

A vertical branch with green buds against a blue background with a faint leaf graphic.

PROGRESS PAPA KURA

VOLUME FOUR - POLICIES & SUPPORTING DOCUMENTS

Papakura District Council Long Term Council Community Plan 2006 - 2016



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Overview

This Volume contains Council's funding and financial policies, the policy on determining significance and the steps Council is taking to foster the development of Maori capacity to contribute to decision-making processes. It also contains a summary of Council's assessment of water and sanitary services and the waste management plan.

All of these matters were presented for consultation; however, some matters had either no change or very minor change. An explanation of each matter's status and, where appropriate, the main changes to these matters is summarized in this overview.

Significance Policy

The significance policy has had minor editorial changes made as well as updating to reflect changes in the situation (e.g. Council's shares in Auckland Regional Transport Limited have been deleted as they have been redeemed). Otherwise, the policy is essentially the same as that which was adopted through the LTCCP 2004-14.

Policy on Partnerships with the Private Sector

This policy is unchanged from the policy adopted through the LTCCP 2004-14.

Development Contributions Policy

The Development Contributions Policy (DCP) was first adopted by Council in June 2003. It has been updated each year to reflect changes to the capital works programme. This year, the policy has been changed for reasons of workability and to ensure there is overall fairness and consistency. The changes are in the areas of:

- Interest
- Clarification of the scope of the DCP
- Period of validity for assessments of contribution rates
- Credits for existing development
- Powers to delegate review, remission and postponement
- Definitions
- Catchment boundaries, and
- Demand factors used in the assessment of demand for commercial and mixed-use development.

The capital works programme and the growth projections have also been updated.

Overview

Revenue and Financing Policy

This policy has been completely reviewed to reflect the changes in expectation set in the Local Government Act 2002. The detailed changes to the policy are set out throughout the policy. These changes are also brought together in a table setting out the differences which starts on Page 48.

While there is considerable change at a detailed level, most of this change simply confirms longstanding policy or practice or provides clarity. The major substantive change is to fully fund depreciation on a range of assets that have not previously been funded. The policy also incorporates Council's decision to move to user pays funding of the domestic refuse collection which was the subject of specific consultation through the 2005-06 Annual Plan process.

Funding Impact Statement and Rating Policy

The rating policy has been fully reviewed and a number of fundamental changes made. Council has also indicated its longer term intentions with some elements of the rating policy e.g. the timescale over which some current inconsistencies will be eliminated. The following is a summary of the main changes to rating policy:

- a) The Waste Management / Refuse Uniform Annual Charge (UAC) is discontinued following the introduction of direct charging for refuse collection services
- b) The Uniform Annual General Charge (UAGC) will be set for 2006/2007 at a level to provide 22% of Councils overall rates requirement, incrementing by 0.5% annually in subsequent years (eg. 22.5% in 2007/2008).
- c) Auckland War Memorial Museum and Museum of Transport and Technology Targeted rates will be levied at a uniform rate in the dollar on a Capital Value basis. This is similar to the manner in which these levies are calculated and charged to the District.
- d) Properties previously rated within the Residential (Outer) group will now be included within the Residential rating group.
- e) Properties used for residential purposes but located within business zones will now be rated directly at a rate equivalent to the Residential rate rather than requiring a rates remission to effect this adjustment.
- f) Continuing the process commenced in previous years of better alignment between rates costs and benefits received (while also taking into account other factors such as ability to pay) , the share of total rates paid by business ratepayers will be progressively reduced. This is implemented by way of an annual decrease in the business differential factor of 0.05 annually.
- g) For Rural properties the base differential factor will be progressively increased from 60% to 80% of the Residential rate over the 10 years covered by the plan. The level of the step differential rate relative to the residential rate will remain unchanged. This change is to achieve

closer equity between the rating of the domestic use component of rural properties and urban residential properties and will also more closely align rates charges with benefits received.

- h) The rating of the Drury Business Group is to be aligned with that of the General Business Group over a period of three years with the groups being merged from the 2008/2009 year.
- i) The differential factor applying to commercial activities rated within the Business in Residential Zones will be increased from 45% to 75% of the general business rate over 10 years.
- j) A new rating group, Business in Rural Zones, will be introduced in 2007/2008 and apply to those sites carrying out activities which would require land use consent under the district plan. This group will be rated at the same level as the Business in Residential Zones group.
- k) The early payment discount available where annual rates are paid in full will now apply if payment is made by the 1st instalment due date. In recognition of the requirement to pay earlier the discount percentage will be increased to 5%. The discount rate is subject to annual review based on prevailing market interest rates.

Remission and Postponement of Rates Policies

The policies relating to the remission and postponement of rates have been reviewed and a number of changes have been made that are generally for the purpose of enhancing effectiveness of achieving the objectives of each policy. The main areas of change are in relation to:

- remissions of rates for community, sporting and other (community) organisations – this policy is to be deleted with qualifying organisations being eligible for consideration of relief through Council’s community grants scheme;
- several changes where the approach to rating has removed the need for any provision for remission or postponement, and
- amendments to increase the range of circumstances where forgiveness of penalties might apply.

Treasury Policy

Council’s Treasury Management policies have been reviewed to assess their relevance to the current environment and in particular in relation to the predicted scenario in the next ten years of the LTCCP. Central to the review was the analysis of Council’s funding and financing requirements in relation to the capital investment needs for a district facing above average growth.

Overview

The key changes made are about ensuring the limits contained in the policy remain appropriate. This is through the mechanism of allowing Council to consider the limits appropriate for its financing requirements on an annual basis.

Processes for Māori to Contribute to the Decision Making Processes of Council

This section sets out Council's current practice and future intentions.

Summary Assessment of Water and Sanitary Services

Council's assessments of Water and Sanitary Services were completed, subject to consultation and published in June 2005. The summary of the assessments, included in this LTCCP, has not been updated.

Waste Management Plan

Council's Waste Management Plan was completed, subject to consultation and published in June 2003. This plan is due to be reviewed next year and has not yet been updated.

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As a requirement of the Local Government Act 2002, this document has been audited by Audit New Zealand. Their full opinion can be found on page 6 in Volume Two of Progress Papakura.

Significance Policy

BACKGROUND

The issue of “Significance” is given considerable prominence in the Local Government Act 2002, (the Act). There are definitions of “significance” and “significant” in the Act and Councils must have a “policy on significance” adopted using the Special Consultative Procedure. These definitions and the requirements as set out in s90 and s278 of the Act are attached as Appendix 1.

Once a decision is determined to be “significant”, particular aspects of the “Decision Making” provisions come into play. In general, the more “significant” the decision is deemed to be, the greater the extent to which the decision making process should be transparent. “Significant” decisions should be made after consideration of the options related to the decision, the benefits and costs of the decision and the views of those affected by, or interested in the issue requiring decision. The “decision making” provisions are attached, for completeness, as Appendix 2.

POLICY - PART 1:

Papakura District Council General approach to determining which proposals and decisions are significant (s.90(1)(a).

When determining the question of the significance of proposals and decisions in relation to issues, assets or other matters the Council will consider such an issue, asset or matter to be significant where:

- The consequences or impacts of the issue, assets, or other matters, including cultural consequences or impacts, affect a large number of residents and ratepayers to a moderate extent; or
- The consequences or impacts of the issue, assets, or other matters, including cultural consequences or impacts, affect a small number of residents and ratepayers to a large extent; or
- The issue, asset, or other matters have a history of generating wide public interest within Papakura District, the Auckland Region or New Zealand generally; or
- The issue, asset, or other matters have a large impact on the environment, the economy or the social or cultural wellbeing of Papakura District; or
- The issue, asset or other matters are expected to have a large financial impact on Council or the community; or
- The issue, asset or other matters are expected to have a large resource impact on Council (e.g. staff levels); or
- The issue, asset or other matters are expected to have a large impact on or make a large contribution to the achievement of community outcomes (as identified in the Long Term Council Community Plan).

POLICY - PART 2:

Thresholds, criteria & processes for determining which proposals and decisions are significant (s.90(1)(b)).

When undertaking a process to determine the extent to which issues, proposals, decisions or other matters are significant, Papakura District Council will use the following thresholds, criteria and procedures:

Thresholds and criteria:

The following thresholds and criteria apply when the decision making to which they apply occurs outside the LTCCP process.

- Issues, assets, or other matters that incur more than \$1 million of expenditure for any single project or programme, whether over one or several years; or
- Issues, assets, or other matters that cause a change to overall staffing levels of 10%; or
- Any transfer of ownership or control, or the construction, replacement or abandonment, of a strategic asset as defined by the Act or listed in this policy; or
- The sale or other transfer of ownership of the controlling portion of Council's shareholding in any council controlled trading organisation, or council controlled organisation; or
- A decision that will, directly or indirectly, significantly affect the capacity of the Council to carry out any activity that makes a large contribution to community outcomes identified in the Long-Term Council Community Plan.

Procedures:

Procedure for determining significance

Council officers will provide advice to Council as follows:

- Identification of an issue, asset or other matter requiring a council decision;
- An assessment of significance, using the "PDC general approach to significance" and "Thresholds and criteria", set out above;

This advice will be followed by Council consideration and final decision making on

- i) whether the issue, asset or matter is one of significance and, where it is significant,
- ii) the appropriate level and type of disclosure and/or consultation.

Advice from council officers will, in normal circumstances, come through standard Council reports.

Significance Policy

PART 3: STRATEGIC ASSETS S 90(2)

Policy

The assets and groups of assets in terms of s.90(2) that Papakura District Council considers to be strategic are:

- Papakura District network of Housing for the Elderly;
- Papakura District roading network as a whole;
- Papakura District stormwater network as a whole;
- Papakura District wastewater network as a whole;
- Papakura District watersupply network as a whole;
- Papakura District Council's shareholding in Watercare Services Ltd;
- The network of parks and reserves listed and managed by Papakura District Council under the Reserves Act or zoned for recreational purposes;
- The land and buildings comprising the network of community centres, halls and libraries and other public convenience facilities in Papakura District;
- The land and buildings comprising the Aquatic Centre;
- The land and buildings comprising the Hawkins Centre;
- The network of parking in the Central Business District of Papakura and
- The land and buildings comprising the Papakura District Council cemeteries.

The owner's interest in housing for the elderly is required by law to be included as a strategic asset.

Papakura District Council considers all strategic asset classes listed above as single whole assets. This is because the asset class as a whole delivers the service that contributes to the community outcome. Significant decisions arising from classification as a strategic asset therefore only concern the whole strategic asset class and not individual components, unless that component substantially affects the ability of the council to deliver the service, or would be deemed significant under the procedure outlined in 2 above.

The only assets that are considered to be Strategic Assets are those assets that are owned by the Council.

Papakura District Council does not consider the following types of assets to be Strategic Assets:

- land that is not listed as a Strategic Asset and that is surplus to Council requirements,
- land that has been purchased to support Council's strategic objectives and with the intention of eventually reselling or otherwise disposing of it.

Decisions about assets that are not listed as "strategic" in Part 3 may still be considered "significant" in accordance with Part 1 or 2 above. In addition, there will be an obligation for Council to consult on the disposal of land it considers to be surplus to Council requirements where such land has been acquired or used principally for community, recreational, environmental, cultural or spiritual purposes, in accordance with sec 138 of the Act.

APPENDIX 1

As set out in the Local Government Act 2002, significance means:

significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,—

- (a) the current and future social, economic, environmental, or cultural well-being of the district or region:
- (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:
- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

Policy on significance

- (1) Every local authority must adopt a policy setting out---
 - (a) that local authority's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters; and
 - (b) any thresholds, criteria, or procedures that are to be used by the local authority in assessing the extent to which issues, proposals, decisions, or other matters are significant.

- (2) The policy adopted under subsection (1) must list the assets considered by the local authority to be strategic assets.
- (3) A policy adopted under subsection (1) may be amended from time to time.
- (4) A local authority must use the special consultative procedure both in relation to---
 - (a) the adoption of a policy under subsection (1); and
 - (b) the amendment, under subsection (3), of a policy adopted under subsection (1).

S 278 First policy on significance

Every local authority that is in existence at the commencement of section 90 must, before the close of 30 June 2003, adopt under section 90(1) a policy on determining significance.

Significance Policy

APPENDIX 2

S76 Decision-making

- (1) Every decision made by a local authority must be made in accordance with such of the provisions of sections 77, 78, 80, 81, and 82 as are applicable.
- (2) Subsection (1) is subject, in relation to compliance with sections 77 and 78, to the judgments made by the local authority under section 79.
- (3) A local authority--
 - (a) must ensure that, subject to subsection (2), its decision-making processes promote compliance with subsection (1); and
 - (b) in the case of a significant decision, must ensure, before the decision is made, that subsection (1) has been appropriately observed.
- (4) For the avoidance of doubt, it is declared that, subject to subsection (2), subsection (1) applies to every decision made by or on behalf of a local authority, including a decision not to take any action.
- (5) Where a local authority is authorised or required to make a decision in the exercise of any power, authority, or jurisdiction given to it by this Act or any other enactment or by any bylaws, the provisions of subsections (1) to (4) and the provisions applied by those subsections, unless inconsistent with specific requirements of the Act, enactment, or bylaws under which the decision is to be made, apply in relation to the making of the decision.

- (6) This section and the sections applied by this section do not limit any duty or obligation imposed on a local authority by any other enactment.

S77 Requirements in relation to decisions

- (1) A local authority must, in the course of the decision-making process,--
 - (a) seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
 - (b) assess those options by considering---
 - (i) the benefits and costs of each option in terms of the present and future social, economic, environmental, and cultural well-being of the district or region; and
 - (ii) the extent to which community outcomes would be promoted or achieved in an integrated and efficient manner by each option; and
 - (iii) the impact of each option on the local authority's capacity to meet present and future needs in relation to any statutory responsibility of the local authority; and
 - (iv) any other matters that, in the opinion of the local authority, are relevant; and
 - (c) if any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.
- (2) This section is subject to section 79.

S78 Community views in relation to decisions

- (1) A local authority must, in the course of its decision-making process in relation to a matter, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter.
- (2) That consideration must be given at--
 - (a) the stage at which the problems and objectives related to the matter are defined:
 - (b) the stage at which the options that may be reasonably practicable options of achieving an objective are identified:
 - (c) the stage at which reasonably practicable options are assessed and proposals developed:
 - (d) the stage at which proposals of the kind described in paragraph (c) are adopted.
- (3) A local authority is not required by this section alone to undertake any consultation process or procedure.
- (4) This section is subject to section 79.

79 Compliance with procedures in relation to decisions

- (1) It is the responsibility of a local authority to make, in its discretion, judgments--
 - (a) about how to achieve compliance with sections 77 and 78 that is largely in proportion to the significance of the matters affected by the decision; and
 - (b) about, in particular,--
 - (i) the extent to which different options are to be identified and assessed; and
 - (ii) the degree to which benefits and costs are to be quantified; and
 - (iii) the extent and detail of the information to be considered; and
 - (iv) the extent and nature of any written record to be kept of the manner in which it has complied with those sections.
- (2) In making judgments under subsection (1), a local authority must have regard to the significance of all relevant matters and, in addition, to--
 - (a) the principles set out in section 14; and
 - (b) the extent of the local authority's resources; and
 - (c) the extent to which the nature of a decision, or the circumstances in which a decision is taken, allow the local authority scope and opportunity to consider a range of options or the views and preferences of other persons.

Significance Policy

S 80 Identification of inconsistent decisions

- (1) If a decision of a local authority is significantly inconsistent with, or is anticipated to have consequences that will be significantly inconsistent with, any policy adopted by the local authority or any plan required by this Act or any other enactment, the local authority must, when making the decision, clearly identify--
 - (a) the inconsistency; and
 - (b) the reasons for the inconsistency; and
 - (c) any intention of the local authority to amend the policy or plan to accommodate the decision.
- (2) Subsection (1) does not derogate from any other provision of this Act or of any other enactment.

Policy on Partnerships with Private Sector (PPP)

1. In accordance with Sections 201(1) and Sections 107 of the Local Government Act 2002 (Act), Papakura District Council has adopted and shall comply with this policy in relation to the partnerships with the private sector.
2. For the sake of clarity, partnership with the private sector means any arrangement or agreement that is entered into between the Papakura District Council and one or more persons or entities engaged in business; but does not include:
 - (a) any such arrangement or agreement to which the only parties are:
 - (i) local authorities; or
 - (ii) one or more local authorities and one or more council organisations; or
 - (b) a contract for the supply of any goods or services to, or on behalf of, a local authority.

In addition to the statutory definition, a contract for the supply of goods or services to, or on behalf of, Council, will be deemed to be a partnership with the private sector for the purposes of this policy, if it involves infrastructure and the collection of revenues by the private sector party.
3. Council recognises the value of forming partnerships with private sector entities and the assistance that these partnerships can provide in enhancing community well-being and achieving community outcomes.
4. Council will consider partnership arrangements with the private sector for the provision of infrastructure and/or services where such a partnership is likely to deliver on Council's strategic direction and the LTCCP with better value for money or enhanced community well-being based on cost, time, customer service, alignment with community desires and financial arrangements.
5. Without limiting the scope of Council commitment and by way of example, commitment of council resources to partnerships will generally be in the form of grant, loan, investment, or guarantee. The resources committed may be financial, or they may non-financial including but not limited to staff time, human capital, intellectual property, accommodation, office equipment or other Council assets.
6. The circumstances in which Council will provide funding or other resources to any form of partnership with the private sector will generally be some or all of the following:
 - (i) the core function or functions of the partnership are identified as satisfying a community need;
 - (ii) the partnership is structured so as to efficiently and effectively deliver enhanced service levels;
 - (iii) the partnership will be assessed against the public interest in terms of effectiveness, accountability and transparency, together with a consideration of equity for disadvantaged groups, public access, consumer law, and security and privacy rights.
7. Council will not be required, but may elect, to consult with the community in respect of any proposal to provide funding or other resources to any form of partnership with the private sector unless the partnership or the services provided related to a matter that is determined to be "significant" in terms of Council's policy on significance, in which case Council will consider the level and nature of consultation required to comply with that policy.

Partnerships with Private Sector (PPP)

8. Council may impose conditions before providing funding or other resources to any form of partnership with the private sector and these will generally include:
 - (i) an emphasis on transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentiality where appropriate;
 - (ii) risk allocation between the partners being clear and enforceable, with consequential financial outcomes. Council may require the partner to provide guarantees or other forms of financial security when loans or grants have been made to the partner;
 - (iii) clearly specified outputs including measurable performance standards;
 - (iv) responsibilities for the monitoring of outcomes to remain with Council;
 - (v) mechanisms for delivering ongoing value for money;
 - (vi) all private sector parties being fully accountable to Council for the delivery of their agreed contribution to the partnership.
9. Any risks associated with any such provision of funding or other resources shall be assessed and managed in the following manner:
 - (i) There will be a process of risk identification between the parties to the partnership
 - (ii) Council may wish to transfer risk to whoever is best able to manage it taking into account public interest considerations;
 - (iii) The party allocated risk shall have the freedom to choose how to handle and minimise any risk, with materiality being considered.
10. Reporting on the progress of the partnership with regards to the community outcomes and attainment of required performance standards will be required. The private sector partner will provide any required information for that purpose. The frequency of reporting will vary but will in no case be less than once a year. Transparency and disclosure of the processes and outcomes will be key elements in the design and operation of partnership arrangements.
11. The application of clauses 8 to 10 of this policy will be to a level of detail and certainty, as determined by Council, commensurate with the resources committed by Council to the partnership and the likely costs and benefits of further detail and certainty.

APPENDIX 1

S107 Policy on partnerships with private sector

- (1) A policy adopted under section 102(4)(e) -
 - (a) must state the local authority's policies in respect of the commitment of local authority resources to partnerships between the local authority and the private sector; and
 - (b) must include -
 - (i) the circumstances (if any) in which the local authority will provide funding or other resources to any form of partnership with the private sector, whether by way of grant, loan, or investment, or by way of acting as a guarantor for any such partnership; and
 - (ii) what consultation the local authority will undertake in respect of any proposal to provide funding or other resources to any form of partnership with the private sector; and
 - (iii) what conditions, if any, the local authority will impose before providing funding or other resources to any form of partnership with the private sector; and
 - (iv) an outline of how risks associated with any such provision of funding or other resources are assessed and managed; and
 - (v) an outline of the procedures by which any such provision of funding or other resources will be monitored and reported on to the local authority; and
 - (vi) an outline of how the local authority will assess, monitor, and report on the extent to which community outcomes are furthered by any provision of funding or other resources or a partnership with the private sector.
2. In this section, partnership with the private sector means any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business; but does not include -
 - (a) any such arrangement or agreement to which the only parties are -
 - (i) local authorities; or
 - (ii) one or more local authorities and one or more council organisations; or
 - (b) a contract for the supply of any goods or services to, or on behalf of, a local authority.

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8.1 Introduction

- 8.1.1 Council may have a Development Contributions Policy as a component of its Funding and Financial Policies in its Long-Term Council Community Plan. The Development Contributions Policy allows Council to require a development contribution from developers where the effect of the development is to require new or additional assets or assets of increased capacity for which Council must incur (or has already incurred) capital expenditure to provide for community facilities.
- 8.1.3 The Development Contributions Policy 2006 will apply to developments where applications for resource consents (land-use and subdivision consents), building consents, or authorisations for service connection are granted on or after 1 July 2006.
- 8.1.4 Council may require development contributions from development where the effect, including the cumulative effect of development, is to require new or additional assets or assets of increased capacity and, as a consequence, the Council incurs capital expenditure. This also includes capital expenditure Council has already incurred in anticipation of growth. The incurred capital expenditure itself must be to appropriately provide for community facilities, which are specifically in the case of Papakura District network infrastructure (stormwater and roading) and community infrastructure.
- 8.1.5 Funding Council's capital expenditure for growth with development contributions must be considered alongside Council's other funding tools, in order to provide predictability and certainty about the sources and levels of funding.

8.1.6 The Schedule to the Development Contributions Policy specifies:

- The development contributions required from development for capital expenditure for growth for stormwater, roading, community infrastructure, public transport and reserves activities.
- The event that will give rise to a requirement for a development contributions upon granting a resource consent, building consent, or authorisation for service connection.
- The conditions and criteria that apply on the requirement for development contributions.
- Statement on Goods and Services Tax (GST).

8.1.7 The Notes to the Contributions Model and the full Contributions Model (the methodology which demonstrates, explains, and justifies how calculations for the development contributions are made) is available for inspection at the Council Offices and Sir Edmund Hillary Library.

8.1.6 The Development Contributions Policy does not supersede the requirements for developments to avoid, remedy, or mitigate localised adverse effects as provided for in the District Plan, and the requirement to meet the standards and specifications in the District Development Code.

8.2 Relationship between “Development Contributions” and “Financial Contributions”

8.2.1 “Development Contributions” under the Local Government Act 2002 (LGA 2002) are different from “Financial Contributions” under the Resource Management Act 1991 (RMA 1991).

Development Contributions

8.2.2 Development contributions may be required from development to meet the capital expenditure for community facilities resulting from growth, in accordance with the capital expenditure programme. Financial contributions may also be required from development to avoid, remedy, or mitigate the localised adverse effects of the development on the environment.

8.2.3 Council already has in place financial contributions policies, objectives, and rules in the District Plan (refer to Operative Papakura District Plan: Part 10, Section 3 - Urban Papakura, Part 6; and Part 8, Section 2 - Rural Papakura).

8.2.4 However, the financial contributions policies, objectives, and rules in the District Plan do not provide for the capital expenditure for the growth allocated to the District under the Auckland Regional Growth Strategy, and Southern Sector Agreement over the next 20 years.

8.2.5 Neither do the financial contributions policies, objectives, and rules in the District Plan meet Council's funding and financial policy obligations with regards to the funding of capital expenditure for growth under the LGA 2002.

8.2.6 Council considers that the preparation of a Development Contributions Policy will fulfil both its growth management and funding and financial policy obligations better than the commencement of a Plan Change to the financial contributions policies, objectives, and rules in the District Plan.

8.2.7 Council has developed a comprehensive growth management strategy for the District in order to meet these growth management and funding and financial responsibilities by facilitating and where appropriate coordinating development, and providing infrastructure in a timely and affordable manner so:

- That growth within Papakura will take place in Papakura Central, Takanini, Hingaia, and Rural Papakura in a staged but simultaneous manner as detailed in the Southern Sector Agreement and Strategic Plan.
- That the capital expenditure for growth will be affordable for Council, community, and those undertaking developments.
- That as far as is practicable the growth will be financially self-supporting.

8.2.8 The Development Contributions Policy builds-on and complements the development agreements over greenfields growth areas in the District, but will apply to all areas of the District.

8.2.9 As such, development contributions will be required from development under the Development Contributions Policy to meet the growth component of the capital expenditure resulting from the following activities:

- Stormwater
- Rooding
- Community infrastructure
- Public transport

- 8.2.12 Council will not require a development contribution to the extent that:
1. it has required a financial contribution in relation to the same development for the same purpose, or
 2. where the developer will fund or otherwise provide the same community facilities (may require a Development Agreement with Council), or
 3. Council will receive funding for community facilities from third parties (for example, Land Transport New Zealand).

Council will not require a financial contribution to the extent that it has required a development contribution in relation to the same development for the same purpose.

8.3 Costs, Benefits, and Sustainable Development

- 8.3.1 Papakura is experiencing growth from both greenfields development and intensification. In March 2001, Council agreed to accommodate an additional 52,000 people (from an existing population of 42,000) people, over the next 50 years as part of the Auckland Regional Growth Strategy and Southern Sector Agreement.
- 8.3.2 This will place a significant strain on the stormwater, roading, community infrastructure, and public transport assets of the District if not well managed.
- 8.3.3 Council has used the Contributions Model to model the impact of growth on its future finances, and separated the costs of stormwater, roading, community infrastructure, and public transport capital works projects between capital expenditure for growth and improved levels of service.

- 8.3.4 Funding the capital expenditure for growth for stormwater, roading, community infrastructure, and public transport capital works projects from development contributions is considered transparent, consistent, and equitable by developers, the community and Council.

- 8.3.5 Council considers that requiring an appropriate level of development contributions from development, applied alongside other funding tools, is the best overall solution in achieving community outcomes, while balancing the costs and benefits in terms of funding between developers, the community and Council.

- 8.3.6 Providing appropriately for community facilities in anticipation of growth is a core Council obligation in the promotion of the social, economic, environmental wellbeing of the community, in the present and for the future. As such the Development Contributions Policy will provide predictability and certainty about the sources and levels of funding for the costs of growth, and continue to ensure the sustainable development of the District as a whole, without negatively impacting on growth.

8.4 Role of Council

- 8.4.1 Council considers its role in the provision of stormwater, roading, community infrastructure, and public transport activities as a part of its historic, growth management, and sustainable development obligations to the District, of which neither individuals, the community, the private sector, and central government can appropriately fulfill.

Development Contributions

8.4.2 Council is responsible because:

8.4.3 Legislative Requirement

Council has extensive powers, duties, and functions conferred upon it by central government providing both mandatory and discretionary responsibilities.

8.4.4 Growth Management

To manage the growth of the District in a timely, co-ordinated, cost-effective, and equitable manner.

8.4.5 To Ensure Public Access

These are activities Council has chosen to fund and/or provide to ensure they are available at reasonable cost and in the required quantity.

8.4.5 To Meet Community Expectation

Community expectation is measured through yearly Annual Plan processes, and annual performance measures such as random telephone and mail surveys to residents and ratepayers. These processes assist in Council's decision-making in relation to the provision of individual services. Community expectation will also be given effect through the preparation and subsequent reviews of the inaugural Long-Term Council Community Plan.

8.4.6 To Enhance Community Identity

When the Papakura District was formed this was recognition of the strength of community interest and the level of 'sense of belonging' within the community. Council has continued to strengthen the 'sense

of community' with a range of recreational facilities as well as national leadership in the way that services are being provided to the community.

8.4.7 As Part of Partnership with Central Government

Council is in partnership with Central Government in various ways and there are situations where Council has been able to assist at the local level.

8.4.8 No-one Else will Provide the Service

These are activities where, if Council were to stop providing a service no alternative provider would appear.

8.4.9 To Enhance Community Safety

Community safety applies to activities that relate to the protection of the community. In some instances, there is a statutory responsibility to provide this service but the level of service is higher than the statutory minimum requirements.

8.5 Distribution of Benefits

8.5.1 Council considers it appropriate that development contributions are required from development according to the distribution of benefits in the funding of capital expenditure for growth for stormwater, roading, community infrastructure, public transport and reserves from development contributions.

8.5.2 Council has allocated the distribution of benefits derived from the Additional Capacity / Growth component of capital works projects only among the units of demand generated by new development.

8.5.3 Distribution of benefits will occur on a District Wide basis or on a Catchment Basis.

8.5.4 District-Wide

Certain significant community infrastructure and public transport capital works projects have been identified as district-wide in distribution of benefits.

8.5.5 Stormwater Catchment

The stormwater catchments have been determined by geo-physical assessment to determine the boundaries of stormwater catchments in the District, and the capital works projects required in each catchment to manage stormwater. The distribution of benefits of Council's stormwater activity have been assumed to be uniformly distributed throughout each stormwater catchment.

8.5.6 Rooding Catchment

The rooding catchments have been determined according to the area serviced by the projects concerned. The distribution of benefits have been assumed to be uniformly distributed throughout each rooding catchment. The majority of projects are part of the arterial network so benefit the District as a whole.

8.6 Significant Assumptions

8.6.1 Significant assumptions underlying the calculation of the Schedule to the Development Contributions Policy are as follows:

8.6.2 Projected Growth

That growth will continue at least for the next 10 years in terms of the Auckland Regional Growth Forum, Southern Sector Agreement, and Strategic Plan, and that there will be an increase of 7,388 household units / equivalent household units in Papakura spread over the 2006 - 2016 Long Term Council Community Plan period and a further increase of approximately 3,800 household units / equivalent household units over the following ten year period. This is a particularly critical assumption, since Council is dependent on the timely receipt of contributions from those undertaking development to service debt.

8.6.3 Best Available Knowledge

That the capital expenditure costs, including the cost of land, are based on the best available knowledge at the time of preparation and largely represent a "rough order of costs" rather than specific estimates. These will be refined in subsequent years as in some cases policies become clearer and in others there is an improved knowledge of an asset. The capital works programme for growth makes no allowance for changes in the scope or costs of projects, or for changes in the pattern and distribution of development.

Development Contributions

8.6.4 Development Negotiations and Agreements

Ongoing negotiations with potential developers and the subsequent preparation of formal agreements, have provided Council with an understanding of the costs of development and what an equitable share of costs between developers, the community and Council should be.

8.6.5 Growth Areas in the District

That growth within Papakura will take place in Papakura Central, Takanini, Hingaia, and rural areas in a staged but simultaneous manner as detailed in the Southern Sector Agreement and Strategic Plan.

8.6.6 Growth Affordability

That managed growth within all these areas is affordable and that Council's share (for example contributions to trunk services) is able to be financed predominantly through capital expenditure, supported by development contributions in parallel with Council's core business and other projects.

8.6.7 Growth Supports Growth

That Council's policy as detailed in the Funding and Financial Policy, is to ensure as far as practicable that new growth is financially self-supporting with the costs being recovered through development contributions from those undertaking development. Council acknowledges that for trunk services which either extend physically or in capacity beyond a particular development that Council may have to act as banker for these services and recover costs in stages from

development. The Council accepts that a certain level of development exists in Papakura for which services have been provided for at the time that the Development Contributions Policy commences. The Council assumes development contributions will only be required on development over and above that existing at the time of grant of a resource consent, a building consent or an authorisation for service connection.

8.6.8 Expectation that Contributions will be taken

That the Long-Term Council Community Plan also contains programmes which Council is funding, where it expects to receive contributions.

8.6.9 Community Facilities Built in Anticipation of Growth

That Council's Development Contributions Policy will allow Council to recover the growth proportion of historical capital expenditure that Council has already incurred to provide community facilities in anticipation of growth.

Financial and Administrative Assumptions

8.6.10 The rates of development contributions may include interest on funds raised to implement Council's capital works programme and interest on contributions received in advance of provision of growth infrastructure.

8.6.11 That the incomes generated from rates will be sufficient to meet the operating costs of capital expenditure into the future.

- 8.6.12 Operating expenditure will be allocated across the rating base of the District.
- 8.6.13 That there will be an impact from the capital expenditure on operating expenditure and an allowance has been made for this based on the type of asset.
- 8.6.14 That all Land Transport New Zealand subsidies will continue at present levels and that eligibility criteria will remain unchanged.
- 8.6.15 That methods of service delivery will remain substantially unchanged.

Key Risks

- 8.6.17 That the growth assumptions are not met resulting in delayed development.
- 8.6.18 That there is a lag between expenditure being incurred by Council and contributions received from those undertaking developments.
- 8.6.19 That the costs of capital are greater than expected.

8.7 Capital Expenditure for Community Facilities

- 8.7.1 Council will require development contributions where the effect of a development (including the cumulative effect) requires Council to incur capital expenditure to appropriately provide for new or additional assets or assets increased capacity. This also includes historical capital expenditure Council has already incurred in anticipation of growth.
- 8.7.2 Council has since 1999 developed a comprehensive growth management strategy and has identified the estimated capital expenditure to Council for capital works projects resulting from the

growth allocated to the District as part of the Auckland Regional Growth Strategy and Southern Sector Agreement. This growth has been detailed for a 20-year period in Council's Contribution Model.

- 8.7.3 The Contributions Model has been built up from a capital works project component level, and calculates over a 20-year period the contributions that will be required from new development to meet part of the capital expenditure for growth for stormwater, roading, community infrastructure, and public transport activities.
- 8.7.4 Council considers that most capital works projects service demand from Additional Capacity / Growth and Improved Level of Service. In determining the appropriate split Council has considered many factors including but not limited to the following:
- Separation of each project into components with differing Additional Capacity / Growth and Improved Level of Service splits.
 - The application of benefits from each component of each project.
 - Projected population growth, and the anticipated pattern and distribution of development.
 - Existing population and development.
 - Anticipated infrastructural needs.
 - Adequacy of existing services.
 - The life of benefits associated with each project.

Development Contributions

- Consideration of the incremental effects of proposed projects not proceeding.
- Consistency across the District.

- 8.7.5 The Contributions Model is based on the considered assessment of the distribution of benefits of the Additional Capacity / Growth components of Council's capital works projects among units of demand which arise from new development. The split that has been made between the Additional Capacity / Growth components and Improved Level of Service components of the capital works projects has been tested and accepted by the development community in development agreements over greenfields growth areas in the District.
- 8.7.6 Development contributions will only be required to meet the Additional Capacity / Growth components of capital works projects, with Council funding the Improved Level of Service to existing developed areas from other sources.
- 8.7.7 The capital expenditure for growth in the Long-Term Financial Strategy is derived from the Contributions Model as part of the preparation of the 2006 Long-Term Council Community Plan.
- 8.7.8 The projections in the Long-Term Council Community Plan are based on the assumption that the effects caused by the growth of the District will be met in accordance with the Contributions Model. These costs are to be financed predominantly by way of loans and from contributions required from developments.

8.7.9 20-year Estimated Capital Expenditure and Funding for Growth

TABLE 1 - 20-YEAR ESTIMATED CAPITAL EXPENDITURE AND FUNDING FOR GROWTH is derived from the Contributions Model, and summarises:

- The total estimated capital expenditure to meet increased demand for community facilities resulting from growth over the next 20 years; and
- The proportion of total estimated capital expenditure to meet increased demand for community facilities resulting from growth which will be funded from development contributions and other funding sources over the next 20 years.

8.7.10 Council may update the Development Contributions Policy on an annual basis to take account of:

- Any changes to the significant assumptions to the Development Contributions Policy.
- Any changes in policy as Council continues to develop and implement its growth management strategy.
- Any changes in the capital works programme for growth.
- Any changes in the pattern and distribution of development in the District.
- The regular reviews of the Contributions Model, Funding and Financial Policy, and the Long-Term Council Community Plan.

TABLE 1 - 20-year Estimated Total Capital Expenditure and Funding for Growth

Community Facility	Total Cost of Capital Works Project	Other Sources of Funding	Total Improved Level of Service	Total Growth Component ***
Stormwater	\$91,171,922	\$0	\$43,113,191	\$48,058,731
Roading	\$204,996,582	\$70,925,786*	\$77,836,366	\$56,234,430
Community Infrastructure	\$76,288,663	\$0	\$27,868,725	\$48,419,938
Public Transport	\$9,824,603	\$4,118,418**	\$2,015,176	\$3,691,009
TOTAL	\$382,281,770	\$75,044,204	\$150,833,458	\$156,404,108

Notes:

* Funding from Land Transport New Zealand

** Funding assumed from Public Transport Funding Bodies

*** Council considers that the entire cost of growth will be met by Developers as explained in 8.3.4.

8.7.11 Stormwater

The Council stormwater activity provides and maintains stormwater reticulation and catchment management systems that provides effective management of the disposal of stormwater.

8.7.12 Rooding

The Council roading activity is for the provision of a safe and cost effective network of roads to satisfy the current and future growth needs of road users. This includes the need for roading to form part of a safe and efficient regional and national system of transport.

8.7.13 Community Infrastructure

Council and other agencies has made large investments in additional community infrastructure in the District to cater for future demand. This infrastructure includes the Aquatic Centre, the Hawkins Centre, Sir Edmund Hillary Library, Massey Park and the development of Bruce Pulman Park. The Strategic Plan has also identified the growing importance of public resources, including libraries and recreation facilities in supporting the quality of life in the District.

8.7.14 Public Transport

Council is planning significant rail station improvements in the District, including improved vehicular and walking access and the provision of park and ride areas, in order to meet the environmental wellbeing community outcome of 'a well integrated transport system' as identified in the Long-Term Council Community Plan.

Development Contributions

SCHEDULE TO DEVELOPMENT CONTRIBUTIONS POLICY

A.1 Requirement for Development Contributions

Development contributions shall be required from new development in the form of money or land or both at Council's discretion for capital expenditure for growth for the following activities:

1. stormwater,
2. roading,
3. community infrastructure, and
4. public transport activities.

A development will be assessed against the Development Contributions Policy in accordance with the procedures outlined in sections A.1 to A.6.

The requirement for a development contribution is subject to the Credits procedure in A.3 and the Review, Remission and Postponement procedure in A.4.

Residential and Non-Residential development will be assessed on the additional units of demand created by the development in accordance with Appendix A. - Assessment of Demand and Appendix B - Catchments and Development Contributions.

There are two categories of non-residential development.

1. "Non-Residential A" will be used for most non-residential development.
2. "Non-Residential B" will be used where Council, in its discretion, considers that this classification is more appropriate having regard to the nature of the development.

Non-residential sheds and farm buildings associated with rural activities, which do not generate demand of Council's community facilities will not incur a development contribution.

A.2 Timing

Development contributions will be assessed prior to the grant of:

1. A resource consent under the Resource Management Act 1991;
2. A building consent under the Building Act 2004; or
3. An authorisation for a service connection.

A new assessment may be made on each and every event described above. Each assessment may be paid within 12 months of the date of each assessment. If payment is not received within this time, Council may, at its discretion, review its assessment.

The development contribution must be paid prior to:

1. In the case of a subdivision consent, the issue of the section 224(c) certificate;
2. In the case of any other resource consent, prior to the commencement of the resource consent;
3. In the case of a building consent, prior to the issue of the code compliance certificate; or
4. In the case of a service connection, prior to the connection.

In all cases, unless the development contribution has been paid in full, the Council will:

1. In the case of a subdivision consent, withhold the section 224(c) certificate.

2. In the case of any other resource consent, prevent the commencement of the resource consent.
3. In the case of a building consent, withhold the code compliance certificate.
4. In the case of a service connection, withhold the service connection.
5. Register the outstanding development contribution as a charge on the subject land under the Statutory Charges Registration Act 1928.

A.3 Credits

Credits are expressed in units of demand and may reduce the number of units of demand created by a development assessed by Council. Credits can only be used for developments on the same site and for the same activity and cannot be used to reduce the number of units of demand to less than zero.

Credits towards development contributions will be considered by Council on a case by case basis taking into account the following matters:

1. The level of existing units of demand on the site. Where multiple existing uses can be established, Council will have regard to the most intensive use. The existing development must have been lawfully established and cannot be transferred to another site. Where the existing development has been demolished, the credit will stay with the site for 5 years from the date of the demolition.

Vacant land (that is, land without buildings) does not have an existing unit of demand and will not receive a credit for an existing use.

The maximum credit for existing units of demand awarded for Non-Residential B activities is the lesser of:

1. The unit of demands calculated based on the existing site area developed; or
 2. The units of demands attributable to an area twice the gross floor area of the existing buildings on the site.
2. Monies paid and/or works undertaken and/or land set aside in relation to the same development for the same purpose by prior:
 - i. Financial contributions taken from a development under the District Plan for capital expenditure for growth for stormwater activities.
 - ii. Agreements with Council.
 - iii. Development contributions.

A.4 Review, Remission and Postponement

An applicant may formally request Council to review the development contributions required on the development concerned.

Any such request shall be made by notice in writing to Council within 15 working days after Council has advised the developer in writing of the amount of development contribution required on the development, setting out the reasons for the request.

Development Contributions

In undertaking the review:

- Council shall as soon as reasonably practicable consider the request.
- Council may determine whether to hold a hearing for the purposes of the review, and if so, give at least 5 working days notice to the applicant of the commencement date, time, and place, of that hearing.
- Council may, at its discretion, uphold, increase, reduce, postpone or cancel the original amount of development contributions required on the development and shall communicate its decision in writing to the applicant within 10 working days of any determination or hearing.
- Council may delegate this role to Council Officers.

In making its decision Council will take the following matters into account:

1. The Development Contributions Policy.
2. The Contributions Model.
3. Council's Funding and Financial Policy.
4. The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by Council in its capital works programme.
5. Whether the development supports Council's wider objectives.
6. Whether the Credits Procedure in A.3 has been applied correctly.

7. Whether the development has been correctly assessed as a residential, mixed-use, Non-residential A or Non-residential B activity.
8. Any other matters Council considers relevant.

A.5 Statement on Goods and Services Tax (GST.)

All assessments are exclusive of GST and do not constitute an invoice for the purposes of the Goods and Services Tax Act 1985. GST will be added to the invoice at the time of supply as required by the Goods and Services Act 1985.

The time of supply shall be the earlier of :

1. Council issuing an invoice to the developer; or
2. The payment of the development contribution in accordance with this Policy.

A.6 Development Contributions Planning Tables and Planning Maps

Development contributions shall be required from development in the form of money or land or both at Council's discretion for capital expenditure for growth for stormwater, roading, community infrastructure and public transport in accordance with the tables, maps, and procedures specified in this section.

A.6.1 Units of Demand

Council has apportioned the cost of capital works projects between Additional Capacity / Growth and Improved Level of Service (after allowance for subsidy from Land Transport New Zealand where relevant).

The Additional Capacity / Growth component of capital expenditure has been allocated to growth on the basis of units of demand generated by new development only (refer to 8.5 - DISTRIBUTION OF BENEFITS: DEVELOPMENT CONTRIBUTIONS POLICY for further detail).

A.6.2 Assessment and Calculation of Development Contributions Required from Development

The total units of demand for non-residential development shall be assessed in accordance with Appendix A - Assessment of Units of Demand. The Development Contribution payable will then be determined by multiplying the number of units of demand by the fee payable for each activity by reference to Appendix B - Catchments and Development Contributions.

A.6.3 Catchment Maps

Refer to Appendix C for a map showing the boundaries of the Stormwater Catchments.

Refer to Appendix D for a map showing the boundaries of the Rooding Catchments.

Refer to Appendix E for a map showing the boundary of the Opaheke Area.

Development Contributions

APPENDIX A - ASSESSMENT OF UNITS OF DEMAND

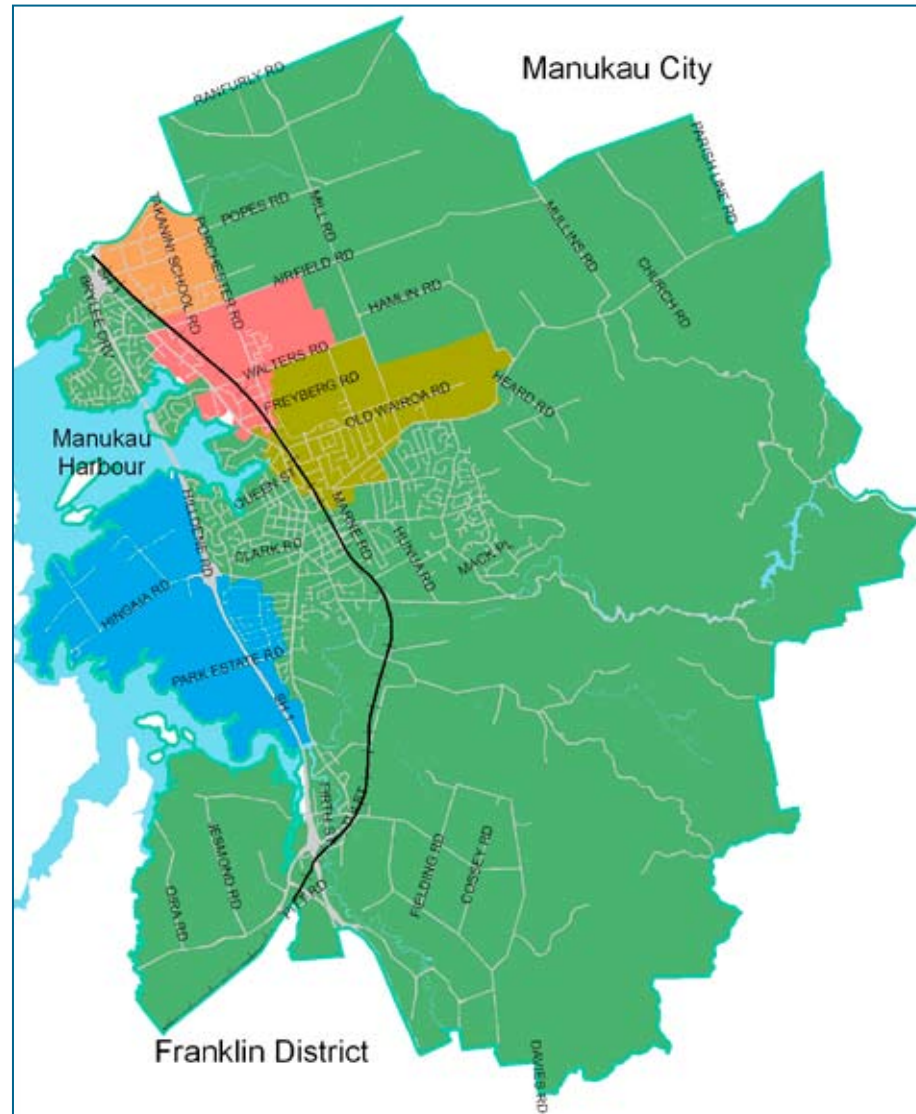
Form of Development	
Subdivision Consent	Demand Factor
One site (residential, mixed use or non-residential)	1.0 unit of demand for each site
Other Resource Consents, Building Consents or Service Connections	Demand Factor
One household unit (other than in a mixed-use development)	1.0 unit of demand for each household unit
One minor household unit (other than one household in a mixed-use development)	0.5 units of demand for each minor household unit
Non-Residential A or Mixed-Use development	0.8 units of demand for each 185m ² of gross floor area
Non-Residential B development in the Opaheke Area	0.8 unit of demand for each 500m ² of site area developed
Non-Residential B development (other than in the Opaheke Area)	1.0 unit of demand for each 500m ² of site area developed

APPENDIX B - CATCHMENTS AND DEVELOPMENT CONTRIBUTIONS

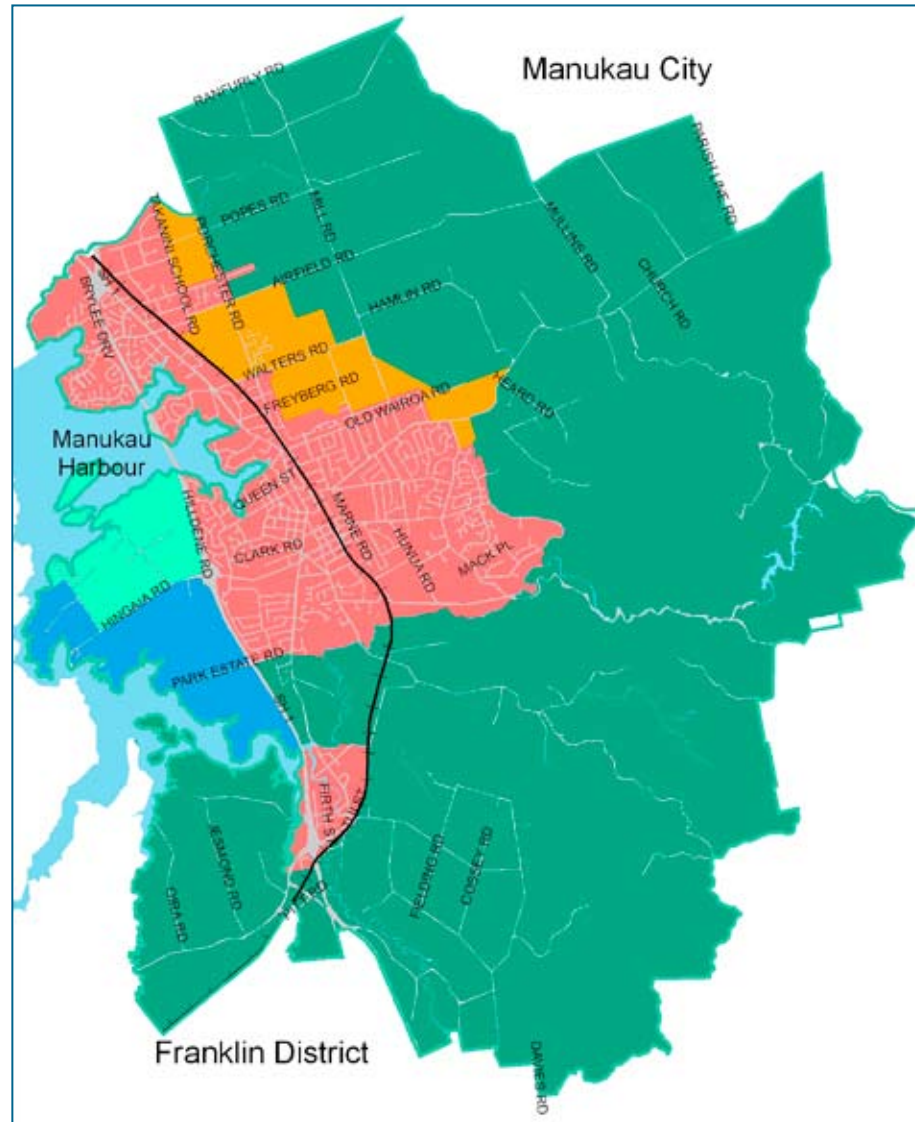
	Development Contribution (excl GST)
Stormwater	
Hingaia	\$4,968
Old Wairoa	\$4,096
Takanini North	\$2,968
Takanini South	\$3,700
Rest of Papakura	\$3,229
Roading	
District Wide	\$3,709
Hingaia North	\$5,603
Hildene Road	\$393
Hingaia South	\$2,776
Rural	\$495
Urban	\$672
Community Infrastructure	
District Wide	\$3,918
Public Transport	
District Wide	\$289

Development Contributions

APPENDIX C - STORMWATER CATCHMENTS MAP

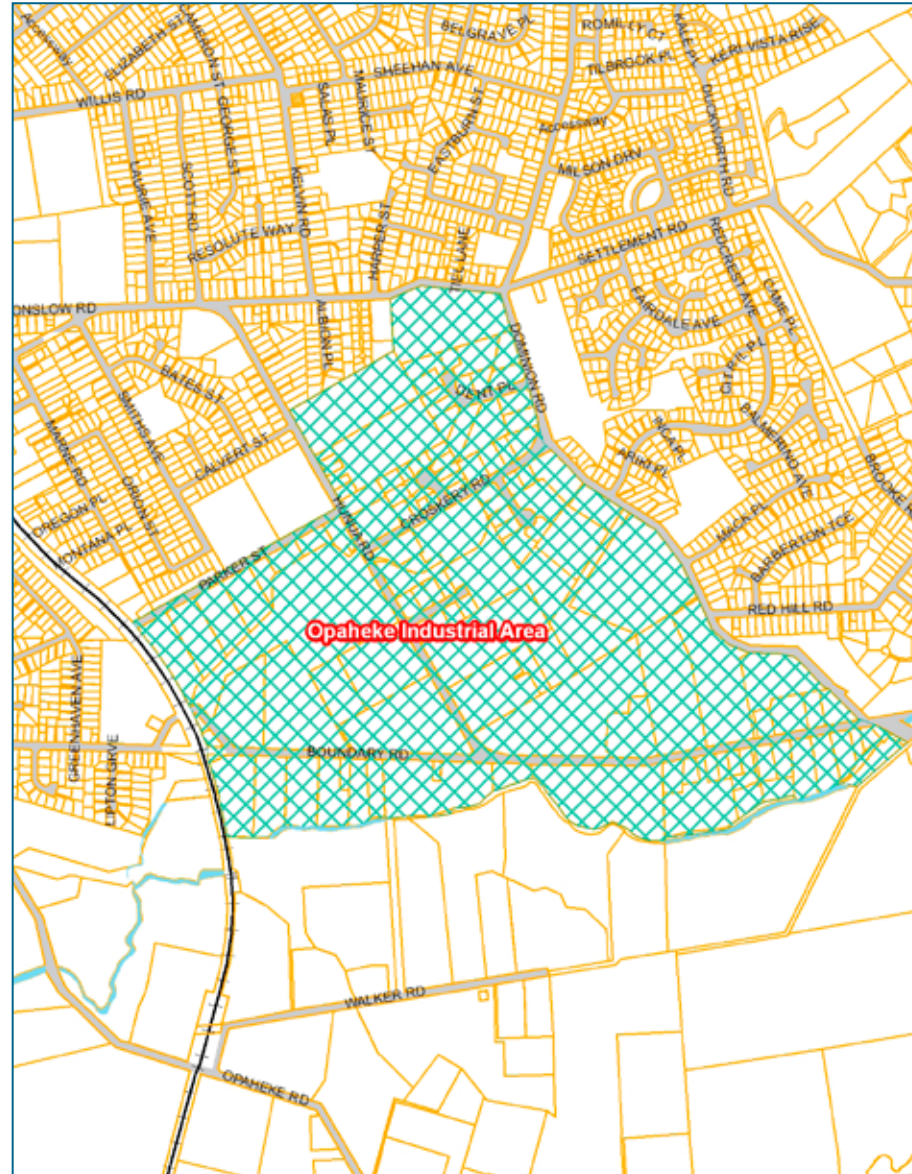


APPENDIX D - ROADING CATCHMENTS MAP



Development Contributions

APPENDIX E - OPAHEKE AREA MAP



DEVELOPMENT CONTRIBUTIONS POLICY: DEFINITIONS

In the Development Contributions Policy and the Schedule to the Development Contributions Policy, unless the context otherwise requires:

activity	<p>has the same meaning set out in section 5 of the Local Government Act 2002 or any legislation substituted for the same as below:</p> <p>5 Interpretation</p> <p>(1) In this Act, unless the context otherwise requires,---</p> <p>activity means a good or service provided by, or on behalf of, a local authority or a council-controlled organisation; and includes---</p> <p>(a) the provision of facilities and amenities; and</p> <p>(b) the making of grants; and</p> <p>(c) the performance of regulatory and other governmental functions</p>
Auckland Regional Growth Strategy	<p>means the Auckland Regional Growth Strategy approved</p> <p>by the Auckland Regional Council in November 1999.</p>
community facilities	<p>has the same meaning set out in section 5 of the Local Government Act 2002 or any legislation substituted for the same as below:</p> <p>5 Interpretation</p> <p>(1) In this Act, unless the context otherwise requires,---</p> <p>community facilities means reserves, network</p>

Contributions Model	<p>infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199</p> <p>means the model adopted by Council as part of the Development Contributions Policy in the Long-Term Council Community Plan 2006 - 2016</p>
community infrastructure	<p>has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:</p> <p>197 Interpretation</p> <p>In this subpart,---</p> <p>community infrastructure means---</p> <p>(a) land, or development assets on land, owned or controlled by the territorial authority to provide public amenities; and</p> <p>(b) includes land that the territorial authority will acquire for that purpose.</p>
development	<p>has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:</p> <p>197 Interpretation</p> <p>In this subpart,---</p> <p>development means</p> <p>(a) any subdivision or other development that generates a demand for reserves, network infrastructure, or community infrastructure; but</p> <p>(b) does not include the pipes or lines of a network</p>

Development Contributions

utility operator. Development contribution has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart,---

development contribution means a contribution---

- (a) provided for in a development contribution policy included in the long-term council community plan [or transitional annual plan] of a territorial authority; and
- (b) calculated in accordance with the methodology; and
- (c) comprising---
 - (i) money; or
 - (ii) land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Maori land within the meaning of Te Ture Whenua Act 1993, unless that Act provides otherwise; or
 - (iii) both development contribution policy has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart,---

development contribution policy means the policy on

Goods and Services

gross floor area

household unit

LGA 2002

development contributions included in the long-term council community plan [or transitional annual plan] of the territorial authority under section 102(4)(d).

means goods and services tax under the Goods and Tax (GST.) Services Tax Act 1985 or any legislation substituted for the same.

means the sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of exterior walls, or from the centre lines of walls separating two abutting buildings or, in the absence of walls, from the exterior edge of the floor but excluding:

- (a) Car parking, vehicle access and manoeuvring areas/ramps;
- (b) Pedestrian facilities approved by the Council which are open to the public, are accessed directly from a public place and have an overhead clearance of not less than 3m;
- (c) Space for stairs, ramps, walkways, escalators and elevators:
 - (i) essential to the operation of a through site link, or
 - (ii) servicing a floor or part of a floor used only for car parking or loading;
- (d) Plant and equipment enclosures on the roof; and
- (e) Mezzanines not available to the public.

a building or part of a building intended to be used as an independent residence and includes any apartment, townhouse, dwelling unit or home unit.

means the Local Government Act 2002 or any

	legislation substituted for the same.		<ul style="list-style-type: none"> • Industrial activities • Manufacturing activities
minor household unit	means a household unit of not more than 60m ² gross floor area.	Opaheke Area	means that area as shown in Appendix E
mixed-use activities	means activities comprising of a residential component and a non-residential component.	planning area unit	means the unit(s) in the Contributions Model which demarcate Papakura District.
network infrastructure	has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below: 197 Interpretation In this subpart,--- network infrastructure means the provision of roads and other transport, water, wastewater, and stormwater collection and management	residential activities	means activities comprising one or more household units and includes residential accommodation for physical, psychological or social support but does not include (for example) motels, hotels, motor and tourist lodges, or retirement villages.
non-residential activities	means activities other than residential activities. In this Policy, non-residential activities are divided into Non-Residential A and Non-Residential B activities. Non-Residential A activities include (but are not limited to): <ul style="list-style-type: none"> • Commercial activities • Retailing activities • Financial activities • Educational activities • Religious activities • Sporting activities Non-Residential B activities include (but are not limited to):	RMA 1991	means the Resource Management Act 1991 or any legislation substituted for the same.
		Schedule 13	Methodology for calculating development contributions 1 Methodology for relating cost of community facilities to

Development Contributions

units of demand

In order to calculate the maximum development contribution in respect of a community facility or an activity or group of activities for which a separate development contribution is to be required, a territorial authority must first---

- (a) identify the total cost of the capital expenditure that the local authority expects to incur in respect of the community facility, or activity or group of activities, to meet increased demand resulting from growth within the district, or part of the district, as the case may be, as set out in the long-term council community plan [or transitional annual plan] in accordance with section 106(2)(a); and
- (b) identify the share of that expenditure attributable to each unit of demand, using the units of demand for the community facility or for separate activities or groups of activities, as the case may be, by which the impact of growth has been assessed.

2 Attribution of units of demand to developments

For the purpose of determining in accordance with section 203(2) the maximum development contribution that may be required for a particular development or type of development, a territorial authority must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis.

service connection

has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart,---

service connection means a physical connection to a service provided by, or on behalf of, a territorial authority

means:

- (a) An area of land which is:
 - (i) comprised in a single certificate of title; or
 - (ii) contained in a single lot on an approved survey plan of subdivision for which a separate certificate of title could be issued without further consent of the Council;

being in any case the smaller land area of (i) or (ii); or

- (b) An area of land which is composed of two or more contiguous lots held together in one certificate of title in such a way that the lots cannot be dealt with separately or without prior consent of the Council; or
- (c) An area of land which is comprised in two or more contiguous lots held in two or more certificates of title where such titles are:
 - (i) subject to a condition imposed under Section 37 of the Building Act 1991 or Section 643 of the Local Government Act 1974; or

site

- (ii) held together in such a way that they cannot be dealt with separately without the prior consent of the Council; or
- (d) An area of land which is:
- (i) partly made up of land which complies with (a), (b) or (c) above; and
 - (ii) partly made up of an interest in any airspace above or subsoil below a road:
- where (i) and (ii) are adjacent and are held together in such a way that they cannot be dealt with separately without the prior consent of the Council; or
- (e) An area of land which is:
- (i) partly made up of land which complies with (a), (b) or (c) above; and
 - (ii) partly made up of an interest in any airspace above or subsoil below a road:
- where (i) and (ii) are adjacent and are held together in such a way that they cannot be dealt with separately without the prior consent of the Council; or
- (f) In the case of land subdivided under the Unit Titles Act 1972 or the cross lease system, "site" shall be deemed to be each of the intended separate certificates of title as set out on a survey plan approved by Council subject to the unit development or cross lease.

site area developed

means that portion of the site that is to be used to undertake a Non-residential B activity (including carparking, and landscaping associated with the activity), but does not include land set aside for another purpose or otherwise not associated with the activity (for example, vacant land).

Southern Sector Agreement

means the agreement dated 30 July 2001 between the Auckland Regional Council, Franklin District Council, Manukau City Council, and Papakura District Council.

units of demand

means those units set out in Schedule 13 of the Local Government Act 2002 or any legislation substituted.

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Revenue and Financing Policy

INTRODUCTION

The Local Government Act 2002 requires Council to adopt a revenue and financing policy.

The revenue and financing policy must take into account the following issues (noted in section 101 of the Local Government Act 2002):

- the community outcomes relevant to each activity
- the distribution of benefits
- the period over which the benefits of an activity are expected to occur (called intergenerational equity)
- whether the polluter pays principle applies to a particular activity
- the pros and cons of adopting a separate funding tool for the activity
- the overall impact of the method of funding.

Explanation of terms

Community outcomes (section 101(3)(a)(i))

Council has identified the community outcomes it wants to achieve. Volume One of this LTCCP (Community Plan) outlines the community outcomes. The revenue and financing policy notes the community outcomes that each of the council's activities contributes to.

Distribution of benefits (section 101(3)(a)(ii))

Identifying who benefits from an activity provided by 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 (section 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:

Council's revenue and financing policy provides for funding operating expenditure only. The policy shows the revenue sources that will cover the annual operating expenditure of each activity (including the current year's depreciation). The period of benefits and the payment for them are therefore matched in time, as the annual costs are met through funding from the current customers and current ratepayers.

Council's revenue and financing policy addresses how the Council funds its projected capital expenditure.

Revenue and Financing

Contributors to need for activity: negative effects or polluter pays (section 101(3)(a)(iv))

The polluter pays principle 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 parking enforcement. This is not always practical however, as identifying and charging the offender is not always possible. For instance people who create graffiti or dump rubbish illegally often go uncaught.

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 distinctly from other activities (section 101(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. Council is also required to consider alternative funding mechanisms in terms of transparency and accountability. 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 (section 101(3)(b))

In addition to all the issues explained above, the Local Government Act 2002 requires Council to consider the overall impact that any allocation of charges and costs may have on the current and future social, economic, environmental, and cultural well-being of the community. This is commonly called a quadruple-bottom-line analysis. Council takes this into account when considering the funding tools for a particular activity, especially those with significant social or cultural elements (for example libraries, recreation centres, museums or art galleries).

In addition, Council considers these issues in its funding policies, such as its rating policies. In these cases, the council must consider the overall impact of its funding decisions on both current and future ratepayers.

Council's revenue and financing policy contains the following:

- an overview of the general funding principles that guide Council's decisions; and
- the revenue and financing policy for each of Council's activities.

OVERVIEW

The key to Council's funding principles is that all of Council's planned activities should be both sustainable and affordable. To achieve this, the following general principles are applied to all funding decisions:

- budgets need to balance (that is, there should be sufficient funding available for expenditure requirements, unless Council specifically determines for financially prudent reasons not to do so);
- ensure that routine capital expenditure for maintaining the Council's existing assets is adequately funded; and
- self-sustaining over time.

General Funding Principles:

Capital Expenses: Renewal & Level of Service Improvement Costs

Council will fund 100% of the costs from the following sources, subject to availability and in the order of priority:

- Grants, Subsidies and / or other external revenue (including asset sales)
- Funded Reserves (including renewal reserves)
- Loans

Capital Expenses: Growth and Related Costs

Council will fund 100% of the costs from the following sources, subject to availability and in the order of priority:

- Grants, Subsidies and / or other external revenue
- Development / Financial Contributions (including Development Agreement contributions)
- Loans

Council has chosen these funding tools because they reflect the intergenerational equity principle for funding.

Operating Expenses

Council will fund 100% of the costs from sustainable and renewable revenue sources such as general rates, targeted rates, fees and charges, grants and subsidies, interest revenue. As a matter of principle, Council will not fund operating costs from loans.

Depreciation

Council will fund depreciation expenses for all activities except for Water and Wastewater. The funding of depreciation for Water and Wastewater will be reviewed in line with the review of the current franchise arrangements.

Rate-Setting Principles

Council will set the rates at a level required to fund the operations and cease the practice of utilising Transfund Subsidies received for capital works to offset the rate requirement.

Revenue and Financing

General Application of Funding Sources

Links of funding sources to public benefit and private benefit

As a general rule, Council's public benefit sources will include:

- General rates including:
- Choice of valuation system
- Differentials
- Uniform Annual General Charges (UAGCs)

As a general rule, Council's private benefit sources will include:

- Targeted rates
- Uniform Annual Charges (UACs)
- Fees and charges
- Development contributions
- Financial contributions

As a general rule, Council's intergenerational benefit sources will include (i.e. generally for Capital Expenses):

- Asset sales
- Renewal reserves
- Loans
- Development contributions

As a general rule, Council's other revenue sources will include:

- Interest and dividends
- Grants and subsidies
- Any other source

Rationale for Specific Funding Tools

General Rates on Land Value:

Council has chosen to use land value as the basis for levying general rates on its activities because it believes that land value reflects the public benefit component of its activities better than capital value or annual value.

Uniform Annual General Charge (UAGC)

Council is collecting a portion of its rates through a UAGC on each separately used or inhabited part of a rating unit to better reflect the level of minimum contribution that every property in the district should pay towards Council's activities. Council is using this mechanism to reflect the component of Council's costs that are driven by population rather than property values.

Differentials

Council has set differentials on general rates for the residential, business and rural sectors to reflect the balance between benefits received and ability to pay.

Targeted Rates on Land Value over an Area of Benefit

Council utilises this mechanism to recover the costs of Town Centre Promotion to reflect the benefits to the particular group of ratepayers.

Targeted Rates on Capital Value

Council utilises this mechanism to recover the costs of the Auckland War Memorial Museum and MOTAT because it better reflects the way the legislation calculates the formula for the levy.

Development and/or Financial Contributions

Council is collecting the growth portion of capital costs through development / financial contributions to ensure that this section of the community contributes to the cost of providing the infrastructure necessary to support growth.

Depreciation Reserves

Council utilises the depreciation reserves to fund the renewal costs of its assets to reflect the contribution levied from past use of the assets.

Loans

Council utilizes loans to fund the gap between capital expenditure and other funding sources for capital works to reflect the long-term nature of the benefits from capital expenditure. This ensures that the inter-generational equity issues are dealt with.

Revenue and Financing

POLICY ON REVENUE AND FINANCING FOR COUNCIL'S ACTIVITIES

Summary of Current and Proposed Policies for Activities

The following table outlines the current policies and Council's preferred funding policies for Operating Expenses for 2006/16:

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Democracy and Planning:		
• Democracy Services	100% Uniform Annual General Charge (UAGC)	Costs funded from General Rates with a small proportion of Fees and Charges from Resource Consent Hearings Recoveries
• Policy Planning	Currently combined with Resource Consents: 82% General Rates 18% Fees and Charges	Costs (excluding Private Plan Changes) funded from General rates with a small proportion of Fees and Charges from Map and Plan Sales Private Plan Changes fully funded from Fees and Charges
• Strategic Projects	Currently combined with Policy Planning: 82% General Rates 18% Fees and Charges	Costs funded from General Rates
• Civil Defence and Emergency Management	98% General Rates 2% Ministry of Civil Defence	Subsidies with the remainder from General Rates

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Economic Development		
• Economic Development	79% General Rate 21% Papakura Commercial Promotion Rate	100% of CBD promotion costs to be funded by way of a Targeted Rate over properties in the CBD Area Other costs funded by way of central government subsidies, fees and charges with the remainder from general rates
Regulatory Services		
• Resource Consents (including Development Engineering)	Currently combined with Policy Planning: 82% General Rates 18% Fees and Charges	Costs primarily funded from Fees and Charges with the remainder funded from General Rates
• Monitoring and Enforcement	Currently part of Regulatory Services	Costs partly funded from Fees and Charges with the remainder funded from General Rates
• Environmental Health	99% General Rates 1% Fees and Charges	Costs partly funded from Fees and Charges with the remainder funded from General Rates
• Building Act Services	55% General Rates 45% Fees and Charges	Costs fully funded from Fees and Charges
• Animal Control	19% General Rates 81% Dog Control Fees	Costs primarily funded from Fees and Charges with the remainder funded from General Rates
• Parking Enforcement	42% General Rates 58% Parking Fees	Costs partly funded from Fees and Charges with the remainder funded from General Rates

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Revenue and Financing

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Transportation and Roothing		
• Transportation and Roothing	69% General Rates 31% Transfund Subsidies Depreciation on renewal activities partly funded by Transfund – not funded	Costs partly funded from LTNZ & Other Subsidies with a small portion from Fees and Charges with the remainder funded from General Rates Depreciation on renewal activities partly funded by LTNZ – not funded
• Road Safety	Currently part of Transportation and Roothing	Costs partly funded from Grants (LTNZ) with the remainder funded from General Rates
Monitoring of Water and Wastewater		
• Water and Wastewater	Monitoring Costs – 100% General Rates Depreciation – not funded	General Rates Continue with current policy of not funding depreciation over this LTCCP
Stormwater Management		
• Stormwater Management	100% General Rates	General Rates

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Waste Management and Minimisation		
• Waste Management and Minimisation	100% User Charges and Refuse Uniform Annual Charge	Refuse Collection and Disposal Costs fully funded by way of Fees and Charges (2006/07 estimated at \$1.30 per bag / sticker) Remaining Activity Costs such as Inorganic Collection, Recyclables Collection and Waste Minimisation / Education fully funded by General Rates
Parks and Recreation		
• Parks and Reserves	99% Uniform Annual General Charge 1% Fees and Charges Depreciation – not funded	General Rates with a small proportion of Fees and Charges relating to sportsfields with levels to be reviewed on an annual basis Depreciation to be funded
• Aquatic and Recreation Centre	88% General Rates 12% Fees and Charges Depreciation – not funded	General rates to fund the net cost to Council Depreciation to be funded

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Revenue and Financing

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Arts and Culture:		
• Library Services	90% General Rates 10% Fees and Charges Building depreciation – not funded	General Rates with a small proportion from Fees and Charges Depreciation to be funded
• Hawkins Theatre and Conference Centre	97% General Rates 3% Fees and Charges Depreciation – not funded	Hawkins Centre General Rates with a small proportion from Fees and Charges Depreciation to be funded
• Arts and Culture – Advocacy and Support	Currently part of Community Halls, Reserves and Community Services Activities	General Rates Depreciation to be funded
Cemeteries and Public Conveniences		
• Cemeteries	43% General Rates 57% Fees and Charges	Grave digging costs fully funded from interment fees Maintenance contract and other costs 40% funded from perpetual maintenance fees and the balance from General Rates Depreciation to be funded
• Public Conveniences	Currently part of Parks and Reserves	General Rates Depreciation to be funded

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Community Development		
• Community Development	Currently part of Community Services activities	General Rates
• Safer Communities Activity	Currently part of Community Services activities	Costs funded from Central Government Grants with the remainder from General Rates
Community Development		
• Housing for Older Persons	13% General Rates 87% Rents	Costs funded from Fees and Charges (Rentals) with the remainder from General Rates The activity is intended to be fully-funded from rentals and this will be achieved gradually.
• Community Halls	97% General Rates 3% Fees and Charges Depreciation – not funded	General Rates with a small proportion from Fees and Charges Depreciation to be funded
Community Development		
Citizens Advice Bureau	Currently part of Community Services activities	General Rates Depreciation to be funded

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Summary of Council's Consideration on the Funding of Activities

Activities	Current Policies – Operating Expenses *	Preferred Policies – Operating Expenses**
Property		
Housing	Currently part of Community Services activities	Overheads funded from General Rates Direct and Other costs funded from Fees and Charges (Rentals)
General Property	Currently part of Community Services activities	Property Sales costs funded from Property Sales Direct costs funded from Fees and Charges (Rentals) Remaining costs allocated to main activities
Accent Point	Currently part of Overheads	Net costs allocated to main activities
Administration Building	Currently part of Overheads	Costs (excluding loan servicing) allocated as overheads to main activities Loan Servicing Costs funded from General Rates
Overheads	Net Cost allocated to main activities	Net Cost allocated to main activities

* Current policies may not reflect the actual levels achieved. These policies were the outcomes from the last review undertaken in 2003. These 'default policies' are used to compare the actual levels achieved on a year by year basis.

** The funding of capital expenses are expressed at a global level and is described under the heading "General Funding Principles".

Summary of Council's Consideration on the Funding of Activities

ACTIVITY: DEMOCRACY SERVICES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 100%
- Private Benefit: 0%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with democratic processes.
- Operating costs associated with this activity will primarily be funded from general rates. However, from time to time, user charges may be applied for the provision of information under the Local Government Information and Meetings Act (LGOIMA). This will be considered on a case by case basis and will depend on the level of resources required to provide the information.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed on page 45 depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of the democratic process through general rates is important to promote the community's full participation in community life and the political process at all levels. It will have a favourable impact on the overall wellbeing of the community.
- If user charges were applied, it could create a disincentive to request information. This consideration does not apply to information used for commercial purposes because information may be considered as a resource for business activity and therefore a legitimate expense.

Summary of Council's Consideration on the Funding of Activities

- However, the costs to the community is reduced by adopting user charges on a selective basis on requests for large amounts of information or a large number of copies of reports.

Proposed Changes to Funding Policies

Operating:

- 100% General Rates

Capital:

- See general funding principles section - general funding of capital works.

ACTIVITY : POLICY PLANNING (INCLUDING STRATEGIC PROJECTS)

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 100%
- Private Benefit: 0%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a not a practicable option for the costs associated with Policy Planning as the benefits from the activity occur to the community in general with the exception of 'Private Plan Changes' which will be funded by the applicants.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs (excluding Private Plan Changes) funded from General rates with a small proportion of Fees and Charges from Map and Plan Sales.
- Private Plan Changes fully funded from Fees and Charges.

ACTIVITY: CIVIL DEFENCE AND EMERGENCY MANAGEMENT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 100%
- Private Benefit: 0%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with Civil Defence and Emergency Management.
- Operating costs associated with this activity will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Subsidies with the remainder from General Rates

ACTIVITY: ECONOMIC DEVELOPMENT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 40%
- Private Benefit: 60%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with the promotion of the central business district.
- Other operating costs associated with this activity not funded by government subsidies and fees and charges will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense. In addition, the funding of a portion of this activity directly attributed to the promotion of the central business district is appropriate to be funded from the businesses in the area as the key beneficiaries.

Proposed Changes to Funding Policies

Operating:

- 100% of CBD Promotion costs to be funded by way of a Targeted Rate over properties in the CBD Area.
- Other Costs funded by way of Central Government Subsidies, Fees and Charges with the remainder from General Rates.

ACTIVITY: RESOURCE CONSENTS

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 10%
- Private Benefit: 90%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with resource consents applications. This will be achieved through fees and charges.
- Other operating costs associated with this activity not funded by fees and charges will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges is appropriate because it reflects the fact that the volume of work in this area is directly related to applications for resource consents.
- The remaining portion not funded by fees and charges will be funded from general rates.

Proposed Changes to Funding Policies

Operating:

- Costs primarily funded from Fees and Charges with the remainder funded from General Rates.

ACTIVITY: MONITORING AND ENFORCEMENT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 95%
- Private Benefit: 5%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.

The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with monitoring and enforcement. Where available, this will be achieved through fines and penalties.
- Other operating costs associated with this activity not funded by fines and penalties will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges is appropriate because it reflects the fact that the volume of work in this area is directly related to the amount of monitoring and enforcement action that needs to be undertaken.
- The remaining portion not funded by fines and penalties will be funded from general rates.

Proposed Changes to Funding Policies

Operating:

- Costs primarily funded from Fines and Penalties with the remainder funded from General Rates.

ACTIVITY: BUILDING ACT SERVICES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 10%
- Private Benefit: 90%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.

The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with building consents applications. This will be achieved through fees and charges.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges is appropriate because it reflects the fact that the volume of work in this area is directly related to applications for building consents.

Proposed Changes to Funding Policies

Operating:

- Costs fully funded from Fees and Charges.

ACTIVITY: ANIMAL CONTROL

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 90%
- Private Benefit: 10%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is mainly driven by the actions or inaction of a particular group of individuals or a group.

¹ Assessed as part of the Transportation and Rooding activity

- Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):
- The application of any targeted means of funding is a practicable option for the costs associated with animal control. This will be achieved through fees and charges
- Other operating costs associated with this activity not funded by fees and charges will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges is appropriate because it reflects the fact that the volume of work in this area is directly related to animal control.
- The remaining portion not funded by fees and charges will be funded from general rates.

Proposed Changes to Funding Policies

Operating:

- Costs primarily funded from Fees and Charges with the remainder funded from General Rates.

ACTIVITY: PARKING ENFORCEMENT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 10%
- Private Benefit: 90%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with parking. This will be achieved through fines and penalties.
- Other operating costs associated with this activity not funded by fines and penalties will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fines and penalties is appropriate because it reflects the fact that the volume of work in this area is directly related to parking enforcement.
- The remaining portion not funded by fines and penalties will be funded from general rates.

Proposed Changes to Funding Policies

Operating:

- Costs primarily funded from Fines and Penalties with the remainder funded from General Rates.

ACTIVITY: TRANSPORTATION AND ROADING

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20% ¹
- Private Benefit: 80% ¹

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding, apart from the contribution through Land Transport New Zealand (LTNZ) subsidies, is not currently a practicable option for the costs associated with this activity. Targeted means of funding such as 'tolling of roads' will be explored as appropriate.
- Other operating costs associated with this activity not funded by LTNZ subsidies and other fees and charges will primarily be funded from general rates.
- Capital costs associated with this activity (if any) will primarily be funded from sources listed depending on the type of cost incurred.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through LTNZ subsidies, fees and charges is appropriate because it reflects the contribution of road users to the cost of this activity.
- The remaining portion will be funded from general rates.

Proposed Changes to Funding Policies

Operating:

- Costs partly funded from LTNZ and Other subsidies with a small portion from fees and charges with the remainder funded from general rates.

ACTIVITY: ROAD SAFETY

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and

Summary of Council's Consideration on the Funding of Activities

accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding, is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs partly funded from Grants (LTNZ) with the remainder funded from general rates.

ACTIVITY: WATER AND WASTEWATER

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 10%
- Private Benefit: 90%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- Council's current roles in this activity are asset owner and monitor of the Franchise Agreement. The application of any targeted means of funding, is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates
- Continue with current policy of not funding depreciation over the period of the plan. This policy will be reviewed in line with reviews of the United Water Franchise.

ACTIVITY: STORMWATER MANAGEMENT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 50%
- Private Benefit: 50%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group. However the need for flood prevention due to urbanisation contributes to additional costs in this activity.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity. Council will consider introducing a targeted mechanism when better tools are in place that identifies the 'cost causers' of the stormwater network.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates

ACTIVITY: WASTE MANAGEMENT AND MINIMISATION

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Refuse Collection 19% Public 81% Private
- Refuse Disposal 10% Public 90% Private

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group. However activities such as illegal dumping contribute to additional costs in this activity.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity. Council has decided to introduce 'user pays' refuse for the period of the plan to target the users of the Refuse Collection and Disposal portion of this activity. The remaining costs such as recycling, inorganic collection and education will be funded from general rates.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding part of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense. Funding part of this activity through 'user charges' reflects the link between cost and usage.

Proposed Changes to Funding Policies

Operating:

- Cost of weekly organic refuse collection and disposal funded from fees and charges.
- Remaining costs funded from general rates.

ACTIVITY: PARKS AND RESERVES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 51%
- Private Benefit: 49%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding not is a practicable option for the costs associated with this activity. However a nominal contribution is charged to organisations for the allocation of sportsfields.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates with a nominal charge relating to sportsfields allocations. The nominal charge will be reviewed on an annual basis.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: AQUATIC AND RECREATION CENTRE

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 30%
- Private Benefit: 70%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.
- Council has a management contract for the operation of the Aquatic and Recreation Centre. A key feature of this contract is to control the level of fees and charges that the contractor can recover as a means of ensuring affordable access to the community. As a result a nominal contribution is charged to users of the Aquatic and Recreation Centre to encourage the community to use the facilities. Council makes an annual contribution to the operations of this activity through general rates.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: LIBRARY SERVICES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 70%
- Private Benefit: 30%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.
- Council's library services are largely free to the residents of Papakura. Nominal fees are charged to users for exclusive use of some of the library's resources (such as borrowing current bestsellers). In addition, fines are charged for use outside the agreed timelines for general use.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates with a small proportion from fees and charges.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: HAWKINS THEATRE AND CONFERENCE CENTRE

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.
- Council has a management contract for the operation of this facility. A key feature of this contract is to control the level of fees and charges that the contractor can recover as a means of ensuring affordable access to the community. As a result a nominal contribution is charged to users of this facility to encourage the community to use the facilities. Council funds a large proportion of this activity through general rates.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates with a small proportion from fees and charges.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: ARTS AND CULTURE – ADVOCACY AND SUPPORT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 100%
- Private Benefit: 0%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: CEMETERIES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Grave digging costs fully funded from interment fees.
- Maintenance contract and other costs 40% funded from perpetual maintenance fees and the balance from general rates.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: PUBLIC CONVENIENCES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group. However vandalism adds to the costs of the activity. There is limited practical ability for Council to recover these costs.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: COMMUNITY DEVELOPMENT

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 100%
- Private Benefit: 0%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: SAFER COMMUNITIES

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 100%
- Private Benefit: 0%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

Summary of Council's Consideration on the Funding of Activities

- The need to undertake this activity is driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from central government grants with the remainder from general rates.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: HOUSING FOR OLDER PERSONS

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- The users are able to be charged for the full cost of this activity. However, Council has chosen to fund part of the costs through general rates to ensure that this group of the community has access to affordable housing. Council also intends to gradually raise the level of rentals charged to this activity to recover a higher proportion of costs.

Proposed Changes to Funding Policies

Operating:

- Direct costs funded from fees and charges.
- Overheads funded from general rates.

ACTIVITY: COMMUNITY HALLS

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates with a small proportion from fees and charges.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: CITIZENS ADVICE BUREAU

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 20%
- Private Benefit: 80%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is not a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Costs funded from general rates.
- Depreciation cost will be funded for the period of this plan.

ACTIVITY: HOUSING

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 10%
- Private Benefit: 90%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges (rentals) is appropriate because it reflects the benefits to the users.

Proposed Changes to Funding Policies

Operating:

- Direct costs funded from fees and charges (rentals).
- Overheads funded from general rates.

ACTIVITY: GENERAL PROPERTY

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 50%
- Private Benefit: 50%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges or property sales is appropriate because it reflects the benefits to the users. Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Direct costs funded from fees and charges (property sales).
- Remaining costs allocated to main activities.

ACTIVITY: ACCENT POINT, ADMINISTRATION BUILDING AND CORPORATE OVERHEADS

Community outcomes to which activity primarily contributes (promotion of community outcomes): Refer to activity statements.

Distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user / beneficiary pays principle):

- Public Benefit: 50%
- Private Benefit: 50%

Period in or over which benefits are expected to occur (intergenerational equity principle):

- The benefits from the operating costs incurred in this activity are primarily expected to occur within the financial year. Some one-off costs may have benefits over the short to medium-term; however, these costs are expected to be small in relation to the total operating costs.
- The benefits from the capital costs incurred in this activity are primarily expected to occur in the medium to long-term. In particular, benefits from costs associated with renewing the assets, increasing the service potential of current assets (LOS) and / or the construction / acquisition of new assets (including those related to growth needs) are expected to occur over the useful life of the particular asset.

Extent to which actions or inactions of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle):

- The need to undertake this activity is not driven by the actions or inaction of a particular group of individuals or a group.

Summary of Council's Consideration on the Funding of Activities

Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities (efficiency of the funding mechanism):

- The application of any targeted means of funding is a practicable option for the costs associated with this activity.

Overall impact of any allocation for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community (overall impact on current and future wellbeings):

- Funding of this activity through fees and charges is appropriate because it reflects the benefits to the users. Funding of this activity through general rates is appropriate because it reflects the benefits to the community in a general sense.

Proposed Changes to Funding Policies

Operating:

- Direct costs funded from fees and charges (rentals).
- Remaining costs allocated to main activities.

Funding Impact Statement and Rating Policy

FUNDING IMPACT STATEMENT

The revenue and financing mechanisms to be used to cover the estimated expenses of Council are outlined in the Revenue and Financing Policy. Information relating to those mechanisms for the period covered by this LTCCP is presented in the following table:

Revenue and Financing Mechanisms (GST exclusive)	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
OPERATING FUNDING SOURCES	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rates	22,359,961	24,526,986	27,777,263	30,762,238	33,233,503	34,755,378	36,165,895	37,830,716	39,374,941	40,228,868
Charges for Services	4,625,670	4,768,356	4,905,909	5,015,754	5,140,319	5,257,883	5,367,627	5,468,978	5,555,966	5,644,275
Government Grants, Subsidies & Sponsorship	1,361,832	1,456,944	1,449,130	1,510,105	1,576,688	1,626,038	1,692,186	1,754,872	1,838,202	1,916,422
Investment Interest	211,250	211,250	211,250	211,250	211,250	211,250	211,250	211,250	344,404	1,097,725
Petroleum Tax	170,000	174,420	178,606	182,535	186,186	189,724	192,949	195,843	198,389	200,968
Total Operating Funding Sources	28,728,713	31,137,956	34,522,158	37,681,882	40,347,946	42,040,273	43,629,907	45,461,659	47,311,902	49,088,258
CAPITAL FUNDING AND FINANCING SOURCES										
External Loans	16,616,530	4,572,798	1,630,563		1,781,236	1,697	4,421,473			
Government Grants & Subsidies	7,125,710	5,143,530	4,601,052	9,710,616	3,184,003	3,732,660	4,266,844	4,273,907	4,385,621	4,773,557
Depreciation	4,522,028	4,787,317	5,347,471	5,653,384	5,956,571	6,531,554	6,702,502	6,811,539	7,390,035	7,590,468
From Reserves	11,378,079	3,917,008	1,410,542	4,076,331	2,992,019	3,864,504	5,613,554	5,444,871	6,068,972	12,000,000
Development/Financial Contributions	6,702,956	11,162,937	13,840,441	15,944,380	14,710,652	12,114,664	11,579,806	10,312,465	10,481,582	10,653,626
Vested Assets	7,090,480	1,969,920	2,235,777	3,167,515	4,876,981	1,607,526	1,751,787	374,100	379,712	385,408
Gain on Sale of Property		515,305								
Total Capital Funding and Financing Sources	53,435,783	32,068,815	29,065,846	38,552,226	33,501,462	27,852,605	34,335,966	27,216,882	28,705,922	35,403,059

Funding Impact Statement and Rating Policy

The level of funding from each of the revenue and financing mechanisms listed above is consistent with the aggregate amounts recorded in the Activity Statements section of this LTCCP.

RATING POLICY

1. Introduction

The rating policy outlines how Council proposes to allocate the rates funding requirement among the ratepayers of the District for the period covered by this LTCCP.

Rates are set under the provisions of the Local Government (Rating) Act 2002.

2. Objectives

Objectives of the Council's rating policy are:

- a) To provide adequate income to allow Council to meet its goals and objectives
- b) To ensure the rate take is spread equitably and fairly across the District, with each ratepayer making a reasonable contribution.
- c) To ensure that the rating model is easily understood by all, simple to administer and justifiable.
- d) To protect and encourage the productive use of non-residential land (effected by means of a rates remission policy).
- e) To ensure that the rating model acts to encourage and does not discourage business initiatives within the District.

- f) To minimise the impact on individual ratepayers of any rating changes.

3. Policy Changes

The following is a summary of the main changes to rating policy:

- a) The Waste Management / Refuse Uniform Annual Charge (UAC) is discontinued following the introduction of direct charging for refuse collection services
- b) The Uniform Annual General Charge (UAGC) will be set for 2006/2007 at a level to provide 22% of Councils overall rates requirement, incrementing by 0.5% annually in subsequent years (eg. 22.5% in 2007/2008).
- c) Auckland War Memorial Museum and Museum of Transport and Technology Targeted rates will be levied at a uniform rate in the dollar on a Capital Value basis. This is similar to the manner in which these levies are calculated and charged to the District.
- d) Properties previously rated within the Residential (Outer) group will now be included within the Residential rating group.
- e) Properties used for residential purposes but located within business zones will now be rated directly at a rate equivalent to the Residential rate rather than requiring a rates remission to effect this adjustment.
- f) Continuing the process commenced in previous years of better alignment between rates costs and benefits received (while also taking into account other factors such as ability to pay), the share of total rates paid by business ratepayers will be progressively reduced. This is implemented by way of an annual decrease in the business differential factor of 0.05 annually.

- g) For Rural properties the base differential factor will be progressively increased from 60% to 80% of the Residential rate over the 10 years covered by the plan. The level of the step differential rate relative to the residential rate will remain unchanged. This change is to achieve closer equity between the rating of the domestic use component of rural properties and urban residential properties and will also more closely align rates charges with benefits received.
- h) The rating of the Drury Business group is to be aligned with that of the general Business Group over a period of three years with the groups being merged from the 2008/2009 year.
- i) The differential factor applying to commercial activities rated within the Business in Residential Zones will be increased from 45% to 75% of the general business rate over 10 years.
- j) A new rating group, Business in Rural Zones, will be introduced in 2007/2008 and apply to those sites carrying out activities which would require land use consent under the district plan. This group will be rated at the same level as the Business in Residential Zones group.
- k) The early payment discount available where annual rates are paid in full will now apply if payment is made by the 1st instalment due date. In recognition of the requirement to pay earlier the discount percentage will be increased to 5%. The discount rate is subject to annual review based on prevailing market interest rates.

4. Property Valuations

Properties are independently revalued every three years with the most recent revaluation occurring in 2003. Property values from this valuation took effect for rating purposes from the 2004/05 year. The next revaluation will be carried out during 2006 and apply for rating purposes from the 2007/2008 year.

5. Projected Rates Requirement

Table Five details the amounts to be recovered from each rate type based on the total projected rates requirement.

6. Uniform Annual General Charge

- A Uniform Annual General Charge (UAGC) will be applied to each separately used or inhabited part of a rating unit.
- The amount of the UAGC will be determined annually to yield an amount equivalent to the percentages of total rates detailed in Table Six.

7. General Rate

- The General Rate is assessed at a rate in the dollar based on the land value (LV) of the rating unit.
- The General Rate is set differentially for all rateable land based on:
 - location of the rating unit in terms of zones within the Papakura District Plan, and
 - land value, and
 - use of the land

Funding Impact Statement and Rating Policy

Table Five

Projected Rates Requirement (GST inclusive)	2006/2007 \$	2007/2008 \$	2008/2009 \$	2009/2010 \$	2010/2011 \$	2011/2012 \$	2012/2013 \$	2013/2014 \$	2014/2015 \$	2015/2016 \$
Uniform Annual General Charge	5,534,090	6,208,393	7,187,367	8,132,767	8,973,046	9,579,451	10,171,649	10,852,687	11,517,170	11,993,231
General Rate (LV based)	18,737,307	20,396,012	23,015,096	25,399,532	27,312,552	28,392,905	29,363,827	30,533,870	31,587,876	32,053,417
Karaka Community Centre Uniform Annual Charge	5,859	6,040	6,216	6,383	6,543	6,694	6,834	6,964	7,075	7,189
Papakura Commercial Promotion Targeted Rate	123,750	127,586	131,286	134,831	138,202	141,380	144,350	147,092	149,445	151,837
Auckland War Memorial Museum Targeted Rate	574,919	637,931	669,560	687,634	704,820	721,033	736,175	750,167	762,167	774,360
Museum of Transport and Technology Targeted Rate	179,031	216,897	239,896	246,371	252,528	258,337	263,762	268,776	273,076	277,443
TOTAL	25,154,956	27,592,859	31,249,421	34,607,518	37,387,691	39,099,800	40,686,597	42,559,556	44,296,809	45,257,477

Table Six

Uniform Annual General Charge	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
As % of Total Rates	22.0%	22.5%	23.0%	23.5%	24.0%	24.5%	25.0%	25.5%	26.0%	26.5%

- For the Residential, Residential in Business Zones, and Rural rating groups land value based differential rates are set. In these cases a base differential rate applies for the portion of property value up to a specified step value with the balance of the property value assessed at a lower step differential rate.

For the 2006/07 year the step values are:

- Residential / Residential in Business Zones rating groups: \$144,000
- Rural rating group: \$635,000

The step values will be adjusted following district revaluations by the average land value change for residential and rural properties respectively.

Table Seven below shows the General Rate as it will be levied on a differential basis.

Table Seven

Rating Group Factors	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Residential / Residential in Business Zones										
- base differential	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
- step differential	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Rural										
- base differential	0.62	0.64	0.66	0.68	0.70	0.72	0.74	0.76	0.78	0.80
- step differential	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Business (General)										
Business (General)	4.52	4.47	4.42	4.37	4.32	4.27	4.22	4.17	4.12	4.07
Drury Business	4.34	4.39	Drury Business group properties rated within Business (General) group from 2008/2009							
Business in Residential Zones										
Business in Residential Zones	2.18	2.28	2.38	2.48	2.58	2.68	2.78	2.88	2.98	3.05
Business in Rural Zones										
Business in Rural Zones	not applicable	2.28	2.38	2.48	2.58	2.68	2.78	2.88	2.98	3.05

Differential rating group factors will be adjusted following district revaluations to eliminate the impact of differing average increases in property values for each rating group and ensure congruence with the relativities outlined in this policy.

Funding Impact Statement and Rating Policy

8. Rating Group - Definitions

The rating groups established for the purpose of applying the General Rate on a differential basis are defined as follows:

Residential

All rating units located in the following District Plan Zones:

- Urban Residential 1,2,3,4,5,6,7,8 & 9
- Ardmore Aerodrome Zone (Lots 1to 24 DP 173310)
- Any zone not included within any other rating group

With the exception of that portion of any rating unit used for industrial or commercial purposes, which will be rated under the Business in Residential rating group.

Residential in Business Zones

The portion of rating units which would otherwise fall into the Business (General) or Drury Business rating groups except for the fact that they are used for residential purposes.

Rural

All rating units located in the following District Plan Zones:

- Rural Papakura
- Rural Papakura (Drury Subdivision Area)
- Rural Papakura (Hill Subdivision Area)
- Rural Residential
- Rural Takanini/Drury

- Karaka Centre
- Nature Conservation Area
- Hingaia Education Zone

Business General

All rating units located in the following District Plan Zones:

- Urban Commercial 1, 2, 3 & 4
- Urban Industrial 1,2,3, & 4
- Mixed Use 1
- Quarry
- Ardmore Aerodrome Zone (excluding Lots 1to 24 DP 173310)

The rating unit located at 53 Parkhaven Drive, valuation reference 37401-17501.

With the exception of that portion of any rating unit used for residential purposes, which will be rated under the Residential rating group.

And with the exception, for the 2006/2007 and 2007/2008 years, of rating units falling within the Drury Business rating group.

Drury Business

For the 2006/2007 and 2007/2008 years, all rating units located in the following District Plan Zones within the Drury Urban Area as defined in Plan Number 453 (refer page 91):

- Urban Commercial 1, 2, 3 & 4
- Urban Industrial 1,2,3, & 4

Business in Residential Zones

The portion of rating units which would otherwise fall into the Residential rating group except for the fact that they are used for an industrial or commercial purpose.

With the exception of the rating unit located at 53 Parkhaven Drive, valuation reference 37401-17501.

Business in Rural Zones

With effect from the 2007/2008 year, the portion of rating units which would otherwise fall into the Rural rating group except for the fact that they are used for a business purpose which would, due to the nature of the activity, require a resource consent for the zone the rating unit is located within.

9. Targeted Rates

9.1 Karaka Community Centre Uniform Annual Charge

A targeted uniform annual charge is set covering costs associated with the maintenance of the Karaka Community Centre. This rate, which is set in relation to all land located within the Karaka Community Centre Area, is levied as a uniform annual charge on each rating unit.

9.2 Papakura Commercial Promotion Targeted Rate

A targeted rate is set to provide funding for promotion of the Papakura Central Business Area. This rate, which is set in relation to all rating units located within the Papakura Commercial Area described in Plan

Number 456 (refer page 92) and rated within the Business rating group, is assessed at a rate in the dollar based on the land value (LV) of the rating unit.

9.3 Auckland War Memorial Museum Targeted Rate

A targeted rate is set to cover the Auckland War Memorial Museum levy. This rate, which is set in relation to all rateable land in the District, is assessed at a uniform rate in the dollar based on the capital value (CV) of the rating unit.

9.4 Museum of Transport & Technology Targeted Rate

A targeted rate is set to cover the Museum of Transport & Technology levy. This rate, which is set in relation to all rateable land in the District, is assessed at a uniform rate in the dollar based on the capital value (CV) of the rating unit.

10. Instalment Due Dates

Rates are invoiced and due for payment in four instalments. A ratepayer may elect to pay weekly, fortnightly or monthly by automatic payment through the banking system. Rates can also be paid by direct debit and other banking methods.

Funding Impact Statement and Rating Policy

The due dates for payment of rates instalments are as follows:

Instalment No.	Due Date
1	1 September
2	1 December
3	1 March
4	1 June

Payments must be received on or before the due date, or where this day falls on a weekend or public holiday, the next working day.

11. Penalties

In accordance with Sections 57 and 58 of the Local Government (Rating) Act 2002:

A penalty charge of 10% will be added to the amount of rates remaining unpaid for each instalment after the due date. The dates upon which the 10% penalty charge will be added to any rates remaining unpaid for each instalment will be the day after the due date for each instalment.

A penalty of 10% of the amount of rates assessed in any financial year that are unpaid after the 30th of June will be added on the day following that date.

Note: The amount of unpaid rates to which a penalty is added includes:

- (a) Any additional charges previously added to the amount of unpaid rates under Section 132 of the Rating Powers Act 1998; and

- (b) Any penalties previously added to unpaid rates under Section 58 of the Local Government (Rating) Act 2002.

12. Discount for the early payment of rates

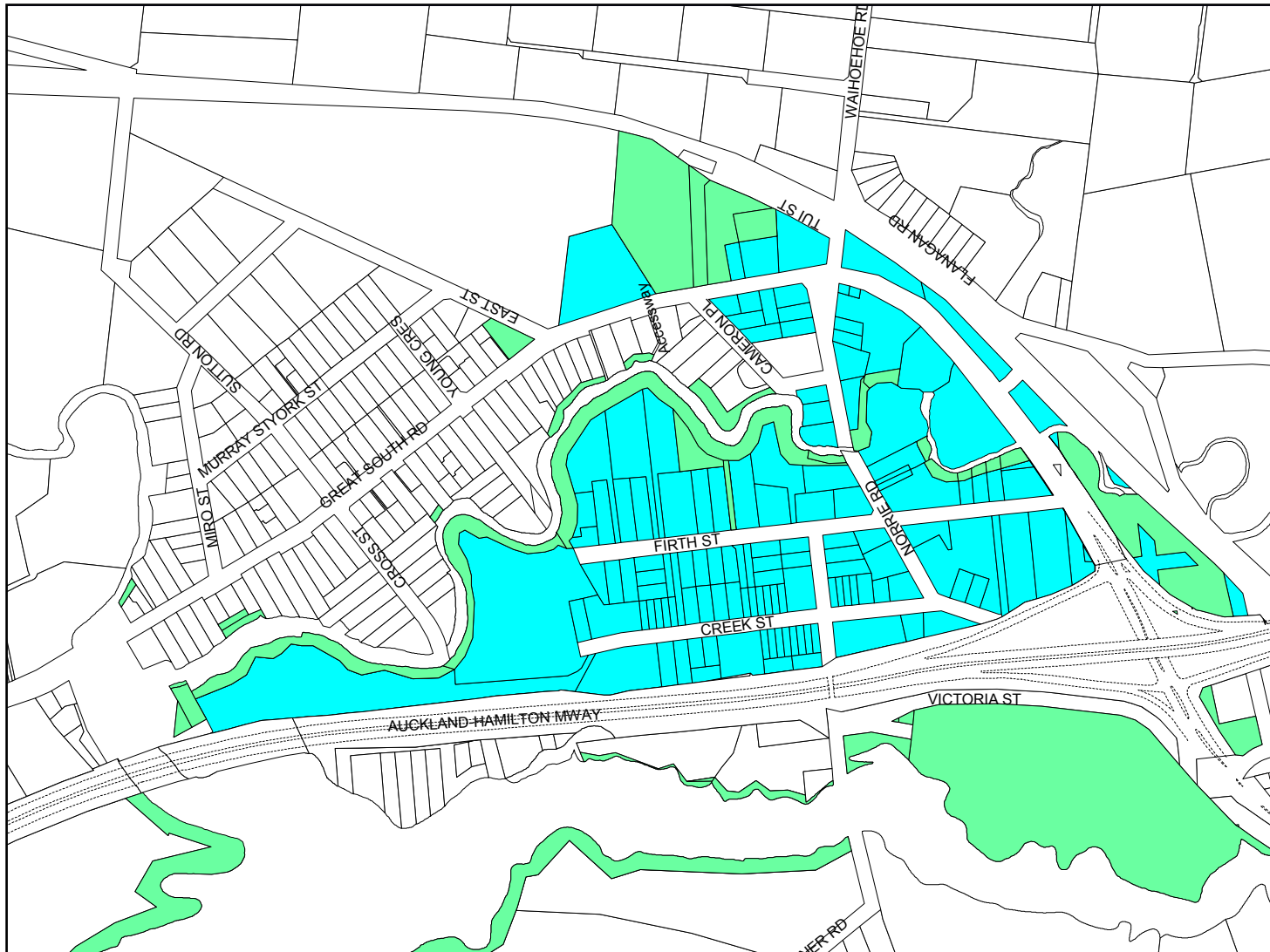
In accordance with Section 55 of the Local Government (Rating) Act 2002 a discount will be allowed if all rates assessed for the year plus any arrears are paid in full on or before the due date of the 1st instalment for that year.

The discount rate is subject to annual review and adjustment based on prevailing market interest rates.

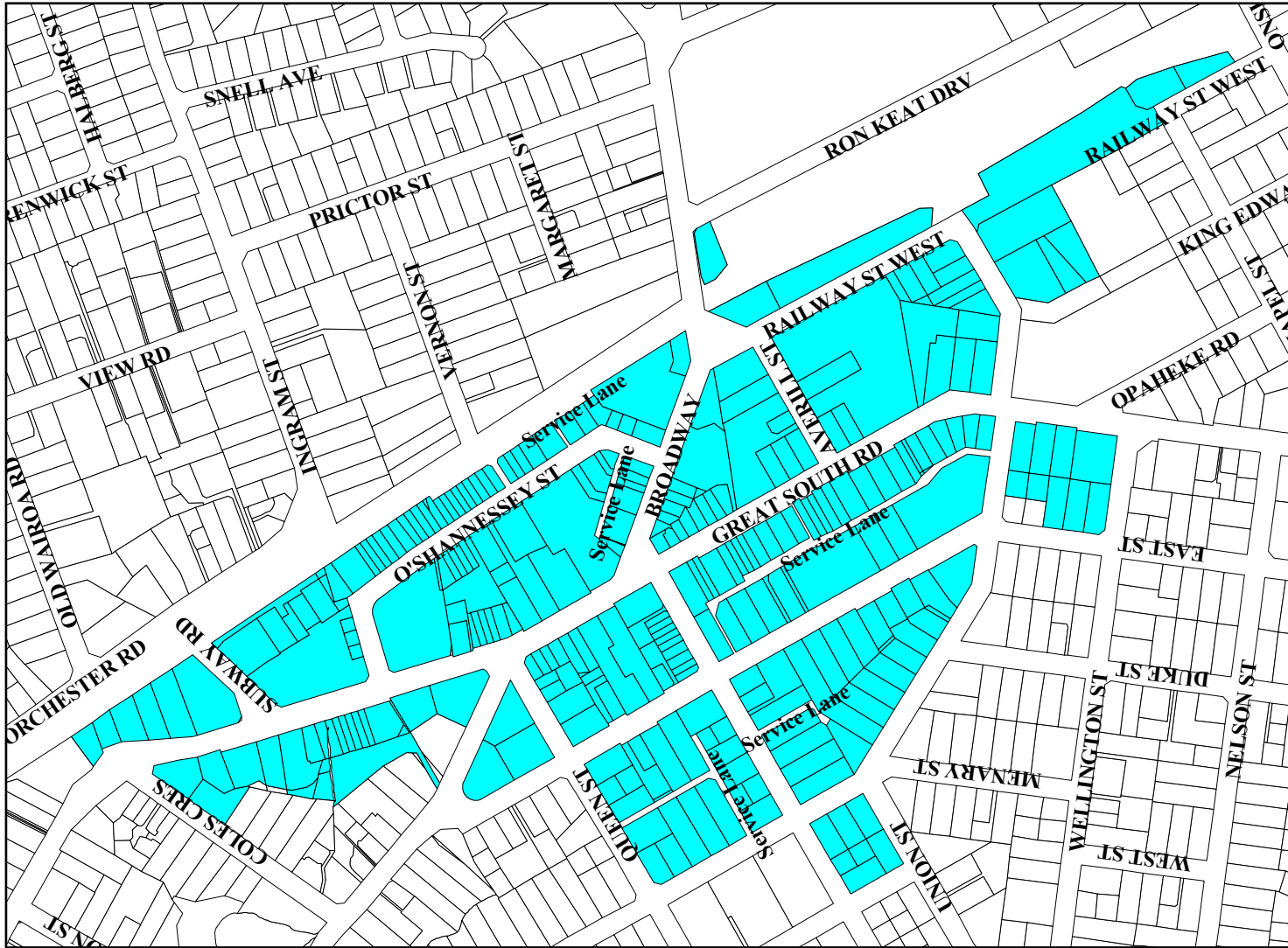
For the 2006/2007 year a discount of 5% will apply.

As a transitional provision for the 2006/07 year, Council may, on application, apply a 3% discount where payments required to receive the early payment discount are received by the due date for the 2nd instalment. This provision will only apply where the ratepayer has received an early payment discount at least once in the two preceding years and is intended to cater for situations where the ratepayer may not have become aware of the change in due date for discounts from instalment 2 to instalment 1.

Drury Business Plan (No. 453)



Papakura Commercial Area Plan (No. 456)



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Remission and Postponement of Rates

1. REMISSION OF PENALTIES

Objective of the Policy

The objective of the remission policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the due date.

Conditions and Criteria

Penalties may be remitted where the application meets the following criteria:

1. Remission of one penalty will be considered in any one rating year where payment has been late due to significant family disruption. Remission will be considered in the case of death, illness or accident of a family member as at the due date.
2. Remission of the penalty will be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control.
3. Remission of instalment penalty (incurred after 1 July 2006) where rates are paid within seven days of due date and no penalties for late payment have been incurred within the preceding two years.
4. Where Council agrees to a schedule of regular payments by way of direct debit or automatic payment covering rates for a particular year, any instalment penalties incurred for that years rates will be remitted provided that no payments are missed or dishonoured.
5. Applications for remission of penalties in other extenuating circumstances will be considered on their merits and remission may be granted where in the opinion of Council it is just and equitable to do so.
6. Applications for remission of penalties must be in writing outlining circumstances under which remission is sought.
7. The Council may remit small balances due to cash rounding.

2. REMISSION OF UNIFORM ANNUAL GENERAL CHARGES AND SPECIFIED TARGETED RATES FOR CONTIGUOUS RATING UNITS IN SEPARATE OWNERSHIP, USED JOINTLY AS A SINGLE BUSINESS ENTITY

Objective of the Policy

The policy provides for rates remission where multiple uniform annual general charges or uniform targeted rates are levied on contiguous, separately owned rating units which are occupied by the same ratepayer, whether owner or lessee, who is using the rating units jointly as a single property and as a single business entity.

Conditions and Criteria

Rates may be remitted where the application meets the following criteria:

1. The rating units must be contiguous and occupied by the same ratepayer who is the owner or lessee of each unit and who uses them jointly as a single property and as a single business entity.
2. Council may remit any uniform annual general charges or uniform targeted rates levied on the rating units if it considers it to be reasonable to do so.
3. The ratepayer must make application annually to Council on the prescribed form prior to the due date for payment of rates instalment 1 for the year concerned.

3. REMISSION OF UNIFORM ANNUAL GENERAL CHARGES AND SPECIFIED TARGETED RATES ON RATING UNITS WHICH ARE:

- (a) Separately used by one occupier for both business and residential purposes; or
- (b) Used for residential purposes and which include a separately inhabited part occupied by a dependent member of the family of the owner of the rating Unit.

Objective of the Policy

The policy is to provide for the possibility of rates remission where two or more uniform annual general charges and/or uniform targeted rates for specified services is assessed on a rating unit because the rating unit comprises more than one separately used or inhabited part where either:

- (a) The rating unit is separately used or occupied by one occupier for both residential and business purposes; or
- (b) the rating unit is used for residential purposes and includes a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit.

Conditions and Criteria

Rates may be remitted where the application meets the following criteria:

1. The rating units in (a) must be occupied (either as owner or lessee) by the same person(s) and separately used by that/those person(s) for his/her or other business and residence; or –

Remission and Postponement of Rates

2. The rating units in (b) above must be used as the owner's residence but also contain a minor flat or other residential accommodation unit which is inhabited by a member of the owner's family who is dependent on the owner for financial support (eg a granny flat).
3. The owner(s) of the rating unit must complete and provide to the Council a statutory declaration stating that the conditions to either (1) or (2) above apply. Such a declaration will be effective for three years or until the conditions cease to be met, whichever is earlier. A fresh declaration must be completed and provided in order to qualify for consideration for remission beyond the first three year period.
4. The rates which may be remitted are as follows:

For rating units in both (a) and (b) above, any uniform annual general charge and/or uniform targeted rate for waste management services assessed in respect of the rating unit, apart from the first of each.
5. The ratepayer must make application annually to the Council on the prescribed form prior to the due date for payment of rates instalment 1 for the year concerned.

4. POSTPONEMENT OF RATES DUE TO EXTREME FINANCIAL HARDSHIP

Objective of the Policy

To assist ratepayers experiencing extreme financial circumstances which affect their ability to pay their rates.

Conditions and Criteria

Rates will be postponed where the application meets the following criteria:

- (1) When considering whether extreme financial circumstances exist, all of the ratepayers personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.
- (2) The ratepayer must be the current owner of the rating unit and have owned or resided on the property or another property within the Papakura District for not less than two years.
- (3) The rating unit must be used solely for residential purposes.
- (4) The Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
- (5) The ratepayer must not own any other rating units or investment properties or other realisable assets.

- (6) The ratepayer must make application to the Council on the prescribed form.
- (7) Even if the rates are postponed, as a general rule the ratepayer will be required to pay the first \$500 of the rate account.
- (8) The ratepayer must make acceptable arrangements for payment of future rates
- (9) The Council may add a postponement fee to the postponed rates for the period between the due date and the date they are paid. This fee will not exceed an amount which covers Council's administration and financial (including interest) costs.
- (10) The policy will apply from the beginning of the rating year in which the application is made although Council may consider backdating past the rating year in which the application is made depending on circumstances.

Any postponed rates will be postponed until:-

- (1) the death of the ratepayer(s); or
- (2) until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- (3) until the ratepayer(s) ceases to use the property as his/her residence; or
- (4) until a date specified by the Council as determined by the Council in any particular case.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have pursuant to this policy.

Postponed rates will be registered as a statutory land charge on the rating unit title.

5. REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

There is no Māori freehold land within the Papakura District.

Notwithstanding, section 102(4)(f) of the Local Government Act 2002 requires Council to establish a policy on the remission and postponement of rates on Māori freehold land.

Accordingly for the purposes of establishing a policy, there is no remission or postponement of rates on Māori freehold land.

Remission and Postponement of Rates

6. POSTPONEMENT OF RATES ON FARMLAND

Objective of the Policy

To encourage owners of farmland to continue productive farming businesses rather than subdividing or otherwise using their land for residential purposes.

Conditions and Criteria

Rates will be postponed where the application meets the following criteria:

1. The rating unit must be rated within the Rural differential rating group; and
2. The ratepayer must be the current owner of the rating unit and the property must have been used for farming purposes for not less than two years.
3. The rating unit must be used principally for the purposes of a farming business. Council considers that a farming business may include, but is not limited to, livestock farming, bloodstock, horticulture and viticulture. It will be up to the applicant to show that their enterprise is being conducted as a business venture rather than simply defraying the costs of their lifestyle. It will then be a decision of Council as to whether the applicant is, in its view, conducting a productive farming business or not. Council may request any information it needs from the applicant in support of their application.
4. The policy will not apply to rural land that is being used as a lifestyle block.

5. The ratepayer must make application annually to the Council on the prescribed form prior to the due date for payment of rates instalment 1 for the year concerned.

If an application is approved, postponement of up to 20% of rates, excluding uniform charges, will be granted.

At the end of three years following postponement of rates for a particular year, any postponed rates for that year will be remitted if the rating unit has not been sold or subdivided. If the rating unit is sold or subdivided within the three year period any outstanding postponed rates and interest will be payable at the time of that sale or subdivision.

Postponed rates will be registered as a charge against the land so that, in the event that the property is sold, the Council has first call against the proceeds of that sale. The ratepayer will be required to sign an agreement to these conditions.

7. REMISSION OF UNIFORM ANNUAL GENERAL CHARGES AND SPECIFIED TARGETED RATES FOR RATING UNITS IN THE SAME OWNERSHIP, USED JOINTLY AS A SINGLE BUSINESS ENTITY FOR THE PURPOSES OF A FARMING BUSINESS

Objective of the Policy

The policy is to provide for the possibility of rates remission where two or more uniform annual general charges or uniform targeted rates for waste management are levied on separately owned rating units which are occupied by the same ratepayer who is using the rating units as a single business entity for the purposes of a farming business.

Conditions and Criteria

Rates may be remitted where the application meets the following criteria:

1. The rating unit must be occupied by the same ratepayer who is the owner of each unit and who uses them jointly as a single business entity for the purposes of farming.
2. The Council may consider reducing or cancelling any targeted rates for waste management on such rating units, where each of the rating units do not separately use the waste management collection services.
3. The Council may consider reducing or cancelling any uniform annual general charges levied on the rating units if it considers it to be reasonable to do so.
4. The ratepayer must make application annually to the Council on the prescribed form prior to the due date for payment of rates instalment 1 for the year concerned.

8. REMISSION OF RATES ON LAND PROTECTED FOR NATURAL CONSERVATION PURPOSES

Objective of the Policy

To encourage owners to take measures to protect areas of land for natural conservation purposes for the benefit of future generations.

Conditions and Criteria

Rates may be remitted where the application meets the following criteria:

1. A mechanism must be in place which provides for enduring protection of the land concerned, such as:
 - an open space covenant under the Queen Elizabeth the Second National Trust Act 1977
 - a conservation covenant or protected private land agreement under the Reserves Act 1977
 - any other covenant or agreement which in the opinion of Council provides enduring protection for the land
2. The ratepayer must provide copies of documentation creating the protection mechanism along with confirmation that, and how, any conditions of the mechanism are being complied with.
3. Qualifying land will not include any area put to active use, including but not limited, to residential accommodation, commercial activities, grazing or other farming activity.

Remission and Postponement of Rates

4. Separate rating valuations will be prepared for the qualifying protected land and the balance of property.
5. Remission of 100% of rates, excluding uniform charges, will be granted only in respect of the protected area..
6. The ratepayer must make application annually to the Council on the prescribed form prior to the due date for payment of rates instalment 1 for the year concerned.

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Treasury Policy

1. PHILOSOPHY

The Papakura District Council (“PDC, The Council”) incurs risks arising from debt raising, investments and associated interest rate management activity. PDC carries out its borrowing and investment activities (referred to in this document as treasury activity) within its finance function.

PDC’s broad objectives in relation to treasury activity are as follows:

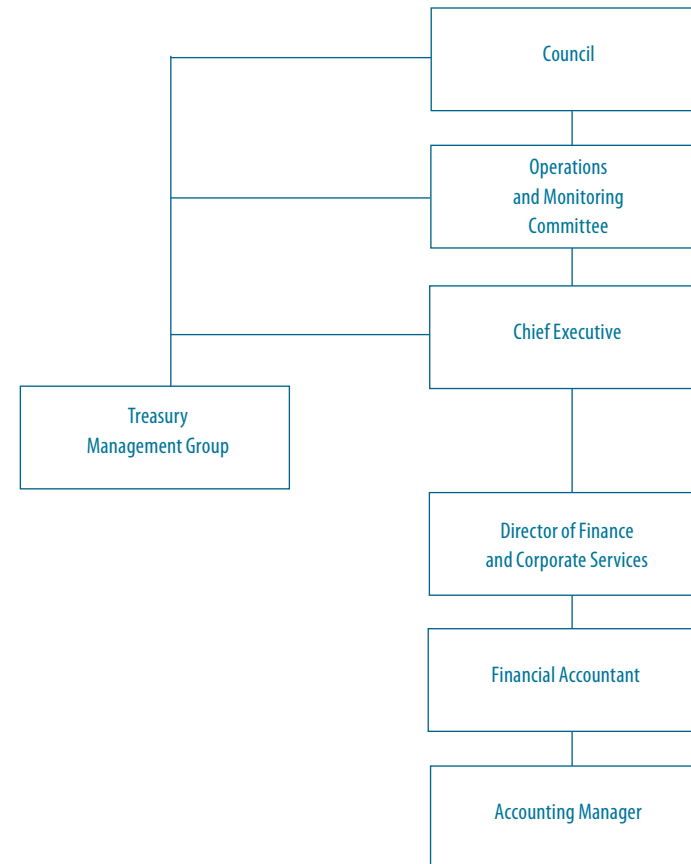
- Compliance with the Local Government Act 2002 and amendments thereto, and other relevant local authority legislation.
- Develop and maintain professional relationships with the financial markets.
- Manage all of Council’s investments within treasury policy parameters ensuring that investments are made in liquid and credit worthy investments.
- Raise appropriate finance, in terms of both maturity and interest rate.
- Effectively manage the overall cash position of the Council.
- Provide timely and accurate reporting on treasury activities including appropriate performance measurement.

PDC’s finance function in relation to treasury activity is a risk management function and PDC does not undertake any treasury activity that is unrelated to the underlying cashflows and exposures of PDC or is purely speculative in nature.

2. STRUCTURE

2.1 Treasury Organisational Structure

The organisation chart for treasury activity is as follows:



2.2 Treasury Responsibilities

The key responsibilities of the above positions are as follows:

COUNCIL

- Approve treasury policy (incorporating borrowing and investment management policies) document.
- Approve amendments to various control limits, bank facilities and approved instruments.
- Approve hedging strategies outside policy parameters after recommendation from Operations and Monitoring Committee.
- Approve amendments to treasury policy after reviewing recommendations from Operations and Monitoring Committee.
- Review financial covenant control limits on an annual basis.

OPERATIONS AND MONITORING COMMITTEE

- Review the treasury management process through regular standard reporting including compliance with policy, procedures and risk limits.
- Review formally on a three yearly basis, the treasury policy document and make any recommendation for change, to Council.
- Review hedging strategies outside policy parameters and make recommendations to Council.

CHIEF EXECUTIVE

- Recommend amendments to the treasury policy to Operations and Monitoring Committee after reviewing recommendations from Treasury Management Group.
- Overview treasury risk management processes through monitoring of regular reporting.

TREASURY MANAGEMENT GROUP

- Review regular treasury reports to ensure compliance by treasury with policies, procedures and risk limits.
- Overall responsibility for setting risk management strategies in relation to the implementation of this treasury policy.
- Oversee the management of Council's relationship with financial institutions.
- Oversee the negotiation of borrowing facilities with bankers, the appointment of brokers/arrangers/managers.

The Treasury Management Group ("TMG") meets at least quarterly to review the risk management strategies in place and other treasury related issues as appropriate. Members of the TMG are Director of Finance and Corporate Services, Financial Accountant, Accounting Manager and a representative of PDC's Independent Treasury Advisor (if one is appointed) as an ex-officio member

Treasury Policy

DIRECTOR OF FINANCE AND CORPORATE SERVICES

- Report treasury activities to Chief Executive, TMG and Council.
- Manage Council's relationship with financial institutions
- Negotiate borrowing facilities with bankers, appoint brokers/arrangers/managers.
- Responsibility to rectify any deal ticket discrepancies.
- Approve bids for stock tenders.
- Approve deal tickets.
- Backup dealer in Financial Accountant's absence.
- Approve journals prepared by Financial Accountant.

FINANCIAL ACCOUNTANT

- Day-to-day management responsibility for borrowing and investment activity.
- Responsible for keeping TMG and Director of Finance and Corporate Services informed of significant treasury activity and market trends.
- Assist in managing Council's relationship with financial institutions.
- Review Council's daily cash flow position and cash flow forecasts.
- Liaise with brokers/arrangers/managers for issue of debt; co-ordinate tenders if handled in-house.

- Execute borrowing, investment and related risk management activities.
- Complete deal tickets for all transactions.
- Reconcile external confirmations to internal records for transactions undertaken by other Council officers.
- Review and approve bank reconciliations.
- Review credit standing of investments on a regular basis.
- Produce reports and work papers on treasury activity.
- Approve journals prepared by Accounting Manager.

ACCOUNTING MANAGER

- Reconcile external confirmations to internal records for transactions undertaken by other Council officers.
- Arrange payment and receipt of approved treasury transactions.
- Check and reconcile direct debits/credits.
- Prepare journals.
- Reconcile bank statements.

3. LIABILITY MANAGEMENT

3.1 General Policy

Council exercises its flexible and diversified borrowing powers within the Local Government Act 2002. Council approves the borrowing programme by resolution during the Annual Planning process.

A resolution of Council is not required for hire purchase, credit or deferred purchase of goods if:

- the period of indebtedness is less than 91 days or
- the goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding in aggregate, an amount determined by resolution of Council.

Council borrows through a variety of market mechanisms which primarily comprise the issue of stock, issuing debentures, through accessing the capital markets and direct bank borrowing.

In evaluating any new or renewal of existing borrowings (in relation to source, term, size and pricing) the Director of Finance and Corporate Services takes into account the following:

- The size and the economic life of the project.
- The impact of the new debt on the borrowing limits.
- Relevant margins under each borrowing source.
- Council's overall debt maturity profile, to avoid concentration of debt at reissue/rollover time.

- Prevailing interest rates relative to term for both stock issuance and bank borrowing and management's view of future interest rate movements.
- Available term from bank and stock issuance.
- Legal documentation and financial covenants.

3.2 Borrowing Limits

In managing its borrowings, Council determines appropriate control limits based on the following covenants:

- The gross interest expense of all borrowings will not exceed a specified percentage of total annual rates income. The maximum limit is 20%.
- Net Debt will not exceed a specified percentage of Total Revenue. The maximum limit is 200%.
- A control ratio of EBIT/Net Interest (EBIT has to be a multiple of net interest) will be determined. The minimum limit is 5:1.
- A ratio of net cash inflow from operating activities to gross annual interest expense is specified. The minimum limit is 5:1.

The applicable control limits will be set by the full Council and reviewed on an annual basis.

Treasury Policy

3.3 Liquidity and Credit Risk Management

Council’s ability to readily attract cost effective borrowing is largely driven by its ability to maintain a strong balance sheet as well as its ability to rate, to manage its image in the market, and its relationship with its banker(s).

To ensure funds are available on repayment of debt, reserves may be maintained in liquid assets and/or funds will be available through committed bank facilities.

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council’s control, Council’s preference is that where the total amount of Council’s debt allows, debt is spread over a band of maturities and pricing so that:

- No more than 50% of total borrowing or a maximum of \$30 million, whichever is the greater, is subject to refinancing in any rolling 12 month period.

3.4 Interest Rate Risk Management

Interest is incurred on any bank funding facility, issuance of local authority stock and other borrowing arrangements. This policy recognises that the longer the term of borrowing, the greater the interest rate risk. Longer term fixed rate borrowings may be of benefit if market interest rates rise, but equally may not allow PDC to take advantage of periods of low interest rates.

A balance is achieved through having variable terms with regard to interest rate resets. The table below outlines the minimum and maximum hedged or fixed rate exposure requirements within various time buckets.

The Director of Finance and Corporate Services (“DFC”) is responsible for developing risk management strategies for approval by the Treasury Management Group (“TMG”). Any hedging outside the parameters detailed below or for longer than 10 years must be reviewed by the Operations and Monitoring Committee (“OMC”) and approved by the Council, before initiation.

INTEREST RATE MATURITY PROFILE LIMIT

	Minimum Fixed Rate	Maximum Fixed Rate
Less than 1 year	50%	100%
1 year to 3 years	30%	70%
3 years to 5 years	20%	50%
5 years to 10 years	0%	40%

The following interest rate risk management instruments (refer glossary for definitions) may be used for interest rate risk management activity.

- Forward rate agreements.
- Interest rate swaps.
- Interest rate collar type option strategies.

Selling interest rate options for the primary purpose of generating premium income is not permitted because of its speculative nature.

3.5 Security

Council offers deemed rates as security for general borrowing programmes. From time to time, with prior Council approval, security may be offered by providing a charge over one or more of Council’s assets.

3.6 Repayment

Council repays borrowings from general funds or reserves established for this purpose.

3.7 Contingent Liabilities

Council from time to time provides financial guarantees to organisations, groups or bodies for recreational and community purposes. Prior to loan approval management reviews the latest audited financial reports and cashflow forecasts.

Council limits its total loan guarantees provided to 5% of total annual rates income net of GST, and ensures that guarantees to individual organisations, groups and bodies, are limited to a maximum of 10% of the total guarantees given by Council.

Where possible Council registers a charge over the organisation's building. Financial statements are received annually.

Should the guarantee be called upon, Council will take immediate steps to recover the money.

4. INVESTMENT

4.1 Investment Mix

Council maintains investments in the following financial assets:

- loans advances (covered in Section 4.3);
- shares in Watercare Services Ltd Local Government Insurance Corporation (covered in Section 4.4); and
- financial investments (covered in section 4.5).

4.2 General Policy

Council's philosophy in the management of investments is to optimise returns in the long term while balancing risk and return considerations. Council recognises that as a responsible public authority any investments that it does hold should be low risk, giving preference to conservative investment policies and avoiding speculative investments.

It also recognises that lower risk generally means lower returns.

Council does not hold financial investments other than those involving general and specific reserves and cash management balances. In its financial investment activity, Council's primary objective when investing is the protection of the investment capital value and to minimise the risk of loss. Accordingly, only credit worthy counterparties are acceptable. Council's policy on managing credit risk is contained in Section 4.6.

Within the credit constraints contained in Section 4.6, Council also seeks to:

- Optimise investment return.
- Ensure investments are liquid and sufficiently flexible.
- Diversify the mix of financial investments.
- Manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

4.3 Loan Advances

Loan advances include loans to recreational and community organisations which further the Council's community objectives.

Treasury Policy

Internal loan advances are made from specific reserves for specific Council purposes. Before raising external borrowings, management firstly reviews its ability to make loans internally from existing reserves.

All loan advances are approved by Council.

External loan advances are secured by first mortgage over that organisation's property. Interest earned is credited to the Parks Capital Reserve Account which is used for the purchase and development of community parks and reserves.

The DFC reviews performance of these investments on a regular basis to ensure objectives are being achieved and that interest and principal repayments are being made in accordance with the loan agreement. Exceptions are reported to OMC on a timely basis.

Council's policy is that it does not intend to dispose of these investments before maturity.

4.4 Shares

The shares in Local Government Insurance Corporation (LGIC) were acquired by virtue of Council being a local authority. The purpose of the company in which almost all local authorities are shareholders is to ensure that adequate insurance arrangements are available to local authorities at the lowest possible cost. The shares in LGIC are held as the shares are not readily transferable.

Annual Reports are received and reviewed by Council. Election of Directors takes place at the AGM held at the Local Government New Zealand annual conference. The Council votes by proxy. Council's policy is to review the continuance of the LGIC scheme on a regular basis.

In 1998/99 Council was vested with shares in Watercare Services Ltd. Legislation vesting the shares in Council stipulates that Council cannot sell the shares and that Watercare Services Ltd cannot pay a dividend to its shareholders.

4.5 Financial Investments

Council maintains financial investments for the primary reasons below:

- Invest proceeds from the sale of assets.
- Invest amounts allocated to general and specific reserves e.g. disaster reserve.
- Invest funds allocated for approved future expenditure. Invest surplus cash and working capital funds (see Section 6).

4.6 Credit Risk

Council's primary objective when investing is the protection of its investment. Accordingly, only credit worthy counterparties are acceptable. Investments can only be made with the following counterparties unless there is prior approval by the full Council.

- New Zealand registered banks with a Standard and Poor's ("S&P") long term credit rating (or accepted equivalent) of 'A+' or better with an individual limit of \$20 million per individual entity.
- Other entities that have an S&P credit rating (or accepted equivalent) of 'A' or better, unrated local authorities that give general security over rates or State Owned Enterprises with a rating of BBB or better, subject to a maximum of \$5 million for any one entity.

4.7 Interest Rate and Liquidity Risk Management

The TMG sets interest rate risk management strategy by monitoring the interest rate markets on a regular basis, evaluating the outlook and determines the interest rate profile to adopt for investments. In general terms Council will look to use surplus funds to decrease its overall level of borrowings by proactive management of its bank facilities.

Liquidity risk management is implemented by ensuring that any investments are capable of being liquidated. Committed bank facilities are also held to assist in the management of short term funding requirements as well as contributing to the funding of core debt.

5. FOREIGN EXCHANGE POLICY

Council may incur foreign exchange exposures through the occasional purchase of foreign exchange denominated plant, equipment and services. All significant commitments defined as an exposure in excess of NZD50,000 equivalent are hedged using foreign exchange contracts, once expenditure is approved by management and/or the Council, under relevant delegation.

6. CASH MANAGEMENT

From time to time, Council has daily cashflow surpluses and borrowing requirements due to the mismatch of daily receipts and payments. All cash inflows and expenses pass through bank accounts controlled by the finance function.

Finance maintains a daily cash forecast. Daily bank account balances and transaction logs are taken from the Council's transactional banker.

Generally any cash to be invested for longer than three months is covered by Section 4 of this policy.

Cash management activities must be undertaken within the following parameters:

- Cash management instruments are limited to:
 - Call deposits with registered banks.
 - Negotiable instruments with a maturity less than three months.
 - Term deposits with registered banks (less than three months).
- Cash may only be invested with approved counterparties as detailed in Section 4.6.
- If practical, a targeted minimum of \$200,000 is invested at call.
- Council may have bank overdraft facilities. However any overdraft facilities are utilised as little as practical.

Interest rate risk management on cash management balances is not permitted.

7. PERFORMANCE MEASUREMENT AND REPORTING

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective and objective measures. The predominant subjective measure is the overall quality of treasury management information including the development of Key Performance Indicators (KPI's) by the Chief Executive and Management Team. In accordance with standard practice the reporting of PDC's treasury activity will be provided as part of the monthly financial reporting process.

Treasury Policy

8. REPORTING

The following reports are produced:

Report Name	Frequency	Prepared by	Recipient
Cash Forecast Report	Daily	Accounting Manager	Financial Accountant
Treasury Spreadsheet	Daily	Accounting Manager	Financial Accountant
Treasury Report	Monthly	Financial Accountant	Director of Finance Operations and Monitoring Committee
Limits Report (included within Treasury Report)	Once a month, reported daily on an exceptions basis	Financial Accountant	Director of Finance Operations and Monitoring Committee
Budget Report	Quarterly	Financial Accountant	Operations and Monitoring Committee
Statement of Public Debt	Annually	Financial Accountant	Council

9. DELEGATED AUTHORITIES AND KEY CONTROLS

9.1 Delegated Authorities

Activity	Responsibility
Alter policy document	Council
Authorise bank facilities	Council
Open/close bank accounts	Cheque signatories
Cheque signatories	As approved by Council
Direct funds transfer signatories (eg electronic approval of transfers between accounts)	Cheque Signatories
Develop investment and borrowing strategies	Treasury Management Group
Manage investments	Director of Finance and Corporate Services
Approve loans within annual Council approvals	Chief Executive
Implementing TMG developed strategy and related risk management	Director of Finance and Corporate Services
Transfer of Stock/Register new issues	Seal register signatories
Approve risk management strategies outside policy parameters	Council
Approve annual borrowing programme	Council

9.2 Key Internal Controls

Council's systems of internal controls over treasury activity include:

- Adequate segregation of duties among the core treasury functions of deal execution, confirmation, settling and accounting/reporting. There are a small number of people involved in treasury activity and accordingly strict segregation of duties is not always achievable. The risk from this is minimised by the following processes:
 - a documented approval process for treasury activity.
 - regular management reporting.
- Organisational, systems, procedural and reconciliation controls to ensure:
 - all treasury activity is bona fide and properly authorised.
 - checks are in place to ensure Council's accounts and records are updated promptly, accurately and completely.

More specifically, key internal controls are as follows:

9.3 General

ORGANISATIONAL CONTROLS

- The Chief Executive has overall responsibility to ensure appropriate structures, procedures and controls to support treasury activity are in place.
- All treasury activity is undertaken in accordance with approved delegations contained within the treasury policy.

CHEQUE / ELECTRONIC BANKING SIGNATORIES

- Signatories approved by Council.
- Dual signatures are required for all cheques and electronic transfers. Access to the electronic banking system is limited and password protected.
- Cheques must be in the name of the counterparty crossed "Not Transferable" via the Council bank account and paid to order.

AUTHORISED PERSONNEL

- All counterparties are provided with a list of personnel approved to undertake transactions, standard settlement instructions and details of personnel able to receive confirmations.

RECORDING OF DEALS

- All deals are recorded on properly formatted deal tickets by the initiator and approved by the DFC. Deal summary records for borrowing, investments, interest rate risk management and cash management transactions are maintained and updated promptly following completion of transaction.

CONFIRMATIONS

- All inward confirmations are received and checked by someone other than the initiator against the approved deal ticket and treasury spreadsheet records to ensure accuracy.
- Deals, once confirmed, are filed (deal ticket and attached confirmation) in deal date order.

Treasury Policy

- Any discrepancies arising during deal confirmation checks which require amendment to the Council records are signed off by the DFC.

SETTLEMENT

- A facsimile signed by two cheque signatories is provided to banks who have direct debiting authority. A confirmation letter is received next day and checked to the authorised deal ticket.
- For direct payments, the transaction originator is denied access to transaction data after transaction approval is granted.

RECONCILIATIONS

- Any discrepancies arising during bank statement reconciliation are dealt with by the Accounting Manager and signed off by the Financial Accountant.
- Any discrepancies arising during deal confirmation checks are dealt with by the Financial Accountant and signed off by the DFC.
- The Financial Accountant reviews the monthly reconciliation of the treasury spreadsheet to the general ledger, carried out by the Accounting Manager.
- Interest income as per the treasury spreadsheet is reconciled by the Financial Accountant to bank statements to ensure income is received.

9.4 Borrowing and Investments

In addition to the controls listed in Section 9.2, the following controls apply to borrowings and investments:

- Investment activity is undertaken within counterparty limits specified in this policy.

- Normally financial investments are held to maturity date. Where investments are liquidated prior to maturity, approval is obtained from the DFC.
- All deliverable certificates of investment (eg bank bills) are held with Council's dealing bank.
- NZ Government stock, Treasury bills, local authority stock and debentures are registered with Computershare. The Council receives notice of the stocks transferred into its name from Computershare. This notice is checked to the Council's treasury spreadsheet.
- Borrowing activity is undertaken within borrowing limits specified in this policy.
- All borrowing is undertaken with either the Council's banker(s), by private placement or by using a competitive bidding process.

9.5 Incidental Arrangements

In addition to the controls listed under Section 9.2, the following controls apply to incidental arrangements:

- The use of incidental arrangements is confined to managing interest rate risk of Council's borrowing and investments and are used within the confines of the parameters and instruments specified in this policy.
- Standard master agreements for incidental arrangements are completed by Council with its dealing banks.

GLOSSARY

Approved Risk Management Instruments

- Forward rate agreements (“FRA”).
- Interest rate swap (“IRS”).
- Interest rate collar.

Examples of the use of Derivative Products

Forward Rate Agreement

An agreement between PDC and counterparty (usually a bank) protecting PDC against a future adverse interest rate movement. PDC and the counterparty agree to a notional future principal amount, the future interest rate, the date and the benchmark rate, which is contained on the Reuters system.

Objective

To provide PDC with certainty as to its interest rate cost on an agreed principal amount for an agreed period. A Forward Rate Agreement (FRA) typically applies to a 3-month period, starting at some point within the next 12 months.

Example

PDC wishes to provide certainty on a portion of its floating rate borrowings over the event risk posed by an expected change in monetary policy at a point in the future. A borrower’s FRA is purchased in say, March, at 6.00% for protection through the June to September period. It is described as a 3X6 FRA, ie the rate applies to a borrowing for 3 months starting in 3 months time.

Outcome

If on the rate set date in June, the 3-month interest rate has climbed to, say, 8.00%, PDC receives the difference between this and the FRA rate of 6.00%. It then borrows at 8.00%, the payment received making the effective borrowing rate 6.00%, plus its margin.

INTEREST RATE SWAP

An interest rate swap is an agreement between PDC and a counterparty (usually a bank) protecting PDC against a future adverse interest rate movement. PDC pays (or receives) a fixed interest rate and receives (or pays) a floating interest rate. The parties agree to a notional principal amount, the future interest rate, the settlement dates and the benchmark floating rate, which is usually off the Reuters page containing the daily rate sets for BKBM (bank bill reference rates).

Objective

To provide PDC with certainty as to its interest rate cost on an agreed principal amount for an agreed period. Floating rate sets are typically every 3 or 6 months over the life of the swap.

Example

PDC fixes its interest rate for 3 years at 6.50%, on a quarterly basis on a portion of its planned borrowings by entering into a 3 year 6.50% fixed rate swap. The floating rate reference is 3 month BKBM.

Treasury Policy

Outcome

On a swap-reset date, the 3 month bank bill rate is at, say 4.75%. PDC borrows from its bank the principal, for 3 months at 4.75% plus PDC's margin. At the same time the bank pays PDC 4.75% on the principal amount for a 3 month period. PDC then pays the bank 6.50% on the principal amount for a 3 month period. This means that PDC's effective interest rate is 6.50% plus its margin. In practice cashflows would be netted off if the swap and the underlying borrowing facility were with the same bank.

INTEREST RATE COLLAR

The combined purchase (or sale) of a cap or a floor with the sale (or purchase) of another floor or cap.

Objective

To provide PDC with certainty as to its interest rate cost on an agreed principal amount for an agreed period, but at the same time avoid the need to pay an up front premium.

Example

PDC wishes to secure a worst case borrowing rate of 7.50% for the next 5 years, but wishes to avoid paying a premium. In exchange for the worst case protection at 7.50%, PDC accepts a best case outcome at 6.00%. In this structure PDC has bought and sold options, with the respective option premiums offsetting each other. On each quarterly rate set date PDC will have a rate between 6.00% and 7.50%, the parameters of the collar.

Outcome

If on each rate set date the 3-month interest rate is in excess of 7.50% PDC exercises its option and pays 7.50%, for that 3-month period, its worst case rate. If on each rate set date the 3-month interest rate is below 6.00%, the bank exercises its option on PDC and PDC pays 6.00%, PDC's best case rate. If on any rate set date the 3-month interest rate is between 6.00% and 7.50%, PDC borrows at the market rate.

Processes for Māori to contribute to the decision-making processes of Council

Since October 2004, Council has undertaken a range of activities to enable Māori to contribute to the decision making processes of Council. Consultation hui with Manawhenua and a number of elected members have been exploring the ways in which each party wishes to engage with the other. Council has continued a long-standing practice of hui at the Papakura Marae to seek input from the Māori community to the Annual Plan and LTCCP processes. These hui are widely advertised via community newspapers as well as direct distribution through networks in the Māori community.

The development of the community outcomes included a workstream on engagement with Māori. While part of the intention of this workstream was to develop both outcomes and actions to achieve these outcomes, supported

by the Māori community, a further objective was to develop the capacity of the community to determine their own future. While this process is still developing, a strong desire has been expressed by the Māori community to stay engaged with the community planning process to achieve results. The community has identified people willing to take advisory roles on behalf of the wider group. Council and supporting partners from Central Government agencies are working with these advisors on the future processes.

In broader terms, Council supports the development of Māori Capacity to contribute to its decision-making processes through the position of a Kaitakawaenga (Māori Liaison Officer). The role includes an outreach function in relation to key Council decision making processes.

Summary Assessment of Water and Sanitary Services

(Adopted June 2005)

1.0 INTRODUCTION

Part 7 of the Local Government Act 2002 (hereafter LGA) requires territorial local authorities to assess the provision and services of water-related and other sanitary services within its district.

Specific information required from the assessment for each identified community includes:

- A description of the services provided.
- An assessment of risks to communities relating to the absence of services.
- The quality, quantity and adequacy of services provided.
- The current and estimated future demand.
- The territorial authority's role and proposals for meeting these demands.
- The options available to meet the forecast demands and the suitability of each.
- The health and environmental impacts of discharges and other sanitary services.
- The extent to which public health is adequately protected.

The Act requires the first assessment to be completed by 30 June 2005.

Assessment of Water Services

LGA Part 7 defines "Water Services" as all 3 waters: water supply, wastewater and stormwater. All forms of supply and delivery systems servicing 'communities' must be assessed as to adequacy of supply for present and future demands, and

with respect to any risks to the supply and the associated community.

Much of the urban area will be serviced by well-recorded and maintained reticulated pipe systems for all three waters. Asset and Catchment Management Plans are likely to contain most of the information required for assessment of these services, but the Act requires that the process still be carried out.

The outlying rural communities will be more difficult to assess as Council records will be less complete and some if not most local systems will be privately owned and maintained.

Examples of non-Council water services would include:

- Stand alone activities: schools, correction facilities and private schemes
- Small rural and holiday settlements
- Small lot rural-residential and bush living subdivisions
- Marae and other cultural settlements

The full range of options and their environmental and public health impacts must be considered in the assessment. These options must include, but may not be limited to, the following:

- On-site collection and disposal methods
- Greywater and stormwater reuse or recycling
- Demand reduction strategies including public education & information, promotion of appropriate technologies, pricing strategies and regulation
- The full range of technologies available

Assessment of Sanitary Services (including Solid Waste)

LGA Part 7 (in referring to HA section 25) defines “Sanitary Services” as cemeteries, crematoria, public toilets and solid waste disposal.

Community - LGA Definition

The definition of Community, as defined in LGA 2002 Section 5 “Interpretation”, refers to Schedule 6, which has the context of legally defined Communities having community boards.

However the definition is subject to S5(2), where the above definition does not apply to:

- a) Section 3 “Structure and reorganization of local government”, or
- b) The definition of the long-term council community plan, or
- c) Any of the provisions of Parts 2 (“Purpose of Local Govt...”) and 6 (“Planning, decision-making, and accountability”), or
- d) Any of the provisions of Schedules 10 (“Council plans and reports”) and 11 (Matters relating to rates relief on Maori freehold land”), or
- e) Any other provisions of this Act in respect of which the context otherwise requires.

Practical Definition

For the purposes of the assessment therefore, a community can be either the legally constituted kind, or any other area or group that is identified as useful for making a satisfactory assessment of water & sanitary services.

Ministry of Health defines a water ‘community’ in practical terms as any area with a community water supply with “25 or more persons resident for more than 60 days a year”.

For the purposes of the Water Services Assessment, the practical meaning of ‘community’ may vary depending on circumstances, communal interests or locations, and may for example include:

- A number of farms served by a rural water supply (which could be less than 25 people)
- A community served by a piped water supply or reticulated sewerage system
- An industry or factory water supply
- An area of 50 ha divided into 20 x 2.5 ha lifestyle blocks
- An area or School or Marae with problems due to septic tank soakage

The practical meaning of a sanitary ‘community’ may vary as above, and could for example include:

- Part or all of a territorial authority
- A rural area or an urban part of a territorial authority
- An isolated locality within a territorial authority

Assessment of Water and Sanitary Services

2.0 ASSESSMENT PROCESS

The assessment of water and sanitary services in Papakura District has been carried out in three sections. They are

- Water Services Assessment
- Sanitary Services Assessment
- Solid Waste Assessment

The detailed level of assessment is outlined in the separate sections in the report.

This assessment has been carried out with the available information and a certain level of survey in rural areas. Papakura has three types of areas: Urban, Rural and Future Growth. The future growths are mainly in the Greenfield rural areas. This overall assessment has been based on these three areas by assessing the health and safety risks for current required level of service and future level of service.

As this assessment was carried out with current available information, there are some areas that require more detailed attention and further assessment. The gap and additional required works are identified in the improvement plan for continuing works in this area. According to Council's planning process, this assessment will be eventually lined up with future Activity Management Plans and then incorporated into LTCCP 2006/16.

The improvement in the infrastructure management has mainly been identified in the asset management plans and those improvements have already been commenced for implementation through Council's Annual Plan processes.

Although assessment of water and sanitary services and asset management plans will be incorporated into activity management plans, these two documents will be kept updated for operations and asset management purposes.

3.0 SUMMARY OF WATER AND SANITARY SERVICES

Current Services

Watercare Services Limited (WSL) supplies potable water to the Papakura District from the Ardmore Filter Station and the Papakura Filter Station. Downstream of the bulk supply points the potable water is supplied to consumers through the United Water operated water reticulation system.

The overall supply pressure across the Papakura water reticulation network can be regarded as good.

The previous grading undertaken by Public Health for the 2002 calendar year resulted in a continuation of an AA grade for each of the three distribution zones in Papakura, achieved for the first time in 2000.

The supply of drinking water to rural properties is primarily via non-reticulated sources such as rain tanks and the occasional ground water bore.

Urban wastewater is collected by Watercare Services Ltd via United Water for treatment at the Mangere Treatment Plant. A small volume of wastewater is currently treated at the Drury wastewater treatment plant.

The disposal of wastewater from rural properties is primarily via the use of septic tanks and the associated disposal fields on private property. A small number of rural residents use a “biocycle” system instead of a septic tank.

The stormwater network is owned and managed by Papakura District Council. The disposal of stormwater in the urban areas is via a comprehensive network of reticulated pipe systems connecting to treatment ponds through (in some cases) soakage pits.

Demand for services and risks

The franchise agreement between PDC and United Water also allows for the growth of the greenfield areas as well as the intensification of the existing urban areas in terms of the reticulated supply of water and the disposal of wastewater. Under the agreement, United Water has developed asset management plans for water and wastewater services which include the long term planning required to accommodate the expected population growth.

United Water and the Council have regular meetings to align the anticipated demand requirements with the provision of water and wastewater services to the District.

In rural Papakura the projected demand for water services is expected to be accommodated through the construction of rainwater tanks and septic tanks on private property to service each new development.

Demand for stormwater treatment and upgrades to the capacity of the existing network will be required by the intensification of the existing urban areas as well as the new requirements of the ARC Air Land Water Plan. The proposed

stormwater works in the current annual plan (04/05) include both maintenance of the existing network and upgrades required to meet the on-going growth.

The current risk for the quality and adequacy of water supply for both the growth and existing rural areas was assessed as ‘low’. Given the future growth anticipated in the “growth” areas and the introduction of a reticulated system for both water supply and wastewater, the risk for quality and quantity in the growth areas is expected to decrease.

The current sources of water and wastewater disposal options are expected to remain unchanged for the population in the rural areas and have been assessed as ‘low’ risk in terms of public health. With the increasing age of the existing septic tanks, there may be an increased risk associated with the disposal of wastewater via overflows/leaks, hence the risk associated to public health for these properties was increased to ‘moderate’ for the future.

Health issues resulting from the increased demand for stormwater services are expected to be restricted to flooding. Such issues are being addressed through the current programme of works (LTCCP 2004/2014 and the Annual Plan 2004/05). Developments in the growth areas will also necessitate the construction of new stormwater disposal systems and stormwater quality treatment systems, however it is expected that developers will build the required infrastructure as part of their development works.

Assessment of Water and Sanitary Services

Proposed Programme

As a result of the assessment Council has developed an improvement plan to address the potential but low risk issues identified by the rural survey. The plan includes investigations into the small number of septic tank overflows, the quality of bore water being consumed by a small number of rural residents and the flooding incidents reported by rural residents.

On the basis of the services described and the proposed works in the assessment, Council considers the provision of water services to Papakura District to be adequate.

Sanitary Services – Cemeteries and Public Toilets

Cemeteries

The Council manages two cemeteries within the District, these being the Papakura Cemetery and the Papakura South Cemetery. There are also two private cemeteries, those being managed by the Anglican Church and the Presbyterian Church.

The available capacity at the Papakura South Cemetery has been assessed as 60 years. Even with the anticipated growth in the district, it is expected that the cemeteries have in excess of 30 years remaining land to accommodate the requested interments. The existing capacity at the Papakura Cemetery has been reserved already for future use.

The space available within the two public cemeteries has been assessed as adequate to provide for future interments as a result of growth within the district.

Public Toilets

The Council is the only provider of toilet facilities dedicated solely for the use of the public.

The Council also provides toilet facilities in a number community facilities that have varying degrees of public use, including one for sports fields. There are also a number of commercial operators that provide toilet facilities that would be considered as having a degree of public accessibility – particularly family restaurants and service stations.

There are no commonly agreed standards for the adequate provision of public toilets. There is, for example, no population to toilet ratio or maximum distance between toilet facility threshold to work with. As such, the Council's overall provision of public toilets is the result of historical decisions made in response to specific community issues rather than in accordance with a set level of service. As a general rule of thumb, the Council should provide full public toilets in areas of concentrated public use where people will be using public space for a prolonged amount of time – such as in the Town Centre, at major parks and reserves, and at the terminals for public transport.

The Council is currently developing a strategy for the provision of public toilets that will provide a qualitative assessment of adequacy of current provision to meet current and future demand.

On the basis of the services described and the proposals in this report, Council considers that public health is generally adequately protected. It is recognised that the proposed strategy for the provision of public toilets may seek to reduce the vandalism /misuse currently identified as an issue.

Sanitary Services – Solid Waste

The sanitary services in terms of solid waste provided for the community in the District are:

- Weekly kerbside collection and disposal of household refuse
- Weekly kerbside recycling collection
- Annual inorganic refuse collection
- Annual hazardous household refuse collection in association with ARC
- Daily litter bin collections in the town centre and on arterial routes
- Programmed sweeping of street kerb and channels

In addition, Council is responsible for monitoring four closed landfills.

Population data shows that by, 2021 that 25.6 million tonnes of refuse will have been landfilled in the 35 million tonne capacity available. If the projection is extrapolated, at current regional population growth levels, there is sufficient landfill capacity till 2032 over all four listed landfills.

Future demand can be met by privately owned and operated consented landfills, and hence there are no public health issues for disposal. Council has made financial provision to continue to collect refuse and other wastes of sanitary concern in order to cater for public health needs of the District with respect to solid waste.

On the basis of the services described and the proposals in the assessment, Council considers that public health is adequately protected.

Assessment of Water and Sanitary Services

4.0 STATEMENTS ON ASSESSMENT OF WATER AND SANITARY SERVICES

The provision of water and sanitary services to the Papakura District has been assessed as adequate for both the current requirements and anticipated future growth. An improvement plan to address the potential low risks identified by the assessment is in place.

Activity	Assessment of Public Health					
	Urban Areas		Rural Areas		Future Growth Areas	
	Present	Future	Present	Future	Present	Future
Water	Adequate	Adequate	Adequate	Adequate	Adequate under Rural designation	Adequate; network extended
Sanitary Sewer	Adequate	Adequate	Generally adequate	Generally adequate but further enhancement required in some areas	Adequate under rural designation	Adequate; network extended
Stormwater	Generally adequate	Generally adequate but further evaluation and works required as identified in the Asset Management Plan	Generally adequate with natural waterways	Generally adequate but further evaluation and works required	Generally adequate under rural designation	Adequate; network extended
Cemeteries	Adequate	Adequate	Adequate	Adequate	Adequate	Adequate
Public Conveniences	Generally adequate	Generally adequate but strategy to reduce vandalism required	Generally adequate	Generally adequate but strategy to reduce vandalism required	Generally adequate	Generally adequate but strategy to reduce vandalism required
Waste Management (solid waste and landfills)	Adequate	Adequate	Adequate	Adequate	Adequate	Adequate

Waste Management Plan (Adopted 2003)

This plan was published in 2003 and will be reviewed next year. It represented Council's intentions at the time it was adopted. Many of the initiatives in the plan have been completed. Some are no longer a focus as the situation has changed.

INTRODUCTION

Statement of Partnership

Indigenous peoples regard water as sacred and pivotal to 'wellbeing'. Maori acknowledge water as having mauri, life itself. Papatuanuku, earth mother is nurturing and all embracing, and it is through Hineahuone that ancestral links are traced to the land.

Environmental degradation in all forms is born from lack of understanding and is in many ways a cost to others, with these costs often extending into the unforeseeable future. With an increasing strain on our livelihood, it is imperative that sound waste management strategies adopt objectives that are measurable and achievable. We have a responsibility to ensure that traditional ecological values, whether within districts, regions, or the country as a whole are upheld.

The Papakura District Council acknowledges the special relationship that Tangata Whenua has with land, water and air. The initiatives in this Waste Management Plan aim to reflect Te Tiriti o Waitangi and has been undertaken in the spirit of meaningful partnership.

As the indigenous people of the land are indelibly linked, generations continue to maintain kaitiakitanga. Through oral traditions, pakiwaitara, patere, ngeri and other forms, the holistic 'Maori world view' is maintained. Conceptually, it is therefore an environment of integrated systems.

Waste Management Planning

Councils are required to have waste management plans under the Local Government Amendment Act 2002. The purpose of a waste management plan is to make provision for the effective and efficient collection and reduction, reuse, recycling, recovery, treatment, or disposal of waste within a district.

The plan provides Papakura District Council with a strategic approach for addressing waste in the District. The initiatives in the plan recognise the need for sustainable use of resources and the financial, social and environmental costs of waste.

This plan represents Papakura District Council's first waste management plan. It was adopted following public consultation in 2003, and will be reviewed every three years.

The New Zealand Waste Strategy

The Council's waste management plan has considered, and is consistent with, the policies and targets identified in The New Zealand Waste Strategy. The strategy was launched in March 2002 and was developed as a joint initiative between Local Government New Zealand and the Ministry for the Environment.

Waste Management

The New Zealand Waste Strategy is the first time New Zealand has had a coordinated, central government-led waste strategy. The strategy's vision of the future is "towards zero waste and a sustainable New Zealand". The strategy sets national targets for waste minimisation, hazardous wastes, and waste disposal.

Five core policies have been identified in the strategy which are intended to focus New Zealand on waste prevention rather than waste disposal.

The strategy also sets out the key actions for putting the policies into effect. The core policies are:

- A sound legislative basis for waste minimisation and management,
- Efficient disposal pricing, reflecting the full cost of disposal,
- High environmental standards,
- Adequate and accessible information, and
- Efficient use of materials.

2. THE VISION FOR OUR DISTRICT

"A community committed to reducing, reusing, recycling and recovery of waste"

The objectives of the Waste Management Plan are to:

- Increase the community's knowledge of waste issues;
- Reduce the amount of waste produced by the community;
- Support the principles in the New Zealand Waste Strategy; and
- Reduce the impact of waste disposal on the environment.

3. INCREASE THE COMMUNITY'S KNOWLEDGE OF WASTE ISSUES

3.1 Public Awareness

Linkages with the New Zealand Waste Strategy

The New Zealand Waste Strategy identifies communicating information and educating the community about waste problems and solutions as integral parts of its four key programmes. Life after waste is a programme developed by the Waste Management Institute NZ. It is a programme for increasing awareness and changing attitudes and individuals' actions in relation to waste which complements the New Zealand Waste Strategy. The following excerpt from life after waste gives the philosophy of the programme:

"Life after waste is when all material at the end of one life, becomes the technical or organic nutrients for new life. To close the loop on waste in New Zealand we need to change the way we act. We need to shift our attitudes and processes from linear to cyclical."

Current Situation in the Papakura District

Public awareness regarding waste issues in the Papakura District is currently limited to occasional promotion of the recycling service through distribution of brochures, newspaper articles, the Council website and school visits by ARC staff.

Illegal dumping of rubbish, including abandoned vehicles, is an environmental issue with significant costs to the District, and which needs to be addressed.

The Council views increasing public awareness of waste issues as its most important role in implementing the New Zealand Waste Strategy. Increasing the public's understanding of waste issues is the first step to getting people to change their behaviour.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Promote the waste hierarchy of "Reduction, reuse, recycling, recovery and residual disposal" to the community.
- Continue to work with the District's schools to promote waste reduction, both in schools and at home.
- Communicate waste reduction messages to all groups within the community.
- Actively participate in regional and national waste education initiatives.

4. Reduce the amount of waste produced by the community

4.1 Households

Linkages with the New Zealand Waste Strategy

The following targets are in the strategy:

Waste minimisation

Ninety-five percent of the population will have access to community recycling facilities by December 2005. This target has already been met via the kerbside recycling contract. The Refuse Transfer Station and other businesses also receive or collect recyclable materials.

Current Situation in the Papakura District

There are approximately 15,000 households in the Papakura District. The Council currently offers a number of waste collection and recycling services to its residents:

Recycling

Kerbside recycling was introduced in the District in December 2000. The contractor collects glass bottles and jars, steel and aluminium cans, plastic containers types 1 and 2, and paper and cardboard. In the year to June 2002, 2,158 tonnes of materials were collected and recycled, which equates to about 144 kg per household per year. This means that 23 percent of the waste collected by Council's weekly refuse and recycling collections was diverted from landfill, in the 2001/02 year.

Refuse

The Council operates a refuse collection, which is charged for as a uniform annual charge in the rates. Residents are not required to use an official bag. Garden waste is banned from rubbish bags through the Council's bylaw. During the 2001/02 financial year, 7,160 tonnes of refuse was collected (477 kg per household). Refuse is disposed of to landfills outside the Papakura District. Private operators also offer refuse collection services to residents.

Inorganic refuse

In 2002 the inorganic refuse collection was re-introduced, following the use of a tip pass system for the previous five years. The collection allowed for the recycling of tyres and scrap metal. In 2002, 1,300 tonnes were collected (87 kg per household), with 4 percent of this recycled.

Waste Management

The 2003 collection will attempt to increase the amount of material that is recycling by offering a performance sum based on the percent recycled.

Hazardous waste

The HazMobile, a mobile household hazardous waste collection service that was developed as a regional initiative, occurs about 15 times a year throughout the Auckland region, including once per year in Papakura.

Residents can dispose of wastes such as paint, car batteries, engine oil and garden chemicals free of charge. Approximately 10 tonnes of waste were collected at the Papakura HazMobile in 2001, an average of 22 kg per customer. Over 90 percent of this waste is recycled or reused.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Reduce the amount of refuse produced by households by raising awareness of waste issues through education campaigns and by promoting alternatives.
- Encourage households to support businesses that are reducing waste or have low-waste products.
- Increase participation in the kerbside recycling service.
- Promote home composting and investigate subsidies for compost and worm bins.
- Investigate alternative methods of collecting inorganic refuse, and increasing its recycling and reuse.
- Continue to participate in the Auckland Region Hazardous Waste Programme.

- Continue liaison with other Councils to coordinate waste collection services
- Review funding and pricing for refuse collection and disposal.
- Compile a database of local businesses involved in waste management services and products

4.2 Businesses

Linkages with the New Zealand Waste Strategy

The following targets are in the strategy:

Waste minimisation

By December 2005, at least 10 major businesses will be participating alongside central and local government in developing and promoting waste minimisation programmes within their sector.

Construction and demolition wastes

By December 2005, all territorial local authorities will have instituted a measurement programme to identify existing construction and demolition waste quantities and set local targets for diversion from landfills.

By December 2008, there will have been a reduction of construction and demolition waste to landfills of 50 percent of December 2005 levels measured by weight.

Organic wastes

By December 2010, the diversion of commercial organic wastes from landfill to beneficial use will have exceeded 95 per cent.

Special Wastes

By December 2005, businesses in at least eight different sectors will have introduced extended producer responsibility pilot programmes for the collection and reuse, recycling or appropriate treatment and disposal of at least eight categories of special wastes.

Current Situation in the Papakura District

Businesses in the Papakura District are entitled to use the kerbside recycling service (for household quantities of glass bottles and jars, steel and aluminium cans, paper and cardboard, and plastic containers types 1 and 2).

The household refuse collection service is also available to businesses for the collection of household types and quantities of refuse. Businesses producing larger volumes of refuse make arrangements with private collectors for its disposal. The refuse and recycling services are funded through a Uniform Annual Charge on the rates.

Trade wastes disposed of through the sewerage system are charged for under the Council's trade waste bylaw, which is administered by Watercare Services Ltd.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Survey businesses to determine what their needs are and what role they would prefer the Council to take.
- Raise awareness of business waste issues through education campaigns and by promoting cleaner production.

- Investigate options for increasing businesses' participation in Council's kerbside recycling service.
- Acknowledge and reward businesses that minimise waste.
- Facilitate the involvement of the District's businesses in achieving The New Zealand Waste Strategy's targets.
- Investigate resource and building consent processes and identify opportunities for reducing construction and demolition waste to landfill and cleanfill as well as increasing the use of low waste products.
- Support and promote national, regional and local business waste reduction programmes, such as the Auckland Regional Council's "RENEW" resource exchange.

4.3 Organic Waste

Linkages with the New Zealand Waste Strategy

The following targets are in the strategy:

Organic wastes

By December 2003, all territorial local authorities will have instituted a measurement programme to identify existing organic waste quantities, and set local targets for diversion from disposal.

By December 2005, 60 per cent of garden wastes will be diverted from landfill and beneficially used, and by December 2010, the diversion of garden wastes from landfill to beneficial use will have exceeded 95 percent.

Waste Management

By December 2007, a clear quantitative understanding of other organic waste streams (such as kitchen wastes) will have been achieved through the measurement programme established by December 2003.

By December 2007, more than 95 percent of sewage sludge currently disposed of to landfill will be composted, beneficially used or appropriately treated to minimise the production of methane and leachate.

By December 2010, the diversion of commercial organic wastes from landfill to beneficial use will have exceeded 95 percent.

Current Situation in the Papakura District

Many households use garden bags or home composting systems, although there is no data on the extent of usage. Garden waste is banned from rubbish bags through Council's bylaw.

Sewage sludge, or bio solids, is the solid fraction of wastewater that is separated out of the wastewater at the treatment plant and disposed of to landfill. Kitchen waste, such as fruit and vegetable scraps, disposed of by in-sink waste disposal units is a significant source of this waste.

There may be opportunities to work with Council's wastewater treatment service providers, Watercare Services Ltd and United Water Pty Ltd, to reduce the quantity of organic waste disposed of through the wastewater system.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Reduce the amount of refuse disposed of by households by promoting home composting and investigating subsidising compost and worm bins.
- Cooperate with regional and national initiatives to divert organic waste from landfill.
- Introduce monitoring, education and reporting programmes to achieve the organic waste targets in the New Zealand Waste Strategy.

5. Support the principles in the New Zealand Waste Strategy

5.1 Policies and Processes

Linkages with the New Zealand Waste Strategy

The following targets are in the strategy:

Waste minimisation

By December 2005, territorial local authorities will ensure that building regulations incorporate reference to space allocation for appropriate recycling facilities in multi-unit residential and commercial buildings.

By December 2005, all councils will ensure that procedures for waste minimisation have been addressed for all facilities and assets they manage and will have set target reductions based on public health, environmental and economic factors.

Waste disposal

By December 2003, local authorities will have addressed their funding policy to ensure that full cost recovery can be achieved for all waste treatment and disposal processes.

Current Situation in the Papakura District

It is important that the Council reviews its policies and processes and introduces any changes necessary for the efficient and effective implementation of the waste management plan.

There are currently few waste reduction practises being utilised by Papakura District Council, although office paper is recycled (about 2.9 tonnes per annum). As the Council is advocating that others should reduce waste, it needs to ensure it has addressed waste produced in its own operations.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Review Council's bylaws in relation to refuse and recycling practices.
- Consider the introduction of licensing of commercial operators collecting refuse and recycling in the Papakura District.
- Review the refuse collection and disposal funding policy.
- Investigate resource and building consent processes and identify opportunities for reducing construction and demolition waste to landfill and increasing the use of low waste products.

- Ensure all Council contracts are designed to consider waste reduction, recycling and disposal, and utilise only consented landfills for waste disposal.
- Address waste issues within Council's operations.
- Lobby central government to ensure that appropriate support is provided so that The New Zealand Waste Strategy's targets can be met.

5.2 Monitoring and Reporting

Linkages with the New Zealand Waste Strategy

The following target is in the strategy:

Waste minimisation

Local authorities will report their progress on waste minimisation and management for their annual report in 2001-2 and quantitatively on an annual basis from then onwards.

Baseline quantities of different waste types have been reported in the Council's 2001-2 Annual Report. This contributes to meeting the above target.

Current Situation in the Papakura District

Monitoring and reporting on waste issues is generally limited at present to the quantities of waste collected through the Council's waste collection contracts (refuse, recycling, inorganic, litter bins, dumped rubbish, hazardous).

Waste Management

Future Initiatives for Papakura District Council

Papakura District Council will:

- Conduct solid waste analysis surveys on household refuse every two years.
- Carry out kerbside recycling participation surveys every two years.
- Investigate, and implement as appropriate, additional mechanisms to obtain information from commercial operators, such as licensing, and reach agreement with commercial operators on conducting solid waste analysis surveys on the District's business waste.
- Coordinate with other councils to achieve these goals, where appropriate, including participation in regional waste surveys.
- Publicly report progress on waste minimisation and management in Council publications, including the annual report.

6. Reduce the impact of waste disposal on the environment

6.1 Landfills and Contaminated Sites

Linkages with the New Zealand Waste Strategy

The following targets are in the strategy:

Contaminated sites

By December 2008, all sites on the Hazardous Activities and Industry List will have been identified and 50 per cent will have been subject to a rapid screening system in accordance with Ministry guidelines.

By December 2010, all sites on the Hazardous Activities and Industry List will have been subject to a rapid screening system in accordance with Ministry guidelines, and a remediation programme will have been developed for those that qualify as high risk.

By December 2015, all high risk contaminated sites will have been managed or remediated.

A timeframe will also have been developed to address the management or remediation of remaining sites.

Current Situation in the Papakura District

There is one refuse transfer station and one cleanfill in the District, and these are owned and operated by private operators. There are no operating landfills. The District's waste is disposed of to landfills elsewhere in the Auckland Region.

Nearly 300 potentially contaminated sites have been identified in the District, although the Council is responsible for managing only a small number of them.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Work to achieve the targets in the New Zealand Waste Strategy.

6.2 Wastewater

Linkages with the New Zealand Waste Strategy

The following targets are in the strategy:

Trade wastes

By December 2005, all territorial local authorities will have implemented and will be monitoring Model General Trade Waste By-laws based on the New Zealand Standard Model General Bylaws, Part 23-Trade Waste or its equivalent.

By December 2005, all territorial local authorities will ensure that all holders of new or renewed trade waste permits will have in place a recognised waste minimisation and management programme.

Waste disposal

By December 2003, local authorities will have addressed their funding policy to ensure that full cost recovery can be achieved for all waste treatment and disposal processes.

By December 2005, operators of all landfills, cleanfills and wastewater treatment plants will have calculated user charges based on the full costs of providing and operating the facilities and established a programme to phase these charges in over a timeframe acceptable to the local community.

By December 2020, all substandard wastewater treatment facilities will be upgraded, closed or replaced with systems that comply with all relevant regional and coastal plans, standards and guidelines.

Organic wastes

By December 2007, more than 95 per cent of sewage sludge currently disposed of to landfill be composted, beneficially used or appropriately treated to minimise the production of methane and leachate.

Current Situation in the Papakura District

Papakura District's wastewater services are managed by the United Water Pty Ltd franchise agreement that started in 1997. Papakura households and businesses (13,300 of which are connected to the sewerage system) produce a total of approximately 13 million litres of wastewater per day.

Wastewater is treated at either the Drury treatment plant (managed by United Water Pty Ltd) or the Mangere treatment plant (managed by Watercare Services Ltd). Approximately 10 per cent of the population have their own wastewater disposal system, such as a septic tank.

Trade wastes disposed of through the sewerage system are charged for under the Trade Waste Bylaw, which is administered by Watercare Services Ltd and is currently under their review.

Future Initiatives for Papakura District Council

Papakura District Council will:

- Review its resource and building consent processes with a view to:
 - Discouraging the use of high waste producing devices such as kitchen waste disposal units.

Waste Management

- Encouraging the use of low waste devices such as dual flush toilets.
- Provide information to residents to increase understanding of the differences between stormwater and wastewater services.
- Work with United Water Pty Ltd, the wastewater services operator and franchise holder, and with Watercare Services to achieve the targets in The New Zealand Waste Strategy.
- Cooperate with any regional or national initiatives, including awareness campaigns and research to define substandard wastewater treatment facilities.

APPENDIX ONE

7.1 Waste data

Quantities of waste collected through Council's contracts (by waste type) for the 2001/02 financial year.

Waste type	Tonnes
Refuse	7,159
Recycling	2,158
Inorganic	1,313
Illegal dumping *	130
Hazardous	10
Litter bins *	131
General litter *	18
TOTAL	10,919
Quantity recycled	(approx) 2,223

* estimate only

Results of a survey of waste composition in refuse bags put out for the PDC refuse collection (August 1997)

Waste type	%
Organic	45
Paper	25
Plastic	15
Glass	5
Metal	5
Potentially hazardous	1
Construction and demolition	0.3
Other	3.7

Waste Management

Quantities of recycling collected by the kerbside recycling service for the 2001/02 financial year (by material type)

Material type	Tonnes
Paper	1345.31
Glass	629.298
Steel	56.892
Plastic	98.55
Aluminium	5.936
Waste	21.675
TOTAL	2,157.66

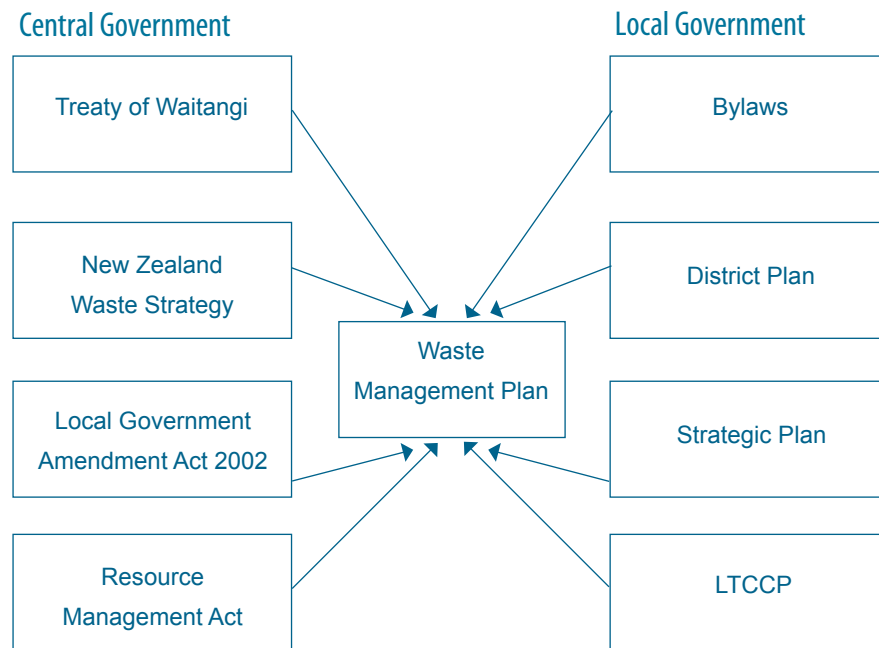
Quantity of hazardous waste collected at the HazMobile (by material type)

Material type	2000 (kg)	2001 (kg)	2002 (kg)
Paint *	2,783	3,585	
Waste oil **		4,900	4,800
Car and other batteries **		392	3,520
Household chemicals **		1078	679
Garden / intractable chemicals **		158	253
TOTAL	2,783	10,113	9,252

* 2002 data not yet available

** 2000 breakdown not available

7.2 Linkages between the Waste Management Plan and other central and local government documents





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