



Revenue and Financing Policy

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1 Purpose and principles

1.1 The purpose of this Policy is to:

- (a) Set out all the potential revenue and funding sources available to Council and outline its policies about how and when it will use each,

1.2 Set out the Council's policies for the funding of operating expenditure and capital expenditure,

- (b) Set out Council's funding arrangements for each of its activities following consideration of the factors in section 101(3) of the Local Government Act 2002. ("the LGA"),
- (c) Comply with Sections 101, 102 and 103 of the LGA

1.3 In order to determine the funding arrangements (including the appropriate sources of funding) for each activity, Council has considered:

- (a) the community outcomes to which each activity primarily contributes,
- (b) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals,
- (c) over what period of time the benefits are expected to occur,
- (d) the extent to which the actions or inaction of particular individuals or groups contribute to the need to undertake the activity; and
- (e) the costs and benefits, including consequences for transparency and accountability, of funding any activity distinctly from other activities

1.4 In determining what sources of funding are appropriate to meet the funding needs of the Council, the Council has also considered the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

1.5 The funding arrangements and supporting principles outlined in this policy have been determined alongside the development of Council's Performance Management Framework. This ensures alignment between the activity funding arrangements and the assessment of each activity's contribution to Council's community outcomes as well as the overall impact of the arrangements on the current and future social, economic, environmental, and cultural well-being of the community.

2 Definitions

- **Capital value (CV)** - as per Section 2(1) of the Rating Valuations Act 1998
- **Differentials** - weighting applied based on the different categories of rateable land
- **Exacerbator** - a person or group of people whose actions or inactions contribute to the need to undertake an activity
- **General rate** - generally used by the Council to fund activities that are of public benefit and cannot be charged to specific users. The Council assesses the **general rate** on CV and LV
- **Land value (LV)** - as per Section 2(1) of the Rating Valuations Act 1998
- **Private funding** - funding received from any source that is not rates

- **Public funding** - funding received from rates under the definition set out in the Local Government Act 2002
- **Scheme** - Defined area of rateable units receiving a specific utility service
- **Uniform Annual General Charge (UAGC)** - a single rate applied uniformly across all ratepayers in the District as per section 15 of the Local Government (Rating) Act 2002
- **Targeted rate** - A rate set for one or more Council activities. Some **targeted rates** may have **differentials** applied
- **Uniform targeted rate (UTR)** - a **targeted rate** set on a uniform basis as per section 16(4)(a) of the Local Government (Rating) Act 2002
- **User fees and charges** - a charge to the user of a service to contribute to the costs associated with the provision of that service

3 Policy Statement

3.1 Sources of funding for operating expenditure

Operating expenses are funded annually using the sources listed below:

- **General rates** (Council assesses the **general rate** on **capital value** except for Defence Force land which must be assessed on **land value**)
- **Targeted rates**
- Lump sum contributions
- **User fees and charges**
- Interest and dividends from investments
- **Uniform Annual General Charge (UAGC)** a single rate applied uniformly across all ratepayers in the District
- **Differentials** are set applied based on Council's assessment of user benefit of various activities within the District

Council may choose not to fully fund operating expenditure 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 beneficial to avoid significant fluctuations in rates, fees or charges.

3.2 Sources of funding for capital expenditure

Council funds capital expenditure from borrowing and then spreads the repayment of that borrowing over several years. This enables Council to match charges placed on the community against the period of benefits from capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While seeking to minimise interest costs and financial risks associated with borrowing is of primary importance, Council seeks to match the term of borrowings with the average life of assets when practical.

Council's overall borrowing requirement is reduced to the extent that other funds are available to finance capital expenditure. Such other funds include:

- Council reserves, including reserves comprising financial contributions under the Resource Management Act 1991
- Contributions towards capital expenditure from other parties such as NZ Transport Agency (in relation to certain roading projects)
- Development contributions
- Annual revenue collected to cover depreciation charges
- Proceeds from the sale of assets
- Any other sources

3.3 Exacerbator costs

Recovery of **exacerbator** costs will be in full where possible.

3.4 Activity funding sources

The table below summarises the funding arrangements for each activity of Council determined as a result of the considerations outlined in section 1.2 of this policy. A brief precis of the funding rationale for each activity follows.

The funding split percentages and funding source percentages in this Policy (and including the tables below) are indicative only.

Activity	Funding Split		Funding Source	
	Public	Private	Public	Private
Community Facilities				
<u>Cemeteries</u>	60-70%	40-30%	General Rate (CV)	User fees and charges [interment, plots, etc.]
<u>Libraries</u>	95-98%	5-2%	UTR (Feilding 60%, Rural 40%)	User fees and charges [fines, fees, internet, etc.]
<u>Makino Aquatic Centre</u>	70-75%	30-25%	UTR (Feilding 60%, Rural 40%)	User fees and charges [admission, hireage, classes, etc.]
<u>Parks, reserves and Sports grounds</u>	95-98%	5-2%	Targeted Rate (CV) / UTR	User fees and charges [ground fees and hireage]
<u>Property</u>	90-95%	10-5%	General Rate (CV)	User fees and charges [leases and rent]
<u>Property 38- 40 Bowen Street</u>	0%	100%		User fees and charges [leases and rent]
<u>Halls and Recreation Complexes</u>	95-100%	5-0%	UAGC	Lease fees and cost recovery

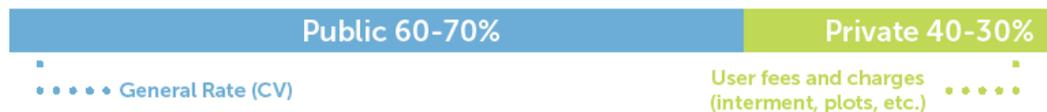
Activity	Funding Split		Funding Source	
	Public	Private	Public	Private
Public Conveniences	100%	0%	UAGC	n/a
District Development				
Community Development	95-100%	5-0%	General Rate (CV)	Grants
Economic Development	100%	0%	General Rate (CV)	n/a
District Plan	100%	0%	General Rate (CV) 24% / UTR 76%	n/a
Feilding CBD Security	100%	0%	General Rate (CV) 20% / UTR CBD only 80%	n/a
Emergency Management				
Emergency Management	100%	0%	General Rate (CV)	n/a
Regulatory				
Animal Control	40%	60%	UTR	User fees and charges [registration, impoundments, infringements etc]
Building Control	40%	60%	General Rate (CV) 24% / UTR 76%	User fees and charges [building consents, warrants, infringements etc]
Compliance and Monitoring	90%	10%	General Rate (CV) 24% / UTR 76%	User fees and charges [registration, licences, permits, certificates etc]
Consent Planning	70%	30%	General Rate (CV) 24% / UTR 76%	User fees and charges [consents, infringements etc]
Governance and Strategy				
Governance and Strategy	95-100%	5-0%	General Rate (CV) 50% / UAGC 50%	Election related revenue during an election year
Roading				
Feilding CBD Redevelopment	100%	0%	General Rate (CV) 15% / Targeted Rate (CV) CBD only 85%	n/a
Roading – Non Subsidised	100%	0%	Targeted Rate (CV) / UTR	n/a

Activity	Funding Split		Funding Source	
	Public	Private	Public	Private
<u>Roading – Subsidised (2021/22)</u>	47%	53%	Targeted Rate (CV) / UTR	Subsidies [NZTA subsidy] Subject to contract change
<u>Roading – Subsidised (2022/23)</u>	48%	52%	Targeted Rate (CV) / UTR	Subsidies [NZTA subsidy] Subject to contract change
<u>Roading – Subsidised (2023/24)</u>	49%	51%	Targeted Rate (CV) / UTR	Subsidies [NZTA subsidy] Subject to contract change
Solid Waste				
<u>Solid Waste Collection and Disposal</u>	35-45%	65-55%	UAGC	User fees and charges [blue bag sales, transfer station gate takings, fines]
<u>Kerbside Recycling Collection</u>	100%	0%	UTR	n/a
Stormwater				
<u>Rural Land Drainage</u>	100%	0%	Targeted rate (LV) Scheme Specific	n/a
<u>Urban Stormwater</u>	100%	0%	General Rate (CV) 20% / UTR 80%	n/a
Wastewater				
<u>Wastewater</u>	70-80%	30-20%	Targeted Rate (fixed) [connected/available/restricted]	User fees and charges [trade waste, rental and lease]
<u>Nursery</u>	0%	100%		Plant sales and planting charges
Water Supply				
<u>Water Supply</u>	100%	0%	Targeted Rate (fixed) [connected/available/restricted] / Water by Metre Rate (volumetric)	n/a

Activity	Funding Split		Funding Source	
	Public	Private	Public	Private
<u>Water Supply – Scheme Specific</u>	100%	0%	UTR scheme specific rate	n/a

4 Community Facilities

4.1 Cemeteries



Rationale for Funding Choice:

- The entire community benefits from provision of cemeteries
- There should be a cost to the individual or family for interments in cemeteries

Cemeteries provide both public and private benefits. The public expect provision of a cemetery service that everyone can use. While the Burial and Cremation Act 1964 requires local authorities to provide cemeteries it is appropriate that the individual or family meet the costs of burial.

Council determined that the most appropriate funding arrangements for this activity is a combination of a **uniform targeted rate** (district-wide) and **user fees and charges**.

4.2 Manawatū District Libraries



Rationale for Funding Choice:

- It is fair for individuals to pay for some of the services they use in the library such as learning and personal development, printing services, etc. No-cost lending provides significant public benefit for lifelong learning and improvement of literacy
- Feilding residents receive more benefit than rural residents
- **User fees and charges** are moving away from lending charges and fines to focus on paying for services and programmes

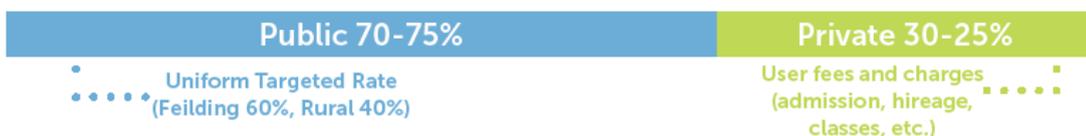
Manawatū District Libraries provide both public and private benefit. They provide services and spaces for the community which promote lifelong learning and connectedness, as well as being repositories for important historical and community information.

Libraries also provide private benefit through individual access to written and online educational resources, research materials and leisure time reading.

Council determined that the most appropriate funding arrangement for the Manawatū District Libraries is a combination of **targeted rates** and fees.

Due to the proximity of the library to Feilding residents, 60% of the required funding will be recovered from ratepayers within the 2009 Feilding Differential Rating Area (FDRA), and 40% will be recovered from the remainder of the district.

4.3 Makino Aquatic Centre



Rationale for Funding Choice:

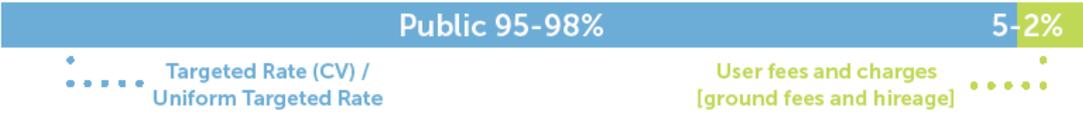
- Aquatic programmes, activities, education & physical exercise opportunities provide significant public benefit
- It is fair for individuals and groups using the pool to pay for entry, programmes and activities
- The facility is well used and supported by both Feilding and rural resident

The Makino Aquatic Centre is available to all and provides supervised recreational and educational programmes which benefit both individuals and the community as a whole. Council considers it important that the Makino Aquatic Centre remains competitive with other pools in the region.

Council determined that the most appropriate funding arrangement is a combination of **targeted rates** and user fees. Due to the proximity of the Makino Aquatic Centre to Feilding residents, 60% of the required funding is recovered from ratepayers within the 2009 Feilding Differential Rating Area (FDRA), while 40% is recovered from the remainder of the district.

Recovery of costs for extra services, such as holiday programmes and swimming lessons will be in full from the participant.

4.4 Parks Reserves and Sports Grounds



Rationale for Funding Choice:

- Parks, reserves and sportsgrounds support the whole community by providing safe, well-maintained spaces for public recreation

Parks reserves and sports grounds, including open spaces, gardens, trees and playgrounds, provide significant public benefit and some private benefits.

Benefits are ongoing to groups and individuals. Future generations will benefit in areas set aside for parks, reserves and sports grounds.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of **uniform targeted rate** (district wide) and a **targeted rate** (based on **capital value** with **differentials**) and fees and charges as well as donations.

4.5 Property



Rationale for Funding Choice:

- Council-owned buildings and land provide significant public benefit and support a range of services to the entire district
- Community groups, businesses and not for profit organisations should pay to rent or lease property from MDC

The exception to this is 38-40 Bowen Street, Feilding which is privately funded under a commercial lease agreement, with no expected impact on the ratepayer.

Bowen Street



Council-owned houses, buildings and land throughout the district provide significant public benefit as they allow individuals, businesses and non-profit organisations the opportunity to rent or lease properties throughout the district. Council will only acquire and hold properties to assist in achieving the strategic objectives of Council and does not involve itself in acquiring properties for investment purposes.

Council determined that the most appropriate funding arrangement for this activity is a **general rate** (based on **capital value** with **differentials**).

4.6 Halls and Recreation Complexes



Rationale for Funding Choice:

- Community halls and recreational complexes support the community
- The entire community benefits from the use of halls and recreational complexes for events such as training programmes, leisure, sporting activities and performing arts

Rural and community halls and recreation complexes provide significant public benefit through provision of multi-use venues for local communities and a hub for the community in the event of a natural disaster. Halls contribute to enhancing the community's sense of social connectedness, cultural wellbeing and civic pride.

Council determined that the most appropriate funding arrangement for this activity is a **UAGC**.

4.7 Public Conveniences



Rationale for Funding Choice:

- Public conveniences provide benefit to all residents and visitors in the district
- Individuals should not pay to use these facilities

Public conveniences are an essential service for the community and provide significant public benefit such as maintaining appropriate standards in public health and meeting the expectations of residents and visitors. Public conveniences provide some private benefit, in the form of personal comfort.

It is impractical to collect payment for the use of public conveniences without significant investment. Council determined that the most appropriate funding arrangement for this activity is a **UAGC**.

5 District Development

5.1 Community Development



Rationale for Funding Choice:

- The provision of funding and support for community organisations, individuals and community development is of benefit to the district as a whole

The provision of funding and support for community organisations, individuals and community development initiatives is of significant public benefit to the whole district. Public benefit includes the delivery of local projects, actions, events and programmes to promote economic, social, environmental and cultural well-being in our district.

Council determined that the most appropriate funding arrangement for this activity is a **general rate** (based on **capital value** with **differentials**). Extra funding may be given in the form of low interest loans or reserve funds.

5.2 Economic Development



Rationale for Funding Choice:

- The economic development activity confers district-wide public benefit

The whole community benefits from Economic Development. Through funding a range of economic development activities Council provides support to businesses to enhance the economic potential and employment opportunities of the district, promote the district to potential investors and increase the pride and quality of life of all residents.

5.3 District Planning



Rationale for Funding Choice:

- The development and review of district planning policies confers district-wide public benefit

The whole community benefits from district planning. Providing sufficient land with suitable zoning, infrastructure and services supports the expansion of economic activity and well-being in the district.

Council decided the most appropriate funding arrangement for this activity is a 76/24 split between a **uniform annual general charge** (a standard amount that each

ratepayer is charged) and the **general rate** (determined by **capital value**) to be consistent with the rest of the regulatory activity.

5.4 Feilding Central Business District (CBD) Security

Public 100%

••••• General Rate (CV) 20% / Uniform Targeted Rate CBD only 80%

Rationale for Funding Choice:

- The benefits of Feilding CBD security services are greatest for those businesses within the defined CBD area
- Residents and visitors also benefit from an attractive and safe CBD

Benefits of Feilding CBD security services are greatest for those businesses within the defined CBD area, with reduced risk of burglary or vandalism. Residents and visitors also benefit from security services which keep the CBD attractive and safe.

Council determined that the most appropriate funding arrangement for this activity is the **general rate** (based on **capital value** with **differentials**) and a **targeted rate** on the defined CBD area only (based on **capital value**).

6 Emergency Management

6.1 Emergency Management

Public 100%

••••• General Rate (CV)

Rationale for Funding Choice:

- The Emergency Management activity provides significant public benefit to the entire district

Emergency Management provides significant public benefit through:

- Increased preparedness for natural disasters
- Helping minimise the effects of a natural disaster on people and property
- Giving peace of mind for residents
- Providing a system for recovery following a natural disaster

The system aims to protect the whole community, although some individuals may benefit more than others.

Council determined that the most appropriate funding arrangement for this activity is a **general rate**.

7 Regulatory

7.1 Animal Control



Rationale for Funding Choice:

- Individuals should pay privately for the benefit they receive, e.g. ownership of a dog(s)
- Irresponsible animal owners should receive fines for their actions
- The residents of the entire district derive some benefit through protection from dangerous, menacing and/or wandering animals

Animal Control provides some public good through enhancing public health and safety, controlling problem animals, and preventing nuisances, potential injury and distress. Animal owners also receive significant private benefit, such as recovery of their animals if they stray and protection from dangerous animals.

Council incurs significant extra costs due to people who fail to keep their animals under adequate control.

Council determined that the most appropriate funding arrangements for this activity is a combination of a **uniform targeted rate** (district wide) and **user fees and charges**.

7.2 Building Control



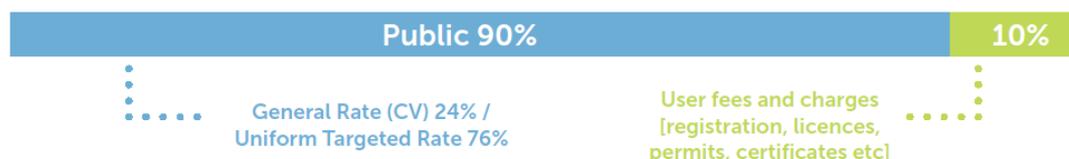
Rationale for Funding Choice:

- Significant private benefit is experienced by consent applicants through meeting legislative requirements and community expectations, and increases in property values over time
- Some public benefit exists from auditing Building Warrants of Fitness, inspection of swimming pool fencing, earthquake prone building administration and responding to complaints, for example, dangerous buildings

The public benefit of Building Control include planned development of the district, protection of the public and a consistency in building standards. Applicants for consents receive significant private benefit through meeting legislative requirements and community expectations. Private benefit may include an increase in property values over time.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (district wide) and for the private portion of the activity, **user fees and charges**.

7.3 Compliance and Monitoring



Rationale for Funding Choice:

- Significant public benefit includes protection of public health, ensuring safe food and alcohol premises, response to nuisance complaints (for example, noise) and bylaw non-compliance
- Some private benefit exists for businesses and consent holders meeting legislative requirements and community expectations
- Consent holders are also able to signal to the community that they have an acceptable standard of food and beverage hygiene.

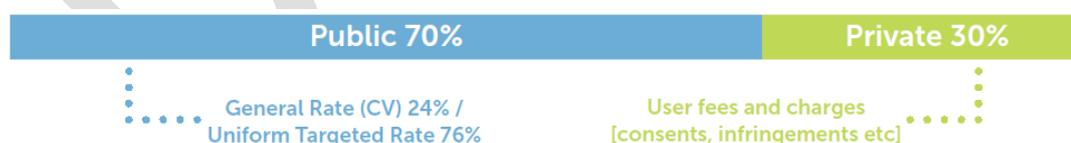
Public benefits of environmental health compliance and monitoring include enhancing public health and meeting the community's expectation for safe food and alcohol premises. Consent applicants receive significant private benefits through meeting legislative requirements and community expectations. The consent provides a signal that food and licensed premises are of an acceptable standard to the consumer.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (district wide), and for the private portion, **user fees and charges**.

Legislation sets alcohol-licensing fees, which impacts on funding recoveries.

Policy work in the alcohol licensing area such as delivery of education initiatives will be met via **public funding**. Likewise, Council involvement in checking general legislative compliance confers significant public benefits.

7.4 Consent Planning



Rationale for Funding Choice:

- Consent applicants receive some private benefit through meeting legislative requirements and community expectations, and also experience monetary gain and increases in property values
- Significant district-wide public benefit includes safe and orderly development of the district and consistent district standards

Consent Planning provides both public and private benefits. Public benefits include safe and orderly development of the district, enhancement of public health and safety, consistent district standards for current and future generations, protection for the environment and opportunity for neighbours to comment on development

proposals which exceed the norm. Applicants for consents receive significant private benefits through meeting legislative requirements and community expectations, monetary gain and increases in property values.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (district wide), and for the private portion, **user fees and charges**.

8 Governance and Strategy



Rationale for Funding Choice:

- The Governance and Strategy activity provides district-wide benefit such as responsiveness to local community needs, advocacy on community issues, and development of community pride and ownership

Governance provides significant benefit to all district residents. Benefits include organised development, maintenance of key infrastructure, response to local community needs, advocacy on community issues, and development of community pride and ownership.

Council determined that the most appropriate means to fund this activity is through a **uniform targeted rate** (district wide). Of the available systems, use of a **uniform targeted rate** comes closest to ensuring all ratepayers pay equally for Governance.

The 5% flexibility allows for revenue that is received during an election year through election candidate deposits and recovery of costs associated with supporting the elections of other local bodies.

9 Roading

9.1 Feilding Central Business District (CBD) Redevelopment



••••• General Rate (CV) 15% / Targeted Rate (CV) CBD only 85%

Rationale for Funding Choice:

- The CBD development provides some district-wide public benefit through the development of an attractive business centre
- CBD businesses receive significant private benefits from upgrades to their street locations and services, drawing more customers and greater business

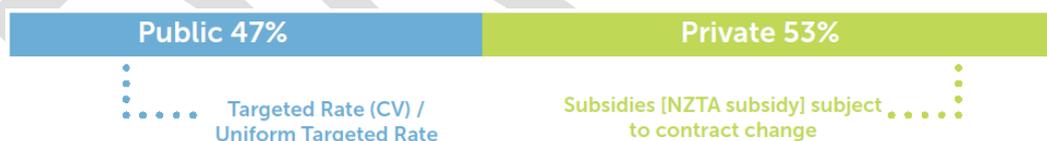
There are significant public benefits associated with the development of an attractive business centre. Feilding CBD provides the main retail business area in the Manawatū District. A redeveloped CBD contributes to a sense of civic pride, promotes the district, creates a positive atmosphere and is available to everyone. It helps maintain the attractiveness of the area for retail and provides business and employment opportunities.

CBD businesses receive private benefit from upgrades to their street locations and services, drawing more customers and greater business.

Council determined that the most appropriate funding arrangement for this activity is reserves or loans. These would be repaid over twenty years by a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (CBD only)

9.2 Roading Network – Subsidised

2021/22



2022/23



2023/24



Rationale for Funding Choice:

- The roading network provides significant public benefit to the community, e.g. connections to other transportation networks, access and mobility for people, goods and services
- Substantial private benefit also exists through use of roads, and footpaths, access to locations, mobility and maintenance of property values

The roading and footpath network provides significant public benefit to the community, including:

- Connections to other transportation networks
- Contributions to the social and economic well-being of the district
- Access and mobility for people, goods and services
- Locality and property identification
- Separation of pedestrians from the main flow of traffic (i.e. footpaths)

Road users also receive significant private benefit through use of roads and footpaths, access to locations, mobility, and identification of properties and maintenance of property values.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **targeted rate** and a **uniform targeted rate** (district wide). The private component of the activity would be recovered through the New Zealand Transport Agency (NZTA) subsidy.

9.3 Roothing Network – Non Subsidised

Public 100%

•••• Targeted Rate (CV) / Uniform Target Rate

Rationale for Funding Choice:

- Non-subsidised roading projects are those that do not meet NZTA criteria for safety and economic benefit to the wider public of sealing the road compared to the status quo and do not attract a subsidy. Therefore these roads should be sealed on a user pays basis

Road users receive significant private benefits through access to and from their property and maintenance of property values.

Council determined that the most appropriate funding arrangement for this activity is through a combination of a **targeted rate** (based on capital value) and a **uniform targeted rate** (district wide).

10 Solid Waste

10.1 Solid Waste Collection and Disposal

Rationale for Funding Choice:

- Significant public benefits accrue to the community through maintenance of a healthy and safe environment, and enabling appropriate and centralised disposal of solid waste
- Private benefits are experienced including removal of household solid waste, reduction of health risks, and delivery of waste minimisation objectives
- Private users should pay for removal of their household solid waste, e.g. blue rubbish bags

The public benefits of solid waste collection include preventing and avoiding health hazards, keeping the district tidy and attractive, creating a cleaner environment for current and future generations, helping to reduce congestion at the landfill, and Council delivering on the objectives outlined in the Waste Minimisation Plan.

The private benefits of solid waste collection include removal of household solid waste and reducing potential health risks from stock-piling of solid waste. Collection also saves residents time and costs of travelling to landfills and reduces litter on roadsides.

The public benefits of solid waste disposal include maintaining a healthy and safe environment, preventing health hazards for the public, enabling appropriate disposal of solid waste in common locations.

The private benefits of solid waste disposal include provision of common locations for solid waste disposal by individuals or groups, and health and environmental benefits.

The public benefits of transfer station recycling include preserving the environment, saving landfill space, meeting community expectations for waste minimisation, and Council delivering on the objectives outlined in the Waste Minimisation Plan.

The private benefits of transfer station recycling include reducing personal cost of solid waste disposal and private contributions to protection of the environment.

Council determined that the most appropriate means to fund this activity is through a **uniform annual general charge** (district wide) and **user fees and charges**.

10.2 Kerbside Recycling Collection

Public 100%

..... Uniform Targeted Rate

Rationale for Funding Choice:

- Significant private benefit by way of reducing personal cost of solid waste disposal and private contribution to protection of the environment
- Public benefit from recycling includes preserving environment, saving landfill space, meeting community expectations for waste minimisation

Kerbside recycling collection provides significant private benefit to Feilding residents and businesses by way of reducing personal cost of solid waste disposal and private contributions to protection of the environment.

Council determined that the most appropriate funding arrangement for this activity is a **uniform targeted rate** on those properties serviced by the Feilding kerbside recycling **scheme**.

11 Stormwater

11.1 Rural Land Drainage

Public 100%

..... Targeted rate (LV) Scheme Specific

Rationale for Funding Choice:

- The public benefits through managed risks from flooding, protecting the community (including people, property and community assets)
- The land owner benefits through managed risks from flooding, protecting the community, maintaining the economic productivity of rural land
- Significant private benefits to each person connected to a rural stormwater service, which also increases the productive capacity of their land

Rural land drainage provides public benefits through managing risks from flooding, protecting the community (including people, property and community assets), maintaining the economic productivity of rural land and property values and encouraging residential development.

There are significant private benefits from rural land drainage. Each person connected to a service uses a proportion of the available capacity. Rural land drainage provides direct benefits to land owners through increasing the productive capacity of their land. It is difficult to exclude properties from being part of a rural **scheme**.

Council determined that the most appropriate funding arrangement for this activity is a **targeted rate** (based on **land value**) on areas serviced by individual **schemes**.

Loan funding over time will meet capital expenditure, such as expansions to the system.

11.2 Urban Stormwater

Public 100%

••••• General Rate (CV) 20% / Uniform Targeted Rate 80%

Rationale for Funding Choice:

- The public benefits through managing risks from flooding and protecting the community
- Significant private benefits to users connected to a **scheme**

Urban stormwater provides public benefits through managing risks from flooding, protecting the community (including people, property and community assets), maintaining the economic productivity of rural land and property values and encouraging residential development.

Urban stormwater provides significant private benefits to users with each connection using a proportion of the available capacity.

Council determined that the most appropriate funding arrangement for this activity is a combination of the **general rate** (based on **capital value** with **differentials**) and **uniform targeted rates** on areas served by the various **schemes**.

Over time capital expenditure, such as expansions to the system will be met.

12 Wastewater

12.1 Wastewater

Public 70-80%

Private 30-20%

••••• Targeted Rate (fixed)
[connected/available/restricted]

User fees and charges [trade waste, rental and lease] •••••

Rationale for Funding Choice:

- **Exacerbator** pays for a clean and healthy environment, prevention of disease and maintenance of public health standard
- **Scheme** users are provided with a collective wastewater disposal **scheme**, removal of human waste and protection against disease
- Trade waste should pay fees and charges for inclusion in wastewater **scheme**

Wastewater services provide public benefits, including a clean and healthy environment for present and future generations, prevention of disease, maintenance of public health standards, enabling economic growth

A good quality and effective wastewater disposal system is a key service to attract people and businesses to the district and to help sustain economic growth. **Scheme** users receive significant private benefits from provision of a collective wastewater disposal **scheme**, including the removal of human waste and protection against disease. Many rural and lifestyle properties have onsite wastewater disposal so do not directly benefit from Council's reticulated wastewater network.

The costs of providing and improving wastewater infrastructure in some areas of the district may be beyond the ability of the community to pay.

Council determined that the most appropriate funding arrangement for this activity is **targeted rates** on areas serviced by individual **schemes**.

Loans and /or depreciation funding over time will meet capital expenditure, such as the renewal of pipes or expansions to the system.

12.2 Nursery

Private 100%

••••• Plant sales and planting charges

Rationale for Funding Choice:

- The nursery is privately operated and not open to the general public
- The nursery is not competing with other local and regional nurseries

The Native Plant Nursery caters for significant planting projects associated with a range of community restoration initiatives. These include supporting Council beautification initiatives and strengthening remnant populations of surviving native plants across the district.

Council determined that the most appropriate funding arrangement for this activity is **private funding** through plant sales and planting charges.

13 Water Supply

13.1 Water supply

Public 100%

- Targeted Rate (fixed) [connected/available/restricted]/water by Metre Rate (volumetric)

Rationale for Funding Choice:

- The public benefits from being connected to the available potable water supply for public health and services, recreational facilities, and enhancing well-being and economic development
- Private users benefit in the same way as the public, but also benefit in terms of personal health and wellbeing

Water Supply provides public benefits, including availability of water for public health and services (e.g. fire-fighting) and recreational facilities (e.g. gardens, swimming pools), enhancing community well-being and economic development, conveyancing system for wastes

The costs of providing and improving water supply infrastructure in some areas of the district may be beyond the ability of the community to pay.

There are significant private benefits attached to urban and rural water supplies. The benefits listed above also apply to private users. A good water supply contributes to personal health and well-being.

Council determined that the most appropriate means to fund this activity is through **targeted rates** on areas serviced by individual **schemes** and **user fees and charges** (e.g. water meters).

Loans and /or depreciation funding over time will meet capital expenditure, such as the renewal of pipes or expansions to the system.

13.2 Water supply – **Scheme** specific

Public 100%

- Uniform Targeted Rate scheme specific rate

Rationale for Funding Choice:

- Rural water **schemes** provide local benefit to specific users without clear benefit to the wider community. A **targeted rate** captures direct beneficiaries

Individual rural **schemes** pay separate, individual **UTRs**. They are charged on a per-unit basis.