

HURUNUI DISTRICT COUNCIL
POLICY
REVENUE AND FINANCING



Approved: 26 September 2023

Replaces: Revenue and Financing Policy (30 June 2021)

Background

Under section 102 of the Local Government Act 2002, local authorities are required to have a Revenue and Financing Policy.

The purpose of the policy is to state how the capital and operating costs of Council activities will be funded.

Factors considered in determining funding sources for Council activities

For each activity to be funded, the Council considers:

- (a) the community outcomes to which the activity contributes;
- (b) the distribution of benefits between the community as a whole, any identifiable part of the community (such as townships or rating areas), and individuals;
- (c) the period in or over which those benefits are expected to occur;
- (d) the extent to which the actions or inaction of particular individuals or groups contribute to the need for the activity;
- (e) the costs and benefits of funding the activity distinctly from other activities; and
- (f) the overall impact of the funding mechanism(s) on the current and future social, economic, environmental, and cultural well-being of the community.

The Council will consult the community regarding any changes to the Revenue and Financing Policy, and will consider any feedback received. Having done so, any decisions regarding the funding of Council activities will rest with the Council.

Explanation of Terms Used

Capital Value: The value a property is expected to receive at the time of valuation if offered for sale on reasonable terms and conditions.

Development Contributions: Charges on future lots or units of demand to fund the growth portion of capital expenditure (such as upgraded infrastructure, new reserves, etc).

District Wide Rate: District wide collection of revenue based on a set number of cents per dollar of the capital value of every property, or a uniform annual general charge (UAGC).

Targeted Rate: Is a rate within a rating area or other defined area and may be based on cents per dollar of capital value of every property or a fixed amount per rating unit (known for the purposes of this policy as a "Uniform Annual Charge"). Money is spent in that area only.

Uniform Annual Charge (UAC): Within the context of this policy, this is a Targeted Rate for a set dollar amount collected for each rateable property (or each separately used or inhabited part of a property) in the District as a whole or within part of the District for a specific Council service (e.g. water supply, sewerage, amenities etc).

Uniform Annual General Charge (UAGC): This is a set dollar amount which is collected for each rateable property or each separately used or inhabited part of a property in the District, irrespective of the value of the property, to cover the combined costs of various Council services.

Units of demand: Units of demand are defined as a rating unit or a separately used or inhabited part of a rating unit.

User Charges: Charges collected from individuals at the time service is used.

Costs and benefits of funding activities separately

The Hurunui District includes diverse urban and rural areas, and covers an extensive geographical area. Hence, the needs of the communities and the levels of service received by different communities vary.

Accordingly, targeted rates are used to fund part or, in some cases, all of many activities, particularly where there are differing levels of service in different locations and/or where the costs of carrying out those activities are identifiable. This supports transparency and promotes equity. While there is **some** administrative cost associated with the use of a number of targeted rates, this is relatively minimal.

For some activities, it is possible to levy user charges to cover some or all of the cost of the activity. In considering whether and/or how much to levy, the Council has regard for the likely costs of collecting the charge, the practicability of doing so for that activity, and any statutory provisions which may apply.

Preamble to Te Ture Whenua Māori Act 1993

This policy has been prepared with regard for the matters in the Preamble to the Te Ture Whenua Māori Act 1993.

The Council acknowledges the special relationship between the Māori people and the Crown arising from the Treaty of Waitangi.

The provisions of the Local Government (Rating of Whenua Māori) Amendment Act 2021 (as modified by any subsequent amendments to those provisions) apply.

TABLE FOR USE IN REVENUE AND FINANCING POLICY

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Water services	<ul style="list-style-type: none"> Desirable and safe place to live Appropriate infrastructure Environmental responsibility 	Water services primarily provide a private benefit to water consumers, particularly owners/occupiers of properties connected to a Council water scheme.	Most benefit from operating expenditure is likely to occur in the year in which funds are obtained. However, some income is used to service and repay debt in relation to which some benefits may have been received in previous years. Capital expenditure is likely to provide benefits primarily in future years.	Water is required by individuals, businesses, agricultural activities and other consumers. Stock water and water for viticulture are of notable significance in the Hurunui district. Property owners connecting to water supplies may contribute to additional capital and operating expenditure, e.g. for expansion of water networks.	<ul style="list-style-type: none"> Targeted rates (Urban water rates, Rural water rates and Balmoral rural) - Most User charges - Some Borrowing - Some 	<ul style="list-style-type: none"> Borrowing (serviced by depreciation and funded by targeted rates) - Significant Development contributions - Significant Financial contributions - Possible 	<p>Only properties which are connected to or in close proximity to Council water schemes are rated for this service. Properties that have the ability to connect to an on-demand supply but are not connected (e.g. vacant sections) are charged half the 1/2 the standard connection charge.</p> <p>Those connected to an on-demand supply are charged a standard charge for each cubic metre of water as recorded by individual water meters.</p> <p>For restricted supplies, except Balmoral, a staged increase in rates is proposed which in time will align all supplies to a common rate for each unit of water.</p> <p>The Balmoral Rural Water Supply is charged as a uniform annual rate per water unit entitlement. The Balmoral water scheme is funded separately due to the significantly different cost structure associated with the scheme.</p> <p>Capital expenditure is initially funded by debt. Where capital expenditure caters for future growth of the scheme, then that portion of the cost that relates to growth may be funded through development contributions. Financial contributions may be charged in accordance with the District Plan. The cost of new connections to Council water supplies is funded by user charges.</p>
Sewerage	<ul style="list-style-type: none"> Desirable and safe place to live Appropriate infrastructure Environmental responsibility 	Sewerage services primarily provide a private benefit to those whose properties are connected to a Council water scheme. The environmental outcomes supported by these schemes are a public benefit to the serviced communities.	Most benefit from operating expenditure is likely to occur in the year in which funds are obtained. However, some income is used to repay debt in relation to which some benefits may have been received in previous years. Capital expenditure is likely to provide benefits primarily in future years.	Most ratepayers have their own self-funded sewerage disposal system, such as septic tanks. Only those properties which are connected or within 30 meters of a Council sewerage system are rated for this service as these properties contribute to the need. Property owners connecting to Council sewerage systems may contribute to additional capital and operating expenditure. Properties with more than one water closet or urinal may create a larger volume of wastewater.	<ul style="list-style-type: none"> Targeted rates (Sewerage rates) - Most User charges - Negligible 	<ul style="list-style-type: none"> Borrowing (funded by targeted rates)- Significant Development contributions - Significant Financial contributions - Possible 	<p>Sewerage expenditure is largely funded by targeted rates, recognising that only some parts of the district receive this service. Properties that are within 30 meters of a public sewerage drain but which are not connected are charged half the 1/2 the standard connection charge.</p> <p>Because properties which contain a number of water closets or urinals are likely to generate more wastewater, where there is more than one household occupying a property, there are additional charges for additional water closets or urinals.</p> <p>The significant costs of meeting environmental standards for sewerage systems are such that it is not feasible for smaller communities to fund their own schemes. Accordingly a district wide sewer rate is levied.</p> <p>Capital expenditure is initially funded by debt, and subsequently serviced and repaid by targeted rates. Where capital expenditure caters for future growth of the scheme, then that portion of the cost that relates to growth may be funded through development contributions. Financial contributions may be charged in accordance with the District Plan. The cost of new connections to Council sewerage systems is funded by user charges.</p>
Stormwater	<ul style="list-style-type: none"> Desirable and safe place to live Appropriate infrastructure Environmental responsibility 	Stormwater services primarily benefit the communities serviced by the key drains in the district. Stormwater services may be of greater benefit to those properties at higher risk of flooding. In addition, benefits are experienced by others across the district. Stormwater services reduce inundation of the waste water network and help protect access to properties. All properties benefit from access to townships. Also, gravity results in water from many catchment areas eventually reaching Council networks. However, it is recognised that the benefit to the majority of rural properties is likely to be less than that to urban properties.	Most benefit from operating expenditure is likely to occur in the year in which funds are obtained. However, some income is used to repay debt in relation to which some benefits may have been received in previous years. Capital expenditure is likely to provide benefits primarily in future years.	Excessive vegetation surrounding waterways can inhibit water passage, increasing the risks of flooding. In some cases, agricultural and forestry activities can contribute to the impacts of stormwater.	<ul style="list-style-type: none"> Targeted rates - Most User charges - Negligible 	<ul style="list-style-type: none"> Borrowing (funded by targeted rates)- Significant Development contributions - Significant Financial contributions - Possible 	<p>In the 2021-2031 Long Term Plan, capital and operating costs were applied evenly to each ratepayer of a designated township, other than for the Amberley/Amberley Beach area, for which all ratepayers in the South Ward contributed a fixed amount. The costs of funding Jed River stormwater activities were previously funded by a fixed charge per hectare of land within the drainage area and by a rate based on land value.</p> <p>However, this approach did not recognise that all properties in the district benefit from stormwater activities to some extent, whether or not water from the property discharges into the Council network.</p> <p>A new global discharge consent is being obtained, which will cover 13 urban areas in the Hurunui district. Some of these areas had not previously been rated for stormwater activities, other than a small fixed charge levied on all properties in the district. The new global discharge consent is expected to result in increased compliance costs.</p> <p>Having regard for the expected more even spread of costs across the district and the likely benefits, the stormwater rate for the 2024-2034 Long Term Plan is assessed as:</p> <ul style="list-style-type: none"> - A fixed charge on all urban properties, the total of which makes up 90% of the total required stormwater rating requirement; - A fixed charge on all rural properties, the total of which makes up 10% of the required stormwater rating requirement.

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Roads and footpaths	<ul style="list-style-type: none"> Desirable and safe place to live Appropriate infrastructure Thriving local economy 	The roading network benefits both individual road users and the district as a whole. It supports both individual travel and the transport of goods and services. Levels of service vary across the network, e.g. provision of footpaths in some locations, sealing of some roads.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Capital expenditure is expected to provide benefits over multiple future years.	Road usage contributes to the need for maintenance and renewal of roads. Forestry related activities, particularly post-harvest, have an impact on roading maintenance needs in some parts of the district. In some instances, vehicle accidents and vandalism contribute to the need for repairs to roading assets.	<ul style="list-style-type: none"> District wide rates (general rate based on capital value) - Significant External funding - Significant Targeted rates - Some Petrol Tax - Some 	<ul style="list-style-type: none"> Borrowing - Significant External funding - Significant Financial, development and/or lump sum contributions - Some 	<p>Most of the Council's contribution to roading costs is funded by a district wide rate based on capital value because all residents and ratepayers benefit from roads and footpaths.</p> <p>Waka Kotahi subsidies for both capital and operating activities are recognised as revenue in the year received. Where possible, additional external funding will be sought.</p> <p>Some footpath costs are funded from a targeted rate for roadside construction. For most locations, this is based on capital value. However, based on community preference, a fixed targeted rate is levied in Waipara township. In addition, a District Footpath Maintenance Rate, calculated as a fixed charge, is applied to all rateable land in the District, which recognises that footpaths may be used by ratepayers from across the district and visitors.</p> <p>The portion of capital expenditure which relates to growth may be funded from development contributions. Financial contributions may be charged in accordance with the District Plan. Where new sealing work is outside the approved roading programme, ratepayers on that particular road(s)</p>
Coastal Hazards	<ul style="list-style-type: none"> Desirable and safe place to live Appropriate infrastructure Environmental responsibility 	This activity is expected to provide a private benefit to property owners and those occupying properties in coastal communities, contributing to health and safety and economic wellbeing. It may also provide district wide benefits for those visiting coastal communities.	The planning phase is expected to occur over several years. During this phase, the main benefit is greater clarity regarding future direction. However, most benefits will arise in future periods following implementation of the established plan.	The need for this activity arises from increasing natural hazards, including those associated with climate change.	<ul style="list-style-type: none"> Targeted rates - Most External funding - Possible 	<ul style="list-style-type: none"> Borrowing - Most Targeted rates - Some External funding - Possible 	<p>Targeted rates are used to fund operating expenditure as the coastal protection activity primarily benefits property owners in identified vulnerable areas. Climate change mitigation is an increasing focus for both central and local government. Where possible, Council will seek external funding to help meet costs associated with this activity.</p> <p>A targeted rate is levied for Amberley Beach Erosion Protection.</p>
Waste minimisation and management	<ul style="list-style-type: none"> Desirable and safe place to live Appropriate infrastructure Environmental responsibility 	The activity provides a private benefit to individuals and businesses who create solid waste. It also provides a public benefit by reducing the risk of environmental harm	Most benefits are experienced in the year in which activities occur. However, waste minimisation services have the potential to change the volume and nature of waste in future years.	All individuals and businesses contribute to the need for waste minimisation and management. A small number of commercial businesses may have a greater than average adverse impact.	<ul style="list-style-type: none"> User charges - Significant Targeted rates - Significant District wide rates (Uniform Annual General Charge) - Significant External funding - Some 	<ul style="list-style-type: none"> Borrowing (serviced from depreciation funded by district wide rates) - Most External funding - Some 	<p>User charges at transfer stations recognise the direct relationship between the cost of providing this service and the amount of waste disposed of through these sites.</p> <p>Refuse collection rates are levied on properties which receive this service. Household residents are required to pay for refuse and recycling bags separately, reflecting the user pays principle.</p> <p>Township litter bins provide easy disposal of litter by visitors and others outside their homes. The provision of this service provides a benefit to the wider community and as such is funded through the district general rate.</p> <p>Partial funding from a district wide rate (fixed rate) recognises the environmental benefits of this rate.</p> <p>Some external funding is available from central government (Ministry of the Environment).</p> <p>In the event that, following consultation, it is decided to introduce "wheelie bins" for different types of solid waste, there would be a consequential change in the mix of revenue for this activity. However, it is likely that there would continue to be a mix of user charges, targeted rates, district wide rates and external funding.</p>
Community halls	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique 	This activity primarily benefits those who participate in events being held in the halls. Those living in the area surrounding each hall are more likely to benefit.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Capital expenditure is expected to provide benefits over multiple future years.	Maintenance costs largely arise from the passage of time rather than usage. However, vandalism may increase the level of expenditure required.	<ul style="list-style-type: none"> Targeted rates (Amenities rate) - Significant User charges - Some 	<ul style="list-style-type: none"> Borrowing funded by Targeted rates (Amenities rates) - Significant 	<p>As hall users receive greater benefit from the halls, user charges are used to fund part of the service. However, it is not practicable to fully fund all community hall expenditure from user charges.</p> <p>The remaining operating expenditure is funded from Targeted rates (Amenities rate), as those living in proximity to the halls are likely to receive greater benefit. This also recognises that the costs of hall maintenance and operation vary.</p>

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Reserves, parks and playgrounds	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique Environmental responsibility 	Reserves, parks and playgrounds provide a direct benefit to those individuals and groups who use them. Most are available for casual use by the whole community.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Capital expenditure is expected to provide benefits over multiple future years.	The actions of most users of reserves, parks and playgrounds have some impact on this activity. Some sporting activities may have greater than average impact on the condition of sports areas.	<ul style="list-style-type: none"> District wide rates - Significant Targeted rates (Amenities rate) - Significant User charges - Some Hanmer Springs Thermal Pool and Spa surpluses - Some 	<ul style="list-style-type: none"> Development and financial contributions including vested assets - Significant District wide rates - Significant Targeted rates (Amenities rate) - Significant Borrowing (funded by Amenities rates) - Some User charges - Some 	<p>The use of district wide rates reflects that reserves, parks and playgrounds are accessible to the whole district. Some reserves, parks and playgrounds are likely to be used more frequently by those living in close proximity and this is reflected in partial funding through targeted rates (Amenities rates are set differentially based on location).</p> <p>Pursuant to the Reserve Act 1977, surpluses derived from the Hanmer Springs Thermal Pool and Spa may only be applied to reserves under the administration of the Council.</p> <p>To promote use and for practical reasons, most reserves, parks and playgrounds are accessible to the public at no cost. Accordingly, user charges are a relatively small income source for this activity.</p> <p>The resurfacing of the Tennis Courts at Leithfield Beach primarily benefits the residents of Leithfield Township and Leithfield Beach Township and as such the capital works are funded via a targeted rate on those two communities (a fixed rate per separately used or inhabited part of a rating unit).</p> <p>As a result of growth in the district, Council may receive reserves from developers (vested assets), financial contributions, and/or development contributions.</p>
Township maintenance and development	<ul style="list-style-type: none"> Desirable and safe place to live Thriving local economy Environmental responsibility 	This activity contributes to amenity and safety benefits for those living in the respective townships. It also provides benefits to those living in locations serviced by the township. The attractiveness of towns can contribute to visitor volumes, and hence support local business activity. There may also be benefits to the district as a whole.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Where capital expenditure occurs, it provides benefits over multiple future years.	The actions of individuals may contribute to costs, such as those associated with maintaining litter bins.	Targeted rates (Amenities rate) - All	<ul style="list-style-type: none"> Targeted rates (Amenities rate) - Significant Development contributions including vested assets - Significant 	As properties situated in towns receive greater benefit from township maintenance and development than other properties, operating expenditure is funded from Targeted rates (Amenities rate).
Health buildings	<ul style="list-style-type: none"> Desirable and safe place to live 	Health centres provide a private benefit to those using the medical centres and to those working there. Individuals living in houses provided for medical personnel benefit from the provision of housing.	The benefits primarily arise during the period in which income is obtained. Capital expenditure is expected to provide benefits over multiple future years.	The actions of most residents in the locations where medical buildings are situated contribute to the need for this activity. This need for medical centres is likely to increase in the coming years due to the ageing population.	<ul style="list-style-type: none"> Targeted rates (Health centre rates) - Significant User charges - Significant 	<ul style="list-style-type: none"> Targeted rates (Health centre rates) - Significant Borrowing (funded by targeted rates) - Some 	<p>Rental income is received in respect of the health centres and an associated house, reflecting the benefit to the medical practices operating from the centres.</p> <p>In addition, because access to medical services is necessary for the wellbeing for those living in the district, and that those living in proximity to the health centres receive greater benefit, the health centres are also partly funded by targeted rates.</p>
Residential housing	<ul style="list-style-type: none"> Desirable and safe place to live 	Residential housing activities primarily benefit tenants. Council's objective is that this activity should be self-funding, although funding coverage varies between years.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Capital expenditure is expected to provide benefits over multiple future years.	All individuals need access to adequate shelter.	<ul style="list-style-type: none"> User charges - Significant District wide rate - Some 	<ul style="list-style-type: none"> User charges - Significant District wide rate - Some 	Housing tenants pay rent on the properties. While rental income covers most operating expenditure, district wide rates are used to fund any shortfalls.
Social housing	<ul style="list-style-type: none"> Desirable and safe place to live 	Social housing activities confer a private benefit on tenants, most of whom are beneficiaries.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Capital expenditure is expected to provide benefits over multiple future years.	All individuals need access to adequate shelter.	<ul style="list-style-type: none"> User charges - Significant External funding - Significant District wide rates - Possible 	<ul style="list-style-type: none"> Borrowing (funded by user charges and external funding) - Significant District wide rates - Possible 	Housing tenants pay rent on the properties. Rental income covers most operating expenditure. District wide rates are used to fund any shortfalls.
Cemeteries	<ul style="list-style-type: none"> Traditional rural values and heritage make Hurunui unique Environmental responsibility 	This service provides private benefits to individuals. It contributes to public health by ensuring the safe and dignified disposal of human remains. Cemeteries also provide green spaces which provide amenity value to those living in surrounding areas.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Additional capital investment is expected to provide benefits over a number of future years.	All individuals contribute to the need for this activity. The combined effect of district growth and the aging population is likely to require further investment in this activity.	<ul style="list-style-type: none"> District wide rate - Significant User charges - Significant Hanmer Springs Thermal Pool and Spa - Some 	<ul style="list-style-type: none"> District wide rate - Significant User charges - Significant 	<p>Individuals pay user charges for the initial acquisition and use of a burial plot.</p> <p>It is not feasible for individuals purchasing burial plots to fund ongoing maintenance for the site. Both for this reason, and because of the amenity value associated with green spaces, this activity is also partly funded by district wide rates and some of the surpluses from the Hanmer Springs Thermal Pool and Spa.</p>

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Public toilets	<ul style="list-style-type: none"> Desirable and safe place to live Essential and appropriate infrastructure Environmental responsibility 	Toilets are primarily used by visitors and those away from their homes. The toilets confer a private benefit to individual users. In addition, the toilets provide environmental benefits experienced by the district as a whole.	The benefits of operating expenditure primarily arise during the period in which income is obtained.	The large number of visitors to the Hurunui district contributes to the need for toilet facilities. The number of people using toilets impacts maintenance costs. In some cases, the activities of vandals may increase operating costs.	<ul style="list-style-type: none"> District wide rates - Most External funding - Some Hanmer Springs Thermal Pool and Spa surpluses - Some 	<ul style="list-style-type: none"> District wide rates - Most External funding - Some 	<p>The use of district wide rates to fund most of the cost of public toilets reflects the environmental and amenity benefits provided by this service. In order to promote use, there are no user charges associated with the toilet facilities.</p> <p>The ready availability of public toilets also supports district tourism. Accordingly, this activity is also partly funded by surpluses from the Hanmer Springs Thermal Pool and Spa.</p>
Libraries	<ul style="list-style-type: none"> Desirable and safe place to live Essential and appropriate infrastructure 	The primary benefit from libraries is to those that borrow and use library material and resources. The level of service provided at the district's libraries varies, with the highest levels of service being available at the Amberley library. However, online services potentially benefit the district as a whole. Some libraries also act as community hubs, providing meeting spaces for use by individuals and groups.	The benefits of operating expenditure primarily arise during the period in which income is obtained.	All individuals contribute to the need for this activity.	<ul style="list-style-type: none"> District wide rates - Significant User charges - Some Hanmer Springs Thermal Pool and Spa surpluses - Some 	<ul style="list-style-type: none"> District wide rates - Significant User charges - Some External funding - Some 	If the library were to be fully funded by user charges, the costs may be prohibitive for some users and would discourage use. Accordingly, while some costs are met from user charges, this service is largely funded from district wide rates.
Youth programme	<ul style="list-style-type: none"> Desirable and safe place to live 	This activity primarily benefits the young people who participate in the programme.	Benefits primarily arise during the period in which income is obtained. However, participants may continue to benefit from the impact of the programme in later years.		<ul style="list-style-type: none"> External funding - Significant Hanmer Springs Thermal Pool and Spa income - Significant 	<ul style="list-style-type: none"> External funding - Significant Hanmer Springs Thermal Pool and Spa income - Significant 	As this programme targets youth, it is not practicable for programme participants to fund expenditure. Where possible, external funding is sought. Income from the Hanmer Springs Thermal Pool and Spa also funds this service. Capital expenditure is minimal.
Civil defence	<ul style="list-style-type: none"> Desirable and safe place to live Environmental responsibility 	Some parts of the district are more vulnerable to some types of disaster events than others. However, civil defence activities potentially benefit everyone in the district.	Expenditure contributes to preparedness for disaster events. Hence the benefit is likely to arise in the event of a future disaster.	Civil defence emergencies may arise from natural events. All individuals contribute to the need for civil defence preparedness. Some individual, agricultural and commercial activities may exacerbate vulnerabilities to some types of disaster events.	<ul style="list-style-type: none"> District wide rates - All External funding - Unlikely unless experience a significant disaster event 	<ul style="list-style-type: none"> District wide rates - All 	As this service benefits the whole district, it is considered that a district wide rate is most appropriate.
District promotion	<ul style="list-style-type: none"> Thriving local economy 	District promotion benefits the district as a whole. Some businesses benefit from additional people entering the district. District promotion may contribute to local employment opportunities.		All individuals and businesses contribute to the need for this activity.	<ul style="list-style-type: none"> District wide rates - All 	N/A	As district promotion benefits the whole district, it is considered that a district wide rate is most appropriate.
Tourism	<ul style="list-style-type: none"> Thriving local economy 	Businesses with a significant tourism focus (e.g. accommodation providers and those providing passenger transport and visitor activities) directly benefit from this service. In addition, there are flow on benefits for economic activity for the district as a whole.	Benefits may be spread over a number of years. However, operating expenditure relating to this activity is likely to have most impact in the years in which expenditure is incurred.	All individuals and businesses contribute to the need for this activity.	<ul style="list-style-type: none"> Targeted rates - Significant External funding - Significant Hanmer Springs Thermal Pool and Spa surpluses - Some 	<ul style="list-style-type: none"> Targeted rates - Significant External funding - Some 	<p>This service contributes to visitor numbers. Having regard for the varying benefits likely to accrue to different categories of property, targeted rates are levied as fixed charges (five property categories).</p> <p>Many visitors use the Hanmer Springs Thermal Pool and Spa. Hence some surpluses from this activity are applied to offset some tourism costs.</p> <p>Where possible, central government and other external funding is sought.</p>
Swimming pools	<ul style="list-style-type: none"> Desirable and safe place to live Essential and appropriate infrastructure 	Swimming pools primarily provide a private benefit to pool users. Those who live in close proximity to the pools are more likely to benefit from this service.	Most benefits occur in the period in which funding is obtained.	The number of pool users can impact operating costs.	<ul style="list-style-type: none"> Targeted rates - Significant Amenity rate - Some User charges - Some 	<ul style="list-style-type: none"> Borrowing funded by targeted rates - Significant External funding - Possible 	<p>While user charges contribute to the costs of swimming pool operations, it is not practicable for users to fully fund the cost of operating and maintaining the Amberley swimming pool.</p> <p>The targeted Amberley Swimming Pool Capital Rate and the Amberley Swimming Pool Operational Rate, both of which are fixed rates per separately used or inhabited rating unit, reflect the greater access to this service by those living in proximity to the pool.</p> <p>Part of the cost of the Rotherham, Waiiau and Culverden swimming pools is funded by targeted (amenities) rates.</p>
Resource consents	<ul style="list-style-type: none"> Desirable and safe place to live Essential and appropriate infrastructure Environmental responsibility 	Resource consent activities benefit both those applying for consents. In addition there are benefits for nearby property owners. All residents of the district benefit from considered development.	Most benefits to property owners occur in the year in which funding is obtained. Benefits to the district as a whole may be experienced both in the year in which funding is obtained and in future years.	The number and complexity of applications for resource consents contributes to the scale and cost of this activity.	<ul style="list-style-type: none"> User charges - Significant District wide rate - Significant 	N/A	Resource consents are requested by identifiable property owners and hence user charges are levied. However, others also benefit, and hence a district wide rate is levied.

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Private plan changes	<ul style="list-style-type: none"> Desirable and safe place to live Environmental responsibility 	This activity primarily benefits individual and commercial property owners requesting changes to the District Plan, as it enables them to carry out approved activities. A structured approach to private plan changes also provides benefits district wide.	Most benefits to properties owners occur in the year in which funding is obtained. Benefits to the district as a whole may be experienced both in the year in which funding is obtained and in future years.	The number and complexity of applications for private plan changes contributes to the scale and cost of this activity.	<ul style="list-style-type: none"> User charges - All 	N/A	Private plan changes are instigated for the benefit of identifiable property owners. Accordingly, this service is fully funded by user charges.
Planning	<ul style="list-style-type: none"> Desirable and safe place to live Essential and appropriate infrastructure Environmental responsibility 	The maintenance and development of the District Plan benefits the district as a whole as it sets out the rights of obligations of all property users.	Planning activities provide benefits both in the year in which funding is obtained and in future years.	The actions of individuals, groups and businesses, including agricultural businesses, contribute to the need for this activity.	<ul style="list-style-type: none"> District wide rate (a general rate based on capital value) - Significant User charges - Negligible 	N/A	Coordinated and informed planning activities benefit both current and future property owners across the district and hence this activity is funded from a district wide rate.
Swimming pool inspections	<ul style="list-style-type: none"> Desirable and safe place to live 	This activity primarily benefits those homeowners and occupiers who have a swimming pool situated on their property, by ensuring that swimming pools are safe. It may also benefit those visiting or living in proximity to swimming pools.	Most benefits occur in the period in which funding is obtained.	Home owners or occupiers who install swimming pools contribute to the need for this activity.	<ul style="list-style-type: none"> User charges - All 	N/A	Swimming pool owners give rise to the need for this activity and hence this activity is fully funded by property owners with swimming pools on their properties.
Building consents	<ul style="list-style-type: none"> Desirable and safe place to live 	Building consents primarily benefit individual and commercial property owners seeking to construct/alter buildings on their land. The activity also contributes to the district as a whole by promoting the safety of those who access consented buildings, including future owners and occupiers.	Benefits may be experienced by both current and future property owners and others accessing the buildings.	The need for this activity arises from the actions of individuals and businesses, including developers.	<ul style="list-style-type: none"> User charges - Most District wide rate - Some 	<ul style="list-style-type: none"> User charges - Most District wide rate - Some 	Identifiable property owners give rise to the need for this activity and hence this activity is largely funded by applicants for building consents. The consenting process also contributes to the safety of others entering buildings, and hence there may be a small district wide rate contribution in the event of a funding shortfall.
Public health	<ul style="list-style-type: none"> Desirable and safe place to live 	Public health services provide a private benefit to food retailers and other businesses which are legally required to be inspected. Public health services also benefit members of the public who access goods and services from these businesses.	Most benefits occur in the period in which funding is obtained.	This service is needed by businesses for which there is a regulatory requirement for inspections.	<ul style="list-style-type: none"> User charges - Significant District wide rate - Significant 	N/A	User charges are an important source of funding for this activity. It is recognised that businesses are likely to pass on charges to customers/clients, and hence the ultimate beneficiaries effectively contribute. Because public health is a public good, the activity is also partly funded by district wide rates.
Liquor licensing	<ul style="list-style-type: none"> Desirable and safe place to live 	This activity primarily benefits applicants for liquor licences as licences are required to allow for specific business activities to take place. Monitoring of licence conditions may confer benefits on those situated in close proximity to licenced premises. Liquor licencing also provides a public benefit as it contributes to health and safety across the district.	Most benefits occur in the period in which funding is obtained.	The need for this activity primarily arises from the nature of activities undertaken by some business owners/managers.	<ul style="list-style-type: none"> User charges - Significant District wide rate - Significant 	N/A	Business supplying liquor benefit from holding a liquor licence as a licence is a legal requirement. Liquor licensing fees are regulated by central government and hence it is not possible to fully fund this service from licence fees. This service also contributes to the safety and wellbeing of all district residents. Accordingly, any shortfall is funded by a district wide rate.
Animal control (including dog registration)	<ul style="list-style-type: none"> Desirable and safe place to live 	Dog registration benefits dog owners by enabling legal ownership of dogs. It also assists in returning impounded dogs to owners. Animal control activities (e.g. pound keeping, responding to calls about wandering stock, and responding to complaints relating to animals) assist in restoring animals to their owners. Animal control activities also help protect members of the public from risks and negative impacts of animals in the district.	Most benefit from expenditure is likely to occur in the year in which funds are obtained.	The actions of animal owners can increase or decrease the need of animal control callouts. For example, well maintained fences may reduce stock wandering.	<ul style="list-style-type: none"> District wide rate - Significant User charges - Significant 	<ul style="list-style-type: none"> District wide rate - All 	It is expected that dog registration activities will be fully funded by user charges, reflecting the benefit to dog owners and that the need to respond to complaints about dogs largely reflect the actions or inactions of animal owners. Where possible user charges contribute to the cost of other animal control activities. As it is not practicable to fund all animal control activities (e.g. where the owner of an animal is not able to be identified), this activity is partly funded by district wide rates.

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Earthquake prone buildings	<ul style="list-style-type: none"> Desirable and safe place to live 	This activity includes assessing and undertaking strengthening of earthquake prone buildings, and engaging with property owners regarding earthquake prone buildings. The primary beneficiaries are users of the buildings. In some cases, such as where the building has historical or amenity value, the surrounding community may also	Assessment of earthquake prone buildings may contribute to the safety of individuals in the year in which the funding is obtained and in future years. The strengthening of earthquake prone buildings is likely to provide benefits in future years.	The need for strengthening of earthquake buildings arises from both historical and potential future earthquake events, combined with changes in building standards. Accordingly, all individuals contribute to the need for this service.	<ul style="list-style-type: none"> District wide rate (Uniform Annual General Charge) - All 	<ul style="list-style-type: none"> District wide rate - All External funding - Possible 	As this activity potentially benefits the whole district, it is funded by district wide rates.
Hanmer Springs Thermal Pool and Spa	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique Thriving local economy 	Swimming pools provide a private benefit to individual pool users. Because the Hanmer Springs Thermal Pool and Spa attracts people to the Hurunui district, it provides benefits to businesses (particularly in Hanmer Springs) and contributes to employment opportunities. Surpluses generated by the Hanmer Springs Thermal Pool and Spa assist in meeting the costs incurred by specified other services, including reserves, playgrounds, parks and libraries situated on reserves.	The benefits of operating expenditure primarily arise during the period in which income is obtained. Additional capital investment is expected to provide benefits over a number of future years.	The number of pool users can impact operating costs.	<ul style="list-style-type: none"> User charges - Most External funding - negligible 	<ul style="list-style-type: none"> Borrowing (funded by user charges) Significant External Funding - Some 	<p>The Hanmer Springs Thermal Pool and Spa is operated as a profit making business. The use of surpluses is restricted to the functions set out in the Reserves Act.</p> <p>Significant surpluses are reinvested into the Pool complex to ensure they remain attractive to visitors. Surpluses are also applied to the repayment of Council debt, particularly that arising from improvements to the complex.</p> <p>The Council is mindful that the Hanmer Springs Thermal Pool and Spa belongs to Hurunui district residents, and hence provides discounted rates for residents to encourage them to use the pools.</p>
Governance	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique Essential and appropriate infrastructure Thriving local economy Environmental responsibility 	This activities supports all Council services and hence benefits individuals, businesses and groups across the district.	Most benefits are experienced in the year in which activities occur.	These services are an essential component of Council operations. Hence most individuals, groups and businesses have a minor impact.	<ul style="list-style-type: none"> District wide rate (General rate based on capital value and UAGC) - Significant Amenities rate - Some 	<ul style="list-style-type: none"> District wise rate - all 	<p>Governance activities support the strategic direction and the delivery of Council services, and hence benefit the district as a whole.</p> <p>The remuneration of Hanmer Springs Community Board members is funded by the Hanmer Springs ward amenities rate.</p>
Treasury	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique Essential and appropriate infrastructure Thriving local economy Environmental responsibility 	This activities supports all Council services and hence benefits individuals, businesses and groups across the district.	Most benefits are experienced in the year in which activities occur.	These services are an essential component of Council operations. Hence most individuals, groups and businesses have a minor impact.	<ul style="list-style-type: none"> Internal interest - Significant External interest - Some Rates penalties - Some Dividends - Some 	N/A	The purpose of this activity is to ensure that funds are available for other Council activities, and that the interest rate risk associated with borrowings is well managed.
Corporate Services	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique Essential and appropriate infrastructure Thriving local economy Environmental responsibility 	This activities supports all Council services and hence benefits individuals, businesses and groups across the district.	Most benefits are experienced in the year in which activities occur.	These services are an essential component of Council operations. Hence most individuals, groups and businesses have a minor impact.	<ul style="list-style-type: none"> Overhead allocations across other Council activities - All 	<ul style="list-style-type: none"> Overhead allocations across other Council activities - All 	
Earthquake recovery	<ul style="list-style-type: none"> Desirable and safe place to live 	Repaying the debt incurred in order to address some of the impacts of the 2016 Hurunui/Kaikoura earthquake will reduce the cost of servicing the remaining earthquake related debt, benefitting ratepayers.	The debt was previously incurred for the purpose of repairing district infrastructure. The restored infrastructure provides benefits in the year in which income is received and in future years. Repaying the earthquake recovery debt will reduce debt servicing costs, both in the year in which the debt is reduced and in future years.	The infrastructure repairs were required as a result of and earthquake.	<ul style="list-style-type: none"> District wide rate (Uniform Annual General Charge) - All Rental income- Some 	<ul style="list-style-type: none"> District wide rate - All 	<p>The Hurunui District as a whole is responsible for the debt, and hence this debt is funded from a district wide rate.</p> <p>Some Waiuu social housing units were developed for the purpose of accommodating those whose accommodation was adversely impacted by the 2016 earthquake using debt funding. Accordingly, some of the rental from those units is used to fund this activity.</p>

	Community outcomes	Distribution of benefits	Period of benefits	Whose act contributes to need	Funding sources - Operating Expenditure	Funding sources - Capital Expenditure	Discussion/Rationale
Forestry	<ul style="list-style-type: none"> Desirable and safe place to live Environmental responsibility 	All individuals and businesses in the district may benefit from surpluses from Council forestry assets. Those in the Hanmer Springs area also benefit from the use of the forestry block as a sewerage disposal field.	Forestry investments provide benefits over an extended period.	All individuals and businesses contribute to the need.	<ul style="list-style-type: none"> Sales of timber 	<ul style="list-style-type: none"> Sales of timber 	This activity is intended to generate surpluses, and hence it is appropriate that costs are met from sales.
Queen Mary Soldiers' Block Development	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique Thriving local economy 	It is expected that, on completion, the Queen Mary Soldiers' Block will attract visitors, including individuals from other parts of the district. The greatest benefits are likely to be to visitors and to businesses which provide goods and services to visitors. However, the flow on effects will benefit the district as a whole.	The benefits will commence following the completion of the development.	Ongoing developments will help ensure that visitors continue to visit the district.	<ul style="list-style-type: none"> User charges (following opening) - All 	<ul style="list-style-type: none"> External funding - Most Development contributions - Some 	It is expected that, following completion, the activity will be fully funded by user charges. External funding has already been sourced to support the initial development.
Other Property	<ul style="list-style-type: none"> Desirable and safe place to live Environmental responsibility 	The primary benefits of property assets are tenants, including Council operations.	Most benefits are experienced in the year in which activities occur.	All individuals and businesses contribute to the need.	<ul style="list-style-type: none"> District wide rate - Most Rental income - Some 	<ul style="list-style-type: none"> District wide rate - Most Rental income - Some 	As this activity is necessary for the provision of most Council services, the whole district benefits from this activity.
Canterbury Museum	<ul style="list-style-type: none"> Desirable and safe place to live Traditional rural values and heritage make Hurunui unique 	This activity includes the payment of grants to the Canterbury Museum Trust Board for the operation and development of the Canterbury museum. Although the museum is situated outside the Hurunui District, it confers a benefit on all district residents.	The benefits of the Canterbury museum development will commence following the completion of the development.	All individuals and businesses contribute to the need.	<ul style="list-style-type: none"> District wide rate (Uniform Annual General Charge) - All 	<ul style="list-style-type: none"> District wide rate (Uniform Annual General Charge) - All 	Under the Canterbury Museum Trust Board Act 1993, the Hurunui District Council is required to contribute to the costs of the Canterbury museum. This activity is rated as a fixed amount per separately used or inhabited part of a rating unit, as each unit has equal access to the museum.