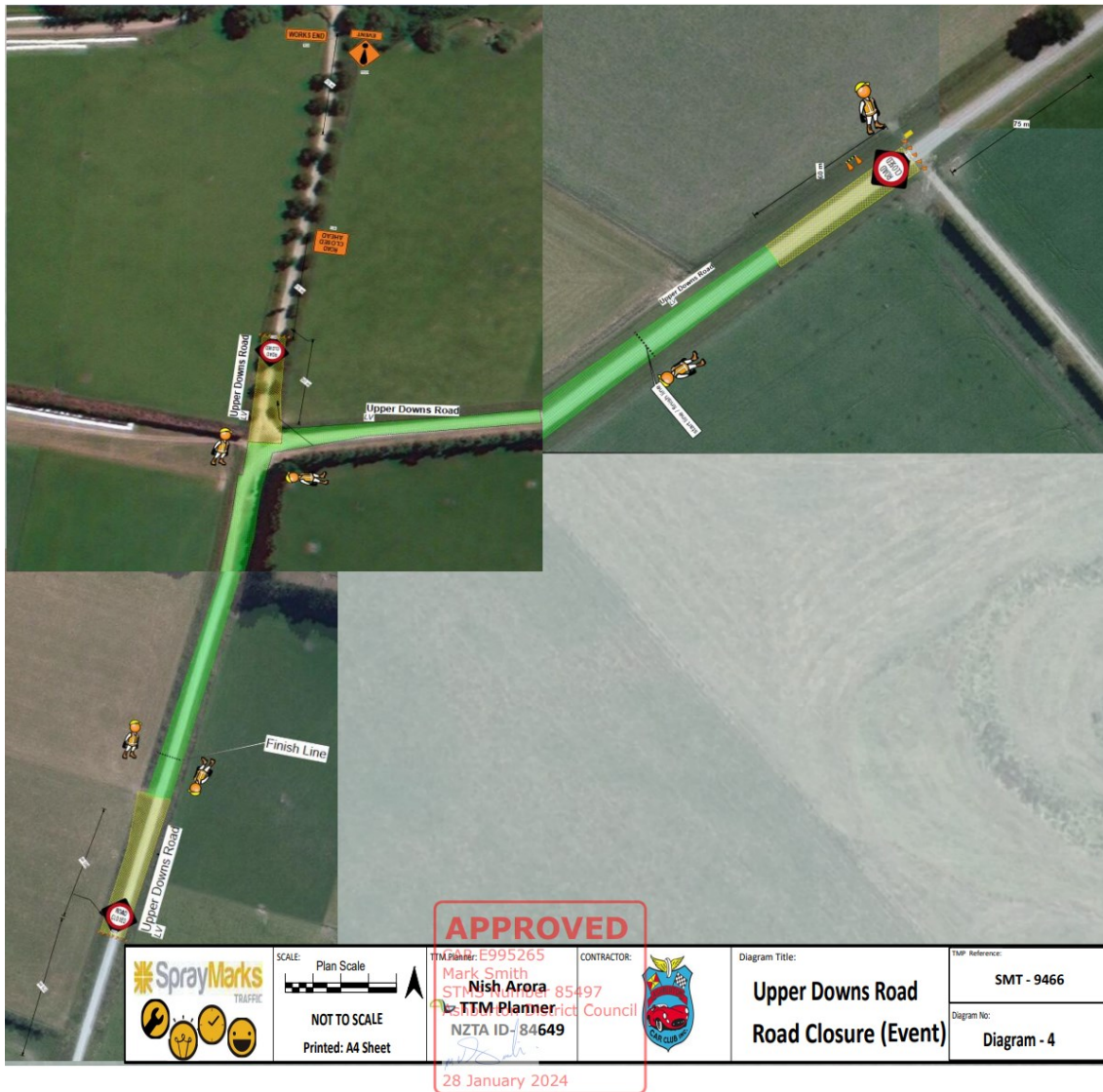
Requirement	Explanation
What is the cost?	No cost to Council
Is there budget available in LTP / AP?	NA
Where is the funding coming from?	NA
Are there any future budget implications?	NA
Reviewed by Finance	Erin Register; Finance Manager

## Significance and engagement assessment

14. Property owners in the affected areas approached and letters dropped so they aware of the event and road closure.
15. The event has been publicly notified.
16. Other local organisations are actively involved with marshalling, security etc.
17. Emergency services are provided with a copy of road closure information after approval has been given.
18. There will also be publicity around this road closure due to the normal media coverage of public meeting agenda items.
19. The advance communications and notifications are consistent with the overall significance of this decision and the legal requirements.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	This level of engagement is required to meet statutory requirements.
Level of engagement selected	Level 3 – Consult. Council must advertise the closure and consider objections, if any are received.
Rationale for selecting level of engagement	This level of engagement is required to meet statutory requirements.
Reviewed by Strategy & Policy	<i>Nil.</i>

## Appendix one – road closure diagram





## 14. *Speed Limits at Urban Schools*

### Summary

- The purpose of this report is to provide information on the effectiveness of the permanent 30 km/hr speed limit at urban schools and to put forward options for possible changes.
- Permanent 30 km/hr speed limits for urban schools were included in the Interim Speed Management Plan that was certified by NZTA Waka Kotahi.
- The speed limits came into force in July 2023. Although there has been positive feedback about the 30 km/hr speed limit in reducing vehicle speed, there have been many complaints about the speed limits in place when school is not attended i.e. before and after school each day, weekends, and during school holidays.
- The Government has signalled a change to the Setting of Speed Limits Rule with school speed limits mentioned as one of the areas to be addressed.
- It is uncertain as to what those changes will be but if permanent signs with specific time frames were added to the speed limit sign, that would likely gain public support.

### Recommendation

1. **That** Council retain the permanent 30 km/hr school speed limits and add a supplementary sign with School Days 8:30am to 3:30 pm, with the signs only to be erected once the Setting of Speed Limits Rule has been changed by Government to permit the new signs.

### Attachment

**Appendix 1** MegaMaps School Speed data

## Background

### The current situation

1. Council consulted on the Interim Speed Management Plan that was certified by NZTA Waka Kotahi in July 2023, and this included having 30km/hr speed limits in place at each school in Ashburton District.
2. Four rural schools had variable speed limit signs erected with electronic signs, and permanent speed limit signs were put in place for at all other schools.
3. There has been positive feedback about the 30 km/hr speed limit, but the permanent speed limit has also received feedback which is critical of why they are in place when school is not attended i.e. before and after school each day, weekends, and during school holidays.
4. One of the reasons for only installing permanent speed limit signs was to save the cost of installing electronic signs with variable signs to comply with the Ministry of Transport Setting Speed Limits Rule. The cost of electronic signs being approximately ten times that of the permanent signs.
5. The Interim Speed Management Plan does allow Council to change a permanent 30 km/hr speed limit to variable speed limit. This can be done as a resolution of Council and then submitted into the National Speed Limit Register for certification.
6. However a variable speed limit may still require electronic signs at the increased cost to replace the existing signs.
7. Government has stated that they are reviewing the rule with variable speed limits at schools as part of that review. *“The new Rule will also implement variable speed limits on roads approaching schools during pick up and drop off times, rather than permanent reductions, to keep young New Zealanders safe when they are arriving at or leaving school.”*
8. If the new Rule allows permanent signs with the variable speed limit days and times, then this would be the desired and least cost option. By adding the school days and times to the existing signs with no change from the permanent 30 km/hr speed limit we would be able to simply use those signs if the new rule permits variable speed limits being signed that way.
9. The ability to have the school days and times on a permanent speed limit sign is not currently permitted under the Setting of Speed Limits Rule except on a minor side road that has the electronic signs.
10. Signs associated with a certified permanent speed limit have been observed in other parts of the country (e.g. Dunedin City) with school days and times included on the signs. While these are not permitted and may cause some issue with enforcement, they do give a better message to drivers on when they need to be most aware of activity at the school and the speed limit.

11. The school speed limits are not intended to get compliance from all drivers which is the case for all speed limits because that is simply not possible with the differences in personality, perception, acceptance of rules, etc. of drivers. They are intended to give information on the activity associated with a school (which majority of drivers are aware of) and that a reduced speed is necessary at those locations.
12. Speed limits should make sense and be seen as appropriate by drivers for them to be effective. Most drivers accept the need to drive slower past schools but having that lower speed in place at all times is not considered acceptable.
13. If the days and times are shown on the speed limit signs it is considered that school days and times should be for the whole school day rather than the busiest morning and afternoon periods. This is because there is activity at the school outside of those peak times such as lunch breaks, travel to sports and other events, swimming, etc.
14. The vehicle speed data in NZTA Waka Kotahi's MegaMaps has a breakdown of free flow speeds past schools. The data shows the overall free flow speed and the free flow speed at the morning and afternoon peaks. Data shown in appendix 1.
15. A comparison of the speed data before the installation of the 30 km/hr speed limit shows a reduction at 25 of the 42 roads past schools. There are also increases at some sites and the overall average is the same.
16. The free flow speed at the morning and afternoon times is overall on average 4 km/hr less than the general speed. This shows the activity at those peak times having an effect on drivers which would be expected.
17. Variable speed limits with electronic signs may be a better option at the larger schools on busier primary collector roads. This could be Ashburton College and Ashburton Intermediate on Walnut Ave. Electronic signs would be required on most of the roads for both these schools because there are few low volume local roads e.g. for Ashburton College Creek Rd, Belt Rd and Middle Rd would all have electronic signs along with Walnut Ave.

## Options analysis

### **Option one – Retain the permanent 30 km/hr school speed limits and the existing signage (status quo)**

18. While some drivers have expressed concern at the permanent 30 km/hr speed limit in place outside of school days and times, the existing signage is in accordance with the certified speed limit in NSLR. At least drivers are aware of the presence of the school and the lower speed.

<p><b>Advantages:</b> Speed limit and signage as per the certified speed limit. No additional signs or cost.</p>	<p><b>Disadvantages:</b> Ongoing dissatisfaction by some drivers on the 30 km/hr speed limit outside of school hours.</p>
<p><b>Risks:</b> Damage to Council’s reputation from road users having a speed limit that is seen as inappropriate outside of school hours.</p>	

**Option two – Retain the permanent 30 km/hr school speed limits and add a supplementary sign with School Days 8:30am to 3:30 pm once the new rule has been introduced by government (recommended option)**

- 19. Having permanent signs with the days and times the 30 km/hr speed applies is considered the best and most cost effective way of implementing a safe and appropriate speed at schools.
- 20. This is not permitted under the current rule but is something that can easily be put in place and best accepted by drivers.
- 21. As the signs are not permitted by the current rule, the officer’s recommendation is that the installation of the supplementary signs is to be delayed until the content of the new rule is known.

<p><b>Advantages:</b> Speed limit as per the certified speed limit. Days and time for lower speeds better accepted by drivers.</p>	<p><b>Disadvantages:</b> The changes to the Rule proposed by Government, and the timing of the changes, are not yet known.</p>
<p><b>Risks:</b> Potential confusion from drivers with another change to speed signage around schools.</p>	

**Option three – Retain the permanent 30 km/hr school speed limits and add a supplementary sign with School Days 8:30am to 9:30am and 2:30pm to 3:30 pm once the new rule has been introduced by government**

- 22. The same as option two but having 30 km/hr speed limits only during morning and afternoon times rather than the whole day.

<p><b>Advantages:</b> Speed limit as per the certified speed limit. Days and time for lower speeds better accepted by drivers.</p>	<p><b>Disadvantages:</b> The changes to the Rule proposed by Government, and the timing of the changes, are not yet known.</p>
<p><b>Risks:</b> Potential confusion from drivers with another change to speed signage around schools.</p>	

#### **Option four– Change the 30 km/hr school speed limits from permanent to variable.**

23. Having variable speed limits at all schools is desired by most road users. Currently having a variable speed limit requires electronic signs at most locations with the resultant high cost.
24. If a variable speed limit can be signed with permanent signs that display the days and times the lower speed limit applies, then that is a possible action in the future.

<p><b>Advantages:</b> Days and time for lower speeds better accepted by drivers. Signage in accordance with the current rule.</p>	<p><b>Disadvantages:</b> Change to NSLR required. Cost of changing signs to either electronic variable signs at all or some locations</p>
<p><b>Risks:</b> There is little risk other than the additional cost to install electronic signs if they are still required under the rule with no current funding available for this.</p>	

## **Legal/policy implications**

### **Land Transport Rule: Setting of Speed Limits 2022 (as of 21 August 2023)**

25. The Setting of Speed Limits Rule 2022 has set out the process for changing speed limits. With the consultation on and certification of the Interim Speed Management Plan, Council can make changes to speed limits that align with that plan without further consultation.
26. Government has stated that they are reviewing the rule with variable speed limits at schools as part of that review. *“The new Rule will also implement variable speed limits on roads approaching schools during pick up and drop off times, rather than permanent reductions, to keep young New Zealanders safe when they are arriving at or leaving school.”*
27. Variable speed limits are already able to be implemented under the current Rule, but it is how the times when the variable speed limits apply can be displayed will be of interest.

28. Officers have not recommended introducing the signs ahead of the rule change, as any new signs will technically result in people breaking the law (as the proposed signage under the recommended option will be endorsing the public to go over 30 km/hr speed limit outside school hours, even though 30 km/hr will still be the legal speed limit.) For that reason, the recommended option should only be given effect to once the current Rule changes in such a way as to enable the signs to be legally displayed.

Review of legal / policy implications	
Reviewed by In-house Counsel	Tania Paddock; Legal Counsel

**Climate change**

29. Changes to the school speed limit signs will have no effect on the reducing emissions.

**Strategic alignment**

30. The recommendation relates to Council’s community outcome of a district of great spaces and places because of having safe and appropriate speeds.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural		
Social	✓	Providing safer roads and streets for community networks.

**Financial implications**

Requirement	Explanation
What is the cost?	\$10,000 estimate
Is there budget available in LTP / AP?	Yes.
Where is the funding coming from?	Current subsidised roading budgets available.
Are there any future budget implications?	No other than the ongoing maintenance of the signs.
Reviewed by Finance	Erin Register; Finance Manager.

## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low – Medium
Rationale for selecting level of significance	The decision itself is of low to medium significance. There is potential for medium to high community interest in the solution Council decides on.
Level of engagement selected	Inform – one way communication
Rationale for selecting level of engagement	The decision will be communicated via usual mechanisms to the community. Some community comment could be sought if Council considers some further community input is of benefit.
Reviewed by Strategy & Policy	Mark Low; Strategy & Policy Manager

## Appendix 1

School	Road Name	Urban/Rural	Free Flow speed before	Free Flow Speed after	Morning 8-9	Afternoon 3-4	Change	Morning - Freeflow	% less am	Afternoon - Freeflow	% less pm
Allenton	Allens Road	Urban	39	37	35.4	32.1	-2	-1.6	-4%	-4.9	-13%
Allenton	Harrison Street	Urban	40	41	27.7	34.4	1	-13.3	-32%	-6.6	-16%
Ashburton Borough	Burnett Street	Urban	32	32			0				
Ashburton Borough	Park Street	Urban	25	29	23.4	26.3	4	-5.6	-19%	-2.7	-9%
Ashburton Borough	Short Street	Urban	32	38	18.4	26.6	6	-19.6	-52%	-11.4	-30%
Ashburton Borough	Tancred Street	Urban	23	27	26.3	26.4	4	-0.7	-3%	-0.6	-2%
Ashburton Christian	Albert Street	Urban	59	59	51.8	57	0	-7.2	-12%	-2	-3%
Ashburton College	Belt Road	Urban	46	45	43.7	42.2	-1	-1.3	-3%	-2.8	-6%
Ashburton College	Creek Road	Urban	41	39	33.1	31.4	-2	-5.9	-15%	-7.6	-19%
Ashburton College	Middle Road	Urban	39	36	34.2	32	-3	-1.8	-5%	-4	-11%
Ashburton College	Walnut Avenue	Urban	45	46	41.1	39.2	1	-4.9	-11%	-6.8	-15%
Ashburton Intermediate	Cass Street	Urban	37	31	27.6	27.2	-6	-3.4	-11%	-3.8	-12%
Ashburton Intermediate	Grey Street	Urban	32	28	20.8	22.2	-4	-7.2	-26%	-5.8	-21%
Ashburton Intermediate	Walnut Avenue	Urban	46	44	35.4	30.7	-2	-8.6	-20%	-13.3	-30%
Ashburton Intermediate	Walnut Avenue	Urban	46	47	41.9	40.8	1	-5.1	-11%	-6.2	-13%
Ashburton Intermediate	William Street	Urban	29	26	23.5	24.1	-3	-2.5	-10%	-1.9	-7%
Ashburton Netherby	Brucefield Avenue	Urban	27	31	28.4	28	4	-2.6	-8%	-3	-10%
Ashburton Netherby	King Street	Urban	37	31	30.1	30	-6	-0.9	-3%	-1	-3%
Chertsey	Alexander Street	Urban	23	39			16				
Chertsey	Chertsey Kyle Road	Urban	50	50			0				
Chertsey	High Street	Urban	19	36			17				
Chertsey	King Street	Urban	32	37			5				
Fairton	Fairfield Road	Urban	50	59	52.1	49.5	9	-6.9	-12%	-9.5	-16%
Hampstead	Nelson Street	Urban	32	29	26.9	27.4	-3	-2.1	-7%	-1.6	-6%
Hampstead	Oxford Street	Urban	35	26	20.8	22.7	-9	-5.2	-20%	-3.3	-13%
Hampstead	Trevors Road	Urban	47	42	40.7	39.9	-5	-1.3	-3%	-2.1	-5%
Hampstead	Wellington Street	Urban	38	35	28.2	31.1	-3	-6.8	-19%	-3.9	-11%
Hinds	Ellis Street	Urban	18	24	24	24	6	0	0%	0	0%
Hinds	Reed Street	Urban	35	31	27.9	28.1	-4	-3.1	-10%	-2.9	-9%
Mayfield	Lismore Mayfield Road	Urban	45	45	41.1	36.6	0	-3.9	-9%	-8.4	-19%
Mount Somers Springburn	Ashburton Gorge Road	Urban	56	56	47.6	52.9	0	-8.4	-15%	-3.1	-6%
Mount Somers Springburn	Pattons Road	Urban	35	33	27.5	27.9	-2	-5.5	-17%	-5.1	-15%
Rakaia	Cridland Street	Urban	25	27	26.3	26.5	2	-0.7	-3%	-0.5	-2%
Rakaia	Dunford Street	Urban	23	22	21.9	21.9	-1	-0.1	0%	-0.1	0%
Rakaia	Mackie Street	Urban	19	20	20.5	20.5	1	0.5	3%	0.5	3%
St Joseph's	Cameron Street	Urban	37	31	27.4	28.1	-6	-3.6	-12%	-2.9	-9%
St Joseph's	Havelock Street	Urban	41	43	36.2	38	2	-6.8	-16%	-5	-12%
St Joseph's	Sealy Street	Urban	30	34	29.6	24.9	4	-4.4	-13%	-9.1	-27%
St Joseph's	Winter Street	Urban	29	29	21.3	26.6	0	-7.7	-27%	-2.4	-8%
Tinwald	Harland Street	Urban	25	23	20.4	21.2	-2	-2.6	-11%	-1.8	-8%
Tinwald	Jane Street	Urban	39	35	25.1	29.9	-4	-9.9	-28%	-5.1	-15%
Tinwald	Thomson Street	Urban	33	25	22	22	-8	-3	-12%	-3	-12%



## Council

21 February 2024



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## **15. Financial Reports**

Author *Erin Register, Finance Manager*  
GM responsible *Leanne Macdonald, GM Business Support*

### **Attachments**

Financial variance report – December 2023

***Ashburton District Council  
Financial Variance Report  
For the period ending  
31 December 2023***

Variances greater than \$100,000 are highlighted in **red bold**. If the variance is permanent an explanation is provided.

**F** (favourable variance) means that either actual revenue is greater than budget or actual expenditure is less than budget.

**U** (unfavourable variance) is **when** actual revenue is less than budget or actual expenditure is greater than budget.

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## *Income and Expenditure – Overview*

For period ending 31 December 2023

<p><b>\$42.92 M</b></p> <p>Actual YTD Operating Income</p>	<p><b>\$91.36 M</b></p> <p>Forecast Full Year Operating Income</p>	<p><b>(\$48.44) M</b></p> <p>Variance Operating Income</p>	<p><b>47%</b></p> <p>% of Forecast Operating Income</p>
<p><b>\$41.62 M</b></p> <p>Actual YTD Operating Expenditure</p>	<p><b>\$83.40 M</b></p> <p>Forecast Full Year Operating Expenditure</p>	<p><b>(\$41.78) M</b></p> <p>Variance Operating Expenditure</p>	<p><b>50%</b></p> <p>% of Forecast Operating Expenditure</p>
<p><b>\$0.78 M</b></p> <p>Actual YTD Capital Income</p>	<p><b>\$64.95 M</b></p> <p>Forecast Full Year Capital Income</p>	<p><b>(\$64.17) M</b></p> <p>Variance Capital Income</p>	<p><b>1%</b></p> <p>% of Forecast Capital Income</p>
<p><b>\$31.31 M</b></p> <p>Actual YTD Capital Expenditure</p>	<p><b>\$81.07 M</b></p> <p>Forecast Full Year Capital Expenditure</p>	<p><b>(\$49.76) M</b></p> <p>Variance Capital Expenditure</p>	<p><b>39%</b></p> <p>% of Forecast Capital Expenditure</p>
<p><b>\$0.00 M</b></p> <p>Actual YTD Loans Repaid</p>	<p><b>\$7.02 M</b></p> <p>Forecast Full Year Loans Repaid</p>	<p><b>(\$7.02) M</b></p> <p>Variance Loans Repaid</p>	<p><b>0%</b></p> <p>% of Forecast Loans Repaid</p>

## Income and Expenditure – Summary

For period ending 31 December 2023

	Actual YTD	Full Year Forecast	Variance	Percentage of Forecast
<b>Revenue</b>				
Rates	23,828,762	46,905,992	(23,077,230)	51%
Fees and Charges	5,808,824	11,044,099	(5,235,275)	53%
Subsidies and Grants	7,126,429	10,903,866	(3,777,437)	65%
Finance Income	575,171	417,200	157,971	138%
Other Revenue	4,411,782	5,394,060	(982,278)	82%
Other Sales	849,500	1,139,074	(289,574)	75%
Development / Financial Contributions	321,902	632,800	(310,898)	51%
Gain on Sale of Assets	0	12,107,828	(12,107,828)	0%
Vested Assets	0	2,816,100	(2,816,100)	0%
<b>Total Revenue</b>	<b>42,922,370</b>	<b>91,361,020</b>	<b>(48,438,650)</b>	<b>47%</b>
<b>Operating Expenditure</b>				
Payments to Staff and Suppliers	30,462,143	61,586,384	(31,124,241)	49%
Finance Costs	2,576,017	4,576,131	(2,000,114)	56%
Other Expenses	79,359	205,155	(125,796)	39%
Depreciation	8,505,430	17,034,370	(8,528,940)	50%
<b>Total Expenditure</b>	<b>41,622,949</b>	<b>83,402,041</b>	<b>(41,779,091)</b>	<b>50%</b>
<b>Net operating surplus (deficit)</b>	<b>1,299,421</b>	<b>7,958,979</b>	<b>(6,659,559)</b>	<b>16%</b>
<b>Capital Income</b>				
Loans Raised	0	60,047,564	(60,047,564)	0%
Land Sales	730,800	4,797,800	(4,067,000)	15%
Other Asset Sales & Disposals	49,304	104,300	(54,996)	47%
<b>Total Capital Income</b>	<b>780,104</b>	<b>64,949,664</b>	<b>(64,169,559)</b>	<b>1%</b>
<b>Capital Expenditure</b>				
Infrastructural Assets	8,915,113	22,958,929	(14,043,816)	39%
Cyclic Renewals	8,665,921	22,752,893	(14,086,972)	38%
Plant	412,633	902,634	(490,001)	46%
Additions/Alterations	12,095,483	24,921,199	(12,825,716)	49%
Other Assets	1,216,333	9,530,352	(8,314,018)	13%
<b>Total capital expenditure</b>	<b>31,305,484</b>	<b>81,066,008</b>	<b>(49,760,524)</b>	<b>39%</b>
Loan Repayments	0	7,024,840	(7,024,840)	0%
<b>Total capital to be funded</b>	<b>30,525,380</b>	<b>23,141,184</b>	<b>7,384,196</b>	<b>132%</b>

## Transportation – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Footpaths	824,326	1,331,840	(507,514)	62%	No
Roading	8,539,256	15,805,183	(7,265,927)	54%	Yes
	9,363,582	17,137,023	(7,773,441)	55%	
<b>Operating Expenditure</b>					
Footpaths	739,350	1,451,336	(711,985)	51%	No
Roading	9,025,503	15,805,184	(6,779,680)	57%	Yes
	9,764,854	17,256,520	(7,491,666)	57%	
<b>Capital Income</b>					
Footpaths	0	11,053	(11,053)	0%	No
Roading	0	2,342,897	(2,342,897)	0%	
	0	2,353,950	(2,353,950)	0%	
<b>Capital Expenditure</b>					
Footpaths	546,658	521,500	25,158	105%	Yes
Roading	3,879,568	9,378,039	(5,498,471)	41%	
	4,426,226	9,899,539	(5,473,313)	45%	
<b>Loan Repayments</b>					
Footpaths	0	60,728	(60,728)	0%	No
Roading	0	254,177	(254,177)	0%	
	0	314,905	(314,905)	0%	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

## Transportation – Operating Income

**Roading** **\$7,265,927U**

***Reason for variance***

Waka Kotahi has approved an additional \$1,000,000 for sealed pavement rehabilitation and \$1,044,790 for emergency works.

## Transportation – Operating Expenditure

**Roading** **\$6,779,680F**

***Reason for variance***

Waka Kotahi has approved the estimated total cost of \$1,044,790 as emergency works for the repairs from the July 2023 heavy rain event with the Waka Kotahi normal FAR of 51% applied.

This will result in an overspend at the end of the 2023/24 year.

## Transportation – Capital Expenditure

**Roading** **\$5,498,471F**

***Reason for variance***

Waka Kotahi has approved an additional \$1,000,000 for sealed pavement rehabilitation as mentioned above under operating income.

## Drinking Water – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Group Water Supplies	3,467,388	6,492,235	(3,024,846)	53%	No
Montalto Water Supply	194,365	383,282	(188,917)	51%	No
Lyndhurst Water Supply	8,260	17,974	(9,714)	46%	
Barhill Water Supply	2,465	4,830	(2,365)	51%	
	<u>3,672,478</u>	<u>6,898,321</u>	<u>(3,225,842)</u>	<u>53%</u>	
<b>Operating Expenditure</b>					
Group Water Supplies	2,872,144	6,349,738	(3,477,593)	45%	No
Montalto Water Supply	164,973	386,087	(221,115)	43%	No
Lyndhurst Water Supply	4,277	4,926	(649)	87%	
Barhill Water Supply	1,238	1,405	(167)	88%	
	<u>3,042,632</u>	<u>6,742,156</u>	<u>(3,699,524)</u>	<u>45%</u>	
<b>Capital Income</b>					
Group Water Supplies	0	17,623,432	(17,623,432)	0%	No
Montalto Water Supply	0	744,636	(744,636)	0%	No
	<u>0</u>	<u>18,368,068</u>	<u>(18,368,068)</u>	<u>0%</u>	
<b>Capital Expenditure</b>					
Group Water Supplies	6,400,431	18,397,791	(11,997,360)	35%	Yes
Montalto Water Supply	17,595	870,999	(853,404)	2%	Yes
	<u>6,418,026</u>	<u>19,268,790</u>	<u>(12,850,764)</u>	<u>33%</u>	
<b>Loan Repayments</b>					
Group Water Supplies	0	780,829	(780,829)	0%	No
Montalto Water Supply	0	12,859	(12,859)	0%	
Lyndhurst Water Supply	0	13,048	(13,048)	0%	
Barhill Water Supply	0	3,425	(3,425)	0%	
	<u>0</u>	<u>810,161</u>	<u>(810,161)</u>	<u>0%</u>	
<i>The above financials include the following:</i>					
Development Contributions	83,831	178,232	(94,401)	47%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	1,189,020	(1,189,020)	0%	

*The above financials do not include appropriations - to and from activities*



## Drinking Water – Capital Expenditure

### **Group Water Supplies**

**\$11,997,360F**

#### ***Reason for variance***

A forecast favourable variance of ~\$2,000,000 is expected at year end. This budget includes (amongst other projects) the installation of UV equipment on seven supplies. Due to the increased complexity of this project, the design phase is taking longer than originally envisaged. As a consequence, the timing of some physical works (and incurred costs) will extend into the next financial year. Note:- This is already accounted for in the 2024-34 Draft LTP.

### **Montalto Water Supply**

**\$853,404F**

#### ***Reason for variance***

A forecast favourable variance of ~\$200,000 is expected at year end. This budget covers the ongoing investigations into upgrading the treatment plant for the scheme and another project covering repairs to be undertaken at the intake. This latter project is being scoped at present and because of the proposed intake upgrades now programmed in the draft LTP, the scope of the repair works will be less than originally envisaged.

## Wastewater – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Ashburton Wastewater	2,583,443	5,041,400	(2,457,956)	51%	No
Methven Wastewater	292,653	479,331	(186,678)	61%	No
Rakaia Wastewater	180,161	424,516	(244,355)	42%	No
	3,056,258	5,945,247	(2,888,989)	51%	
<b>Operating Expenditure</b>					
Ashburton Wastewater	2,591,431	4,699,136	(2,107,705)	55%	No
Methven Wastewater	259,296	479,480	(220,184)	54%	No
Rakaia Wastewater	218,151	426,096	(207,945)	51%	No
	3,068,877	5,604,712	(2,535,834)	55%	
<b>Capital Income</b>					
Ashburton Wastewater	0	8,706,061	(8,706,061)	0%	No
Rakaia Wastewater	0	105,769	(105,769)	0%	No
	0	8,811,830	(8,811,830)	0%	
<b>Capital Expenditure</b>					
Ashburton Wastewater	4,303,994	9,352,911	(5,048,917)	46%	Yes
Methven Wastewater	55,117	165,082	(109,965)	33%	No
Rakaia Wastewater	63,331	105,769	(42,439)	60%	
	4,422,442	9,623,762	(5,201,320)	46%	
<b>Loan Repayments</b>					
Ashburton Wastewater	0	1,456,620	(1,456,620)	0%	No
Methven Wastewater	0	16,277	(16,277)	0%	
Rakaia Wastewater	0	54,326	(54,326)	0%	
	0	1,527,223	(1,527,223)	0%	
<i>The above financials include the following:</i>					
Capital Services Contribution	259,798	383,791	(123,993)	68%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	1,397,620	(1,397,620)	0%	

*The above financials do not include appropriations - to and from activities*

## Wastewater – Capital Expenditure

### **Ashburton Wastewater**

**\$5,048,917F**

#### ***Reason for variance***

A forecast favourable variance of ~\$3,000,000 is expected at year end. This budget area includes (amongst other projects) the grit chamber pipeline renewal funding now reallocated to the Rakaia Sludge Drying Beds project. There was a delay associated with securing Council approval of the project and funding reallocation. As a consequence, the timing of physical works (and incurred costs) will extend into the next financial year. Note-: This is already accounted for in the 2024-34 Draft LTP.

## Stormwater – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Ashburton Stormwater	684,223	1,336,985	(652,762)	51%	No
Methven Stormwater	45,820	87,334	(41,514)	52%	
Rakaia Stormwater	23,966	45,619	(21,653)	53%	
Hinds Stormwater	5,837	11,493	(5,656)	51%	
Rural Stormwater	27,545	52,127	(24,582)	53%	
	787,392	1,533,558	(746,166)	51%	
<b>Operating Expenditure</b>					
Ashburton Stormwater	585,131	1,521,860	(936,729)	38%	No
Methven Stormwater	48,212	90,869	(42,658)	53%	
Rakaia Stormwater	16,177	47,418	(31,241)	34%	
Hinds Stormwater	3,771	11,729	(7,958)	32%	
Rural Stormwater	46,292	53,535	(7,243)	86%	
	699,582	1,725,411	(1,025,829)	41%	
<b>Capital Expenditure</b>					
Ashburton Stormwater	53	224,140	(224,088)	0%	Yes
	53	224,140	(224,088)	0%	
<b>Loan Repayments</b>					
Ashburton Stormwater	0	273,939	(273,939)	0%	No
Methven Stormwater	0	7,539	(7,539)	0%	
	0	281,478	(281,478)	0%	
<i>The above financials include the following:</i>					
Development Contributions	0	0	0	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	229,460	(229,460)	0%	

*The above financials do not include appropriations - to and from activities*

## Stormwater – Capital Expenditure

### **Ashburton Stormwater**

**\$224,088F**

#### ***Reason for variance***

There will be a forecast favourable variance of ~\$200,000 from the budgeted for the design phase of West Street Treatment & Attenuation project. This is no longer expected to be significantly advanced in this financial year. This will be the subject of a carryover request.

## Stockwater – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Stockwater	531,943	1,109,456	(577,513)	48%	No
	531,943	1,109,456	(577,513)	48%	
<b>Operating Expenditure</b>					
Stockwater	666,557	1,141,752	(475,195)	58%	Yes
	666,557	1,141,752	(475,195)	58%	
<b>Capital Expenditure</b>					
Stockwater	8,674	127,171	(118,497)	7%	No
	8,674	127,171	(118,497)	7%	
<b>Loan Repayments</b>					
Stockwater	0	17,674	(17,674)	0%	
	0	17,674	(17,674)	0%	

The above financials include the following:

0	0	0	0%
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The above financials do not include the following:

0	0	0	0%
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The above financials do not include appropriations - to and from activities

## Stockwater – Operating Expenditure

### **Stockwater**

**\$475,195F**

#### ***Reason for variance***

There will be a forecast unfavourable variance of ~\$120,000 in the maintenance area. This is due to impacts arising from flood events in the Ashburton River system affecting the intakes in particular the Methven Auxiliary intake where significant rivers works were required.

# Waste Reduction & Recycling – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Refuse Collection	1,544,561	2,966,392	(1,421,831)	52%	No
Refuse Management	2,441,855	5,117,713	(2,675,859)	48%	No
	<u>3,986,416</u>	<u>8,084,106</u>	<u>(4,097,690)</u>	<u>49%</u>	
<b>Operating Expenditure</b>					
Refuse Collection	1,121,571	2,966,390	(1,844,819)	38%	No
Refuse Management	2,724,801	5,463,623	(2,738,822)	50%	No
	<u>3,846,373</u>	<u>8,430,013</u>	<u>(4,583,640)</u>	<u>46%</u>	
<b>Capital Income</b>					
Refuse Management	0	256,707	(256,707)	0%	No
	<u>0</u>	<u>256,707</u>	<u>(256,707)</u>	<u>0%</u>	
<b>Capital Expenditure</b>					
Refuse Management	278,224	240,525	37,699	116%	
	<u>279,693</u>	<u>240,525</u>	<u>39,168</u>	<u>116%</u>	
<b>Loan Repayments</b>					
Refuse Collection	0	4,462	(4,462)	0%	
Refuse Management	0	27,710	(27,710)	0%	
	<u>0</u>	<u>32,172</u>	<u>(32,172)</u>	<u>0%</u>	
<i>The above financials include the following:</i>					
Development Contributions	0	0	0	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	

*The above financials do not include appropriations - to and from activities*



## Recreation Facilities – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Ashburton Museum and Art Gallery	963,045	1,850,284	(887,239)	52%	No
Library	730,837	1,421,935	(691,098)	51%	No
Recreation Facilities and Services	2,865,175	5,928,186	(3,063,011)	48%	Yes
	<u>4,559,057</u>	<u>9,200,405</u>	<u>(4,641,348)</u>	<u>50%</u>	
<b>Operating Expenditure</b>					
Ashburton Museum and Art Gallery	970,840	2,288,305	(1,317,465)	42%	No
Library	813,634	1,802,933	(989,299)	45%	No
Recreation Facilities and Services	2,911,377	7,177,017	(4,265,640)	41%	No
	<u>4,695,851</u>	<u>11,268,255</u>	<u>(6,572,405)</u>	<u>42%</u>	
<b>Capital Income</b>					
Library	0	157,309	(157,309)	0%	No
	<u>0</u>	<u>182,246</u>	<u>(182,246)</u>	<u>0%</u>	
<b>Capital Expenditure</b>					
Ashburton Museum and Art Gallery	11,851	101,094	(89,242)	12%	
Library	94,491	236,427	(141,936)	40%	No
Recreation Facilities and Services	112,201	316,759	(204,558)	35%	No
	<u>218,543</u>	<u>654,280</u>	<u>(435,737)</u>	<u>33%</u>	
<b>Loan Repayments</b>					
Library	0	7,104	(7,104)	0%	
Recreation Facilities and Services	0	10,822	(10,822)	0%	
	<u>0</u>	<u>17,926</u>	<u>(17,926)</u>	<u>0%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

## Recreation Facilities – Operating Income

### **Recreation Facilities and Services**

**\$3,063,011U**

#### ***Reason for variance***

There is a likely permanent variance due to an error in budgeted income relating to Upfront Flexi memberships of approximately \$400k.

# Recreation & Community Services – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Public Conveniences	732,657	711,768	20,889	103%	Yes
Elderly Persons Housing	345,072	686,938	(341,866)	50%	Yes
Memorial Halls	241,338	306,558	(65,221)	79%	
Reserves and Camping Grounds	494,201	808,094	(313,893)	61%	No
Reserve Boards	563,237	596,951	(33,715)	94%	
Community Safety	26,189	45,436	(19,247)	58%	
	2,402,693	3,155,746	(753,052)	76%	
<b>Operating Expenditure</b>					
Public Conveniences	221,699	614,271	(392,572)	36%	No
Elderly Persons Housing	440,516	798,942	(358,427)	55%	No
Memorial Halls	469,857	595,145	(125,288)	79%	No
Reserves and Camping Grounds	426,345	1,145,509	(719,164)	37%	No
Reserve Boards	433,662	581,370	(147,708)	75%	No
Community Safety	29,438	57,826	(28,388)	51%	
	2,021,516	3,793,063	(1,771,547)	53%	
<b>Capital Income</b>					
Elderly Persons Housing	0	971,920	(971,920)	0%	No
Reserve Boards	0	149,218	(149,218)	0%	No
	0	3,530,992	(3,530,992)	0%	
<b>Capital Expenditure</b>					
Public Conveniences	355,880	793,854	(437,974)	45%	Yes
Elderly Persons Housing	81,827	1,021,560	(939,733)	8%	No
Memorial Halls	21,587	20,172	1,415	107%	
Reserves and Camping Grounds	10,140	1,600,000	(1,589,860)	1%	Yes
Reserve Boards	225,114	169,035	56,079	133%	
	694,548	3,604,621	(2,910,073)	19%	
<b>Loan Repayments</b>					
Public Conveniences	0	251,946	(251,946)	0%	No
Elderly Persons Housing	0	9,929	(9,929)	0%	
Reserves and Camping Grounds	0	2,252	(2,252)	0%	
Reserve Boards	0	14,587	(14,587)	0%	
	0	278,714	(278,714)	0%	
<i>The above financials include the following:</i>					
Development Contributions	300	0	300	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	

*The above financials do not include appropriations - to and from activities*

## Recreation & Community Services – Operating Income

**Public Conveniences** **\$20,889F**

***Reason for variance***

Council has received \$184,000 unbudgeted TIF funding for the Rakaia Gorge new facilities.

There will also be a permanent difference relating to unbudgeted Better off Funding of \$250,000 from the DIA for the Digby Park Toilet.

**Elderly Persons Housing** **\$341,866U**

***Reason for variance***

There will be a permanent reduction in income due to tenants moving out of the Friendship Lane units. These units are unable to be re-tenanted as any new tenancy would require compliance with the Healthy Homes Standards within 90 days.

## Recreation & Community Services – Capital Expenditure

**Public Conveniences** **\$437,974F**

***Reason for variance***

There will be a permanent variance of \$250,000 for the construction of the new Digby Park Toilet which is funded by the Better off Funding.

**Reserves and Camping Grounds** **\$1,589,860F**

***Reason for variance***

There will be a permanent variance of \$1,500,000 due to timing of the construction of the new West Street carpark. This will be subject to a carryover request.

# Economic Development – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Commercial Property	3,675,299	19,924,084	(16,248,785)	18%	Yes
Business & Economic Development	545,787	734,060	(188,273)	74%	Yes
District Promotion	116,987	226,974	(109,987)	52%	No
Forestry	590,873	604,619	(13,746)	98%	
	<u>4,928,946</u>	<u>21,489,736</u>	<u>(16,560,791)</u>	<u>23%</u>	
<b>Operating Expenditure</b>					
Commercial Property	5,291,358	6,797,575	(1,506,218)	78%	Yes
Business & Economic Development	458,555	948,517	(489,963)	48%	Yes
District Promotion	97,251	177,423	(80,172)	55%	
Forestry	203,991	474,897	(270,907)	43%	Yes
	<u>6,051,154</u>	<u>8,398,413</u>	<u>(2,347,259)</u>	<u>72%</u>	
<b>Capital Income</b>					
Commercial Property	730,800	25,918,122	(25,187,322)	3%	No
	<u>730,800</u>	<u>25,918,122</u>	<u>(25,187,322)</u>	<u>3%</u>	
<b>Capital Expenditure</b>					
Commercial Property	11,530,646	28,298,966	(16,768,320)	41%	No
	<u>11,530,646</u>	<u>28,298,966</u>	<u>(16,768,320)</u>	<u>41%</u>	
<b>Loan Repayments</b>					
Commercial Property	0	3,254,184	(3,254,184)	0%	No
	<u>0</u>	<u>3,254,184</u>	<u>(3,254,184)</u>	<u>0%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

## Economic Development – Operating Income

### **Commercial Property**

**\$16,248,785U**

#### ***Reason for variance***

There will be a permanent difference relating to unbudgeted Better off Funding of \$2.3M from the DIA for the Fairfield Freight Hub.

There will be a significant permanent difference in income relating to timing of the sale of buildings.

### **Business & Economic Development**

**\$188,273U**

#### ***Reason for variance***

There will be a permanent difference relating to funding received from the Mayor's Taskforce for Jobs of approximately \$325,000.

## Economic Development – Operating Expenditure

### **Commercial Property**

**\$1,506,218F**

#### ***Reason for variance***

There will be a \$2.3M permanent difference relating to grant expenditure of Better off Funding for the Fairfield Freight Hub. This is offset by the Better off Funding mentioned in operating income above.

### **Business & Economic Development**

**\$489,963F**

#### ***Reason for variance***

There will be a permanent difference relating to the expenditure of the funding received from the Mayor's Taskforce for Jobs as mentioned under Operating Income.

### **Forestry**

**\$270,907F**

#### ***Reason for variance***

The variance has been caused by under expenditure for the establishment work due to no planting at Wightmans Road following the delays with harvesting. This variance will be permanent, other under spending could result in a total favourable variance of \$100,000 at year end.

## Parks & Open Spaces – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Cemeteries	323,877	617,045	(293,168)	52%	No
Parks and Recreation	2,560,999	4,857,121	(2,296,122)	53%	No
	<u>2,884,876</u>	<u>5,474,166</u>	<u>(2,589,290)</u>	<u>53%</u>	
<b>Operating Expenditure</b>					
Cemeteries	259,411	732,549	(473,138)	35%	No
Parks and Recreation	2,392,614	4,485,613	(2,092,999)	53%	No
	<u>2,652,025</u>	<u>5,218,162</u>	<u>(2,566,137)</u>	<u>51%</u>	
<b>Capital Income</b>					
Parks and Recreation	0	4,357,478	(4,357,478)	0%	No
	<u>0</u>	<u>4,357,478</u>	<u>(4,357,478)</u>	<u>0%</u>	
<b>Capital Expenditure</b>					
Cemeteries	66,922	0	66,922	0%	
Parks and Recreation	2,599,266	4,622,270	(2,023,003)	56%	No
	<u>2,666,189</u>	<u>4,622,270</u>	<u>(1,956,081)</u>	<u>58%</u>	
<b>Loan Repayments</b>					
Cemeteries	0	14,587	(14,587)	0%	
Parks and Recreation	0	199,248	(199,248)	0%	No
	<u>0</u>	<u>213,835</u>	<u>(213,835)</u>	<u>0%</u>	

The above financials include the following:

Development Contributions	300	0	300	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

# Community Governance & Decision Making – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Council	1,434,393	2,768,827	(1,334,434)	52%	No
Methven Community Board	77,531	148,349	(70,818)	52%	
Youth Council	7,016	12,551	(5,535)	56%	
Community Grants Funding	995,515	1,614,191	(618,676)	62%	No
Water Zone Committee	69,833	132,511	(62,678)	53%	
	2,584,288	4,676,429	(2,092,141)	55%	
<b>Operating Expenditure</b>					
Council	1,648,763	3,490,296	(1,841,533)	47%	No
Methven Community Board	46,800	158,551	(111,752)	30%	No
Youth Council	3,060	13,702	(10,642)	22%	
Community Grants Funding	821,157	1,318,320	(497,164)	62%	No
Water Zone Committee	64,830	382,595	(317,765)	17%	No
	2,584,610	5,363,465	(2,778,855)	48%	
<b>Loan Repayments</b>					
Community Grants Funding	0	99,000	(99,000)	0%	
Water Zone Committee	0	18,000	(18,000)	0%	
	0	117,000	(117,000)	0%	

The above financials include the following:

Development Contributions	442,314	561,984	(119,670)	79%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

\*\*Water Zone Committee Operating Expenditure Forecast includes \$227,705 of carry forwards for Investigations.



# Compliance & Development – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Environmental Health	49,247	176,314	(127,067)	28%	Yes
Building Regulation	1,128,111	2,665,224	(1,537,112)	42%	No
Emergency Management	63,487	124,657	(61,170)	51%	
Liquor Licensing	89,124	169,995	(80,871)	52%	
Land Information Memorandum	52,101	104,343	(52,242)	50%	
Parking	178,108	228,184	(50,075)	78%	
Animal Control	440,453	549,035	(108,582)	80%	No
Resource Consents	318,293	702,232	(383,939)	45%	No
Monitoring and Enforcement	185,697	324,728	(139,031)	57%	No
Planning	196,361	393,592	(197,231)	50%	No
	2,700,982	5,438,303	(2,737,321)	50%	
<b>Operating Expenditure</b>					
Environmental Health	113,445	218,077	(104,632)	52%	No
Building Regulation	1,249,147	2,685,147	(1,436,000)	47%	No
Emergency Management	42,656	105,112	(62,456)	41%	
Liquor Licensing	111,013	190,185	(79,172)	58%	
Land Information Memorandum	26,595	104,343	(77,748)	25%	
Parking	126,338	240,625	(114,287)	53%	No
Animal Control	250,410	585,146	(334,736)	43%	No
Resource Consents	452,923	770,783	(317,860)	59%	No
Monitoring and Enforcement	205,892	439,293	(233,401)	47%	No
Planning	188,689	570,052	(381,362)	33%	No
	2,767,109	5,908,763	(3,141,654)	47%	
<b>Loan Repayments</b>					
Animal Control	0	4,400	(4,400)	0%	
Planning	0	144,302	(144,302)	0%	No
	0	148,702	(148,702)	0%	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

## Compliance & Development – Operating Income

### **Environmental Health**

**\$127,067U**

#### ***Reason for variance***

The proposed fee increase in the forthcoming LTP aims to gradually correct this under recovery.

## Miscellaneous, Dividends & Internal Overheads – Income & Expenditure Report

For period ending 31 December 2023

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
<b>Operating Income</b>					
Dividends and Interest	2,131,211	1,329,981	801,230	160%	Yes
Library and Civic Centre	158,356	416,958	(258,602)	38%	Yes
Executive Team	895,828	1,781,255	(885,427)	50%	No
People & Capability	550,225	1,273,939	(723,714)	43%	No
Information Systems	1,885,180	3,765,936	(1,880,756)	50%	No
Customer Services	332,014	747,023	(415,009)	44%	No
Treasury	697,671	1,586,875	(889,204)	44%	No
Rates	319,657	825,430	(505,773)	39%	No
Community Relations	480,702	1,038,306	(557,604)	46%	No
Communications	436,988	990,062	(553,074)	44%	No
Property Administration	785,257	1,693,906	(908,649)	46%	No
Service Delivery	2,215,166	4,051,793	(1,836,628)	55%	No
Parks Administration	1,636,372	3,830,491	(2,194,119)	43%	No
Plant Operations	452,405	963,206	(510,801)	47%	No
	12,977,032	24,295,161	(11,318,129)	53%	
<b>Operating Expenditure</b>					
Dividends and Interest	10	55,003	(54,992)	0%	
Library and Civic Centre	158,356	510,273	(351,917)	31%	No
Executive Team	895,828	1,781,256	(885,428)	50%	No
People & Capability	550,225	1,707,339	(1,157,114)	32%	No
Information Systems	1,885,180	4,281,764	(2,396,585)	44%	No
Customer Services	332,014	746,909	(414,895)	44%	No
Treasury	697,621	1,741,745	(1,044,124)	40%	No
Rates	382,777	825,430	(442,653)	46%	No
Community Relations	480,702	1,038,305	(557,603)	46%	No
Communications	436,988	990,062	(553,073)	44%	No
Property Administration	785,257	1,865,673	(1,080,417)	42%	No
Service Delivery	2,215,166	4,051,793	(1,836,628)	55%	No
Parks Administration	1,636,372	3,749,959	(2,113,586)	44%	No
Plant Operations	463,230	923,573	(460,343)	50%	No
	10,919,726	24,269,085	(13,349,359)	45%	
<b>Capital Income</b>					
Information Systems	0	293,000	(293,000)	0%	No
Plant Operations	49,304	550,100	(500,796)	9%	No
	49,304	843,100	(793,796)	6%	
<b>Capital Expenditure</b>					
Library and Civic Centre	110,902	0	110,902	0%	Yes
Information Systems	116,910	783,210	(666,300)	15%	Yes
Plant Operations	412,633	902,634	(490,001)	46%	No
	640,445	1,685,844	(1,045,399)	38%	
<i>The above financials include the following:</i>					
Development Contributions	0	0	0	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	
<i>The above financials do not include appropriations - to and from activities</i>					

## Miscellaneous, Dividends & Internal Overheads – Operating Income

**Dividends and Interest** **\$801,230F**

***Reason for variance***

Dividends and Interest includes a dividend received from Transwaste of \$156,000 and ACL of \$1,384,000 as at the end of December. The remaining balance relates to interest received. The ACL dividend received is \$684,000 above the estimate budgeted dividend.

**Library and Civic Centre** **\$258,602U**

***Reason for variance***

There will be a permanent positive variance of \$190,000 due to unbudgeted Better Off Funding for enhancements to the Ashburton Library.

## Miscellaneous, Dividends & Internal Overheads – Capital Expenditure

**Library and Civic Centre** **\$110,902U**

***Reason for variance***

There will be a permanent variance of \$190,000 due to expenditure of Better Off Funding for enhancements of the Ashburton Library.

**Information Systems** **\$666,300F**

***Reason for variance***

Works on the renewal of server and data storage have been rescheduled to February 2024 due to resource commitments to Te Whare Whakare. It is planned that these works will be completed by June 30 2024, but final claims may not be in by this time. A carryover may be requested.

Costs associated with the renewal of district aerial imagery have yet to be incurred. While expenditure is anticipated as the contract and capture progresses, final claims may extend pass 30 June 2024.

# Loan Repayments

For period ending 31 December 2023

	<b>Actual YTD</b>	<b>Forecast Full Year</b>	<b>Variance</b>	<b>Percentage of Forecast</b>	<b>Permanent Variance</b>
Loan Repayments	0	7,024,840	<b>(7,024,840)</b>	0%	No

## Balance Sheet

As at 31 December 2023

	YTD Actual	2023 Actual
<b>Public Equity</b>		
Ratepayers Equity	493,427,124	521,389,000
Revaluation Reserves	360,123,000	360,123,000
Funds and Reserves	68,460,000	68,460,000
	<b>922,010,124</b>	<b>949,972,000</b>
<b>Non-Current Liabilities</b>		
External Loans	115,600,000	85,600,000
Other Term Liabilities	327,626	303,588
	<b>115,927,626</b>	<b>85,903,588</b>
<b>Current Liabilities</b>		
Trade Creditors	1,302,743	7,820,977
Deposits & Bonds	1,838,005	1,287,724
Other Current Liabilities	863,490	804,558
Accrued Liabilities	5,256,436	10,116,153
	<b>9,260,674</b>	<b>20,029,412</b>
<b>Total Equity &amp; Liabilities</b>	<b>1,047,198,423</b>	<b>1,055,905,000</b>
<b>Fixed Assets</b>	147,115,644	148,301,389
<b>Infrastructural Assets</b>	796,137,768	804,643,197
<b>Work in Progress</b>	66,811,470	67,254,000
<b>Advances</b>	390,958	390,958
<b>Shares</b>	9,938,455	9,188,455
<b>Current Assets</b>		
Cash & Bank	6,908,990	7,681,523
Cash Investments	7,000,000	3,100,000
GST	2,096,112	2,185,113
Receivables	3,808,251	3,059,151
Provision for Doubtful Debts	(35,438)	(58,933)
Stock	87,452	86,767
Accruals	5,206,207	5,327,882
Other Current Assets	1,732,556	4,745,498
	<b>26,804,128</b>	<b>26,127,000</b>
<b>Total Assets</b>	<b>1,047,198,423</b>	<b>1,055,905,000</b>

## Net Debt and Borrowings

As at 31 December 2023

### Net Debt

<b>115.60 M</b>	<b>-</b>	<b>13.91 M</b>	<b>=</b>	<b>101.69 M</b>
External Loans		Liquid Assets		Net Debt

### External Borrowing

Local Government Funding	Amount	Rate	Rate	Maturity
LGFA 2023	12,000,000	5.78%	Floating	15-Feb-24
LGFA 2020 Coupon	2,000,000	5.93%	Floating	15-Apr-24
LGFA 2022	5,000,000	6.26%	Floating	15-Apr-24
LGFA 2021	5,000,000	5.99%	Floating	15-Apr-24
LGFA 2023	5,000,000	5.97%	Floating	15-Apr-25
LGFA 2022	3,000,000	6.00%	Floating	15-Apr-25
LGFA 2022	5,000,000	6.06%	Floating	15-Apr-25
LGFA 2023	7,000,000	6.02%	Floating	15-Apr-25
LGFA 2020	10,000,000	6.34%	Floating	15-Apr-26
LGFA 2023	5,000,000	6.09%	Floating	15-Apr-26
LGFA 2023	5,000,000	6.31%	Floating	15-Apr-26
LGFA 2023	5,000,000	6.26%	Floating	15-Apr-27
LGFA 2023	5,000,000	6.45%	Floating	15-Apr-27
LGFA 2020 Coupon	5,000,000	1.23%	Fixed	15-Apr-27
LGFA 2020 Coupon	5,000,000	0.97%	Fixed	15-Apr-27
LGFA 2021 Coupon	16,600,000	2.01%	Fixed	15-May-28
LGFA 2023	5,000,000	5.08%	Fixed	20-Apr-29
LGFA 2022	<u>10,000,000</u>	6.27%	Floating	20-Apr-29
<b>Total External Funding</b>	<b>115,600,000</b>			

## Borrowing by Activity

As at 31 December 2023

	<b>External Borrowing</b>	<b>Internal Borrowing</b>
Commercial Property	56,497,540	2,719,004
Elderly Person Housing	49,251	9,478
Wastewater	20,496,815	420,666
Drinking Water	18,730,052	1,602,166
Compliance & Development	833,006	-
Stormwater	2,916,797	-
Cemeteries	1,782,005	25,220
Water Resources	343,360	-
Arts & Culture	2,146,004	-
Refuse and Recycling	648,724	22,338
Stockwater	314,939	18,355
Roading	6,508,717	672,698
Footpaths	684,328	-
Recreation Facilities	193,190	-
Civic Building	43,794	-
Parks	2,272,337	235,843
Camping	16,873	-
Public Conveniences	432,269	47,758
Reserve Boards	690,000	-
<b>Total</b>	<b>115,600,000</b>	<b>5,773,527</b>



## Council Investments

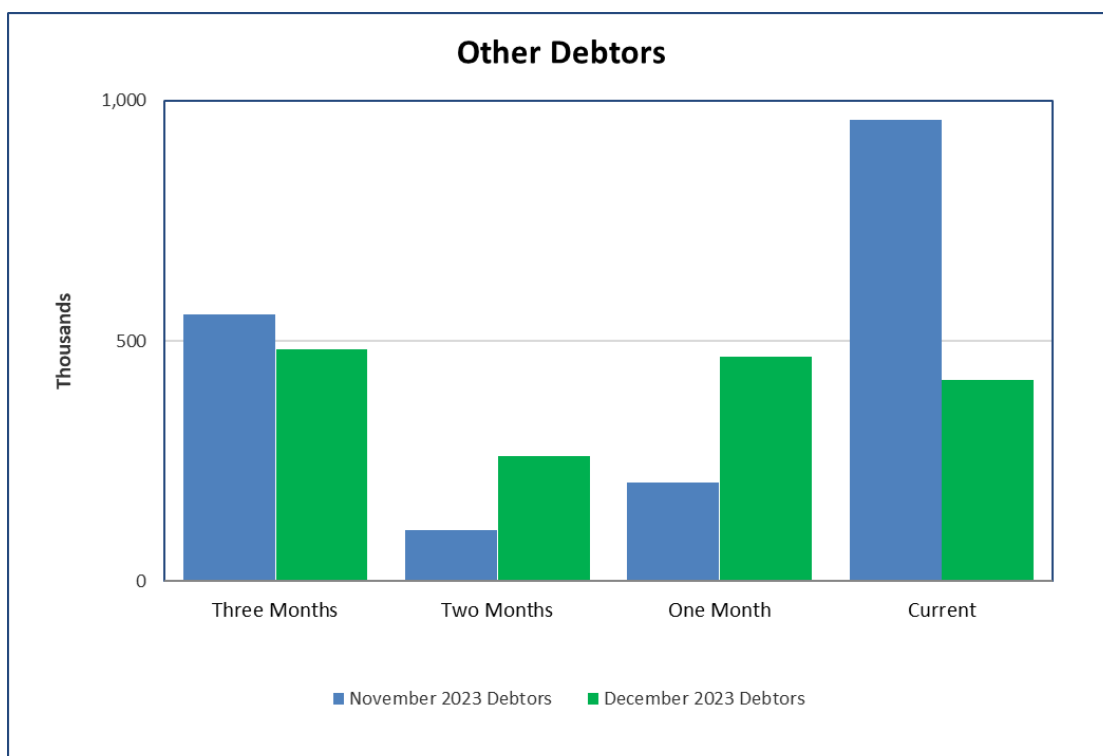
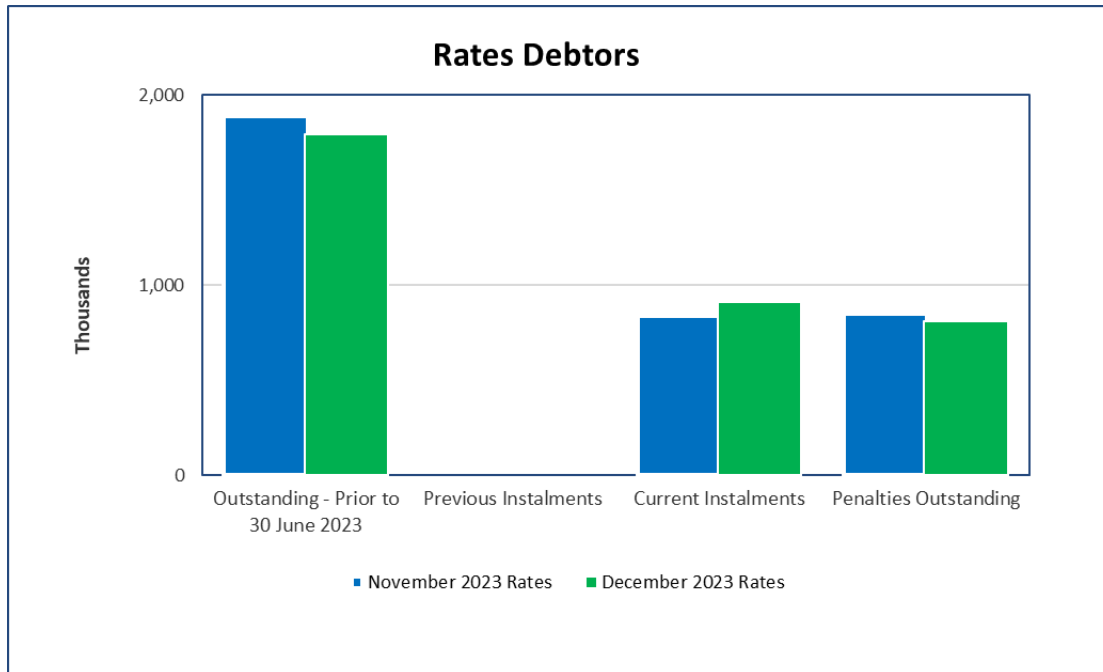
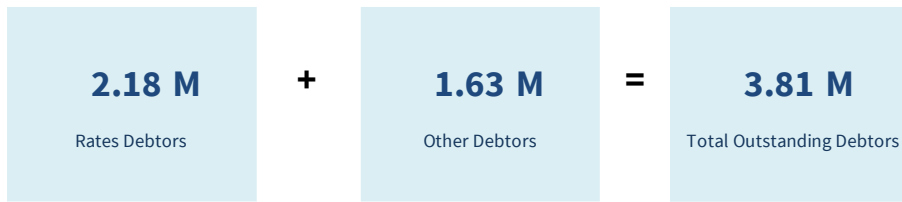
As at 31 December 2023

Listed below are the current significant investments held by Council.

<b>Term Deposit</b>	<b>Principal</b>	<b>Interest</b>	<b>Term</b>	<b>Maturity</b>
Westpac	3,000,000	5.08%	30 Days	21-Jan-24
	<b>3,000,000</b>			
<b>Local Authority Stock and Bonds</b>	<b>Principal</b>	<b>Interest</b>	<b>Yield</b>	<b>Maturity</b>
<b>Bonds</b>				
ANZ	1,000,000	2.99%	6.04%	17-Sep-26
Westpac	1,100,000	6.19%	5.79%	16-Sep-27
Kiwibank	1,000,000	5.73%	4.95%	19-Oct-27
Westpac	900,000	6.73%	5.95%	14-Feb-28
	<b>4,000,000</b>			
<b>Advances</b>				
Eastfield Investments	390,958			
	<b>390,958</b>			
<b>Shares</b>				
Ashburton Contracting Ltd	4,500,000			
Civic Financial Services Ltd	52,655			
RDR Management	30,000			
Transwaste Canterbury Ltd	1,044,000			
ATS	500			
Electricity Ashburton Rebates	1,300			
LGFA Equity	2,545,000			
Eastfield Investments	1,765,000			
	<b>9,938,455</b>			

# Receivables Summary (Including Prior Month Comparative)

As at 31 December 2023



## ***Receivables Summary continued***

Outstanding Debtors over 90 days	
>\$100,000	0
\$50,000 - \$100,000	1
\$30,000 - \$50,000	3
\$10,000 - \$30,000	12

The above debtors are being actively managed or under a resolution process.

## **16. Mayor's Report**

### **16.1 Former Councillor, John Leadley**

I would like to acknowledge the passing of former Councillor John Leadley on 31 December. John's contribution to local government and this community was significant – a County Councillor from 1986 to 1989 and serving seven terms with the Ashburton District Council saw him complete 24 years in local government before his retirement in 2013.

### **16.2 Te Whare Whakaterere**

The past month has been all about the opening of Te Whare Whakaterere and it gives me great joy to be finally moved in and operating from the premises. The building is absolutely amazing and is meeting the needs of all who have visited the library and customer service area.

The project of establishing a new Library and Civic Centre started back in 2004; the journey has been a long road and it is fantastic to see it open and enjoyed by staff and the community.

This new library and civic centre will serve our community for many years to come and it has been a pleasure setting up my new office. I know the building has had many visitors – the people counter in the library ticked over 7,300 for the first seven days. This building will be a fine civic centre for decades to come and will be enjoyed by all who use it.

There is a formal opening being planned for the near future to celebrate the new building. We have invited the Prime Minister and we hope to announce a date soon.

### **16.3 Ashburton College Rangitata Block Official Opening**

It was an honour to officially open the Rangitata block at Ashburton College. The facility is amazing and starts to bring the school into the modern era with respect to buildings. I am sure there will be considerable enjoyment from teaching and learning in this new facility for many years to come.

It was pleasing to meet the new Principal, Simon Coleman and the many teachers at the opening and to see their enthusiasm for the new block.

### **16.4 Chinese Consul General Visit**

I, along with Deputy Mayor Liz McMillan and the CE Hamish Riach, hosted the Chinese Consul General Madame He Ying, vice Consul Xu and Li on 1 February at Te Whare Whakaterere.

Consul He wanted to visit Ashburton and connect with Council to investigate any opportunities our countries could share in the future.

We also visited the Ng King Chinese Garden settlement. Consul He was very impressed with the restoration project and commended all involved in seeing this come to fruition.

## 16.5 2023 John Grigg Scholarship

Ashburton College has advised that at their 2023 Year 13 Graduation Ceremony the John Grigg Scholarship was awarded to Laura Cameron. Laura is studying at Massey University undertaking a Bachelor of Veterinary Science.

## 16.6 Declaration of State of Local Emergency

On Wednesday 14 February, at 6.13pm, I declared a state of local emergency in the Christchurch City Council and Selwyn District Council districts due the Port Hills fires.

As there was more than one Council that needed to declare for the same event, I signed the declaration as the Chair of Canterbury Civil Defence Emergency Management Group Joint Committee.

The main reason for declaring was to enable the ability to evacuate people from the areas of concern. The declaration will stay in force for a seven day period.

I visited the control centre in Christchurch on Thursday 15 February to get an overview of the operations.

## 16.7 Meetings

### • **Mayoral calendar**

#### **December 2023**

- 19 December: Long Term Plan workshop
- 20 December: Long Term Plan workshop
- 20 December: Council meeting
- 21 December: Infometrics monthly webinar
- 21 December: Te Whare Whakatere site visit
- 22 December: Business of the Year, Supreme winner judging

#### **January 2024**

- 17 January: Long Term Plan workshop
- 19 January: Te Whare Whakatere blessing ceremony
- 22 January: Hokonui Radio interview
- 22 January: Library official opening
- 22 January: Brian Davidson, Eastfields
- 22 January: Tanya Dearn, Mid Canterbury Rugby with CE Hamish Riach
- 23 January: Te Whare Whakatere PCG meeting
- 23 January: Braided Rivers Trust/Lion Foundation
- 24 January: Jackie Girvan and Walter van der Kley, Haven Housing along with CE Hamish Riach
- 24 January: Ashburton Guardian, Hoops on the Couch interview
- 25 January: Roger Farr and George Brown, Ashburton Trust Event Centre
- 29 January: Methven Community Board
- 30 January: Ashburton Water Zone Committee workshop
- 30 January: Advance Ashburton scholarship presentation evening
- 31 January: Ashburton College – opening of the Rangitata teaching block
- 31 January: Eastfields workshop
- 31 January: Infrastructure strategy workshop

## February 2024

- 1 February: Richard Lemon, A+P Association
- 1 February: Chinese Consul General Madame He Ying visit to Te Whare Whakatere
- 6 February: Multicultural Bite
- 7 February: Long Term Plan/Budget workshop
- 7 February: Council meeting
- 8 February: Advance Ashburton Investment Committee
- 9 February: James Thompson and Richard Ball, Civil Defence Emergency Management
- 9 February: Selwyn District Council civic reception with CE Hamish Riach
- 12 February: Biodiversity Advisory Group
- 12 February: Simon Jones, Agritech Group
- 12 February: Lake Hood Taskforce meeting
- 13 February: Airport Sub Committee meeting
- 13 February: Inspiring the Future event with Deputy Mayor Liz McMillan
- 13 February: Brian Davidson, Eastfields with CE Hamish Riach
- 14 February: Activity Briefings
- 14 February: Audit and Risk
- 15 February: CDEM Headquarters, Christchurch
- 15 February: CECC Business Canterbury's Back to Business
- 16 February: Mt Hutt College international students visit
- 16 February: James Meager, MP for Rangitata
- 16 February: Hekeao Hinds Water Enhancement Trust
- 16 February: Crusaders v Highlanders rugby match, Methven
- 19 February: ADC/EA working group with Councillors Tony Todd and Richard Wilson
- 20 February: Te Whare Whakatere PCG
- 20 February: Talk it up Tuesday library session with Councillor Russell Ellis
- 20 February: Delia Ale and June Mui, Pasifika Community representatives
- 21 February: Reserve Management workshop plan
- 21 February: LTP Budget summary workshop
- 21 February: Council meeting

## Recommendation

**That** Council receives the Mayor's report.

Neil Brown  
**Mayor**