

Revenue and Financing Policy

Statement of Proposal February 2018

CENTRAL HAWKE'S BAY DISTRICT COUNCIL



Summary

As part of the review of the Long Term Plan, Council has recognised the need to review the funding of the core activities of Water Supply and Wastewater.

During Project Thrive, the whole community gave us a strong message that drinking water and wastewater are important for all parts of our community. Not only is it important for those using the infrastructure but also to the community as a whole. Durable infrastructure supports smart growth by allowing for the development of businesses and industries which provide employment. Durable infrastructure takes our environmental responsibility into account and ensures that we have as little impact on our environment as possible. Durable infrastructure ensures that the infrastructure we build is fit for the future and ensures our children are not burdened with paying for aging infrastructure due to underinvesting now.

Currently all of the costs associated with our water and wastewater activities are paid for by the people connected to the networks through the targeted rates. However Council believes that there is a wider benefit to the community in ensuring that our drinking water and wastewater infrastructure is fit for purpose. The health of our rivers is impacted by our wastewater. Conservation of our drinking water affects the summer flows of our rivers. Our businesses rely on durable infrastructure to provide products and services to the whole community.

Based on this Council is proposing to fund 5% of the rates requirement for Water Supply and Wastewater from a District Wide Targeted Rate set on a uniform basis.

Background

As part of the review of the Long Term Plan (LTP), Council has reviewed its Revenue and Financing Policy and has recognised the need for a change to the funding of Water and Wastewater activities. As part of the engagement conducted during Project Thrive and the growth projections that formed the basis of the development of the LTP 2018-28, the Council recognised the requirement to review the funding of these core infrastructure activities.

This matter affects everyone in the district and will determine how the Council derives the revenue it needs in order to undertake these activities on behalf of the community at desired service levels. In accordance with s82 of the Local Government Act 2002, this Statement of Proposal initiates a consultation that is being run in conjunction with the Consultation on the Long Term Plan. Council is seeking the community's views on the proposed changes. The full proposed Revenue and Financing Policy is included with this Statement of Proposal.

Funding Allocation Among Available Revenue Sources

In performing its review of revenue sources, Council gave consideration to the availability of alternative funding sources, the cost effectiveness of administration and collection, and the factors that determine the scope and level of service for Water Supply and Wastewater.

The analysis is based on the following criteria:

- a) The community outcomes to which the activity primarily contributes
- b) The distribution of benefits
- c) The period in or over which those benefits are expected to occur
- d) The extent to which behaviour affects the scope and need for an activity
- e) The costs and benefits of funding the activity distinctly from other activities

Council is then required to consider the overall impact of any allocation of liability for revenue needs on the community.

Council seeks to achieve an appropriate balance considering factors such as affordability and its vision for the district. As part of the review, Council considered the community wide benefit of the activities of Water Supply and Wastewater.

For these reasons, Council has taken a holistic view and applied weightings to ensure that the distribution of its funding needs is appropriate and sustainable.

Based on the review the Council has proposed a change the allocation of the targeted rates for Water Supply and Wastewater to include 5% of the rates requirement from a District Wide Targeted rate set on a uniform basis that is assessed on all Separately Used or Inhabited Parts of a rating unit in the District whether connected to the networks or not.

The Options

<div>1.</div> <div>Retain the current funding for drinking water and wastewater.</div>	<div>1. 2.</div> <div>Change the funding of water and wastewater to have a District Wide Targeted Rate set on uniform basis of 5% of the total funding requirement. This would be paid for by everyone in the district whether or not you are connected to the network.</div>	<div>2. 3.</div> <div>Change the funding of water and wastewater to have a District Wide Targeted Rate set on uniform basis of 7.5% of the total funding requirement. This would be paid for by everyone in the district whether or not you are connected to the network.</div>																		
<div>Based on the current funding model where all rates required for water and wastewater are paid by those connected there is no change to the way the rates are collected.</div>	<div>This funding model will see 5% of the rates funding requirements for water and wastewater to be paid district wide*. This has been proposed as a District Wide Targeted Rate set on uniform basis. This would be paid by all ratepayers in the district whether or not you are connected to the networks.</div> <div>For both water and wastewater this totals</div> <table><tr><td>2018/19</td><td>\$49</td></tr><tr><td>2019/20</td><td>\$53</td></tr><tr><td>2020/21</td><td>\$57</td></tr></table>	2018/19	\$49	2019/20	\$53	2020/21	\$57	<div>This funding model will see 7.5% of the rates funding requirements for water and wastewater paid to be paid district wide*. This has been proposed as a District Wide Targeted Rate set on uniform basis. This would be paid by all ratepayers in the district whether or not you are connected to the networks.</div> <div>For both water and wastewater this totals</div> <table><tr><td>2018/19</td><td>\$73</td></tr><tr><td>2019/20</td><td>\$80</td></tr><tr><td>2020/21</td><td>\$85</td></tr></table>	2018/19	\$73	2019/20	\$80	2020/21	\$85						
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<div>The annual water charge for the first 3 years of the LTP for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$669</td></tr><tr><td>2019/20</td><td>\$751</td></tr><tr><td>2020/21</td><td>\$795</td></tr></table>	2018/19	\$669	2019/20	\$751	2020/21	\$795	<div>The annual water charge for the first 3 years of the LTP including the 5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$648</td></tr><tr><td>2019/20</td><td>\$729</td></tr><tr><td>2020/21</td><td>\$771</td></tr></table>	2018/19	\$648	2019/20	\$729	2020/21	\$771	<div>The annual water charge for the first 3 years of the LTP including the 7.5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$643</td></tr><tr><td>2019/20</td><td>\$723</td></tr><tr><td>2020/21</td><td>\$764</td></tr></table>	2018/19	\$643	2019/20	\$723	2020/21	\$764
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<div>The annual wastewater charge for the first 3 years of the LTP for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$883</td></tr><tr><td>2019/20</td><td>\$946</td></tr><tr><td>2020/21</td><td>\$1,019</td></tr></table>	2018/19	\$883	2019/20	\$946	2020/21	\$1,019	<div>The annual wastewater charge for the first 3 years of the LTP including the 5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$866</td></tr><tr><td>2019/20</td><td>\$928</td></tr><tr><td>2020/21</td><td>\$1,000</td></tr></table>	2018/19	\$866	2019/20	\$928	2020/21	\$1,000	<div>The annual wastewater charge for the first 3 years of the LTP including the 7.5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$858</td></tr><tr><td>2019/20</td><td>\$919</td></tr><tr><td>2020/21</td><td>\$990</td></tr></table>	2018/19	\$858	2019/20	\$919	2020/21	\$990
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*Assessed for each Separately Sued or Inhabited Part of a rating unit (SUIP). Based on current SUIP numbers.

The Preferred Option

Council's preferred option is option 2. The proposed change to the funding has been included in the draft budgets at the rate of 5% by way of a District Wide Targeted Rate set on a uniform basis for

each service. The Council feels that this reflects the right balance between the benefits to those connected to the networks and the community as a whole who benefit from there being durable water and wastewater infrastructure in our community that is fit for purpose, control our environmental impact and provide for smart growth.

The Submission Process

The proposal contained in this document is open for public submission in conjunction with consultation on the Long Term Plan from 19 February to 29 March 2018. This is your opportunity to let the Mayor and Councillors understand your views about the policy proposals.

The operative Revenue and Financing Policy of Council may be found on the Council website as part of the Long Term Plan 2015-25.

Your submission can be sent to Council by:

- Sending an email to cp@chbdc.govt.nz
- Completing the online submission form
- Completing the submission form at the end of the Long Term Plan Consultation Document and delivering it to:

Central Hawke's Bay District Council

32 Ruataniwha Street

Waipawa 4210

Or mailing it to:

Central Hawke's Bay District Council

PO Box 127

Waipawa 4240

Once the public consultation period has concluded, Council will schedule hearings on the proposal as part of the Long Term Plan Consultation. Submitters will be advised of the hearing dates, and those who have indicated that they wish to present their views in person will be advised of their allocated speaking time. Council will consider all submissions received and submitters will be advised of the outcome of their submission as part of the Long Term Plan submission process.

Revenue and Financing Policy

The Revenue and Financing Policy is required under Section 102 of the Local Government Act 2002 (**LGA**) and the required contents are set out in section 103 of the LGA. The policy must be included in full in the LTP. Section 103(2) allows the following funding mechanisms to be used when funding operating and capital expenditure:

- General Rates
- Uniform Annual General Charge
- Targeted Rates
- Grants and Subsidies
- Interest and Dividends from Investments
- Fees and Charges
- Borrowing
- Proceeds from Assets Sales
- Development or Financial Contributions
- Lump Sum Contributions
- Any other source

This policy summarises the funding sources to be used by Council and their intended use. Sources are identified for each Council activity, including those that may be used to fund operating and capital expenditure. The General Rate is set on a District Wide basis (not on a differential basis), on the capital value of the rating unit. Council sets a Uniform Annual General Charge that is assessed on separately used or inhabited parts of a rating unit in the district.

Council must consider the following elements in deciding on appropriate funding mechanisms for each activity:

- *Community Outcomes* – the community outcomes an activity will primarily contribute to.
- *Distributions of benefits* – the distribution of benefits between the community as a whole, any identifiable parts of the community and individuals.
- *Timeframes of benefits* – the period in and over which those benefits are expected to occur. For example, the benefits may occur on an ongoing basis, but may also benefit future generations.
- *Contributors to need for activity* – the extent to which actions or inactions of particular individuals or groups contribute to the need to undertake the activity.
- *Costs and Benefits of distinct funding* – the cost and benefits, including for transparency and accountability, of funding the activity distinctly from other activities.

The Council has also considered the overall impact of any allocation of liability on the community and has determined this doesn't require any modification to the activity by activity analysis.

Funding of Operating Expenditure

The following table shows which mechanisms may be used to fund operating expenditure for Council's activities:

	General Rates	Uniform Annual General Charge	Targeted Rates	Grants and Subsidies	Fees and Charges
Community Leadership Group					
Leadership, Governance and Consultation	✓	✓		✓	
Economic and Social Development	✓	✓	✓		
Planning and Regulatory Group					
District Planning	✓				
Land Use and Subdivision Consents	✓				✓
Building Control	✓				✓
Public Health	✓				✓
Animal Control	✓				✓
Compliance & Monitoring	✓				✓
Land Transport Group					
Land Transport	✓		✓	✓	✓
Solid Waste Group					
Solid Waste	✓	✓	✓		✓
Water Supplies Group					
Water Supplies			✓		✓
Wastewater Group Wastewater			✓		✓
Stormwater Group Stormwater			✓		
Recreation and Community Facilities Group					
Parks, Reserves and Swimming Pools	✓	✓			✓
Public Toilets	✓				
Retirement Housing					✓
Libraries	✓	✓			✓
Theatres, Halls and Museums	✓				✓
Cemeteries	✓				✓
Property and Buildings	✓				✓

- Council does not fund operating expenditure by Borrowing unless in exceptional circumstances by way of Council resolution.
- Interest and Dividends are used to offset the general rate requirement except where the interest is credited to a special fund or reserve fund.
- Proceeds from the Sale of Land and Buildings are transferred to the Capital Projects fund for funding future capital projects by resolution of Council. Proceeds from Sale of other Assets are used to fund the renewals of assets within the activity.

Funding of Capital Expenditure

The following table shows which mechanisms may be used to fund capital expenditure for Council's activities:

	General Rates	Targeted Rates	Borrowings	Reserves	Funding assistance/User Charges	Development Contributions
Community Leadership Group						
Leadership, Governance and Consultation	No Capital Expenditure					
Economic and Social Development	No Capital Expenditure					
Planning and Regulatory Group						
District Planning			✓			
Land Use and Subdivision Consents	No Capital Expenditure					
Building Control	No Capital Expenditure					
Public Health	No Capital Expenditure					
Animal Control	No Capital Expenditure					
Compliance & Monitoring	✓				✓	
Land Transport Group		✓	✓	✓	✓	✓
Solid Waste Group	✓		✓	✓		
Water Supplies Group		✓	✓	✓		✓
Wastewater Group		✓	✓	✓		✓
Stormwater Group		✓	✓	✓		✓
Recreation and Community Facilities Group						
Parks, Reserves and Swimming Pools	✓			✓	✓	
Public Toilets	✓		✓	✓		
Retirement Housing				✓	✓	
Libraries				✓		
Theatres, Halls and Museums	✓		✓	✓	✓	
Cemeteries	✓			✓		
Property and Buildings	✓			✓		

- Council takes into account the useful life of the asset and the use by future generations in the funding of the capital expenditure.
- Lump sum contributions are not utilised by Council.

Community Leadership Group

Leadership, Governance and Consultation

Description

The Leadership, Governance and Consultation activity includes the elected Council.

Community Outcomes

This activity contributes to all of the community outcomes.

Distributions of benefits

Benefits from the Leadership, Governance and Consultation activity are for the community generally. Council is the vehicle for making decisions affecting the district.

Timeframes of benefits

Ongoing.

Contributors to need for activity

Living in a democratic society contributes to the need for this activity.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 100% public funding based on a Uniform Annual General Charge.

Economic and Social Development

Description

Economic and Social Development is undertaken by a number of outside organisations.

- These are CHB Promotions, Business Hawke's Bay and joint study by Hawke's Bay Councils, funded partly by the Council
- Department of Internal Affairs –which funds a Community Development Coordinator

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth

Distributions of benefits

Benefits from economic development accrue largely to the community, due to the ongoing economic benefits of visitor spending, creation of employment and investment in the potential of the district. Similarly social benefits accrue the wider community. Some benefits may accrue to businesses or individuals using these services, but it is difficult and illogical to recover these benefits.

Timeframes of benefits

Ongoing.

Contributors to need for activity

All groups contribute to the need for this activity.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 100% public funding for this activity. Public funding is collected through the Uniform Annual General Charge.

Planning and Regulatory Group

District Planning

Description

The Land Use Planning and Management Activity, as part of Council's statutory obligations under the Resource Management Act 1991, involves -

- Providing advice on the District Plan
- Providing Policy advice on planning and rules of the District Plan
- Monitoring of the effectiveness and efficiency of the policies and rules in the District Plan

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

The district planning services benefit the users of the District Plan through clear information available for development and land use.

The community benefits highly through protection of the environment, appropriate and sustainable development of land and property.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 100% public funding for this activity. Public funding is through the capital value based general rate.

Land Use and Subdivision Consents

Description

The Council is required by the Resource Management Act 1991 to prepare, implement and administer a District Plan that meets the needs of the community. The Resource and Subdivision Activity ensures that development occurs in a manner that complies with the District Plan, through processing resource consent applications and monitoring.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible

Distributions of benefits

The district planning services mainly benefit the users of the resource and subdivision consent process through meeting legislative requirements.

The community benefits through protection of the environment, appropriate and sustainable development of land and property.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 37-49% private funding for this activity, with the remainder coming from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

Building Control

Description

Building Control is responsible for administering and enforcing the Building Act 2004 (and related legislation). This includes -

- Processing applications for building consents
- Enforcing the provisions of the Building Act 2004 and associated regulations
- Processing Land Information Memoranda

Once a consent has been obtained, Council monitors compliance through inspections and provides code compliance certificates confirming that new building work meets the provisions of the building code.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

Distributions of benefits

Benefits from building control accrue mainly to users of these services (ie people who build or alter buildings) through meeting legislative requirements and safe buildings. The community benefits through the enforcement of regulations that ensure safe, sanitary and accessible buildings in which people live, play and work.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity. In some cases (e.g. property purchase where consent standards are not met), it may be difficult to identify who should pay.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 70-85% private funding for this activity, with the remainder funded from public funding. Private funding is collected through various fees and charges. Public funding is through the capital value based general rate.

Public Health

Description

The Public Health Activity covers the regulatory functions relating to environmental health, liquor licensing, hazardous substances, and other environmental monitoring.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

Distributions of benefits

Benefits from environmental health services accrue to both the community and individuals and organizations. Individuals and organizations benefit from assurances that their premises are of an acceptable standard to the consumer and meet other legislative requirements (e.g. liquor licensing). The community benefits through the expectation that

- standards of operation are being met and
- assurances of a safe and healthy environment for residents and visitors.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 27-36% private funding for this activity, with the remainder from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

Animal Control

Description

This activity includes the implementation of requirements of Dog Control Act 1996 and related legislation and Council bylaws. Main objectives include education, response to complaints and management of registration systems for dogs and stock.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities

Distributions of benefits

Benefits from the animal control service accrue mainly to animal owners from the provision of a service that either confines or returns lost or stray animals. The community generally benefits through the enforcement of regulations against aggressive and straying animals.

Timeframes of benefits

Ongoing, but occur mainly in the short-term.

Contributors to need for activity

People who do not properly control their animals can be a significant contributor to this activity. In some cases, it can be difficult to identify who these people are.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 91-95% private funding for this activity, with the remainder from public funding. Private funding is collected through various fees and charges – including fines and impounding costs. Public funding is through the capital value based general rate.

Compliance and Monitoring

Description

Compliance and Monitoring primarily involves the monitoring of resource consent conditions, responding to noise complaints and bylaw breaches, and carrying out territorial authority responsibilities as defined in legislation such as the inspection of swimming pool fences, earthquake prone buildings, and processing of Land Information Memoranda (LIMS), Compliance Schedules and Building Warrants of Fitness.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Benefits from this activity accrue across the wider community, through ensuring that activities are monitored and comply with legislative, policy and bylaw requirements, thereby minimising negative impacts on residents of, and visitors to, the District.

Timeframes of benefits

Ongoing. Benefits occur now through continuous monitoring of activities, response to complaints, and public education.

Contributors to need for activity

Where matters of non-compliance are brought to Council's notice, there is a requirement to ensure that compliance is achieved for the safety and wellbeing of the wider public.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 10% private funding for this activity, with the remainder from public funding. Public funding is collected through the capital value based general rate. Private funding is obtained through various fees and charges including fines.

Land Transport Group

Land Transport

Description

The Local Government Act 2002 and Land Transport Management Act 2003 provide the framework under which Council operates a land transport network within the District. Council aims to achieve an integrated safe, responsive and sustainable land transport network. Council maintains 1261.81 km of roads, 64 km footpaths, 265 bridges, street lighting and other roading assets.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

There is a mix of public and private benefits with these activities. Public benefits include an attractive urban environment and streetscape, tidy roadsides, the ability to transport people, goods and services throughout the district, connections to other transport networks and location and property identification. Private benefits are for people and businesses using roads and footpaths to carry out their day to day business.

Timeframes of benefits

Ongoing.

Contributors to need for activity

All groups contribute to the need for this activity. In some cases damage may be caused, additional costs may be caused to Council through vandalism, accidents and activities beyond normal usage.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed to 100% public funding. Public funding is collected through the land value based targeted rate.

New Zealand Transport Agency funding applies to subsidised roading projects.

A small amount of private funding is recovered through fees and charges.

Solid Waste Group**Solid Waste****Description**

Central Hawke's Bay District Council provides the following services:

District landfill, transfer stations, recycling drop off centres, and kerbside refuse and recycling collections, litter bins and management of closed landfills.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

The benefits of the solid waste activity are largely public and private. Individuals benefit from not having to arrange their own systems of waste disposal. An environmentally sound landfill and rubbish collection maintains a sustainable and clean district.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits from having solid waste collection and disposal available. In some cases, illegal dumping and inappropriate disposal of hazardous wastes may result in extra costs to the Council.

Costs and Benefits of distinct funding

It is appropriate to recover the private benefit via a separate funding mechanism.

Recommended Funding

Council has agreed on 46-48% private funding for this activity. The remaining Public funding is collected through a combination of a Capital Value based General Rate, Uniform Annual General Charge and targeted rates for kerbside recycling and refuse collection. Private funding is derived from fees and charges.

Water Supplies Group

Water Supplies

Description

The Central Hawke's Bay District Council owns and operates 8 water supply schemes.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Provision of water supplies provides a number of public benefits, including access to potable water and availability of water for key public services and amenities (eg fire fighting, landscaping, swimming pools). There are significant direct benefits to ratepayers and consumers connected to a Council piped water scheme through access to water for drinking and water availability for industry.

Timeframes of benefits

Ongoing and long-term for future generations.

Contributors to need for activity

Those sections of the community where water services are available benefit widely from having a supply available. The wider community who use the facilities and business who depend on the water supply also benefit.

Costs and Benefits of distinct funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and charges.

Recommended Funding

Council has agreed on a 95% private funding for this activity. Public funding is collected through a District Wide Targeted rate set on a uniform basis for all separately used or inhabited parts of a rating unit in the district (whether connected or unconnected). Private funding is derived from a targeted rate from those connected to water systems and volumetric water meter rates.

Wastewater (Sewerage) Group

Wastewater (Sewerage)

Description

Central Hawke's Bay District Council sewer systems comprise of six reticulated systems and associated treatment plants.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District

- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Provision of a sewerage system provides a number of public benefits, including maintenance of public health standards, prevention of disease and maintenance of a healthy environment. All properties, both domestic and industrial, that are connected to Council's sewerage system receive a direct benefit which relates to the cost of providing the service. A sewerage system is a key infrastructural need for maintaining public health and growth of business opportunities.

Timeframes of benefits

Ongoing and long-term for future generations.

Contributors to need for activity

The community benefits widely from having a sewerage system available. Additional costs may be caused through overloading of systems, disposal of hazardous material and illegal connections.

Costs and Benefits of distinct funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and charges.

Recommended Funding

Council has agreed on a 95% private funding this activity. Public funding is collected through a District Wide Targeted rate set on a uniform basis for all separately used or inhabited parts of a rating unit in the district (whether connected or unconnected). Private funding is derived from a targeted rate from those connected to wastewater systems and from fees and charges and levies raised through the Trade Waste Bylaw.

Stormwater Group

Stormwater

Description

Central Hawke's Bay District Council stormwater systems comprise of 7 systems. The systems generally consist of a primary piped network with some open channel and secondary flow paths.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Provision of a stormwater system provides a number of public benefits, including decreased risk from flooding and encouraging residential development. Private benefits are particularly to property owners via stormwater disposal away from their properties.

Timeframes of benefits

Ongoing and long-term for future generations.

Contributors to need for activity

The community benefits widely from having a stormwater system available.

Costs and Benefits of distinct funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity separately.

Recommended Funding

Council has agreed on 100% private funding for this activity. Public funding is collected through a targeted rate from those within stormwater catchment areas. The funding of the Te Aute drainage scheme is based on a targeted rate on scheme members.

Recreation and Community Facilities Group

Parks, Reserves and Swimming Pools

Description

A number of parks, reserves, war memorials and camping grounds are provided throughout the district for recreation, including sports fields, children's playgrounds and amenity areas. There are two swimming pools, one owned by the Council and one owned by a Community Trust that is largely funded by the Council.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Benefits from parks accrue to the community generally through the provision of facilities for groups and individuals to pursue active and passive leisure pursuits, education on the natural environment, community pride and contributing to community health and well-being.

There can be private benefits to people and sports groups through the use of sports fields for organized sport, but these are available to the wider community at other times.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having these facilities available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council have agreed a 97% public, 3% private funding split and that the cost of funding the public component of the Parks, and Reserves should occur by way of 70% from the General Rate assessed on Capital Value and 30% (to meet the cost of swimming pools) from the Uniform Annual General Charge. The private funding component will be collected from fees and charges with market rentals being applied to camp grounds.

Public Toilets

Description

The Council provides 24 public conveniences located throughout the District.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Public toilets provide a mix of public and private benefits. While private benefits are obvious, public benefits are through having these essential facilities available for residents and visitors, and maintaining standards of public hygiene.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having public conveniences available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council have agreed 100% public funding and that the cost of funding the public component of the Public Toilets should occur by way of 100% from the General Rate assessed on Capital Value.

Retirement Housing

Description

A total of 48 one bedroom flats are owned by Council in different locations in Waipukurau and Waipawa. These provide affordable housing for those elderly in need.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

Distributions of benefits

Benefits from housing accrue to tenants of the housing units. This is a relatively small and identifiable group who are provided with affordable accommodation in convenient locations. There may be some small community benefits through the availability of low cost housing to vulnerable groups in the community.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits from having housing available. The main benefit is to people who choose to tenant these units.

Costs and Benefits of distinct funding

The activity is self-funding and separate funding is not required.

Recommended Funding

The Council believes the optimum funding is 100% private, through user rental charges.

Libraries

Description

Libraries include the two libraries in Waipukurau and Waipawa.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

Distributions of benefits

Benefits from libraries accrue largely to the community, through contributing to a community that is literate and informed, has access to information and provision of a community resource. There is also direct benefit to each individual who reads a book or uses one of the other library services, and some of these can be recovered, although a high level of recovery may restrict the ability of some people to continue to use these services.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having library services available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

The Council have agreed the optimum allocation of costs is 90% public to 10% private. Public funding is through the Uniform Annual Charge, with private funding through user charges for some library services.

Theatres and Halls

Description

Theatres, halls and museums include several community halls located throughout the District.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

Distributions of benefits

Theatres and halls have a mix of public and private benefits. Public benefits are from the ability to use the facilities for public events and gatherings and as a hub for communities in the event of natural disaster. There are direct benefits for individuals and groups who choose to use the facilities available for personal functions.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having theatres, halls and museums available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is not benefit perceived from separate funding.

Recommended Funding

Council have agreed 100% public funding. Public funding is 100% from the capital value based general rate, with limited private funding through user charges for hireage services.

Cemeteries***Description***

Council currently operates ten cemetery sites for burial and cremation interments.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Benefits from cemeteries are considered to be largely private, although it is necessary for communities to have an interment system that meets appropriate health standards. Private benefits are from the provision of individual gravesites for remembrance and burial.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having cemeteries available. In some cases, vandalism and failure to maintain headstones may cause additional costs.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

The Council have agreed a 90% public, 10% private funding split. Public funding is from the capital value based general rate, with private funding through fees and charges.

Property and Buildings***Description***

Council owns a number of properties and buildings that are used to providing services to the public, but do not fit into a specific Activity grouping. These are owned for community or administrative reasons.

The properties included in this Activity are, the Council administration building, two library buildings, two other community building and miscellaneous sections.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Benefits from this activity largely accrue to the community, through cultural enrichment and community identity. There may be direct benefits to some people using these services, but a high level of recovery may restrict the ability of some people to continue to use these services.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits from having safe community buildings.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council have agreed 98 -100% public funding. Public funding is from the capital value based general rate, with limited private funding (2%) through user charges for hireage and rentals.

