

FUNDING NEEDS ANALYSIS

Summary – LGA Financial Management sections 101-103

Funding Needs Analysis	Revenue and Financing Policy	Rates Requirement	Rates Calculation and Invoicing
<p>Section 101(3) must meet funding needs from sources determined appropriate, following consideration of s.101(3)a, for each activity:</p> <ol style="list-style-type: none"> community outcome, distribution of benefit, period of benefit, exacerbators, rationale for separate funding. <p>s.101(3)b overall impact of above allocations on community wellbeing – current and future social, economic, environmental and cultural.</p> <p>Two step process:</p> <ol style="list-style-type: none"> funding needs analysis – by activity, follows with review of overall impact once total funding requirements (budget estimates) are determined. 	<p>Sections 102(2) must adopt a Revenue and Financing Policy. Section 103 RFP – must outline where opex and capex is funded from:</p> <ol style="list-style-type: none"> S.103(2) - available sources of funding. General rates – including valuation system, differential rating and uniform annual general charges. Targeted rates. (ba) Lump sum contributions – n/a. Fees and charges. Interest and dividends from investments. Borrowings. Proceeds from assets sales. Development contributions – n/a. Financial contributions under the RMA 1991. Grants and subsidies. ja. Regional fuel taxes under the LTMA 2003 – n/a. Any other source. 	<p>Section 101A Financial Strategy helps determine the overall funding requirement ie borrowing levels and repayment expectations.</p> <p>Section 101A Infrastructure Strategy significant cost driver and impacts financial strategy debt requirements.</p> <p>LTP budget setting process and financial estimates modelling Includes:</p> <p>Step 2 overall impact assessment considering:</p> <ul style="list-style-type: none"> Overall level of rates – total / average rates and increases (dollar and percentage). Distribution of rates. Rates comparison to other regional councils. Use of differentials and uniform rates (UAGC). Use of investment income (to offset rates). 	<p>Rates Funding Impact Statement:</p> <ul style="list-style-type: none"> Calculates actual rates to be charged Applies RFP and differentials Basis for rates strike and invoicing

Example page and explanation of how to complete / interpret it

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<p>Describe key parts of the activity: Note any sub activities that may require separate funding</p>	<p>Select primary from:</p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p>Who benefits:</p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p>Who are they:</p> <ul style="list-style-type: none"> Location Land use Specific users 	<p>How much do they benefit:</p> <ul style="list-style-type: none"> High, medium, low <p>How is benefit / access distributed:</p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p>When do the benefits occur (vs investment):</p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p>Who else has created the need:</p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p>Should the activity be funded separately:</p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>For each activity or key part of the activity complete the analysis in the boxes right</p>	<p>Main community outcome(s) See: Strategic Directions 2024-2034 for aspiration statement for each of the outcome areas above</p>	<p>Whole community: Yes/No</p>	<p>Everybody in the region</p>	<p>High / medium / low Even / variable</p>	<p>Short term /recurring / long term</p>	<p>Who any exacerbators are and why the can / can't be charged</p>	<p>No – general rate funding Yes – reasons why separate funding is appropriate and should be considered</p>
		<p>Identifiable part: Yes/No</p>	<p>Wider community Local groups</p>	<p>High / medium / low Even / variable</p>	<p>Short term /recurring / long term</p>		
		<p>Individuals: Yes/No</p>	<p>Property owners Service users</p>	<p>High / medium / low Even / variable</p>	<p>Short term /recurring / long term</p>		

Activity funding needs analysis indicator	Above analysis indicates...funding sources
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FUNDING POLICY		
Operating Expenditure	Activity / Sub Activity being funded	Funding source %
Capital Expenditure	Activity / Sub Activity being funded	Funding source %

ACTIVITY: Governance and Democracy

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Who benefits:	Who are they:	How much do they benefit:			
<p>Describe key parts of the activity: Note any sub activities that may require separate funding</p>	<p>Select primary from:</p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p>Who benefits:</p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p>Who are they:</p> <ul style="list-style-type: none"> Location Land use Specific users 	<p>How much do they benefit:</p> <ul style="list-style-type: none"> High, medium, low <p>How is benefit / access distributed:</p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p>When do the benefits occur (vs investment):</p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p>Who else has created the need:</p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p>Should the activity be funded separately:</p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Governance and Leadership Run Council's democratic functions including – partnership with mana whenua, executive management, strategy, legal and corporate planning and performance</p>	Partnerships	Whole community: Yes	Everyone in the region	High	Short term	Central government (legislated activity) – can't charge directly.	No reason to fund separately.
	Communities	Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
<p>Donations Provide funding for (non-environmental) activities that benefit all of Otago.</p>	Communities	Whole community: Yes	Everyone in the region	High	Short term	Anyone in the region can be create the need for the donation (this group is already identified as beneficiaries).	No reason to fund separately.
		Identifiable part: Yes	Groups receiving donations	High	Short term		
		Individuals: Yes	Individuals receiving donations	High	Short term		
<p>Elections Run triannual elections.</p>	Communities	Whole community: Yes	Everyone in the region	High	Recurring (over the three-year triennial period)	Central government (legislated activity) – can't charge directly.	Yes – to smooth the cost over triennial period.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		

<p>Activity funding needs analysis indicator</p>	<p>General rates regional with election costs funded from reserves and rating spread evenly over the three years period.</p> <p>There is no significant capex incurred in this activity.</p> <p>Highlighted functions moved from overheads.</p>
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FUNDING POLICY		
<p>Operating Expenditure</p>	<p>Governance and Leadership Information requests greater than ½ hour</p>	<p>General rates 100%</p> <p>Fees & charges actual (where possible, budgeted as zero)</p>
	<p>Donations</p>	<p>General rates 100%</p>
	<p>Elections</p>	<p>General rates 100% – smoothed over 3 years</p>
<p>Capital Expenditure</p>	<p>All above</p>	<p>Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above</p>

ACTIVITY: Public Awareness

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Communications Community information and advice through media, website, public events and printed collateral.	Communities	Whole community: Yes	Everybody in the region	High	Short term	Media.	No reason to fund separately. In general, all members of the public should be communicated to and have access to information or be able to request it Excessive time involved in requests should be on charged if possible.
		Identifiable part: Yes	Could also be specific parts of the community or local groups	Medium	Short term		
		Individuals: Yes	Could also be any individual	Low	Short term		
Customer Services Provide face to face, phone and web-based customer services to the general public of Otago. Includes rates and transport payments.	Communities	Whole community: Yes	Everybody in the region	Low	Short term	None.	No reason to fund separately. All members of the public have access to Council through customer services.
		Identifiable part: Yes	Could also be specific parts of the community or local groups	Medium	Short term		
		Individuals: Yes	Could also be any individual	High	Short term		
Enviroschools Regional co-ordination of Enviroschools in Otago.	Communities	Whole community: No	-	-	-	None.	No reason to fund separately.
	Environment	Identifiable part: Yes	Schools participating in the program	High	Short term		
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	General rates regional. There is no significant capex incurred in this activity.
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FUNDING POLICY		
Operating Expenditure	Communications Information requests greater than ½ hour	General rates 100% Fees & charges actual (where possible, budgeted as zero)
	Customer services	General rates 100%
	Enviroschools	General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Regional Planning and Strategy

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding	
<p><i>Describe key parts of the activity:</i></p> <p><i>Note any sub activities that may require separate funding</i></p>	<p><i>Select primary from:</i></p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p><i>Who benefits:</i></p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p><i>Who are they:</i></p> <ul style="list-style-type: none"> Location Land use Specific users 	<p><i>How much do they benefit:</i></p> <ul style="list-style-type: none"> High, medium, low <p><i>How is benefit / access distributed:</i></p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p><i>When do the benefits occur (vs investment):</i></p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p><i>Who else has created the need:</i></p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p><i>Should the activity be funded separately:</i></p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability 	
<p>Regional Policies, Plans and Strategies</p> <p>Development, adoption, appeals, review and audit of ORC's regional policies, plans, and strategies:</p> <p>Includes environmental regional plans ie Air Plan, Land & Water Regional Plan.</p> <p>Excluding transport plans.</p> <p>Respond to external proposals such as national policy and legislative proposals, and city and district plans.</p>	<p>Partnership</p> <p>Communities</p> <p>Environment</p>	<p>Whole community: Yes</p>	<p>Everyone in the region</p>	<p>High</p>	<p>Recurring over the life of the plans – note planning activity continues every year.</p>	<p>Central government – can't charge directly.</p> <p>Territorial authorities – can't charge directly.</p>	<p>No reason to fund separately.</p>	
		<p>Identifiable part: No</p>	-	-				-
		<p>Individuals: No</p>	-	-				-
<p>Private Plan Changes</p> <p>Request from third parties to make a private plan change to a Council plan or policy.</p>	<p>Communities</p> <p>Environment</p>	<p>Whole community: No</p>	-	-	<p>Recurring over the life of the plan change.</p>	<p>None – legislation states this cost sits with the requester.</p>	<p>Yes - private plan change costs should be allocated to those requesting the change.</p>	
		<p>Identifiable part: No</p>	-	-				-
		<p>Individuals: Yes</p>	<p>The individual or group initiating making the request</p>	<p>High</p>				-

<p>Activity funding needs analysis indicator</p>	<p>General rates regional for regional plans, policies and strategies and responding to external proposals. Note transport plans (RLTP and RPTP are covered in the Transport activity section).</p> <p>Fees and charges for private plan changes.</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
<p>Operating Expenditure</p>	<p>Regional plans, policies and strategies</p>	<p>General rates 100%</p>
	<p>Private plan changes</p>	<p>Fees & charges 100%</p>
<p>Capital Expenditure</p>	<p>All above</p>	<p>Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above</p>

ACTIVITY: Consents

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Consents Processing Process consent applications and hold hearings, Issue certificates, permits and transfers.	Environment	Whole community: No	-	-	-	None.	Yes – the applicants should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent applicants	High	Short term		
Consents Appeals Environment Responding to appeals on consent decisions.	Environment	Whole community: No	-	-	-	None.	Yes – where possible costs will be recovered through the Court.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Anywhere in the region	High	Short term		
Consents Administration General administration (non-consent specific) including system development and staff training.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Consent holders, applicants and those making enquiry.	No – could consider reallocation to consent processing but some general administration is required regardless and reallocation is complicated and inefficient.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Consents Public Enquiry General consent related enquiry.	Environment	Whole community: No	-	-	-	None.	No – all members should be able to make enquiry about consent obligations but excessive time should be allocated so the formal consenting process isn't bypassed.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Anywhere in the region	High	Short term		
Consents Reviews Review of consents, e.g. variation to consent - consent holder-initiated, or Council may initiate, e.g. on introduction of a minimum flow.	Environment	Whole community: Yes	Everybody in the region if Council initiates the review	High	Short term	None.	Yes – individuals initiating a review should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent holders benefit if they initiate the review	High	Short term		

Activity funding needs analysis indicator / rationale	<p>Mix of user charges and general rates regional.</p> <p>In some activities it isn't possible or efficient to recover costs directly in which case general rates should be used.</p> <p>It is important that cost is allocated to the correct activity so the funding is allocated appropriately.</p> <p>There may be some capex incurred to provide systems to administer the activity.</p>
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FUNDING POLICY		
Operating Expenditure	Consents processing	Fees & charges 100%

	Consents appeals	Other income actual (Court recoveries where possible); then General rates 100%
	Consents administration	General rates 100%
	Consents public enquiry Information requests greater than ½ hour	General rates 100% Fees & charges actual (where possible, budgeted as zero)
	Consents reviews – consent holder initiated Consents reviews – Council initiated	Fees & charges 100% General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

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ACTIVITY: Compliance

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Who benefits:	Who are they:	How much do they benefit:			
<p>Describe key parts of the activity: Note any sub activities that may require separate funding</p>	<p>Select primary from:</p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p>Who benefits:</p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p>Who are they:</p> <ul style="list-style-type: none"> Location Land use Specific users 	<p>How much do they benefit:</p> <ul style="list-style-type: none"> High, medium, low <p>How is benefit / access distributed:</p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p>When do the benefits occur (vs investment):</p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p>Who else has created the need:</p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p>Should the activity be funded separately:</p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Performance Monitoring Processing</p> <p>Processing returns from consent holders.</p>	Environment	Whole community: Yes	Everybody in the region	Low	Short term	Consent holders.	Yes – consent holders should be allocated this cost however the data provided may be of use to the wider community.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent holders	High	Short term		
<p>Performance Monitoring Administration</p> <p>General administration (non-consent specific) including system development and staff training.</p> <p>General performance related enquiry and reporting.</p>	Environment	Whole community: Yes	Everybody in the region	High	Short term	Consent holders.	No – data provided may be of use to the wider community. Could consider reallocation to performance monitoring processing but some general administration is required regardless and reallocation is complicated and inefficient.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
<p>Audits and Compliance Reviews</p> <p>Undertake audits and compliance reviews to ensure compliance with consent conditions and Fresh Water Farm Plans.</p>	Environment	Whole community: No	-	-	-	None.	Yes – consent holders should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent holders	High	Short term		
<p>Compliance Administration</p> <p>General administration (non-consent specific) including system development and staff training.</p> <p>General compliance related enquiry and reporting.</p>	Environment	Whole community: Yes	Everybody in the region	High	Short term	Consent holders.	No – could consider reallocation to performance monitoring but some general administration is required regardless and reallocation is complicated and inefficient.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
<p>Dairy Inspections</p> <p>Undertake inspections of dairy farms to ensure compliance.</p>	Environment	Whole community: No	-	-	-	None.	Yes – dairy farms requiring inspection should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Dairy farms	High – largely even per dairy farm	Short term		
<p>Fresh Water Farm Plans Administration of Fresh Water Farm Plans.</p>	Environment	Whole community: No	-	-	-	None.	Yes – farms required to have a farm plan should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Properties required to have a plan	High – largely even per property requiring a plan	Recurring		
	Environment	Whole community: Yes	Everybody in the region	High	Recurring		

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Contaminated Sites Administration Develop and maintain a centralised contaminated sites database.		Identifiable part: No	-	-	-	Previous landowners who undertook the activity that contaminated the land – can't be charged.	Yes – remedial work should be allocated to landowners.
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	<p>Mix of user charges and general rates regional and targeted rates.</p> <p>In some activities it isn't possible or efficient to recover costs directly in which case general rates should be used.</p> <p>Targeted rates should be based on land use and area as per Fresh Water Farm Plan requirements.</p> <p>Charged on a uniform basis – requirements are consistent across properties required to have a farm plan.</p> <p>It is important that cost is allocated to the correct activity so the funding is allocated appropriately.</p> <p>There may be some capex incurred to provide systems to administer the activity.</p> <p>New targeted rate to be established for Fresh Water Farm Plans – likely to be established in 2025/26 (year 2) and Dairy Rate will be removed at the same time.</p>
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FUNDING POLICY		
Operating Expenditure	Performance monitoring processing	Fees & charges 100% Chargeable / non-chargeable activities split AMENDED – was 75% and General Rates 25% but administration was included
	Performance monitoring administration	General rates 100% Chargeable / non-chargeable activities split AMENDED – was 25% of combined activity above
	Audits and compliance reviews	Fees & charges 100%
	Compliance administration Information requests greater than ½ hour	General rates 100% Fees & charges actual (where possible, budgeted as zero)
	Dairy inspections	Targeted rates 100% [Dairy Rate – Land Use / Uniform]
	Fresh water farm plans	Targeted rates 100% [Farm Plan Rate – Land Use, Area / Uniform] NEW – activity and rate (year 2)
	Contaminated sites administration	General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Incidents

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Who benefits:	Who are they:	How much do they benefit:			
<p><i>Describe key parts of the activity:</i></p> <p><i>Note any sub activities that may require separate funding</i></p>	<p><i>Select primary from:</i></p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p><i>Who benefits:</i></p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p><i>Who are they:</i></p> <ul style="list-style-type: none"> Location Land use Specific users 	<p><i>How much do they benefit:</i></p> <ul style="list-style-type: none"> High, medium, low <p><i>How is benefit / access distributed:</i></p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p><i>When do the benefits occur (vs investment):</i></p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p><i>Who else has created the need:</i></p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p><i>Should the activity be funded separately:</i></p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Incident Response</p> <p>Responding to pollution incidents and resource management complaints.</p>	Environment	Whole community: Yes	Everybody in the region	High	Short term	Those causing the incidents. Central government agencies may provide funding for response to some incidents.	Yes – those causing the incidents should pay but that can only be done so through taking enforcement action.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
<p>Enforcement</p> <p>Take enforcement action as appropriate including undertaking prosecutions.</p>	Environment	Whole community: Yes	Everybody in the region	High	Short term	Those causing the incidents.	Yes – those causing the incidents pay through enforcement action.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
<p>Oil Spill Response</p> <p>Be ready to and respond to oil spills.</p>	Environment	Whole community: Yes	Everybody in the region	High	Short term	Those causing the incidents. Maritime NZ provides funding for readiness and response to oil spill incidents.	Yes – those causing the incidents pay through enforcement action.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		

<p>Activity funding needs analysis indicator / rationale</p>	<p>Mix of user charges, grants (central government funding) and general rates regional.</p> <p>In some activities it isn't possible or efficient to recover costs directly in which case general rates should be used.</p> <p>It is important that cost is allocated to the correct activity so the funding is recovered from central government and others where possible.</p> <p>There may be some capex incurred to provide systems to administer the activity.</p> <p>Moved from Navigational Safety activity.</p>
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FUNDING POLICY		
Operating Expenditure	Incident response	Grants actual (where available); then General rates 100%
	Enforcement	Fees & charges actual (including infringements, fines and court awarded costs where possible); then General rates 100%
	Oil spills	Grants actual (where available); and Fees & charges actual (including infringements, fines and court awarded costs where possible); then General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Navigational Safety

GROUP ACTIVITY: Regional Leadership

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Navigation Safety Promote navigation and safety in harbours and waterways. Administer bylaws including response and enforcement.	Communities	Whole community: Yes	Everybody in the region	Medium	Short term	None.	Yes – not all districts are covered by ORC’s Harbourmaster. Separate funding add transparency to those districts.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Boat owners	High	Short term		

Activity funding needs analysis indicator / rationale	Mix of user charges and targeted rates. In some activities it isn’t possible or efficient to recover costs directly in which case general rates should be used. There may be some capex incurred to provide infrastructure, plant and equipment. Change from General Rates – Sub Regional (allocated only to districts where Harbourmaster operates to a new Targeted Rate. Moving from general to targeted rates increases transparency and accountability. Only applies to the districts that the Harbourmaster operates. Charged on a uniform basis – level of service is people rather than land or value related (simple and consistent with other similar rates like Emergency Management). A general rate allocation is not required as four districts are paying via the targeted rate and the other pays for a Harbourmaster via Territorial Authority rates.
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FUNDING POLICY		
Operating Expenditure	Navigational safety	Targeted rates 100% [Navigational Safety – District / Uniform] NEW – was General Rates – Sub Regional 100%
	Bylaws response and enforcement	Fees & charges actual (including infringements, fines and court awarded costs where possible); then Targeted rates 100% [Navigational Safety – District / Uniform] NEW – was General Rates – Sub Regional 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Air

GROUP ACTIVITY: Environment

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Who benefits:	Who are they:	How much do they benefit:			
<p><i>Describe key parts of the activity:</i></p> <p><i>Note any sub activities that may require separate funding</i></p>	<p>Select primary from:</p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p>Who benefits:</p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p>Who are they:</p> <ul style="list-style-type: none"> Location Land use Specific users 	<p>How much do they benefit:</p> <ul style="list-style-type: none"> High, medium, low <p>How is benefit / access distributed:</p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p>When do the benefits occur (vs investment):</p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p>Who else has created the need:</p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p>Should the activity be funded separately:</p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Air Science and Monitoring</p> <p>Monitoring, analysis and reporting on air quality in Otago.</p>	<p>Environment</p> <p>Climate</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>High</p>	<p>Recurring</p>	<p>None.</p>	<p>No reason to fund separately.</p>
		<p>Identifiable part: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		
		<p>Individuals: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		
<p>Air Implementation</p> <p>Promote and assist addressing air quality issues and improving air quality around the Otago region.</p>	<p>Environment</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>Medium</p>	<p>Long term</p>	<p>Industry and individuals causing emissions.</p>	<p>No – regional programs should be funded regionally and localised programs in this activity are unlikely to justify separate funding.</p>
		<p>Identifiable part: Yes</p>	<p>Communities where specific initiatives are undertaken</p>	<p>Medium</p>	<p>Long term</p>		
		<p>Individuals: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		
<p>Air Incentive Programmes</p> <p>Advancing the use of cleaner heating technologies through the provision of subsidies for the replacement of non-compliant burners in Air Zone 1 and Milton.</p>	<p>Environment</p>	<p>Whole community: No</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>Individuals using older non-compliant heating sources.</p>	<p>Yes – individuals receiving the benefit should contribute.</p>
		<p>Identifiable part: Yes</p>	<p>Communities in Air Zones</p>	<p>Medium</p>	<p>Long term</p>		
		<p>Individuals: Yes</p>	<p>Individuals in Air Zones who choose to participate in initiatives</p>	<p>High</p>	<p>Short term</p>		

<p>Activity funding needs analysis indicator / rationale</p>	<p>General rates for science and monitoring (consistent with other environment activities).</p> <p>Mix of grants (where available), general rates regional and targeted rates depending on the part of the activity being undertaken.</p> <p>Targeted rates provide transparency and accountability and allows funding to be ringfenced and smoothed. Should apply to a defined benefit (air shed) area.</p> <p>Funding including the wider community outcomes and wellbeing impact will be considered in Incentive Programmes if they are developed (none are currently in use).</p> <p>This may result in a general rate allocation being applied which would be consistent with other targeted rate activities.</p> <p>There is some capex incurred for science and monitoring equipment.</p>
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FUNDING POLICY		
Operating Expenditure	Air science and monitoring	General rates 100%
	Air strategy implementation	General rates 100%
	Air incentive programmes	Grant actual (where available); then Targeted rates 100% [NEW RATE – rate and basis to be determined based on programme in future LTP's / Annual Plans]
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Biosecurity and Biodiversity

GROUP ACTIVITY: Environment

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<i>Describe key parts of the activity: Note any sub activities that may require separate funding</i>	<i>Select primary from:</i>	<i>Who benefits:</i>	<i>Who are they:</i>	<i>How much do they benefit:</i>	<i>When do the benefits occur (vs investment):</i>	<i>Who else has created the need:</i>	<i>Should the activity be funded separately:</i>
	<ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<ul style="list-style-type: none"> Location Land use Specific users 	<ul style="list-style-type: none"> High, medium, low <i>How is benefit / access distributed:</i> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Biodiversity Science and Monitoring Monitoring, analysis and reporting on biodiversity in Otago.	Environment Climate	Whole community: Yes	Everybody in the region	Medium	Recurring	None.	No reason to fund separately.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Biodiversity Implementation Promote and support the protection of indigenous species and areas of biodiversity in Otago	Environment	Whole community: Yes	Everybody in the region	Medium	Recurring	Some area of the community will require higher levels of education and assistance. Central government may direct and fund some parts of the work.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Community Funding Grants Administer a regional sustainability and environmental enhancement fund on agreed projects. Promote and support the protection of areas of biodiversity in local communities.	Environment	Whole community: Yes	Everybody in the region	Low	Long term	Groups and individuals receiving funding create the demand.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: Yes	Groups receiving funding	High	Short term		
		Individuals: Yes	Individuals receiving funding	High	Short term		
Wilding Pines Actively support wilding conifer groups in Otago to control and reduce the spread of wilding conifers. Administration of funding from MPI for the control of wilding trees.	Environment	Whole community: Yes	Everybody in the region	Low	Long term	Central government directs and funds the work.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: Yes	Wilding tree control groups	High	Recurring		
		Individuals: No	Landowners	High	Recurring		
Biosecurity Implementation Manage pest plants and animals through inspections, education and promotion of landowner led initiatives. Undertaking control works for specified pests including rooks and wallabies. Undertake enforcement action as required.	Environment	Whole community: Yes	Everybody in the region	Low	Long term	Individual landowners who don't control pests on their property.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: No	-	-	-		
		Individuals: Yes	Landowners	High	Recurring		

Activity funding needs analysis indicator / rationale	<p>General rates for science and monitoring (consistent with other environment activities).</p> <p>May be central government funding available which will be utilised before rate funding.</p> <p>Remainder should be targeted rates – provides transparency and accountability (separate rates and reserves allows funding to be ringfenced and smoothed).</p> <p>A defined benefit area for targeted rates is not feasible or efficient and rates should apply region wide.</p> <p>Biosecurity is based on land value – this recognises biosecurity is primarily a land / landowner issue and provides approximately a 60/40 rural/urban allocation which aligns with funding proposed in the Regional Pest Management Plan.</p> <p>Wildings Pines should move from a separate uniform rate and be funded via the Biosecurity rate. A separate rate is not warranted given the amount being rated.</p> <p>Biodiversity should be funded by a new Catchment Management Rate that also includes catchment related land and water activity.</p> <p>Should be based on capital value – catchment management is not just a land management issue, activity occurs across the entire region and benefits are long term.</p> <p>Capital value aligns with other general rate funded activities where the benefits and outcomes are similar.</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Biodiversity science and monitoring	General rates 100%
	Biodiversity implementation	Grants actual (where available); then Targeted rates 100% Catchment Management Rate – Regional / CV NEW – was General Rates 100%
	Community grant funding	Targeted rates 100% Catchment Management Rate – Regional / CV NEW – EcoFund was General Reserves 100% moving to General Rates in 2024/25, rest was General Rates including some General Rates – Sub Regional (Predator Free Dunedin)
	Biosecurity implementation	Targeted rates 100% Biosecurity Rate – Regional / LV
	Wilding pines – administration of grant funding Wilding pines – support for control groups	Grants actual (expected to be 100%); then Targeted rates 100% Biosecurity Rate – Regional / LV AMENDED – was Wilding Tree Rate 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Land and Water

GROUP ACTIVITY: Environment

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Who benefits:	Who are they:	How much do they benefit:			
<p><i>Describe key parts of the activity:</i></p> <p><i>Note any sub activities that may require separate funding</i></p>	<p><i>Select primary from:</i></p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p><i>Who benefits:</i></p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p><i>Who are they:</i></p> <ul style="list-style-type: none"> Location Land use Specific users 	<p><i>How much do they benefit:</i></p> <ul style="list-style-type: none"> High, medium, low <p><i>How is benefit / access distributed:</i></p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p><i>When do the benefits occur (vs investment):</i></p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p><i>Who else has created the need:</i></p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p><i>Should the activity be funded separately:</i></p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Land and Water Science and Monitoring</p> <p>Monitoring, analysis and reporting on: surface and groundwater quality and quantity coast and estuary quality effects of low flows SOE reporting.</p>	<p>Environment Climate</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>High</p>	<p>Short term</p>	<p>None.</p>	<p>No reason to fund separately.</p>
		<p>Identifiable part: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		
		<p>Individuals: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		
<p>Land and Water Implementation</p> <p>Awareness of LWRP provisions and understanding of responsibilities through education and promotion.</p>	<p>Environment</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>Medium</p>	<p>Long term</p>	<p>Some area of the community will require higher levels of education and assistance.</p>	<p>Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding).</p>
		<p>Identifiable part: Yes</p>	<p>Industry sectors</p>	<p>High</p>	<p>Short term</p>		
		<p>Individuals: Yes</p>	<p>Landowners</p>	<p>High</p>	<p>Short term</p>		
<p>Water Quality Remediation</p> <p>Undertaking water quality remediation and improvement initiatives.</p>	<p>Environment</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>Medium</p>	<p>Long term</p>	<p>Those causing the environmental damage – may not be identifiable or able to be charged.</p>	<p>Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding).</p>
		<p>Identifiable part: Yes</p>	<p>Communities in the immediate area</p>	<p>High</p>	<p>Long term</p>		
		<p>Individuals: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		
<p>Integrated Catchment Management</p> <p>Develop catchment action plans and support catchment groups to deliver their environmental outcomes and objectives</p>	<p>Environment</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>Medium</p>	<p>Recurring</p>	<p>Catchment groups receiving funding create the demand.</p>	<p>Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding).</p>
		<p>Identifiable part: Yes</p>	<p>Catchment groups</p>	<p>High</p>	<p>Recurring</p>		
		<p>Individuals: No</p>	<p>-</p>	<p>-</p>	<p>-</p>		

<p>Activity funding needs analysis indicator / rationale</p>	<p>General rates for science and monitoring (consistent with other environment activities).</p> <p>May be central government funding available which will be utilised before rate funding.</p> <p>Remainder should be targeted rates – provides transparency and accountability (separate rates and reserves allows funding to be ringfenced and smoothed).</p> <p>A defined benefit area for targeted rates is not feasible or efficient and rates should apply region wide. Applying the same rate to all these activities keeps the funding simple.</p> <p>All land and water (excluding science and monitoring) should be funded by a new Catchment Management Rate that also includes catchment related biosecurity activity.</p> <p>Should be based on capital value – catchment management is not just a land management issue, activity occurs across the entire region and benefits are long term.</p> <p>Capital value aligns with other general rate funded activities where the benefits and outcomes are similar.</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Land and water science and monitoring	General rates 100%
	Land and water implementation	Grants actual (where available); then Targeted rates 100% [NEW Catchment Management Rate – Regional / CV] NEW – was a mix of Rural Water Quality 75% / General Rates 25% and General Rates 100%
	Water quality remediation	Grants actual (where available); then Targeted rates 100% [NEW Catchment Management Rate – Regional / CV] NEW – was River Management – District 100%
	Integrated catchment management	Grants actual (where available); then Targeted rates 100% [NEW Catchment Management Rate – Regional / CV] NEW – was General Rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

DRAFT

ACTIVITY: Emergency Management

GROUP ACTIVITY: Safety and Resilience

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Who benefits:	Who are they:	How much do they benefit:			
<p><i>Describe key parts of the activity:</i></p> <p><i>Note any sub activities that may require separate funding</i></p>	<p><i>Select primary from:</i></p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p><i>Who benefits:</i></p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p><i>Who are they:</i></p> <ul style="list-style-type: none"> Location Land use Specific users 	<p><i>How much do they benefit:</i></p> <ul style="list-style-type: none"> High, medium, low <p><i>How is benefit / access distributed:</i></p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p><i>When do the benefits occur (vs investment):</i></p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p><i>Who else has created the need:</i></p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p><i>Should the activity be funded separately:</i></p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Emergency Management</p> <p>Administer the Otago Civil Defence Emergency Management Group including readiness and response.</p>	<p>Resilience</p> <p>Communities</p>	<p>Whole community: Yes</p>	<p>Everybody in the region</p>	<p>High</p>	<p>Long term – readiness</p> <p>Short term - response</p>	<p>Central government.</p> <p>Territorial authorities through Mayoral Forum who dictate level of resource across the region and within districts.</p>	<p>Yes – separate funding provides greater transparency and allows reserves to be used to cover response costs which are unplanned and can fluctuate.</p>
		<p>Identifiable part: Yes</p>	<p>Specific communities may be impacted and benefit separately</p>	<p>High</p>	<p>Long term – readiness</p> <p>Short term - response</p>		
		<p>Individuals: Yes</p>	<p>Individuals may benefit separately</p>	<p>High</p>	<p>Long term – readiness</p> <p>Short term - response</p>		

<p>Activity funding needs analysis indicator / rationale</p>	<p>Region wide targeted rate – could be general rate funded but a separate targeted rate provides increased transparency and accountability (separate rates and reserves allows funding to be ringfenced and smoothed).</p> <p>Timing of response activity is unbudgeted and can't be rated for in advance – a targeted rate allows this to be funded via reserves (including using deficits).</p> <p>Charged on a uniform basis – level of service is people rather than land or value related (simple and consistent with other similar rates like Emergency Management).</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Emergency management	Targeted rates 100% [Emergency Management Rate – Regional / Uniform]
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Flood Protection and Drainage

GROUP ACTIVITY: Safety and Resilience

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<p>Describe key parts of the activity: Note any sub activities that may require separate funding</p>	<p>Select primary from:</p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p>Who benefits:</p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p>Who are they:</p> <ul style="list-style-type: none"> Location Land use Specific users 	<p>How much do they benefit:</p> <ul style="list-style-type: none"> High, medium, low <p>How is benefit / access distributed:</p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p>When do the benefits occur (vs investment):</p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p>Who else has created the need:</p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p>Should the activity be funded separately:</p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Below is analysis for flood and drainage schemes in general – following this specific analysis is provided that refines this by individual schemes</p>							
<p>Flood protection: Preventing or mitigating the impact of flood waters.</p>	<p>Resilience</p>	<p>Whole community: Yes</p>	<p>The whole region benefits if it has access to and uses services within the direct area. This particularly applies to non-rateable assets within the direct area.</p>	<p>Low – some assets ie non-rateable critical infrastructure and services are accessible to everyone in the region although the level of use is likely to vary and will decrease as proximity to the scheme increases.</p>	<p>Recurring and long term. That applies for both operating and capital expenditure as spend in both areas is significant and fluctuates over individual years. Benefits continue beyond the initial year of investment.</p>	<p>Difficult to determine and identify action / inaction. Flood schemes keep water in rivers that has increased naturally usually significantly upstream from the protected area. The need for flood schemes relates to the choice of people to live within the benefit area and not because of the actions of those outside the schemes. Hydro generators may contribute to the need for the activity.</p>	<p>Yes, separate funding should be used. The cost of delivery is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term. </p>
		<p>Identifiable part: Yes</p>	<p>The wider community are outside of the direct area but within proximity that allows access and use of the area and services within the direct area (indirect area).</p>	<p>Low – community benefits are higher the closer those members / groups are to the direct benefit area.</p>	<p>Recurring and long term (as above).</p>		
		<p>Individuals: Yes</p>	<p>Properties within a defined benefit area that is physically protected from flood waters by the scheme (direct area).</p>	<p>High – benefits are higher for those in the direct protection areas and may vary within the direct benefit area. The direct benefit could be further differentiated based on risk and service level or could assume the scheme is fully integrated and all direct benefits are equal.</p>	<p>Recurring and long term (as above).</p>		
<p>Drainage: Facilitating the drainage of low-lying land to maintain productive capability.</p>	<p>Resilience</p>	<p>Whole community: No</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>Difficult to determine and identify action / inaction. Drainage schemes are created due to the natural low-lying location of the land and not because of the actions of those outside the scheme areas.</p>	<p>Yes, separate funding should be used. Drainage schemes have high individual benefits. The cost of delivery is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. </p>
		<p>Identifiable part: Yes</p>	<p>The wider community benefits from access to the area and economic activity in the area.</p>	<p>Low – community benefits are limited as access to private land is also limited.</p>	<p>Recurring and long term. That applies for both operating and capital expenditure as spend in both areas is significant and fluctuates over individual years. Benefits continue beyond the initial year of investment.</p>		
		<p>Individuals: Yes</p>	<p>Properties within a defined benefit area is physically drained but the scheme (direct area).</p>	<p>High – benefits are higher for those in the direct protection areas.</p>	<p>Recurring and long term (as above).</p>		

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
							<ul style="list-style-type: none"> Reserves to be used to smooth funding and spread over the long term.

Activity funding needs analysis indicator / rationale	<p>Most benefit applies to landowners within the direct benefit area. This benefit is highest for drainage schemes, slightly lower but still high for flood schemes.</p> <p>Separate targeted rates for each scheme should be the primary source of funding.</p> <p>General rates can be used to reflect wider community benefit and non-rateable property.</p> <p>Targeted rates provide transparency and accountability and allows funding to be ringfenced and smoothed via reserves for each scheme.</p> <p>The targeted rate could be differentiated based on a number of factors including level of benefit, location and / or land use.</p> <p>Consideration needs to be given to whether scheme benefit areas are treated as integrated or further differentiated into multiple sub benefit zones.</p> <p>In general, exacerbators are harder to identify and apportion a funding share but they can be accessed on a scheme specific basis.</p> <p>Use of differentials (benefit zones) needs to be carefully considered in terms of affordability and sustainability.</p> <p>It also adds a level of administrative cost and complexity that may out weight the benefit especially if relatively small amounts of rates are being collected.</p> <p>The use of less regional and/or district wide allocations is preferred.</p> <p>Capex is significant and is funded through the reserve established above and is repaid by the same funding sources as operating expenditure.</p> <p>Use of differentials (benefit zones) needs to be carefully considered in terms of affordability and sustainability.</p> <p>It also adds a level of administrative cost and complexity that may out weight the benefit especially if relatively small amounts of rates are being collected.</p> <p>The direct benefit could remain undifferentiated to reflect the schemes are integrated and all direct benefits are equal.</p> <p>Funding flood protection predominantly from small defined targeted rate areas may limit future investment and increase risk especially if increased levels of service are required for increased climate resilience.</p> <p>General rate allocations could be increased to reflect the social and economic benefits from investing in prevention rather than response to flood events which could become more frequent and costly.</p> <p>There is a lack of transparency with increased general rates.</p> <p style="background-color: yellow;">A new climate resilience rate could be created and used to fund increased levels of service required to adapt to climate change – may be consider in future.</p>
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FUNDING POLICY		
Operating Expenditure	Alexandra Flood Protection	Fees & charges actual (Contact Energy agreement); then Targeted rates 80% River and Waterway Management – Central Otago – District / CV NEW Targeted Rate allocation – use existing rate General rates 20% - Regional
	Leith Flood Protection	Targeted rates 80% [Leith Flood Rate – Targeted Area / CV] – split direct 40% / indirect 40% (all Dunedin pays non-rateable direct share) General rates 20% - Regional
	Lower Clutha Flood and Drainage	Grants actual (where available); and Fees & charges actual (rental income); and Kuriwao Reserve actual; then
	Flood	Targeted rates 80% [Lower Clutha Flood & Drainage Rate – Targeted Area / CV] – benefit zones General rates 20% - Regional
	Drainage	Targeted rates 90% [Lower Clutha Flood & Drainage Rate – Targeted Area / CV] – benefit zones General rates 10% - Regional
	Lower Taieri Flood Protection	Grants actual (where available); and Fees & charges actual (rental income); then

		Targeted rates 80% [Lower Taieri Flood Rate – Targeted Area / CV] – benefit zones General rates 20% - Regional
	East Taieri Drainage	Grants actual (where available); and Fees & charges actual (rental income); then Targeted rates 90% [East Taieri Drainage Rate – Targeted Area / Land Area] – benefit zones General rates 10% - Regional
	West Taieri Drainage	Grants actual (where available); and Fees & charges actual (rental income); then Targeted rates 90% [West Taieri Drainage Rate – Targeted Area / Land Area] – benefit zones General rates 10% - Regional
	Tokomairiro Drainage	Grants actual (where available); and Targeted rates 80% [Tokomairiro Drainage Rate – Targeted Area / CV] – benefit zones General rates 20% - Regional NEW General Rate allocation
	Scheme Oversight Bylaws	Internal recharge to Flood and Drainage activities 100% Fees & charges 100% where possible; then General rates 100%
Capital Expenditure	All above	Reserves 100% [Flood Protection & Drainage Scheme Reserves] – recovered via operating expenditure funding method above

ANALYSIS BY SCHEME – SPECIFIC CONSIDERATIONS (note community outcomes, benefit timing and consideration of separate funding remain as above)

Description	Rating Basis	Distribution of benefits				Exacerbators		Notes / Options
		Targeted:	Benefit Zones: *% of Targeted	General – Regional:	General – Sub Regional:	Who else has created the need:	Funding Source:	
Existing allocations = Current: Proposed = Yellow:								
Current – Alex	CV	-		-	2% Central Otago	98% Contact Energy	Fees & charges	
Alexandra Flood Protection	CV	80%	District – CODC (via River and Waterway Management rate)	20%		Actual Contact Energy	Fees & charges	Rates apply after Contact’s actual share
Current – Leith	CV	93%	Direct 46.5% Indirect 46.5%	5%	2% Dunedin	Large amount of non-rateable property in direct zone	Indirect zone	Direct includes Stadium capped at 4%
Leith Flood Protection	CV	80%	*Direct 40% *Indirect 40%-Dunedin	20%		Rateable CV \$1.75bn Non-Rate CV ~\$1.7bn	Indirect zone	Indirect – all Dunedin district (no mapped area) No cap on Stadium
Current – Clutha Flood	CV	84%	10 zones A-F U1-4 (urban)	12%	4% Clutha			Applies after rental income and contribution from Kuriwao reserve Cost is allocated to flood or drainage to calculate GR allocations then remainder is allocated over the same benefit zones for both F&D
Current – Clutha Drainage	CV	94%		-	6% Clutha			
Lower Clutha Flood	CV	80%	2 Zones *Rural 68% (old A-F)	20%				Applies after rental income, and Kuriwao contribution, then Cost is allocated to flood or drainage to calculate GR allocations then remainder is allocated over the same benefit zones for both F&D
Lower Clutha Drainage	CV	90%	*Urban 32% (old U1-4)	10%				
Current – Taieri Flood	CV	83%	Zones split East/West WF 1-4, 8 EF 1-10, 12-13	4%	13% Dunedin	Allocation to East is 11% of total (includes Mosgiel) Airport is in WF1 and pays but not for runway value (27% of their total CV)		Applies after rental income
Lower Taieri Flood Protection	CV	80%	2 Zones *West 89% *East 11%	20%		Airport non-rateable: 0.3% of total scheme CV	Airport non-rateable covered by General Rate	Applies after rental income Integrated benefit zone approach – still recognises some technical benefit weighting

Description	Rating Basis	Distribution of benefits				Exacerbators		Notes / Options
		Targeted:	Benefit Zones: *% of Targeted	General – Regional:	General – Sub Regional:	Who else has created the need:	Funding Source:	
Existing allocations = Current: Proposed = Yellow:								
Current – East Drainage	Land Area 25% uniform / hectare 75% differential	92%	8 zones charged ED 1-2, 4-5, 8-10 only ED 1-2, 4-5, 7-10 (ED7 pays 12.6% of ED2)	-	8% Dunedin	ED7 pays 12.6% of ED2 Mosgiel does not pay drainage – on DCC stormwater, no ORC drainage provided	Reallocation within targeted rates	Applies after rental income
East Taieri Drainage	Land Area	90%	1 Zone	10%				Applies after rental income
Current – West Drainage	Land Area 30% uniform / hectare 70% differential	92%	5 zones WD 1-4 only WD 1-5	-	8% Dunedin	Airport is in WD1 and pays but not for runway area (81% of their total land area)		Applies after rental income
West Taieri Drainage	Land Area	90%	1 Zone	10%		Airport non-rateable: 1.1% of total scheme land area	Airport non-rateable covered by General Rate	Applies after rental income
Current – Tokomairiro	CV	100%	7 zones A-F, U1 (urban Milton)	-	-			
Tokomairiro Drainage	CV	80%	2 Zones *Rural 72% (old A-F) *Urban 28% (old U1)	20%				CV basis is appropriate – scheme is designed to provide flood protection via a drainage system
Current – Lower Waitaki	CV	90%	2 zones A and B	10%	-			
Lower Waitaki River Control	Amended to be funded from River and Waterway Management – Waitaki – activity aligns with river management more than flood control and amount rated doesn't justify separate funding							

ACTIVITY: River Management

GROUP ACTIVITY: Safety and Resilience

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability

Below is analysis for river management schemes in general and applies to all individual schemes

River Management: Works within river systems that aid in channel management - control and repair of channel erosion, willow maintenance, vegetation control, obstruction removal.	Environment	Whole community: Yes	The activity occurs in rivers across all districts in the region.	Medium All the community in the district have the same access to benefit although they are less likely to realise that benefit the further they are from the river.	Recurring	Landowners immediately adjacent to the rivers may contribute to the need for the activity. Hydro generators may contribute to the need for the activity.	The cost of delivery is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term.
		Identifiable part: Yes	Communities living closer to the river may have increased opportunity to access.	Medium	Recurring		
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	<p>Most benefit applies to those within the district although individually it is low river management.</p> <p>A separate targeted rate and reserve should be used.</p> <p>In general, exacerbators are harder to identify. They are typically identified in relation to flood control rather than general river management.</p> <p>Capex is funded through the reserve established above and is repaid by the same funding sources as operating expenditure.</p>
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FUNDING POLICY		
Operating Expenditure	River management – Dunedin	Targeted rates 100% [River and Waterway Management – Dunedin] – District / CV
	River management – Clutha	Targeted rates 100% [River and Waterway Management – Clutha] – District / CV
	River management – Central Otago	Targeted rates 100% [River and Waterway Management – Central Otago] – District / CV
	River management – Queenstown Lakes	Targeted rates 100% [River and Waterway Management – Queenstown Lakes] – District / CV AMENDED – Whakatipu and Wanaka were separate and have been combined
	River management – Waitaki	Targeted rates 100% [River and Waterway Management – Waitaki] – District / CV
	Lower Waitaki River Control	Targeted Rates 100% [River and Waterway Management – Waitaki] – District / CV AMENDED – was Lower Waitaki River Control 90% region 10% district 0%
	River management – Non-Scheme Management	Internal recharge to district River Management activities 100%
Capital Expenditure		Reserves 100% [River and Waterway Management Scheme Reserves] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Climate Change and Hazards

GROUP ACTIVITY: Safety and Resilience

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Natural Hazards Investigate and provide information on the potential impacts of natural hazards and their mitigation.	Resilience	Whole community: Yes	Everybody in the region	Medium	Recurring	None.	No reason to fund separately.
	Climate	Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Flood and low flow risk management Respond to flood events, issue flood warnings and take action to reduce effects of flooding. Provide information on actual and expected rainfall, river flows and lake levels for low flow situations.	Resilience	Whole community: Yes	Everybody in the region	Medium	Long term	None.	No reason to fund separately.
		Identifiable part: Yes	Communities living in flood prone areas	High	Long term		
		Individuals: No	Individual property owners living in flood prone areas.	High	Long term		
Climate change adaptation Provide understanding of the effects of climate change to enable communities to make informed decisions about being prepared and adapting to those effects.	Climate	Whole community: Yes	Everybody in the region	Medium	Long term	None.	No reason to fund separately.
	Resilience	Identifiable part: No	Communities living in areas susceptible to climate change	High	Long term		
		Individuals: No	Individual property owners living in areas susceptible to climate change	High	Long term		

Activity funding needs analysis indicator / rationale	<p>General rates regional. All activities are information based not service delivery and have wide community benefit over a long term.</p> <p>Studies and information may be area specific, but it isn't cost effective to allocate smaller individual funding requirements.</p> <p>Over time work should occur throughout the entire region and spread benefit.</p> <p>Delivery may result from these activities but that will occur in other activities and be funded there ie flood protection.</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Natural hazards	General rates 100% - Regional
	Flood risk management	General rates 100% - Regional
	Climate change adaptation	General rates 100% - Regional
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Transport

GROUP ACTIVITY: Transport

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<p><i>Describe key parts of the activity:</i> <i>Note any sub activities that may require separate funding</i></p>	<p><i>Select primary from:</i></p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p><i>Who benefits:</i></p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p><i>Who are they:</i></p> <ul style="list-style-type: none"> Location Land use Specific users 	<p><i>How much do they benefit:</i></p> <ul style="list-style-type: none"> High, medium, low <p><i>How is benefit / access distributed:</i></p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p><i>When do the benefits occur (vs investment):</i></p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p><i>Who else has created the need:</i></p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p><i>Should the activity be funded separately:</i></p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
<p>Transport Planning Regional transport planning including the Regional Land Transport Plan (RLTP) and Regional Public Transport Plan (RPTP).</p>	<p>Transport Communities</p>	<p>Whole community: Yes</p>	<p>Everyone in the region</p>	<p>High</p>	<p>Recurring over the life of the plans – note planning activity continues every year.</p>	<p>Central government – can’t charge directly although Waka Kotahi funding assistance is available for this. Territorial authorities – can’t charge directly.</p>	<p>No reason to fund separately.</p>
<p>Public Transport Provide public passenger transport services in Dunedin and Queenstown, including associated operational network planning and infrastructure.</p>	<p>Transport Communities</p>	<p>Whole community: Yes</p>	<p>Everyone in the region benefits from the service being available and from reduced emissions. Visitors from outside the region also benefit.</p>	<p>Low – benefit decreases as proximity to the service increases.</p>	<p>Long term – the benefit of reduced emission may only be realised sometime after initial investment. Short term – if the service is used but use is likely to be infrequent.</p>	<p>Private vehicle users – cause congestion, demand for parking and emissions. Visitors / commuters from outside the immediate network areas can increase demand and/or congestion / emissions – can’t charge / rate directly. Ministry of Education – reducing school routes. Property developers – creating wider demand outside of existing network area. Central government – legislate that services are provided, can’t charge directly although Waka Kotahi funding assistance is available for this. Territorial authorities – can’t charge directly but funding contributions may be available.</p>	<p>Yes – the cost of the activity is significant and can fluctuate year on year. Funding separately allows:</p> <ul style="list-style-type: none"> A mix of sources to be used including charging users directly and funding contributions from other entities. Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term.
<p>Total Mobility Administer the Total Mobility Scheme.</p>	<p>Transport Communities</p>	<p>Whole community: Yes</p>	<p>Everyone in the region benefits from the provision of a social service for those who cannot use public transport because of a disability.</p>	<p>Low – the service is only available to those that qualify and isn’t available in all parts of the region</p>	<p>Short term</p>	<p>None although there is increased demand for this service in areas with no public transport.</p>	<p>No reason to fund separately. Users are already paying directly and the remaining cost doesn’t warrant separate funding.</p>
		<p>Identifiable part: Yes</p>	<p>Everyone in the wider community benefits from the provision of a social service for those who cannot use public transport because of a disability.</p>	<p>Low – the service is only available to those that qualify.</p>	<p>Short term</p>		

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Individuals: Yes	Total mobility users directly	High – although they have to pay a portion of the cost directly.	Short term		
LTMA Administration Register services under the Land Transport Management Act.	Transport Communities	Whole community: Yes	The region may benefit from services being provided.	Low	Short term	None	Yes – service providers should be allocated this cost. The wider community will indirectly on-charged by the service provider.
		Identifiable part: Yes	The local / wider community should benefits from the services being provided and information held.	Low	Short term		
		Individuals: Yes	Service providers who benefit from being able to legally operate.	High	Short term and recurring over the period of registration		
Stock Truck Effluent Disposal Sites (STEDS) Investigation and planning of a regional stock truck effluent disposal network. Maintain stock truck effluent disposal sites in Central Otago.	Environment	Whole community: No	-	-	-	Territorial Authorities who don't accept the sites as vested assets and agree to maintain them (this only applies to one TA in the region).	Yes – the costs are only incurred in one district and all other TA's maintain STEDS in their district, but the amount needs to be considered as the cost may out weight the benefit despite this.
		Identifiable part: Yes	Farmers moving stock	High	Recurring		
		Individuals: Yes	Trucking companies using the facilities	High	Recurring		

Activity funding needs analysis indicator / rationale	<p>Users should contribute, grants and subsidies are available for this activity from Waka Kotahi and should be maximised where possible.</p> <p>Remaining cost is rate funded with an allocation to general rates to reflect that benefit.</p> <p>Separate targeted rates and reserves should be used for PT. Ringfences funding, allows for smoothing of rates and increases transparency and accountability.</p> <p>PT targeted rates should be uniform as the service / benefits are people focused rather than linked to property values.</p> <p>Capex is funded through the reserve established above and is repaid by the same funding sources as operating expenditure.</p> <p>Funding all of PT through user charges and targeted rates doesn't reflect the wider objectives of improving the social and environmental wellbeing of the community.</p> <p>Fare increases have to be considered in the context of negative impacts on patronage and the ability to pay of those users.</p> <p>A general rate allocation should be included to reflect wider benefits to those (or the targeted rate differentiated to include an allocation to the wider region).</p> <p>Further climate (emissions) related investment could be funded via a Climate Rate.</p>
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FUNDING POLICY		
Operating Expenditure	Public transport – Dunedin	<p>Other income actual (contributions from TA's, PTO's); and</p> <p>Fees & charges (fare revenue) actual; then</p> <p>Subsidies 51% (after receipt of fares and other above)</p> <p>Rates 49% (remainder after above) – Targeted Rates 80% - District* / Uniform General Rates 20% - Regional NEW General Rate allocation and targeted is district wide</p> <p>(*Dunedin City plus Palmerston defined area)</p>
	Public transport – Whakatipu	<p>Other income actual (contributions from TA's, PTO's); and</p> <p>Fees & charges (fare revenue) actual; then</p> <p>Subsidies 51% (after receipt of fares and other above)</p> <p>Rates 49% (remainder after above) – Targeted Rates 80% - District* / Uniform General Rates 20% - Regional NEW General Rate allocation and targeted is district wide</p> <p>(*Queenstown Lakes District)</p>

	Public transport – Regional Trials	Other income actual (contributions from TA's, PTO's); and Fees & charges (fare revenue) actual; then Subsidies 51% (after receipt of fares and other above) Then: Oamaru – Rates 49% (remainder after above) – Targeted Rates 80% - District* / Uniform General Rates 20% - Regional (*Waitaki District) NEW Targeted Rate to be established Wanaka – Rates 49% (remainder after above) – Targeted Rates 80% - District* / Uniform General Rates 20% - Regional (*Queenstown Lakes District) NEW activity and Targeted Rate funding over Queenstown Lakes District All Other – General Rates 49% (remainder after above) NEW activity – new rates not justified
	Total mobility	Subsidies 51% General rates 49% - Regional
	Transport planning	Subsidies 51% General rates 49% - Regional
	LTMA administration	Fees & charges 50% General rates 50% - Regional
	STEDS	General rates 100% - Regional AMENDED – was General Rates – Sub Regional (Central Otago) 100%
Capital Expenditure	Public transport	Reserves 100% [Public Transport Scheme Reserves] – recovered from depreciation via operating expenditure funding method above
	Total mobility, transport planning, LTMA administration	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above
	STEDS	Reserves 100% [General Reserve] – recovered from depreciation via operating expenditure funding method above

ANALYSIS BY NETWORK – SPECIFIC CONSIDERATIONS (note community outcomes, benefit timing and consideration of separate funding remain as above)

Description	Rating Basis	Distribution of benefits				Exacerbators		Notes / Options
		Targeted:	Benefit Zones:	General – Regional:	General – Sub Regional:	Who else has created the need:	Funding Source:	
Describe key parts of the activity:								
Current – Dunedin PT	CV	100%	Defined benefit zone – proximity to routes Differential – location and land use: Class A 3.75 times Inner City, St Kilda / St Clair that are not residential	-	-	Bus users, visitors / commuters from other towns Local Councils who request specific / increased services Central Government – policies	Fares Other income – TA contributions Subsidies	
Public Transport Dunedin	Uniform	31% of total cost Equates to: 80% of rates allocation	Dunedin District and Palmerston (service areas)	8% of total cost Equates to: 20% of rates allocation			20% of total cost (fares and other) 41% of total cost (subsidies - 51% after above)	
Current – PT Whakatipu	CV	100%	Defined benefit zone – area surrounding network Differential – land use: Class A 2 times Commercial, community services, public communal (licenced / unlicenced), transport, recreational	-	-	Bus users, visitors / commuters from other towns Local Councils who request specific / increased services Central Government – policies	Fares Other income – TA contributions Subsidies	
Public Transport Whakatipu	Uniform	31% of total cost Equates to: 80% of rates allocation	Queenstown Lakes District	8% of total cost Equates to: 20% of rates allocation			20% of total cost (fares and other) 41% of total cost (subsidies - 51% after above)	
Current – n/a (new services and/or trials)								
Public Transport New Service District	Uniform	31% of total cost Equates to: 80% of rates allocation	District where new service is introduced	8% of total cost Equates to: 20% of rates allocation			20% of total cost (fares and other) 41% of total cost (subsidies - 51% after above)	
Public Transport Trials (small scale, new rates establishment not justified)	Uniform		District where new service is introduced	39% of total cost Equates to: 100% of rates allocation			20% of total cost (fares and other) 41% of total cost (subsidies - 51% after above)	

ACTIVITY: Internal Overheads

GROUP ACTIVITY: Internal Overheads

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Human Resources / Health and Safety, Finance & Rates, Corporate Support, Property, IT	N/a – internal overheads						FTE
Vehicles and Plant	N/a – internal overheads						Actual usage
Treasury	N/a – internal overheads					Port on-lending – Port recharged all costs and interest	Treasury – interest to general reserve and then reallocated to all reserves
Regional Integrated Ticketing System (RITS)	Transport					Other RITS Councils pay 75% of this cost – remaining 25% is ORC's share	ORC's share: 75% Dunedin / 25% Queenstown

Activity funding needs analysis indicator / rationale	Executive management and support, corporate planning and performance and legal all moved to Regional Leadership. RITS moved from Transport so Transport reflects ORC costs only. Activity is fully recharged internally and externally.
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FUNDING POLICY		
Operating Expenditure	HR / H&S , Finance and Rates, Corporate Support, Property, IT	Overhead reallocation 100% - FTE
	Vehicles and Plant	Overhead reallocation 100% - actual use
	Treasury	Other income 100% - Port Otago on-lending General rates offset 100% - Port Otago dividends, managed fund income, investment property income Reserves 100% - interest cost and non-managed fund interest income
	RITS	Other income 75% - RITS Regional Councils Internal recharge 25% - Dunedin PT 75%, Whakatipu 25%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above