

# Revenue and Financing Policy

2024

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## 1. Introduction

The Revenue and Financing Policy (the Policy) is required under section 102(1) and section 102(2)(a) of the Local Government Act (LGA) 2002. The Policy is intended to provide predictability and certainty about the Council's sources and levels of funding for operating and capital expenditure. The required content of the Policy is set out in section 103 of the LGA, including:

- a) The statutory requirements for the Policy (what the law requires)
- b) The approach to funding operational (day-to-day costs) and capital expenditure (for infrastructure such as reticulation networks and roads)
- c) The different sources for funding (e.g. rates, fees, borrowing, etc.)
- d) Council's activities, services, and facilities (what we provide and why we provide it) who uses and benefits, and who pays for Council's activities and services.

The Policy is related and should be read in conjunction with other supporting documents, such as:

- Financial Strategy
- Infrastructure Strategy
- Funding Impact Statement
- Activity Statements
- Rating Policies
- Development and Financial Contributions Policy
- Schedule of Fees and Charges.

## 2. Overview of Council's funding mechanisms

As provided for by section s103(2) of the LGA, the Council uses a range of funding tools, mechanisms and sources for its operating and capital expenditure. These tools, mechanisms and sources help to allocate liability (i.e. who should be contributing to the costs) across different sectors and groups within the community.

### Districtwide general rates

Districtwide general rates are used where benefits flow to the district as a whole, and when Council considers the community as a whole should meet the costs of those services. The districtwide general rate is set on land value, on a differential basis.

The Council does not assess a uniform annual general charge.

## The districtwide general rates differential

A differential system has been applied to rural areas to reflect lower population density and demand for services. The differentials are:

| Urban rating area |   | Percentage of urban rate |
|-------------------|---|--------------------------|
| U1                | All rateable rating units   | 100%                     |
| Rural rating area |   | Percentage of urban rate |
| R1                | Rural rating units less than 50 hectares excluding any such rating units in categories R2 or R3.  | 38%                      |
| R2                | Rural rating units equal to or greater than 50 hectares and rating units less than 50 hectares which are part of one farming operation which in total is equal to or greater than 50 hectares | 22%                      |
| R3                | Rural rating units which are identified in the rural village differential rating area maps.   | 70%                      |

In setting the level of the differential, the Council has considered the requirements of the LGA and a number of other factors, including:

- The benefits each sector or group derives
- The ability of ratepayers within each sector to pay
- The historic relationship between groups of ratepayers and the existing level of the differential
- Ensuring any change to the differential, or level of any change, does not impact unreasonably on any particular group of ratepayers
- To determine equity and fairness, the entire rating system for the Kapiti Coast district must be considered and it is not appropriate to focus on the differential only
- The impact on the social, cultural, economic, and environmental well-being of the community.

### Targeted rates

Targeted rates are used when the Council considers that transparency is important for the funding of an activity, or where the location or method of rating makes the use of a targeted rate more appropriate and more equitable.

The Council uses four types of targeted rates to allocate the cost of certain activities to an area or the category of properties within the district that benefit or are set on a district wide basis to fund a specific group of activities. These are:

- **Targeted Rate – Fixed:** These are fixed rates applied to specific areas and ratepayers that have access to the service. Ratepayers who do not have access to the service do not pay. Examples are the Districtwide Wastewater Disposal rate.
- **Targeted Rates – Variable:** These apply to properties situated in specific areas that benefit from the service, but the rates are based on the value of the property or land. Examples are Districtwide Stormwater rates (based on the property's capital value)

- *Targeted Rates – Volumetric:* These apply to rating units with a metered water supply service. Rates are based on the cubic metres of water consumed or supplied.
- *Targeted Rates – Differential:* Sometimes a targeted rate, whether fixed or variable, must be adjusted according to usage, or to a particular location where the activity is used. This is referred to as a “Differential Targeted Rate” applicable to some activities such as wastewater and water.

## Subsidies and grants

Most grants and subsidies are sourced from central government and are typically related to specific activities. The main source of government subsidy is from New Zealand Transport Agency (NZTA) to subsidise the construction and maintenance of the roading and footpath network. The Council also receives a subsidy distribution of local authorities’ petrol tax. Council recognises the funding as income in accordance with generally accepted accounting practice (GAAP). NZTA funding received for capital purposes cannot be used to offset the rates requirement.

## Fees and charges

The Council uses a range of fees and charges to recover a proportion of the cost to provide facilities and services. Generally, the greater the degree of identifiable private benefit, the more likely it is that service costs can be recovered through fees and charges.

## Interest and dividends from investments

The Council receives an annual dividend from its investment in the Local Government Funding Agency (LGFA) and interest income from its working capital balances and term deposits (in accordance with its debt prefunding strategy as set out in the Financial Strategy).

## Fines, penalties, and infringement fees

This includes penalties for late payment of rates, parking infringements, dog infringements, and noise infringements.

## Borrowing

The Council borrows to fund capital works where other sources of funding are not available or not appropriate. It may also enter into short-term borrowing arrangements for the management of cashflow. In general Council does not fund operating expenditure by borrowing. The exception is to fund the impacts on ratepayer’s intergenerational equity or to fund expenditure over the period within which benefits are received. Any borrowings associated with these expenses will be repaid over time.

## Proceeds from asset sales

Proceeds from asset sales will be used for the repayment of debt and/or the acquisition of new assets.

## Development contributions and financial contributions

Section 198 of the LGA allows Council to require a contribution from developments to ensure that a fair proportion of the cost of infrastructure needed to serve growth is funded by those who cause the need for that infrastructure (i.e. the developments leading to growth).

The Council also requires financial contributions from new developments under the Kāpiti Coast District Plan to avoid, remedy, or mitigate the adverse effects of development activities on the environment.

## Lump sum contributions

Lump sum contributions are where ratepayers are asked to make a capital (or lump sum) payment towards meeting the cost of providing a particular asset in their community rather than pay for these capital costs via an annual targeted rate.

## Regional fuel taxes

Regional fuel taxes under the Land Transport Management Act 2003 may be used to fund the operating expenditure associated with approved list of transport capital projects as set out in the regional fuel tax scheme.

## Other Sources of Funding

The Council also funds operating expenditure from other sources including:

- **Use of rates funded surpluses from previous financial periods.** Where Council has recorded an actual rates funded surplus in one financial period it may pass this benefit on to ratepayers in a subsequent financial period. A rates funded surplus arises from the recognition of additional income or through savings in rates funded expenditure. Council considers that passing this benefit on to ratepayers in future financial periods improves the principle of intergenerational equity, in that any financial benefit is passed on to those ratepayers who shared the rates-funding burden in the financial period that the surplus was generated.

The amount of any rates funded surplus carried forward from previous financial periods will be accounted for as an operating deficit in the year the benefit is passed on to ratepayers. In calculating the level of rates funded surplus to be carried forward, consideration will be given to the nature of the factors giving rise to the rates funded surplus (for example, whether they are cash or non-cash in nature).

The Council will not carry forward surpluses in relation to:

- The sale of assets. Such surpluses shall be used for repayment of borrowings and/or new assets.
- Trust and bequest revenue. Such surpluses shall be applied in accordance with the terms on which they are provided.
- Revenue received for capital purposes. Such surpluses shall be retained to fund the associated capital expenditure.
- Unrealised gains arising from fair value adjustments to assets and liabilities. These gains are unrealised accounting adjustments in the period in which they are recognised.
- **Funding of expenditure from restricted or special funds.** Certain operating and capital costs may be funded from restricted or special funds. Restricted and special funds are those reserves within Council's equity that are subject to special conditions of use, whether under statute or accepted as binding by the Council, and that may not be revised without reference to the courts or a third party.

Transfers may be made only for specified purposes or when specified conditions are met. The following restricted and special funds are available for use by Council:

- **Plant purchase and renewal fund.** The purpose of the reserve is to fund ongoing replacement of plant and vehicles when this falls due. The reserve is funded from depreciation charges on our current plant and vehicles.

- *Waikanae Property fund.* The purpose of the reserve is to fund improvements to council-owned properties in Waikanae. The source of funds is the proceeds from sale of other council property in the Waikanae ward (excluding districtwide funded properties).
- *Waikanae Capital Improvements fund.* The purpose of the reserve is to fund capital improvements in the Waikanae ward and also to provide capital grants to Waikanae organisations in accordance with approved criteria. The source of funds is Waikanae ward's share of the property assets of the Horowhenua District Council and interest earned on the capital sum.
- *Council-created reserves.* The Council-created reserves are reserves created by a council decision. These include:
  - contingency fund;
  - Paekākāriki Campe Estate;
  - roading reserve upgrading contributions; and
  - financial contribution reserve.

The Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the Council's discretion.

- *Trusts and bequests.* The Council may sometimes be the recipient/holder of trusts and bequests. These funds can only be used for the express purposes for which they were provided to the Council. The Council may expend money, of an operating or capital nature, from its trusts and bequests in accordance with the specified conditions of those funds. For the avoidance of doubt, the Council does not fund the expenditure from its trusts and bequests from any of the sources of operating revenue.

### Funding of operating expenditure

Operating revenue is set at such a level for the Council to meet its projected operating expenditure, (unless it is prudent not to), and to comply with applicable legislation and GAAP. The Council will use a mix of revenue sources to meet operating expenses, the major components of which are provided in the in the Summary of Funding Source table included under each activity.

### Funding of capital expenditure

The Council's funding of capital expenditure must comply with applicable legislation and GAAP, and is derived from a mix of revenue sources. The method of funding generally depends on the asset expenditure – whether it is a renewal of an existing asset or an upgrade of an existing asset or a completely new asset.

The key funding mechanism for asset renewals is depreciation, which means that the funding is effectively through rates.

For infrastructure, there are two components of upgrade – a growth component to cater for the increased population and a level of service component which reflects community demands for new assets. The growth portion of our asset upgrades is funded largely by development contributions and financial contributions; the level of service portion is largely funded by debt.

The major sources of funding for capital expenditure are provided in the Summary of Funding Source table included under activity.

### 3. Funding principles

In developing the Policy, Council must consider the matters in section 101(3) and give effect to section 101(1) of the LGA, to act prudently and in the best interests of the community.

Section 101(3) involves a two-step process:

#### Step 1 – for each activity Council must consider:

- a) the community outcome(s) to which the activity primarily contributes;
- b) the distribution of benefits between the community as a whole, and any identifiable parts of the community, and individuals;
- c) the period over which benefits occur;
- d) the extent to which the actions or inactions of particular individuals or groups contribute to a need to undertake the activity; and
- e) the costs and benefits of funding the activity distinctly from other activities.

#### Step 2 – Council must then consider:

The overall impact of any allocation of revenue needs on the current and future social, economic, environmental, and cultural well-being of the community. Such considerations (Section 101(3) & Section 103) might include: affordability; barriers to access services; and legal constraints.

The funding principles and the two-step process are further discussed below, including how the benefit and funding respond and support the community outcomes and Council's top-10 priorities.

#### Community outcomes and Council priorities

In considering the benefit and funding matters in section 101(3) of the LGA, the Council and community partners have identified a set of community outcomes and Council's top-10 priorities to respond to and support the cultural, economic, environmental, and social wellbeing of the people in the district.

In addition, the Council has considered and aims to support the principles set out in the Preamble to the Te Ture Whenua Maori Act 1993 in developing this Policy,

#### The community outcomes for the district are as follows:

**PLACE:** Our place is resilient and liveable for current and future generations. Our natural environment, water, land, and infrastructure remains accessible, well-maintained, and protected from degradation, including climate change impacts as we grow.

**PEOPLE:** Tangata/people are supported to live, work, and play in our district. Our people have access to services, resources, and opportunities that enable them to lead healthy, fulfilling lives and feel connected within their communities.

**PARTNERSHIP:** We partner with others to connect, facilitate, and advocate for the good of all in Kapiti. Our community is involved in decisions that affect Kapiti, and business, government, and community groups work together to ensure resources and funds support our economic needs.

**WORKING WITH OUR MANA WHENUA PARTNERS:** We are committed to our partnership with mana whenua, and ensuring we address and prioritise issues of importance for our iwi partners. Appointed mana whenua representatives have a seat at our governance table, and we work together in mana-enhancing ways for our community.



**The Council’s “Top-10” priorities for the district are as follows:**

**Place:**

1. Develop a plan to address inland flooding and ponding – stormwater, infrastructure, and the impacts of the government’s ongoing reform programme.
2. Implement a ‘good’ growth strategy that balances needs for housing & our environment, supported by appropriate district planning & regional spatial planning.
3. Develop a climate strategy to reach our bold emissions reduction goals, and an environment strategy to set out the state of the environment and how we enhance it.

**People:**

4. Increase inclusiveness spaces and creative opportunities for all, and ensure intergenerational inequity is addressed.
5. Enable residents to earn a living in Kapiti, through increased tourism and economic development.
6. Implement the housing strategy.
7. Shape the design for a health strategy to create more coordination and more service.

**Partnership:**

8. Create a shared vision for Kapiti.
9. Lift mana and pride in KCDC’s operational culture so that we deliver more to you.
10. Support KCDC to remain on-track and improve accountability.

The Council’s activities are presented as follows:

|                                    |   |               |                    |
|------------------------------------|---|---------------|--------------------|
| Group of Activities                | This is a broad grouping of activities consolidated into five strategic areas in which we provide a service to the community, for example Infrastructure. The Council has six groups of activities.   |               |                    |
| Activity                           | The individual activities that make up a Group of Activities. For example, within the Infrastructure group, Access and Transport is an activity.  |               |                    |
| Sub-Activity                       | Within some Activities there may be several distinct sub-activities delivered. For example, in the Infrastructure group, the Sustainability and Resilience activity delivers three distinct sub-activities – Climate Change, Waste Minimisation, and Emergency Management and Recovery. |               |                    |
| Activity Description               | A brief description is provided for each activity.  |               |                    |
| Contribution to community outcomes | The community outcomes and Top 10 priority to which the activity contributes is identified, indicating primary (√√√), contributing to (√√), or minor impacts (√).   |               |                    |
|                                    | <b>Place</b>  | <b>People</b> | <b>Partnership</b> |
|                                    | √√  | √√√           | √                  |

| Benefit & Funding Rationale             | <p>This section briefly describes the Council’s consideration of the matters in section 101(3) of the LGA:</p> <ul style="list-style-type: none"> <li>• who benefits from the activity (e.g. individuals/groups – “private”; or wider community – “public”)</li> <li>• the timeframe of activity benefit (e.g. one-off or on-going, intergenerational)</li> <li>• the extent to which the actions or inaction of any group or individual contributes toward the need for the activity (e.g. user/polluter pays)</li> <li>• the costs and/or benefits of funding the activity distinctly from other activities</li> <li>• the overall impact of allocation of liability and why the funding allocation/source was chosen.</li> </ul>  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
|---|--|-----------|----------------------------------|-------------------------------------|---------------|----------------|------|--|---------|----------------------------------|-------------------------------------|----------------|---|---------------------------|-----|----------------------------|---|---|-----|------------|-----|--------------|-------------|
| Summary of Funding Source Allocation    | <p>A general indication of the source of funding over 2024-34 (which can vary year to year) and the relative ratio between sources for the sub-activity, e.g.: the <u>operational expenditure funding</u> for Parks and Reserves is funded through:</p> <p><b>Operating costs</b></p> <table border="1" data-bbox="392 869 1430 1075"> <thead> <tr> <th>User Fees</th> <th>Other Income</th> <th>Rates</th> <th>General Rates</th> <th>Targeted Rates</th> </tr> </thead> <tbody> <tr> <td>0-5%</td> <td></td> <td>95-100%</td> <td>0-5% (districtwide general rate)</td> <td>95-100% (community facilities rate)</td> </tr> </tbody> </table> <p>The <u>capital expenditure funding</u> for Parks and Open Spaces <u>activity</u> is funded through:</p> <p><b>Capital</b></p> <table border="1" data-bbox="392 1281 1404 1514"> <thead> <tr> <th>Funding Source</th> <th>Proportion of Funding for 2024-34 (10-Year Average)</th> </tr> </thead> <tbody> <tr> <td>Rates funded depreciation</td> <td>23%</td> </tr> <tr> <td>Capital grants &amp; subsidies</td> <td>-</td> </tr> <tr> <td>Development and financial contributions</td> <td>29%</td> </tr> <tr> <td>Borrowings</td> <td>47%</td> </tr> <tr> <td><b>Total</b></td> <td><b>100%</b></td> </tr> </tbody> </table> | User Fees | Other Income                     | Rates                               | General Rates | Targeted Rates | 0-5% |  | 95-100% | 0-5% (districtwide general rate) | 95-100% (community facilities rate) | Funding Source | Proportion of Funding for 2024-34 (10-Year Average) | Rates funded depreciation | 23% | Capital grants & subsidies | - | Development and financial contributions | 29% | Borrowings | 47% | <b>Total</b> | <b>100%</b> |
| User Fees                               | Other Income   | Rates     | General Rates                    | Targeted Rates                      |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| 0-5%                                    |  | 95-100%   | 0-5% (districtwide general rate) | 95-100% (community facilities rate) |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| Funding Source                          | Proportion of Funding for 2024-34 (10-Year Average)  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| Rates funded depreciation               | 23%  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| Capital grants & subsidies              | -  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| Development and financial contributions | 29%  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| Borrowings                              | 47%  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |
| <b>Total</b>                            | <b>100%</b>  |           |                                  |                                     |               |                |      |  |         |                                  |                                     |                |   |                           |     |                            |   |   |     |            |     |              |             |

#### 4. Summary of benefit and source of funding by activity

Following is a summary of the analysis for each Council activity and the approximate proportions of intended sources for total operational and capital funding over the 2024-34 period. Funding sources and proportions can vary over time due to the availability of grants and subsidies and changes in service and inflationary adjustments (since expenses and revenue have different inflationary drivers). As the proportion of funding of each activity may vary, the percentage figure area is approximate and in some cases is presented as a band to acknowledge the variation that may occur over the 10-year period. Further information of each activity is provided later in this section.

## Summary of operating expenditure funding targets for 2024-34 LTP.

| Activity Group | Activity                      | Sub-Activity                    | LTP 2024-34 Funding Targets |  |
|----------------|-------------------------------|---------------------------------|-----------------------------|--|
|                |                               |                                 | Public (Rates)              | Private (Fees & User Charges and Other Income) |
| Infrastructure | Coastal Management            | Coastal Management              | 100%                        | -  |
|                |                               | Coastal Adaptation              | 100%                        | -  |
|                | Access and Transport          | Access and Transport            | 65-80%                      | 20-35%   |
|                | Stormwater                    | Stormwater & Flood Protection   | 100%                        | -  |
|                | Wastewater                    | Wastewater Management           | 100%                        | -  |
|                | Water                         | Water Management                | 100%                        | -  |
|                | Sustainability and Resilience | Waste Minimisation              | 55-65%                      | 35-45%   |
|                |                               | Climate Change                  | 100%                        | -  |
|                |                               | Emergency Management & Recovery | 95-100%                     | 0-5%   |
| Services       | Community Facilities          | Pensioner Housing               | 20-45%                      | 55-80%   |
|                |                               | Public Toilets                  | 100%                        | -  |
|                |                               | Facilities (Other)              | 90-95%                      | 5-10%  |
|                |                               | Public Halls                    | 80-90%                      | 10-20%   |
|                | Parks and Open Spaces         | Parks & Reserves                | 95-100%                     | 0-5%   |
|                |                               | Cemeteries                      | 30-40%                      | 60-70%   |
|                | Recreation and Leisure        | Libraries                       | 95-100%                     | 0-5%   |
|                |                               | Museums & Art                   | 95-100%                     | 0-5%   |
|                |                               | Swimming Pools                  | 70-80%                      | 20-30%   |

| Activity Group        | Activity              | Sub-Activity                      | LTP 2024-34 Funding Targets |  |
|-----------------------|-----------------------|-----------------------------------|-----------------------------|--|
|                       |                       |                                   | Public (Rates)              | Private (Fees & User Charges and Other Income) |
| Partnership           | Community Support     | Connected Communities Network     | 100%                        | -  |
|                       | Economic Development  | Economic Development              | 100%                        | -  |
|                       | Governance            | Support to Elected Members        | 100%                        | -  |
|                       | Tāngata Whenua        | Iwi Partnerships                  | 100%                        | -  |
| District Planning     | Regulatory Services   | Building Consents                 | 30-40%                      | 60-70%   |
|                       |                       | Resource Consents                 | 40-50%                      | 50-60%   |
|                       |                       | Environmental Health & Compliance | 65-75%                      | 25-35%   |
|                       |                       | Public Spaces & Animal Management | 35-45%                      | 55-65%   |
|                       | Districtwide Planning | District Plan                     | 100%                        | -  |
|                       |                       | Policy                            | 100%                        | -  |
|                       |                       | Strategy                          | 100%                        | -  |
|                       |                       | Strategic Development             | 100%                        | -  |
|                       | Housing               | 100%                              | -                           |  |
| Organisational Health | Organisational Health | Organisational Health             | 100%                        | -  |

The following tables provide a summary of the funding considerations for the Council activities for the 2024-34 Long-Term Plan:

| Coastal Management   |   |
|----------------------|---|
| Activity Group       | Infrastructure  |
| Activity             | Coastal Management  |
| Sub-Activity         | <ul style="list-style-type: none"> <li>• Coastal Management</li> <li>• Coastal Adaptation</li> </ul>  |
| Activity Description | <p>The Council works to protect public roads, water, and drainage infrastructure by maintaining Council-owned seawalls and facilitating beach protection projects with the community.</p> <p>The Council will do this by:</p> <p><b>Coastal Management</b></p> <ul style="list-style-type: none"> <li>• providing protection from sea level rise to ensure coastal mitigation and adaptation actions are completed to standard (includes seawall maintenance and upgrades). *</li> </ul> <p><b>Coastal Adaptation</b></p> <ul style="list-style-type: none"> <li>• engaging the community on coastal adaptation;</li> <li>• progressing of Takutai Kapiti project including support of community coastal restoration initiatives focused on the protection and restoration of natural dune and coastal processes**;</li> <li>• carrying out ongoing investigation and documentation of coastal hazards and management of areas of high and outstanding natural character; and</li> <li>• ensuring safety through beach patrols, monitoring and signage.</li> </ul> <p>Notes:</p> <p>*Such an activity purpose should not be construed as an absolute commitment to protection of all Council assets as a matter of course. Decisions will be made on a case-by-case basis, as set out under the relevant asset management plan and guided by the Coastal Strategy.</p> <p>**This activity purpose does not usually include investment in, or responsibility for, the protection of private assets. This indicates a funding source for community initiatives and does not commit to any particular action. Funding decisions are made on a case-by-case basis and will consider if a sufficient level of public benefit arises from proposed works. Decisions will be guided by the Coastal Strategy.</p> |

| Coastal Management  |   |              |               |                    |
|---|---|--------------|---------------|--------------------|
| Contribution to community outcomes  | <b>Sub-Activity</b>   | <b>Place</b> | <b>People</b> | <b>Partnership</b> |
|   | Coastal Management  | √√√          | √√            | √                  |
|   | Coastal Adaptation  | √√√          | √             | √√                 |
| Who benefits – individuals, groups of individuals, or the community as a whole? | <ul style="list-style-type: none"> <li>• community – all users of protected public assets;</li> <li>• community generally – protection and restoration of coastal character and systems; and</li> <li>• opportunities for private benefit from actions to protect public assets.</li> </ul>   |              |               |                    |
| Can the beneficiaries be identified?  | Yes, but any private beneficiaries are a consequence of an action to protect a public asset (there is an explicit policy intention not to protect private assets).  |              |               |                    |
| Period of benefits  | Ongoing benefits for the period the infrastructural assets are being maintained and renewed.  |              |               |                    |
| Who/what creates need?  | Cumulative actions of settlement, climate processes, and the action of the sea.   |              |               |                    |
| Costs and benefits of distinct funding  | Almost all benefits of this activity flow to the community as a whole, although there is a small amount of consequential private benefit. The task and cost associated with identifying private beneficiaries along each seawall (which includes private properties, power lines and underground pipes), keeping this information regularly updated, and the administrative costs of charging are significant. Identifying the level of benefit attributable to each beneficiary group is also complex. The benefits gained from recovering a portion of the cost of publicly funded coastal defence structures from private beneficiaries, offset the costs of separately identifying and charging these beneficiaries. Therefore, it is appropriate to fund this activity 100% from districtwide general rates. |              |               |                    |
| Overall impact of allocation of liability                                       | By protecting the coast from erosion, the Council is restoring and enhancing our natural environment for the benefit of current and future generations. This benefits the whole community and it is fair and appropriate to fund 100% of this activity from districtwide general rates.   |              |               |                    |

## Coastal Management

Funding source allocation

### Operating costs:

| Activity           | Service            | User Fees | Other Income | Rates | General Rates                       | Targeted Rates |
|--------------------|--------------------|-----------|--------------|-------|-------------------------------------|----------------|
| Coastal Management | Coastal Management | -         | -            | 100%  | 100%<br>(districtwide general rate) | -              |
|                    | Coastal Adaptation | -         | -            | 100%  |                                     |                |

### Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Coastal Management activity capital expenditure projects are funded through a combination of rates funded depreciation and borrowings.

| Funding Source                                     | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                          | 71%   |
| Capital grants and subsidies (incl NZTA subsidies) | -   |
| Development and financial contributions            | -   |
| Borrowings   | 29%   |
| <b>Total</b>                                       | <b>100%</b>   |

| Access and Transport   |  |              |             |        |             |                    |     |    |   |
|--|--|--------------|-------------|--------|-------------|--------------------|-----|----|---|
| Group Activity   | Infrastructure   |              |             |        |             |                    |     |    |   |
| Activity   | Access and Transport   |              |             |        |             |                    |     |    |   |
| Sub-Activity   | Access & Transport   |              |             |        |             |                    |     |    |   |
| Activity Description   | <p>The Council ensures road maintenance and upgrades are completed to standard and enable safe traffic use.</p> <p>The Council does this by:</p> <ul style="list-style-type: none"> <li>maintaining a transport network and associated facilities for walking, cycling, vehicles, and passenger transport</li> <li>carrying out maintenance, renewals, and upgrades of the network including roads, cycleways, walkways and bridleways, traffic management services, and environmental services etc</li> <li>providing road safety education programmes</li> <li>improving access links between public and private spaces, facilities, social services, recreation etc</li> <li>improving access and connectivity throughout the district and encouraging economic growth through more attractive and vibrant town centres.</li> </ul> |              |             |        |             |                    |     |    |   |
| Contribution to community outcomes   | <table border="1"> <thead> <tr> <th>Sub-Activity</th> <th>Place</th> <th>People</th> <th>Partnership</th> </tr> </thead> <tbody> <tr> <td>Access &amp; Transport</td> <td>√√√</td> <td>√√</td> <td>√</td> </tr> </tbody> </table>  | Sub-Activity | Place       | People | Partnership | Access & Transport | √√√ | √√ | √ |
| Sub-Activity   | Place  | People       | Partnership |        |             |                    |     |    |   |
| Access & Transport   | √√√  | √√           | √           |        |             |                    |     |    |   |
| Who benefits - individuals or groups of individuals or community as a whole? | <ul style="list-style-type: none"> <li>accessibility of services and facilities, and ease of transportation throughout the district (for example, access to work and local economy, health and recreation, and environmental quality) benefits both Individual users of the transport network and the entire community</li> <li>land developers benefit from the activity as it also creates access to new developments.</li> </ul>  |              |             |        |             |                    |     |    |   |
| Can the beneficiaries be identified?   | <ul style="list-style-type: none"> <li>Yes – the entire community</li> <li>Yes – individual users of the network</li> <li>Yes – property developers</li> </ul>   |              |             |        |             |                    |     |    |   |
| Period of benefits   | Ongoing benefits for the period the infrastructural assets are being maintained and renewed.   |              |             |        |             |                    |     |    |   |



**Access and Transport**

| Who/what creates need?                    | The community at large, including property developers, create the need for an accessible urban environment where transport links are readily available for both business and public use, including mode choice.   |           |              |           |  |   |               |                |                      |                    |     |        |        |  |   |
|---|---|-----------|--------------|-----------|--|---|---------------|----------------|----------------------|--------------------|-----|--------|--------|--|---|
| Costs and benefits of distinct funding    | The distinct beneficiaries for each component of the activity supports the use of multiple funding streams. Given the size of the expenditure, separate funding is considered important for transparency.   |           |              |           |  |   |               |                |                      |                    |     |        |        |  |   |
| Overall impact of allocation of liability | This activity is partly funded by a subsidy from NZTA, which also passes on funding from fuel taxes. As there are wide variations between the benefits received and impacts created by different road users, it is appropriate to fund this activity through a roading targeted rate, which includes a differential category reflecting different levels of usage across the district.  |           |              |           |  |   |               |                |                      |                    |     |        |        |  |   |
| Funding source allocation                 | <p><u>Operating costs:</u></p> <table border="1" data-bbox="618 647 2020 957"> <thead> <tr> <th data-bbox="618 647 797 715">Activity</th> <th data-bbox="797 647 976 715">Sub-Activity</th> <th data-bbox="976 647 1088 715">User Fees</th> <th data-bbox="1088 647 1256 715">Other Income</th> <th data-bbox="1256 647 1435 715">Rates</th> <th data-bbox="1435 647 1749 715">General Rates</th> <th data-bbox="1749 647 2020 715">Targeted Rates</th> </tr> </thead> <tbody> <tr> <td data-bbox="618 715 797 957">Access and Transport</td> <td data-bbox="797 715 976 957">Access &amp; Transport</td> <td data-bbox="976 715 1088 957">&lt;1%</td> <td data-bbox="1088 715 1256 957">20-35%</td> <td data-bbox="1256 715 1435 957">65-80%</td> <td data-bbox="1435 715 1749 957">15-20% (districtwide general rate funds development of town centres)</td> <td data-bbox="1749 715 2020 957">80-85% (districtwide roading capital value rate funds access and transport)</td> </tr> </tbody> </table> <p data-bbox="618 970 763 1002">Funded by:</p> <ul data-bbox="618 1018 1227 1145" style="list-style-type: none"> <li>• districtwide roading rates;</li> <li>• petrol tax; and</li> <li>• central government – NZTA subsidy (51%).</li> </ul> <p data-bbox="618 1161 792 1193"><u>Capital costs:</u></p> <p data-bbox="618 1209 2007 1276">The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.</p> | Activity  | Sub-Activity | User Fees | Other Income   | Rates   | General Rates | Targeted Rates | Access and Transport | Access & Transport | <1% | 20-35% | 65-80% | 15-20% (districtwide general rate funds development of town centres) | 80-85% (districtwide roading capital value rate funds access and transport) |
| Activity                                  | Sub-Activity  | User Fees | Other Income | Rates     | General Rates  | Targeted Rates  |               |                |                      |                    |     |        |        |  |   |
| Access and Transport                      | Access & Transport  | <1%       | 20-35%       | 65-80%    | 15-20% (districtwide general rate funds development of town centres) | 80-85% (districtwide roading capital value rate funds access and transport) |               |                |                      |                    |     |        |        |  |   |

| Access and Transport                                    |   |                |  |                           |     |   |     |   |    |            |     |       |      |
|---|---|----------------|--|---------------------------|-----|---|-----|---|----|------------|-----|-------|------|
| Funding source allocation                               | <p>Access &amp; Transport activity capital expenditure projects are funded through:</p> <table border="1"> <thead> <tr> <th>Funding Source</th> <th>Proportion of Funding for 2024-34<br/>(10-Year Average)</th> </tr> </thead> <tbody> <tr> <td>Rates funded depreciation</td> <td>51%</td> </tr> <tr> <td>Capital grants and subsidies (including NZTA subsidies)</td> <td>25%</td> </tr> <tr> <td>Development and financial contributions</td> <td>2%</td> </tr> <tr> <td>Borrowings</td> <td>22%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table> | Funding Source | Proportion of Funding for 2024-34<br>(10-Year Average) | Rates funded depreciation | 51% | Capital grants and subsidies (including NZTA subsidies) | 25% | Development and financial contributions | 2% | Borrowings | 22% | Total | 100% |
| Funding Source  | Proportion of Funding for 2024-34<br>(10-Year Average)  |                |  |                           |     |   |     |   |    |            |     |       |      |
| Rates funded depreciation                               | 51%   |                |  |                           |     |   |     |   |    |            |     |       |      |
| Capital grants and subsidies (including NZTA subsidies) | 25%   |                |  |                           |     |   |     |   |    |            |     |       |      |
| Development and financial contributions                 | 2%  |                |  |                           |     |   |     |   |    |            |     |       |      |
| Borrowings  | 22%   |                |  |                           |     |   |     |   |    |            |     |       |      |
| Total   | 100%  |                |  |                           |     |   |     |   |    |            |     |       |      |

| Stormwater                         |   |              |             |        |             |                               |     |    |   |
|------------------------------------|---|--------------|-------------|--------|-------------|-------------------------------|-----|----|---|
| Activity Group                     | Infrastructure  |              |             |        |             |                               |     |    |   |
| Activity                           | Stormwater  |              |             |        |             |                               |     |    |   |
| Sub-Activity                       | Stormwater & Flood Protection   |              |             |        |             |                               |     |    |   |
| Activity Description               | <p>Council provides a stormwater and flood protection network to manage surface water run-off from the district's urban catchments while protecting the receiving environment, ensuring water quality, and reducing risks to human life, health and property from flooding.</p> <p>Council does this by:</p> <ul style="list-style-type: none"> <li>maintaining an effective and safe and efficient method of discharge of stormwater on land and water quality; and</li> <li>providing stormwater infrastructure and flood protection for Kapiti.</li> </ul> |              |             |        |             |                               |     |    |   |
| Contribution to community outcomes | <table border="1"> <thead> <tr> <th>Sub-Activity</th> <th>Place</th> <th>People</th> <th>Partnership</th> </tr> </thead> <tbody> <tr> <td>Stormwater &amp; Flood Protection</td> <td>√√√</td> <td>√√</td> <td>√</td> </tr> </tbody> </table>  | Sub-Activity | Place       | People | Partnership | Stormwater & Flood Protection | √√√ | √√ | √ |
| Sub-Activity                       | Place   | People       | Partnership |        |             |                               |     |    |   |
| Stormwater & Flood Protection      | √√√   | √√           | √           |        |             |                               |     |    |   |

| Stormwater   |  |
|--|--|
| Who benefits - individuals or groups of individuals or the community as a whole? | <ul style="list-style-type: none"> <li>• developers – the use of downstream public assets to discharge stormwater. Note: the Council employs a policy of hydraulic neutrality for up to 1:100 year events; and</li> <li>• individual property owners benefit from safe and efficient discharge of stormwater and protection from flooding. Though these benefits are private, they are not exclusive – all homes and businesses benefit, and the network needs to exist for the public good regardless of the individual benefits.</li> <li>• the stormwater system benefits the whole community, both by protecting public property and by protecting public health and safety. The system is a fundamental part of the city’s infrastructure.</li> </ul> |
| Can the beneficiaries be identified?   | Yes – individual property owners, developers, and the whole community.   |
| Period of benefits   | Ongoing benefits for the period the infrastructure assets are being maintained and renewed.  |
| Who/what creates the need?   | <ul style="list-style-type: none"> <li>• developments that exacerbate stormwater run-off through the construction of impermeable surfaces</li> <li>• the community at large (historically) located in areas vulnerable to flooding and hazards</li> <li>• climate change effects (increase over baseline)</li> <li>• population growth.</li> </ul>   |
| Costs and benefits of distinct funding   | <p>Not all residents have access to the network, so there is no basis for charging all residents for its provision. Targeted rates are appropriate for the bulk of this activity, as the benefit accruing to individuals is related in part to the size of the property they inhabit. The size of the property is in turn linked to its capital value, making a capital value rating mechanism appropriate.</p> <p>However, the provision of districtwide strategic flood protection work benefits the whole community by protecting public property and public health &amp; safety. It is appropriate to fund this activity through districtwide general rates.</p>   |
| Overall impact of allocation of liability  | Approximately 60% of the cost of this activity is funded by a targeted rate so the community not within the Paraparaumu/Raumati stormwater network are not directly subsidising this activity through property rates.  |

Funding source allocation

Operating costs:

| Activity   | Sub-Activity                  | User Fees | Other Income | Rates | General Rates                      | Targeted Rates                        |
|------------|-------------------------------|-----------|--------------|-------|------------------------------------|---------------------------------------|
| Stormwater | Stormwater & Flood Protection | -         | -            | 100%  | 35-45% (districtwide general rate) | 55-65% (districtwide stormwater rate) |

Funded by:

- capital value rates set for each stormwater rating area
- districtwide general rates for districtwide strategic flood protection work.

Capital Costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Stormwater activity capital expenditure projects are funded through:

| Funding Source                                   | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                        | 27%   |
| Capital grants & subsidies (incl NZTA subsidies) | 7%  |
| Development and financial contributions          | 3%  |
| Borrowings                                       | 62%   |
| <b>Total</b>                                     | <b>100%</b>   |

- development contributions for capacity incurred for private development proportional to level incurred; and
- 100% public funded for works unrelated to private development.

| Wastewater   |  |       |        |             |         |       |        |             |            |     |    |   |
|--|--|-------|--------|-------------|---------|-------|--------|-------------|------------|-----|----|---|
| Activity Group   | Infrastructure   |       |        |             |         |       |        |             |            |     |    |   |
| Activity   | Wastewater   |       |        |             |         |       |        |             |            |     |    |   |
| Sub-Activity   | Wastewater Management  |       |        |             |         |       |        |             |            |     |    |   |
| Activity Description   | <p>The Council ensures that the wastewater system is managed effectively for Kapiti.</p> <p>The Council will do this by:</p> <ul style="list-style-type: none"> <li>maintaining a safe and efficient method of collection, treatment and disposal of wastewater;</li> <li>implementing waste minimisation initiatives;</li> <li>maintaining of health standards; and</li> <li>ensuring services provided for commercial and industrial are effective and efficient.</li> </ul> |       |        |             |         |       |        |             |            |     |    |   |
| Contribution to community outcomes   | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Service</th> <th style="width: 25%;">Place</th> <th style="width: 25%;">People</th> <th style="width: 25%;">Partnership</th> </tr> </thead> <tbody> <tr> <td>Wastewater</td> <td>√√√</td> <td>√√</td> <td>√</td> </tr> </tbody> </table>   |       |        |             | Service | Place | People | Partnership | Wastewater | √√√ | √√ | √ |
|  | Service  | Place | People | Partnership |         |       |        |             |            |     |    |   |
| Wastewater   | √√√  | √√    | √      |             |         |       |        |             |            |     |    |   |
| Who/what creates need?   | <ul style="list-style-type: none"> <li>individuals and businesses through the need to dispose of personal waste</li> <li>users of wastewater service for disposal of waste created by business activity</li> <li>exacerbators (waste disposers) who dispose of excessive volumes of waste due to high water use</li> <li>entire community as a result of the need for public health services due to density of settlement.</li> </ul>  |       |        |             |         |       |        |             |            |     |    |   |
| Who benefits – individuals or groups of individuals or the community as a whole? | <ul style="list-style-type: none"> <li>entire community benefits from safe and efficient disposal of wastewater.</li> <li>commercial and industrial businesses benefit specifically from the provision of wastewater services to treat and dispose of waste.</li> <li>households benefit from the disposal of personal waste.</li> <li>exacerbators benefit.</li> <li>public benefit from dealing with public health effects.</li> </ul>                                       |       |        |             |         |       |        |             |            |     |    |   |

| Wastewater                                       |  |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
|--|--|-----------|--------------|-------|---------------|--|----------|--------------|-----------|--------------|-------|---------------|----------------|------------|-----------------------|---|---|------|---|--|----------------|---|---------------------------|-----|--|----|---|----|------------|-----|-------|------|
| Can the beneficiaries be identified?             | Yes.   |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Period of benefits                               | Ongoing benefits for the period the infrastructure assets are being maintained and renewed.  |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Costs and benefits of distinct funding           | Users can be identified and charged the full costs of the activity through connection charges, targeted rates and development contributions. The benefits of targeting these rates outweigh the associated collection costs.   |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Overall impact of allocation of liability        | While it is recognised that there is a whole community benefit from this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties with sewer connections.  |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Funding source allocation                        | <p><u>Operating costs:</u></p> <table border="1"> <thead> <tr> <th>Activity</th> <th>Sub-Activity</th> <th>User Fees</th> <th>Other Income</th> <th>Rates</th> <th>General Rates</th> <th>Targeted Rates</th> </tr> </thead> <tbody> <tr> <td>Wastewater</td> <td>Wastewater management</td> <td>-</td> <td>-</td> <td>100%</td> <td>-</td> <td>100% (districtwide wastewater disposal rate)</td> </tr> </tbody> </table> <p>Funded by:</p> <ul style="list-style-type: none"> <li>fixed charges (including differential) per sewerage pan.</li> </ul> <p><u>Capital costs:</u></p> <p>The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.</p> <p>Wastewater activity capital expenditure projects are funded through:</p> <table border="1"> <thead> <tr> <th>Funding Source</th> <th>Proportion of Funding for 2024-34 (10-Year Average)</th> </tr> </thead> <tbody> <tr> <td>Rates funded depreciation</td> <td>58%</td> </tr> <tr> <td>Capital grants &amp; subsidies (incl NZTA subsidies)</td> <td>9%</td> </tr> <tr> <td>Development and financial contributions</td> <td>2%</td> </tr> <tr> <td>Borrowings</td> <td>32%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table> |           |              |       |               |  | Activity | Sub-Activity | User Fees | Other Income | Rates | General Rates | Targeted Rates | Wastewater | Wastewater management | - | - | 100% | - | 100% (districtwide wastewater disposal rate) | Funding Source | Proportion of Funding for 2024-34 (10-Year Average) | Rates funded depreciation | 58% | Capital grants & subsidies (incl NZTA subsidies) | 9% | Development and financial contributions | 2% | Borrowings | 32% | Total | 100% |
| Activity   | Sub-Activity   | User Fees | Other Income | Rates | General Rates | Targeted Rates                               |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Wastewater                                       | Wastewater management  | -         | -            | 100%  | -             | 100% (districtwide wastewater disposal rate) |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Funding Source                                   | Proportion of Funding for 2024-34 (10-Year Average)  |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Rates funded depreciation                        | 58%  |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Capital grants & subsidies (incl NZTA subsidies) | 9%   |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Development and financial contributions          | 2%   |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Borrowings                                       | 32%  |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |
| Total  | 100%   |           |              |       |               |  |          |              |           |              |       |               |                |            |                       |   |   |      |   |  |                |   |                           |     |  |    |   |    |            |     |       |      |

| Water  |  |        |             |  |              |       |        |             |                  |     |    |   |
|--|--|--------|-------------|--|--------------|-------|--------|-------------|------------------|-----|----|---|
| Activity Group   | Infrastructure   |        |             |  |              |       |        |             |                  |     |    |   |
| Activity   | Water  |        |             |  |              |       |        |             |                  |     |    |   |
| Sub-Activity   | Water Management   |        |             |  |              |       |        |             |                  |     |    |   |
| Activity Description   | <p>The Council ensures that the drinking water system is managed effectively, including provision of safe drinking water to Kapiti residents, commercial, and industrial enterprises and protects life through fire-fighting capacity.</p> <p>The Council will do this by:</p> <ul style="list-style-type: none"> <li>• ensuring efficient use of water and management of effects on the environment;</li> <li>• improving the efficient use of potable water;</li> <li>• maintaining a safe and efficient provision of drinking water;</li> <li>• maintaining health standards;</li> <li>• ensuring services provided for commercial and fire-fighting are effective and efficient; and</li> <li>• carrying out maintenance of the network, including wells, pump stations, treatment facilities, reservoirs, and underground reticulation pipes and meters.</li> </ul> |        |             |  |              |       |        |             |                  |     |    |   |
| Contribution to community outcomes   | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Sub-Activity</th> <th style="width: 20%;">Place</th> <th style="width: 20%;">People</th> <th style="width: 20%;">Partnership</th> </tr> </thead> <tbody> <tr> <td>Water Management</td> <td style="text-align: center;">√√√</td> <td style="text-align: center;">√√</td> <td style="text-align: center;">√</td> </tr> </tbody> </table>  |        |             |  | Sub-Activity | Place | People | Partnership | Water Management | √√√ | √√ | √ |
| Sub-Activity   | Place  | People | Partnership |  |              |       |        |             |                  |     |    |   |
| Water Management   | √√√  | √√     | √           |  |              |       |        |             |                  |     |    |   |
| Who benefits - individuals or groups of individuals or community as a whole? | <ul style="list-style-type: none"> <li>• entire community benefits from: <ul style="list-style-type: none"> <li>○ public health benefits from the safe and efficient provision of drinking water, and ensuring an adequate supply of water for commercial use and fire-fighting.</li> <li>○ management of water use to reasonable/responsible levels – deferred impacts on the environment, deferred need for infrastructure investment.</li> </ul> </li> <li>• individual households with water connections directly benefit.</li> <li>• commercial businesses benefit specifically from the provision of water services.</li> </ul>  |        |             |  |              |       |        |             |                  |     |    |   |

| Water                                     |   |
|---|---|
| Can the beneficiaries be identified?      | Yes, for properties within Council's network area that can connect to the network, or with a water connection, and where measurement of consumptions is used.   |
| Period of benefits                        | Ongoing benefits for the period of active water management and the life of the water infrastructure assets.   |
| Who/what creates need?                    | <ul style="list-style-type: none"> <li>• individuals and households for essential and agreed non-essential needs.</li> <li>• exacerbators – excessive users of potable water for non-essential needs.</li> <li>• entire community creates the need for a safe urban environment where water services are adequately provided and health standards maintained.</li> <li>• commercial and industrial enterprises create need for water services applicable to their businesses.</li> <li>• fire-fighting services create need for water services to carry out their jobs.</li> </ul>                                      |
| Costs and benefits of distinct funding    | <p>The benefit of this activity accrues primarily to those properties located within Council's water network area that can physically connect to the network. It is therefore considered appropriate and transparent to fund this separately.</p> <p>The benefits of these targeted rates outweigh the associated administrative costs.</p>   |
| Overall impact of allocation of liability | <p>While it is recognised that there is a community wide benefit from the provision of water supply, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties located within the serviced area.</p> <p>Targeted rates are appropriate to fund majority of this activity to enable a more equitable distribution of costs through a districtwide fixed annual charge and a volumetric charge. There is also a separate targeted rate for the Hautere/Te Horo water supply. The remainder is funded by fees and user charges for water connections.</p> |



## Water

### Funding source allocation

#### Operating costs:

| Activity | Sub-Activity     | User Fees | Other Income | Rates | General Rates | Targeted Rates  |
|----------|------------------|-----------|--------------|-------|---------------|---|
| Water    | Water Management | <1%       | -            | 100%  | -             | 40-50% (districtwide water supply volumetric rate)<br>50-60% (districtwide water supply fixed rate) |

#### Funded by:

- water meter charges for private beneficiaries of the district's urban water supply system made up of a fixed charge and a volumetric charge;
- volumetric water charge for water used or supplied per rateable unit;
- fixed water charge per rateable unit or part use thereof;
- targeted rates set for private beneficiaries who take up the Council's water retrofit service offer for Council-approved water conservation purposes that reduce the use of the Council's potable water supply;
- separate targeted rate for the Hautere/Te Horo water supply.

#### Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Water activity capital expenditure projects are funded through:

| Funding Source                                     | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                          | 41%   |
| Capital grants and subsidies (incl NZTA subsidies) | 3%  |
| Development and financial contributions            | 8%  |
| Borrowings   | 48%   |
| <b>Total</b>                                       | <b>100%</b>   |

| Sustainability and Resilience      |   |         |             |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
|------------------------------------|---|---------|-------------|--------|-------------|--------------------|-----|----|---|----------------|-----|----|---|---------------------------------|---|-----|----|--|--|--|
| Activity Group                     | Infrastructure  |         |             |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Activity                           | Sustainability and Resilience   |         |             |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Sub-Activity                       | <ul style="list-style-type: none"> <li>Waste Minimisation</li> <li>Climate Change</li> <li>Emergency Management &amp; Recovery</li> </ul>   |         |             |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Activity description               | <p>The Council is committed to driving and enabling a sustainable future for waste minimisation, climate change mitigation and adaptation, and emergency management and recovery services.</p> <p>The Council will do this by:</p> <p><b>Waste Minimisation:</b></p> <ul style="list-style-type: none"> <li>enabling and providing effective and efficient solid waste services and facilities across all Council activities;</li> <li>facilitating waste minimisation education, projects and support; and</li> <li>taking after-care of landfills.</li> </ul> <p><b>Climate Change:</b></p> <ul style="list-style-type: none"> <li>providing education and awareness programmes to Kapiti residents on climate change;</li> <li>ensuring efficient use of carbon &amp; energy management across council; and</li> <li>embedding climate change and resilience into the design and implementation of all Council programmes and activities.</li> </ul> <p><b>Emergency Management &amp; Recovery:</b></p> <ul style="list-style-type: none"> <li>providing education and awareness programmes to Kapiti residents on emergency preparedness;</li> <li>ensuring civil defence emergency management practices are in place; and</li> <li>improving staff, community and Emergency Operation Centre readiness, response, and recovery.</li> </ul> |         |             |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Contribution to community outcomes | <table border="1"> <thead> <tr> <th>Service</th> <th>Place</th> <th>People</th> <th>Partnership</th> </tr> </thead> <tbody> <tr> <td>Waste Minimisation</td> <td>√√√</td> <td>√√</td> <td>√</td> </tr> <tr> <td>Climate Change</td> <td>√√√</td> <td>√√</td> <td>√</td> </tr> <tr> <td>Emergency Management &amp; Recovery</td> <td>√</td> <td>√√√</td> <td>√√</td> </tr> </tbody> </table>   | Service | Place       | People | Partnership | Waste Minimisation | √√√ | √√ | √ | Climate Change | √√√ | √√ | √ | Emergency Management & Recovery | √ | √√√ | √√ |  |  |  |
| Service                            | Place   | People  | Partnership |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Waste Minimisation                 | √√√   | √√      | √           |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Climate Change                     | √√√   | √√      | √           |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |
| Emergency Management & Recovery    | √   | √√√     | √√          |        |             |                    |     |    |   |                |     |    |   |                                 |   |     |    |  |  |  |

| Sustainability and Resilience  |  |
|--|--|
| Who benefits – individuals or groups of individuals or the community as a whole? | <ul style="list-style-type: none"> <li>• the community at large benefits from:               <ul style="list-style-type: none"> <li>– solid waste services and waste minimisation education and support;</li> <li>– embedding climate change education and support enabling residents to engage and change personal behaviour;</li> <li>– public health effects; and</li> <li>– emergency management and response operations</li> </ul> </li> <li>• the exacerbator (waste disposer) benefits from the safe and efficient collection and disposal of solid waste by licensed collectors who are monitored by the Council</li> <li>• households and businesses benefit from emergency management response and recovery</li> <li>• identifiable parts of the community benefits from convenience of location and operating hours of the resource recovery centre.</li> </ul> |
| Can the beneficiaries be identified?   | Yes, the entire community, identifiable parts of the community and individual users/households.  |
| Period of benefits   | Ongoing benefits for the period the service is undertaken. Benefits to the environment through reducing waste and other environmental sustainability initiatives also ensure our environment can be enjoyed now and also by future generations.  |
| Who/what creates need?   | Exacerbator - residents/businesses/consumers creates the need to reduce waste and dispose of safely. All residents, businesses, community groups, and government organisations creates the need for preparation to manage with emergency and climate related events.   |
| Costs and benefits of district funding   | The distinct beneficiaries for each component of the activity support multiple funding streams. Given the size of the expenditure, separate funding is considered important for transparency. User fees are used to recover costs in many ways to reflect individual private benefits and the residual cost is funded from rates.  |
| Overall impact of allocation of liability  | <b>Waste Minimisation:</b> Although the benefits of this activity are shared between individuals and the community as a whole, the Council believes users of the city’s landfills should bear the costs. The Council believes it is appropriate to take a “polluter pays” approach to its solid waste operations, meaning landfill fees should be set at levels that discourage waste. This approach is justified by the significant benefits to the city’s environment from reducing the amount of waste dumped in landfills.   |

**Sustainability and Resilience**

**Climate Change:** Enabling climate change mitigation and adaptation drives and enables a sustainable future, which benefits the whole community now and into the future. Therefore, it is appropriate to fund this activity from the districtwide general rate.

**Emergency Management & Recovery:** While individuals benefit from emergency management work in the event of a disaster, the benefit to the whole community far outweighs this. The Council believes the fairest and most effective way to fund this activity is from districtwide general rates.

**Funding source allocation**

Operating costs:

| Activity                    | Sub-Activity                    | User Fees | Other Income | Rates   | General Rates                    | Targeted Rates |
|-----------------------------|---------------------------------|-----------|--------------|---------|----------------------------------|----------------|
| Sustainability & Resilience | Waste Minimisation              | 35-45%    | -            | 55-65%  | 100% (districtwide general rate) | -              |
|                             | Climate Change                  | -         | -            | 100%    |                                  |                |
|                             | Emergency Management & Recovery | 0-5%      | -            | 95-100% |                                  |                |

Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Sustainability & Resilience activity capital expenditure projects are funded through:

| Funding Source                                   | Funding for 2024-34 (10-Year Average) |
|--|---------------------------------------|
| Rates funded depreciation                        | 90%                                   |
| Capital grants & subsidies (incl NZTA subsidies) | -                                     |
| Development and financial contributions`         | -                                     |
| Borrowings                                       | 10%                                   |
| <b>Total</b>                                     | <b>100%</b>                           |

| Community Facilities |  |
|----------------------|--|
| Activity Group       | Services   |
| Activity             | Community Facilities   |
| Sub-Activity         | <ul style="list-style-type: none"> <li>• Pensioner Housing</li> <li>• Facilities (Other)</li> <li>• Public Halls</li> <li>• Public Toilets</li> </ul>  |
| Activity Description | <p>The Council provides public facilities that allow for community participation. This activity also involves asset management, maintenance, and replacement of civic property assets, and renting of pensioner housing that supports the provision of affordable accommodation to people on low incomes.</p> <p>The Council will do this by:</p> <p><b>Pensioner Housing:</b></p> <ul style="list-style-type: none"> <li>• providing 118 one-bedroom social housing targeting the elderly, disabled, and those meeting qualifying criteria.</li> <li>• ensuring that an adequate supply of safe, accessible, and affordable pensioner flats is available to those in need.</li> <li>• From 2026, pensioner housing will be established as a community housing provider and transfer existing housing assets to a new entity.</li> </ul> <p><b>Facilities (Other):</b></p> <ul style="list-style-type: none"> <li>• providing public facilities that allow for community participation.</li> <li>• maintaining property assets for civic purposes including the provision of specialist community facilities.</li> </ul> <p><b>Public Halls:</b></p> <ul style="list-style-type: none"> <li>• providing of public halls to encourage participation in local activities and build a sense of community.</li> </ul> <p><b>Public Toilets:</b></p> <ul style="list-style-type: none"> <li>• providing functional and well-maintained public conveniences appropriate to the location and service required.</li> </ul> |

| Community Facilities   |  |  |  |   |
|--|--|--|--|---|
| Contribution to community outcomes   | <b>Sub-Activity</b>  | <b>Place</b>   | <b>People</b>  | <b>Partnership</b>  |
|  | Pensioner Housing  | √  | √√√  | √√  |
|  | Facilities (Other)   | √√√  | √√   | √   |
|  | Public Halls   | √  | √√√  | √√  |
|  | Public Toilets   | √  | √√√  | √√  |
| Who benefits - individuals or groups of individuals or the community as a whole? | <p><b>Pensioner Housing:</b><br/>The primary beneficiaries are the tenants, who receive accommodation at below market rent. Their benefits are private and exclusive. However, there are some benefits to the community as a whole. By providing homes for people who otherwise may be unable to afford them, the Council also contributes to community cohesion and may have benefits for public health and safety.</p> | <p><b>Facilities (Other):</b><br/>The people and groups who use community facilities receive a clear and direct benefit. However, the provision of these facilities also has benefits for the wider community. Not only do the facilities help bring people together, the groups that use them often make significant voluntary contributions to community well-being.</p> | <p><b>Public Halls:</b><br/>The people and groups who use public halls receive a clear and direct benefit. Though the halls are available to all, this benefit is private and exclusive – only one group can use a room in a hall at any one time. However, the provision of these halls also has benefits for the wider community. Not only do the halls facilities help bring people together, the groups that use them often make significant voluntary contributions to community health, well-being and engagement.</p> | <p><b>Public Toilets:</b><br/>Individuals, visitors, businesses and the wider community all benefit from the provision of accessible, safe and sanitary conveniences (public health, tourism attraction). Council-owned public toilets clearly benefit people who use them. However, their provision also benefits everyone who lives and works in the city, by protecting people in public places from the health hazards that would arise if there were no facilities or if facilities were not kept clean.</p> |

| Community Facilities                      |   |   |  |   |
|---|---|---|--|---|
| Can the beneficiaries be identified?      | Housing for older persons – yes – individual tenants.   | Community facilities – yes - individuals, community groups and wider community.   | Public halls – yes – Individuals, community groups and wider community.        | Public toilets – yes – individuals and entire community;  |
| Period of benefits                        | Ongoing benefits for the period the assets are being maintained and renewed.  | Ongoing benefits for the period the assets are being maintained and renewed.  | Ongoing benefits for the period the assets are being maintained and renewed.   | Ongoing benefits for the period the assets are being maintained and renewed.  |
| Who/what creates need?                    | The primary beneficiaries are the tenants, who receive accommodation at below market rent.  | <ul style="list-style-type: none"> <li>The whole community, community groups to the district creates the need for these facilities; and</li> <li>The entire community creates the need for public facilities</li> </ul> | The people and groups who use public halls receive a clear and direct benefit. | Individuals, visitors, businesses and the wider community all benefit from the provision of accessible, safe and sanitary conveniences. |
| Costs and benefits of distinct funding    | <p>User charges cover some of the costs of this activity; however, the bulk of the funding is through a targeted (community facilities) rate which reflects the different levels of usage.</p> <p>The community facilities rate applies to libraries, parks and reserves, swimming pools, public halls and community centres. The cost of further separating the community facilities rate into its constituent activities would exceed any benefits gained.</p>  |   |  |   |
| Overall impact of allocation of liability | <p><b>Pensioner Housing:</b> Although the primary beneficiaries are tenants of pensioner housing, the council's rationale for service delivery (provision of affordable pensioner housing) means full recovery from fees and charges is inappropriate.</p> <p><b>Facilities (Other):</b> Community facilities and community services costs are largely subsidised by the community. An increase in the costs of this activity will mainly result in increased costs to the community. Conversely, any reduction to these costs in a given financial year will mostly benefit the community.</p> |   |  |   |

| Community Facilities      |  |           |              |        |                                    |                                    |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
|---------------------------|--|-----------|--------------|--------|------------------------------------|------------------------------------|----------|--------------|-----------|--------------|-------|---------------|----------------|----------------------|-------------------|--------|---|--------|----------------------------------|---|--------------------|-------|---|--------|------------------------------------|------------------------------------|--------------|--------|---|--------|--|----------------------------------|----------------|---|---|------|----------------------------------|---|----------------|---|--|--|
|                           | <p><b>Public Halls:</b> Although there is a large degree of private benefit to users of public halls, the Council does not believe it would be appropriate to fully recover the costs of this activity through fees and charges, as this would create barriers to access for those who cannot afford it.</p> <p><b>Public Toilets:</b> Since the provision of public toilets benefits the whole community, the fairest and most effective way to fund it is through the districtwide general rate. Although individuals also benefit, the Council does not believe it would be appropriate to refuse access to people who cannot or will not pay.</p>  |           |              |        |                                    |                                    |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
| Funding source allocation | <p><u>Operating costs:</u></p> <table border="1"> <thead> <tr> <th>Activity</th> <th>Sub-Activity</th> <th>User Fees</th> <th>Other Income</th> <th>Rates</th> <th>General Rates</th> <th>Targeted Rates</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Community Facilities</td> <td>Pensioner Housing</td> <td>55-80%</td> <td>-</td> <td>20-45%</td> <td>100% (districtwide general rate)</td> <td>-</td> </tr> <tr> <td>Facilities (Other)</td> <td>5-10%</td> <td>-</td> <td>90-95%</td> <td>20-35% (districtwide general rate)</td> <td>65-80% (community facilities rate)</td> </tr> <tr> <td>Public Halls</td> <td>10-20%</td> <td>-</td> <td>80-90%</td> <td></td> <td>100% (community facilities rate)</td> </tr> <tr> <td>Public Toilets</td> <td>-</td> <td>-</td> <td>100%</td> <td>100% (districtwide general rate)</td> <td>-</td> </tr> </tbody> </table> <p><u>Capital costs:</u></p> <p>The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.</p> <p>Community Facilities activity capital expenditure projects are funded through:</p> <table border="1"> <thead> <tr> <th>Funding Source</th> <th>Proportion of Funding for 2024-34 (10-Year Average)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table> |           |              |        |                                    |                                    | Activity | Sub-Activity | User Fees | Other Income | Rates | General Rates | Targeted Rates | Community Facilities | Pensioner Housing | 55-80% | - | 20-45% | 100% (districtwide general rate) | - | Facilities (Other) | 5-10% | - | 90-95% | 20-35% (districtwide general rate) | 65-80% (community facilities rate) | Public Halls | 10-20% | - | 80-90% |  | 100% (community facilities rate) | Public Toilets | - | - | 100% | 100% (districtwide general rate) | - | Funding Source | Proportion of Funding for 2024-34 (10-Year Average) |  |  |
| Activity                  | Sub-Activity   | User Fees | Other Income | Rates  | General Rates                      | Targeted Rates                     |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
| Community Facilities      | Pensioner Housing  | 55-80%    | -            | 20-45% | 100% (districtwide general rate)   | -                                  |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
|                           | Facilities (Other)   | 5-10%     | -            | 90-95% | 20-35% (districtwide general rate) | 65-80% (community facilities rate) |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
|                           | Public Halls   | 10-20%    | -            | 80-90% |                                    | 100% (community facilities rate)   |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
|                           | Public Toilets   | -         | -            | 100%   | 100% (districtwide general rate)   | -                                  |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
| Funding Source            | Proportion of Funding for 2024-34 (10-Year Average)  |           |              |        |                                    |                                    |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |
|                           |  |           |              |        |                                    |                                    |          |              |           |              |       |               |                |                      |                   |        |   |        |                                  |   |                    |       |   |        |                                    |                                    |              |        |   |        |  |                                  |                |   |   |      |                                  |   |                |   |  |  |



| Community Facilities |  |             |
|----------------------|--|-------------|
|                      | Rates funded depreciation                        | 46%         |
|                      | Capital grants & subsidies (incl NZTA subsidies) | -           |
|                      | Development and financial contributions          | 8%          |
|                      | Borrowings                                       | 46%         |
|                      | <b>Total</b>                                     | <b>100%</b> |

| Parks and Open Space |   |
|----------------------|---|
| Activity Group       | Services  |
| Activity             | Parks and Open Space  |
| Sub-Activity         | <ul style="list-style-type: none"> <li>• Parks &amp; Reserves</li> <li>• Cemeteries</li> </ul>  |
| Activity Description | <p>The Council operates and maintains a rich and diverse network of community parks &amp; reserves, sports grounds, open spaces, and cemeteries that enables, protects, and enhances the wellbeing of residents, visitors, and Kapiti Coast environment.</p> <p>The Council will do this by:</p> <p><b>Parks &amp; Reserves:</b></p> <ul style="list-style-type: none"> <li>• managing 261 parks and reserves, covering nearly 659 hectares, providing space and facilities for local communities, destination parks and our districtwide park;</li> <li>• taking care of 13 sports grounds and facilities, providing active and passive recreation, play and social opportunities for both residents and visitors; and</li> <li>• maintaining cycleway, walkways and bridleways throughout the district, providing space for physical exercise and recreation, access to facilities and linkages between communities.</li> <li>• developing policies and plans for community activity and involvement in improving the environment; urban biodiversity; and</li> <li>• maintaining stormwater and water quality management.</li> </ul> |

| Parks and Open Space   |   |       |        |             |         |       |        |             |                  |    |     |   |            |    |     |   |
|--|---|-------|--------|-------------|---------|-------|--------|-------------|------------------|----|-----|---|------------|----|-----|---|
|  | <b>Cemeteries</b> <ul style="list-style-type: none"> <li>Administering cemeteries and plot purchases as well as maintaining current and closed cemeteries.</li> </ul>   |       |        |             |         |       |        |             |                  |    |     |   |            |    |     |   |
| Contribution to community outcomes   | <table border="1"> <thead> <tr> <th>Service</th> <th>Place</th> <th>People</th> <th>Partnership</th> </tr> </thead> <tbody> <tr> <td>Parks &amp; Reserves</td> <td>√√</td> <td>√√√</td> <td>√</td> </tr> <tr> <td>Cemeteries</td> <td>√√</td> <td>√√√</td> <td>√</td> </tr> </tbody> </table>   |       |        |             | Service | Place | People | Partnership | Parks & Reserves | √√ | √√√ | √ | Cemeteries | √√ | √√√ | √ |
|  | Service   | Place | People | Partnership |         |       |        |             |                  |    |     |   |            |    |     |   |
|  | Parks & Reserves  | √√    | √√√    | √           |         |       |        |             |                  |    |     |   |            |    |     |   |
| Cemeteries   | √√  | √√√   | √      |             |         |       |        |             |                  |    |     |   |            |    |     |   |
| Who benefits - individuals or groups of individuals or the community as a whole? | <b>Parks &amp; Reserves</b> <ul style="list-style-type: none"> <li>public/whole of community benefit through the provision of formal and informal recreational opportunities that enhance and support community health and well-being. The whole community also benefits from culture, amenity and biodiversity, and hazard management.</li> <li>private/individual benefit to the community and sporting groups who use Council recreational facilities.</li> <li>benefit gain for event organisers and sections of the business community from the commercial spend of participants associated with particular event.</li> <li>private benefit from sports fields at time of use – valuable as general open space at other times.</li> </ul> <b>Cemeteries</b> <ul style="list-style-type: none"> <li>individual users, particularly families of the deceased.</li> <li>the community as a whole in the availability of well-maintained open space and as a repository of genealogical and other human interest or heritage information. The community as a whole also benefits from the public health benefits of ensuring burials and cremations are conducted appropriately.</li> <li>the provision of these services can also be seen to benefit funeral homes and other private businesses in this field.</li> </ul> |       |        |             |         |       |        |             |                  |    |     |   |            |    |     |   |
| Can the beneficiaries be identified?   | Yes, although individual users of passive open spaces cannot be easily differentiated.  |       |        |             |         |       |        |             |                  |    |     |   |            |    |     |   |
| Period of benefits   | Ongoing benefits over life of asset.  |       |        |             |         |       |        |             |                  |    |     |   |            |    |     |   |
| Who/what creates need?   | The whole community, community groups, sports and recreational groups and visitors to the district.   |       |        |             |         |       |        |             |                  |    |     |   |            |    |     |   |

| Parks and Open Space                      |  |
|---|--|
| Costs and benefits of distinct funding    | <p>The distinct beneficiaries for each component of the activity support multiple funding streams. Given the size of the expenditure, separate funding is considered important for transparency.</p> <p><b>Parks &amp; Reserves</b></p> <p>User charges cover some of the costs of this activity. The bulk of the funding is through a targeted (community facilities) rate which reflects the different levels of usage and benefits.</p> <p><b>Cemeteries</b></p> <p>Families of the deceased are private beneficiaries of the activity, and therefore it is appropriate to fund a portion of costs from user charges. The balance of funding is through the districtwide general rate, as majority of benefits flow to the wider community.</p> |
| Overall impact of allocation of liability | <p>The Council does not consider it appropriate to fully recover the costs of providing cemeteries and parks &amp; reserves (including sports fields) through user charges, as high charges would create barriers to access and may also have negative public health impacts if burials and cremations are not conducted appropriately. On balance, it is considered appropriate to adopt user charges as the largest single source of funding for cemeteries and parks and reserves (including sports fields), but to also provide material levels of funding from districtwide general rates.</p>  |

| Parks and Open Space  |                         |                  |           |              |   |                                  |                                     |
|---|-------------------------|------------------|-----------|--------------|---|----------------------------------|-------------------------------------|
| Funding source allocation   | <u>Operating costs:</u> |                  |           |              |   |                                  |                                     |
|   | Activity                | Sub-Activity     | User Fees | Other Income | Rates   | General Rates                    | Targeted Rates                      |
|   | Parks & Open Spaces     | Parks & Reserves | 0-5%      | -            | 95-100%   | 0-5% (districtwide general rate) | 95-100% (community facilities rate) |
|   |                         | Cemeteries       | 60-70%    | -            | 30-40%  |                                  |                                     |
| <u>Capital costs:</u>   |                         |                  |           |              |   |                                  |                                     |
| The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity. |                         |                  |           |              |   |                                  |                                     |
| Parks and Open Spaces capital expenditure projects are funded through:  |                         |                  |           |              |   |                                  |                                     |
| Funding Source  |                         |                  |           |              | Proportion of Funding for 2024-34 (10-Year Average) |                                  |                                     |
| Rates funded depreciation   |                         |                  |           |              | 23%   |                                  |                                     |
| Capital grants & subsidies (incl NZTA subsidies)  |                         |                  |           |              | -   |                                  |                                     |
| Development and financial contributions   |                         |                  |           |              | 29%   |                                  |                                     |
| Borrowings  |                         |                  |           |              | 47%   |                                  |                                     |
| Total   |                         |                  |           |              | 100%  |                                  |                                     |

| Recreation and Leisure |  |
|------------------------|--|
| Activity Group         | Services   |
| Activity               | Recreation and Leisure   |
| Sub-Activity           | <ul style="list-style-type: none"> <li>Libraries</li> <li>Museums &amp; Art</li> <li>Swimming Pools</li> </ul> |

## Recreation and Leisure

### Activity Description

The Council operates and maintains social infrastructure for the community by providing access to library services, museum & art gallery services, and safe swimming venues.

The Council will do this by:

#### Libraries:

- providing access to services and resources that facilitate learning and growth;
- enabling access to digital resources that allow people to remain connected, breakdown the digital divide and actively participate in a global world; and
- ensuring access to a range of collection items, including historical items and items of cultural and community significance.

#### Museums & Art:

- bringing opportunities for people to express themselves and be challenged through the medium of art,
- facilitating the understanding and celebration of many identities and heritage;
- enabling and supporting the community to be informed, educated, inspired and creative; and
- ensuring community focused facilities, spaces and opportunities for social interaction and engagement are accessible.

#### Swimming Pools:

- ensuring swimming venues are operated and maintained to enhance the safety, health, enjoyment and quality of life of the district's residents and visitors; and
- Supporting and enabling the community to be more active more often through the provision of a range of aquatic facilities and programmes.

### Contribution to community outcomes

| Sub-Activity   | Place | People | Partnership |
|----------------|-------|--------|-------------|
| Libraries      | √√    | √√√    | √           |
| Museums & Art  | √√    | √√√    | √           |
| Swimming Pools | √√    | √√√    | √           |

**Recreation and Leisure**

Who benefits - individuals or groups of individuals or the community as a whole?

**Libraries, Museums & Art**

- main beneficiaries are the people who use the facilities and services. The individuals benefit by:
  - access to opportunities for lifelong learning, self-development and recreational reading;
  - access to facilities, services and resources that support their economic, social and cultural wellbeing; and
  - access to a safe and welcoming environment that enables greater social connection and reduced social isolation
- entire community benefits from:
  - choice of recreational activities and social, cultural and educational opportunities the library offers;
  - an informed and literate community; and
  - access to the breadth of artistic expression that contributes to community and individual wellbeing.
- groups of individuals benefit from access to specific resources, services, spaces and support that greatly enhance the life of those groups and individuals within them.

**Swimming Pools**

- the swimming pools mainly benefit users – the benefits are private and exclusive
- community as a whole benefit from provision of recreation facilities and through public health, community activity, and social wellbeing
- visitors to the district;

Can the beneficiaries be identified?

Yes – the entire community and specific benefits to borrowers of material, and users of library services.

Yes – individuals and groups that use the facilities.

Period of benefits

Ongoing benefit for the period is the assets are being maintained and renewed.

Ongoing benefit for the period is the assets are being maintained and renewed.

Who/what creates need?

- entire community - for library, it is access to information resources and services as a key factor in civic life.
- Individuals, defined groups, and entire community – for museums & art, it is a meeting place where residents and visitors view and interact with local, national, and international exhibitions, artists and speakers.

| Recreation and Leisure                    |  |
|---|--|
|   | <ul style="list-style-type: none"> <li>entire district - creating the need for swimming pools.</li> </ul>  |
| Costs and benefits of distinct funding    | <p>The distinct beneficiaries for each component of the activity support multiple funding streams. Given the size of the expenditure, separate funding is considered important for transparency.</p> <p><b>Libraries</b></p> <p>The individuals and community groups that use the libraries are the primary beneficiaries of the activity. Fees are however imposed on some services that are provided in addition to the core services.</p> <p><b>Museums &amp; Art</b></p> <p>This activity benefits individuals, defined groups and the wider community. This activity also contributes to the local economy, as people may choose to shop and use local services during their visit.</p> <p><b>Swimming Pools</b></p> <p>The individuals and community / school groups that use the pools are the primary beneficiaries of the activity. Benefits extend to the wider community by encouraging recreation and healthy lifestyles and acting as community events and bringing people together.</p>  |
| Overall impact of allocation of liability | <p><b>Libraries</b></p> <p>While individuals receive many of the direct benefits, the Council believes it is appropriate that most of the cost of running libraries should be met by the wider community. The community benefits as a whole and the widespread community support for these facilities justifies a significant ratepayer contribution. The libraries are significant public facilities that are not in direct competition with the private sector.</p> <p>Imposing user charges for entry to the libraries or basic book lending services is not considered acceptable, as this introduces barriers to people on low incomes and discourage use of library services. Fees are however imposed on services that are provided in addition to the core services of the library, such as, photocopying costs and best seller books. Since the vast majority of residents are also library users, the community facilities targeted rate is considered an effective way of funding the library service.</p> <p><b>Museums &amp; Art</b></p> <p>While there are clearly direct benefits to people who choose to visit the galleries and museums, the Council believes these are outweighed by the overall community benefits. Therefore, it is considered fair and efficient that the arts and museum activity be paid for by the whole community through the districtwide general rate. However,</p> |

## Recreation and Leisure

there is other income funding this service such as grants (distributed out to approved recipients) and revenue from Artist fees to run events.

### **Swimming Pools**

Although there is a large degree of private benefit to users of swimming facilities and programmes, the Council does not consider it appropriate to fully recover the costs of this activity through fees and charges, as this would create barriers to access for those people on low incomes. Therefore, Council considers it appropriate to subsidise a significant portion of the activity costs from community facility targeted rate.



## Recreation and Leisure

Funding source allocation

Operating costs:

| Activity               | Service         | User Fees | Other Income | Rates   | General Rates                         | Targeted Rates                        |
|------------------------|-----------------|-----------|--------------|---------|---------------------------------------|---------------------------------------|
| Recreation and Leisure | Libraries       | 0-5%      | 0-5%         | 95-100% | 10-20%<br>(districtwide general rate) | 80-90%<br>(community facilities rate) |
|                        | Museums and Art | 0-5%      | 0-5%         | 95-100% |                                       |                                       |
|                        | Swimming Pools  | 20-30%    | -            | 70-80%  |                                       |                                       |

Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Recreation & Leisure activity capital expenditure projects are funded through:

| Funding Source                                   | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                        | 65%   |
| Capital grants & subsidies (incl NZTA subsidies) | -   |
| Development and financial contributions          | -   |
| Borrowings                                       | 35%   |
| Total  | 100%  |

| Community Support  |  |              |               |                    |
|--|--|--------------|---------------|--------------------|
| Activity Group   | Partnership  |              |               |                    |
| Activity   | Community Support  |              |               |                    |
| Sub-Activity   | Connected Communities Network  |              |               |                    |
| Activity Description   | <p>The Council supports Council’s advisory groups to operate for key facets of the community in line with terms of reference and relevant approaches or strategies, to ensure people are connected and living in communities that are connected.</p> <p>The Council will do this by:</p> <ul style="list-style-type: none"> <li>engaging and facilitating with the Council mandated advisory groups to help inform the development of strategies, policies, and develop plans to support targeted actions;</li> <li>providing resources to the community for capacity building and service provision focused on community priorities including environmental sustainability;</li> <li>delivering programmes on key social and environmental initiatives such as waste minimisation, and population-based need (such as for youth and the elderly).</li> <li>working with community to help reduce social problems; and</li> <li>providing social services support via contracts and grants.</li> </ul> |              |               |                    |
| Contribution to community outcomes   | <b>Sub-Activity</b>  | <b>Place</b> | <b>People</b> | <b>Partnership</b> |
|  | Connected Communities Network  | √            | √√            | √√√                |
| Who benefits - individuals or groups of individuals or the community as a whole? | <ul style="list-style-type: none"> <li>individual users of Council services and recipients of grants</li> <li>community groups receiving support through contracts and grants</li> <li>the entire community benefits through improved levels of the community’s social and cultural wellbeing, including health, cooperation, ability to leverage funding into the district, and the provision of services to the community.</li> </ul>  |              |               |                    |
| Can the beneficiaries be identified?   | Yes – entire community and private beneficiaries.  |              |               |                    |

| Community Support                         |  |           |              |       |                                  |                |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |
|---|--|-----------|--------------|-------|----------------------------------|----------------|----------|--------------|-----------|--------------|-------|---------------|----------------|-------------------|-------------------------------|---|---|------|----------------------------------|---|
| Period of benefits                        | The period of benefit is now and into the future.  |           |              |       |                                  |                |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |
| Who/what creates need?                    | Supporting Social Wellbeing <ul style="list-style-type: none"> <li>the entire community creates the need/desire for a community that works collectively and cooperatively and is able to withstand external pressures and shocks; and</li> <li>the more involved and skilled people are, the more they contribute to the economic, social and cultural wellbeing of the district.</li> </ul>   |           |              |       |                                  |                |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |
| Costs and benefits of distinct funding    | Although there is some benefit to individuals, the principal benefit is to the community. Identifying the individual beneficiaries and the level of benefit they receive is not practical. Furthermore, even if it were feasible to charge people who benefit from the activity, it could discourage people from taking part. Therefore, the fairest and effective way is to fund the activity from districtwide general rates.  |           |              |       |                                  |                |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |
| Overall impact of allocation of liability | While grants recipients benefit directly from this activity, seeking to recoup the cost from them would defeat the purpose of the grants pool. Given this and the benefits to the community as a whole, the Council believes the fairest and most effective way to fund this from districtwide general rates.  |           |              |       |                                  |                |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |
| Funding source allocation                 | <u>Operating costs:</u> <table border="1" data-bbox="629 850 2040 1027"> <thead> <tr> <th>Activity</th> <th>Sub-Activity</th> <th>User Fees</th> <th>Other Income</th> <th>Rates</th> <th>General Rates</th> <th>Targeted Rates</th> </tr> </thead> <tbody> <tr> <td>Community Support</td> <td>Connected Communities Network</td> <td>-</td> <td>-</td> <td>100%</td> <td>100% (districtwide general rate)</td> <td>-</td> </tr> </tbody> </table> <p><u>Capital costs:</u></p> <p>The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.</p> <p>No capital expenditure is planned for the 2024-34 LTP for Community Support activity, but any unplanned capital expenditure projects will be funded through borrowings.</p> |           |              |       |                                  |                | Activity | Sub-Activity | User Fees | Other Income | Rates | General Rates | Targeted Rates | Community Support | Connected Communities Network | - | - | 100% | 100% (districtwide general rate) | - |
| Activity                                  | Sub-Activity   | User Fees | Other Income | Rates | General Rates                    | Targeted Rates |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |
| Community Support                         | Connected Communities Network  | -         | -            | 100%  | 100% (districtwide general rate) | -              |          |              |           |              |       |               |                |                   |                               |   |   |      |                                  |   |

| Economic Development   |  |        |             |  |         |       |        |             |                      |   |    |     |
|--|--|--------|-------------|--|---------|-------|--------|-------------|----------------------|---|----|-----|
| Group Activity   | Partnership  |        |             |  |         |       |        |             |                      |   |    |     |
| Activity   | Economic Development   |        |             |  |         |       |        |             |                      |   |    |     |
| Sub-Activity   | Economic Development   |        |             |  |         |       |        |             |                      |   |    |     |
| Activity Description   | <p>The Council provides economic development support to business and supports tourism development in line with the Economic Development Strategy enabling residents to earn a living in Kapiti through increased tourism and economic development.</p> <p>The Council will do this by:</p> <p><b>Economic Development</b></p> <ul style="list-style-type: none"> <li>• providing leadership across the district’s economic development ecosystem.</li> <li>• facilitating business and sector/industry support.</li> <li>• providing business attraction, destination marketing and promotion.</li> <li>• attracting and supporting major events in the district.</li> <li>• supporting and providing workforce and skills development.</li> <li>• enabling and facilitating districtwide economic infrastructure projects and initiatives.</li> <li>• supporting the delivery of actions related to business in the District Recovery Plan.</li> <li>• providing tourism development support to business in line with the Destination Management Plan.</li> </ul> |        |             |  |         |       |        |             |                      |   |    |     |
| Contribution to community outcomes   | <table border="1"> <thead> <tr> <th>Service</th> <th>Place</th> <th>People</th> <th>Partnership</th> </tr> </thead> <tbody> <tr> <td>Economic Development</td> <td>√</td> <td>√√</td> <td>√√√</td> </tr> </tbody> </table>   |        |             |  | Service | Place | People | Partnership | Economic Development | √ | √√ | √√√ |
| Service  | Place  | People | Partnership |  |         |       |        |             |                      |   |    |     |
| Economic Development   | √  | √√     | √√√         |  |         |       |        |             |                      |   |    |     |
| Who benefits - individuals or groups of individuals or the community as a whole? | <p><b>Economic Development</b></p> <ul style="list-style-type: none"> <li>• the business sector will benefit from specific economic development initiatives and tourism opportunities</li> <li>• the entire community, through a healthy, growing and sustainable economy - attracting a more diverse range of businesses which provides jobs and raise incomes through offering more skilled and sustainable employment opportunities</li> <li>• residents accessing local employment opportunities</li> </ul>  |        |             |  |         |       |        |             |                      |   |    |     |

| Economic Development                      |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>• business and sector clusters engagements</li> <li>• visitors to the district benefit from visitor attractions and spends</li> </ul>  |
| Can the beneficiaries be identified?      | <ul style="list-style-type: none"> <li>• Yes - the beneficiaries of this activity are principally businesses, the community as a whole, visitors to the district and community groups.</li> </ul>   |
| Period of benefits                        | The benefits from a strong and resilient economy accrue to current and future residents of the Kapiti Coast.  |
| Who/what creates need?                    | <b>Economic Development</b> <ul style="list-style-type: none"> <li>• the entire community (development of economy)</li> <li>• individual businesses</li> <li>• visitors to the district community groups and other agencies such as Wellington NZ</li> </ul>  |
| Costs and benefits of distinct funding    | <b>Economic Development</b> <ul style="list-style-type: none"> <li>• The beneficiaries of the activity are predominantly the business sector and the community as a whole. As the benefits can be identified separately, it is appropriate to fund part of the activity through a targeted rate to the commercial sector, and a districtwide general rate to reflect that the wider community benefits from an improved economy.</li> <li>• Whilst visitors and community groups have been identified as beneficiaries, not all of the benefits accruing to these groups are distinct enough to justify charging separately. For example, it is not practical (or desirable) to identify and charge all people visiting Kapiti to shop or visit the beach.</li> </ul>                     |
| Overall impact of allocation of liability | <b>Economic Development</b> <ul style="list-style-type: none"> <li>• Although the business sector is a significant beneficiary of economic and tourism development activity undertaken in the Kapiti Coast district, Council does not think it appropriate to recover the majority of costs for this activity from the sector as this may impede, rather than encourage economic and tourism growth.</li> </ul> <p>It is Council's view that general ratepayers should bear a portion of the costs. This is appropriate as the benefit to the community as a whole are far greater. For example, through more employment opportunities; growth in demand to live and work in the district; and the flow on effects that could have to property valuations and business opportunities.</p> |

## Economic Development

Funding source allocation

### Operating costs:

#### **Economic Development**

- Part of this activity includes the undertaking of specific economic and tourism initiatives, where external funding may partially or fully subsidise the cost of the activity, and therefore requires a partial or no rates funding. As the level of external funding received may change on a year-to-year basis, there is the underlying principle that any portion of costs associated with undertaking economic and tourism initiatives that are eligible for external funding is 100% funded from other income, and not funded through rates.
- The funding policy target therefore excludes the economic and tourism initiatives funded by external revenue, and is focused on the remaining elements in the activity. It is recommended that they are 100% funded through rates and are spread across the sectors that benefit from the activity. This approach attributes the main benefits to the whole community and partly to the business community.
- The portion of rates funded by the business community will be through the commercial targeted rate which funds:
  - 50-60% of costs related to developing workforce skills and capability, and providing business/industry support and attraction (e.g. business capability support, pop-up business school, and visitor attraction); and
  - 40-50% of costs related to tourism development, events and sponsorships, marketing and promotion activities, and the provision of an Economic Development Strategy for the district.

| Activity             | Sub-Activity         | User Fees | Other Income | Rates | General Rates                      | Targeted Rates           |
|----------------------|----------------------|-----------|--------------|-------|------------------------------------|--------------------------|
| Economic Development | Economic Development | -         | -            | 100%  | 50-60% (districtwide general rate) | 40-50% (commercial rate) |

## Economic Development

### Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Economic Development activity capital expenditure projects are funded through:

| Funding Source                                     | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                          | -   |
| Capital grants and subsidies (incl NZTA subsidies) | -   |
| Development and financial contributions            | -   |
| Borrowings   | 100%  |
| <b>Total</b>                                       | <b>100%</b>   |

## Governance

|                      |  |
|----------------------|--|
| Activity Group       | Partnership  |
| Activity             | Governance   |
| Sub-Activity         | Support to Elected Members   |
| Activity Description | <p>Council seeks to ensure elected members are supported in their roles as decision makers through support and advice to elected members for committee meetings and briefings.</p> <p>The Council will do this by:</p> <ul style="list-style-type: none"> <li>ensuring the elected members able to inform development of strategies, policies and planning;</li> <li>ensuring elected members are supported to make informed decisions;</li> <li>ensuring the elected members provided with personal development opportunities; and</li> <li>ensuring public accountability of Council governance in line with legislative requirements and Council's Significance and Engagement Policy.</li> </ul> |

| Governance   |   |              |              |                    |
|--|---|--------------|--------------|--------------------|
| Contribution to community outcomes   | <b>Sub-Activity</b>   | <b>Place</b> | <b>Place</b> | <b>Partnership</b> |
|  | Support to Elected Members  | √            | √√           | √√√                |
| Who benefits - individuals or groups of individuals or community as a whole? | <ul style="list-style-type: none"> <li>the entire community benefits from involvement in Council's decisions and goals, knowledge of the intended paths to meet those goals, and monitoring of progress.</li> <li>parts of the community served by community boards.</li> <li>individuals who engage with the Council on consultations and make submissions;</li> <li>the whole community also benefits in terms of operation of local democracy and statutory processes.</li> </ul>  |              |              |                    |
| Can the beneficiaries be identified?   | Yes – entire community, and community groups (through community boards).  |              |              |                    |
| Period of benefits   | Benefits are on-going with a Council/public partnership.  |              |              |                    |
| Who/what creates need?   | <ul style="list-style-type: none"> <li>need is created by entire community for knowledge of and involvement in the Council's decisions.</li> <li>need is created by the Council for an efficient and effective interface with and guidance from the public in decision making.</li> <li>statutory requirement.</li> </ul>   |              |              |                    |
| Costs and benefits of distinct funding                                       | <p>The distinctness of beneficiaries of the activity supports multiple funding streams:</p> <ul style="list-style-type: none"> <li>targeted rates are appropriate to fund the different costs and requirements of the individual communities in the district – Paraparaumu/Raumati, Waikanae, Ōtaki and Paekākāriki, as well as the service charges for Ōtaki and Paekākāriki.</li> <li>the balance of funding is through the districtwide general rate, as significant benefits arising from this activity flow to the wider community.</li> </ul> |              |              |                    |
| Overall impact of allocation of liability                                    | Even though individuals who engage with Council can be separately identified, it is not considered appropriate to charge fees, as this does not align with Council's goal to encourage public participation and engagement in the democratic process and decision-making.   |              |              |                    |



## Governance

### Funding source allocation

#### Operating costs:

| Activity   | Sub-Activity               | User Fees | Other Income | Rates | General Rates                      | Targeted Rates   |
|------------|----------------------------|-----------|--------------|-------|------------------------------------|--|
| Governance | Support to Elected Members | -         | -            | 100%  | 90-95% (districtwide general rate) | 5-10% (community facilities rate, Otaki community rate, Waikanae community rate, Paraparaumu/Raumati community rate, Paekakariki community rate) |

#### Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Governance activity capital expenditure projects are funded through rates.

| Funding Source                                     | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                          | 100%  |
| Capital grants and subsidies (incl NZTA subsidies) | -   |
| Development and financial contributions            | -   |
| Borrowings   | -   |
| Total  | 100%  |

| Tāngata Whenua   |   |        |             |  |              |       |        |             |                  |   |    |     |
|--|---|--------|-------------|--|--------------|-------|--------|-------------|------------------|---|----|-----|
| Activity Group   | Partnership   |        |             |  |              |       |        |             |                  |   |    |     |
| Activity   | Tangata Whenua  |        |             |  |              |       |        |             |                  |   |    |     |
| Sub-Activity   | Iwi Partnerships  |        |             |  |              |       |        |             |                  |   |    |     |
| Activity Description   | <p>The Council recognises the need for this Policy to support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993, and that it has specific responsibilities and obligations under the Local Government Act and other legislation.</p> <p>The Council will do this by:</p> <ul style="list-style-type: none"> <li>• supporting iwi to be involved in Council work and decision-making;</li> <li>• fostering partnerships with Mana Whenua (local Iwi) and consultation relationships with the wider Māori community; and</li> <li>• building relationships between the Council and Māori by providing advice and administrative support on Treaty of Waitangi/Te Tiriti-based relationships.</li> </ul> |        |             |  |              |       |        |             |                  |   |    |     |
| Contribution to community outcomes   | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Sub-Activity</th> <th style="width: 15%;">Place</th> <th style="width: 20%;">People</th> <th style="width: 25%;">Partnership</th> </tr> </thead> <tbody> <tr> <td>Iwi Partnerships</td> <td style="text-align: center;">√</td> <td style="text-align: center;">√√</td> <td style="text-align: center;">√√√</td> </tr> </tbody> </table>   |        |             |  | Sub-Activity | Place | People | Partnership | Iwi Partnerships | √ | √√ | √√√ |
| Sub-Activity   | Place   | People | Partnership |  |              |       |        |             |                  |   |    |     |
| Iwi Partnerships   | √   | √√     | √√√         |  |              |       |        |             |                  |   |    |     |
| Who benefits - individuals or groups of individuals or community as a whole? | <p>The benefits of this activity are equally spread between the whole community and the Council's Mana Whenua partners:</p> <ul style="list-style-type: none"> <li>• Mana Whenua benefit by having a direct input into Council decisions and therefore the future direction of the district; and</li> <li>• the community benefits because the partnership leads to better understanding and cooperation between local Māori and the wider community. These benefits contribute to the general cultural, economic, social and environmental wellbeing of the Kapiti Coast district.</li> </ul>  |        |             |  |              |       |        |             |                  |   |    |     |
| Can the beneficiaries be identified?   | Yes – entire community, individuals and community groups / Mana Whenua partners.  |        |             |  |              |       |        |             |                  |   |    |     |
| Period of benefits   | Benefits are on-going with a Council/Mana Whenua partnership.   |        |             |  |              |       |        |             |                  |   |    |     |

| Tāngata Whenua                            |  |           |              |       |                                     |                |          |              |           |              |       |               |                |                |                  |   |   |      |                                     |   |
|---|--|-----------|--------------|-------|-------------------------------------|----------------|----------|--------------|-----------|--------------|-------|---------------|----------------|----------------|------------------|---|---|------|-------------------------------------|---|
| Who/what creates need?                    | <ul style="list-style-type: none"> <li>• need is created by entire community to promote inclusiveness, celebrate social and cultural diversity and enable Council to respond to the needs and aspirations of Māori</li> <li>• need is created by Council's Mana Whenua partners to enhance the visibility of Māori culture and history in the district by telling the story of Kapiti's Māori</li> <li>• the Crown/Treaty of Waitangi.</li> </ul>  |           |              |       |                                     |                |          |              |           |              |       |               |                |                |                  |   |   |      |                                     |   |
| Costs and benefits of distinct funding    | The benefits of the relationship and activity accrue to both Māori and the whole community, and as such it is appropriate for this activity to be funded from districtwide general rates.  |           |              |       |                                     |                |          |              |           |              |       |               |                |                |                  |   |   |      |                                     |   |
| Overall impact of allocation of liability | Even though individuals and groups who engage with Council can be separately identified, it is not considered appropriate to charge fees, as this does not align with Council's goal to encourage local Maori participation and engagement in the democratic process and decision-making.  |           |              |       |                                     |                |          |              |           |              |       |               |                |                |                  |   |   |      |                                     |   |
| Funding allocation and funding source     | <p>Operating costs:</p> <table border="1"> <thead> <tr> <th>Activity</th> <th>Sub-Activity</th> <th>User Fees</th> <th>Other Income</th> <th>Rates</th> <th>General Rates</th> <th>Targeted Rates</th> </tr> </thead> <tbody> <tr> <td>Tangata Whenua</td> <td>Iwi Partnerships</td> <td>-</td> <td>-</td> <td>100%</td> <td>100%<br/>(districtwide general rate)</td> <td>-</td> </tr> </tbody> </table> <p>Capital costs:</p> <p>The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.</p> <p>No capital expenditure is planned for the 2024-34 LTP for Tangata Whenua activity, but any unplanned capital expenditure projects are funded through borrowings.</p> |           |              |       |                                     |                | Activity | Sub-Activity | User Fees | Other Income | Rates | General Rates | Targeted Rates | Tangata Whenua | Iwi Partnerships | - | - | 100% | 100%<br>(districtwide general rate) | - |
| Activity                                  | Sub-Activity   | User Fees | Other Income | Rates | General Rates                       | Targeted Rates |          |              |           |              |       |               |                |                |                  |   |   |      |                                     |   |
| Tangata Whenua                            | Iwi Partnerships   | -         | -            | 100%  | 100%<br>(districtwide general rate) | -              |          |              |           |              |       |               |                |                |                  |   |   |      |                                     |   |

| Regulatory Services  |  |
|----------------------|--|
| Activity Group       | District Planning  |
| Activity             | Regulatory Services  |
| Sub-Activity         | <ul style="list-style-type: none"> <li>• Building Consents</li> <li>• Resource Consents</li> <li>• Environmental Health &amp; Compliance</li> <li>• Public Spaces &amp; Animal Management</li> </ul>   |
| Activity Description | <p>The Council administers the laws that govern building and development work, the health and safety of licensed activities, and the management of animals in public spaces. The Council enforces compliance with regulations, monitors individual licences and approvals, investigates complaints and non-compliance, and assesses the potential effects of various activities while still enabling builders, developers, business and property owners to carry on their business.</p> <p>The Council will do this by:</p> <p><b>Building Consents:</b></p> <ul style="list-style-type: none"> <li>• administering compliance services relating to Building Act, Local Government Act, and relevant bylaws and policies;</li> <li>• monitoring and enforcing standards of safety and quality of buildings within the district;</li> <li>• providing guidance and advice on building matters; and</li> <li>• supporting ongoing use of buildings following an emergency.</li> </ul> <p><b>Resource Consents:</b></p> <ul style="list-style-type: none"> <li>• providing compliance services relating to Resource Management Act (District Plan), Local Government Act, and relevant bylaws and policies;</li> <li>• enabling sustainable management of all physical and natural resources on the Kāpiti Coast to sustain the life-supporting capacity of these resources and to meet the needs of future generations; and</li> <li>• ensuring the district is developed in a planned and orderly manner in harmony with the environment and community aspirations and values.</li> </ul> |

## Regulatory Services

### Environmental Health & Compliance:

- regulating for public health issues and compliance services relating to Local Government Act, Food Act, and relevant local bylaws and policies;
- supporting provision of education, an efficient monitoring, and regulatory and response service;
- issuing of alcohol licensing;
- work with business to support food safety management; and
- support business and community on health licensing and environmental health, including environmental nuisance and environmental health risks e.g. excessive noise management and recreational water quality.

### Public Spaces Management & Animal Management:

- providing compliance services relating to Local Government Act, Litter Act, and relevant local bylaws and policies;
- supporting the provision of education, an efficient monitoring, and regulatory and response service;
- regulating for use of public spaces and animal management; and
- managing parking restrictions and other Bylaw related services;

Contribution to community outcomes

| Service                           | Place | People | Partnership |
|-----------------------------------|-------|--------|-------------|
| Building Consents                 | √√√   | √√     | √           |
| Resource Consents                 | √√√   | √√     | √           |
| Environmental Health & Compliance | √     | √√√    | √√          |
| Public Spaces & Animal Management | √     | √√√    | √√          |

**Regulatory Services**

|   |  |   |   |  |
|---|--|---|---|--|
| <p>Who benefits - individuals or groups of individuals or community as a whole?</p> | <p><b>Building Consents</b></p> <p>Building consent and regulatory activities are primarily a private benefit to the individual user, with the public deriving benefit through the construction and use of compliant buildings.</p> <p>For example, LIMs (land information memoranda) are mainly a private benefit for the recipient whereas building warrant of fitness work and the EQP (Earthquake prone building) programme are mainly of benefit to the public by improving building safety for occupants and users. Enforcement work and enquiries are also a mix of private and public benefit.</p> | <p><b>Resource Consents</b></p> <ul style="list-style-type: none"> <li>the entire community benefits from the sustainable management of the Kāpiti Coast environment; and</li> <li>Individuals such as subdividers / developers / landowners benefit from the process.</li> </ul> <p>The main beneficiaries of this work are the individual people and businesses involved in land subdivision and development or use of other resources. This work helps ensure the developments are safe, sustainable and meet legal obligations.</p> <p>There is also a public benefit. By controlling the safety and environmental effects of developments, we help prevent harm to members of the public both now and in the future.</p> | <p><b>Environmental Health &amp; Compliance</b></p> <ul style="list-style-type: none"> <li>There is a private benefit to individual users of Council's regulatory services, such as owners of fenced pools, individual businesses requiring food and alcohol licensing to legally operate, individuals who have their complaints dealt with or otherwise are protected from a hazard or nuisance;</li> <li>the entire district benefits from regulatory requirements that promote the health, safety and wellbeing of the community and visitors; and the public enjoys ongoing benefits of business</li> </ul> | <p><b>Public Spaces Animal Management</b></p> <ul style="list-style-type: none"> <li>there is private benefit to users of Council's regulatory services such as dog owners and individuals / businesses trading in public spaces;</li> <li>the whole community benefits from animal control activities such as dog ownership, management of stock and other animals, to ensure that they do not cause nuisance, injure, endanger or cause distress to the public.</li> </ul> |
|---|--|---|---|--|

| Regulatory Services                  |  |   |  |  |
|--------------------------------------|--|---|--|--|
| Can the beneficiaries be identified? | Yes – entire community; and<br><br>yes – private individuals - building owners and users.  | Yes – entire community – indirect benefits through the counter services we provide, and connections with other government organisations (eg Ministry for the Environment); and<br><br>Yes – private individuals - specific developers and land owners.  | Yes – private individuals (eg. swimming pool owners) and businesses can be identified.<br><br>Yes – entire community benefits from regulatory requirements that promote the health, safety and wellbeing of the community and visitors.  | Yes – private individuals such as owners of animals and parked vehicles can be identified.<br><br>Yes – entire community benefits from regulatory requirements that promote the health, safety and wellbeing of the community and visitors.  |
| Period of benefits                   | Ongoing.   | Ongoing.  | Ongoing.   | Ongoing.   |
| Who/what creates need?               | <ul style="list-style-type: none"> <li>the entire community creates the need for monitored standards of safety and quality of buildings;</li> <li>property owners; and</li> <li>statutory requirements.</li> </ul> | <ul style="list-style-type: none"> <li>subdividers / developers / land owners;</li> <li>the entire community – current and future generations;</li> <li>Protecting the physical and built environment, and ensuring the built environment is constructed in a way that is sustainable (balancing impact on surrounding environments and meeting the needs of residents); and</li> <li>statutory requirement.</li> </ul> | <ul style="list-style-type: none"> <li>users of regulatory services such as individuals and businesses;</li> <li>the district as a whole to ensure there is a consistent regulatory framework to promote health, safety and wellbeing of the people and environment of the Kāpiti Coast; and</li> <li>statutory requirements.</li> </ul> | <ul style="list-style-type: none"> <li>users of regulatory services such as individuals and businesses;</li> <li>the district as a whole to ensure there is a consistent regulatory framework to promote health, safety and wellbeing of the people and environment of the Kāpiti Coast; and</li> <li>statutory requirements.</li> </ul> |

**Regulatory Services**

| Costs and benefits of distinct funding             | A large degree of private benefit across this activity makes user charging feasible where legislation allows (usually when consent or licence is sought). Where costs are not met by user charges, the Council considers it appropriate to fund this from the districtwide general rate, as the benefits flow to the wider community.  |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
|--|--|-----------|--------------|-----------|-------------------------------------|----------------|---------------|----------------|---------------------|-------------------|--------|---|--------|-------------------------------------|---|-------------------|--------|---|--------|-----------------------------------|--------|---|--------|-----------------------------------|--------|---|--------|----------------|---|---------------------------|------|--|---|---|---|------------|---|--------------|-------------|
| Overall impact of allocation of liability          | The Council acknowledges that full cost recovery through user charges would increase those user charges to a point where full compliance may be discouraged. On balance, it is considered appropriate to adopt user charges as the largest single source of funding for this Activity, but to also provide material levels of funding from districtwide general rates.   |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Funding source allocation                          | <p>Operating costs:</p> <table border="1" data-bbox="593 563 2045 882"> <thead> <tr> <th>Activity</th> <th>Sub-Activity</th> <th>User Fees</th> <th>Other Income</th> <th>Rates</th> <th>General Rates</th> <th>Targeted Rates</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Regulatory Services</td> <td>Building Consents</td> <td>60-70%</td> <td>-</td> <td>30-40%</td> <td rowspan="4">100%<br/>(districtwide general rate)</td> <td rowspan="4">-</td> </tr> <tr> <td>Resource Consents</td> <td>50-60%</td> <td>-</td> <td>40-50%</td> </tr> <tr> <td>Environmental Health &amp; Compliance</td> <td>25-35%</td> <td>-</td> <td>65-75%</td> </tr> <tr> <td>Public Spaces &amp; Animal Management</td> <td>55-65%</td> <td>-</td> <td>35-45%</td> </tr> </tbody> </table> <p>Capital costs:</p> <p>The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.</p> <p>Regulatory Services activity capital expenditure projects are funded through:</p> <table border="1" data-bbox="593 1125 2045 1372"> <thead> <tr> <th>Funding Source</th> <th>Proportion of Funding for 2024-34 (10-Year Average)</th> </tr> </thead> <tbody> <tr> <td>Rates funded depreciation</td> <td>100%</td> </tr> <tr> <td>Capital grants and subsidies (incl NZTA subsidies)</td> <td>-</td> </tr> <tr> <td>Development and financial contributions</td> <td>-</td> </tr> <tr> <td>Borrowings</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>100%</b></td> </tr> </tbody> </table> | Activity  | Sub-Activity | User Fees | Other Income                        | Rates          | General Rates | Targeted Rates | Regulatory Services | Building Consents | 60-70% | - | 30-40% | 100%<br>(districtwide general rate) | - | Resource Consents | 50-60% | - | 40-50% | Environmental Health & Compliance | 25-35% | - | 65-75% | Public Spaces & Animal Management | 55-65% | - | 35-45% | Funding Source | Proportion of Funding for 2024-34 (10-Year Average) | Rates funded depreciation | 100% | Capital grants and subsidies (incl NZTA subsidies) | - | Development and financial contributions | - | Borrowings | - | <b>Total</b> | <b>100%</b> |
| Activity   | Sub-Activity   | User Fees | Other Income | Rates     | General Rates                       | Targeted Rates |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Regulatory Services                                | Building Consents  | 60-70%    | -            | 30-40%    | 100%<br>(districtwide general rate) | -              |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
|  | Resource Consents  | 50-60%    | -            | 40-50%    |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
|  | Environmental Health & Compliance  | 25-35%    | -            | 65-75%    |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
|  | Public Spaces & Animal Management  | 55-65%    | -            | 35-45%    |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Funding Source                                     | Proportion of Funding for 2024-34 (10-Year Average)  |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Rates funded depreciation                          | 100%   |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Capital grants and subsidies (incl NZTA subsidies) | -  |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Development and financial contributions            | -  |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| Borrowings   | -  |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |
| <b>Total</b>                                       | <b>100%</b>  |           |              |           |                                     |                |               |                |                     |                   |        |   |        |                                     |   |                   |        |   |        |                                   |        |   |        |                                   |        |   |        |                |   |                           |      |  |   |   |   |            |   |              |             |



| Districtwide Planning |   |
|-----------------------|---|
| Activity Group        | District Planning   |
| Activity              | Districtwide Planning   |
| Sub-Activity          | <ul style="list-style-type: none"> <li>• District Plan</li> <li>• Policy</li> <li>• Strategy</li> <li>• Strategic Development</li> <li>• Housing</li> </ul>   |
| Activity Description  | <p>The Council manages the preparation of the District Plan, ongoing maintenance of and delivery of our policy, strategy, and strategic development work programme, including provision of a housing programme for the Kapiti Coast district.</p> <p>The Council does this by:</p> <p><b>District Plan:</b></p> <ul style="list-style-type: none"> <li>• ensuring clear advice on national and regional direction for land use and development of district and spatial plans;</li> <li>• supporting development of quality urban environments, and ensuring sufficient land is available for a range of housing types;</li> <li>• protecting valued features of the district, including sites of particular significance to mana whenua, significant natural areas, productive soils, and landscapes;</li> <li>• changing land use regulation as necessary to increase resilience to natural hazards and the future impacts of climate change;</li> <li>• enabling business development and growth; and</li> <li>• developing vibrant, diverse and liveable communities.</li> </ul> |

## Districtwide Planning

### **Policy:**

- ensuring a fit purpose policy framework and advice on national direction, regional requirements and the Council's policies and bylaws;
- developing of policies, including provision of surveys/data collection and analysis to support decision-making, submissions, and advocacy.
- providing high-quality advice on social research and evidence on key community factors, population-based services and environmental sustainability.
- facilitating projects, such as priority development areas and the Wainuiwhenua project, to ensure key partners prioritise improving our 'social infrastructure' and good growth.
- promoting of the community's social and cultural wellbeing through facilitation and advocacy.

### **Strategy:**

- co-designing with the community vision and pathways to shift community results where agreed, including master planning to ensure community supported change is managed overtime.
- supporting the establishment of the District Recovery Plan, and engagement with the community and key groups, to ensure buy-in for proposed activity during recovery periods.

### **Strategic Development:**

- ensuring Kapiti growth requirements are supported by regional and national initiatives by facilitating and engaging regional and national input into Kapiti growth projects.
- representing Kapiti in regional projects related to growth through the Wellington Regional Leadership Committee, and other regional groups, including the Future Development Strategy, and Regional Housing Strategy.

### **Housing:**

- encouraging solutions to housing shortages in line with the housing strategy;
- expanding land supply and incentivising higher density development in suitable areas;
- partnering opportunities on housing developments to boost supply;

**Districtwide Planning**

- looking into opportunities with the public housing sector to increase provision of social housing in the district; and
- identifying suitable land that could be used for temporary relocatable housing.

Contribution to community outcomes

**Strong Communities (Mana Whenua)** – this activity seeks to engage and partner with local iwi to identify and deliver on community outcomes, including those that are of particular significance and importance to iwi.

| Service               | Place | People | Partnership |
|-----------------------|-------|--------|-------------|
| District Plan         | √√√   | √√     | √           |
| Policy                | √     | √√     | √√√         |
| Strategy              | √     | √√     | √√√         |
| Strategic Development | √√√   | √      | √√          |
| Housing               | √√    | √√√    | √           |

Who benefits - individuals or groups of individuals or community as a whole?

- District Plan**
- developers benefit from a clear consistent policy framework for development proposals.
  - individuals and community groups immediately affected by development proposals.
  - the entire community benefits from the provision of a regulatory framework to manage development and change and its effects, ensuring a sustainable environment that protects the unique character and existing amenity values of the district.
  - the whole community also benefits from the opportunities for growth and more liveable and vibrant urban areas and involvement in design process.
- Housing**
- developers benefit from potential development proposals.
  - individuals and community groups immediately affected by development proposals.

| <b>Districtwide Planning</b>         |  |
|--------------------------------------|--|
|                                      | <ul style="list-style-type: none"> <li>• individuals who currently cannot access quality affordable housing would benefit, as developments arising from this activity would allow more affordable housing to be available on a greater scale than is currently the case.</li> <li>• the community as a whole also benefits through improving the overall availability and quality of affordable and social housing stock in the district.</li> </ul> <p><b>Policy, Strategy, and Strategic Development</b></p> <p>Policy, strategy, and strategic development are essential Council services that inform and enable elected members to set policies and manage resources to benefit the whole community. These are part of decision-making and accountability processes that enhance residents' well-being by improving the quality of Council decisions and provide the community with an avenue for feedback; and to ensure that legislative requirements are implemented appropriately and met.</p> |
| Can the beneficiaries be identified? | <p><b>District Plan</b></p> <ul style="list-style-type: none"> <li>• yes, for private plan changes – full benefits accrue to the developer and can be identified. If sufficient public benefit is arising from the plan change, it may be treated as a public plan change.</li> <li>• the whole community benefits from an effective and efficient District Plan.</li> </ul> <p><b>Housing</b></p> <ul style="list-style-type: none"> <li>• yes – developer, individuals, community groups, and the community as a whole.</li> </ul> <p><b>Policy, Strategy, and Strategic Development</b></p> <ul style="list-style-type: none"> <li>• yes – individuals, community groups and the community as a whole, benefit from clear accountability and decision-making frameworks provided in the Council's policies, strategies, and strategic development work to inform the Council planning.</li> </ul>   |
| Period of benefits                   | Current and future residents benefit from effective district plan, policy, strategy, strategic development work, and sufficient housing capacity and protection of the environment for future generations.   |
| Who/what creates need?               | <p><b>District Plan and Housing</b></p> <ul style="list-style-type: none"> <li>• developers and business owners, community groups, and entire community.</li> <li>• climate change and other issues that we need to respond to.</li> <li>• commitments from settling appeals.</li> </ul>   |

**Districtwide Planning**

|   |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>• statutory requirement.</li> <li>• Population growth.</li> </ul> <p><b>Policy, Strategy, and Strategic Development</b></p> <ul style="list-style-type: none"> <li>• need is created by entire community for knowledge of the Council’s decision-making processes.</li> <li>• need is created by the Council for an efficient and effective interface with and guidance from the public in decision making, and to help identify the needs of the community.</li> <li>• statutory requirement (e.g. the LGA 2002 requires population forecast assumptions for long-term planning).</li> <li>• provide systems and resources to help Council achieve agreed community well-being outcomes.</li> </ul>   |
| <p>Costs and benefits of distinct funding</p> | <p>The distinct beneficiaries for each component of the activity support multiple funding streams.</p> <p><b>District Plan</b></p> <p>Majority of the benefits from this activity flow to the community as a whole, except for private plan changes where the benefits accrue to the private individual.</p> <p>Community groups have been identified as beneficiaries of this activity, but the benefits accruing to these groups are not distinct enough to justify charging separately. For example, environmental groups may benefit from certain plan changes, but the same level of benefits also accrue to the wider community. The cost of funding this group separately exceeds any benefits that might be gained. There will also be some plan changes which may benefit some landowners (e.g. changing the plan to make certain land uses easier), however these will sometimes also have wider community benefit, such as enabling more provision of housing in suitable locations.</p> <p>Therefore, the most appropriate way to fund the bulk of this activity is by the whole community through the districtwide general rate, whilst private plan changes are fully funded by the private beneficiary through fees and charges.</p> <p><b>Housing</b></p> <p>Majority of the benefits accrue to private beneficiaries such as developers and potential tenants, who can be separately identified.</p> |

**Districtwide Planning**

|  |   |
|--|---|
|  | <p>As the community as a whole also benefits from improved access to suitable quality housing across the district and a wider provision of different sorts of housing, it is appropriate for general ratepayers to bear the costs of this activity.</p> <p><b>Policy, Strategy, and Strategic Development</b></p> <p>The primary beneficiary of this activity is considered to be the whole community. It is therefore considered appropriate to source funding from districtwide general rates.</p>  |
| <p>Overall impact of allocation of liability</p> | <p><b>District Plan</b></p> <p>Even though every individual requesting a plan change is a direct and private beneficiary, depending on the nature of the plan change, public benefits may arise from it. In those instances, where sufficient public benefits can be identified from a requested plan change, it may be appropriate to classify these as public plan changes and partially or wholly fund it from districtwide general rates.</p> <p><b>Housing</b></p> <p>While the private market does provide housing, this activity seeks to encourage the sort of development which would not commonly occur without Council’s support or facilitation. The main intention of this activity is to help address the housing pressures being experienced in the district, and to seek to recoup the cost from private beneficiaries (such as developers and community housing providers) would defeat the purpose of Council support as this may affect housing affordability and feasibility. In addition, much of the work in this activity is strategic and facilitative in nature with broadly delivered benefits through a quality framework.</p> <p>Given this and the benefits to the community as a whole, the fairest and most effective way to fund this activity is 100% from districtwide general rates.</p> <p><b>Policy, Strategy, and Strategic Development</b></p> <p>Even though individual and community groups have been identified as private beneficiaries, the key purpose of this activity is to support Council decision-making and accountability processes to ensure community outcomes are achieved. The whole community benefits and therefore it is fair to fund this activity from districtwide general rates.</p> |

## Districtwide Planning

Funding source allocation and funding source

### Operating costs:

| Activity              | Service               | User Fees | Other Income | Rates | General Rates                       | Targeted Rates |
|-----------------------|-----------------------|-----------|--------------|-------|-------------------------------------|----------------|
| Districtwide Planning | District Plan         | -         | -            | 100%  | 100%<br>(districtwide general rate) | -              |
|                       | Policy                | -         | -            | 100%  |                                     |                |
|                       | Strategy              | -         | -            | 100%  |                                     |                |
|                       | Strategic Development | -         | -            | 100%  |                                     |                |
|                       | Housing               | -         | -            | 100%  |                                     |                |

### Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Districtwide Planning activity capital expenditure projects are funded through:

| Funding Source                                     | Proportion of Funding for 2024-34(10-Year Average) |
|--|--|
| Rates funded depreciation                          | -  |
| Capital grants and subsidies (incl NZTA subsidies) | 44%  |
| Development and financial contributions            | -  |
| Borrowings   | 56%  |
| <b>Total</b>                                       | <b>100%</b>  |

| Organisational Health  |   |              |        |             |             |           |   |    |     |  |  |  |
|--|---|--------------|--------|-------------|-------------|-----------|---|----|-----|--|--|--|
| Activity Group   | Organisation Health   |              |        |             |             |           |   |    |     |  |  |  |
| Activity   | Organisational Health   |              |        |             |             |           |   |    |     |  |  |  |
| Sub-Activity   | Organisational Health   |              |        |             |             |           |   |    |     |  |  |  |
| Activity Description   | The Council's provides operational support services to elected members and Council staff, enabling Council to operate and govern effectively. Most of the costs of the operational support services are recovered through internal charges, however, there are some activities, such interest and dividends from investments are carried out as part of the Council operating an in a financially prudent manner. |              |        |             |             |           |   |    |     |  |  |  |
| Contribution to community outcomes   | <table border="1"> <thead> <tr> <th>Sub-Activity</th> <th>Place</th> <th>People</th> <th>Partnership</th> </tr> </thead> <tbody> <tr> <td>Corporate</td> <td>√</td> <td>√√</td> <td>√√√</td> </tr> </tbody> </table>  | Sub-Activity | Place  | People      | Partnership | Corporate | √ | √√ | √√√ |  |  |  |
|  | Sub-Activity  | Place        | People | Partnership |             |           |   |    |     |  |  |  |
| Corporate  | √   | √√           | √√√    |             |             |           |   |    |     |  |  |  |
| Who benefits - individuals or groups of individuals or community as a whole? | The district as a whole benefit from the activities carried out by Council. Individuals also benefit from access to the Council's information like valuation and property systems.  |              |        |             |             |           |   |    |     |  |  |  |
| Can the beneficiaries be identified?   | Yes   |              |        |             |             |           |   |    |     |  |  |  |
| Period of benefits   | The period of benefit is now and into the future.   |              |        |             |             |           |   |    |     |  |  |  |
| Who/what creates need?   | <ul style="list-style-type: none"> <li>Legislation requires that Council is able to outline its operational efficiency and effectiveness.</li> <li>need is created by the Council for an efficient and effective organisation.</li> </ul>   |              |        |             |             |           |   |    |     |  |  |  |
| Costs and benefits of distinct funding                                       | The distinct beneficiaries for each component of the activity support multiple funding streams. Given the size of the expenditure separate funding is considered important for transparency.  |              |        |             |             |           |   |    |     |  |  |  |
| Overall impact of allocation of liability                                    | The primary beneficiary of this Activity is the community as a whole. It is therefore considered appropriate to source funding mostly from districtwide general rates.  |              |        |             |             |           |   |    |     |  |  |  |



## Organisational Health

### Funding source allocation

#### Operating costs:

This activity includes income sources that can be unpredictable or volatile in nature, such as interest income, rate penalties, dividends etc. The levels of external income received may vary year on year depending on external factors. The funding policy target therefore excludes the portion of costs funded by external revenue, and is focused on the remaining elements in the activity. This is 100% funded from districtwide general rates as it benefits the whole community.

| Activity              | Sub-Activity          | User Fees | Other Income | Rates | General Rates                       | Targeted Rates |
|-----------------------|-----------------------|-----------|--------------|-------|-------------------------------------|----------------|
| Organisational Health | Organisational Health | -         | -            | 100%  | 100%<br>(districtwide general rate) | -              |

#### Funded by:

- districtwide general rate; and
- other income (e.g. rates penalties, interest income, dividends and GWRC contract revenue).

#### Capital costs:

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Organisational Health capital expenditure projects are funded through rates funded depreciation and borrowings.

| Funding Source                                     | Proportion of Funding for 2024-34 (10-Year Average) |
|--|---|
| Rates funded depreciation                          | 38%   |
| Capital grants and subsidies (incl NZTA subsidies) | -   |
| Development and financial contributions            | -   |
| Borrowings   | 62%   |
| <b>Total</b>                                       | <b>100%</b>   |