

# REVENUE & FINANCING POLICY – S101(3) CONSIDERATIONS

This document sets out how the activities that Council undertakes are funded and the reasons why. This document meets the requirements of s101(3) and s103 of the Local Government Act with the exception of s101(3)(a)(i) regarding community outcomes. This requirement has been covered within each group of activities within the Long-term plan 2012 - 22.

Council is required to consider the following when deciding who should pay for an activity:

## ***Distribution of benefits (s101(3)(a)(ii))***

Identifying who benefits from an activity provided by Taupo District Council is important when considering who should pay for the service. Generally speaking, if only individuals receive the benefits of an activity (private benefits), some type of user-pays system should be considered. Alternatively, if the benefits of an activity are shared by the whole community or by a large group within the community (public benefits) then an appropriate funding option for that activity would be the general rate or a targeted rate respectively.

## ***Intergenerational Equity (s 101(3)(a)(iii))***

In developing its Revenue and Financing Policy, Council must consider the period over which the benefits of an activity are expected to occur. The aim is to ensure that costs are shared fairly between today's beneficiaries and future beneficiaries. This is often referred to as intergenerational equity. Council has addressed the issue of intergenerational equity in the following ways:

- The Revenue and Financing policy shows the revenue sources that will cover the annual operational expenditure of each activity (including the current year's depreciation) as a proxy for the use of Council's assets. Annual costs are met through funding from the current customers and current ratepayers.
- The Treasury Management Policy addresses how the council funds its projected capital expenditure. Fully funding depreciation satisfies this requirement for renewal of existing assets. New assets are considered, together with possible funding sources and timing issues, on a case-by-case basis as part of the council's capital rationing process. Consideration of the need for new assets is further tested against asset management, sustainability and affordability principles.

## ***Contributors to Need for Activity (s101(3)(a)(iv))***

The polluter pays principal means that if a person creates a problem which generates costs for the council and the community, then that person should bear some or all of that cost. For instance, someone who parks his or her car illegally should pay a fine to cover the cost of enforcement. This is not always practical however, as identifying and charging the offender is not always possible.

In choosing the appropriate funding mechanism for an activity, Council is mindful of how much the negative behaviour of some individuals contributes to the cost of that activity. Where possible, a contribution from those individuals or groups is sought.

## ***Costs and Benefits of Funding the Activity Distinctively from Other Activities (s101(3)(a)(v))***

Council must think about the costs and benefits of a particular funding mechanism over another. It would be theoretically possible to establish specific charges or rates for many services, but this is not the best approach if the cost of establishing and administering a charging system outweighs the benefits or the revenue gained. This has to be assessed on a case-by-case basis.

Alternative funding mechanisms in terms of transparency and accountability must be considered. For instance, a funding mechanism that is targeted at specific cost items is more transparent to users of the activity, whereas a general or aggregated funding approach is less transparent. However, if the more targeted charging approach excessively increases administrative costs, then an aggregated charging approach may be better.

## ***Overall impact of the Method of Funding (s101(3)(b))***

In addition to all the issues explained above, the LGA 2002 requires Council to consider the overall impact that any allocation of charges and costs may have on the current or future social, economic, environmental, and cultural well-being of the community. This is commonly called a quadruple-bottom-line analysis.

This analysis is taken into account when considering the funding tools for a particular activity, especially those with significant social or cultural elements (for example libraries or recreation facilities).

In addition, these issues are considered in funding policies, such as Council's financing strategy and rating policies. In these cases, Council must consider the overall impact of its funding decisions on both current and

future ratepayers. Much of the debate about long-term funding and rating policies focuses on these issues, which are related to the issue of intergenerational equity as outlined above.

### **Valuation basis and Differentials for General rates**

Council has decided to adopt capital value as the basis for general rates. Capital value is more reliable than land value because it uses actual property sales data, and because it is better aligned with household income and therefore, their ability to pay, than land valuations. Council has adopted a 1.8 differential for Industrial/Commercial, and Accommodation property categories, because this means they will pay the same share of total rates as they did under the previous land value system with a differential of 2. All other sectors or categories of ratepayer will pay the standard rate (differential = 1). Council has made this decision in response to submissions on the LTP.

### **Activities and how they will be funded**

Council's long-term plan has 11 groups of activities. Within these groups are the activities which Council must choose how to fund both the capital and operational expenditure. These activities are set out below with a table explaining Council's thinking in regards to the s101(3) considerations. Statements are also provided outlining where the operational and capital expenditure is funded from. A table illustrating where the activity shall be funded from is also provided. The words 'public' or 'private' have been used in this table to reflect who benefits from the services Council provides. When the word 'public' is used it means that the community at large will receive benefits and generally it is more efficient to charge for these through a rate. When the word 'private' is used, it means that either an individual or an identifiable group of individuals will receive benefits and generally this group can be charged either directly through user charges because it is efficient to do so or by using a targeted rate.

## **COMMUNITY SERVICES**

### **Community Engagement**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The intention of this activity is to provide benefits across the entire community. During the implementation of projects it may be possible to identify specific individuals or communities who will benefit directly, however it is anticipated that the entire community will also benefit indirectly. There is an intergenerational component to this activity as it is about creating a stronger community foundation across the District.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Council has identified specific areas to undertake projects in which is partially based on the actions of some individuals.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	As this activity will occur and provide benefit across the District, Council is comfortable that the general rate is the most appropriate funding mechanism.
<i>Impact on economic, environmental, social and cultural well-being</i>	The provision of this activity has a direct impact on the economic, social, and cultural wellbeing of the community.

*Current capital funding:* All planned capital expenditure will be funded from depreciation reserves.

*Current operational funding:* This activity is funded from the general rate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Community engagement		100%		

## Community Grants

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>The beneficiaries from the activity are those that receive a grant. The success of this activity depends on how successfully the grants are used</p> <p>There are no intergenerational equity considerations.</p>
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Council must evaluate a range of grant applications which promote a range of community needs.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	<p>The most efficient and transparent funding method is through general rates.</p> <p>Council has the appropriate systems in place to assess and separately identify the cost.</p>
<i>Impact on economic, environmental, social and cultural well-being</i>	The provision of grants provides an opportunity for various community based social, cultural and recreational activities. This is a social responsibility function of Council. Grants are provided to ensure that a wide range of third party benefits are reflected in the support that Council provides for various community-based social, cultural and recreational organisations.

Current capital funding : Not applicable

Current operational funding : This activity is funded from the general rate

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Community grants		100%		

## Animal Control

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>Both dog and stock owners and the public at large benefit from this activity. The public benefit is in respect of protecting people from dangerous dogs and uncontrolled livestock. There is also the education and enforcement component to this activity.</p> <p>General compliance in regards to matters such as Council's bylaw is included in this activity. The objectives and benefits relate to public safety and amenity.</p> <p>The focus of this activity is very much the current community. There are no intergenerational equity considerations.</p>
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	<p>The vast majority of complaints are in relation to unregistered dogs or dogs which are not adequately controlled. The amount of control exercised over dogs by dog owners affects the level of service required in this activity.</p> <p>Fees are set in terms of compliance with the relevant legislation but also in regards to enforcement and pound fees. This recognises that there is an individual responsibility for those that own dogs and other animals.</p>
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	This activity is seen as discrete from any other activity and Council has the appropriate systems in place to separately identify the cost. A combination of user fees and general rates are the most efficient method.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is focused on protecting the community and consequently social and environmental considerations are to the forefront.

Current capital funding: All planned capital expenditure relates to plant and building replacement, all of which will be funded from depreciation reserves.

Current operational funding: Operational expenditure is funded via user fees and charges and general rates. Council elected to fund the private benefit portion from dog registration fees and infringement charges. Ratepayers and residents also have the opportunity to receive equal benefit from this service, therefore the most efficient and transparent funding method is by way of a general rate.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Animal control	50%			50%

### Building Compliance and Development

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>The benefits of this activity are derived from Council's Building Consent Authority (BCA) functions and Territorial Authority functions.</p> <p>The public benefit of this activity relates to the benefits received from having safe and sanitary buildings being constructed within the district.</p> <p>Part of this activity is generated directly from building consent applicants and there is a direct private benefit to building consent applicants.</p> <p>The other public benefit component relates to the over-riding reason for the Building Act 2004 being the promotion of public health by ensuring buildings are constructed and maintained in a safe and sanitary manner.</p> <p>There is no private benefit component of this activity. It is a statutory process aimed at the community's health and well-being.</p> <p>Given the proposed changes to the Building Act there will be a greater emphasis on enforcement. This is recognised in Councils approach to funding.</p>
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	<p>Builders and developers must maintain high standards for the objectives of this activity to be achieved.</p> <p>Through the Building Act Council is able to identify non-compliance with legislation and can take action against exacerbators as the Territorial Authority.</p> <p>The community expects buildings which they may access or wish to purchase are constructed and maintained in a safe manner.</p>
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	<p>Council has the appropriate systems in place to separately identify the charge and costs of building consent and territorial authority functions.</p> <p>Council considered that the most appropriate method to recover the public benefit component is general rate and considered that the most efficient and appropriate method to recover the private benefit portion is Fees and Charges.</p>
<i>Impact on economic, environmental, social and cultural well-being</i>	<p>This activity is about ensuring appropriate building standards so that the community can have confidence that buildings of a suitable standard are being constructed in the district. This activity is also focused on protecting our heritage and cultural concerns.</p>

Current capital funding: All planned capital expenditure relates to plant replacement, which will be funded from depreciation reserves.

Current operational funding: This activity is funded from the general rate and fees and charges.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Building compliance and development		60%		40%

### District Plan Compliance

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>1. Resource Consent Processing</p> <p>The public benefit of component of this activity relates to the administration of our District Plan and compliance with the Resource Management Act (RMA) 1991. The private benefit component of this activity relates to the processing of resource consent and other RMA related applications which directly benefit land owners and developers. A direct beneficiary is clearly identifiable in each case.</p> <p>2. Developer Liaison</p> <p>The public benefit component relates to the administration of District Plan and other Council policies ensuring sustainable development and providing customer service. The private benefit component is attributable through pre-application meetings and the lead up to the processing of land use and subdivision applications which benefits land developers.</p> <p>3. Appeal/Objections</p> <p>The benefit of this activity is entirely for public good, upholding the integrity of the District Plan and other Council policies and defending Council decisions in line with those policies. There is a substantial cost to Council in defending decisions.</p>
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	<p>Through the Resource Management Act Council is able to identify non-compliance with legislation and take action against exacerbators.</p> <p>Both developers and the general community contribute to the need for this activity when appealing Council decisions and upholding the integrity of the District Plan.</p>

<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has the appropriate systems in place to separately identify the charge and costs of resource consent planning. Council considered that the most appropriate method to recover the public benefit component is general rate (rate in the dollar based on land value) and considered that the most efficient and appropriate method to recover the private benefit portion is Fees and Charges.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is about ensuring appropriate land use standards so that the community can have confidence that land use is appropriately controlled through a focus on sustainable development and protection of the environment. This activity is also focused on protecting our heritage and cultural concerns.

Current capital funding: All planned capital expenditure relates to plant replacement, which will be funded from depreciation reserves.

Current operational funding: This activity is funded from the general rate and fees and charges.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
District Plan compliance		50%		50%

### **Health and Liquor**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Public benefits to the community arise from the promotion and conservation of public health by ensuring compliance with the statutory standards set for health, noise, infectious diseases, and liquor/gaming venue licensing and hazardous substances. Public education is also an important role. The private benefit is in relation to the owners who benefit from licences and advice about improvements to health, hygiene and safety conditions on their premises. There are no intergenerational equity considerations.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	The entire community must comply with all relevant rules, regulations, statutes or bylaws for the objectives of this activity to be achieved. The community expects that all relevant controls are enforced to maintain a high level of amenity and enjoyment. The persons to whom licences and consents are granted can impact on this activity. The result can be infringement notices, although to date this has been rarely used.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council recognises that while benefits of inspection services are equally split, there is a large element of administration and reporting time that would be inequitable to recover through inspection fees. Council has the appropriate systems in place to separately identify the cost and charge for private benefits accordingly.
<i>Impact on economic, environmental, social and cultural well-being</i>	Monitoring and Compliance is focused on protecting our environment through monitoring building, resource management and general bylaws. Social considerations are in relation to enforcing building standards and general well-being. Inspection services provide resources to police Council bylaws and other legislation. There is both private and public benefit. Liquor Licensing and Gaming Venue Consenting is focused on protecting our environment through monitoring noise control and infectious diseases. Social considerations are in relation to protecting public health and general well-being.

Current capital funding: No planned capital expenditure.

Current operational funding: Council considered that the most appropriate method to recover the public benefit component is the General Rate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Health and Liquor		40%		60%

### **Parking**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Those who use the CBD including business premises and the general public benefit.  There are no intergenerational equity considerations.
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<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Activity targets those who create parking problems in the CBD (the exacerbators).
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has chosen to separately identify this activity and has the appropriate systems in place to identify the cost. The most efficient method for charging the public portion is via the general rate. Exacerbator income will be collected from fees and charges which are set by statute.
<i>Impact on economic, environmental, social and cultural well-being</i>	Council has no control over the number of infringements in any period; therefore any exacerbator income will be treated as incidental to the main purpose of parking control. The revenue and financing policy recognises the NET cost of the service after infringement fees.

Current capital funding: All planned capital expenditure relates to plant replacement which will be funded from depreciation reserves.

Current operational funding: Council considered that the most appropriate method to recover the public benefit component is the general rate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Parking		100%		

### **Emergency Management**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The whole of the district benefits from a planned response in the event of an emergency. There are no intergenerational considerations.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Emergency Management is largely about being prepared for natural disasters but events, such as chemical fires, may occur due to human activities
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	This activity is separate and discrete and should stand alone. Council has the appropriate systems in place to separately identify the cost. The targeted general rate is the most efficient method.
<i>Impact on economic, environmental, social and cultural well-being</i>	Emergency Management is concerned with public health, public well-being, mitigation of the effects of disaster on the environment and the restoration of the economy in the event of a disaster.

Current capital funding: All planned capital expenditure relates to plant replacement which will be funded from loans and depreciation reserves.

Current operational funding: The most efficient and transparent funding method is through a general rate as emergency response is of public benefit.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Civil defence	100%			

### **Rural fire**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The whole public (community) benefits from the control of fires in the rural sector, economic and socially. The residents/ratepayers of the Whakamaru community specifically benefit from having a water supply for fire fighting.  There are no intergenerational considerations for this activity.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Fire can occur as a result of natural events as well as from human actions.
<i>Costs &amp; benefits, including consequences for transparency and</i>	This activity is discrete and Council has the system in place to separately identify the costs.

<i>accountability, of funding the activity distinctly from other activities.</i>	A targeted rate is the most appropriate tool to fund services to a specific community.
<i>Impact on economic, environmental, social and cultural well-being</i>	Taupo District Council has a statutory obligation to carry out the functions of a Rural Fire Authority. Rural fire is concerned with the protection of the environment, property and people. The general public benefits from this activity.

**Current capital funding:** All planned capital expenditure relates to plant replacement which will be funded from depreciation reserves.

**Current operational funding:** Funding is by way of general rate for rural fire coordination and a targeted rate for the supply of water to the Whakamaru community for fire fighting purposes.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Rural Fire		100%		
Whakamaru Fire Protection			100%	

## WATER

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>The benefits of water supply accrue primarily to the properties that are connected to Council's schemes. There are also public health and risk management (fire-fighting) benefits for the communities those schemes service.</p> <p>The benefits accrue for the life of each scheme.</p> <p>Council can identify the properties it supplies water to.</p>
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	<p>Residential, commercial and industrial growth generates demand for new connections to water schemes.</p> <p>Current and future water demand is driven by the volumes used or conserved within each scheme. Reducing average peak volumes will delay the need for capital to expand schemes in future.</p>
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	<p>Water supply is a discrete service that directly benefits the households and other users use the service. Each water supply scheme has its own costs and economies of scale, so that a targeted rate for each scheme is the fairest funding mechanism.</p> <p>Capital improvements have intergenerational benefits, so that debt funding is the fairest way to allocate costs relative to expected benefits.</p> <p>Council has project and accounting mechanisms to allocate costs to this activity.</p>
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity meets social, cultural, environmental and economic needs of the communities it serves

**Current capital funding:** All planned capital expenditure is funded from loans, reserves (including depreciation reserves) and development contributions. Revenue to meet funding requirements is from targeted rates.

**Current operational funding** Targeted rates are based on the operational costs of servicing each rateable property, including interest on loans and asset depreciation.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Water supply (by scheme)			100%	

## TRANSPORT

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>Users of the roads clearly receive a direct benefit through an integrated road network. In addition, public benefit is derived from the roading infrastructure (including footpaths and cycleways) which allows economic activity, access to services and social interaction.</p> <p>There are intergenerational considerations.</p>
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<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Heavy trucks and high volume users impact on the quality of our roading network. Specific industries also have an impact which is monitored on an on-going basis.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Transport is a complex activity requiring a range of cost effective and efficient funding tools to target beneficiaries and contributors. The general rate is the most effective way of addressing local community needs. Subsidies (which include the district's share of petrol taxes) and development contributions are the most efficient way of targeting contributors for the need for the service.
<i>Impact on economic, environmental, social and cultural well-being</i>	A strong and safe transport network is a key component of the district's social and economic development. Heavy traffic generated by the primary and secondary commercial sectors places a greater demand on maintenance than does local traffic. There is both local and national public good. The national portion is recognised partly through Government subsidies.

Current capital funding : Funding for capital expenditure comes from loans, reserves (including depreciation reserves), development contributions and NZTA subsidies.

Current operational funding: The most efficient and transparent funding method is through general rates and NZTA subsidies.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Transport		100%		

## LAKES, RIVERS AND MOUNTAINS

### **Lakes and River systems**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	<p>Lake and river controls protect private properties from flooding and erosion, and ensure access to properties during periods of high flooding.</p> <p>There are public benefits from mitigating stormwater run off onto roads.</p> <p>All parts of the activity have intergenerational benefits</p>
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Users can impact on lake and river management and Council seeks to identify any such circumstances.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	<p>Over a period of years, Council has established a structure which caters for the allocation of costs to this activity.</p> <p>The most efficient and transparent funding method is through general rates.</p> <p>River and lake controls provide benefits to catchment communities, and private benefits are difficult to attribute to individuals or groups.</p>
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity meets the environmental, social and economic needs of the current and future communities.

Current capital funding: All planned capital expenditure relates to erosion protection which will be funded by loan and subsidies from Waikato Regional Council.

Current operational funding: Council considered that the most appropriate method to recover the public benefit component is the general rate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Lakes and River systems		100%		

### **Protecting Lake Taupo**

This is a project funded jointly by Taupo District Council, Waikato Regional Council and central government, and we have a shared Revenue and Financing Policy with WRC for the total funding



<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	A wide cross section of people benefit from the improvement of Lake water quality within the Taupo District including locals and visitors. This contributes to a strong tourism base in the Taupo District.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	There is a significant intergenerational component for this project. The life of the project is 15 years and Council's contribution will be funded annually over this period through a targeted rating mechanism. Predominant exacerbators of Lake water quality is pastoral farming within the catchment which has occurred over the past fifty years.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Annual contributions from Environment Waikato, Taupo District Council and Central Government will be paid into a public fund. Appropriate financial systems have been established for the collection and distribution of the fund. A mix of targeted rates are the most efficient and transparent mechanism for collecting the Taupo District Council portion of the public fund reflecting the level of benefit/contribution to the need for the activity. Due to a wide cross section of the public (community) benefiting from this project targeted rates are also applied to properties outside of the Lake Taupo catchment.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting environmental, social and cultural needs of the current and future communities. This project potentially has the biggest impact of all Council's activities on the well-being of the community. In broad terms, it is concluded that contributors (i.e. those within the Lake Taupo catchment) should pay a higher proportion of the costs of Taupo District's share of the project. However it is recognised that a strict 'polluter pays' approach is unlikely to achieve the fundamental land use changes sought by this project.

Current capital funding: There are no capital expenditure requirements.

Current operational funding: Costs have been spread between both beneficiaries and contributors. The mechanisms within the targeted rates chosen by Council reflect this rationale.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Protecting Lake Taupo	75%		25% (LV)	

- A targeted rate (charge per property) is applied on all properties in Taupo township, lakeshore settlements, commercial and industrial properties in rural areas, including forestry interests within the Lake catchment. A map illustrating the Lake Taupo Catchment Map can be found in Council's Rating Policy).
- A targeted rate (charge per property) is also applied to properties outside the Lake catchment including Mangakino and River Road. The charge applied is less than properties within the catchment.
- A Targeted Rate (LV) is applied on rural properties 2 hectares and over within the catchment, but excluding commercial and industrial properties in rural areas and forestry interests.

## Community facilities

### Parks and Reserves

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The benefits of parks and green spaces are split between those who directly use the facilities and the general promotion of health and well-being of all residents. In relation to the capital development programme for reserves, Council considered that whilst a number of the facilities and amenities will benefit the community over a prolonged period, funding will come from a range of sources including loans and development contributions reflecting direct impact of growth.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Groups which directly impact on the need to provide these facilities are generally developers and residents and cost can be addressed through development contributions. For reserves subject to commercial lease, the maintenance is included as part of the lease, therefore there is little cost involved. Any cost should be recovered through the lease.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has established a structure which separately caters for the allocation of costs to this activity. Operational expenditure should be funded by all ratepayers through the general rate. Limited opportunities exist to recover the private

	component through rents. Where leases are established the most efficient and transparent funding method is through user fees and charges.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting environmental, social and cultural needs of the current and future communities. Parks and reserves add prestige and quality of life to the district and are of public benefit. The cost cannot always be attributed to individuals. Ratepayers and residents have the opportunity to receive equal benefit from this service.

Current capital funding: Capital development is funded, from loans, reserves (including depreciation reserves) and development contributions. Current operational funding: Operational expenditure is funded from the general rate and user fees and charges.

### **Sportsgrounds**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The benefits of sports grounds are split between those who directly use the facilities and the general promotion of health and well-being of all residents.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Users have an impact on these facilities and should pay a portion of the operating costs.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has established a structure which separately caters for the allocation of costs to this activity. Operational expenditure should be funded by all ratepayers and the most efficient funding method is by way of the general rate. Rents and leases are arranged where there are opportunities to recover the private component.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting environmental, social and cultural needs of the current and future communities. Sports grounds add prestige and quality of life to the district. The cost cannot be easily attributed to individuals. Ratepayers and residents have the opportunity to receive equal benefit from this service. Sports grounds are of both private and public benefit. There is a high demand for sports grounds from organised clubs at peak times (usually during the weekends). Council recognises that provision of sports grounds at an affordable rental level is important for community well-being. While these clubs are using a facility, the public is usually excluded from use. However, these grounds are available to the public at all other times. The funding mechanism should reflect the fact that sports grounds are unavailable to the public at peak demand times. For reserves subject to commercial lease, the maintenance is included as part of the lease, therefore there is little cost to the ratepayer involved.

Current capital funding: Capital development is funded from loans, reserves (including reserves depreciation) and development contributions.

Current operational funding Operational expenditure is funded from the general rate and rents and leases where appropriate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Parks and Reserves		95%		5%
Sportsgrounds		95%		5%

### **Swimming Pools (AC Baths, Genesis Energy Aquatic Centre and Mangakino Pool)**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Council operates three separate swimming pools, A C Baths in Taupo, GETAC in Turangi, and the Mangakino Pool. There is a direct benefit to users of the pools. There is also a public benefit in relation to the general promotion of health, well-being and public safety of all users whilst using the facilities. There are intergenerational considerations.
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Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity	The pools are primarily geared toward meeting social needs of the current and future generations. Council offer a range of pool types and activities. There are also opportunities to allow venue 'package' private use of the facility. Strong private good provides for user charges. GETAC - This is regarded by the Turangi/Tongariro Community Board as a social responsibility function of Council. Genesis Energy has agreed to provide annual sponsorship
Costs & benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.	Over a period of time Council has invested a large amount of money in swimming pool facilities. It is considered necessary to keep these facilities separate from other venues facilities to clearly demonstrate the benefits and cost to the community over a period of time. Council has established a structure which separately caters for the allocation of costs to this activity. The most efficient and transparent method of funding the private benefits is through fees and charges and the public portion is through general rates.
Impact on economic, environmental, social and cultural well-being	Swimming pools are traditionally seen as being user pays in most parts of the country although there is usually a ratepayer input to community pools. Community well-being is a significant factor in providing the option for people to swim. The Turangi and Mangakino Pools recognise a significant public funding component (95%) on the basis of wider social responsibility. A public funding input (30%) for the AC Baths is considered reasonable due to the economic and social benefits accruing to the wider community from the operation of the pool facility.

Current capital funding: All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding: The most efficient and transparent funding method is through user fees and charges and general rates.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
AC Baths		30%		70%
Genesis Energy Aquatic Centre		95%		5%
Mangakino Pool		95%		5%

### **Taupo Events Centre**

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.	There is a direct benefit to users of the Events Centre. There is also a public benefit in relation to the general promotion of health and well-being of all residents. There are long-term benefits.
Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity	The activity is promoted by those involved in indoor sports and consequently justification for a user pays component.
Costs & benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.	Council has established a structure which separately caters for the allocation of costs to this activity. The most efficient and transparent method of funding the private benefits is via user charges and the public portion through general rates.
Impact on economic, environmental, social and cultural well-being	This activity is primarily geared toward meeting social needs of the current and future generations. There are also opportunities for private use of the whole venues 'package'. The use of the indoor sports and leisure centre by individuals creates opportunities to charge for private benefit. People using the centre receive a recreation or leisure benefit from this use. Users can be clearly identified. The public benefits of the Centre are also important. While Council would like to split the public/private benefit equally, it is recognised that the resulting fees and charges would deter usage. Therefore policy is to split the public/private benefit 2 thirds, 1 third.

Current capital funding: All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding: Operational expenditure is funded through user fees and charges and general rates.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Taupo Events Centre		67%		33%

### Great Lake Centre

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.	There is a direct benefit to users of the Great Lake Centre. There is also a public benefit in relation to the general promotion of social and cultural well-being for all residents and visitors to the district. There are intergenerational considerations.
Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity	Activity is promoted by those involved in arts, leisure and cultural events and consequently justification for a user pays component. The Centre is also used for trade shows and as a conference/convention centre which is of private commercial benefit and therefore all costs relating to such events should be recovered through the user pays system.
Costs & benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.	Council has established a structure which separately caters for the allocation of costs to this activity. The most efficient and transparent method of funding the private benefits is via user charges and the public portion through general rates.
Impact on economic, environmental, social and cultural well-being	This activity is primarily geared toward meeting the cultural and social needs of the current and future generations. The Great Lake Centre is available for community events which carry both private and public benefits. Some groups are given use of the facility at a reduced charge to encourage use of the venue to meet community cultural or social needs. The Great Lake Centre provides benefit to the wider community.

Current capital funding: All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding: Operational expenditure is funded through user fees and charges and general rates.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Great Lake Centre		67%		33%

### Libraries

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.	Council assessed the public benefit at a high level because libraries provide information services that cater for the needs of residents at large and build a collection of materials which are a community asset for the future. The promotion of literacy, life-long learning and self development are also seen as public benefits. The private benefit accrues to individuals who borrow books or materials as these are used for the personal benefit of that individual. There are intergenerational considerations.
Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity	A small allowance is made for charges levied to reflect misuse of library books and materials and the rental of selected recent collections.
Costs & benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.	Council has the appropriate systems in place to separately identify the cost. There is limited ability to charge fees related to other than specific selected uses.
Impact on economic, environmental, social and cultural well-being	The focus of libraries is on social and cultural well-being. In addition, the range of materials available provides an ability to encourage education and heritage. The use of a library by individuals is primarily of private benefit. People using the library receive a recreation or educational benefit from this use. It is also possible to clearly identify these users. The public benefits of a library are also important. A library provides a pleasant environment to sit, read, learn and/or relax. Libraries also provide educational benefits to all age groups in the community and an important source of supplying public information. In general private recreation and education is the primary use of the library.

Current capital funding: All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding: Council considered that a small portion of the cost should be recovered through rentals, fines for late return of books and associated fees and charges. Council considered the most appropriate method to recover the balance of the cost is from general rates.

	Public (community) benefit	Private benefit
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	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Libraries		95%		5%

### **Taupo Museum and Art Gallery**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	There is a direct private benefit to users of the Museum and Art Gallery. There is also a public benefit in relation to the general promotion of social and cultural well-being for all residents and visitors to the district. There are intergenerational considerations.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Activity is promoted by those involved in arts and cultural events and consequently justification for a user pays component.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	It is considered necessary to keep these facilities separate from other venues facilities to clearly demonstrate the benefits and cost to the community over a period of time. Council has established a structure which separately caters for the allocation of costs to this activity. The most efficient and transparent funding method is through user fees and charges (entry charge) and general rates.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting the cultural and social needs of the current and future generations. The use of the Museum and Art Gallery by individuals is primarily of private benefit. People using the Museum receive a cultural or recreational benefit from this use. Users can be clearly identified. The public benefits of the Museum are also important.

### Current capital funding

All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

### Current operational funding

The most efficient and transparent funding method is through user fees and charges (entry charge) and general rates. Local residents are not charged for entry into the museum unless a special exhibition is offered).

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Taupo Museum and Art Gallery		85%		15%

### **Community Halls**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The community at large benefit from a variety of halls throughout the district which form part of the social infrastructure at a local level. They are an important community asset, particularly in rural communities. Individual users also benefit through the availability of the halls for private use. Council's involvement in halls is largely historical. There are potential intergenerational equity considerations.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Direct users can have an impact on the standard and quality of the facilities. The local committees which run these halls take great pride in them and work to ensure the assets are protected. As the size of communities change so does the extent of the use of the halls. Council will also in future explore ways of transferring responsibility for on-going management to local user groups.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Asset management plans for these facilities contemplate only repairs and maintenance over the next ten years. Council has the appropriate systems in place to separately identify the cost of operating these facilities.
<i>Impact on economic, environmental, social and cultural well-being</i>	The halls are part of the local community and promote the development of local activities. Community halls are used by community and private groups. These groups can be identified and charged accordingly. There is a large public benefit through the prestige and existence values

	associated with the sense of well-being and community pride and development.
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Current capital funding

All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding

The current policy is to encourage user pays where possible. The most efficient and transparent funding method is through user fees and charges and general rates.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Community Halls		85%		15%

**Public Toilets (includes Superloo)**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Direct users of the facilities clearly receive a benefit. There is also a high public benefit in relation to the promotion of public health and in complementing other facilities and attractions. There is a long-term benefit from these facilities; however, Council has decided to fund these facilities through current funding mechanisms. The Superloo has both private and public benefit. The public benefit includes the prestige and 'advertising' value brought to Taupo by the building.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	The frequency of use of the facilities clearly impact on the level of service required.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has the appropriate systems in place to separately identify the cost of operating public conveniences. The Superloo is resourced sufficiently to identify and charge users for all services offered.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting environmental, social needs of the current and future communities. Some minor economic considerations arise in relation to the provision of toilets to complement tourist and other amenities. Public toilets are of public benefit. Users can be identified by the method of charging through a form of entrance fee would either require coin operated doors or the employment of staff to collect money. In both cases, it is unlikely that the income generated would cover the cost of implementation, let alone normal operating costs. In Taupo, the Superloo was built to offer a first class service and a fee to reflect enhanced service has been applied.

Current capital funding

All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding

This activity is funded from general rates with the exception of the Superloo that is funded 50% from user charges.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Public Toilets		100%		
Superloo		50%		50%

**Cemeteries**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The deceased relatives and friends benefit from the cemetery and there is a public benefit in relation to the protection of public health as required under the Health Act 1956. Benefits are long term both for the public and interested parties. There are intergenerational considerations in relation to family plots.
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Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.	Not applicable for this activity.
Costs & benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.	Council has the appropriate systems in place to separately identify the cost. There should be a reduction for cremation interments as it encourages efficient use of cemeteries.
Impact on economic, environmental, social and cultural well-being	This activity is primarily geared toward meeting the social, environmental and cultural needs of the current and future communities. The interment and maintenance of the district's cemeteries are mainly of private benefit. The users are the deceased and those who have an interest in the deceased and as such can be linked to individuals. There is an element also of public good in terms of ensuring that public health requirements are maintained.

**Current capital funding**

All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

**Current operational funding**

The most efficient and effective method of charging is user pays per plot and interment, for all immediate and long term planned costs. Council considered that the most appropriate method to recover the balance of the cost is through a targeted uniform general rate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Cemeteries	10%			90%

**Housing for the Elderly**

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.	The beneficiaries are the tenants who receive accommodation at affordable prices. There is a public and social benefit in having housing for the elderly units reflecting a community that cares.
Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity	The units are inspected on a regular basis and are subject to standard landlord / tenant arrangements and asset management planning aimed at protecting the community investment in this activity. The ability for elderly persons to pay is taken into account.
Costs & benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.	Housing for the elderly is a strategic asset. For this reason Council has elected to treat this as a separate activity. Council has the appropriate systems in place to separately identify the cost and administer the charging of rent.
Impact on economic, environmental, social and cultural well-being	Council is taking a socially responsible approach in making these assets available. Whilst there is a public benefit in relation to this activity, the primary beneficiaries are the tenants. Property rentals have been set at a realistic and affordable level. Existing Council policy limits the rentals charged and rents will be reviewed annually.

**Current capital funding:** All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

**Current operational funding:** The most efficient and transparent funding method is through user fees and charges (rent) and general rates.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Housing for the Elderly		45%		55%

**Wastewater**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Direct users of the wastewater system clearly receive a benefit. There is also a high public benefit in relation to the promotion of public health. Council believes that all properties connected to a wastewater system benefit from having a public sewerage collection, treatment and disposal system available. These schemes also benefit the environment.  Major capital work is required on an on-going basis for the range of
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	wastewater schemes. Over time additional properties may join an existing schemes if there is capacity within the scheme. Additional capacity may be provided if there is significant demand. This work has an intergenerational equity component.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	The removal and treatment of wastewater is mainly as a result of those that are connected to the wastewater system. The user/beneficiary can be identified down to specific households and businesses. However because the benefit that all users receive is the same regardless of volume it is not considered practical to measure and make specific household charges.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has established a structure which ensures that costs are allocated in a fair and accountable manner. A targeted general rate is applied to ratepayers that are connected to a wastewater scheme. This is considered the most efficient method of funding this activity.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting environmental, social and cultural needs of the current and future communities. It is also noted that there are cultural considerations in relation to where treated effluent is disposed.  There is a public component due to the public health factor and Resource Management Act requirements for effective treatment to protect the environment, in particular lakes and waterways.

Current capital funding: All planned capital expenditure is funded from loans, reserves (including depreciation reserves) and development contributions. Revenue to meet funding requirements is from targeted rates.

Current operational funding: Ratepayers which are connected to a wastewater scheme pay a district wide targeted rate.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Wastewater			100%	

## SOLID WASTE

### Collection (Refuse and Recycling)

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Individual property owner's benefit from the collection of rubbish but there is also a public benefit in relation to protection of public health as required by the Health Act 1956.  Benefits are generally immediate with no intergenerational component.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Close monitoring is required as users of the service can impact on public health and the environment.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council operates a prepaid bag and sticker collection method in the district. It considers this system the most efficient and transparent funding for this activity. Council also considers that this system incentivises waste reduction.  Council also has a contractor who provides a recycling bin service. Primarily the intention with recycling is to reduce volume to landfill. As this service is only available in specific catchments, Council has applied a targeted rate so that only those receiving the service pay for the service.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting environmental, social and cultural needs of the current and future generations. The collection portion of the activity is primarily of private benefit. Users can be identified for house and business collections. However, collection from public bins cannot be linked to individuals.

Current capital funding: There are no capital expenditure requirements.

Current operational funding: Operational expenditure is funded through a charging regime per bag.

### Solid Waste - Disposal

<i>Distribution of benefits</i>	Council considers that the public benefit is in relation to the protection of the
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<i>between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	environment and the community. The private benefit is in relation to those people who utilise the disposal site. Capital development is in respect of the development of refuse transfer stations and the Broadlands Road landfill. Council has decided that these facilities will benefit current and future generations. The public benefit component relates to the provision of safe and cost effective waste disposal sites to protect the health of the community and the environment. There is an intergenerational component.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Those using the landfill site and transfer stations are the major contributors to this activity. All users of the facility have the potential to impact on the public health of the community and the environment if waste is not managed.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has the appropriate systems in place to separately identify the cost. Ratepayers and residents have the opportunity to receive equal benefit from this service, therefore the most efficient and transparent funding method is by way of a targeted rate for disposal. Users of the landfill can be identified and it is transparent and efficient to apply user charges
<i>Impact on economic, environmental, social and cultural well-being</i>	While this activity contributes to the environmental and social well-being of the community it is primarily of private benefit. Users can be identified either as being those that physically use the landfill sites/transfer stations to dispose of waste or on a wider scale through the refuse collection process. Some public good components exist through the need to maintain a hygienic environment in the community. This includes the disposal of unattributed waste, encouragement of composting and recycling and future planning.

Current capital funding: All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

Current operational funding: Operational costs are funded by a targeted rate and fees and charges.

### Litter Control

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Council considered that the public benefit is in relation to the protection of the environment and the community. There is no intergenerational component.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Both residents and visitors to the district create litter in public places. It is often difficult to identify individual exacerbators.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has the appropriate systems in place to separately identify the cost. Ratepayers and residents have the opportunity to receive equal benefit from this service, therefore the most efficient and transparent funding method is by way of a general rate for litter control.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity contributes to the environmental and social considerations for the community. Litter control is of public benefit. Although there is benefit to the individual, that individual cannot be identified. The service adds prestige and quality of life to the district.

Current capital funding: Capital expenditure funded by general rates (including depreciation), loan and reserves.

Current operational funding: Operational expenditure is funded via a general rate and fees and charges.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Refuse collection				100%
Recycling collection			100%	
Disposal			51%	49%
Litter control		100%		

### Stormwater

<i>Distribution of benefits between the community as a whole, any</i>	The Taupō CBD benefits from a more sophisticated stormwater system than the rest of the town.
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<i>identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The urban stormwater system is managed to reduce health and safety risks for urban communities, to protect private property from flooding and stormwater-related erosion, and to mitigate environmental effects. All benefits accrue to both current and future communities.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Users can impact on the physical progress of stormwater e.g. by placing a physical barrier within an overland flow path, and Council seeks to identify any such circumstances.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has the appropriate systems in place to separately identify the cost. Council considered that the most appropriate method to fund the activity is via general rates.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is meets social, cultural, environmental and economic needs of current and future communities.

**Current Capital Funding:** All planned capital expenditure is funded from loans and reserves (including depreciation reserves).

**Current Operational Funding:** Operational expenditure is funded from general rates.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Stormwater		100%		

## Leadership and Future Planning

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	No single identifiable group <u>as all</u> communities have access to elected members. <u>The Turangi-Tongariro community receive a direct benefit from having a community board to provide specific representation to Council on their behalf. There is also an indirect benefit to the wider community. This benefit distribution is recognised in the funding for the Turangi Tongariro Community Board.</u> Council's policy and planning functions benefit all communities, and have significant intergenerational equity considerations.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Managing growth whilst ensuring appropriate environmental and social protections are in place. Managing land use whilst ensuring appropriate environmental protection is in place. Development planning ensures there is sufficient infrastructure for existing and new communities. Developers and land owners benefit from an appropriate set of rules for managing land use for new and existing communities.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Environmental planning benefits developers, but it also has a public good element, benefitting the District as a whole. Providing leadership and advocacy for the District and the people who live here is very important. It ensures that the voice of our communities is heard at a national level. Because all ratepayers receive an equal amount of value it is considered that a uniform charge is an appropriate funding mechanism for this particular activity. This activity indirectly benefits all individuals and communities, and general rates provide the best funding basis. <u>The only separation in funding is for the Turangi Tongariro Community Board with the majority of funding coming from a targeted rate which applies to all properties within the Turangi Tongariro Ward.</u>
<i>Impact on economic, environmental, social and cultural well-being</i>	The District as a whole benefits from democratic and transparent policy and planning processes. Environmental planning and policy documents and tools affect all communities and benefit the district as a whole.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Leadership, Governance and Advocacy	100%			
Planning for the future		100%		
<u>Turangi Tongariro Community Board</u>		<u>20%</u>	<u>80%</u>	

## INVESTMENTS

### **Investments and Property (includes residential and commercial property, motor camps and forestry)**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	Property owners specifically benefit from planned development. The whole public (community) benefits from a responsible approach to subdivision development and from the eventual sale of sections. There are significant intergenerational equity considerations.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Not applicable.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has the appropriate systems in place to separately identify the income and costs of these activities.
<i>Impact on economic, environmental, social and cultural well-being</i>	Council investments range from land development, leasing of land and property for various activities, TEL investment, general fund investments through to the cultivation of forestry for future income. The return on investment is used to reduce the amount of general rate requirement and repay debt. Any associated funding will be met from external income with the net income being used to offset general rates.

Current capital funding: All planned capital expenditure is funded from loans and reserves (including depreciation reserves). The development of Council owned sections will be paid for initially by way of loan with proceeds from final sale repaying amounts drawn.

Current operational funding: Operational expenditure for this activity is funded by general rate and fees and charges.

	Public (community) benefit		Private benefit	
	Uniform charge	General rate	Targeted rate	Fees and charges
Property (Residential and Commercial)				100% (lease)
Council property		100%		
Motor camps				100% (lease)

## ECONOMIC DEVELOPMENT

### **Destination Marketing**

Although this activity is now delivered by a Council Controlled Organisation (Destination Great Lake Taupo) Council still needs to identify where the funding will come from.

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The benefits of district destination marketing accrue to individuals and the whole community.  Benefits are generally immediate with no intergenerational component.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	The promotion of the district as a tourist destination is of benefit primarily to tourist operators, accommodation providers and retail businesses. The district as a whole benefits through increased choice (i.e. shops) and through employment.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	As the tourism industry grows those businesses that service the industry also grow, spreading the economical benefits throughout the community. The proliferation of events that are facilitated through DGLT also contributes to a vibrant, fun, community and healthy population. For this reason Council is moving away from the Marketing Development Rate to the provision of funding through the general rate.

<i>Impact on economic, environmental, social and cultural well-being</i>	It is considered that this activity has a positive impact on the wellbeing of the community.
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Current capital funding: There are no capital expenditure requirements.

Current operational funding: Funding of operational expenditure is from the general rate.

### **Economic Development**

<i>Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and the period over which the benefits are expected to occur.</i>	The benefits of district economic development accrue to the whole community. Benefits are intergenerational but funded from current funding mechanisms.
<i>Extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity</i>	Groups which have a direct impact on the need to provide these sorts of facilities are generally those involved in potential business ventures in the Taupo District.
<i>Costs &amp; benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.</i>	Council has established a structure which separately caters for the allocation of costs to this activity. Council has decided that this activity will be funded from the general rate as the benefits accrue across the community.
<i>Impact on economic, environmental, social and cultural well-being</i>	This activity is primarily geared toward meeting economic needs of current and future communities. The benefits afforded by economic development through increased employment opportunities accrue primarily to the non-identifiable public. Council believes that developing and attracting new business promotes economic growth in the district. Therefore the actions of economic development are of benefit to the wider community.

Current capital funding: There are no capital expenditure requirements.

Current operational funding: Operational expenditure is funded from the general rate.

	<i>Public (community) benefit</i>		<i>Private benefit</i>	
	<i>Uniform charge</i>	<i>General rate</i>	<i>Targeted rate</i>	<i>Fees and charges</i>
Destination Marketing		100%		
Economic Development		100%		