

RATES INFORMATION

OUR PLACE CLUTHA DISTRICT LONG TERM PLAN 2024/34



FUNDING IMPACT STATEMENT (WHOLE OF COUNCIL)

(All in \$000s)	Annual Plan	Long Term Plan (FORECAST)									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of Operating Funding											
General rates, UAGC's, rates penalties	6,549	7,441	8,343	9,075	8,680	8,727	8,874	9,016	9,061	9,149	9,309
Targeted rates	24,597	28,396	34,447	41,725	45,094	49,733	50,374	53,949	55,820	56,560	58,130
Subsidies and grants for operating purposes	6,029	9,529	8,385	8,613	8,879	9,028	9,192	9,343	9,477	9,630	9,712
Fees and charges	9,524	7,223	6,624	6,844	6,996	7,165	7,262	7,414	7,537	7,552	7,669
Interest and dividends from investments	-	1,601	1,697	1,774	1,840	1,904	1,949	1,994	2,043	2,141	2,193
Fuel tax, infringement fees and other receipts	216	1,675	1,709	1,746	1,782	1,818	1,851	1,883	1,915	1,947	1,978
TOTAL SOURCES OF OPERATING FUNDING (A)	46,914	55,865	61,204	69,778	73,271	78,374	79,502	83,599	85,853	86,979	88,990
Applications of Operating Funding											
Payments to staff and suppliers	37,581	51,089	50,174	50,733	51,418	52,395	53,099	54,193	55,258	55,818	56,637
Finance costs	1,906	6,240	8,680	10,367	11,559	12,620	12,892	13,125	13,444	15,702	16,023
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
TOTAL APPLICATIONS OF OPERATING FUNDING (B)	39,487	57,329	58,854	61,101	62,976	65,015	65,991	67,318	68,701	71,520	72,660
SURPLUS (DEFICIT) OF OPERATING FUNDING (A - B)	7,427	(1,464)	2,351	8,677	10,294	13,359	13,511	16,280	17,152	15,459	16,331

FUNDING IMPACT STATEMENT (WHOLE OF COUNCIL)

(All in \$000s)	Annual Plan	Long Term Plan (FORECAST)									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of Capital Funding											
Subsidies and grants for capital expenditure	7,460	6,159	8,780	10,513	9,256	9,009	8,739	10,029	8,390	8,647	8,084
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	36,500	46,473	32,137	22,691	20,216	5,184	4,446	6,064	43,010	6,121	(7,051)
Gross proceeds from sale of development property	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING (C)	43,960	52,631	40,917	33,204	29,472	14,193	13,186	16,092	51,400	14,768	1,032
Applications of Capital Funding											
Capital expenditure to meet additional demand	1,933	340	252	240	287	293	66	303	309	70	319
Capital expenditure to improve the level of service	31,802	23,805	8,072	2,523	15,962	7,484	4,969	6,165	49,095	11,061	171
Capital expenditure to replace existing assets	19,632	25,207	33,468	37,862	22,304	18,918	20,800	24,978	17,272	18,116	16,193
Increase (decrease) in reserves	(1,181)	(1,180)	1,114	1,580	1,593	2,183	4,585	3,316	4,005	6,177	6,376
Increase (decrease) of investments	(800)	2,995	361	(323)	(380)	(1,325)	(3,723)	(2,389)	(2,129)	(5,196)	(5,696)
TOTAL APPLICATIONS OF CAPITAL FUNDING (D)	51,386	51,167	43,267	41,881	39,767	27,553	26,697	32,373	68,551	30,226	17,363
SURPLUS (DEFICIT) OF CAPITAL FUNDING (C - D)	(7,427)	1,464	(2,351)	(8,677)	(10,294)	(13,359)	(13,511)	(16,280)	(17,152)	(15,459)	(16,331)
FUNDING BALANCE (A - B) + (C - D)	-	-	-	-	-	-	-	-	-	-	-

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DETAILED DESCRIPTION OF RATE FUNDING MECHANISMS

Council sets the following rates for the year commencing 1 July 2024 and ending 30 June 2025 in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002.

Council intends to use/apply the same source of funding and how the funds are applied across the term of the plan. However, should it subsequently decide to make a significant change, it would undertake the relevant consultation at the time.

All monetary values disclosed are inclusive of GST.

DEFINITIONS

UAGC - A 'Uniform Annual General Charge'

is a rate set at a fixed amount across the district and which every rateable SUIP pays.

SUIP - A 'separately used or inhabited part of a rating unit' includes any portion separately inhabited or used by the owner, or any portion separately inhabited or used by person/s other than the owner who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis to someone other than the owner.

Where the owner of a rating unit resides on the rating unit and operates a business (or other non-residential undertaking) from a separate part of the rating unit (which would otherwise meet the above definition), the following exceptions apply to the above definition:

- For the purposes of targeted rates for local roading, new footpaths, community boards, community facilities, community projects, West Otago Health Trust services and stormwater, the definition of separately used or inhabited part excludes those separately used parts that are used for non-residential purposes.

- For the purposes of the water and wastewater targeted rates, the definition of a separately used or inhabited part is limited to any separately used or inhabited part of a rating unit which has a separate bathroom and kitchen (being self-contained cooking facilities) or has an additional water or wastewater connection.

EXAMPLES OF SEPARATELY USED OR INHABITED PARTS INCLUDE:

- Each separate shop or business activity on a rating unit is considered a separately used or inhabited part.
- Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let for three months or more (in total) of the year to persons other than immediate family members is a separately inhabited part of a rating unit.
- Each separate residential or non-residential uses undertaken on a separate part of a rating unit and which is in addition to a rating unit's principal use will be considered an additional separately used or inhabited part.
- Individually tenanted flats, including retirement units, apartments, and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts.
- Each dwelling, flat, or additional rentable unit on a property is a separately inhabited part of a rating unit.
- For rural properties, each residential dwelling is considered a separately used or inhabited part and

each additional non-residential separately used part is considered an additional separately used or inhabited part.

'On demand' water supply - A supply which is available on demand directly from the point of supply subject to the agreed level of service.

'Restricted' water supply - A type of water supply connection where a small flow is supplied through a flow control device, and storage is provided by the customer to cater for the customer's demand fluctuations.

The Council is not inviting lump sum contributions in respect of any targeted rates.

Water Connected - Any rating unit that is supplied by the water supply system.

Water Serviceable - Any rating unit that is not supplied but is capable of being supplied by the water supply system.

Wastewater Connected - Any rating unit that is connected to the public sewerage.

Wastewater Serviceable - Any rating unit that is not connected to a public sewer but is capable of being supplied by the water supply system.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

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Activity	AMOUNT (\$) PER UAGC	TOTAL AMOUNT TO BE COLLECTED (\$)
Council	156.40	1,730,900
Economic development	84.90	939,900
Community support	54.30	601,100
Culture and heritage	26.70	295,400
District wide main street	7.40	82,000
Parks, reserves, sportsgrounds and playgrounds	80.80	894,200
Halls & community centres	48.00	531,700
Swimming pools	77.60	858,600
Community libraries	227.10	2,513,500
Information centres	33.50	370,800
Cross Recreation Centre	11.80	131,000
Animal Control	9.40	104,500
Emergency Services	5.70	63,100
Cemeteries	24.50	270,900
Public conveniences	45.50	503,500
Environmental health	11.20	123,900
Rural fire	0.70	8,200
Waste Minimisation	26.40	291,900
SUB TOTAL	931.90	10,315,100
Income		
Property	3.40	37,800
General - Petrol Tax and Investment Income	131.20	1,452,300
Other income	25.40	280,800
SUB TOTAL	160.00	1,770,900
TOTAL	771.90	8,544,200

Council has set a 'UAGC' of \$771.90 on each rateable separately used or inhabited part of a rating unit (SUIP) in the district.

The amount to be collected is \$8,544,200.

The activities that the UAGC is used to fund, as well as the income sources that offset the UAGC, are outlined to the left.

COMMUNITY LEADERSHIP

COMMUNITY BOARDS

Council sets 'Community Board' rates to fund the cost of its two community boards and local projects within the community board areas (as per attached maps). The rates are set as a fixed amount per rateable separately used or inhabited part of a rating unit (SUIP) within each community board area as per the table (right).

WEST OTAGO HEALTH TRUST

Council has set a targeted rate per rateable separately used or inhabited part of a rating unit (SUIP) for those within the West Otago Health Trust service catchment area, which mirrors the West Otago Community Board boundaries. The rate is set to fund repayment of loans taken out for Council's grant to West Otago Health for the construction of their facility in Tapanui. The rate is set as a fixed amount of \$90.50 per SUIP.

The total amount to be collected is \$117,300.

Community Board Targeted Rates

	FIXED AMOUNT (\$ PER SUIP)	TOTAL AMOUNT TO BE COLLECTED (\$)
West Otago Community Board	83.60	107,200
Lawrence/Tuapeka Community Board	160.20	150,200
TOTAL		257,400

DISTRICT ROADING

Council has set a 'District Roading' rate on every rateable rating unit in the district. The rate is 0.029377 cents per \$1 of capital value and funds approximately 37% of Council's share of the cost of providing operating and managing the local roading network, including roads, bridges, streetscapes and footpaths.

The amount to be collected is \$3,083,300.

LOCAL ROADING

Council sets 'Local Roading' Rates on every rateable rating unit in the district. This rate funds approximately 63% of Council's share of roading costs, including construction and maintenance of roads and footpaths within a locality/rating area.

The rates include a fixed amount and land value based component. The fixed charge component reflects that there is a baseline benefit to be connected to the roading network and will be charged per SUIP and differentiated based on location of the rating unit, with the urban fixed charge being higher due to additional sealing in urban areas. The land value component will be differentiated based on location as per the table on this page. Refer also to the maps on pages 209-216.

The amount to be collected is \$5,282,600.

NEW FOOTPATHS

Council sets 'New Footpath Rates' to fund repayment of loans taken out to fund the cost of new footpaths within each area. The total to be collected is \$194,000.

The rates are set as a fixed charge per separately used or inhabited part of a rating unit (SUIP) in each local roading rating area as per the table on this page and differentiated based on the location of the rating unit (as per the maps on pages 217-221).

Local Roading Targeted Rate

	AMOUNT (\$) PER SUIP	CENTS PER \$ OF LAND VALUE	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	61.30	0.09054	397,000
Clinton	61.30	0.18019	38,100
Heriot	61.30	0.03442	6,900
Kaitangata	61.30	0.20700	108,100
Kaka Point	61.30	0.03881	44,400
Lawrence	61.30	0.08371	68,400
Milton	61.30	0.05243	155,500
Owaka	61.30	0.14855	39,800
Papatowai	61.30	0.03612	12,900
Pounawea	61.30	0.03580	13,300
Stirling	61.30	0.09901	29,000
Taieri Mouth	61.30	0.02337	40,000
Tapanui	61.30	0.07281	59,900
Waihola	61.30	0.01441	29,800
Rural	58.30	0.06876	4,239,500
TOTAL			5,282,600

New Footpaths Targeted Rate

	AMOUNT (\$) PER SUIP	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	41.40	93,700
Kaitangata	14.60	6,800
Kaka Point	24.30	7,000
Lawrence	10.60	4,000
Milton	59.30	67,000
Owaka	11.50	2,400
Stirling	54.10	8,400
Tapanui	9.80	4,700
TOTAL		194,000

URBAN WATER SUPPLY

This rate funds the provision of reticulated potable water supplies to urban areas.

Council sets a targeted rate for customers who receive potable water from an 'on demand' supply and a targeted rate for customers who receive potable water from a 'restricted' supply.

The rate is set as a fixed charge per SUIP. These rates will be differentiated based on whether the SUIP is connected to the service, or is available but the SUIP is not actually connected

i.e. serviceable SUIP (50% of the fixed charge per connected SUIP).

The final determination of these rates will also include operating and capital costs for the water supply activity.

On demand water rates will be charged for each serviced or serviceable SUIP to an unrestricted water supply.

Restricted water rates will be charged to a serviced or serviceable SUIP where a small flow is supplied through a flow control device, and storage is

provided by the customer to cater for the customer's demand fluctuations.

The restricted rate will be set at 85% of the on demand rate.

The total amount to be collected is \$3,437,500.

The rate for each scheme is shown in the table below.

Urban Water Supply Targeted Rate

	AMOUNT PER CONNECTED SUIP (\$)	AMOUNT PER SERVICEABLE SUIP (\$)	SCHEME TYPE	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	593.40	296.70	On-demand	1,363,300
Benhar	593.40	0.00	On-demand	31,400
Clinton	504.40	252.20	Restricted	93,300
Kaitangata	593.40	296.70	On-demand	264,600
Kaka Point	504.40	252.20	Restricted	132,100
Lawrence	593.40	296.70	On-demand	237,400
Milton	593.40	296.70	On-demand	643,500
Owaka	504.40	252.20	Restricted	125,100
Stirling	593.40	296.70	On-demand	95,600
Tapanui	593.40	296.70	On-demand	314,800
Waihola	504.40	252.20	Restricted	136,400
TOTAL				3,437,500

RURAL WATER SCHEMES

Council sets 'Rural Water Scheme' rates to fund the operation, maintenance and capital expenditure for individual rural water schemes areas that are primarily for stock but also for domestic consumption (as per attached maps). The total amount to be collected is \$8,492,300. The rates are set as a fixed amount per scheme for each unit (one m³ of water per day) of water supplied and are calculated to generate the revenue required to operate each scheme, as per the table on this page. Refer also to the map on page 225.

WASTEWATER UPGRADE SUPPORT

Council sets a 'District Wastewater Upgrade Support' rate on every rateable rating unit in the district. This will be used to fund 10% of capital costs of treatment upgrades, investigations into establishing new wastewater schemes and reticulation extensions and improving wastewater disposal from existing systems. The rate is 0.000853 cents per \$1 of capital value. The amount to be collected is \$89,600.

WASTEWATER

This rate funds the provision of wastewater reticulation and treatment facilities.

Council has set a targeted uniform wastewater rate for each separately used or inhabited part of a rating unit (SUIP) that is either connected to one of the following schemes, or for which a connection is available.

This rate will be differentiated based on whether the SUIP is connected to the service, or is available but the SUIP is not actually connected i.e. serviceable SUIP (50% of the fixed charge per connected SUIP).

The total amount to be collected is \$2,849,500.

The rate for each scheme is shown in the table on this page.

Rural Water Scheme Targeted Rate

	AMOUNT PER UNIT SUPPLIED (\$)	TOTAL AMOUNT TO BE COLLECTED (\$)
Balmoral/Tuapeka	763.60	3,386,400
Clydevale/Pomahaka	472.20	1,191,500
Glenkenich	480.60	513,700
Moa Flat	317.30	764,400
North Bruce	444.80	857,200
Richardson	346.60	888,300
South Bruce	269.40	414,800
Waipahi	284.00	257,300
Wangaloa	517.90	218,700
TOTAL		8,492,300

Wastewater Targeted Rate

	AMOUNT PER SERVICED SUIP (\$)	FIXED CHARGE (\$) PER SERVICEABLE SUIP	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha (including Benhar)	488.70	244.35	1,125,000
Clinton	488.70	244.35	90,600
Heriot	488.70	0.00	37,100
Kaitangata	488.70	244.35	201,100
Kaka Point	488.70	244.35	132,500
Lawrence	488.70	244.35	175,700
Milton (including Tokoiti)	488.70	244.35	536,800
Owaka (including Pounawea)	488.70	244.35	119,300
Stirling	488.70	244.35	73,600
Tapanui	488.70	244.35	234,400
Waihola	488.70	244.35	123,400
TOTAL			2,849,500

WASTEWATER LOAN RATES

Council has set 'Wastewater Loan' rates to repay loans taken out to fund the capital cost of certain wastewater schemes. The rates are set on all rating units in the scheme areas set out in the table on this page, that did not elect to make a lump sum contribution, and are set as an amount per separately used or inhabited part of a rating unit (SUIP) that is based on the scheme location the rating unit is within (as per the maps on pages 222-223).

The total amount to be collected is \$48,200. The rate for each scheme is shown in the table on this page.

STORMWATER

This rate is for the provision of stormwater reticulation and minor stormwater works.

Council has set targeted stormwater rates for each separately used or inhabited part of a rating unit (SUIP) that is either provided with a full stormwater service, or for which a limited service is available (50% of full service charge).

The total amount to be collected is \$1,216,150. The rate for each scheme is shown in the table on this page.

Wastewater Capital Targeted Loan Rates

	AREA A AMOUNT PER CONNECTED SUIP (\$)	AREA B AMOUNT PER SERVICEABLE SUIP (\$)	TOTAL AMOUNT TO BE COLLECTED (\$)
Benhar	894.00	814.10	32,900
Tokoiti	745.10	588.80	15,300
TOTAL			48,200

Stormwater Targeted Rate

	AMOUNT PER SERVICED SUIP (\$)	AMOUNT PER LIMITED SERVICE (\$)	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	211.10	105.55	434,900
Clinton	211.10	105.55	39,300
Kaitangata	211.10	105.55	90,900
Kaka Point	211.10	105.55	55,700
Lawrence	211.10	105.55	73,500
Milton	211.10	105.55	210,200
Owaka	211.10	105.55	44,200
Tapanui	211.10	105.55	98,000
Heriot	211.10	105.55	15,800
Pounawea	211.10	105.55	20,700
Stirling	211.10	105.55	30,900
Taieri Mouth	211.10	105.55	49,300
Waihola	211.10	105.55	53,100
TOTAL			1,216,500

COMMUNITY FACILITIES

Council sets a 'Community Facilities' targeted rate on all rateable rating units in the district. This rate is used to fund approximately 50% of swimming pools, halls, community centres, parks, reserves, sportsgrounds, playgrounds, Cross Recreation Centre, and approximately 80% the local share of main street improvements.

The amount to be collected is \$2,608,100.

The rates are set as a fixed charge per SUIP and differentiated based on location and the facilities within each Community rating area areas (as per attached maps). The charges are per the table on this page.

Community Facilities Targeted Rate

	AMOUNT PER SUIP (\$)	TOTAL AMOUNT TO BE COLLECTED (\$)
Bruce	193.20	531,000
Catlins	62.70	60,000
Clinton	85.30	52,200
Lawrence Tuapeka	170.60	159,200
Lower Clutha	379.10	1,739,100
West Otago	54.00	66,600
TOTAL		2,608,100

WASTE MANAGEMENT

Council sets a 'Kerbside Collection' rate to fund waste collection and disposal services. This rate is set as a fixed amount per standard service provided to a rating unit (a standard service is one pair of bins per SUIP) charge of \$322.90 per pair of wheelie bins provided to each rating unit.

The amount to be collected is \$2,092,000.

DISTRICT-WIDE FACILITIES

Council has set a 'District-wide Facilities' rate on every rateable rating unit in the district. This will fund approximately 50% of the costs of public toilets.

The rate is 0.006282 cents per \$1 of capital value.

The amount to be collected is \$503,500.

COMMUNITY PROJECTS

Council can set a 'Community Projects' targeted rate on all rateable rating units in the Bruce community rating area. This rate is used to fund the costs of Project Bruce.

The rate is set as a fixed charge per SUIP in the Bruce community rating area (as per attached Map: Community Rating Areas).

The rate is set as a fixed charge per SUIP.

There is currently no funding budgeted for Project Bruce, the amount to be collected is nil.

PLANNING/REGULATORY

Council sets a 'Planning/Regulatory' rate on every rateable rating unit in the district. This will part-fund resource management, building control, compliance and liquor licensing. The rate is 0.016611 cents per \$1 of capital value. The amount to be collected is \$1,743,500.

VOLUNTARY TARGETED RATE

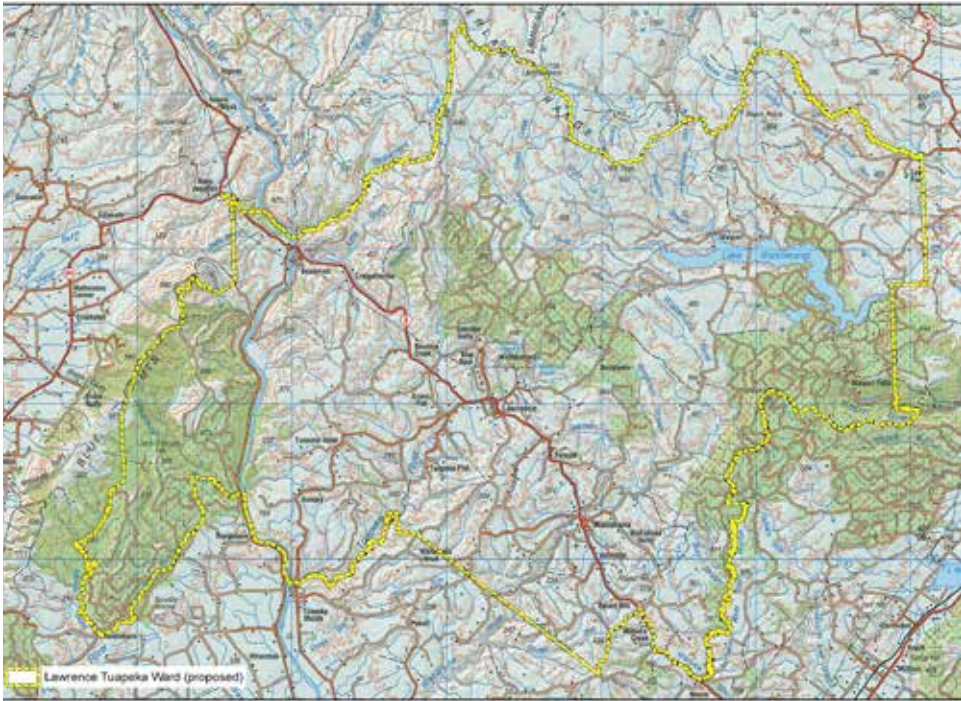
Council sets targeted rates for rating units in the Clutha District who are part of a Voluntary Targeted Rating Scheme. These schemes provide a way for ratepayers in the Clutha District to pay for the cost of additional services provided specifically to them.

These voluntary targeted rates are subject to an agreement between the ratepayer and Council, and the application of a specified interest rate, over a specified timeframe (currently between 3 & 5 years). The rate is set as a targeted rate for each rating unit in the Clutha District Voluntary Targeted Rate Scheme. Use of this rate is currently suspended pending legal review.

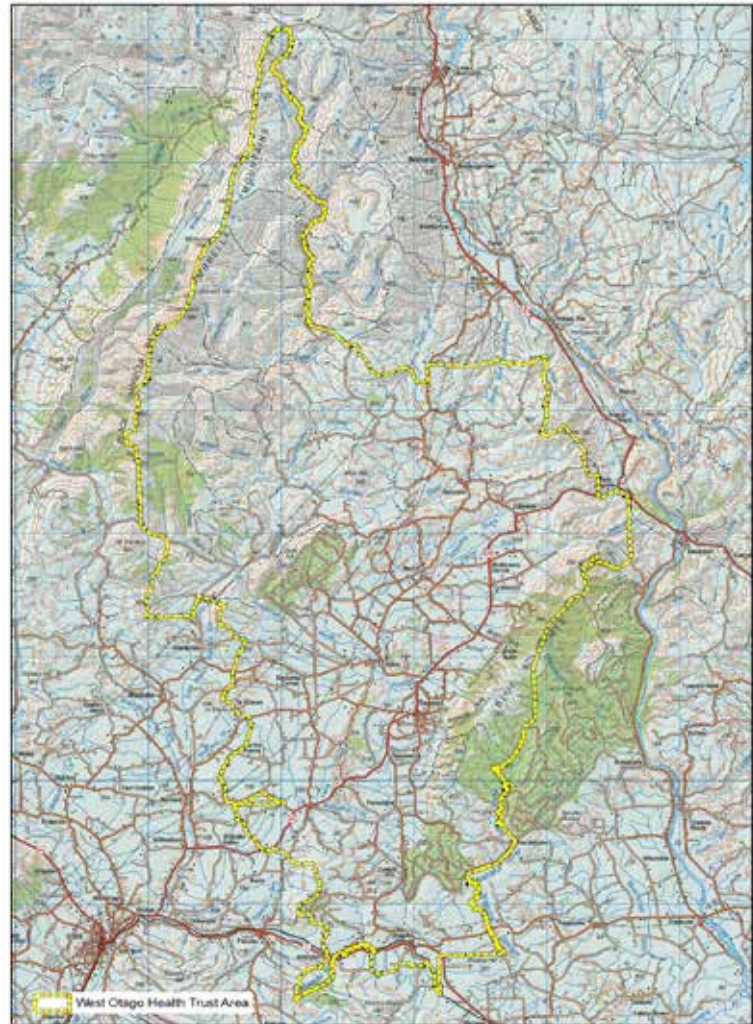
The following maps of rating areas are attached:

1. Lawrence/Tuapeka Community Board Rating Area
2. West Otago Community Board Rating Area (West Otago Health Trust)
3. Local Roding Rating Area – Balclutha
4. Local Roding Rating Area – Clinton
5. Local Roding Rating Area – Heriot
6. Local Roding Rating Area – Kaitangata
7. Local Roding Rating Area – Kaka Point
8. Local Roding Rating Area – Lawrence
9. Local Roding Rating Area – Milton
10. Local Roding Rating Area – Owaka
11. Local Roding Rating Area – Papatowai
12. Local Roding Rating Area – Pounaweia
13. Local Roding Rating Area – Stirling
14. Local Roding Rating Area – Taieri Mouth
15. Local Roding Rating Area – Tapanui
16. Local Roding Rating Area – Waihola
17. Local Roding Rating Area – Rural
18. New Footpaths Rating Area – Balclutha
19. New Footpaths Rating Area – Clinton
20. New Footpaths Rating Area – Kaitangata
21. New Footpaths Rating Area – Kaka Point
22. New Footpaths Rating Area – Lawrence
23. New Footpaths Rating Area – Milton
24. New Footpaths Rating Area – Owaka
25. New Footpaths Rating Area – Stirling
26. New Footpaths Rating Area – Tapanui
27. New Footpaths Rating Area – Waihola
28. Wastewater Loan Rate Area – Benhar Area A
29. Wastewater Loan Rate Area – Benhar Area B
30. Wastewater Loan Rate Area – Tokoiti Area A
31. Wastewater Loan Rate Area – Tokoiti Area B
32. Community Rating Area – Bruce (Community Facilities & Community Projects (Project Bruce))
33. Community Rating Area – Catlins
34. Community Rating Area – Clinton
35. Community Rating Area – Lawrence Tuapeka
36. Community Rating Area – Lower Clutha
37. Community Rating Area – West Otago
38. Rural Water Schemes Rating Areas

Map: Lawrence Tuapeka Community Board Rating Area



Map: West Otago Community Board/West Otago Health Trust Rating Area



Map: Balclutha Local Roading Rating Area



Map: Clinton Local Roading Rating Area



Map: Heriot Local Roding Rating Area



Map: Kaitangata Local Roding Rating Area



Map: Kaka Point Local Roading Rating Area



Map: Lawrence Local Roading Rating Area



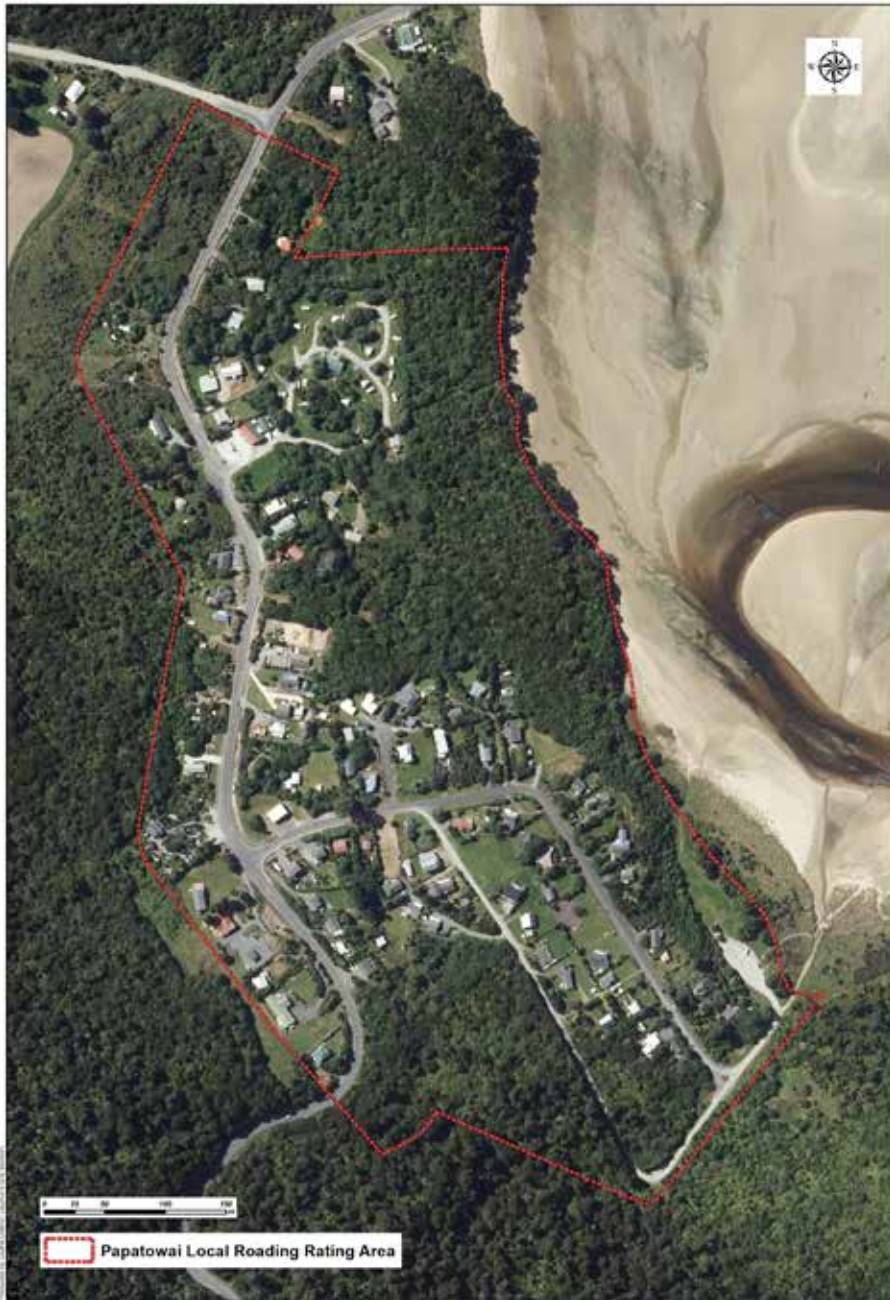
Map: Milton Local Roding Rating Area



Map: Owaka Local Roding Rating Area



Map: Papatowai Local Roding Rating Area



Map: Pounaweia Local Roding Rating Area



Map: Stirling Local Roading Rating Area



Map: Taieri Mouth Local Roading Rating Area



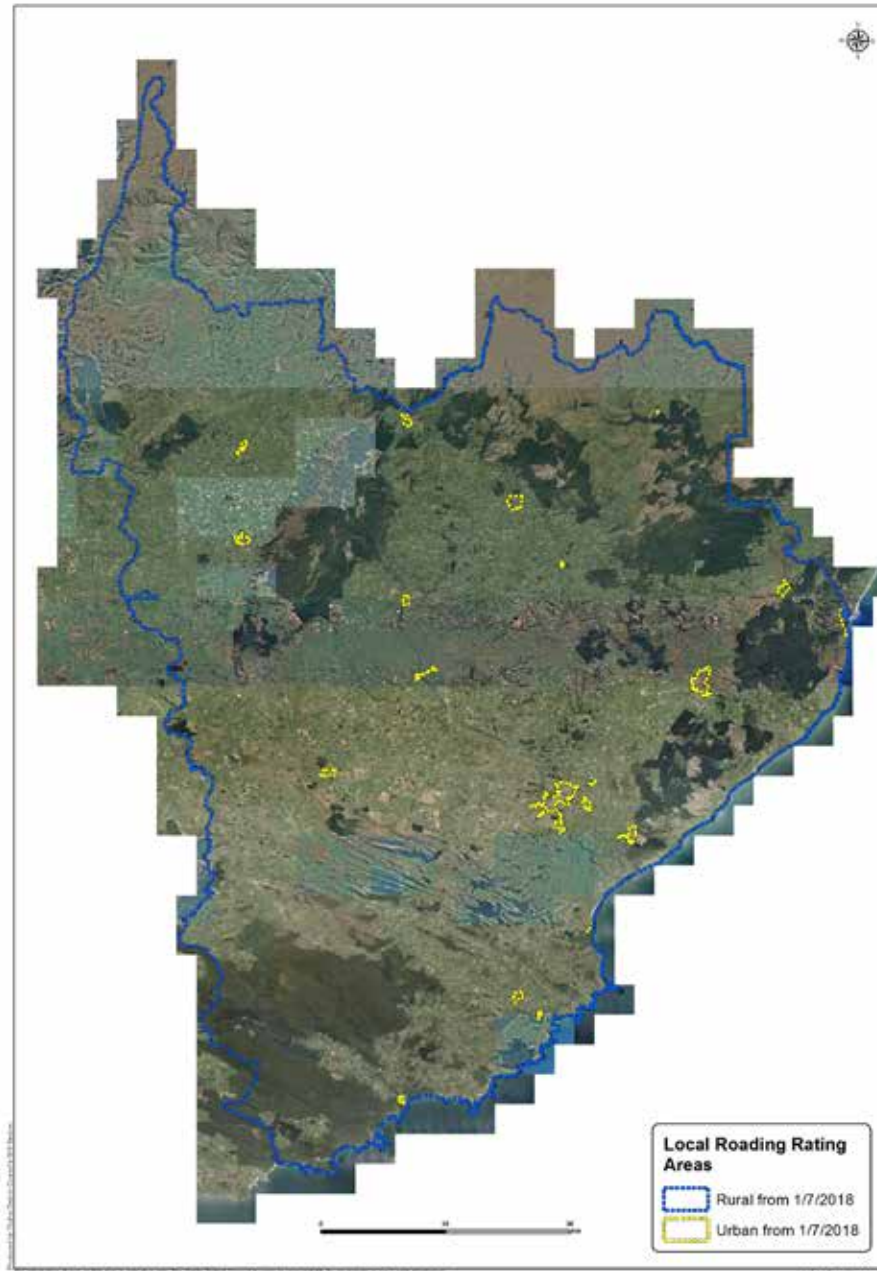
Map: Tapanui Local Roding Rating Area



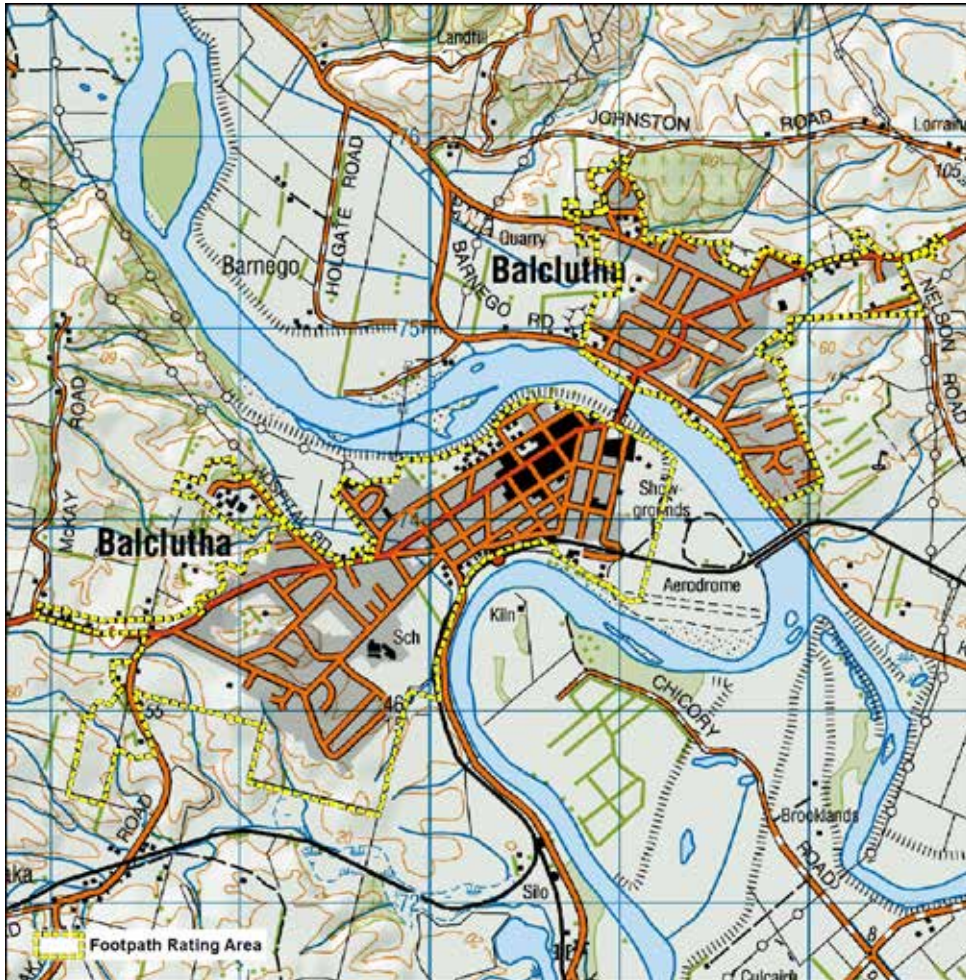
Map: Waihola Local Roding Rating Area



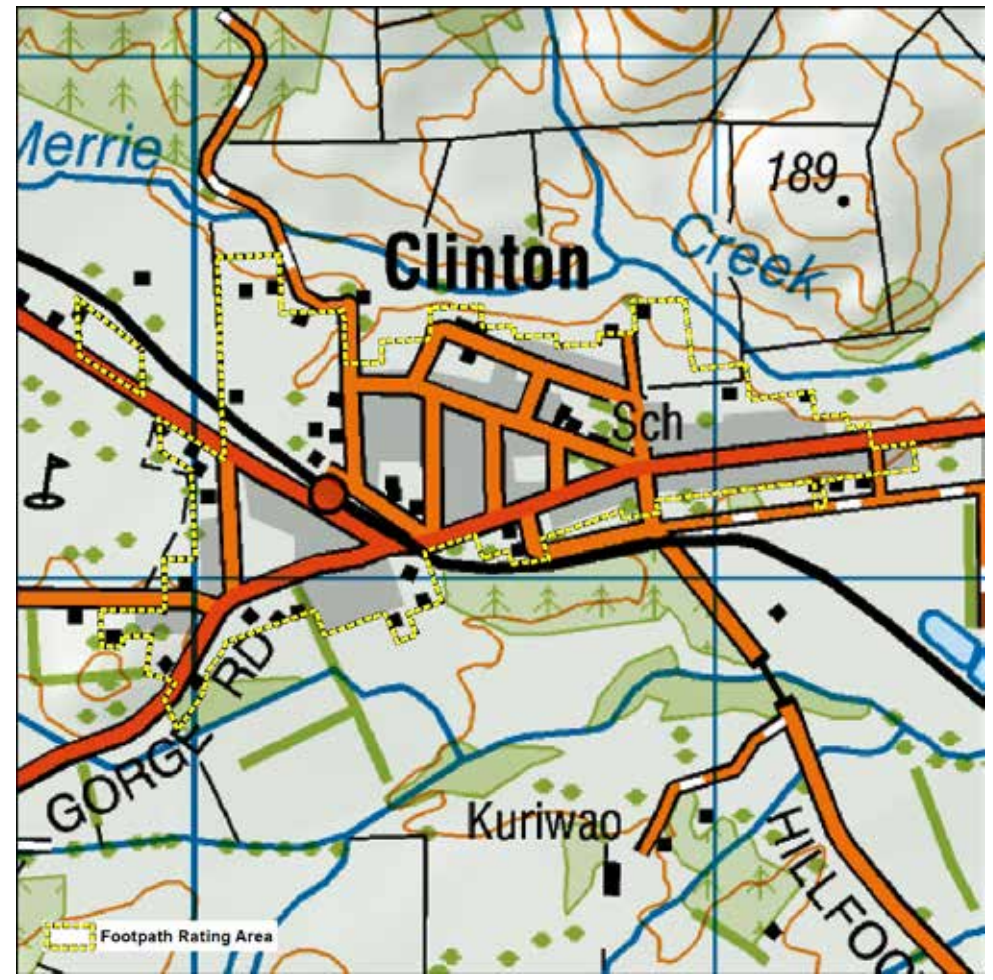
Map: Rural Local Roding Rating Area



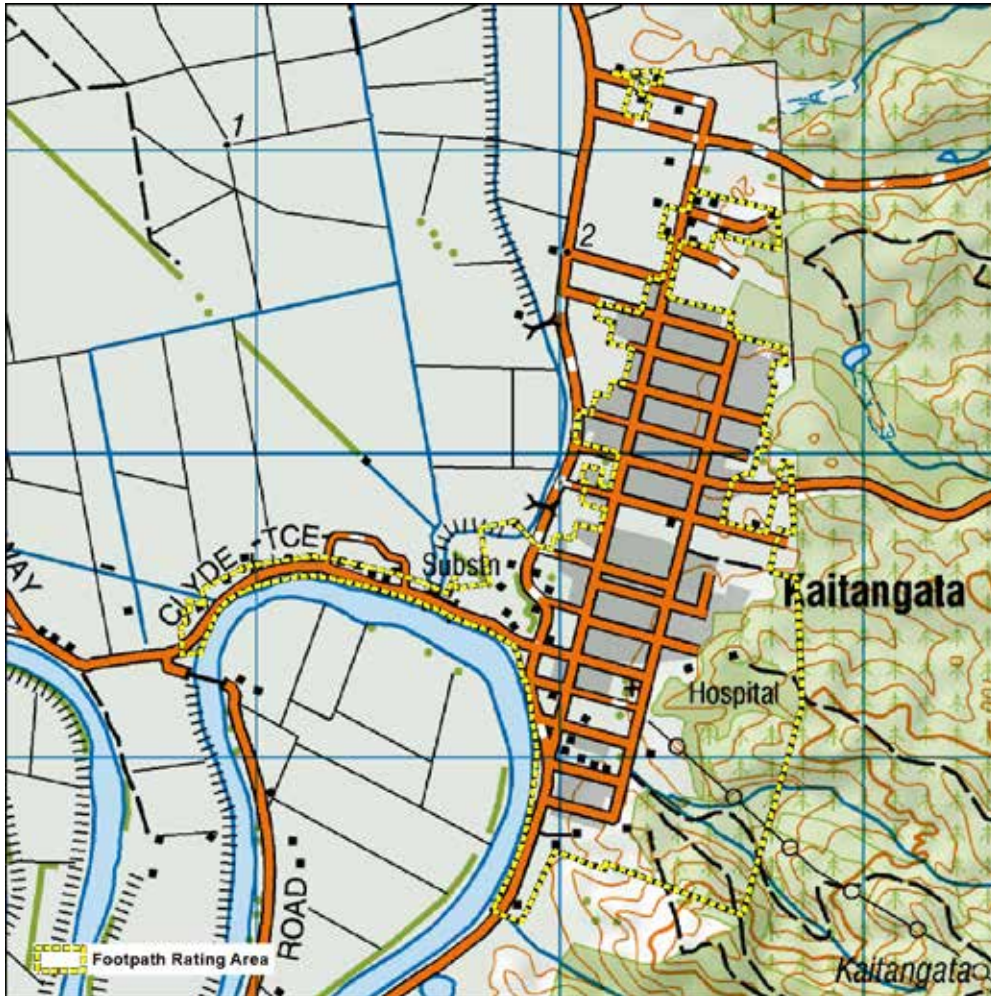
Map: Balclutha Footpath Rating Area



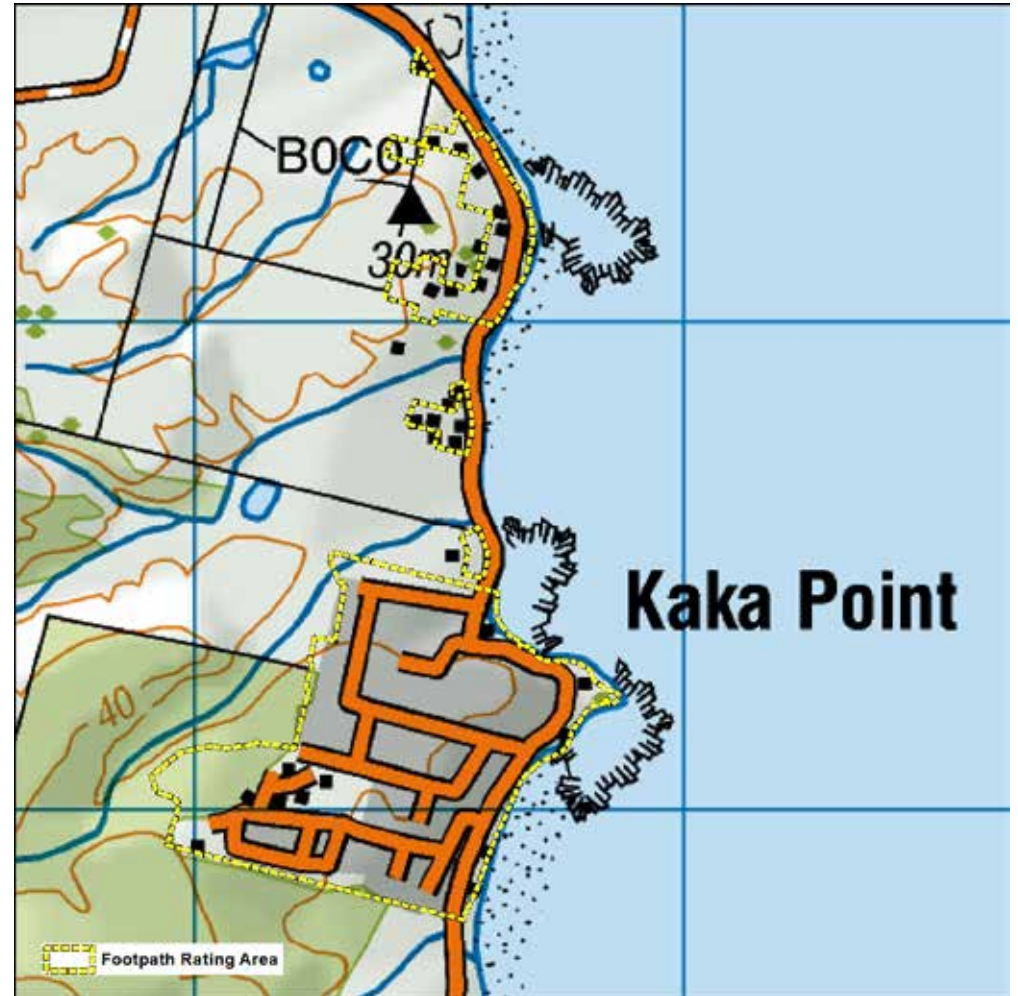
Map: Clinton Footpath Rating Area



Map: Kaitangata Footpath Rating Area



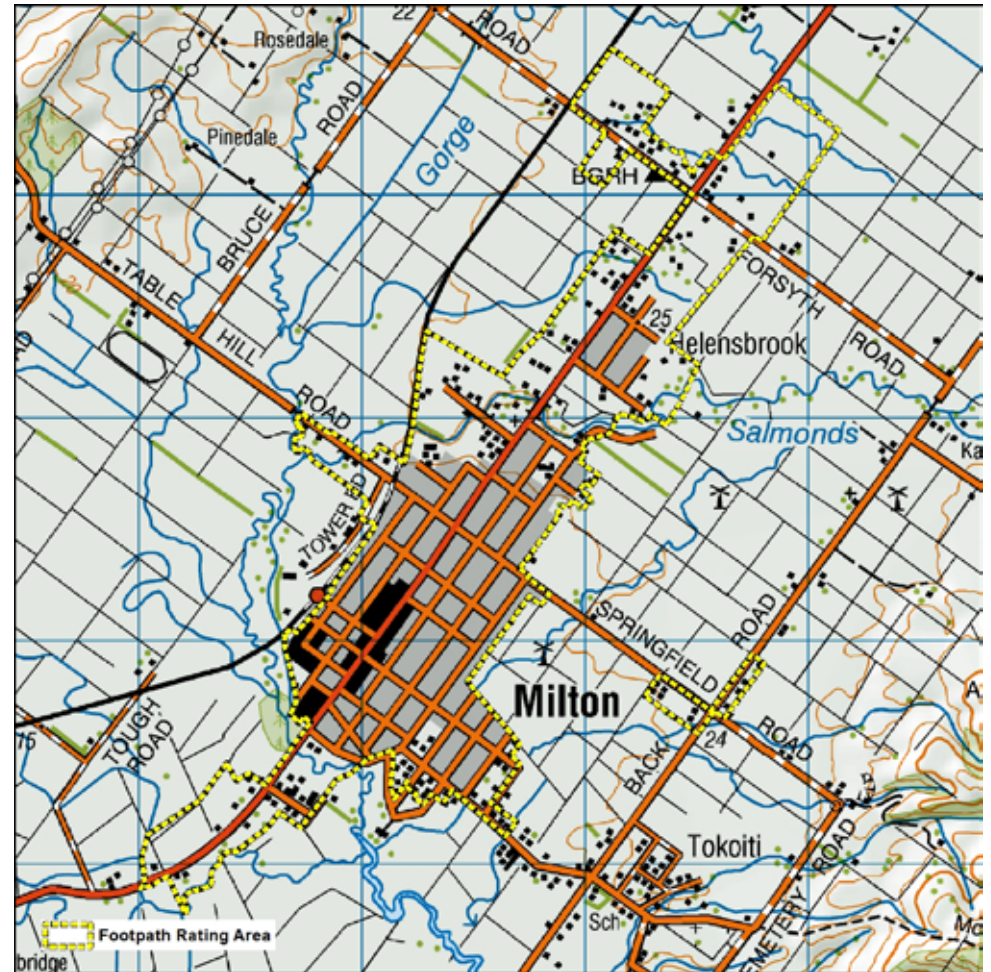
Map: Kaka Point Footpath Rating Area



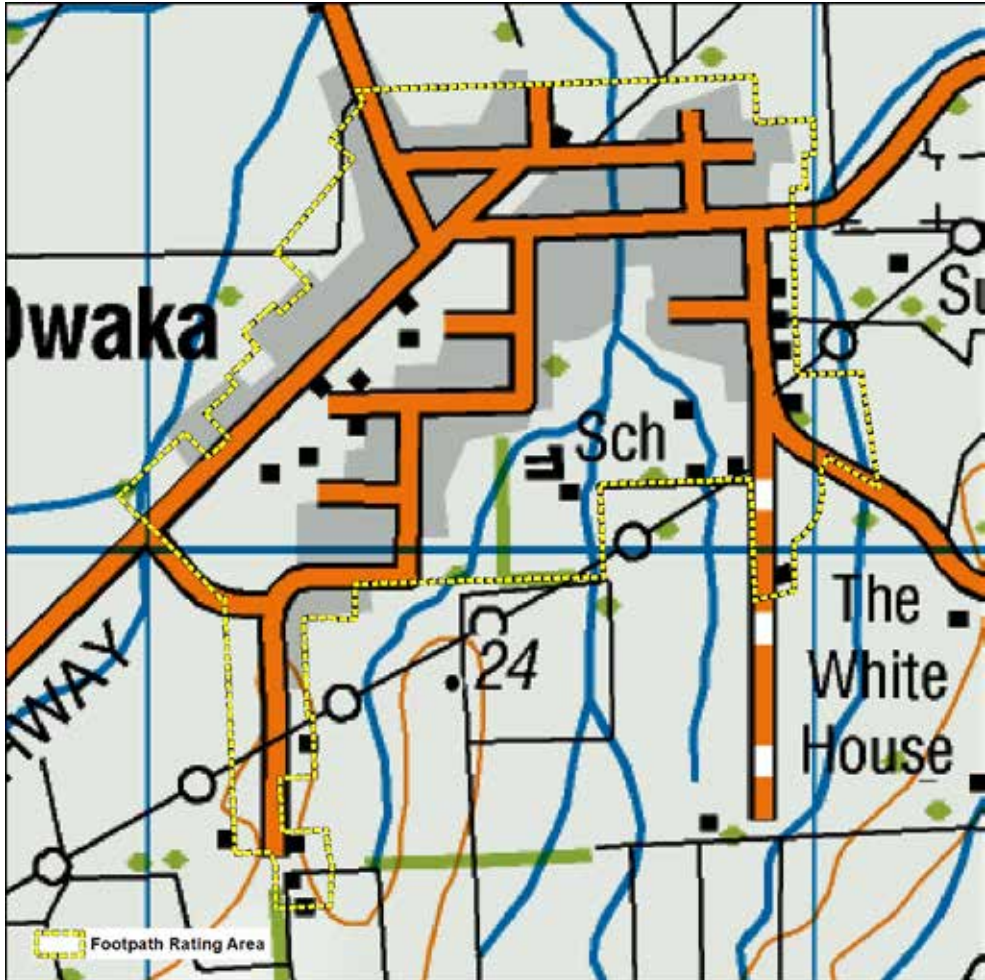
Map: Lawrence Footpath Rating Area



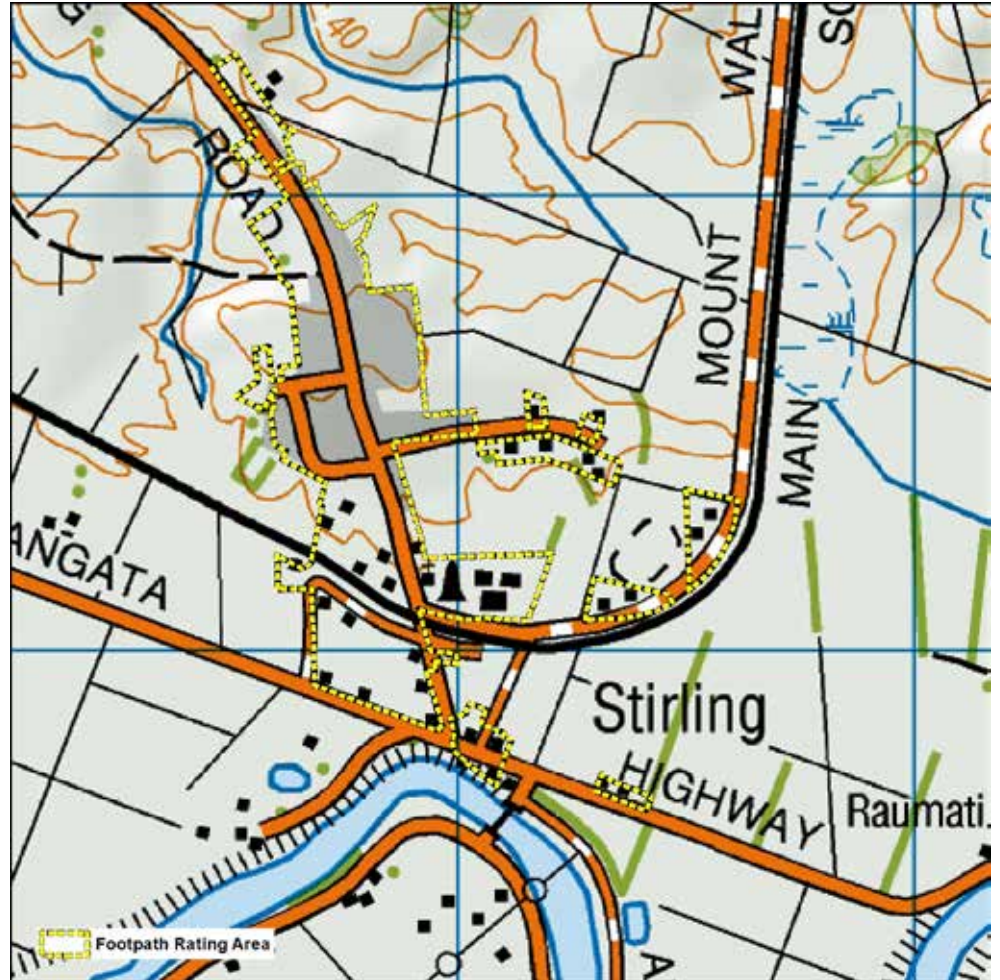
Map: Milton Footpath Rating Area



Map: Owaka Footpath Rating Area



Map: Stirling Footpath Rating Area



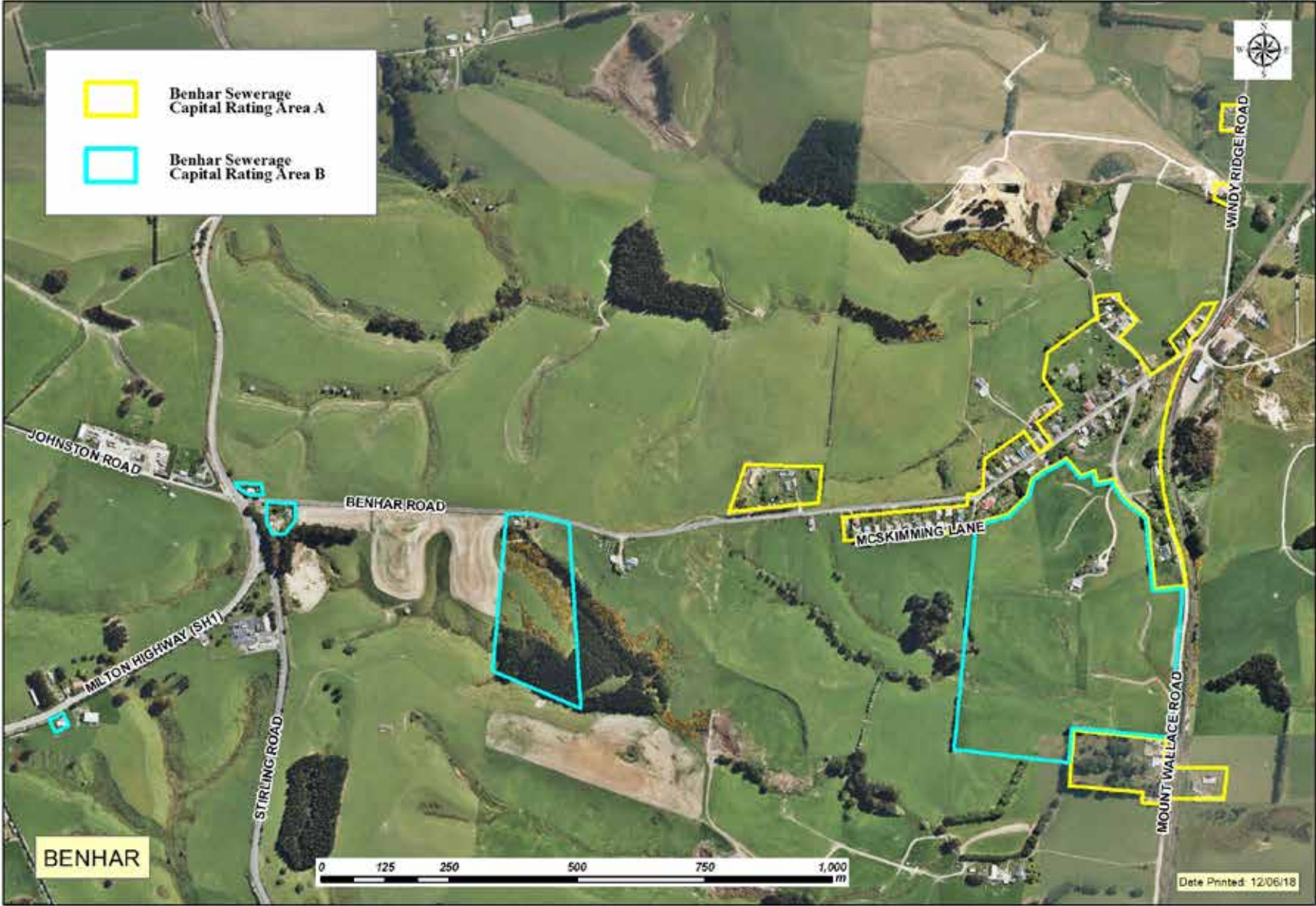
Map: Tapanui Footpath Rating Area



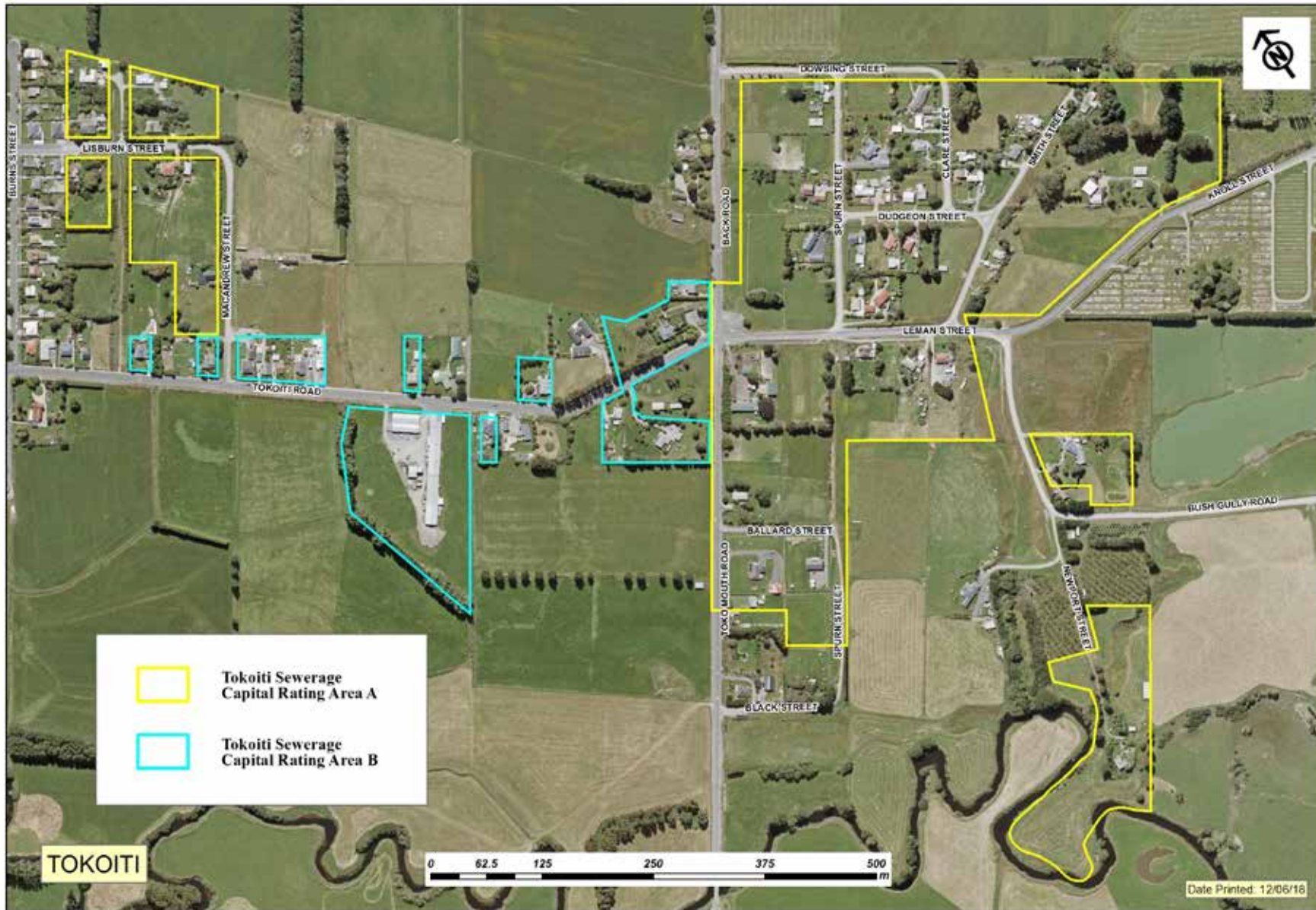
Map: Waihola Footpath Rating Area



Map: Benhar Wastewater Capital Rating Areas A & B



Map: Tokoiti Wastewater Capital Rating Areas A & B



Map: Community Rating Areas



Map: Rural Water Scheme Rating Areas



CDC RURAL WATER SCHEMES

RATES EXAMPLES

Residential - Balclutha

	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 105,000				
Capital Value 370,000				
GENERAL (UAGC)	689	772	813	871
ROADING	356	307	337	376
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	252	323	352	479
OTHER	70	88	97	102
TOTAL	3,014	3,161	3,884	4,852

Residential - Clinton

	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 50,000				
Capital Value 205,000				
GENERAL (UAGC)	689	772	813	871
ROADING	208	212	235	264
WATER, WASTEWATER & STORMWATER	1,213	1,204	1,761	2,448
COMMUNITY FACILITIES	74	85	89	90
SOLID WASTE	252	323	352	479
OTHER	25	49	54	56
TOTAL	2,462	2,644	3,303	4,208

Information about these rates examples

Council splits the district into different areas for some rates depending on the range and cost of services in each of these areas.

These examples provide an indication of how rates are expected to change based on actual properties within the rating areas.

It is also important to keep in mind that the values of all properties in the Clutha District are reviewed every three years. The latest values were dated 1 September 2023 and will come into effect for rating purposes from July 2024.

The exact rates percentage change for a property will depend on which of the 11 rating areas the property is in, and whether an individual property's value has changed more or less than the average increase/decrease in the district and in that rating area.

Residential - Kaitangata

	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 75,000				
Capital Value 220,000				
GENERAL (UAGC)	689	772	813	871
ROADING	316	296	329	370
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	252	323	352	479
OTHER	39	52	57	61
TOTAL	2,943	3,115	3,836	4,805

RATES EXAMPLES

Residential - Kaka Point	2023/24	2024/25	2025/26	2026/27
Land Value 275,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 560,000				
GENERAL (UAGC)	689	772	813	871
ROADING	360	357	398	449
WATER, WASTEWATER & STORMWATER	1,213	1,204	1,761	2,448
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	252	323	352	479
OTHER	92	133	147	154
TOTAL	2,951	3,168	3,865	4,799

Residential - Lawrence	2023/24	2024/25	2025/26	2026/27
Land Value 119,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 325,000				
GENERAL (UAGC)	689	772	813	871
ROADING	271	267	297	334
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	126	171	170	168
SOLID WASTE	252	323	352	479
OTHER	186	237	250	256
TOTAL	2,827	3,063	3,773	4,733

Residential - Owaka	2023/24	2024/25	2025/26	2026/27
Land Value 66,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 325,000				
GENERAL (UAGC)	689	772	813	871
ROADING	275	266	295	332
WATER, WASTEWATER & STORMWATER	1,213	1,204	1,761	2,448
COMMUNITY FACILITIES	60	63	61	62
SOLID WASTE	252	323	352	479
OTHER	38	77	85	89
TOTAL	2,527	2,705	3,368	4,280

Residential - Milton	2023/24	2024/25	2025/26	2026/27
Land Value 140,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 415,000				
GENERAL (UAGC)	689	772	813	871
ROADING	347	316	346	384
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	184	193	312	431
SOLID WASTE	252	323	352	479
OTHER	99	124	134	139
TOTAL	2,874	3,021	3,848	4,929

RATES EXAMPLES

Residential - Stirling	2023/24	2024/25	2025/26	2026/27
Land Value 105,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 460,000				
GENERAL (UAGC)	689	772	813	871
ROADING	344	354	389	433
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	252	323	352	479
OTHER	79	109	121	127
TOTAL	3,011	3,231	3,960	4,933

Residential - Tapanui	2023/24	2024/25	2025/26	2026/27
Land Value 68,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 340,000				
GENERAL (UAGC)	689	772	813	871
ROADING	210	221	244	274
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	51	54	65	66
SOLID WASTE	252	323	352	479
OTHER	205	255	268	275
TOTAL	2,710	2,917	3,634	4,590

Residential - Taieri Mouth	2023/24	2024/25	2025/26	2026/27
Land Value 425,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 860,000				
GENERAL (UAGC)	689	772	813	871
ROADING	390	413	464	528
WATER, WASTEWATER & STORMWATER	175	211	338	509
COMMUNITY FACILITIES	184	193	312	431
SOLID WASTE	-	-	-	-
OTHER	160	229	250	262
TOTAL	1,598	1,819	2,179	2,601

Residential - Waihola	2023/24	2024/25	2025/26	2026/27
Land Value 240,000	(ACTUAL)	(FORECAST)	(FORECAST)	(FORECAST)
Capital Value 430,000				
GENERAL (UAGC)	689	772	813	871
ROADING	235	222	248	280
WATER, WASTEWATER & STORMWATER	1,213	1,204	1,761	2,448
COMMUNITY FACILITIES	184	193	312	431
SOLID WASTE	252	323	352	479
OTHER	106	127	138	143
TOTAL	2,679	2,841	3,625	4,652

RATES EXAMPLES

Lifestyle Land Value 360,000 Capital Value 820,000	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
GENERAL (UAGC)	689	772	813	871
ROADING	519	479	532	598
WATER, WASTEWATER & STORMWATER	-	-	-	-
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	252	323	352	479
OTHER	126	157	173	182
TOTAL	1,930	2,110	2,264	2,528

Industrial - Rural Land Value 310,000 Capital Value 2,735,000	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
GENERAL (UAGC)	689	772	813	871
ROADING	1,293	1,137	1,262	1,419
WATER, WASTEWATER & STORMWATER	1,303	1,293	1,891	2,626
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	-	-	-	-
OTHER	571	650	716	753
TOTAL	4,200	4,231	5,076	6,067

Commercial Land Value 500,000 Capital Value 3,950,000	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
GENERAL (UAGC)	689	772	813	871
ROADING	1,955	1,716	1,939	2,213
WATER, WASTEWATER & STORMWATER	1,903	1,887	2,753	3,812
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	-	-	-	-
OTHER	746	938	1,035	1,087
TOTAL	5,637	5,691	6,934	8,382

Industrial - Urban Land Value 455,000 Capital Value 1,480,000	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
GENERAL (UAGC)	689	772	813	871
ROADING	1,087	949	1,078	1,143
WATER, WASTEWATER & STORMWATER	1,831	1,782	2,580	3,555
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	252	323	352	479
OTHER	300	352	388	498
TOTAL	4,504	4,557	5,605	6,944

RATES EXAMPLES

Rural - Dairy 1	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 2,990,000				
Capital Value 3,620,000				
GENERAL (UAGC)	1,378	1,543	1,626	1,742
ROADING	3,725	3,236	3,629	4,120
WATER, WASTEWATER & STORMWATER	-	-	-	-
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	-	-	-	-
OTHER	741	860	948	996
TOTAL	6,188	6,018	6,597	7,257

Rural - Sheep & Beef 2	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 7,940,000				
Capital Value 9,050,000				
GENERAL (UAGC)	2,756	3,087	3,253	3,483
ROADING	7,806	8,352	9,374	10,652
WATER, WASTEWATER & STORMWATER	-	-	-	-
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	-	-	-	-
OTHER	1,530	2,149	2,371	2,491
TOTAL	12,437	13,967	15,392	17,025

Rural - Sheep & Beef 1	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 2,960,000				
Capital Value 3,530,000				
GENERAL (UAGC)	689	772	813	871
ROADING	3,616	3,131	3,517	4,000
WATER, WASTEWATER & STORMWATER	-	-	-	-
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	-	-	-	-
OTHER	726	838	925	972
TOTAL	5,375	5,120	5,649	6,242

Rural - Dairy 2	2023/24 (ACTUAL)	2024/25 (FORECAST)	2025/26 (FORECAST)	2026/27 (FORECAST)
Land Value 6,660,000				
Capital Value 8,620,000				
GENERAL (UAGC)	1,378	1,543	1,626	1,742
ROADING	7,696	7,229	8,123	9,239
WATER, WASTEWATER & STORMWATER	-	-	-	-
COMMUNITY FACILITIES	344	379	394	399
SOLID WASTE	-	-	-	-
OTHER	1,650	2,047	2,258	2,373
TOTAL	11,068	11,198	12,401	13,752

REVENUE AND FINANCING POLICY 2024

PURPOSE

The Revenue and Financing Policy outlines the funding mechanisms that Council has available to fund its operating and capital expenditure and how it intends to utilise each of them. The policy is a requirement of Section 102 of the Local Government Act 2002 (LGA).

The policy also identifies how Council intends to fund each of its activities, and outlines the considerations and rationale for the funding sources chosen (as required by Section 103 of the LGA).

Council has developed this policy in two steps. The first was to consider how Council funds each individual activity. The second was to look at the overall impact of the liability of these allocations on our community.

FUNDING OF OPERATING EXPENDITURE

Council is required to ensure that each year's projected operating revenues are sufficient to meet the year's projected operating expenses. It may only vary this when it is financially prudent to do so, having regard to the requirements in section 100(2) of the LGA.

Operating expenditure is primarily funded through general and targeted rates, fees and charges.

External funding assistance is provided for roading and waste minimisation. Council will generate cash from operating revenue that can be used for capital renewal expenditure or debt repayment.

FUNDING OF CAPITAL EXPENDITURE

In terms of capital expenditure, assets generally provide benefit for a longer period of time than when the actual expenditure on the asset is spent. In this case they are funded over a period of time as opposed to in the year they are acquired. The exception to this is in the roading activity area where, apart from bridges, the annual capital expenditure generally matches the annual depreciation.

Capital expenditure is funded via depreciation reserves or special funds, or a combination of depreciation reserves, special funds and borrowing (depending upon the scale of the project). In some instances, e.g. a new water or sewerage scheme, a lump sum contribution is made by the consumers receiving the new service.

Depending on the activity Financial Contributions are also used to fund capital expenditure.

Government funding, e.g. stimulus and tourism infrastructure is also utilised utilised for capital projects.

DEPRECIATION RESERVES

Depreciation is a measure of the decline in service level of an asset or group of assets. Any depreciation funded for Council assets is placed in an interest-earning depreciation reserve. The reserves are then used to fund the future costs of renewing the infrastructural assets as per Council's activity management plans.

SPECIAL FUNDS

Special funds are also used for funding new capital or renewals. These funds have been contributed to from a number of sources, for example, historical funds, proceeds from the sale of endowment land, sale of assets and power shares.

BORROWING

Where depreciation reserves or special funds are not sufficient to meet all the costs of a project, capital expenditure is generally funded by borrowing.

This provides the immediate funding required for an asset, with the debt then being repaid over time through rates. The time period of the loan repayment is generally set over a period where the benefit of the asset will be realised, although this may be shorter for long-life assets, i.e. the loan is repaid before the end of the asset's useful life.

Unless specifically stated in the 'details of funding for Council activities' section, debt repayment becomes part of the operating costs and thus is funded from the same sources, in the same ratio, as for operating expenditure, over the life of the loan.

OVERVIEW OF FUNDING MECHANISMS USED BY COUNCIL

The mechanisms that Council can use to fund its capital and operating costs are set out by section 103(2) of the LGA. Council intends to use these mechanisms in the following ways:

UNIFORM ANNUAL GENERAL CHARGE

A uniform annual general charge (UAGC) is used to fund all or part of activities that provide a relatively equal benefit to the whole district. The UAGC is a fixed amount which is set on each separately used or inhabited part (SUIP) of a rating unit in the district.

DISTRICT-WIDE RATES

Some general rates are set on all rateable properties in the district to part fund some activities having a district wide benefit element, including roading.

These rates are set as either a rate per dollar of land or capital value best reflecting the need for the activity and the benefit received.

TARGETED RATES

Some targeted rates are set on all rateable properties in the district to part fund some activities that have an element of district-wide benefit, including roading, public toilets, sewerage treatment upgrades, resource management and building control activities. These rates are set either as a rate per dollar of land or capital value, which best reflects the contribution towards the need for the activities, and the benefit received from the activities.

Other targeted rates are used to fund all or part of activities that provide benefit to an identifiable community or group of ratepayers. These rates are targeted at those who benefit from the activity or who demand the level of service (identified by location or availability of service). They are either based on land value, capital value or are a uniform charge.

VOLUNTARY TARGETED RATES

From time to time Council may offer to fund a specific activity on behalf of individual ratepayers because the activity meets Council objectives as well as being beneficial to the ratepayer. If such funds are made available they will be recovered over a specified time frame, at a specified interest rate, by way of a targeted rate. The scheme itself is self-funding, ratepayers who take up the offer repay the financial assistance (plus interest) through a targeted rate.

LAND HOLDING GREATER THAN 1.2 HECTARES WITHIN TOWNSHIP BOUNDARIES

Council has defined areas of rateable land for the local roading rate. For rural land that falls within township boundaries, Council has applied a mechanism whereby areas equal to or greater than 1.2 hectares are split for rating purposes into an "a" and "b" assessment. The "a" assessment is calculated using the township rate (house and/or section) whilst the "b" assessment (remainder of the land) is calculated using the rural local roading rate.

FEES AND CHARGES

Fees and charges are utilised where practical if there is an identifiable private benefit from an activity, or where the actions of an individual create the need for the activity. Examples of fees include swimming pool charges, landfill fees, building consent fees and dog registration fees. When setting fees and charges, Council takes into account the effect the fees and charges would have on the use of the facilities and services.

LUMP SUM CONTRIBUTIONS

Lump sum contributions are utilised for some larger projects where new capital projects are loan funded. Ratepayers are given a choice of paying their share of the capital cost upfront in a voluntary lump sum, or paying through rates over the life of the loan. The decision whether to offer a voluntary lump sum option is determined on a project-by-project basis.

INTEREST AND DIVIDENDS FROM INVESTMENTS

Council receives interest on its reserve funds. Interest income from Council's reserves is used to:

- Offset the uniform annual general charge and thus reduce the rates that would otherwise be levied to fund Council's activities.

- Increase the value of depreciation reserves and special funds.
- Increase the value of investment reserves noting that the investment reserve (a treasury function) carries the risk attached with interest rate volatility.

BORROWING

Council utilises external borrowing to fund various infrastructural asset renewals and upgrades.

Borrowing is also undertaken from time to time in other circumstances, e.g. the West Otago Health grant and the Te Pou Ō Mata-Au Clutha District War Memorial & Community Centre.

PROCEEDS FROM ASSET SALES

Proceeds from asset sales are allocated to special funds, and are generally used for the acquisition of new assets.

DEVELOPMENT CONTRIBUTIONS

Under the LGA, Council is entitled to apply development contributions to new development. Previously Council has chosen not have a development contribution policy, in favour of financial contributions under the Resource Management Act 1991. Council intends to continue using Financial Contributions until the RMA reform process is complete and there is legislative clarity for the future.

GRANTS AND SUBSIDIES (EXTERNAL FUNDING ASSISTANCE)

Council receives external funding assistance for a number of activities or projects, largely from Central Government. The main source of government funding comes from the Waka Kotahi (NZTA) for roading. A baseline level of funding is received for the maintenance of the existing roading system, while funding for new projects may be received depending upon the costs and benefits of each project.

Council receives petrol tax income as required under the Local Authorities (Petroleum Tax) Regulations 1970.

Council also receives a proportion of waste minimisation levies to assist with waste minimisation activities throughout the district.

External funding is sought in other areas where possible. For example, funding from the Ministry of Health has been provided in the past for fluoridation and water treatment upgrades. Council will continue seeking external funding for tourism-related infrastructure.

RESERVE FUNDS (SPECIAL AND DEPRECIATION)

Council has a number of reserve funds. These funds generally assist future capital expenditure. As outlined previously depreciation reserves are used towards funding capital renewal works. Special funds are also generally used for funding capital renewals and new capital.

DETAILS OF FUNDING FOR COUNCIL ACTIVITIES

This section outlines Council's policies for funding each of its activities.

Council considered the matters listed in section 101(3) of the LGA when determining the most appropriate funding mechanisms for each of its activities. These matters are listed and explained under the following headings:

ACTIVITY DESCRIPTION

A brief description of the activity. For further information about each of Council's activities see the 'Council Activities' section of the Long Term Plan.

COMMUNITY OUTCOMES

The community outcome the activity primarily contributes to:

Our vision:

- Clutha is a great place to live, work & play.

Our outcomes:

- Vibrant rural towns and communities.
- Respected and sustainable environment.
- Connected, collaborative and resilient.

WHO BENEFITS?

Who receives the benefit from the activity, either the community as a whole, an identifiable part of the community or individuals.

TIMEFRAME OF BENEFITS

The time period over which the benefits of expenditure on the activity will be recognised.

CONTRIBUTION TO THE NEED FOR THE ACTIVITY

The extent to which an action or inaction of particular individuals or group contribute to the need for Council to carry out the activity.

COSTS AND BENEFITS OF DISTINCT FUNDING

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

The funding mechanisms shown below are for Council's share of the cost of the activities only (i.e. after any external funding is taken into account).

DEFINITIONS

UAGC – A 'Uniform Annual General Charge' is a rate set at a fixed amount and which every SUIP pays.

SUIP – A 'separately used or inhabited part of a rating unit' includes any part or parts of a property that can be separately used or occupied in addition to the principal habitation or use.

'On demand' water supply – A supply which is available on demand directly from the point of supply subject to the agreed level of service.

'Restricted' water supply – A type of water supply connection where a small flow is supplied through a flow control device, and storage is provided by the customer to cater for the customer's demand fluctuations.

COMMUNITY LEADERSHIP

CIVIC

Activity Description

Governance of Council and Community Boards, including elected members, operation of formal meeting processes, elections and newsletters.

Community Outcome

Connected and collaborative.

Who benefits?

All residents and ratepayers in the communities represented.

Timeframe of benefits

Governance is an ongoing cost with benefits apparent in the year of expenditure.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding for Council.

Funding methods

Council: 100% UAGC.

Liability Funding: 100% UAGC. A 2017 legal determination concluded Council had to pay a liability in relation to significant contractual works undertaken some years ago. The non-asset related portion has been funded from a combination of reserves with the remainder allocated as a Governance cost.

Community Boards: 100% targeted uniform rate per SUIP.

Rationale

Governance is provided for the benefit of the community as a whole, and therefore is funded by the whole district. Community boards provide benefit to the communities within their areas, and so are funded by those communities.

WEST OTAGO HEALTH

Activity Description

Provision of a one-off grant to help fund construction of a health centre in Tapanui.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Everyone in the West Otago health service area would benefit. Users of the facility will directly benefit.

Timeframe of benefits

Long term.

Contribution to need

Stakeholders in the West Otago Health service area contribute to the need for this activity.

Costs and benefits of distinct funding

Distinct funding ensures that only those in the area of benefit contribute, and that the contribution can clearly be

identified on rates invoices.

Funding methods

100% uniform targeted rate per SUIP.

Rationale

A uniform contribution from ratepayers in the area of benefit is deemed to be the fairest way to fund the grant.

ECONOMIC & COMMUNITY DEVELOPMENT

ECONOMIC DEVELOPMENT

Activity Description

Fostering economic development within the district.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Primarily a district-wide benefit from the district retaining and attracting businesses, which provide employment and contribute towards rates. Some private benefit to businesses.

Timeframe of benefits

Currently an ongoing cost, with the majority of benefits being apparent in the year of expenditure.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

100% UAGC. From time to time one off projects will be funded by a different funding source, eg investment funds surplus or grants.

Rationale

Largely a public benefit, therefore it is funded district-wide, through the UAGC.

COMMUNITY DEVELOPMENT

Activity Description

Fostering social well-being of the community through activities such as youth development and provision of grants to community groups.

Community Outcome

Connected and collaborative.

Who benefits?

Community-wide benefit.

Timeframe of benefits

The majority of benefits are apparent in the year of expenditure.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

100% UAGC.

Rationale

Largely a public benefit, therefore it is funded district-wide, through the UAGC.

COMMUNITY PROJECTS

Activity Description

Financial support for projects and initiatives that support

community well-being in the following areas that make up our district: Bruce, Catlins, Clinton, Lawrence-Tuapeka, Lower Clutha, and West Otago.

Community Outcome

Connected and collaborative.

Who benefits?

Community-by-community benefits.

Timeframe of benefits

The majority of benefits are apparent in the year of expenditure.

Contribution to need

Residents and ratepayers in that community.

Costs and benefits of distinct funding

Benefit from distinct funding by community.

Funding methods

Project Bruce: 100% Bruce Community Rating Area uniform charge. This is currently \$0.

Rationale

Largely a community-by-community benefit, therefore it is funded over the community of interest.

ECONOMIC DEVELOPMENT

PROPERTY

Activity Description

Property for contributing to economic growth through industrial, commercial or residential development.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Primarily a district-wide benefit, stimulating or reducing barriers to economic growth, supporting housing for our workforce, and adding new ratepayers.

Timeframe of benefits

Medium to long term.

Contribution to need

All residents, businesses and ratepayers.

Costs and benefits of distinct funding

Distinct funding ensures an additional source of funding that does not impact on ratepayers.

Funding methods

100% Other – Funded by sale of surplus property, loans, and/or sale of development property. A cost recovery or 'rates neutral' approach is taken to funding.

Rationale

Funding from other sources ensures that the ratepayer is not paying for economic development property.

TRANSPORTATION

Activity Description

The provision, operation and management of the local roading network, including roads, bridges, streetscapes and footpaths.

Community Outcome

Connected and collaborative.

Who benefits?

The roading network provides national, regional and local benefits.

Timeframe of benefits

Long term.

Contribution to need

All residents and ratepayers contribute to varying degrees. At this stage differentials depending on industry are not applied, e.g. for higher impact users such as forestry and dairying.

Costs and benefits of distinct funding

Distinct funding enables a split between district and local funding. Due to the size of the roading rates requirement it is desirable to have roading rates highlighted separately.

Funding methods

Roads and bridges: A substantial amount is funded by financial assistance from NZTA, with the balance being split between district and local roading rates based on the district/local benefit of each road.

For the balance funded by Council there is a district-wide roading rate, based on capital value, which funds approximately 37% of Council's costs. This includes 90% of arterial roads, 50% of collector roads and 10% of local roads.

The remaining approximately 63% of the rates requirement is funded by a targeted rate differentiated on location made up of a minimum charge per SUIP based on level of service, with the remainder based on land value. Each area funds a share of the local roading rate based on the value and depreciation rates of the roading assets within that area and the proportion of district-wide vs. local benefit.

District-wide main street: 20% UAGC and 80% of Balclutha, Lawrence & Milton costs on a uniform community-based rate.

New footpaths: A uniform rate per SUIP on those in the rating area benefiting from new footpaths.

Rationale

The combination of funding mechanisms reflects the access to, and benefit gained from the roading network.

WATER

URBAN WATER

Activity Description

Provision of reticulated potable water supplies to urban areas.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Private benefit for those who obtain and use water. Some benefit to those whose properties have the ability to connect to a scheme. General public benefit for public health and fire-fighting purposes.

Timeframe of benefits

Short term benefit from expenditure on operating costs, with longer-term benefits from expenditure on capital.

Contribution to need

All urban residents and ratepayers.

Costs and benefits of distinct funding

Distinct funding enables the private benefit to those who receive potable water supply to be recognised.

Funding methods

Council will have a uniform targeted rate for customers who receive potable water from an 'on demand' supply and a uniform targeted rate for customers who receive potable water from a 'restricted' supply.

Rationale

User pays district-wide across all urban users facilitates efficient use of resources.

RURAL WATER

Activity Description

Rural water schemes which provide water primarily for stock but also for domestic consumption.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Private benefit for those who obtain and use water.

Timeframe of benefits

Short term benefit from expenditure on operating costs, with longer-term benefits from expenditure on capital.

Contribution to need

Property owners who require water to enable intensive use of their land.

Costs and benefits of distinct funding

Each scheme is operated as a standalone entity. This enables the cost of each scheme to be paid for by those who benefit from it.

Funding methods

100% targeted rate per unit of water supplied differentiated by scheme.

Rationale

User pays ensures efficient use of resources, with consumers only demanding what is affordable and sustainable.

WASTEWATER

Activity Description

Provision of wastewater reticulation and treatment facilities throughout the district.

Community Outcome

Respected and sustainable environment.

Who benefits?

Private benefit for those whose wastewater is removed, treated and disposed of. There is also wider public health and environmental benefits from safe and appropriate sewage disposal.

Timeframe of benefits

Short term benefit from expenditure on operating costs, with longer-term benefits from expenditure on capital.

Contribution to need

Those without suitable private wastewater disposal systems.

Costs and benefits of distinct funding

Distinct funding enables the private benefit to those who receive wastewater services to be recognised.

Funding methods

Council will have a uniform targeted wastewater rate for each separately used or inhabited part of a rating unit (SUIP) that is either connected, or for which a connection is available. The final determination of rates will also include operating and capital costs.

Capital costs of treatment upgrades: 10% district-wide assistance (based on CV) with remainder funded as per operating costs.

Capital costs of reticulation extensions for Benhar Tokoiti and Pounaweia: 10% district-wide assistance (based

on CV), 40% uniform targeted rate on all wastewater sewerage ratepayers and 50% uniform targeted rate on all connections to the new reticulation.

Rationale

Benefit is largely private so the activity is predominantly user pays. The wider benefit of safe wastewater disposal is reflected by wider contribution to treatment upgrades and reticulation extensions for Benhar, Tokoiti and Pounaweia.

STORMWATER

Activity Description

Stormwater reticulation minor stormwater works throughout the district.

Community Outcome

Respected and sustainable environment.

Who benefits?

Those whose properties are protected by stormwater drainage.

Timeframe of benefits

Short term benefit from expenditure on operating costs, with longer-term benefits from expenditure on capital.

Contribution to need

Property owners whose properties contribute to stormwater run-off where there is a demonstrated need for a public stormwater system.

Costs and benefits of distinct funding

Distinct funding enables the private benefit to those who receive stormwater protection to be recognised.

Funding methods

Council will have a uniform targeted stormwater rate for

each separately used or inhabited part of a rating unit (SUIP).

Rationale

Those who benefit from the provision and development of stormwater schemes in their areas pay for those costs.

COMMUNITY SERVICES

LIBRARIES

Activity Description

Provision of library services through the Central Balclutha library and four branch libraries.

Outcome

Vibrant rural towns and communities.

Connected and collaborative.

Who benefits?

Primarily a public benefit. All members of the community have access to the facilities and the whole community benefits from having such facilities provided.

Timeframe of benefits

An ongoing activity with benefit largely being realised in the year of expenditure. The benefit of capital expenditure is realised over a longer timeframe.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

5-10% Fees and charges; 90-95% UAGC.

Rationale

The cost of the service does not change significantly as use increases or decreases, but increasing fees can reduce access for some community members. To allow full accessibility there are no fees for core services. Funding the core services through the UAGC recognises the public benefit.

SERVICE AND INFORMATION CENTRES

Activity Description

Visitor information centres for visitors and residents and service centres for ratepayers.

Community Outcome

Vibrant rural towns and communities.

Connected and collaborative.

Who benefits?

Private benefit to those who use information centres, as well as tourist-reliant businesses whose information is provided to customers. The community in general also benefits from the success of the tourism industry and the availability of Council service points.

Timeframe of benefits

An ongoing activity with the benefit of operating expenditure being realised in the year of expenditure and the benefit of capital expenditure is realised over a longer timeframe.

Contribution to need

Residents, ratepayers and visitors.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised and the activities funded by the community services rate are listed in Annual and Long Term Plans and on rates assessments.

Funding methods

5-10% Fees and charges; 90-95% UAGC.

Rationale

While there is private benefit from using information centres, such services are generally not charged for within New Zealand. The district as a whole benefits from the tourism industry and the information centres facilitate this. The Council service centre functions also provide a district-wide benefit.

PUBLIC TOILETS

Activity Description

Provision of public toilets and camper van dump stations throughout the district.

Community Outcome

Respected and sustainable environment.

Who benefits?

Private benefit to users of the facilities, public benefit from providing such facilities to for locals and visitors and from having a hygienic environment.

Timeframe of benefits

An ongoing activity with benefit largely being realised in the year of expenditure. The benefit of capital expenditure is realised over a longer timeframe.

Contribution to need

Residents and visitors.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised and the activities funded by the community services rate are listed in Annual and Long Term Plans and on rates assessments.

Funding methods

Approximately 50% UAGC and approximately 50% district-wide CV based rate.

Rationale

A district-wide charge is the fairest option since fees and charges are not realistic or would be unlikely to be economic to apply.

CEMETERIES

Activity Description

Provision, maintenance and operation of cemeteries and maintenance of the district's monuments.

Community Outcome

Connected and collaborative.

Who benefits?

Private benefit to the families of deceased. Public benefit in providing respectful treatment of the deceased who form part of the community's heritage. Public health benefits from ensuring properly managed and controlled burials and cemetery sites.

Timeframe of benefits

Majority of expenditure is on operating costs, with the benefit being realised in the year of expenditure. There are also longer term benefits from capital expenditure.

Contribution to need

All ratepayers and residents.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

Approximately 55% Fees and Charges and approximately 45% UAGC.

Rationale

The funding split recognises direct private benefits along with wider public benefits. Ability to pay is partly recognised by keeping burial fees at an affordable level.

COMMUNITY HOUSING AND OTHER PROPERTY

Activity Description

Provision and maintenance of community housing units throughout the district. This area also includes lease-hold land, endowment land and other property (excluding economic development property).

Community Outcome

Connected and collaborative.

Who benefits?

Mostly a private benefit to tenants. There is also public benefit from having appropriate housing available to people who may not easily be able to access private sector housing.

Timeframe of benefits

Long term.

Contribution to need

Residents who have difficulty finding appropriate housing in the market.

Costs and benefits of distinct funding

This activity is self-funding there is no requirement for rates funding.

Funding methods

100% fees and charges (rentals).

Rationale

Due to a significant private benefit, the community housing units are fully self-funded through user charges. User charges (rentals) are set at market rates to cover the cost of maintaining and upgrading the facilities.

COMMUNITY FACILITIES

Activity Description

Includes the following:

- Funding of halls and community centres throughout the district.
- Provision of swimming pools in Balclutha and Milton.
- Provision of green spaces including parks, reserves, playgrounds and sportsgrounds.
- Grant towards construction and operation of the Te Pou Ō Mata-Au Clutha District War Memorial & Community Centre.
- Grant towards construction and operation of the multi-purpose Cross Recreation Centre.
- Grant towards the construction of an extension to the Clutha Gold Trail from Lawrence to Waiholā.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Public benefit from having the facilities available and for those who have the facilities in their community.

Timeframe of benefits

An ongoing activity with benefits largely being realised in the year of expenditure. The benefit of capital expenditure is realised over a longer timeframe.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised and the activities funded by the community services rate are listed in Annual and Long Term Plans and on rates assessments.

Funding methods

Balclutha and Milton Pools: 10-15% fees and charges; 40-45% UAGC; 40-45% targeted uniform rate (Bruce and Lower Clutha areas).

Halls and community centres: 12-18% fees and charges; 41-44% UAGC; 41-44% targeted uniform rate.

Parks, Reserves and Playground

Approximately 50% UAGC and approximately 50% targeted.

Sportsgrounds: 2-8% fees and charges, 46-49% UAGC, 46-49% uniform targeted rate.

Cross Recreation Centre: Approximately 50% UAGC and approximately 50% uniform targeted rate (Lower Clutha area).

Te Pou Ō Mata-Au Clutha District War Memorial & Community Centre: Approximately 50% UAGC and approximately 50% uniform targeted rate (Lower Clutha

area).

Clutha Gold Trail Extension: Approximately 50% UAGC, and approximately 50% uniform targeted rate (Lawrence-Tuapeka and Bruce areas).

Rationale

District-wide funding recognises the wide public benefit gained from parks, reserves and playgrounds. The majority of the cost is funded by the local community ensuring that communities only demand the level of service they can afford. Some fees and charges for sports groups to recognise that they have exclusive use of the sportsgrounds during their booking period.

WASTE MANAGEMENT & MINIMISATION

WASTE COLLECTION AND DISPOSAL

Activity Description

Solid Waste collection and disposal services, including the operation of a kerbside collection service, waste transfer stations and Mt Cooe landfill.

Community Outcome

Respected and sustainable environment.

Who benefits?

Private benefit to those whose recyclables and residual waste is disposed of. Also a public benefit from ensuring that waste is dealt with safely without damaging the environment or public health.

Timeframe of benefits

Short term, with some longer term benefits from the provision of the landfill.

Contribution to need

All of those who use the waste disposal services or facilities.

Costs and benefits of distinct funding

Distinct funding enables the private benefit of the kerbside collection to be recognised. Efficiencies are also gained from this being provided across the district by a single kerbside provider.

Funding methods

Approximately 30% targeted uniform rate per SUIP (based on availability of kerbside collection service); and approximately 70% Fees and charges (use of landfill and transfer stations).

Rationale

User pays ensures that the cost of waste disposal is attributed to those who create the waste and provides an incentive to reduce waste created.

WASTE MINIMISATION

Activity Description

Waste minimisation activities, including education programmes and drop-off facilities for recyclables.

Community Outcome

Respected and sustainable environment.

Who benefits?

Primarily a public benefit from reduced waste to landfill. Some private benefit to those who use free recyclable drop-off facilities to dispose of recyclable waste.

Timeframe of benefits

Currently an ongoing activity with benefits apparent in year of expenditure. Benefits will also be realised in the long term from behaviour changes as a result of education programmes.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

100% UAGC.

Rationale

Rating across the district ensures that recyclables drop-off facilities are free, encouraging their use.

REGULATORY AND EMERGENCY SERVICES

RESOURCE MANAGEMENT

Activity Description

Administration and monitoring of the Clutha District Plan to ensure that development and resource use maintains environmental and community standards.

Community Outcome

Respected and sustainable environment.

Who benefits?

Largely a public benefit from the sustainable management of the districts natural and physical resources. A private benefit to those who are granted a resource consent, enabling them to sustainably use their land.

Timeframe of benefits

An ongoing activity with the benefit being realised in the year of expenditure. Longer term benefit from expenditure on the District Plan.

Contribution to need

Individuals or organisations whose actions or proposed developments require resource consent.

Costs and benefits of distinct funding

No particular benefit from distinct funding.

Funding methods

60-70% Fees and charges; 30-40% district-wide CV based rate.

Rationale

Fees are set at a level to recover actual costs involved in processing the consent. The remainder is treated as a public good.

ANIMAL CONTROL

Activity Description

Registration of dogs and responding to animal-related complaints.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Private benefit to animal owners who have their animals returned. Public benefit from the capture of wandering animals and from having Council oversee animal welfare. There is also a public benefit from having less fouling of public space.

Timeframe of benefits

An ongoing activity with largely a short term benefit.

Longer term benefit of the pound.

Contribution to need

Animal owners who do not adequately control their animals.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

Approximately 90-95% Fees and charges; and approximately 5-10% UAGC.

Rationale

User pays ensures those who contribute to the need for the activity fund the vast majority of the costs. Responsible dog owners receive a discount, recognising that they contribute less to the activity than others. The district-wide contribution recognises the public benefit.

ENVIRONMENTAL HEALTH

Activity Description

Protection of public health and safety through licensing of food premises and other venues that have potential public health risks.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Community benefit from knowing that public health standards are being met. There is also private benefit to businesses whose operations have public health implications.

Timeframe of benefits

An ongoing activity with the benefit being realised in the year of expenditure.

Contribution to need

The public who demand safe and hygienic eateries and hairdressers. Businesses who operate in the food or hairdressing industries.

Costs and benefits of distinct funding

No benefit from distinct funding. However, the UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

10-15% Fees and charges; 85-90% UAGC.

Rationale

The combination of funding mechanisms reflects the individual and wider community benefits, whilst making services affordable for businesses.

BUILDING CONTROL

Activity Description

Administering the Building Act 2004, including ensuring that buildings comply with the New Zealand Building Code.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Private benefit to building owners from having certification that their buildings are structurally sound and comply with safe building practices. There are also public safety benefits from structurally sound public buildings.

Timeframe of benefits

An ongoing activity with the benefit being realised in the year of expenditure.

Contribution to need

The community demands safe buildings, however, people who build new buildings or alter existing buildings contribute to Council's workload.

Costs and benefits of distinct funding

No particular benefit from distinct funding.

Funding methods

80-90% Fees and charges; 10-20% district-wide CV based rate.

Rationale

Fees are set at a level to recover actual costs involved in processing the consent. The remainder is treated as a public good. Capital value is used as a basis to reflect the level of likely demand for building control services and ability to pay.

ALCOHOL LICENSING**Activity Description**

Licensing and monitoring of premises from which alcohol is sold.

Community Outcome

Vibrant rural towns and communities.

Who benefits?

Private benefit to businesses who gain licences enabling them to trade. Public benefit from having alcohol available in licenced premises which meet licensing standards.

Timeframe of benefits

An ongoing activity with the benefit being realised in the year of expenditure.

Contribution to need

Those who sell or apply to sell alcohol.

Costs and benefits of distinct funding

The UAGC is itemised in Annual and Long Term Plans and on rates assessments so ratepayers can easily identify individual components.

Funding methods

100% fees and charges.

Rationale

Fees are set by statute. Any shortfall is recovered by UAGC on the basis that this activity also has an element of public good.

COMPLIANCE**Activity Description**

Protection of public health and safety through livestock control, litter enforcement, abandoned vehicles, parking enforcement, noise control and related administrative support.

Community Outcome

Respected and sustainable environment.

Who benefits?

All of community benefits from compliance activities.

Timeframe of benefits

An ongoing activity with the benefit being realised in the year of expenditure.

Contribution to need

The public who want to ensure a safe, safety and protection from nuisance outlined in the above description.

Costs and benefits of distinct funding

No benefit from distinct funding.

Funding methods

100% district-wide CV based rate.

Rationale

The funding mechanisms reflects the individual and wider community benefits.

The funding mechanism proposed is 100% district-wide CV based rate.

EMERGENCY SERVICES**Activity Description**

Includes:

Emergency management (civil defence) including 'reduction, readiness, response and recovery' actions.

Funding for tanker replacements prior to 1 July 2017 fire services amalgamation.

Community Outcome

Connected and collaborative.

Who benefits?

The whole community benefits from this public service activity.

Timeframe of benefits

An ongoing activity with the benefit being largely realised in the year of expenditure.

Contribution to need

All residents and ratepayers.

Costs and benefits of distinct funding

No benefit from distinct funding.

Funding methods

100% UAGC.

Rationale

Funding through the UAGC reflects the 'people focus' of Emergency Services.

Summary of Funding Mechanisms

ACTIVITY GROUP	ACTIVITY	OTHER	FEES & CHARGES	GENERAL RATES		TARGETED RATES	
				UNIFORM ANNUAL GENERAL CHARGE (UAGC)	DISTRICT-WIDE RATES CAPITAL VALUE (CV)	RATES BASED ON LOCATION OF AVAILABILITY OF SERVICE UNIFORM CHARGE	LAND VALUE (LV)
Community Leadership	Governance	Council		100%			
		Contract Liability Funding		100%			
		Community Boards		100%			
	West Otago Health		100%				
Economic & Community Development	Economic Development		100%				
	Community Development		100%				
	Community Projects		100%				
	Economic Development Property		100%				
Transportation	Transport (balance after Waka Kotahi subsidy)				37% ¹	63% ²	
	New footpaths		100%				
	District-Wide Main Street	Balclutha, Milton & Lawrence	20%		80%		
Water Supply	Urban Water Supply		100%				
	Rural Water Scheme		100%				
Wastewater	Wastewater		100%				
	District Sewerage Upgrade Support				10%	90%	
	Benhar, Tokoiti & Pounawea Capital				10%	90%	

¹ District roading component ² Local roading component

Summary of Funding Mechanisms

ACTIVITY GROUP	ACTIVITY	OTHER	FEES & CHARGES	GENERAL RATES			
				UNIFORM ANNUAL GENERAL CHARGE (UAGC)	DISTRICT-WIDE RATES CAPITAL VALUE (CV)	TARGETED RATES RATES BASED ON LOCATION OF AVAILABILITY OF SERVICE	
						UNIFORM CHARGE	LAND VALUE (LV)
Stormwater	Urban Stormwater					100%	
	Libraries		5-10%	90-95%			
	Service & Information Centres		5-10%	90-95%			
	Cemeteries		55%	45%			
	Public Toilets			50%	50%		
	Community Housing and Other Property		100%				
	<i>Community Facilities</i>						
Community Services	Swimming Pools		10-15%	40-45%		40-45%	
	Parks, Playgrounds & Reserves			50%		50%	
	Sportsgrounds		2-8%	46-49%		46-49%	
	Halls & Community Centres		12-18%	41-44%		41-44%	
	Clutha Gold Trail			50%		50%	
	Te Pou Ō Mata-Au Clutha District War Memorial & Community Centr			50%		50%	
	Cross Recreation Centre			50%		50%	

Summary of Funding Mechanisms

ACTIVITY GROUP	ACTIVITY	OTHER	FEES & CHARGES	GENERAL RATES		TARGETED RATES	
				UNIFORM ANNUAL GENERAL CHARGE (UAGC)	DISTRICT-WIDE RATES CAPITAL VALUE (CV)	RATES BASED ON LOCATION OF AVAILABILITY OF SERVICE UNIFORM CHARGE LAND VALUE (LV)	
Waste Management & Minimisation	Waste Collection & Disposal		70%			30%	
	Waste Minimisation			100%			
Regulatory & Emergency Services	Resource Management		60-70%		30-40%		
	Animal Control		90-95%	5-10%			
	Environmental Health		10-15%	85-90%			
	Building Control		80-90%		10-20%		
	Compliance				100%		
	Alcohol Licensing		100%				
	Emergency Services*				100%		

* Civil Defence and Rural Fire

OVERALL FUNDING CONSIDERATION

We are required by section 101(3)(b) to consider the overall impact of the allocation of liability for revenue needs on the community. It allows us, as a final measure, to modify the overall mix of funding in response to these considerations.

1. We are required to adjust the total amount collected from the 'uniform annual general charge' portion of the general rate to be within the 30% rule. If the sum of the activities to be funded from the uniform annual general charge is more than the 30% cap, we will adjust the rate down to the cap and the balance will be funded from the general rate.
2. We may use accounting provisions to spread the costs of activities over multiple years for the purpose of smoothing the cost to users and ratepayers.

POLICY ON RATES REMISSION

Relevant Legislation

Local Government (Rating) Act 2002, section 85.

Local Government Act 2002, section 109.

PURPOSE

This policy provides the framework for granting remission of rates and rate penalties under the Local Government (Rating) Act 2002 (the Act).

SCOPE

This policy can apply to any ratepayers in the Clutha District who meet the conditions of the criteria.

POLICY

REMISSION OF RATES FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS

Objective

To assist where practicable, community clubs and organisations in recognition of the valuable 'public good' contribution made by such organisations to the character and well-being of the district.

Conditions and criteria

Council may remit rates for any organisation (for land the organisation owns or uses), for the purpose of any of the following:

- Recreation
- Health
- Enjoyment/leisure
- Instruction
- Sport/physical activity
- Any form of culture

Consideration for remission includes land owned or leased to an organisation where, under the rent or lease agreement, there is an obligation to pay the rates assessed on the land.

The policy will not apply to organisations that are operated for private pecuniary profit.

Procedures

All applications for remission must be in writing and addressed to the Chief Executive. Applications must include (where applicable):

- Statements of objectives of the organisation e.g. constitution.
- Financial statements e.g. recent audited accounts.
- Lease agreement (if applicable).

Any remission of rates will exclude rates in respect to water supply, sewage disposal or waste collection.

A remission of 100% will be applied under delegated

authority. Where the applicant's financial information suggests that 100% may not apply the application will be referred to the Corporate and Policy Committee. For example, the applicant's information demonstrates they have sufficient cash reserves for current and future needs.

A granted remission will apply from the beginning of the rating year in which the remission is granted and continue until such time that an organisation or club no longer meets the criteria.

REMISSION OF RATES FOR LAND SUBJECT TO SPECIAL PRESERVATION CONDITIONS

Objective

To preserve and encourage the protection of land and improvements which are the subject of special preservation conditions.

Conditions and criteria

Rate remission under this provision of the policy relates to land that is owned or used by and subject to one of the following:

- A heritage covenant under the Historic Places Act.
- A heritage order under the Resource Management Act.
- An open space covenant under the Queen Elizabeth the Second National Trust Act.
- A protected private land agreement or conservation covenant under the Reserves Act.
- Any other covenant or agreement entered into

by the owner of the land with the public body for the preservation of existing features of land, or of buildings, where the conditions of the covenant or agreement are registered against the title to the land and are binding on subsequent owners of land.

Procedures

An application for remission will be considered by the Corporate and Policy Committee and must be made in writing and accompanied with supporting documentary evidence of the special preservation conditions.

The application for rates remission must be made prior to commencement of the rating year, i.e. 1 July. Applications received and approved during the rating year will become applicable from the commencement of the following rating year.

The maximum available remission is up to 100% of rates but excludes rates in respect to water supply, sewage disposal or waste collection.

REMISSION OF RATES FOR NATURAL DISASTERS AND EMERGENCIES

Objective

To provide for the possibility of rates remission where a form of natural or other type of disaster or emergency affects one or more residential rating units capacity to be inhabited, used or otherwise occupied for the period of a rating year, or more.

Conditions and criteria

The Council may consider voiding the need for an application and grant remission for any rating unit or group of rating units collectively affected by a natural disaster or emergency.

Each application will be considered on its merits and remission up to 100% may be granted where it is considered just and equitable to do so.

Applications may be declined if there is evidence to

suggest the applicant's actions or inactions contributed to the circumstances under which the application is being made.

Applications for rates remission under this policy will be considered by a full meeting of Council.

Procedures

The Council may, on written application from the ratepayer of rating units affected by a natural disaster or emergency, remit up to 100% of annual rates levied.

Where an application is approved by Council, the rating unit concerned will become non-rateable for the specific rating year.

REMISSION OF UNIFORM ANNUAL GENERAL CHARGES

Objective

To provide for relief from Uniform General Charges when:

- Two or more rating units are owned by the same person or persons, and
- Are part of a subdivision plan which has been deposited for separate lots, or separate legal titles exists but the rating units may not necessarily be used jointly as a single unit, and
- Each rating unit does not benefit separately from the services related to the Uniform Annual General Charge.

Conditions and criteria

Remission of Uniform Annual General charges applies in the following situation:

As a result of the High Court decision of the 20 November 2000 "Neil Construction and others vs. North Shore City Council and others"; in respect to unsold subdivided land, each separate lot or title is treated as a separate Rating Unit and such land is implied not to be used as a single unit.

Rating units that meet the criteria under this provision may qualify for a remission of uniform annual general charges.

The ratepayer will remain liable for at least one uniform annual general charge. Each case for remission will be decided on its own facts. A granted remission will remain in force whilst all land remains contiguous.

Procedures

Ratepayers who consider themselves eligible for remission under this part of the policy may make application in writing to the Chief Financial Officer and will be considered by the Corporate and Policy Committee. All applications will be considered and where eligible remission will be backdated to the beginning of the rating year in which the application has been received.

REMISSION OF SUIP RATES

Objective

To provide a 50% remission of certain rates that are calculated per separately used or inhabited part of a rating unit (SUIP) after the first in situations where the property has mixed uses, is owner occupied and the owner resides on the property.

Remission period

Up to 3 years – subject to change of circumstances.

Remission value

50% of the below rates (after the first).

The remission is only available in respect of the second (and subsequent) charge (i.e., there is no remission in respect of the first charge).

The rates eligible for the remission are:

- Uniform annual general charge
- Water supply targeted rate
- Wastewater targeted rate

Conditions and criteria

The ratepayer must reside at the rating unit.

The ratepayer must operate a business or other non-

residential undertaking from a separate part of the rating unit (such part amounting to a separately used or inhabited part of the rating unit).

For the purposes of the uniform annual general charge, every charge above one is eligible for a 50% remission.

For the purposes of the water and wastewater targeted rates, every charge above one (of each of these targeted rates) is eligible for a 50% remission.

Applications must be made in writing to the Chief Executive.

REMISSION OF PENALTIES

Objective

The objective of this part of the policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayer's control; or in order to ensure the settlement of outstanding rates, provided that the ratepayer has made an arrangement to pay over an extended period. It is also to enable the reduction or waiver of penalties on rates for ratepayers in temporary financial difficulty or hardship due to reduced income.

Conditions and criteria

Automatic remission of the penalties will apply to those ratepayers that have an agreed and sufficient (to cover current rates and arrears) automatic payment or direct debit plan in place.

Remission of one penalty will be considered in any one year when payment has been late due to significant family disruption. This will apply in the case of death, illness or accident of a family member at about the time rates are due.

Remission of the penalty will be considered if the

ratepayer forgets to make payment and claims the invoice was not received or is able to provide evidence that the payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control.

The Council may remit small balances due to cash rounding.

Other conditions for remission may exist and will be considered on their own merit.

Each application for remission will be considered on its own merits and remission will be granted when it is just and equitable to do so.

When significant arrears exist penalties may be remitted whilst regular payments are made to reduce the arrears balance.

If an arrangement to pay rates and/or clear outstanding rates is not adhered to, the Council can apply penalties from when the arrangement is breached (noting that remissions cannot be reversed).

Rating units that meet the criteria under this provision may qualify for a remission of uniform annual general charges. The ratepayer will remain liable for at least one uniform annual general charge. Each case for remission will be decided on its own facts. A granted remission will remain in force whilst all land remains contiguous.

To support the ratepayer's hardship claim the application must include evidence from their bank, accountant or registered budget advisor demonstrating reduced revenue from commercial/ industrial properties, or reduced income from residential properties.

Ratepayer's consent to contact their bank, accountant or registered budget advisor is also required as part of the application. Penalties will be waived if the Council is satisfied that the ratepayer was in financial

hardship and the ratepayer can immediately pay all outstanding rates, or agree to a payment plan for outstanding rates and those due within the next six months via direct debit.

Decisions on remission of penalties will be delegated to officers, as set out in the Council's Delegations Manual.

Review of Remissions

All remissions granted will be reviewed every three years, or if new information is provided, whichever is earlier. This is to ensure that the circumstances under which the remissions were granted continue to exist.

POLICY ON RATES POSTPONEMENT

Relevant Legislation

Local Government (Rating) Act 2002, section 87.

Local Government Act 2002, section 110.

PURPOSE

The objective of this policy is to assist ratepayers experiencing significant financial hardship which affects their ability to pay rates, whether directly through health or indirectly through economic issues.

This policy provides a mechanism through which ratepayers can apply to postpone paying rates for one year. Further applications can be made annually up to a maximum of three years.

SCOPE

This policy can apply to any ratepayers in the Clutha District who meet the conditions of the criteria.

POLICY

Conditions and criteria

The ratepayer must provide evidence from their bank, accountant or registered budget advisor, to the satisfaction of the Council, of significant financial hardship.

- Farming, commercial/industrial and small holding (used for economic return) properties must provide evidence of either:
 - Reduced revenue (by at least 30 per cent for a period of at least one month compared to the same period in the previous year); or
 - Inability to pay both rates and staff salaries; or
 - Inability to pay both rates and other due bills that are essential to ongoing business operations and viability (e.g. input suppliers).
- Residential and small holding (used as a lifestyle block) properties must provide evidence of either:
 - Inability to pay both rates and essential necessities (e.g. food, medicine); or
 - Evidence they have applied for any relevant government support (including unemployment and other benefits) and a mortgage holiday from the bank (if relevant).

Upon approval, from 1 July 2020 annual rates for the postponement period of up to one year (and, if applicable, water meter rates) are postponed. Further applications will be required for further postponements. Applications can be made annually up to a maximum of three years.

Interest shall be charged during the postponement, with the interest charge set to reflect the Council's forecast investment rate.

Ratepayers that are not the owner of the property must have the agreement of the property owner to the postponement.

A rating charge will be registered on the certificate of title.

The postponed rates will remain as a charge against the property and must be paid in full either at the end of the postponement period or when the property is sold.

Decisions of the Chief Executive are final and there are no appeal rights to Council's elected representatives.

Council may suspend the operation of this policy if the Council is under financial pressure. If this occurs, staff must, as soon as reasonably practicable, notify the Council for a determination whether to revoke or resume the policy.

Delegations

Decisions are delegated to the Chief Executive.

POLICY ON REMISSION & POSTPONEMENT OF RATES FOR MAORI FREEHOLD LAND

Relevant Legislation

Local Government Act 2002.

Local Government (Rating) Act 2002.

Local Government (Rating of Whenua Māori) Amendment Act 2021.

Te Ture Whenua Māori Act 1993.

PURPOSE

This policy allows for rates remissions on Māori freehold land.

This policy promotes the retention of Māori freehold land in the hands of its owners, their whānau and their hapū.

This policy aims to reduce the barriers for owners of Māori freehold land who want to occupy, develop and utilise their whenua for the benefit of its owners, their whānau and their hapū.

SCOPE

This policy applies to all rateable Māori freehold land in the Clutha District.

Definitions

Council - Clutha District Council the organisation (not its elected members).

Māori freehold land - Land whose beneficial ownership has been determined by the Māori Land Court by freehold order (as per s5 Local Government (Rating) Act 2002).

Rates postponement - Rates for which the requirement to pay is delayed.

Remitted rates - Rates for which the requirement to pay is cancelled.

REMISSION OF RATES

This policy provides for the remission of rates on Māori freehold land that meet the conditions and criteria set out in section 3.

Council encourages and will support applications for remission of rates on Māori freehold land where the landowner(s) or another person is developing the land or intends to develop the land in accordance with the conditions and criteria set out in section 3.

Objectives for the remission of rates

To provide rates remissions on Māori freehold land to assist landowners to achieve the implementation of the following

objectives:

- To promote the retention of Māori freehold land in the hands of its owners, their whānau, and their hapū, and to protect wāhi tapu.
- To facilitate the occupation, development, and utilisation of Māori freehold land for the benefit of its owners, their whānau, and their hapū.

Conditions and criteria for the remission of rates

Applications for the remission of rates on Māori freehold land must be made in writing to the Council and should include:

- The amount of rates requested to be written off.
- The reason for the request.
- Council's valuation reference for the parcel(s) of land.
- A description of the land and its current use.
- An indication of the ownership and documentation that shows the land is Māori freehold land (if Council does not already possess this information).
- Future plans for the land (if any).
- Sources of and level of income generated by the land (if any).
- How the application meets one or both of the objectives listed in section 2.

Council may grant a remission of up to 100% of all rates (including penalties for unpaid rates) except for targeted rates for water supply, sewage disposal or refuse collection.

Council will consider how the application aligns with the objectives listed in section 2 of this policy and the matters set out in Schedule 11 of the Local Government Act 2002 (see notes) when making decisions on the remission of rates on Māori freehold land.

Council will consider the matters listed in section 114A of the Local Government (Rating) Act 2002 (see notes) when considering applications for rates remissions on Māori freehold land that is under development or is intended to be developed.

Council will remit rates (and penalties if applicable) for the year applied for and for up to 5 years in the case of development of land. If a remission of rates application is applied for annually for the same parcel of land, only

additional information Council does not have from previous applications will need to be provided, however, application is still required to be made in writing annually, except in the case of development applications where a longer remission term (of up to 5 years) has been requested by the applicant and granted by the Council.

POSTPONEMENT OF RATES

This policy does not provide for the postponement of rates specifically for Māori freehold land.

Council has a policy on the postponement of rates (Policy on Rates Postponement) applicable to all land in the Clutha District for when landowners are experiencing significant financial hardship.

The Policy on the Postponement of Rates can be used for Māori freehold land when owners are experiencing

significant financial hardship, however, to better align this policy with the preamble to the Te Ture Whenua Māori Act 1993 landowners are encouraged to apply for a remission of rates rather than a postponement of rates so:

- Rate debt burden is avoided for Māori freehold landowners.
- Future development and utilisation of Māori freehold land is not discouraged in any way by historical rates arrears.
- Māori freehold land remains in the hands of its owners.

FINANCIAL CONTRIBUTIONS POLICY

PURPOSE

To provide predictability and certainty about the sources and levels of funding to meet increased demand for reserves and infrastructure resulting from growth by enabling Council to recover contributions from those persons undertaking development as a condition of a resource consent or permitted activity or where that development or activity may have an adverse effect.

STATUTORY CONTEXT

2.1 Section 106 of the Local Government Act 2002 requires a local authority to adopt a development contributions or financial contributions policy.

2.2 “Financial contributions” has the meaning given to it by section 108(9) of the Resource Management Act 1991 (RMA), i.e. financial contribution means a combination of:-

- (a) Money; or
- (b) Land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Māori Act 1993 unless that Act provides otherwise; or
- (c) A combination of money and land.

2.3 Development contributions may take the same form as above, but they are only available to fund additional infrastructure costs that occur as a direct result of growth.

They are a tool to allocate the cost of growth to those who cause the need for the additional infrastructure.

DEVELOPMENT CONTRIBUTIONS

Clutha District Council's policy in relation to development contributions is to not assess development contributions under the Local Government Act 2002 but to take financial contributions, pursuant to Section 109 of the RMA.

FINANCIAL CONTRIBUTIONS

4.1 The objective of this policy is to require financial contributions, in appropriate circumstances, for the purpose of meeting the costs of increased demand for reserves and infrastructure resulting from growth.

4.2 Council may require that a financial contribution be made to Council as a condition of resource consent or permitted activity where that activity or development requires additional capacity from any of the following:

- (a) The recreational resources and facilities of the District; and
- (b) Wastewater, water and roading networks.

POLICY DETAILS

Council has considered all matters it is required to consider under the Act when making a policy on financial contributions. The Council has also considered the requirements in Section 106 of the Act relating to the content of such a policy. Policy resulting from these considerations is set out in this section.

5.1 Appropriate sources of funding

5.1.1 Council incurs capital works expenditure in order to:

- (a) provide additional capacity in assets to cater for new development;
- (b) improve the level of service to existing households and businesses;
- (c) meet environmental and other legislative requirements; and
- (d) Renew assets to extend their service life.

5.1.2 Section 101(3)(a) of the Act states that the funding needs to meet these expenditure requirements must be met from sources that Council determines to be appropriate, following a consideration, in relation to each activity, of a number of matters. Council's consideration of these matters as it relates to the funding of capital expenditure is outlined in the Revenue and Financing Policy. The analysis contained in the Revenue and Financing Policy is also applicable to this policy.

5.1.3 Council has had regard to and made the following determinations under each activity in relation to the

matters set out under section 101(3)(a)(i)-(v) of the Act: that financial contributions are an appropriate source of funding for water supply, sewerage, roading and reserves.

5.1.4 Section 106 of the Act requires Council to:

- (a) summarise and explain the total cost of capital expenditure that Council expects to incur to meet the increased demand for community facilities resulting from growth; and
- (b) state the proportion of that total cost of capital expenditure that will be funded by—
 - (i) development contributions;
 - (ii) financial contributions; and
 - (iii) other sources of funding.

5.1.5 These requirements are met in Schedule 1 of this policy.

5.1.6 Section 106(2)(d) of the Act requires the Council to identify separately each activity or group of activities for which a financial contribution will be required and in relation to each activity or group of activities the total amount of funding sought by financial contributions.

This requirement is met by Schedule 2 of this policy.

5.1.7 The Resource Management Act 1991 authorises local authorities to impose financial contributions to address effects associated with subdivision, land use or development. Council may require a financial contribution, as a condition of consent, in accordance with any relevant rule in the Clutha District Plan.

5.1.8 Provisions regarding financial contributions towards water supply, sewerage, roading and reserves are detailed in Section 3.8 of the Clutha District Plan and should be referred to when reading this policy.

5.1.9 Section 106(2)(f) of the Act states that if financial contributions are required this policy must summarise the provisions that relate to financial contributions.

This summary is set out in Schedule 3.

POLICY REVIEW

This policy shall be reviewed by December 2026.

SCHEDULES

SCHEDULE 1 – Capital Expenditure to meet increased demand resulting from growth and sources of funding

The growth assumption for the Long Term Plan is sufficiently low that Council has not budgeted for any capital expenditure in regard to growth for the 2024/34 Long Term Plan. Consequently there are no financial contributions in the Long Term Plan relating to the increased demand resulting from growth.

SCHEDULE 2 – Financial Contributions by Activity

As explained under Schedule 1, there are no financial contributions included in the Long Term Plan relating to the increased demand resulting from growth.

SCHEDULE 3 – Summary of Financial Contribution Provisions

Section 106(2)(f):- because the Council may require financial contributions this policy must summarise the provisions that relate to financial contributions in the District Plan. Section 3.8 of the Clutha District Plan requires the following contributions:

Roading

The financial contribution required for upgrading roads that serve subdivision and developments shall be a reasonable and equitable charge having regard to the following matters:

- (a) the current status and standard of the road both

leading to and fronting the site, and the adequacy of that road for its current use

- (b) the standard and classification of the road required as a result of the subdivision/development the expenditure required to meet this standard
- (c) the use or likely future use of the road by other parties and the contributions (if any) to be made or already made by such parties
- (d) the contributions made by Government or outside organisations towards the development of the road, and any contributions (if any) already made by the subdivider or developer provided that after having considered these factors the maximum contribution required may be determined 100% of the actual cost.

Reserves

A financial contribution for the purpose of acquiring, improving and/or developing reserves and recreational facilities throughout the district may be imposed in the following circumstances:

- (a) as a condition of a permitted activity
- (b) as a condition of a resource consent for any subdivision or development for residential or commercial or industrial purposes.

Wastewater

Financial contributions may be required where an activity, whether or not it requires resource consent, is to be connected to an existing public sewerage system.

The financial contribution shall be calculated in accordance with section 3.8 of the Clutha District Plan and applies where any subdivision or development occurs outside the boundary of the areas defined in the District Plan as an Urban Resource Area and that subdivision wishes to connect to an existing sewerage system provided by the Council and when any development occurs within the Urban Resource Area which increases the intensity of development.

Water

Financial contributions may be required where an activity, whether or not it requires resource consent, is to be connected to an existing public water system.

The financial contribution shall be calculated in accordance with section 3.8 of the Clutha District Plan and applies where any subdivision or development occurs outside of the boundary of the areas defined in the District Plan as an Urban Resource Area and that subdivision wishes to connect to an existing public water system provided by the Council and when any development occurs within the Urban Resource Area which increases the intensity of development.