



Revenue and Financing Policy 2024

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Purpose

The Revenue and Financing Policy is a requirement of the Local Government Act 2002, It outlines Council’s funding sources for operating and capital expenditure, and the rationale behind the funding decisions. The policy is supported by the Activity Funding Review for each activity group and recognises that the funding policy is more than just a device for raising revenue but is also one of the instruments that can be used to promote community wellbeing.

The Revenue and Financing Policy must demonstrate how Council has complied with the funding policy process under section 101(3) of the Local Government Act 2002. To achieve this, Council needs to review each individual activity and its funding in developing its Revenue and Financing Policy.

As part of that process, Council needs to consider the nature of the activity provided and the benefits and beneficiaries of the activity. Five key considerations must be taken into account when undertaking a fund needs analysis including:

- community outcomes
- who benefits
- when the benefits occur
- exacerbator pays
- costs and benefits of separate funding.

The overall impact of these factors on current and future social, economic, environmental, and cultural well-being then need to be considered before final funding needs are set. A comprehensive analysis of how Council has complied with section 101(3) and considered the above requirements is included in the Funding Needs Analysis, included as an appendix to this policy.

Activity groups

Council’s work has been grouped into eleven key activities in which we provide a service to the community. These are:

- Transportation
- Parks and recreation
- Water
- Wastewater
- Stormwater
- Coastal systems and flood management
- Flood protection
- Solid waste
- Community facilities and services
- Planning and regulatory services
- Governance and strategy.

Funding Sources

Section 103 of the Local Government Act (2002) requires a local authority to state the sources of funding for its operating expenses and its capital expenditure. The sources of funding for each category are set out below.

Funding Sources for Operating Expenses

Operating expenses are the day-to-day spending by Council for delivering ongoing services and for the maintenance of Council's assets. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

Council must consider the funding for each activity in a way that relates exclusively to that activity. For example, some activities may be best funded using user charges, others with targeted rates and others from general rates, or a combination of these. Distinct funding enables ratepayers or payers of user charges to assess more readily whether the cost of the service provided to them either directly or indirectly represents good value. They can also more easily determine how much money is being raised for the service and spent on the service, which promotes transparency and accountability.

The different mechanisms available for funding operating expenses are:

General rates are used to fund those services where there is a benefit to the whole community (public benefit) or where there is no practical method for charging individual users. General rates fund a range of activities which are used by individual ratepayers to varying extents.

Rates are regarded as a property tax, as there is no direct link between the activity or service provided and the individual ratepayer.

To maintain as simple rating as possible Council currently uses general rates to fund a broad range of activities, rather than a number of targeted rates. This makes it easier for ratepayers to understand how they are being rated, is more cost effective to administer, and provides a greater degree of flexibility with regards to the application of our funding.

General rates are currently assessed based on a property's land value and as a uniform annual general charge.

Value-based general rates are assessed on land value and are differentiated by the category of land use or land zoning. The rating categories to be applied are:

- residential
- rural
- multi-unit
- commercial and industrial
- miscellaneous.

Full details of the rating categories and differentials used may be found in the Funding Impact Statement.

A uniform annual general charge (UAGC) is applied to each separately used or inhabited part of each rating unit (SUIP). The UAGC is to be assessed by Council annually and set at a level considered to be reasonable. The UAGC is used to fund the same activities as the general rate and ensures every ratepayer contributes a base level of rates irrespective of property value or services used.

Targeted rates are used where an activity benefits an easily identifiable group of ratepayers and where it is appropriate that only this group be targeted to pay for some or all of a particular service. The funds collected are used for the purpose for which they are rated. Targeted rates are only used where Council considers it is an appropriate mechanism to fund that activity or where Council wishes to make clear the purpose for which the rate is collected. The revenue collected in any one year may result in a surplus, which is used to repay debt or to fund capital expenditure in future. A reserve is maintained to ensure any surplus or deficit is separately identified. This ensures targeted rates are used for the purpose for which they are collected.

User fees and charges are used where the beneficiaries can be identified and charged. They include consent fees, building fees, regulatory charges, parking revenue, licence fees, sales of goods, hire fees and service charges. When setting fees and charges, Council will consider any indirect benefit to the community, the distribution of those benefits and ability to pay. Where there is an identified 'public good' element in an activity we would fund this portion through general rates. Some fees may be limited by legislation, meaning full recovery of costs is not possible.

Grants and subsidies apply to some activities when income from external agencies is received to support that activity. Each year Council receives funding from NZTA (Waka Kotahi) as part of the overall roading programme for the city's roading infrastructure. Operational subsidies fund maintenance of roading infrastructure. Council recognises the funding as income in accordance with Generally Accepted Accounting Practices. Council expects to continue to receive substantial subsidies for road maintenance from government or its agencies. In the event that the availability of external funding is reduced, Council would consider alternative funding sources, and/or review its maintenance programme. Refer to Council's Financial Strategy for further information.

Additional subsidies and grants may be received to contribute towards the costs involved in recovering from extreme weather events and other natural disasters.

Other Income Various other revenue streams are received by Council and are used to reduce the requirement from general revenue, and to fund activities in the same way that rates do. Some items are unexpected and therefore unbudgeted (e.g. insurance proceeds, legal settlements, other reimbursements).

Borrowing is not generally used to fund operating expenses, but is used to smooth the inter-generational benefits of the capital expenditure programme. Council may use borrowing to provide a capital grant to a community organisation to fund a community facility, or for addressing unexpected external events such as storm damage, pandemics, and changes in the availability of external funding (see below). In specific circumstances, borrowing may be used to fund operating expenses when Council considers it is prudent to do so.

Interest from investments is used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do.

Distributions and dividends

- Council receives distributions from its joint venture investment in Northland Regional Landfill Limited Partnership. These are directed to reduce the requirement from general revenue and is used to fund activities in the same way that rates do.
- Council currently receives dividends from the Local Government Funding Agency which are used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do. Any other dividends would be treated in the same way.

Rental income is generated from Council's various property types. Rental income from Council's:

- pensioner housing stock is used to fund the expenses of operations and maintenance. It can also be used to fund capital expenditure on pensioner housing. Pensioner housing is a ringfenced activity so if pensioner rental property income is not fully spent in a given year then it will be reserved and carried forward to the next year
- investment properties is used to fund associated ownership and maintenance costs and to create a return on investment. Any excess income is used to fund the Governance and Strategy Activity to reduce the requirement from general revenue
- community properties is used to fund the expenses of operating and maintaining these properties and any excess income is used to fund Council's other community operating expenses.

In the event that Council forms a CCO/CCTO to manage commercial property, it is envisaged that rental income associated with those properties transferred to the new entity, will become revenue of the CCO/CCTO.

Enforcement fees are charged where possible. They are used to promote compliance rather than to raise revenue and may not recover the full cost depending on the level of compliance and the extent to which charges are limited by statute or the court. Any excess income from enforcement fees is used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do. If legislation under which enforcement fees are charged specifies the application and use of that revenue, this is adhered to.

Other sources of operating expense funding

Council also funds operating expenditure from other sources including:

Reserves:

Other reserves and ring-fenced funds

Restricted funds or special funds are those reserves within Council's equity that are subject to special conditions of use, whether under statute or accepted as binding by Council, that may not be revised without reference to the courts, a third party, or by Council resolution where appropriate.

Subject to meeting any specified conditions associated with these reserves Council may expend money, of an operating or capital nature, from these reserves.

Specific reserving of operational funding

Where expenditure has been funded in a year for a specified purpose e.g. a grant to fund an external group's project and because of timing issues the conditions of the grant are not met in that year, then the grant will be reserved at the end of the year to provide funding for the project in a future year once the conditions are met, unless Council resolves not to.

Use of general surpluses from previous financial periods

Generally operating surpluses will be used to reduce debt.

Trusts and bequests

Council is the recipient/holder of several trusts and bequests. These funds can only be used for the express purposes for which they were provided to Council. Each year, Council may expend money, of an operating or capital nature, from its trusts and bequests in accordance with the specified conditions of those funds.

If Council receives bequests in the future, then it will treat those in the same manner.

Overheads

There are some activities within Council that provide support to specific cost centres or to the entire Council but do not provide a direct benefit to the community. The costs of these activities are treated as overheads and are reallocated against activities that do provide a direct benefit to the community.

This concept is particularly important when analysing the costs of delivering services and arriving at the appropriate fees and charges for those services.

Storm damage

If because of storm damage, infrastructure assets need repair, an option for funding this (so as not to impact on the capital works programme for the year), is utilising debt, if there is projected headroom under the net debt cap for the year. Unbudgeted remedial works may lead to an unbalanced budget benchmark result in any given year. If it is determined that there is no headroom under the net debt cap, then Council will look to defer operational and capital expenditure planned in the year to accommodate funding the repairs and/or renewals required. The use of debt would only occur after exhausting all other avenues of funding including NZTA (Waka Kotahi) subsidies, insurance claims and reprioritising existing operational budgets.

Summary of funding sources of operating costs by activity

The Funding Needs Analysis applies the funding sources above to each of Council's activities. The table below indicates the proportion of each revenue stream used to fund the operating expense of providing each activity. The proportion is displayed as a range and are indicative only. Actual percentages may vary due to changes in expenditure requirements and external factors such as the availability of external funding and the volume of services provided.

Council may modify the allocation of funding when it considers the overall impact of any allocation of liability for revenue needs on the community under s101(3)(b).

Example of Funding Sources and Banding

Range name		% Range	Range name		% Range
-	Unlikely	0%	D	High	60%-80%
A	Minimal	0%-20%	E	Most	80%-100%
B	Low	20%-40%	F	Potential to be used	
C	Moderate	40%-60%			

Activity groups		
Governance and Strategy	Wastewater	Solid Waste
Transportation	Stormwater	Planning and Regulatory Services
Water	Flood Protection	Community Facilities and Services
Parks and Recreation	Coastal Systems and Flood Management	

Activity/department	Operational expenditure funding sources					
	User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates
Iwi Liaison	-	-	-	-	-	E
Strategy & Governance	-	-	A	-	-	E
Economic growth – District Development	-	-	-	-	-	E
Economic growth – Property *	-	-	-	E	-	-
Economic growth – Marina Facilities	-	-	-	A	-	E
Economic growth – Airport Facilities	-	-	-	-	-	E
Roading Network	-	B	A	A	-	C
Carparking	E	-	-	A	-	-
Footpaths	-	F	-	-	-	E

Operational expenditure funding sources

Activity/department		User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates
Water		A	F	-	-	E	-
Wastewater		A	F	A	-	E	-
Stormwater		-	F	F	-	E	F
Flood Control (Hikurangi Swamp)		-	-	-	-	E	-
Rubbish/Recycling Collection and Disposal		B	F	B	-	-	D
Litter Control		-	F	A	-	-	E
Resource Consents		C	-	-	-	-	C
RMA Compliance		A	-	A	-	-	D
Building Consents/Swimming Pool Inspections		D	-	A	-	-	B
Building and Environmental Monitoring		-	-	-	-	-	E
Food Premises		C	-	-	-	-	C
Health Act Registered Premises		A	-	-	-	-	E
Alcohol licensing		E	-	-	-	-	A
District Plan Development		A	-	-	-	-	E
Private Plan Changes		E	-	-	-	-	-
Noise Management		-	-	A	-	-	E
Animal Management		D	-	A	-	-	B
Parking Enforcement		-	-	E	-	-	-
Warrant of Fitness Enforcement		-	-	E	-	-	-
Gambling Act		E	-	-	-	-	-
Bylaws		-	-	A	-	-	E

		Operational expenditure funding sources					
Activity/department	User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates	
Sport and Recreation Facilities	A	-	-	-	-	E	
Parks Reserves and Natural Areas	-	-	A	-	-	E	
Play areas, walking Trails, Coastal	-	-	A	-	-	E	
Cemeteries and Crematorium	C	-	-	A	-	C	
Libraries	A	-	A	A	-	E	
Pensioner Housing	-	-	-	E	-	A	
Community Safety	-	-	-	-	-	E	
Community Development, Community buildings & spaces and Residential Strategic property	-	-	-	D	-	B	
Community Funding	-	F	A	-	-	E	
Venues and Events	A	-	A	-	-	E	
Village Planning	-	-	-	-	-	E	
Civil Defence	-	F	-	-	-	E	
Visitor Information Services	A	-	A	-	-	E	
Public Toilets	-	-	-	-	-	E	
Customer Services	A	-	-	-	-	E	
Coastal System and Flood Management		F	-	-	F	E	

* Investment property generates surplus revenue after allowing for investment property operating expenses. This investment property surplus is used to fund the Strategy & Governance Activity. If there is any residual surplus it is used to fund overall operating expenses.

Note: Support Services are not shown as a separate activity because any expenses incurred providing support to the wider organisation are allocated over the activities and departments delivering Council's external services.

Funding Sources of Capital Expenditure

For the purpose of this Policy capital expenditure represents costs associated with the purchase and improvement of property, plant and equipment, and intangible assets, and for the repayment of debt.

Property, plant and equipment are tangible assets that are held by Council for use in the provision of its goods and services (for example: infrastructure assets such as land, roads, bridges, parks, and non-infrastructure assets such as computer hardware and libraries), or for rental to others, or for administrative purposes.

Intangible assets are assets such as software that Council purchases or creates as part of a project with an economic benefit longer than a year.

Property includes Council's pensioner housing, Council's investment properties and Council's community properties. It can also include property purchased for strategic reasons, for instance where a future road is planned to be constructed.

As described in the Financial Strategy 2024-34, Council while managing its existing assets, also has a challenge to manage growth, affordable rates increases and debt and deliver as many of the communities desired projects as possible. To achieve the appropriate balance between these variables Council takes the following approach:

- Council sets the annual rates requirement based on the funding needed to deliver the activities in the current Long Term Plan
- the activity operating revenue and expenditure budgets are determined, within this constraint
- the net cash operating costs are determined
- this leaves a cash surplus that is available for capital costs and/or debt repayment. This largely represents rate funded depreciation but may include operating surpluses from some activities and accounting provisions not held in reserve funds – this is funding not held by activity and available to fund any capital costs
- Council also sets the limit on debt, which determines the debt funding available for capital expenditure.

Consequently, despite the potential availability of the funding sources, this process results in the following funding available for capital costs:

General rates

Rates are primarily used to fund our everyday operating expenses, including depreciation and interest costs on debt, however general rates may be used to fund a portion of capital expenditure when it is considered appropriate to do so. This will be balanced against affordability for current ratepayers and the current and future needs of the community.

Targeted rates

Targeted rates are used to fund operating expenditure but can be used to fund a particular capital project benefiting a discrete and identifiable group of beneficiary ratepayers.

User contributions

These are typically paid in the form of a targeted rate by an identified group of direct beneficiaries. In many cases this group would have lobbied for the inclusion of the project (such as local road sealing) during a consultation process.

Borrowing

This is an appropriate funding mechanism to enable the effect of peaks and troughs in capital expenditure to be smoothed and to ensure the costs of major developments are borne by those who ultimately benefit from the expenditure. However, it is not appropriate or sustainable for all capital expenditure to be funded from borrowings. In periods of low capital expenditure, or increased funding, borrowing will be reduced. This is achieved by applying operating surpluses to reduce debt.

Proceeds from investment property sales

These will be invested in the property reinvestment reserve and the funds may be used to purchase other commercial properties in the future. Any funds in the reserve may be used to fund capital expenditure in other activities, via internal borrowing, to smooth Council's overall cashflow requirements.

Proceeds from other asset sales

These may be used to fund capital works or to repay debt.

Depreciation

Depreciation is an indirect source of funding as depreciation reserves are not created. However, Council's intention is to set rates at a level that offsets the calculated non-cash depreciation cost. This funding is then used to fund renewal of capital expenditure. In the event that Council sets a budget where operating revenue doesn't meet operating expenses, depreciation will not be fully funded, resulting in a portion of asset renewals being funded by borrowings. Further information about Council's Everyday Funding benchmark is included within the Financial Strategy.

Development contributions

These are used to fund the growth component of capital expenditure. The growth in our District drives a portion of our capital work requirement to maintain Levels of Service to a larger community. As the costs of growth are driven by development, Council considers it equitable that a development should contribute to the costs that are being imposed.

Council has a development contributions policy which sets out the level of contributions required to fund infrastructure requirements.

Financial contributions

These may be used to fund capital expenditure in accordance with the Resource Management Act 1991. Council does not currently receive any Financial contributions.

Lump sum contributions

When undertaking a major project Council has the option to seek lump sum contributions to the capital cost of the project. Lump sum contributions are provided for in the Local Government (Rating) Act 2020 and have requirements placed on how they are used. Where

a lump sum payment option is proposed ratepayers can elect to pay the lump sum or not. If not, the rating unit will be liable to pay targeted rates.

Council does not presently plan to seek lump sum contributions.

Grants and subsidies

Grants and subsidies are used when Council is successful in making an application to various funding packages available. Council receives funding from NZTA (Waka Kotahi) as well as other central government funding packages. NZTA provide capital subsidies (accounted for as operating revenue) to fund agreed transportation capital projects. Other central government funding is available for various other capital projects.

Reserves

Reserves including retained earnings from operating surpluses from previous years may be used to fund capital expenditure. Reserves for specific activities can be created through the collection of targeted rates, or through a commitment made to fund a future obligation.

Capital Expenditure Funding

The table below shows the primary funding sources for the different types of capital expenditure and each of the activity groups.

By expenditure type:	General rates*	Targeted rates*	Borrowings	Development Contributions	Subsidies and Grants	Reserves	Property sales
Renewals	✓	✓	✓		✓	✓	
Level of service	✓	✓	✓		✓	✓	
Growth	✓	✓	✓	✓	✓	✓	
By activity group:							
Transportation	✓	✓	✓	✓	✓		
Water		✓	✓	✓	✓	✓	
Solid waste	✓		✓		✓	✓	
Wastewater		✓	✓	✓	✓	✓	
Stormwater	✓	✓	✓		✓	✓	
Flood protection		✓	✓		✓	✓	

By expenditure type:	General rates*	Targeted rates*	Borrowings	Development Contributions	Subsidies and Grants	Reserves	Property sales
Parks and recreation	✓		✓	✓	✓	✓	✓
Community facilities and services	✓		✓	✓	✓	✓	
Coastal systems and flood management	✓	✓	✓		✓		
Governance and strategy	✓		✓		✓		✓
Planning and regulatory services	✓		✓				
Support Services	✓		✓				

*General and targeted rates create cash surpluses by funding depreciation, which is non-cash. These surpluses are then used to fund renewal projects and future capital requirements

Council generally uses the following hierarchy when considering the funding of capital projects:

1. grants, subsidy or other income, which are budgeted as operating revenue
2. development contributions for growth related projects in accordance with the Development Contributions Policy
3. reserve funds such as Council's Property Reinvestment Reserve
4. targeted rates
5. general rates and/or debt.

Several of the above funding sources could be applied to a single project. The funding of a project is usually set as part of the Annual Plan or Long Term Plan, however this can be subject to change depending on the availability of external funding.

Te Ture Whenua Māori Act 1993

Section 102 (3A) of the Local Government Act 2002 requires that Council's revenue and financing policy supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993:

Nā te mea i riro nā te Tiriti o Waitangi i motuhake ai te noho a te iwi me te Karauna: ā, nā te mea e tika ana kia whakaūtia anō te wairua o te wā i riro atu ai te kāwanatanga kia riro mai ai te mau tonu o te rangatiratanga e takoto nei i roto i te Tiriti o Waitangi: ā, nā te mea e tika ana kia mārama ko te whenua he taonga tuku iho e tino whakaaro nuitia ana e te iwi Māori, ā, nā tērā he whakahau kia mau tonu taua whenua ki te iwi nōna, ki ō rātou whānau, hapū hoki, a, a ki te whakangungu i ngā wāhi tapu hei whakamāmā i te nohotanga, i te whakahaeretanga, i te whakamahitanga o taua whenua hei painga mō te hunga nōna, mō ō rātou whānau, hapū hoki: ā, nā te mea e tika ana kia tū tonu he Kooti, ā, kia whakatakotia he tikanga hei āwhina i te iwi Māori kia taea ai ēnei kaupapa te whakatinana.

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

Council supports the principles of the Te Ture Whenua Māori Act 1993 Preamble:

- recognising that land is a taonga tuku iho of special significance to Māori people
- to promote the retention of that land in the hands of its owners, their whānau, and their hapū
- to protect wahi tapu
- to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and their hapū.

Council funds the Māori Outcomes team that supports the organisation to build cultural capability within Council and undertake Māori engagement through general rates. Council's rating and development contribution policies specify relief for the revenue sought on whenua Māori.

Overall funding consideration

Section 101(3)(b) requires Council to consider the overall impact of the allocation of liability for revenue needs on the current and future social, economic, cultural and well-being of the community. This allows Council, as a final measure, to modify the overall funding mix that would otherwise apply after detailed analysis undertaken as part of the Funding Needs Analysis required by s101(3)(a).

After considering the overall funding mix, the following adjustments have been made:

- Council recognises the importance of achieving the Everyday Funding Benchmark (referred to in more detail within the Financial Strategy), but also recognises that it will take time to address the current funding gap
- Council may review the level of the Uniform Annual General Charge (UAGC). This is a regressive tax by nature and may be used as a tool to help to address affordability concerns. Refer to the Rates Funding Impact Statement for further detail
- debt will be used to fund the Stormwater Activity for year one. Council has considered the impact on the community of the large general rates increase in year one. While additional funding is required to fund the Stormwater Activity, to avoid further rates increases this activity will be funded by debt in the short-term. Council considers this to be prudent in the short-term only, to ensure future ratepayers are not burdened. Targeted rates have been budgeted to fund this activity from year two of the Plan
- the existing Water Reserve will be used to provide additional funding for the Water Activity in years one and two of the Long Term Plan. This is a short-term approach to reduce the impact of further rates increases in the early years of the Plan. Council recognises that large water rates increases will be required for years three and four in order to ensure the activity has adequate funding to avoid significant debt accumulating by year ten, and has factored these increases into the Long Term Plan.

Funding needs analysis

Purpose and scope

The Funding Needs Analysis provides the background and analysis to explain the funding decisions made by the Council during the preparation of the Revenue and Financing Policy.

To comply with section 101(3) Council must determine the appropriate sources of funding for each activity. In determining this, Council must take into consideration the matters listed in s101(3)(a):

- a) The community outcomes s.101(3)(a)(i) to which the activity primarily contributes:
 - A thriving local identity:
 - thriving and safe communities
 - welcoming – respect, generosity and care
 - recognised as the best place to live work and play
 - protection of our natural environment balancing access with conservation.
 - A diverse and inclusive culture:
 - inclusiveness. Working together with shared visions
 - people feel safe
 - celebrate our diverse heritage and cultures
 - community events – sports, arts and cultural
 - A great place to call home:
 - roading that is durable and safe
 - housing and infrastructure to sustain and improve existing communities
 - diversity of transport options to improve connectivity
 - top class facilities to host arts, cultural and sporting events.
 - A sustainable and resilient future:
 - economic development and job creation
 - built in resilience and climate adaptation readiness
 - planned and balanced growth aligned with culture and values
 - innovative and collaborative.
- b) User/beneficiary pays principles.101(3)(a)(ii)
 - distribution of benefits between the community as a whole, identifiable groups within the community, and individuals i.e. private or public good principle.
- c) Inter-generational principle s.101(3)(a)(iii)
 - the period over which the benefits are expected to occur.

d) Exacerbator pays principle s.101(3)(a)(iv)

- the extent to which actions or inactions of individuals or groups contribute to the need to undertake the activity and the costs that occur as a result.

e) Costs and benefits of funding the activity s.101(3)(a)(v)

- costs and benefits including consequences for transparency and accountability, of funding the activity distinctly from other activities. i.e. user pays or targeted rates.

Under section 101(3)(b), Consideration then needs to be given to the overall impact of any allocation of liability for revenue needs on current and future social, economic, environmental, and cultural well-being of the community. This may result in an alteration of the results of the first step, with the funding option or the level of funding from any source altered to ensure that there are no barriers or disincentives and that an inequitable burden is not placed on any particular community sector or group.

This document supports the Revenue and Financing Policy and helps to illustrate the analysis Council has undertaken to determine the funding needs of an activity, and how that translates into Council's decision on the appropriate funding sources to be used.

Operating Expenditure

Operating expenses are for the day-to-day spending by Council delivering ongoing services and for the maintenance of Council's assets. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

Council must consider the funding for each activity in a way that relates exclusively to that activity. Various funding sources used to fund operating costs are detailed within the Revenue and Financing Policy.

The attached Funding Needs Analysis analyses each activity against the requirements of section 101(3)(a). This information is then used to create the Funding Bands included with the Revenue and Financing Policy.

Capital Expenditure

Capital costs are those costs associated with the purchase, construction and improvement of property, plant and equipment, and intangible assets, and for the repayment of debt.

Each funding source and how Council prefers to use that funding source for capital expenditure is described in detail in the Revenue and Financing Policy.

Whenever Council resolves to consider capital spend, it will consider the sources of funds available, the Revenue and Financing Policy, Funding Needs Analysis and section 101(3) to determine the appropriate funding sources for the project. Generally, Council will resolve the funding in setting the budget for the project at the time the project is proposed in an Annual Plan or Long-term Plan.

Funding sources and rationale

The Revenue and Financing Policy identifies which of the funding sources Council plans to use in budgeting to fund the operating costs of each activity. It is determined by Council after consideration of each clause of section 101(3)(a) as part of the Funding Needs Analysis.

The funding source for an activity may be modified by Council when it considers the requirements of section 101(3)(b). If this has occurred, it is considered as part of the overall funding considerations set out in the Revenue and Financing Policy.

This policy is intended to be in place for the next three years before it is reviewed and because things change over time, it is not possible to precisely determine the percentage allocated. For this reason, Council uses a percentage range or band for the funding allocation included within the Revenue and Financing Policy.

Budgets will normally be set within these ranges. These ranges are expressed as a percentage of the cost of the activity and are indicative only. They may change over time because of changes in expenditure and new funding sources.

Funding needs analysis by activity

2024-34 Long Term Plan Activity	Department/ Service	Description	Community Outcomes/ Wellbeings	Why do we do it?	Who benefits?	Period of benefit	Who's action or inactions contribute?	Assessment of overall impacts of allocation of revenue needs	Public/Private Benefit Split (Guidelines Only)		Operational Expenditure Funding Sources					
									Public	Private	User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates
Community Facilities and Services	Customer Services	Customer Services Contact Centre Customer Services Management Ruakākā Service Centre Clapham's Clocks Isite	A growing, resilient economy	Support the community with advice and information to live and grow in the District.	Residents, ratepayers and visitors.	Short to long term	Building industry, professional developers and property owners doing development. Council as a whole.		100%		0-20%					80-100%
Community Facilities and Services	Venues and Events	Event Operations Major Event Planning & Admin Venues and Events Department Operations V&C Marketing and Events	A growing, resilient economy	Provide suitable facilities and attract events which contribute to the vibrancy and economic wellbeing of the District.	Attendees; Businesses; Whole community	Short to long term	District growth increases the need for facilities. Community groups have limited access to suitable facilities at an affordable cost.	The users of facilities should meet the costs on a user pays basis. Any shortfall due to the facilities not being fully utilised should be met from rates.	60-100%	20-40%	0-20%		0-20%			80-100%
Community Facilities and Services	Community Led Projects	Community Led Projects	Vibrant and healthy Communities living in clean, healthy and valued environments	Encourage capacity and capability within communities to foster community led development themselves on a sustainable basis	Individual District communities	Medium to Long term	Council, external agencies and community groups themselves	Community development funds are set aside to provide funding for projects initiated by community groups as well as for the development of the community's capability itself. The aim is to support the capacity and capability of communities to become more self determining and self reliant in achieving positive outcomes they, as a community, identify and prioritise as important.	100%		0-20%		0-20%			80-100%
Community Facilities and Services	Civil Defence	Civil Defence Operations Fire Plan Civil Defence Event	Building resilient communities.	To save lives and empower our communities to get through CD emergencies effectively	The whole community, councils and the whole of New Zealand	Long term, decades/a lifetime	District and regional councils direct involvement under CDEM Act 2002. Council policies, employment contracts, performance agreements and rewards. Recognising and understanding legislative responsibilities. Emergency services, Lifelines utilities, welfare agencies and the community.	The contribution to CDEM should be from a regionally set rate to adequately fund the extensive CDEM professional services required across all councils and across the community. If this cannot be achieved then individual councils should be paying a set rate per head of population for professional emergency management services across its area. Population growth across the region and particularly the Whangārei District requires a much greater emergency management contribution.	100%			Potential				100%
Community Facilities and Services	Community Funding	Grants and Funding	Vibrant and healthy communities	Support for community groups encourages a sense of place or community belonging. It also allows for diversity and the promotion of heritage, cultural, and artistic activities and enables specific needs of community groups and their communities, across the District, to be addressed.	All users; whole community; visitors	Short to long term	Funds from this activity range from services Council may otherwise need to pay for through to 100% voluntary community events.	There is a whole community benefit to encourage community involvement.	100%			0-20%	0-20%			80-100%
Community Facilities and Services	Community Safety	Community Safety and Protection	Vibrant and healthy communities	Creates an environment where all community members, residents and visitors' right to feel safe and secure in their lives is maintained	Whole community	Short to long term	Community City Safe Ambassadors, Local Police, Volunteers and other agencies assist Council with being responsive to community issues as appropriate.	The safety and protection of all stakeholders is impacted by all members of society. Therefore this is a Whole of Community responsibility.	100%							80-100%

									Public/Private Benefit Split (Guidelines Only)		Operational Expenditure Funding Sources					
2024-34 Long Term Plan Activity	Department/ Service	Description	Community Outcomes/ Wellbeings	Why do we do it?	Who benefits?	Period of benefit	Who's action or inactions contribute?	Assessment of overall impacts of allocation of revenue needs	Public	Private	User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates
Community Facilities and Services	Community Development	Community Development Overheads Community Development Programmes	Vibrant and healthy communities	Creates an environment where all community members, residents and visitors' right to feel safe and secure in their lives is maintained	Whole community	Short to long term	Community City Safe Ambassadors, Local Police, Volunteers and other agencies assist Council with being responsive to community issues as appropriate.	The safety and protection of all stakeholders is impacted by all members of society. Therefore this is a Whole of Community responsibility.	100%							80-100%
Community Facilities and Services	Pensioner Housing	Pensioner Housing	Vibrant and healthy communities	Provision of subsidised, affordable housing, supports eligible elderly people to be healthy, active and independent.	Elderly; whole community	Short and long term	An increase in eligible elderly people may increase need, or reduce availability.	Those living in the facilities should pay rent to cover costs. Government assistance may be available for improvement projects.		100%				80-100%		0-20%
Community Facilities and Services	Libraries	Outreach Collection & Technical Services Community Libraries Central Library Rental Services Branch Libraries Mobile Library Library Overheads	Vibrant and healthy communities	Facilitates community access to literacy resources regardless of age, income, or ability and encourages life long learning.	There are three main activities: - Recreational, Educational, Informational. Users of the library gain a private benefit in that, with membership, they are able to access reading material. There is a wider community benefit in the provision of reading material, the availability of reference material and protection of heritage documents.	Library users; Whole community;	Facilities provide both short and long term benefits. Facilities such as library buildings accrue benefits to be enjoyed by future ratepayers as well	Books not returned mean others are disadvantaged. If lost, then replacements should be paid for. Follow recommended items per capita means population growth leads to increase in need.	80-95%	5-20%	0-20%		0-20%	0-20%		80-100%
Community Facilities and Services	Community Buildings	"Community Buildings and Spaces Residential/Other"	Vibrant and healthy communities	Support for community groups encourages a sense of place or community belonging and allows improved access to facilities and increased participation in activities. It also assists Council with developing a District that is inclusive of all residents and visitors.	Whole community	Short and long term	Various community groups that assist Council with being responsive to community issues.	Rent concessions or subsidised rent is provided for various community leases. This appears as rental income within this activity, but is funded with general rates as part of community development. Liaison with advisory groups ensures Council responds to a diversity of community needs through other levels of service (costs met by other activities of Council e.g. disabled carparks are provided by roading)	80%	20%				80-100%		0-20%
Parks and Recreation	Sport and Recreation Facilities	Sports Grounds Swimming Pools Overheads Sportsfields Overheads	Vibrant and healthy communities	Provision of good quality leisure facilities enables community participation and contributes to the health and wellbeing of residents.	Users of the sports and recreation facilities gain a private benefit. There is a wider community benefit in the provision of good quality facilities which encourage a more active lifestyle.	Users of facilities ; whole community; visitors	Facilities provide both short and long term benefits. Facilities accrue benefits to be enjoyed by future ratepayers as well	Population growth leading to increase in need. Space used for sports parks is no longer available for residential or commercial development	80%	20%	0-20%					80-100%
Parks and Recreation	Parks Reserves and Natural Areas	Tracks & Walkways Play Equipment & Skate Park Weeds and Noxious Control Sundry Leases Reserves General South Management Reserves Overheads City Parks and Gardens	Clean, healthy and valued environment	Helps preserve our natural and cultural heritage and provides opportunities for enjoyment of the outdoors.	Parks, Reserves and Natural areas provide open spaces which benefit all in the community. They encourage outdoor activities and protect the environment and biodiversity.	Whole community; Visitors	Facilities provide both short and long term benefits. Facilities accrue benefits to be enjoyed by future ratepayers as well	Population growth leading to increase in need	100%				0-20%			80-100%

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									Public	Private	User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates	
Parks and Recreation	Play areas, Walking Trails, Coastal	Parks & Recreation Projects Major Grants – Parks Parks & Recreation Overhead Expenses Conservatory Street Trees Town Basin Gardens	Vibrant and healthy communities	Encourages active participation in outdoor activities and provides access to our marine environment.	All users; Whole community; Visitors	Facilities provide both short and long term benefits. Facilities accrue benefits to be enjoyed by future ratepayers as well	Population growth leading to increase in need	Users of these facilities could be charged to use them, although the costs of collection may be in excess of the revenue gained. The benefits of provision of free facilities encourage their use. Some coastal structures in high demand areas may control the use.	100%					0-20%			80-100%
Parks and Recreation	Cemeteries and Crematorium	Parks Cemetery Services Parks Crematorium Services Cemeteries & Crematorium overheads	Clean, healthy and valued environment	Ensuring suitable facilities for burials and cremations which allow families to celebrate life and mark death in accordance with their cultural beliefs.	Relatives and Friends of deceased; Whole community	Facilities provide both short and long term benefits. Facilities provide future generations knowledge of their heritage – a place of permanent memorialisation.	Legislation control burial/cremation requirements. Population growth leading to increase in need.	Cost of funerals should be met by the families of the deceased. Ratepayers pay for the upkeep of closed or historic facilities. There is a wider community benefit in the provision of facilities both now and in the future.	20-40%	60-80%	40-60%			0-20%			40-60%
Parks and Recreation	Public Toilets	Public Toilets	Clean, healthy and valued environment	Provision of facilities for residents, visitors and tourists contributes to health and safety, and encourages and enhances tourism and outdoor activities	Whole community; visitors;	Short and long term	Increased visitor numbers increases need; Our communities demand for improved environmental outcomes	The ability to recover costs via a user charge are limited. The facilities are freely available and provide a benefit to the whole community and should be funded by rates	100%								80-100%
Planning and Regulatory Services	District Plan Development	District Plan	Well managed growth	To meet statutory obligations under the Resource Management Act 1991 (RMA) whilst delivering appropriate planning outcomes and environmental regulations to meet the needs and aspirations of our District.	Whole community, including residents, businesses, stakeholders, iwi/ hapū;	Short and long term	This work allows Council to encourage sustainable development by stimulating growth in certain areas and limiting growth in others.	As Whangārei continues to grow it is important that we appropriately manage the District's resources. Council's District planning function delivers planning outcomes and environmental regulation through the Resource management Act 1991 (RMA). Our District Plan manages how and where our District develops. It is therefore essential to ensuring our District is inclusive, resilient and sustainable through good design and protecting our valuable natural environment. This also enables us to be compliant with RMA.	100%		0-20%						80-100%
		Private Plan Changes		Under the RMA we responsible for considering developer led applications for private plan changes.	Developers and in some cases the wider community, including residents, businesses, stakeholders, iwi/ hapū;	Short and long term	This work allow Council to encourage sustainable development by stimulating growth in certain areas and limiting growth in others.	Where we accept applications for private plan change, we are required to process them in accordance with the RMA. The actual and reasonable cost of processing these applications is funded by the Applicant to the decision point. Where an approved plan change is appealed, the Council costs of defending the plan change or mediating an agreed outcome as required by the RMA may need to be covered by rates revenue.		100%	100%						
Planning and Regulatory Services	Health and Bylaws	Food Premises	Vibrant and healthy communities	Protect, promote and ensure public health and safety by the issue and monitoring of licences of food and other premises, testing and health of bathing water and notification of infectious diseases	Licensed premises primarily; Whole community; Visitors;	Short term	No legal sanction to recover some costs (e.g. infectious diseases).	There is a benefit to those running eating establishments and the costs of licences should mostly be met by them. There is also a health benefit to whole community to know which premises meet standards, and in the prevention of illness. Bathing water monitoring ensures safety of beach goers, and notification of infectious diseases minimises the negative effects on the community.	50%	50%	40-60%						40-60%
Planning and Regulatory Services	Health and Bylaws	Water Quality Other Premises	Vibrant and healthy communities	Protect, promote and ensure public health and safety by the issue and monitoring of licences of food and other premises, testing and health of bathing water and notification of infectious diseases.	Licensed premises primarily; Whole community; Visitors;	Short term	No legal sanction to recover some costs (e.g. infectious diseases).	There is a benefit to those running eating establishments and the costs of licences should mostly be met by them. There is also a health benefit to whole community to know which premises meet standards, and in the prevention of illness. Bathing water monitoring ensures safety of beach goers, and notification of infectious diseases minimises the negative effects on the community.			0-20%	Potential to be used					80-100%

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									Public	Private	User Fees	Subsidies/grants etc.	Other	Rental Income	Targeted Rates	General Rates
Planning and Regulatory Services	Alcohol licensing	Liquor Applications Operating	Vibrant and healthy communities	Promoting responsible consumption of alcohol and ensure public health and safety by the issue and monitoring of licences.	Licensed premises primarily; Whole community; Visitors;	Short and long term	Requirements and negative effects controlled by Sale of Liquor Act. Charges controlled by the Sale of Liquor Act. Without licenses premises cannot operate.	There is a benefit to licensed premises in ensuring controls are met. Managers need to be trained as well as premises licensed. There is also a benefit to users of those premises in knowing responsible consumption of alcohol will be promoted. There is also a wider community benefit in controlling the negative aspects of alcohol consumption.	20%	80%	80-100%					0-20%
Planning and Regulatory Services	Noise Management	Noise Control	Vibrant and healthy communities	Providing our communities enhanced wellbeing by controlling excessive noise	Whole community, Visitors;	Short term	Offenders determine need to undertake enforcement actions	Noise creates a nuisance and the costs of monitoring and investigation should be met by the offenders. There is a benefit to the community by controlling noise.	100%				0-20%			80-100%
Planning and Regulatory Services	Animal Management	Dog Control Operating Stock Control	Well managed growth	Providing our communities a safe and desirable place to live by controlling the impact of animals.	Animal owners; Whole community, Visitors;	Short term	Dog owners create need and legislation requires registration. Owners of dogs not registered should be penalised	Animal owners create the need and should pay the costs. There is a benefit to the community by controlling animals and their negative impact. Improves safety by ensuring dangerous dogs are controlled. Where animals are unregistered they should be impounded, destroyed if not claimed and owners penalised where identified	20%	80%	60-80%		0-20%			20-40%
Planning and Regulatory Services	Parking Enforcement	Parking Enforcement Operating	Well managed growth	Supporting business by ensuring parking resources are managed efficiently, traffic flows smoothly during peak periods and accessibility is enhanced to disadvantaged groups.	Parking users; Whole community, Visitors;	Short term	Offenders increase costs, carpark overstayers prevent use by others.	Aligns with the provision of carparking activity. Users pay for parking for a limited time and to ensure adequate availability should be penalised for staying longer than allowed or paid for. Ensures bus stops, taxi stops and road access are kept clear and minimises congestion at peak times by policing clear ways. Ensures convenient short term parking for delivery of goods to businesses is used appropriately. Offenders are fined for non-compliance with bylaws, and costs may be recoverable from third parties (e.g. towing firms).		100%			80-100%			
Planning and Regulatory Services	Warrant of Fitness Enforcement	WoF/REGO Infringements	Easy and Safe to move around	Supporting police enforcement by ensuring compliance with legislative requirements for warranting and registration of vehicles. Done in conjunction with parking activity as an efficient method of inspection	Whole community,	Short term	Offenders may drive vehicles which are a safety risk to themselves or to others. Registration costs contribute to insurance and ACC activities	Aligns with the enforcement of carparking activity. Marginal costs of inspection in addition to enforcement of parking are minimal.		100%			80-100%			
Planning and Regulatory Services	Bylaws	Bylaws	Well managed growth	Providing our communities a desirable place to live by setting and monitoring standards which either control negative impacts of activities on others or provide benefits to disadvantaged groups.	Whole community	Short term		Bylaws are used to control and manage a wide range of activities. They are used to provide benefits to particular sectors or to ensure equal access to all. Examples include provision of free parking for elderly to prevention of selling cars in public car parks. The option of cost recovery from user pays would negate the benefits envisaged. However there may be charges or costs for non-compliance (e.g. cars towed). The costs of bylaws should be met from general rate funding	100%				0-20%			80-100%
Planning and Regulatory Services	Building Consent	Building Approvals & Compliance OH Inspections PIMS & LIMS Consenting Building Support Leaky Buildings Swimming Pool Inspections	Well managed growth	Ensures all buildings constructed are fit for their purpose over the long term. This is achieved by processing of building consents in accordance with legislation and plan rules and by ensuring public safety of commercial buildings.	Applicants primarily; Property purchasers (LIM); Whole community	Short and long term benefit to the applicant. Long term benefit to the whole community in the control of negative effects.	Individuals and groups wanting building consents. Negative effects controlled by the Building Act	The total costs of the applications should be met from applicants. The availability of property and building information can be charged to those who wish to access it. There is a benefit to community in ensuring buildings are built in accordance with regulations. Provision of advice as to building requirements is difficult to charge and has an educational benefit.	0-20%	80-100%	60-80%					20-40%

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									Public/Private Benefit Split (Guidelines Only)		User Fees	Subsidies/ grants etc.	Other	Rental Income	Targeted Rates	General Rates
Planning and Regulatory Services	Building and Environmental Monitoring	Building Complaints – Regulatory	Well managed growth	Providing our communities a desirable place to live by setting rules and monitoring standards which control negative impacts of activities on others	Home owners and buyers; Consent holders; neighbours; whole community	Short term	Need to ensure consent conditions complied with. Offenders increase costs.	Consents have conditions which minimise the impact on others so the costs of ensuring compliance should be met by the applicants. Offenders should meet the costs of investigation into compliance.		100%						80-100%
Planning and Regulatory Services	RMA Compliance	RMA Compliance	Well managed growth	Promotes and implements the objectives of the District Plan. This is achieved by processing of subdivision and land use consents, and granting of permissions in accordance with legislation and plan rules.	Applicants primarily; Whole community. Includes non-coverable RMA activity	Short and potentially long term benefit to the applicant and future owners. Long term benefit to the whole community through sustainably managing the District's resources	Individuals and groups wanting resource consents create the need for the activity.	The total cost of processing applications should be met by applicants on a users pays basis. Any appeals to decisions are not usually recoverable (at the current time). Providing advice and guidance to ratepayers and developers about land development and District Plan matters is a public good and should not be charged on a user pays basis.	35%	65%	0-20%		0-20%			60-80%
Solid waste	Rubbish/Recycling Collection and Disposal	Transfer Station Income Refuse Revenue Collection Transfer Station Operations Recycling Land Fill Care Expenses Solid Waste Overheads	Vibrant and healthy communities	Refuse collection and disposal minimises the negative impact of people on the environment and contributes to the health and safety of our communities.	Properties serviced; Whole communities	Short and long term	Negative impacts on environment from operation of landfills, noise and heavy traffic from movement of waste	Serviced properties pay via a user charge for each rubbish bag collected. To encourage recycling, a bin is provided at no cost as there is a wider benefit in reducing the amount of waste sent to landfills. Use of transfer stations is chargeable to the user based on the volume of waste disposed.	60-80%	20-40%	20-40%	Potential to be used	0-20%			60-80%
Solid waste	Clean District and Waste Minimisation	Clean District and Waste Minimisation	Clean, healthy and valued environment	Encouraging waste minimisation reduces the cost of collection and disposal and the negative impact of waste on our environment	Whole community;	Short and long term	Growth in population increases amount of waste; landfills have limited life. Changing Government requirements contribute to the need.	Waste minimisation levies collected from the disposal of waste are available from central government. Funding received from the Northland Regional Landfill Limited Partnership is also used to fund the Solid Waste activity	100%				80-100%			
Solid waste	Litter Control	Litter Control	Clean, healthy and valued environment	Provision and collection of public rubbish bins encourages the appropriate disposal of litter protecting the natural environment.	Whole community; visitors;	Short and long term	Offenders increase costs and negative impacts on the environment.	There is no viable method of charging for litter control. The costs of this activity benefit the whole community and costs should be paid from rates. Offenders caught littering should be fined to discourage negative behaviours.	100%			Potential to be used	0-20%			80-100%
Transportation	Road Network (transport)	Sealed Pavements Unsealed Pavements Routine Drainage Road Environment Traffic Services Roading Structures Emergency Works Network and Asset Management Community Road Safety SSBU Business Unit Roading Department Operations	Efficient and resilient core services	Allows for easy movement of people and goods which is essential to the enjoyment and economic growth of our community. This is achieved by the provision of an integrated, safe, responsive and sustainable roading network which is provided in conjunction with the NZ Transport Agency	All road users; whole community; visitors	Roads provide both short and long term benefits.	Developers provide new roads as part of subdivision process thus increasing demand on existing roads; Negative impacts from noise, air and stormwater pollution; Loss of amenity value and biodiversity. Heavy vehicles impose greater impact on wear and tear	Government maintains State Highways and provides about 50%-60% funding from taxes via Subsidies for both operational maintenance and capital expenditure. This portion represents the benefit the whole Country gets from roading. The balance is payable by ratepayers. Where there is a greater impact on roads from a particular sector, they should pay for the added costs (for example - Forestry). Where a road is improved, there is a benefit to all users, whether they have paid for the improvement or not.	40-60%	40-60%		20-40%	0-20%	0-20%		40-60%
		Private Works								100%	100%					

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Transportation	Carparking	Parking	Efficient and resilient core services	Provision of Carparking supports the local business community and encourages economic growth. The provision and control of parking close to destinations provides access and mobility to the disabled and elderly.	Residents; businesses; disabled and elderly	Parking provides both short and long term benefits.	Businesses may be required to provide own parking facilities; Parking is controlled by time limits and fines	The availability of carparking enables concentration of business activities. It is relatively easy to charge users and maximises the use of resources.	0-20%	80-100%	80-100%			0-20%		
Transportation	Footpaths	Footpaths	Efficient and resilient core services	Good footpaths improve safety and movement within our communities by providing a separation between vehicles and people. It encourages walking and provides safe and enhanced mobility for disabled and elderly	Residents; Individual property owners; disabled and elderly; youth; whole community	Footpaths provide both short and long term benefits	Developers provide new footpaths as part of subdivision process; Demand from schools for safe access to and from school	Footpaths provide safe access where provided but there is no mechanism to charge for use. The cost of new footpaths should be met by the developer (and ultimately the purchasers of the sections). The ongoing maintenance should be met by ratepayers	100%			Potential				80-100%
Governance and Strategy	District Development	Economic Development Promotions Initiatives District Development	A growing, resilient economy	Encourage economic growth and awareness of our District	Businesses; Whole community	Short to long term	Destination Northland promotions/events in neighbouring districts. Economic development activities by other District Council and the Regional Council	It is not always possible to on charge the costs to those the benefit directly, and it may not be desirable to do so. The activities undertaken may have a short term benefit, but overall, and in combination with each other should contribute to the long term economic resilience of the District.	100%							80-100%
Governance and Strategy	Property	Commercial Leases Ground Leases Commercial Property Operations Forestry Ruatangata Properties Property Portfolio Operations	A growing, resilient economy	Invest in assets which provide strategic growth opportunities or suitable investment returns	Tenants; Whole community	Short and long term		Returns on properties (rents) should make the activity self funding. Any surplus can be used to reduce the rating burden.		80-100%				80-100%		
		Marinas	Well managed growth	Asset management of a resource benefiting the community	Locals and visitors.	Long term.	Marina trusts.	Minimal expenses are incurred						0-20%		80-100%
		Airport	Well managed growth	Asset management of a resource benefiting the community connecting to the rest of New Zealand for the region. Collaboration with Central Government	Locals and visitors.	Long term.	Ministry of transport and Airport Authority.	Airport funds itself through the reserve but capital requirements may need funding from the joint venture partners.	80-100%	0-20%						80-100%
Governance and Strategy	Strategy, Democracy & Assurance	Strategy Strategy & Democracy Overheads EM Expenses, Meetings & Hearings Elections AP/LTP Engagement and Audit Democracy and Assurance Overheads Mayoralty Overheads	A growing, resilient economy and well managed growth	Provide direction to Council.	Whole community	Short and long term	Council and the community.	100%				0-20%			80-100%	

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Governance and Strategy	Iwi Liaison	Māori Outcomes Te Kārearea Standing Committee Te Huinga Hapū Forum	Proud to be local/ Cultural wellbeing	Form partnerships with Māori to enhance and recognise the cultural heritage of local Iwi.	Whole community	Short and long term		Long term relationships with Iwi benefit the whole community. As treaty negotiations are settled in the North, they will become a large economic force in the District. The promotion of Māori culture has the potential to provide employment opportunities. As the benefit will be to the whole community it should be funded from general rates.	100%								80-100%
Flood Control	Flood Control (Hikurangi Swamp)	Hikurangi Swamp -Major Scheme Maintenance Hikurangi Swamp - Drainage Maintenance Hikurangi District Overheads	A growing resilient economy	Specific scheme which protects defined property from flood events and enables economic use of the land.	Properties in defined area of benefit	Short and long term	Resource consent conditions. Legislated rating structure	Properties that benefit from the scheme pay the costs. Those that have the greatest benefit should pay the most.		100%							80-100%
Stormwater	Stormwater	Stormwater Overheads Stormwater Rates Revenue Stormwater Operations Piped systems - Maintenance	Well managed growth	Provides flood protection for public and private assets and enables urban population growth. Minimises the environmental impact of storm events	Whole community	Short and long term	Intensive development such as City Centre. Pollution effects from runoff (traps etc.) Urban is reticulated Rural utilises drains - Requires weed clearance	There are no easily identifiable parties from which costs can be recovered via a user charge. The control of negative impacts from stormwater such as flooding benefit those in low lying areas such as the City Centre. Development in the surrounding areas contributes to the impact in those areas and there is a wider community benefit in stormwater control. The costs of adequate stormwater control in new subdivisions is met by the developer and assets vested in Council	80%	20%		Potential	Potential			80-100%	Potential
Coastal Systems and Flood Management	Coastal Systems and Flood Management	Coastal Systems Flood Management Stormwater	Well managed growth	Provides flood protection for public and private assets and enables urban population growth. Minimises the environmental impact of storm events	Whole community	Short and long term	Intensive development such as City Centre. Pollution effects from runoff (traps etc.) Urban is reticulated Rural utilises drains - Requires weed clearance	There are no easily identifiable parties from which costs can be recovered via a user charge. The control of negative impacts from stormwater such as flooding benefit those in low lying areas such as the City Centre. Development in the surrounding areas contributes to the impact in those areas and there is a wider community benefit in stormwater control. The costs of adequate stormwater control in new subdivisions is met by the developer and assets vested in Council	80%	20%		Potential				Potential	100%
Water	Potable Water	Operations Pumps and Flow Control Dam Maintenance Management Services Maintenance Distribution Flow Measurement Reservoirs Distribution Water Services Overhead Expenses	Efficient and resilient core services	Supports good health and living standards by providing clean and safe water delivered directly to residents and businesses in our serviced communities. Adequate water is available to meet fire fighting requirements	Users of the public water supply system	Short and long term	Developments with a large need for water; Rural properties during periods of drought; Provision provided but no connection	Water users should pay on a user pays basis via water metering. A fixed fee charged for the provision of a connection so the costs of supplying and reading meters is met whether there is any water consumption or not. Those using water without a meter should pay an average consumption rate. Facilities to collect water for delivery to unconnected properties should be provided.	90-100%	0-10%	0-20%	Potential				80-100%	
Wastewater	Waste and Drainage	Plant Operation Laboratory Reticulation Operations Rehabilitation Pump Stations Wastewater Management Overheads	Vibrant and healthy communities	The efficient collection, treatment and disposal of wastewater are essential to the health and safety of serviced communities. This is achieved by the provision of a reliable wastewater network which protects our natural environment, and enables population growth.	Users connected to wastewater system; Whole community	Short and long term	Population growth increases need. Our communities demand for improved environmental outcomes	Connected users should pay for their use of the system. However there is a wider benefit in ensuring the system is not causing negative environmental effects. Systems are required where there is intensive housing and/or the environment is sensitive to impacts of on site disposal (e.g. coastal communities)	90-100%	0-10%	0-20%	Potential	0-20%			80-100%	



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