



AGENDA

Ordinary Council Meeting Monday, 15 February 2021

Date Monday, 15 February 2021

Time 9am - Long Term Plan

Location Council Chamber
District Council Building
King George Place
Timaru

File Reference 1405026

Timaru District Council

Notice is hereby given that a meeting of the Ordinary Council will be held in the Council Chamber, District Council Building, King George Place, Timaru, on Monday 15 February 2021, at 9am - Long Term Plan.

Council Members

Mayor Nigel Bowen (Chairperson), Clrs Allan Booth, Peter Burt, Barbara Gilchrist, Richard Lyon, Gavin Oliver, Paddy O'Reilly, Sally Parker, Stu Piddington and Steve Wills

Quorum – no less than 5 members

Local Authorities (Members' Interests) Act 1968

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

Bede Carran

Chief Executive

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*** Supplementary Reports will be distributed as soon as possible today.**

- 1 Opening Prayer and Waiata**
- 2 Apologies**
- 3 Public Forum**
- 4 Identification of Urgent Business**
- 5 Identification of Matters of a Minor Nature**
- 6 Declaration of Conflicts of Interest**

7 Reports

7.1 Long Term Plan 2021-31 Overview and Strategic Direction

Author: Mark Low, Strategy and Corporate Planning Manager

Authoriser: Bede Carran, Chief Executive

Recommendation

That the Council adopts the Strategic Direction as presented for the Long Term Plan 2021-31.

Purpose of Report

- 1 To give an overview of the remaining Long Term Plan 2021-31 process and consider and adopt the final strategic direction for inclusion within the Long Term Plan 2021-31.

Assessment of Significance

- 2 This report is of low significance. The Long Term Plan 2021-31 including the Strategic Direction will be consulted on during April/May 2021.

Background

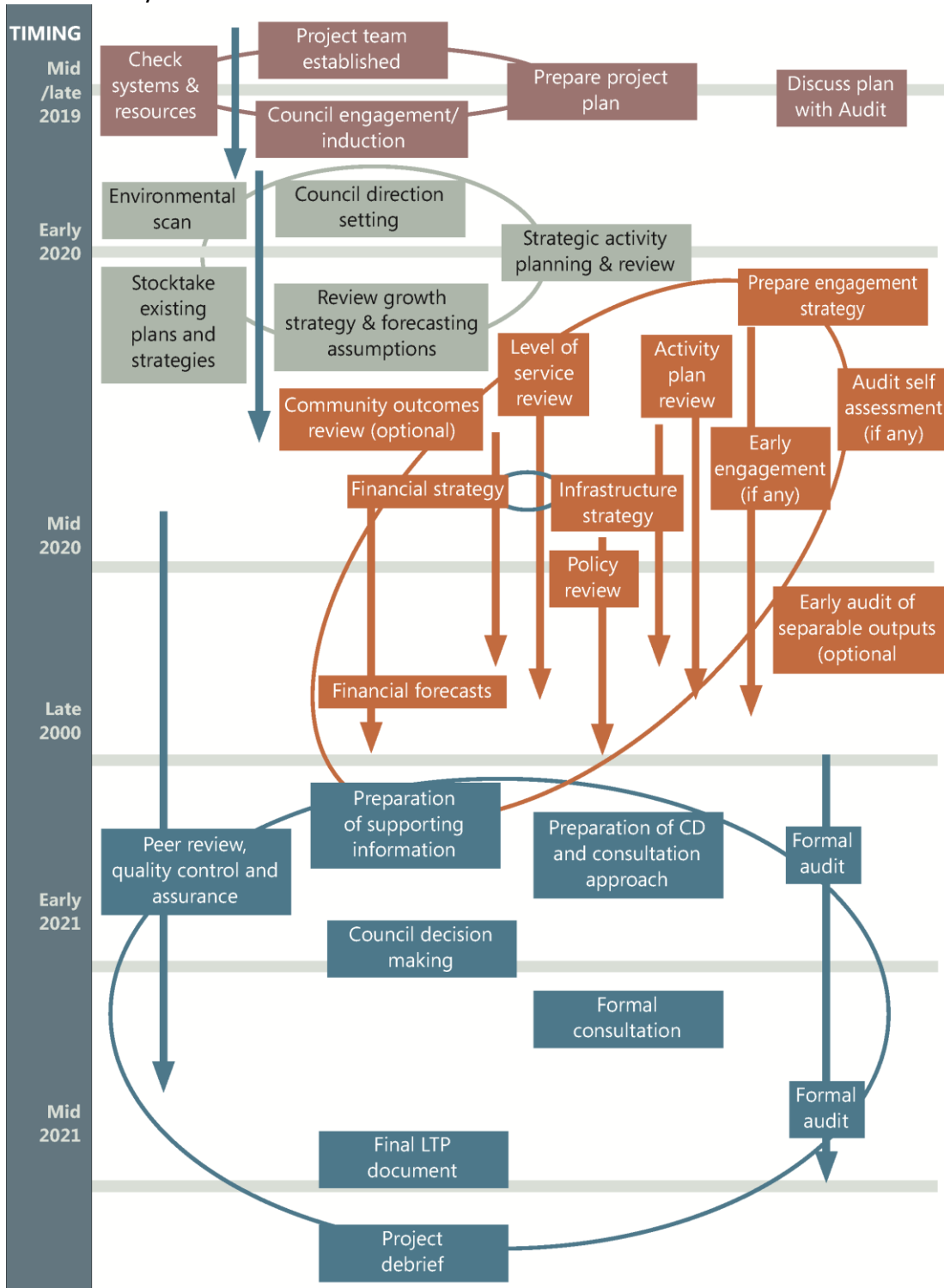
- 3 The Local Government Act 2002 (LGA) requires the Council to have a Long Term Plan (LTP) at all times. The plan must be reviewed every three years, with adoption of the LTP 2021-31 required by 30 June 2021. Under the Act, the current purpose of a long-term plan is to:

- a) describe the activities of the local authority; and
- b) describe the community outcomes of the local authority's district or region; and
- c) provide integrated decision-making and co-ordination of the resources of the local authority; and
- d) provide a long-term focus for the decisions and activities of the local authority; and
- e) provide a basis for accountability of the local authority to the community.

(Local Government Act 2002, Section 93:6)

- 4 The LTP is prepared across the Council organisation and involves all of our various activities. It sets high-level strategic direction for what is important to the community and what the Council will deliver through its activities. The development of the LTP is a continuous process, so each three year review builds on previous work.
- 5 The process is led by the Mayor with input from all elected members. An internal project team is overseeing the development of the LTP 2021-31, comprising the Senior Leadership Team, Strategy and Corporate Planning, Programme Delivery, Finance and Communications.
- 6 The process includes in the preparation of a number of building blocks to compile the final LTP. How these fit as part of the LTP development are illustrated in the diagram below, with approximate timeframes. These include:
 - Activity Management Plans
 - Policies, including the Revenue and Financing Policy, Treasury Management policies and Rates Remission and Postponement policies

- Infrastructure Strategy
- Financial Strategy
- Activity budgets
- Activity statements



- 7 Many of these building blocks are developed in tandem and interconnected, while others follow as further information is developed and gathered. The LTP document represents the consolidation of that thinking - about future direction and goals, levels of service, activities and funding implications.
- 8 Work to date on the LTP has included:

- Preparation of project plans and timetables
- Training and advice to officers relating to the Activity Management Planning process
- Development of a new Strategic direction, including council and community board workshops and a light community engagement
- Preparation of draft activity management plans and budgets
- Development of draft general and financial assumptions
- Preparation of draft budgets, capital programmes and other financial information
- Preparation of draft policies and consideration of policy changes required
- Consideration of key issues and preparation of background information
- Preparation of draft infrastructure and financial strategies
- Council workshops on multiple topics, including the LTP process, strategic direction, financial strategy, infrastructure strategy, policies, assumptions and potential LTP consultation issues

9 Community Boards have also considered a version of this report, and are considering any further inputs into the LTP for Council prior to adoption.

10 The next stage of the process involves Council’s consideration of all of this information, stage one of the LTP audit and preparing the LTP story for community engagement. In summary, remaining tasks to complete prior to the LTP being adopted in June, include:

- Final preparation of LTP supporting information (e.g. Financial Strategy, policies, Infrastructure Strategy)
- Consideration of all LTP information, budgets and consultation issues (including Council’s preferred option)
- Final preparation of the LTP Consultation Document and Supporting information
- Stage One of the LTP Audit following the February Council meeting
- Adoption of the LTP Consultation Document and Supporting information for engagement
- LTP Community engagement
- Consideration of LTP engagement feedback and changes to the LTP
- Stage Two of the LTP audit prior to adoption
- Finalisation and adoption of the LTP document

11 The key remaining timetable dates are summarised below:

Date	Task
15-17 Feb	Council meeting to consider Draft LTP information
22 Feb	LTP Audit commences
30 March	LTP CD and Supporting Information adopted for consultation
8 April – 10 May	LTP Community Engagement

31 May – 2 June	LTP Hearings
14 June	Final LTP audit commences
29 June	LTP Adoption

Discussion

Strategic Direction

- 12 This agenda has been structured to consider and confirm many of the draft elements for the LTP. One of these is the Strategic Direction, which Council and Community Boards have reviewed via workshops and discussion over the last six months. The strategic direction is important to setting the context for the LTP, the areas for Council focus and its priorities. Due to the broad range of activities the Council is involved in and its wide contribution across all areas of the community, the Strategic Direction is inevitably broad.
- 13 The draft strategic direction is summarised below (for further detail see the attachment):



Together we can thrive

Our Vision

Where people, place and business prosper within a healthy, adaptable and regenerative environment.

Our Values

- ▶ Inclusive Leadership
- ▶ Cultural Caretakers
- ▶ Transition Navigators

Community Wellbeing Outcomes

To promote our district’s social, economic, environmental and cultural wellbeing, Council is focused on:

- ▶ Connected Citizens
- ▶ Enhanced Lifestyle
- ▶ Sustainable Environment
- ▶ Diverse Economy
- ▶ Resilient Infrastructure

- 14 Under the LGA, Council is required to consider the social, economic, environmental and cultural wellbeing of its community. As part of the LTP, Council must also describe the community outcomes for the district.
- 15 Council has drafted community wellbeing outcomes which provide high level wellbeing goals for the whole district. The wellbeing outcomes sought are:

- 15.1 Connected citizens;
 - 15.2 An enhanced lifestyle;
 - 15.3 A sustainable environment;
 - 15.4 A diverse economy; and
 - 15.5 Resilient infrastructure.
- 16 Council has identified specific focus areas which sit below each of these outcomes and broadly align with Council's activities. These focus areas will guide the prioritisation of the LTP work programme, as Council works to achieve the wellbeing outcomes for the District.
 - 17 Light engagement on the draft strategic direction was undertaken in November/December 2020. An online survey tested how the draft strategy aligns with the wider community's ideas for wellbeing. Councillors and Community Board members visited community facilities and events to discuss the strategic direction with the public.
 - 18 These engagements and the 74 high quality responses received, have provided positive confirmation that the strategy and focus areas resonate well with the community. The survey responses are included in the supporting information to this agenda.
 - 19 Confirming the Strategic Direction means that Council is making a commitment to progress it through the work that we do, and that the Vision, values and Community wellbeing outcomes will underpin Council decision-making going forward.
 - 20 To help achieve this, all of Council's work should be viewed through this lens. Council officers will be considering ways to further embed the Strategic direction in Council's work going forward, such as via report writing, community wellbeing monitoring, considering where Council can add value or facilitate support and making it part of our regular conversation with the community.
 - 21 Council officers have been informed of the Strategic Direction work throughout the development of other LTP elements and have been considering it in draft form as part of their preparation.

Options

- 22 The Council has the following options:
 1. Adopt the Strategic Direction for inclusion in the LTP 2021-31 (Preferred Option)
 2. Adopt the Strategic Direction, with amendments, for inclusion in the LTP 2021-31
 3. Do not adopt the Strategic Direction.

Consultation

- 23 The Draft LTP will be consulted on during April/May, following consideration by Council and the LTP audit. A Consultation Document is prepared outlining the key issues that Council wants feedback on, and LTP supporting information is also prepared and provided for comment.
- 24 The community will have a further opportunity to comment on the Strategic Direction (if adopted) as part of the LTP community engagement in April/May 2021.

Relevant Legislation, Council Policy and Plans

- 25 Local Government Act 2002: The LGA sets out the legislative requirements for the LTP, including the purpose and content of the LTP and the consultation document content, and consultation requirements.
- 26 Long Term Plan policies and strategies: In accordance with the LGA, Council must develop and adopt financial and infrastructure strategies and various policies for inclusion in the LTP.
- 27 Long Term Plan 2018-28: Council's current LTP guides the development of the 2021-31 plan, as many of the works planned for will continue into the new plan.

Financial and Funding Implications

- 28 The Strategic Direction guides Council's work, so inevitably has funding and financial implications spread across Council activities. The LTP represents the consolidation of this thinking, and the tradeoffs and decisions that are made to deliver on it.

Attachments

1. **Revised Strategic Direction January 2021**  
2. **Thriving Together Strategic Direction Survey Responses**  

Timaru District Council

Our Vision

Where people, place and business prosper within a healthy, adaptable and regenerative environment.

Our Values and Role

Inclusive Leadership

Through inclusive leadership, citizens play an active role in the District, creating shared responsibility and a connected vision for the future.

Cultural Caretakers

Protecting and regenerating our unique cultural and environmental heritage so that we can retain a strong sense of identity for current and future generations.

Transition Navigators

Being adaptable to change by embedding the principles of agility and resilience into our approach towards enhancing our community wellbeing outcomes.

COMMUNITY WELLBEING OUTCOME

Connected Citizens

GOALS

Connected Citizens embrace social connection and learning through sharing stories and ideas, and civic engagement.

This Community Wellbeing Outcome seeks to actively support the contribution of citizens in activities that foster inclusion, agency and democracy.

FOCUS AREAS

1. Open to Ideas

We will actively support the contribution of citizens in activities to foster inclusion and democracy.

2. Sharing Stories

We will support the growth of local identity, and community pride through sharing stories, learning and documenting local history.

3. Enabling Community

We will enable community ownership of projects, by supporting community groups and initiatives.

4. Foster Iwi Relationships

We will develop collaborative relationships with papatipu runganga.

5. Advocacy and Leadership

We will advocate and encourage citizens to contribute ideas and perspectives in an easily accessible way.

COMMUNITY WELLBEING OUTCOME

Enhanced Lifestyle

GOALS

Enhanced Lifestyle focuses on providing a healthy community environment, that enables affordable access to the range of facilities, opportunities and resources we need to thrive.

This Community Wellbeing Outcome seeks to enhance lifestyle and strengthen equity within our community.

FOCUS AREAS

1. Accessible and Active

We will enable an active lifestyle for everyone across the accessibility spectrum.

2. Shared Spaces

We will develop and maintain shared spaces that support community activity, diversity and foster pride.

3. Facilities and Services

We will provide future proofed services and facilities to enhance the community.

4. Affordability

We will strive to ensure affordability and equity are at the heart of our planning.

5. Health & Wellness

We will create opportunities for all citizens live within a safe, healthy community, where wellness needs are embraced.

COMMUNITY WELLBEING OUTCOME

Sustainable Environment

GOALS

At the heart of our sustainable environment is the practice of **kaitiakitanga**. It is our role to be **guardians of our natural environment**.

This Community Wellbeing Outcome seeks to encourage the regeneration of our environment and foster a culture of sustainability.

FOCUS AREAS

1. Kaitiakitanga

We will foster a strong connection between our people and the environment.

2. Low Carbon and Energy

We will promote and support low-carbon, low-energy practices.

3. Minimise Waste

We will lead and promote waste minimisation.

4. Clean Environment

We will prioritise sustainable land and water use to help regenerate our environment.

5. Encourage Biodiversity

We will support practices, partnerships and policies to protect and regenerate our native flora and fauna.

COMMUNITY WELLBEING OUTCOME

Diverse Economy

GOALS

Enabling the conditions for a diverse and prosperous economy that creates local, national and international opportunity for a thriving community.

This Community Wellbeing Outcome seeks to build on our unique local strengths to create a prosperity now and for future generations.

FOCUS AREAS

1. Sustainable growth

We will support sustainable growth in the right place.

2. New and Niche

We will encourage innovation and new opportunities to further diversify our economy.

3. Leverage Local Strength

We will leverage local strengths to retain and grow local talent.

4. Thriving Business

We will create opportunities for local businesses to thrive through networks & support.

COMMUNITY WELLBEING OUTCOME

Resilient Infrastructure

GOALS

Investing in the future through well conceived and planned projects that support the growth and wellbeing of the community and the environment.

This Community Wellbeing Outcome considers the critical transitions we are facing creating a sustainable platform for future generations.

FOCUS AREAS

1. Invest for Future

We will invest in high quality infrastructure to meet the needs of our community.

2. Apply Good Practice

We will use quality data and good practice to enable high quality infrastructure decision-making.

3. Responsive Planning

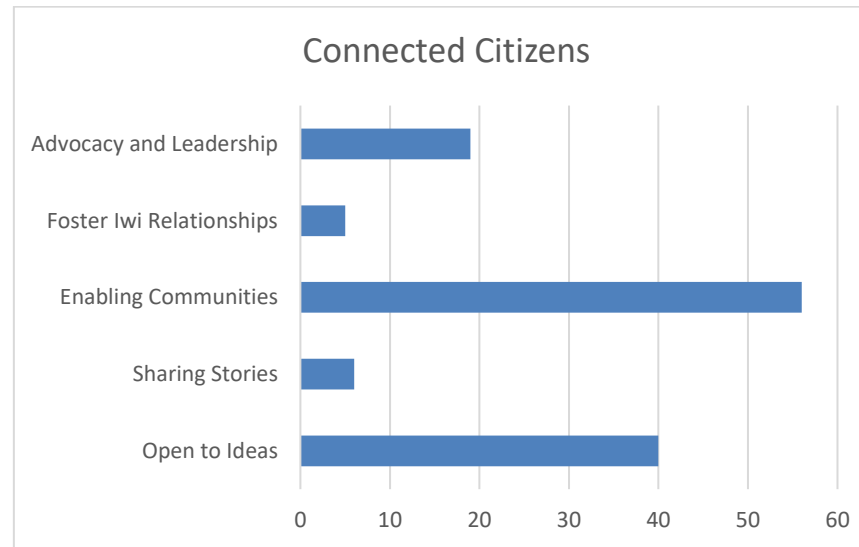
We will prioritise resilience in our planning for future infrastructure.

4. Engage with People

Council will engage with our community to develop solutions to future infrastructure challenges.

Thriving Together Survey Responses

The survey asked participants to select a focus area from each Community Wellbeing Outcome that they felt most strongly about, and then to explain why. The bar charts show which focus areas were selected by participants as most important to them.



Community Wellbeing Outcome: Connected Citizens	
Focus Area	Response
Advocacy and Leadership	Informing the public so that correct decisions can be made.
Advocacy and Leadership	What steps will the Council take to prepare the community to be informed to engage in developing solutions?
Advocacy and Leadership	The community relies upon key decision makers to influence direction and stand up for those who have less of a voice. Leadership is about inspiring others and improving the status quo, it is about being brave and putting plans into action that create positive change. Timaru risks being left behind without visionary powerful and passionate leadership.

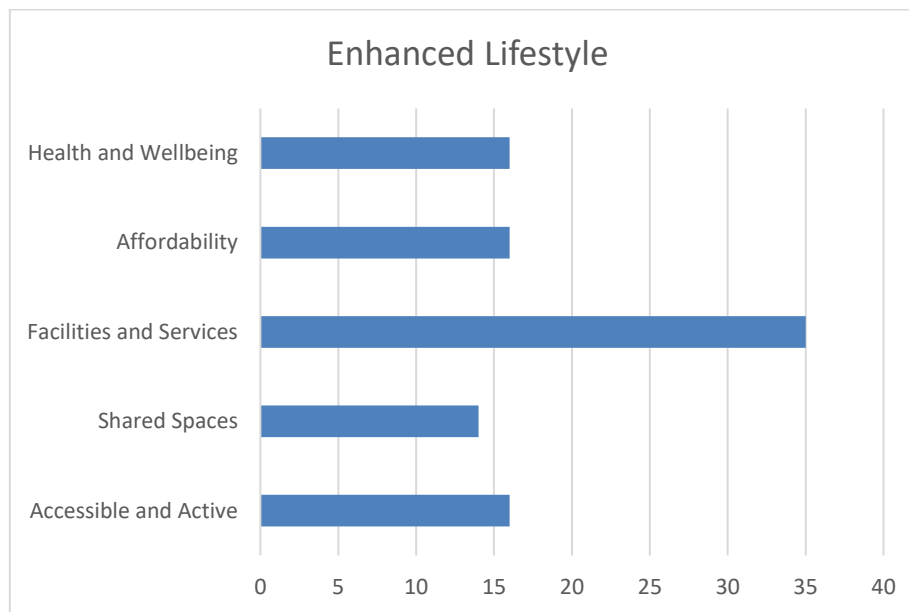
Advocacy and Leadership	
Advocacy and Leadership	
Advocacy and Leadership	
Advocacy and Leadership	
Advocacy and Leadership	
Enabling Community	
Enabling Community	There are so many great ideas, creative people and a will to make things happen out there - a supportive Council would help things flourish.
Enabling Community	
Enabling Community	Because volunteers can only do so much. In my experience the Council can slow volunteering efforts and projects due to too much red tape. Also in my experience, my projects don't fit the standard mold for funding opportunities. Thankfully there are some excellent staff at the Council who help make things happen, but the leadership at Council seems risk adverse and the over head of working to meet the expectations is huge. Better leadership, networking, time resource for staff to meet with volunteers could help deliver better outcomes and enable our community to achieve more
Enabling Community	
Enabling Community	
Enabling Community	Gives people pride and ownership in helping building a better community together
Enabling Community	Because different people have different passions and areas of expertise that can benefit the whole community
Enabling Community	
Enabling Community	
Enabling Community	All the community needs to contribute to our outcomes not the vocal few
Enabling Community	Its the base from which the rest grow.
Enabling Community	Giving our community a livelier vibe

Enabling Community	
Enabling Community	The CBD is the key to progress. For S C
Enabling Community	Our community is only strong when its most vulnerable are thriving. Many people are living in our district but are isolated. If we have a stronger focus on working with and connecting some of these groups collaboratively so they start to thrive our whole district will benefit hugely.
Enabling Community	
Enabling Community	We need to be able to respond to the changing needs of the people who live here. eg making the links that mean that everyone's needs are met regardless of different incomes, cultures and social needs
Enabling Community	
Enabling Community	To give everyone a fair go at a good life.
Enabling Community	In the event of an emergency or disaster, it is often your neighbours that you turn to for front line support. This is easier if you know your community and are connected and know what to do, the information and processes need to be both accessible and inclusive and strengthen communities.
Enabling Community	If the Community is not informed or engaged in important decision making it may cause discontent with those parties affected. Therefore leading to disengagement and ill-feeling toward the TDC
Enabling Community	
Enabling Community	
Enabling Community	while I value all of the targets listed in this area, enabling community suggests a form of inclusiveness that allows the other goals to be achieved through responsiveness to all parts of the community. It suggests a nimbleness for changing environments and thoughtfulness for all segments of the community
Enabling Community	
Enabling Community	Council should listen to their citizens
Enabling Community	Connection of people and relationships enable effective and resilient future projects. As well as increasing emotional health by a sense of belonging

Enabling Community	An enabling community draws people together, looks after weaker members and gives people a strong sense of community enabling us all to thrive
Enabling Community	Society in recent years has moved away from the sense of community and connectedness. We need to enable that for the future wellbeing of our society.
Enabling Community	Enabling means creating a pathway for inclusion. Citizens are able to better engage with the district and all it has to offer. Enabling the community to engage through events, easy access, communication etc.
Enabling Community	By the people, for the people. There are a lot of strengths and resources within our communities, they need to be enabled to contribute to the myriad changes required to transition to a socially just and environmentally sustainable region. And we must be the benefactors. Outsourcing anything, from our three water infrastructure, and health system, or our retail, is exactly that, leaving critical facets of our wellbeing in the hands of others who don't understand our context nor will make decisions in the best interests of our community. Check www.inspiringcommunities.org.nz and many other sources for related concepts and content.
Enabling Community	It is at the heart of building a society that focuses collectively or co-operatively
Enabling Community	AS having a community - which is and can be inclusive. To all who want to live and visit it - for whatever reasons is important
Enabling Community	open and transparent process to engage community and provide what is needed to build stronger supportive community
Foster Iwi Relationships	Treaty of Waitangi
Foster Iwi Relationships	
Foster Iwi Relationships	
Foster Iwi Relationships	
Foster Iwi Relationships	
Open to Ideas	Being open to ideas allows creativity and inclusiveness, building trust and positive relationships between council and key stakeholders
Open to Ideas	Timaru is becoming a stagnant town and in a time of global change we need to be able to change with it. Covid has exposed weak points in a lot of sectors and overall Timaru has coped well but there are always new opportunities for growth that need to be explored and not pushed to the side
Open to Ideas	The people live in Timaru. Lets here what they have too say! Showgrounds YES!!!!

Open to Ideas	
Open to Ideas	
Open to Ideas	Idead can mean growth new business more jobs blocking ideas and Timaru dies
Open to Ideas	Open to ideas is needed to get rid of any association of previous decisions. New ideas need to be implemented to move forward and create new fresh opportunities for present and future citizens
Open to Ideas	As a council you have the duty to simply relay the community's visions, not dictate them
Open to Ideas	
Open to Ideas	
Open to Ideas	The world is changing quickly - Timaru needs to adapt and be open to change. This change is likely to be incremental. But small incremental change over a long period of time can make a difference. I don't think we have proven yet that the big bang approach to innovation is working, so incremental change would be a good step. Up to 3 key priorities per year, which are reassessed each year.
Open to Ideas	
Open to Ideas	
Open to Ideas	
Open to Ideas	Continuing to spend doing the same old ways is not sustainable heading forward
Open to Ideas	Being willing to embrace new ways of doing things and thinking about impact on future generations
Open to Ideas	
Open to Ideas	
Open to Ideas	
Open to Ideas	Need to listen to the community and their ideas
Open to Ideas	

Open to Ideas	Change is positive, growth is positive. Opening Timaru to new ideas and embracing change and attracting population growth is key. Some in timaru resist change but timaru needs more people to survive. Change will bring people.
Sharing Stories	If we know who was here, where we came from and where our newer citizens come from we can understand each other better. We also need to know why different areas of our region are important. Knowing about our region can help us to feel like we belong and that investment in our infrastructure is important
Sharing Stories	
Sharing Stories	
Sharing Stories	



Community Wellbeing Outcome: Enhanced Lifestyle	
Focus Area	Response
Accessible and Active	Playgrounds are not always toddler friendly, pram friendly. The Botanic Gardens are difficult to walk around with a pram, a better path would help, I think this would also help those in wheel chairs. Nappy changing facilities in public toilets is also lacking.
Accessible and Active	
Accessible and Active	Inclusiveness
Accessible and Active	
Accessible and Active	Disabled people are too often left out of being able to participate and be active. In particular we need more wheelchair accessible walks in the wider district.

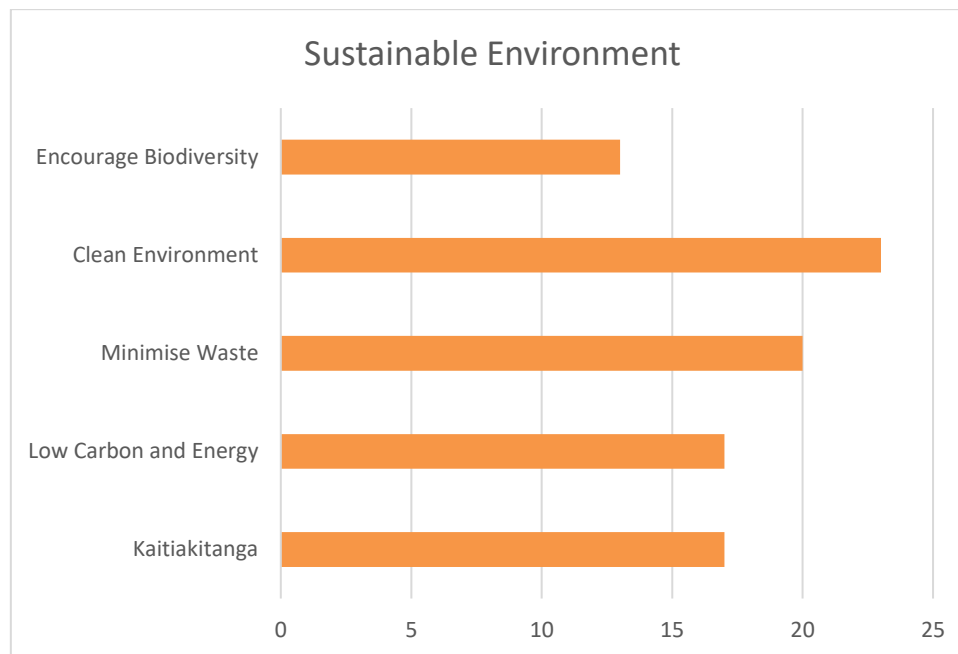
Accessible and Active	Ensuring what is built and developed doesn't leave anyone behind or excluded.
Accessible and Active	Community wellbeing needs to promote the health of everyone, particularly considering people most disadvantaged in our society. Spaces and facilities need to be bicultural, welcoming to Maori, welcoming to variety of cultures and physically accessible.
Accessible and Active	
Accessible and Active	
Accessible and Active	Wuhoo/timaru rocks/costal walkway are great examples of this - its getting people out there connecting timarus, landscape, facilities, history and assests for little expense
Accessible and Active	As having a community - that is accessible/safe for all. Including those that may experience a range of impairments is important
Affordability	Having a great mix of activities and a thriving community is pointless if people can't afford to take part
Affordability	
Affordability	If I cant afford to use it I wont
Affordability	
Affordability	
Affordability	
Affordability	
Affordability	Yo help you get families be involved
Affordability	too much now days is dependant on personal wealth. Poverty is a real impediment to many and it puts children behind from the start. Accessibility is also an overlooked variable
Affordability	
Affordability	Hello
Affordability	
Facilities and Services	Everything

Facilities and Services	Provision of a suitable range of facilities and services attracts people to the region, enhances the lives of those who are here, and fosters creativity and community effort
Facilities and Services	
Facilities and Services	Access to our arts and culture helps grow our sense of identity and helps with pride of place. Unfortunately Timaru people have an identity crisis, they may have lived here for 20 years but do not see themselves as a Timaru person. This is not what it is like in Wellington for example. People have moved there from other places lived there for 3 or so years then strongly identify as a Wellington person. Services and Facilities can foster pride in the community and be a draw card for people to move and live here
Facilities and Services	Our cultural taonga (e.g. Aigantighe Gallery, Museum, Theatre Royal, Libraries etc) are important for the soul. Culture and the Arts are a vital part of a thriving community
Facilities and Services	SHOWGROUNDS!!!!
Facilities and Services	
Facilities and Services	
Facilities and Services	Provide things for everyone but must be affordable
Facilities and Services	The Timaru high street is in dire need of investment, upgrade into the modern world. Make it an inviting place the people will come and enjoy, want to be in timaru
Facilities and Services	Community facilities need to be built to the best they can be, they make or break a city and are used by all when done correctly
Facilities and Services	
Facilities and Services	The base from which the other choices build.
Facilities and Services	The council is the servant of the people. Enhanced facilities and services will mean that Timaru is looked as a destination to live, work and play.
Facilities and Services	
Facilities and Services	Timaru district has previously led the way in providing facilities for sport culture and recreation but we have to maintain what we have and be open to new facilities and services that future generation may require.
Facilities and Services	

Facilities and Services	
Facilities and Services	
Facilities and Services	
Facilities and Services	
Facilities and Services	
Facilities and Services	
Facilities and Services	Focus on providing community facilities, by engaging with citizens and actually listening to what they say.
Facilities and Services	To create the platform and infrastructure to leverage a positive future.
Facilities and Services	
Facilities and Services	
Facilities and Services	to attract and retain population, particularly younger people, encourage families
Health and Wellbeing	Health and wellbeing has a flow on effect into our communities. Healthier people = productivity. If we invest in this as a council such as a variety of exercise equipments in our parks and subsidies fees for community activities such as our recreation facilities like our pools and gym etc you are going to find more people will use them. Utilizing our parks such as running massive group fitness circuit training classes where the focus is not set to make a profit but to get communities healthier. We have this amazing bay which can be utilised. Not everyone wants to join a gym. Investing in more cycle ways so that families and individuals can keep active and be outdoors and have the opportunities to bike to work safety etc, this is part of building stronger and more active communities. Let's put Timaru District on the map for this!
Health and Wellbeing	
Health and Wellbeing	
Health and Wellbeing	This is hugely important. These services need to be easily accessible and we need to have an easy directory on where to go when people need these services. At present we have many agencies helping who from the outside look to be doing similar things.
Health and Wellbeing	Encouraging active lifestyle will also attract people to our beautiful town

Health and Wellbeing	Mental, physical and emotional well-being are vital to enable people to achieve their personal goals, and build good working relationships with others. The places we visit to achieve some time-out and fresh air, rivers, beaches reserves, are often used as dumping areas, or so polluted that a swim, or even letting your dog in the water is out of the question. This adds to depression. I would like to see more done to clean up our environment please.
Health and Wellbeing	
Health and Wellbeing	
Health and Wellbeing	It creates a strong foundation for all lifestyles
Health and Wellbeing	Nurturing health and well-being ensures our community benefits from using our existing free recreational opportunities our region offers to support the responsible maintenance of their physical and mental health.
Health and Wellbeing	Ultimately, we are human-centric, so our wellbeing is the most important factor for government to enable. This means that both our physiological and psychological needs must be met. This means that all of the inputs to our lives must be alive and healthy, including our food system, our water, our air, our preventative health care system, our education system, our culture and connectedness, etc. Clearly the transition is significant, uncertain, and will take courage; let's do this!
Health and Wellbeing	
Health and Wellbeing	
Shared Spaces	Shared spaces allow for an active or passive lifestyle while promoting connectedness through interaction with others in the community.
Shared Spaces	We need reasons/places/spaces to bring people together in a world lived increasingly online at a distance
Shared Spaces	areas that we can come together and enjoy our leisure times are important in making a community feel like a community
Shared Spaces	Providing shared spaces allows a wide range of people to enjoy doing different activities in one location.
Shared Spaces	
Shared Spaces	
Shared Spaces	Space to me means just that " open spaces" and green areas for our C B D
Shared Spaces	I chose shared spaces to encompass all the other items on the list. They need to be affordable, accessible, with good infrastructure and facilities. Shared spaces are for everyone to access. Create shared spaces and make them for the community at large with full inclusion.

Shared Spaces	Brings the community together gets people out and about
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Community Wellbeing Outcome: Sustainable Environment	
Focus Area	Response
Clean Environment	We have to leave our place better for each successive generation
Clean Environment	
Clean Environment	Health and safety levels of the community
Clean Environment	

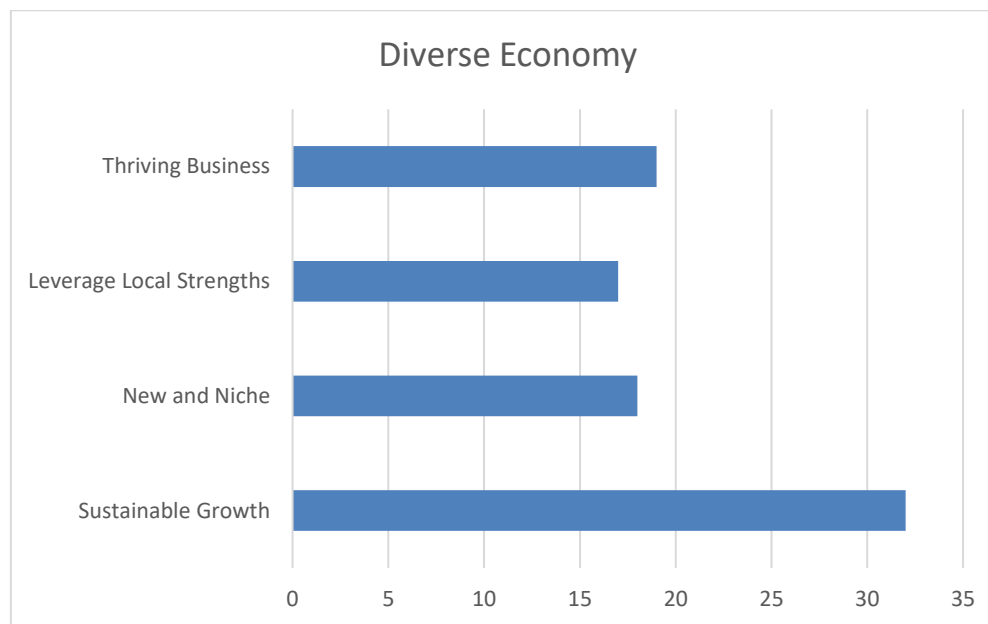
Clean Environment	Needed for all aspects of life
Clean Environment	It covers everything
Clean Environment	We need to protect what we have and a clean surroundings makes it more attractive, and more will use it and its benefits to society e.g exercising
Clean Environment	
Clean Environment	
Clean Environment	
Clean Environment	Forget all this Maori stuff and Get " real" and down to earth. Pragmatic
Clean Environment	
Clean Environment	
Clean Environment	
Clean Environment	
Clean Environment	Please see my earlier comment
Clean Environment	
Clean Environment	
Clean Environment	Climate Change
Clean Environment	As having a clean and functional city/community. For all to enjoy is important
Encourage Biodiversity	
Encourage Biodiversity	We have lost so much natural habitat. Our parks and beaches could have more diversity. Great to see efforts to restore our wetlands. And to grow a corridor for wildlife from the country side to the sea
Encourage Biodiversity	

Encourage Biodiversity	We have a unique, once-in-a-lifetime opportunity to create an eco-sanctuary at Highfield golf course, which will benefit us all for hundreds of years to come, plus plenty of other opportunities to increase biodiversity in the district. We need biodiversity to thrive and create a sustainable future
Encourage Biodiversity	
Encourage Biodiversity	
Encourage Biodiversity	We have an opportunity as a small to medium sized community to be a leader in this space.
Encourage Biodiversity	It is so important to protect our native species and see them thrive and flourish. It helps us feel connected to the outdoors and what makes Aotearoa unique and special. Caring for nature and getting outside helps with mental health and wellbeing.
Encourage Biodiversity	
Encourage Biodiversity	We will lose examples of native flora, fauna and marine life if we don't look after our biodiversity.
Encourage Biodiversity	work on the balance of clean waterways, farming, natural animal life, agriculture - how do we make this balance work better and have each side listen to one another better
Kaitiakitanga	
Kaitiakitanga	I actually feel very strongly about all of the areas, not just this one. All should be reflected in what the Council is doing.
Kaitiakitanga	When a certain person or group is in charge of the protection of certain areas or vegetation, the management of those resources is often better managed and there is a person to be held responsible if the goals are not being upheld.
Kaitiakitanga	This covers all the other things because it means to be a guardian of the land, water, air etc. We need to be connected to our area so that we are interested in biodiversity, this then leads us to want to decrease waste, lower emissions etc
Kaitiakitanga	Kaitiakitanga embraces all of these things it is guardianship of our natural environment and should promote low emissions, low energy, clean water and look for alternatives/solutions to population problems
Kaitiakitanga	We need to focus our energy into conserving and bettering what we have now so that future generations can enjoy our natural environment long after we have gone.
Kaitiakitanga	
Kaitiakitanga	Giving all a sense of guardianship kaitiakitanga

Kaitiakitanga	We are only caretakers of the land and have to take care of it for the future.
Kaitiakitanga	
Kaitiakitanga	Kaitiakitanga encompasses all and is a good umbrella for them all. Zero waste, biodiversity, whenua, awa and moana.
Kaitiakitanga	Understanding why this is important and how other worldviews can enhance how we live
Kaitiakitanga	
Kaitiakitanga	It encompasses the other areas
Kaitiakitanga	Again, kaitiakitanga encompasses all of the other values. Interest in them and a reduction in harmful emissions, less waste, etc are a consequence of practising kaitiakitanga.
Kaitiakitanga	We must be stewards of our environment. That means that we need to stop trying to control it mechanistically, and instead stop, listen, and support the life giving environment that frankly knows what to do and will do it if we let it. Again, vastly different to what we are doing; the 6th extinction, to be dramatic, is the alternative. Be aware that "development" is a euphemism for plunder, so check who is doing the plundering and highlight who/what will suffer as a result. We can do this, and it will take courage.
Kaitiakitanga	emphasis on future generations
Low Carbon and Energy	We waste so much energy it's not a surprise we have climate change. The world is a robust system where all actions have a reaction. If we burn lots of oil there is a consequence. If we don't have insulation we waste energy heating our homes and work places. Let's learn and build with energy efficient systems. Let us also think long term not quick fix.
Low Carbon and Energy	
Low Carbon and Energy	
Low Carbon and Energy	Reducing carbon where financial sustainable
Low Carbon and Energy	We need to do all of these things, but carbon emissions are an overwhelming problem - especially in our district with a large rural population who believe we can't live without them. But we must change all of transport, heating, economic activity (farming), industrial energy sources and indulgent (luxuary) flying
Low Carbon and Energy	It is hard to pick one key issue here. In the light of climate change and its urgency our region needs to work on minimizing carbon footprint as well as increasing biodiversity and reducing waste. This area is the most important area to allow our community to be resilient and

	healthy as well as wealthy in the Long term.. please reconsider our current definition of our economy and prioritize our environment before anything else. Thank you
Low Carbon and Energy	
Low Carbon and Energy	
Low Carbon and Energy	Energy poverty is prevalent throughout NZ and our incumbent service providers don't do enough here
Low Carbon and Energy	
Low Carbon and Energy	
Minimise Waste	
Minimise Waste	
Minimise Waste	We need to reduce what is going to landfill
Minimise Waste	
Minimise Waste	
Minimise Waste	We have made a good start with our 3210 waste programme but still too much is going to landfill and the reuse element needs more attention. eg why does the crows nest not welcome items that could be restored by people employed to repair and give new life to things like old bikes broken garden tools that only need a new handle and such like.
Minimise Waste	
Minimise Waste	
Minimise Waste	
Minimise Waste	Environmentally sustainable use of resources and this include reusing existing buildings, rather than tearing them down and building new ones.
Minimise Waste	To respect and care for the environment, to change our practices domestics and commercial for good, with a deeper understanding of the impacts we have and the footprints we leave behind.
Minimise Waste	

Minimise Waste	Investment in recycling awareness tools and knowledge development along with infrastructure is critically needed. (Do love our 3 coloured bins - would like a blue bin added for glass say)
Minimise Waste	Soft plastic recycling



Community Wellbeing Outcome: Diverse Economy	
Focus Area	Response
Leverage Local Strengths	Creating conditions that encourage local creativity and enterprise (in ways that fit a sustainable and environmentally-friendly ethos) helps us to build a place that people value and others want to come to.
Leverage Local Strengths	While it is important to support local business specifically, this often comes at the cost of growth and expansion - case in point, the pushback against Showgrounds. We need to focus on the strengths we have at the moment (ie a solid economy, people wanting to spend money locally, etc) to leverage off this in ways that improve life for everyone. Look outwards instead of inwards

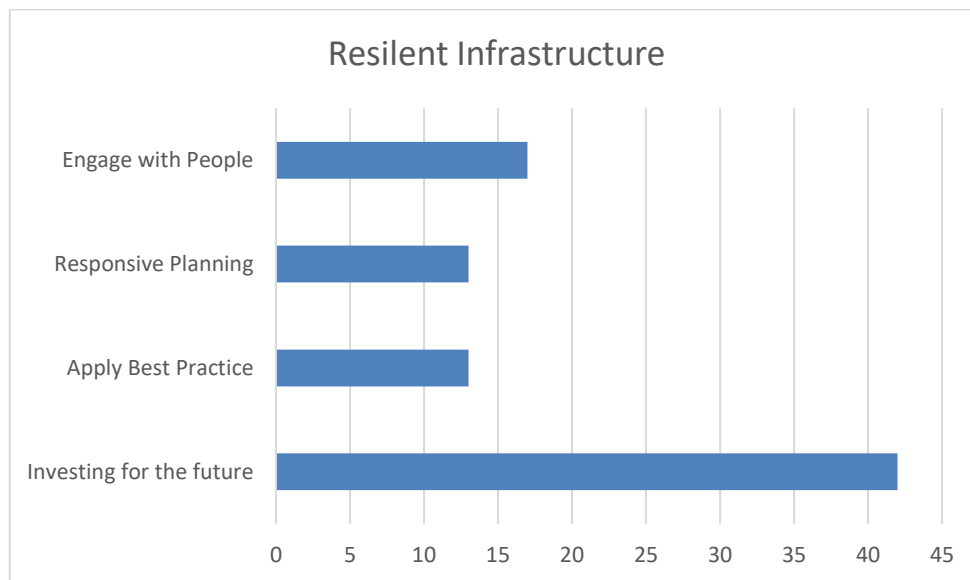
Leverage Local Strengths	
Leverage Local Strengths	We should be selective rather than broad based.
Leverage Local Strengths	
Leverage Local Strengths	
Leverage Local Strengths	Leveraging the port and our agricultural and food production strengths.
Leverage Local Strengths	Because local strengths are the foundation of our local society
Leverage Local Strengths	
Leverage Local Strengths	
Leverage Local Strengths	Build and add value sustainably to what we have. Money shouldn't be the only driver
Leverage Local Strengths	The only way our district will be resilient in the future is if we have a robust local economy that provides, from our local resources, the majority of our basic human needs - physiological and psychological. We must have strong loving and collaborative relationships with those regions around us so that we are supported when isolated disruptions arise. Know that every single economic actor that operates in our region that is owned outside of our region sees us as a market opportunity and a way to extract financial resources from our economy; these resources do not return, and perpetuate a long-term degradation of the area where we simply won't be able to look after ourselves. Let's get our head out of the sand and have the courage to resist conventional short-term inequity inducing economic principles, against the overwhelming and ignorant majority. We must believe we have what it takes here, and build it here if it isn't; there is no short cuts to high levels of holistic wellbeing for all. And frankly, it's our job - the only way we can have ubiquitous wellbeing is if every region is well.
Leverage Local Strengths	To be worthwhile and achievable in an increasingly competitive world we need a comprehensive assessment and appreciation of our natural economic advantages into the future. Assets and essential business structures are mostly about being able to get our products and services economically and competitively to market.
Leverage Local Strengths	Timaru has many local assets - port, railway access, farming, dairy and large commercial industry (eg engineering, construction, manufacturing). Small businesses feed of those large local strengths - when those industries are doing well, so it small business
New and Niche	Innovate for the future
New and Niche	We can't just carry on with big industries like intensive dairy if we want to ensure our environment is clean so looking for niche businesses and helping them find a home here in South Canterbury

New and Niche	
New and Niche	New infrastructure provides competitive competition which enables growth for the community
New and Niche	
New and Niche	Encouraging new business and new thinking
New and Niche	Sell ourselves, make the most of our assets like our beautiful main st, our beach ... focus on building on what we have, enhance these aspects of Timaru ... restaurants by seaside .. seafood restaurants etc
New and Niche	We need to stand out from the crowd
New and Niche	
New and Niche	We need a diverse economy to be more resilient - when we have all our eggs in one basket such as international tourism or dairying we are very vulnerable to shocks such as the pandemic closing the borders or a down turn in the price of a single commodity. Supporting specialised ventures that leverage of existing regional strengths will help build economic diversity.
New and Niche	People like something different, It adds value to the Community be having something diverse and unique available. I would like to see more Toi Maori in the South Canterbury area.
New and Niche	Again, look at New Plymouth, the Len Lye Gallery and Westend Precinct. Timaru needs something which creates vibrancy.
New and Niche	Put South Canterbury on the map make use of the Bay, cafe bars etc
New and Niche	Could give us value added point of difference in our region and a fresh angle for others looking to buy/visit/live here etc
New and Niche	As having opportunities and services - that are the best they can be. For all sectors of the community to utilize is important.
Sustainable Growth	
Sustainable Growth	We have local problems which need local solutions. Need to invest locally and support innovation. Create problem solving infrastructure such as recycling plants which will employ our local people and will solve our current plastic/glass problems. Melt them down reuse recycle. Not wait for someone else to solve our problems we should build it ourselves. Fast track these ideas not hider them through unnecessary processes. Not focus on profit but wellbeing need to think of donut economies not the economies of the 80s and 90s
Sustainable Growth	All growth needs to be sustainable, otherwise we'll eventually lose everything

Sustainable Growth	Growth only works long term if the infrastructure is there to support it. By taking an holistic approach to sustainability we can ensure the environment will not suffer, as it has in the past, due to poor planning.
Sustainable Growth	
Sustainable Growth	
Sustainable Growth	
Sustainable Growth	If it's not sustainable and only short term then it will go tits up
Sustainable Growth	Without growth there is no economic future, we must protect and enhance what we have economically and foster opportunities e.g retail expansion and not be stuck by old ways
Sustainable Growth	
Sustainable Growth	We can't go on destroying the land that supports us and our future generations
Sustainable Growth	
Sustainable Growth	WE cannot continue to waste our natural resources
Sustainable Growth	
Sustainable Growth	Esential, but not ignoring the other variables
Sustainable Growth	
Sustainable Growth	
Sustainable Growth	
Sustainable Growth	Growth must be sustainable, not just about making a buck. The decision to sell the Showgrounds land for a new retail centre is NOT sustainable growth and is an appalling example of the council not consulting and not listening to its citizens. This decision goes against everything that this survey promotes.
Sustainable Growth	We cant focus on financial gains if it doesn't achieve true sustainability and achieve our goals in the carbon bill
Sustainable Growth	

Sustainable Growth	we need to create sustainable growth to become less dependent on outside influences in tackling climate change
Sustainable Growth	Sustainable growth means good planning. No swings in population or expense. Plan for change and progressively adapt, change and grow. That way it's sustainable, with well thought out actions.
Sustainable Growth	Working on sustainable growth will utilise existing resources and skills with a view to ensuring effective management without ignoring the impact on the community and the environment.
Sustainable Growth	
Sustainable Growth	
Sustainable Growth	Environmental impact
Sustainable Growth	need to attract and retain people into the district, development needs to ensure long term benefits that are on going, not one off
Thriving Business	
Thriving Business	Thriving businesses promote the area and enhance feelings of community of those within the town. Currently as many stores downtown are closed up, I would not want to start a business in an area where so many cannot succeed. A centre for thriving local businesses should be centre point before looking elsewhere for new ways to 'spice it up'.
Thriving Business	If people have sustainable income, and employers are running smart business we all benefit
Thriving Business	Has to be good for the area, if business is thriving then the community is thriving
Thriving Business	
Thriving Business	
Thriving Business	
Thriving Business	It's good for the whole community
Thriving Business	
Thriving Business	
Thriving Business	

Thriving Business	
Thriving Business	Thriving business attracts people and jobs
Thriving Business	
Thriving Business	
Thriving Business	Support and look after local first, to respect those that have gone before and are with us now.



Community Wellbeing Outcome: Resilient Infrastructure	
Focus Area	Response
Apply Best Practice	Starting from the ground up is the way to go. New works and engaging in the community would get you so far, but the longevity and sustainability of those projects have far reaching affects for everyday life and people. It also aligns with sustainable management of resources.

Apply Best Practice	Do it properly but don't waste money
Apply Best Practice	Need to cater for present and future growth sensibly
Apply Best Practice	
Apply Best Practice	
Apply Best Practice	
Apply Best Practice	
Apply Best Practice	
Apply Best Practice	As having facilities, services - that are usable for everyone to utilize is important
Engage with People	infrastructure is still all about people, maintaining and enhancing their well being.
Engage with People	
Engage with People	Engagement means success
Engage with People	
Engage with People	People should be at the heart of every decision. There is no point in creating initiatives if this is not what people want or need. This needs to be done with a diverse range of people to meet the needs of all.
Engage with People	
Engage with People	
Engage with People	B
Engage with People	Because it is difficult to have people on side if they have not been considered in the consultation process, or been able to express their thoughts, ideas.
Engage with People	

Engage with People	Engagement with people is vital, but I have never come across a council which engages so badly with its citizens. Engagement is not just about asking questions and seeking answers... its about actually LISTENING to what people say AND then responding to the issues they raise.
Engage with People	
Engage with People	1. Don't assume growth, 2. The only way to build resilience is through our people, 3. nature will do everything better than heavy centralised infrastructure, if we let it. Today, these seem like radical ideas, but when we have taken care of the security of our distributed local food and water system, we have everyone with a roof over our heads, and we don't have to be fearful that we will lose any of these, wellbeing will sky rocket. The only way to make this transition is to bring everyone along and to contribute their energy, strengths, and creativity. The opposite is resistance and incredibly substandard solutions. There is a sweet spot for our population level, our infrastructure scale, and our institutional organising; anything beyond these requires "intermediary infrastructure and services" that only exist to support the burdensome infrastructure, not actually directly provides our needs through goods and services. While this looks great from the devastating GDP metric, it destroys our environment through extraction and mechanisation and burns our people through meaningless labor and lack of time and other capacity for connection, joy, culture, and community. We must be at the "empower" or at least "collaborate" end of the IAP2 Spectrum of Public Participation if we have a chance to be reliance in the long-term. "If you want to go fast, go alone. If you want to go far, go together" – African proverb
Engage with People	very divided community over current developments, need to engage and inform, people need to be aware of processes and make this transparent to stop misinformation and division
Invest for the Future	
Invest for the Future	Actually, I think they're all important
Invest for the Future	We are in changing times, we have to be adaptable with changing with the times for this to happen we have to invest in our future by proactive thinking.
Invest for the Future	Our public art gallery needs investment. The art collection can not grow if there isn't suitable storage.
Invest for the Future	
Invest for the Future	
Invest for the Future	see aboves response. we need to support wellbeing and lifestyle of our people. We have the solutions but need to take risks and invest in our future like environment. focus on donut economies

Invest for the Future	All infrastructure development needs to be sustainable in a low-carbon future, and able to withstand the climate change effects that it's already too late to avoid
Invest for the Future	
Invest for the Future	We are in a change period where infrastructure needs upgrading, where we are more aware of the damage we cause the environment, and the digital era brings new expectations. We can do nothing. But that would be to our own detriment. Our planning is not always able to deal with the new so we need to focus and invest carefully in future ways.
Invest for the Future	
Invest for the Future	Any growth (money spent) towards the city will enable more sustainable practices for economy growth. Continuous improvement like expansion at the showgrounds and Hydro will enable a better life experience for travelers and citizens.
Invest for the Future	
Invest for the Future	
Invest for the Future	We need to invest in the aging infrastructure and future proof what we have
Invest for the Future	
Invest for the Future	
Invest for the Future	Fix or replace it before its stuffed then it's not money taken from elsewhere and a rush job
Invest for the Future	
Invest for the Future	
Invest for the Future	
Invest for the Future	
Invest for the Future	It forces our thinking to be long term. Short term planning will be short lived. We need to be more generational in our thinking. When we start thinking generationally it makes decision making a lot clearer. Does our current planning support the future of Timaru?
Invest for the Future	

Invest for the Future	We know that climate change is having a major impact already and will continue to get worse. We need to build this into our planning and invest in mitigation measures and upgrade our infrastructure to avoid the worst impacts such as flooding
Invest for the Future	
Invest for the Future	While responsiveness to the present is important, best current practice is often not good enough. We must accept that failure to change our use of fossil fuels has altered the future that we, but mostly our children will have to live with in terms of climate and sea level. Timaru must plan for that with all present activity and advocate to government for support to make those changes
Invest for the Future	
Invest for the Future	Think of our youth and young people. Why do they end up leaving Timaru? There is nothing here for them. It feels like the loudest voices are those which want to stagnate growth, progress and development (CBD group for example).
Invest for the Future	
Invest for the Future	Links to spaces and places. Sustainable Growth, kaitiakitanga, community all need investment. Grow forward, plan and most importantly invest, whether that is time, energy or money.
Invest for the Future	Planning for and investing in the future we wish to create is essential. With no ambitious road plan we will simply hover in the current.
Invest for the Future	Keeping the young ones in the community trend it up a bit
Invest for the Future	
Invest for the Future	Some of timarus facilities are getting old and less used. Invest in those to encourage continued use into the future. These community facilities could be great. Library, museum, gallery, botanic gardens, attractive CBD with green spaces
Invest for the Future	Clean + green developments solar
Responsive Planning	We need to ensure there is what the community needs rapidly or we will have negative flow on effects, planning is fluid and we must have policies in place to allow for this or "Flexi zones" as I have studied in planning courses
Responsive Planning	Responsive to the damage that has already been done.
Responsive Planning	You need to take and consult the people who live here.
Responsive Planning	We live in a changing environment, both physically and sociologically, and definite plans and objectives set now will not be the same in ten years time.

Responsive Planning	We need to respond to what the community expresses it NEEDS not what big business developors tell us we need.
Responsive Planning	
Responsive Planning	
Responsive Planning	Understand how climate change will impact on building infrastructure
Responsive Planning	
Responsive Planning	
Responsive Planning	Private sector-driven investment and development that is a close fit to agreed strategic competitive advantage must always be given a high priority. Widespread community views about new developments are important but must not be captured by a narrow sector based opposition campaign.
Responsive Planning	

The survey asked participants if the strategic direction was missing anything. The following feedback was received:

Have we missed anything?
Encouraging younger professionals to move to the area will increase the likelihood that Tiamru thrives in the long term. Providing jobs and ACTIVITIES that young people can enjoy will help to encourage them to stay here and build a life. With Timaru's aging population we need new blood new ideas to bring about a renewed town. Also, I find it difficult to engage with the community when all there is to do socially is drink at a pub. The festival provided great media for the town and a place for the younger crowd to mingle. I would love to see more ideas like that.
better networking
Probably :)
Ensure that community services and opportunities are available and inclusive to all, regardless of socio-economic status, physical or mental ability/disability, age etc
Rather than focussing on what we can achieve in 5-10 years purely for our own benefit, let's focus on what changes we can make to benefit people living in our district in 50-100 years.

<p>build the showgrounds and let growth take place! Improve all public toilets! Build cafes down the bay! build cafes at the botanical gardens and scenic reserve. Create better environments for people to use! Change and improve the vibe of the city! Growth! Growth! Growth!</p>
<p>Just get it done. Less talk, more doing</p>
<p>Eencouraging more business here and that includes the showgrounds site let business come here and set up if they fail they fail but stopping them from coming is a mistake business creates jobs brings people in which in turn grows our economy</p>
<p>As mentioned previously get the High street sorted as it's a depressing sight in its present state.</p>
<p>I think as a council you need to really look to the future, the ageing population are safe and dislike risk or change, Timaru needs to really get with the times and as a council you have the ability to lift this handbrake</p>
<p>I fully support the concept and protection of the "Special Natural Areas" especially those concerning the penguin habitats around our coast.</p>
<p>Reduce the size of the CB D and craate open green areas in the CBD. Bring in and promote entertainment, craft, artice areas in our CBD. We need a reason to come into the town centre</p>
<p>Bringing our community together - we are an awesome district but quite disjointed which makes it difficult for both people to access services plus the agencies. It would be great if the Council was the heart of this.</p>
<p>Attracting and retaining people needs to be a priority. A plan and a council that is actually interested in growing Timaru rather than maintaining the status-quo. Allowing development to support growth.</p>
<p>Yes the show Grounds</p>
<p>We need fibre broadband to reach more remote villages and settlements such as Peel Forest. It is increasingly difficult to manage without this access.</p>
<p>I would like to see more areas developed into reserve areas, native plantings. Picnic spots for families to enjoy.</p>
<p>I'm a rural resident near an area that has the potential for much more recreational use by Timaru and other urban citizens. S is an important way forwardtrengthening the small rural communities through localisation of services and public transport provisionsand encouraging local (to the District) resilence (food growing etc)</p>
<p>Important to view our progress through the eyes of our children and theirs. Be visionary! Old ways are important but they are not the only ways.</p>
<p>I know environmental issues are mentioned and sustainability and resilience as well, however instead of these topics presenting parts of our focus, they should be pivotal guides for every decision which is made. Please recognize the urgency of climate change and the real compromises we need to make. Thank you</p>

Front facing community facilities that enable and encourage interaction.
How do you describe what high quality infrastructure decision making means? What steps will you take to prepare the community to be informed to engage in developing solutions? How will you ensure citizens understand what inclusion and democracy means to them?
Developing a more green area around the beach with more plantings like with plan trees.
Connectedness. TDC appears to operate in silos with planning lacking connection and cohesion. Example City Hub Strategy appears unconnected and lacking information from the District Plan
Spend the money with more outdoor cafe bars in local towns and Timaru. Sundays where do you go for a afternoon out sitting outside. very limited.. Come on Council !!
How can the vision for thriving together not explicitly include the wellbeing dimensions of social, environmental, cultural, and local economic? What are the values that drive the vision? - ie, nature, life, and health. What are the principles that these values yield that can be harnessed to inform our actions, behaviours, and strategies in an unknowable future? ie. "living systems principles" of holism, uniqueness, mutualism, evolution, nodal, and developmental (aka systems thinking, strengths and diversity, collaboration, agility and emergence, decentralisation, and capability and mindset growth). Then with these and the myriad other directional things in place a process such as Zero-Based Budgeting can be used to figure out how to deliver essential services now and start the transition to the institution of the future that delivers thriving together. We as a society and community are at a very interesting crossroads of awareness and enlightenment that we need to be honest about; the way we do things moving forward needs to be vastly different "What got you here won't get you there" - Marshall Goldsmith); don't be the deer in headlights that was too scared to act, don't be too proud to say "I don't know" nor ask for help; reach out into our community to draw upon the strengths and energy that already exist to go on this transition together; and let's go! A critical resource that all leaders and participants in this journey must read is: Surviving the Future by David Fleming; and we fortunately now have it in our library!
I would love to see green spaces in the CBD, more CBD living. Just a WTF moment? but why wasnt the new hospital cafe put on the botanical gardens side of the hospital so the park could be enjoyed by hospital visitors/patients and the cafe could be utilized by park goers - too late now but what was the DHB thinking. ok thats my 2 cents. Thank you.
Having Community wellbeing services - that are affordable, and can be easily accessed by all that need to use them
Maybe not just allowing one item per selection?
no

7.2 Significant Forecasting Assumptions for Long Term Plan 2021-31

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Recommendation

That the Long Term Plan 2021-31 Significant Forecasting Assumptions be confirmed.

Purpose of Report

- 1 To confirm the significant forecasting assumptions used to prepare the Long Term Plan (LTP) 2021-31.

Assessment of Significance

- 2 The forecasting assumptions are based on best available information and are important in that they underpin the entire LTP. Any significant changes in Council's assumptions may result in a change in policy or the delivery of an activity or service. In this instance, the change to policy or service delivery may trigger a higher level of community engagement in relation to Council's Significance and Engagement Policy.
- 3 The forecasting assumptions presented are considered to be of low significance as there are no significant deviations from Council's previous assumptions. The assumptions will be included in the supporting information to Council's LTP Consultation Document and are therefore available for the community to consider and provide feedback on.

Background

- 4 The LTP is built on a set of assumptions that are applied consistently across the entire LTP and used throughout the process of preparing the LTP, including its various components.
- 5 The Local Government Act 2002, schedule 10 (17) requires the Council to include significant forecasting assumptions in its LTP:

“Significant forecasting assumptions

A long-term plan must clearly identify—

- a) all the significant forecasting assumptions and risks underlying the financial estimates;*
- b) without limiting the generality of paragraph (a), the following assumptions on which the financial estimates are based:*
 - i. the assumptions of the local authority concerning the life cycle of significant assets; and*
 - ii. the assumptions of the local authority concerning sources of funds for the future replacement of significant assets;*
- c) in any case where significant forecasting assumptions involve a high level of uncertainty,—*

- i. *the fact of that uncertainty; and*
- ii. *an estimate of the potential effects of that uncertainty on the financial estimates provided”*

- 6 Forecasting assumptions need to be realistic, evidence-based, consistent with each other, and consistently applied. Corporate assumptions apply across the entire Council organisation (e.g. population change), but some assumptions may apply only to individual activities.
- 7 Significant forecasting assumptions are those that have a material effect on the Council’s:
 - overall revenue or expenditure
 - ability to finance and fund the future operating and capital expenditure
 - assets, particularly strategic assets
 - overall ability to deliver intended levels of service
- 8 The audit of the LTP specifically reports on the quality of the information and assumptions underlying the forecast information provided in the plan.

Discussion

- 9 The table below lists the significant General and Financial Forecasting assumptions upon which the draft LTP has been prepared.

General Assumptions	Financial Assumptions
• Population Change	• Inflation
• Household Change	• Interest rates on borrowing
• Demographic Change	• Return on investments
• Useful Life of Significant Assets	• Funding Sources
• Joint Venture or Shared Service Arrangements/Council Controlled Organisations	• Credit availability
• Legislative Requirements on Council	• Costs
• Climate Change	• NZ Transport Agency Financial Assistance
• Resource Consents	• Emissions Trading Scheme
• Service Levels	• Revaluation of significant assets
• Demand	• Rating base
• Availability of Contractors and Materials	
• Natural hazards/Natural disasters	
• Earthquakes – Alpine Fault	
• Strategic Assets	
• Council Political Structure	
• Economic, Industry and Employment Growth	
• Impact of Technology Advances	
• Income Levels/Affordability	

- 10 Measures to contain COVID-19 in New Zealand have had, and will continue to have, an impact on the district as uncertainties around the economy continue. This has added an element of uncertainty to some assumptions, particularly *1.1 Population Change, 1.1 Availability of Staff, Contractors and Materials, 1.15 Economic, Industry, and Employment Growth.*

Inflation

- 11 Council's inflation assumption is based on the Local Government Cost Index (LGCI) prepared by Business and Economic Research Limited (BERL) for local government. This index better reflects the specific cost pressures faced by local government in the provision of services, and differs from the standard CPI reported through the media and compiled by Statistics NZ. The Local Government Cost Adjustor Forecasts September 2020 prepared by BERL note *"Measures to contain COVID-19 in New Zealand have resulted in a severe economic downturn. Levels of activity and employment have declined, with income and spending consequently uncertain."*
- 12 BERL have prepared three scenarios for cost adjustors to be used by councils in their planning and project activities. The three scenarios, which are consistent with economic forecasts published by the Reserve Bank of New Zealand, the New Zealand Treasury and BERL are:
- BERL mid-scenario – considered to be a likely outcome relevant to most regions of New Zealand
 - Stalled rebuild scenario – where GDP and employment grow more slowly
 - Faster rebuild scenario – where GDP and employment grow more rapidly.
- While none of the scenarios exactly match the Timaru District, the BERL mid-scenario is the best fit, and accordingly has been used to formulate the inflation assumption 2.1.

Demographic Assumptions

- 13 Assumptions for population, demographic and household change are based on Statistics NZ Estimated Resident Population 2020 (2018 Census base) Projections were prepared for Council by Infometrics. Population and household projections are driven by the demographic processes of ageing, births, deaths, and net migration. Infometrics' projections of net migration into Timaru District are informed by forecasts of employment in the district – this means that the final population projections are driven by economic as well as demographic factors.
- 14 Key points in the demographic assumptions are:
- 14.1 The District's population is projected to increase to 52,861 by 2031 (0.7% average annual increase), reaching 57,130 in 2051 (0.3% average annual increase).
 - 14.2 Population growth is expected to slow over 2021-23 due to COVID-19. From 2023 onwards, population growth is projected to resume at a steady rate and will continue growing steadily until the late 2030s. A lower rate of growth is projected in the 2040s as employment growth wanes, reaching a population of 57,155 in 2051.
 - 14.3 In recent years the 'natural' population increase has been slightly negative, and this trend is expected to deteriorate further. This reflects the age makeup of the Timaru District population. Growth will be reliant on net migration.
 - 14.4 The average household size is expected to decrease from 2.34 individuals per household in 2021 to 2.30 in 2031 and 2.22 individuals per household in 2051.
 - 14.5 The District's population will age significantly over the next thirty years. The 65 years and older age group is the fastest growing age group
 - 14.6 Ethnically, the population is expected to remain largely NZ European/New Zealander with a slowly increasing Maori, Asian and Pacific Islands population.

Options and Preferred Option

15 Significant Forecasting Assumptions are a requirement of the LTP. The 2021-31 Assumptions have been prepared using the best available information. The options are:

1. Adopt the Assumptions as presented
2. Adjust the assumptions as presented. Please note this may impact on the preparation of the LTP

Consultation

16 The LTP 2021-31, which is underpinned by the Significant Forecasting Assumptions, will be consulted on as part of the LTP engagement in April/May 2021.

Relevant Legislation, Council Policy and Plans

17 Local Government Act 2002, schedule 10, (17)

Financial and Funding Implications

18 There are no financial or funding implications related to the Significant Forecasting Assumptions.

Other Considerations

19 The Significant Forecasting Assumptions for the 2021-31 LTP include factoring in the impact of COVID-19. The uncertainty that surrounds the global economic recovery from the pandemic means that there is a greater level of uncertainty around a number of assumptions being used for the period of this LTP.

Attachments

1. **Long Term Plan 2021-31 Significant Forecasting Assumptions - Final draft**

Long Term Plan 2021-31 Summary of Significant Forecasting Assumptions

- The following significant general and financial forecasting assumptions are assumed for the life of this Long Term Plan (2021-31)

Assumption		Source of base info
General Assumptions		
1.1	Population Change	Timaru District projections Infometrics October 2020
1.2	Household Change	Timaru District projections Infometrics October 2020
1.3	Demographic Change	Timaru District projections Infometrics October 2020
1.4	Useful Life of Significant Assets	Activity Management Plans
1.5	Joint Venture or Shared Service Arrangements/Council Controlled Organisations (CCOs)	Statement updated to reflect current status
1.6	Legislative Requirements on Council	Statement updated to reflect current status
1.7	Climate Change	Ministry for the Environment, Environment Canterbury, Timaru District Coastal Inundation Assessment report – NIWA July 2020, Water security analysis – Jacobs February 2021, Canterbury Mayoral Forum – climate change regional risk assessment working group
1.8	Resource Consents	Statement updated to reflect current status as reported in Activity Management Plans
1.9	Service Levels	Statement updated to reflect current status based on Council discussions and any consultation
1.10	Demand	Statement updated to reflect current status as reported in Activity Management Plans
1.11	Availability of Contractors and Materials	Statement updated to reflect current status as reported in Activity Management Plans
1.12	Natural Hazards/ Natural Disasters	Statement updated to reflect current status
1.13	Earthquakes – Alpine Fault	Statement updated to reflect current status
1.14	Strategic Assets	Statement updated to reflect current status
1.15	Council Political Structure	Statement updated to reflect current status
1.16	Economic, Industry, and Employment Growth	Infometrics Population projections May 2020 – Employment by Industry

Assumption		Source of base info
1.17	Impact of Technology Advances	Statement updated to reflect current status
1.18	Income Levels/Affordability	Statement updated to reflect current status
Financial Assumptions		
2.1	Inflation	BERL Economics (SOLGM prepared)
2.2	Interest Rates on Borrowing	Bank information
2.3	Return on Investments	Portfolio advisors + TDHL
2.4	Funding Sources	Statement updated to reflect current status
2.5	Credit Availability	Statement updated to reflect current status
2.6	Costs	Statement updated to reflect current status
2.7	NZ Transport Agency (NZTA) Funding Assistance	NZTA
2.8	Emissions Trading Scheme	Market basis
2.10	Revaluation of significant assets	Statement updated to reflect current status
2.11	Rating Base	Rating database

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.1 Population Change</p> <p>Assumption: The District’s population is projected to increase to 52,861 by 2031 (0.7% average annual increase), reaching 57,130 in 2051 (0.3% average annual increase). Population growth is expected to slow over 2021-23 due to COVID-19. From 2023 onwards, population growth is projected to resume at a steady rate and will continue growing steadily until the late 2030s. A lower rate of growth is projected in the 2040s as employment growth wanes, reaching a population of 57,155 in 2051.</p> <p><i>Comment: Population projections do not represent forecasts but indicate what the future size and structure will be if the underlying assumptions regarding births, deaths and migration prevail.</i></p> <p><i>In recent years the ‘natural’ population increase has been slightly negative, and this trend is expected to deteriorate further. This reflects the age makeup of the Timaru District population. Growth will be reliant on net migration.</i></p> <p><i>Based on medium population projections prepared for TDC by Infometrics October 2020</i></p>		✓		Population change across the district occurs at a higher or lower rate than expected			✓	<p>A significant and consistent decline in population may adversely affect the ability of the Council to set rates at a level that is affordable to the community.</p> <p>A significant and consistent rise in population may adversely affect the ability of Council to deliver some services to existing service levels.</p>	<p>Council will continue to monitor population change in the District. Generally, small increases in population can be managed within the existing level of service. Declines in population will not necessarily result in a lower number of ratepayers as the number of people per household is declining.</p> <p>Where growth requires additional infrastructure (e.g. subdivisions), Council can currently require financial contributions for this work.</p> <p>Costs over this amount may result in additional Council expenditure which is likely to be funded out of debt.</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.2 Household Change</p> <p>Assumption: The number of District’s households is projected to increase from 20,142 in 2020 to 22,409 in 2031 and 24,759 in 2051.</p> <p>The average household size will decrease from 2.34 individuals per household in 2021 to 2.30 in 2031 and 2.22 individuals per household in 2051.</p> <p><i>Comment: Timaru District household change has historically been characterised by steady growth of households, with pockets of stronger growth in some locations and communities. Household size is declining due to a combination of factors including an aging population, increasing life expectancy and societal trends including couples having fewer children. Household projections do not represent forecasts, but indicate what future households will be if the underlying assumptions prevail.</i></p> <p><i>Based on medium population projections prepared for TDC by Infometrics October 2020</i></p>		✓		Household change across the district occurs at a higher or lower rate than expected.			✓	<p>A slower rate of household growth may mean some activities have overinvested in infrastructure (i.e. have too much capacity too soon). A higher rate of growth in households may mean some activities have underinvested in infrastructure and services (i.e. lack of capacity when services are required).</p> <p>Council will continue to monitor household change in the District. Existing infrastructure is being managed to address specific growth factors associated with an activity (e.g. traffic demand) which may be generated from an increase in households.</p> <p>Where growth requires additional infrastructure (e.g. subdivisions), Council can currently require financial contributions for this work.</p>	

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.3 Demographic Change</p> <p>Assumption: The District’s population will age significantly over the next thirty years. The District will become more ethnically diverse over the next thirty years.</p> <p><i>Comment: The number of youth (aged below 15 years) is projected to grow from 5,759 in 2021, peaking at 6,211 in 2037, before easing back to 5,824 in 2051. The working age population (15-64 years of age) is expected to grow slightly from 32,070 in 2021 to 32,828 in 2051. The 65 years and older age group is the fastest growing age group expanding from 10,881 in 2021 to 18,478 in 2051. The majority of this growth takes place in the next twenty years as the relatively large ‘baby boomer’ cohort moves into the 65 years and older age group. Ethnically, the population is expected to remain largely NZ European/New Zealander with a slowly increasing Maori, Asian and Pacific Islands population.</i></p> <p><i>Based on medium population projections prepared for TDC by Infometrics October 2020</i></p>			✓	Demographic changes across the district occur at a higher or lower rate than expected			✓	Changes to projected demographics may place pressure on some Council services due to increased demand over time, leading to provision of a lower level of service. It could also lead to a mismatch of service levels to the community expectations. As the population ages, this may lead to increasing affordability issues due to increasing numbers of residents on fixed incomes.	<p>Council will continue to monitor demographic change in the District and adapt or redirect service levels and activity provision to meet needs where possible within reasonable costs. It will consult with targeted groups on service levels where necessary.</p> <p>Options exist where affordability issues may arise including rates postponement.</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.4 Useful Life of Significant Assets</p> <p>Assumption: It is assumed that asset information is reliable and reflects the condition and performance of the assets. It is assumed that no significant assets will fail before the end of their useful lives as determined by the depreciation rates included in the accounting policies.</p> <p><i>Comment: Useful lives are detailed for significant assets in Asset/Activity Management Plans. These provide information to support replacement and renewal plans. Useful lives used in the calculation of depreciation are stated in the Council's Accounting Policies under Depreciation. Significant Assets refer to key infrastructure assets such as sewer, water supply, stormwater, waste minimisation, roading and key community facilities.</i></p>		✓		Significant assets fail sooner or later than estimated			✓	<p>A major change in the useful life of a significant asset may have significant financial and community repercussions, including the cost of repairing or replacing the asset to current or improved service levels and the loss of use of the asset for the period it is out of action.</p> <p>If a new entity was established to look after existing Council assets, there is likely to be a loss of control of data and information.</p>	<p>Asset life is based on the estimates of engineers and valuers. These are regularly reviewed through asset monitoring and testing and regular revaluations.</p> <p>Where an asset wears out earlier than anticipated, mitigation may also involve reprioritisation of the capital work programme. Negative impacts are likely to be at least partially offset by some assets lasting longer than estimated.</p> <p>Council will continue to invest in and gather good quality asset data. Where there is potential for failure of an asset, intensive data work should be funded.</p> <p>Council will continue to operate a risk management system across all of its activities.</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.5 Joint Venture or Shared Service Arrangements/Council Controlled Organisations (CCOs)</p> <p>Assumption: Existing joint venture or shared service arrangements or Council Controlled Organisations (CCOs) are expected to remain over the life of this plan. New joint ventures, shared service arrangements or CCOs are likely over the life of this plan.</p> <p><i>Comment: The three water reforms are likely to result in changes to joint ventures/shared service arrangements. Further details on these reforms will be known once three water reforms entity legislation has been enacted (scheduled for 2021/22)</i></p>		✓		New arrangements are proposed due to circumstances beyond the Council’s control or existing arrangements being no longer tenable.			✓	<p>Additional costs may be created as the result of the failure of an existing arrangement, or the desire or need for a new arrangement. Efficiencies may be made through the use of shared services and CCOs.</p> <p>Joint venture or shared service arrangements or CCO creation are undertaken following analysis of the potential benefits and costs and any proposed changes are subject to robust analysis.</p> <p>Council will have a robust performance management system in place for all shared service or CCO arrangements.</p> <p>Where government legislation is involved, this will be monitored for any impacts on joint venture or shared service arrangements.</p> <p>Under Section 17A of the Local Government Act 2002, Councils are required to review the cost-effectiveness of current arrangements including governance, funding and delivery of activities every six years. The next full review is due in 2023.</p>	

<p>1.6 Legislative Requirements on Council</p> <p>Assumption: Government legislation relating to some activities that Councils are involved in will lead to increasing legislative and regulatory compliance requirements or lead to significant impacts on delivery of certain activities over the period of the Long Term Plan.</p> <p><i>Comment: A number of legislative changes have occurred or been signalled which will impact local government to various degrees, including:</i></p> <ul style="list-style-type: none"> • <i>Three waters reform, with the Water services regulator, Taumata Arowhai, established and the post Covid-19 stimulus funding package to support reform of water services delivery announced in July 2020. Three waters reform legislation is expected to be passed in 2021/22.</i> • <i>Zero Carbon Amendment Act, which will result in emission reduction targets and require regular reporting from local authorities</i> • <i>The Productivity Commission report on Local Government Funding and Financing has proposed wide ranging recommendations that if approved by central government will result in numerous changes Council will need to respond too.</i> • <i>National policy statements - including Freshwater Management, Urban Development, Indigenous Biodiversity</i> 		✓	<p>The impact of government legislation is more or less than expected.</p> <p>New or additional legislation is introduced that further alters the nature and scope of one or more Council activities.</p>		✓	<p>Unrealised impacts of legislation and unfunded mandates may create greater than expected impacts on Council operations, including on operating budgets, staff workloads, and on programme delivery. Lesser impacts may mean some operational review is required. Either of these may lead to additional or less cost for the resident or ratepayer.</p>	<p>Council will monitor the wider legislative and policy landscape and consider the impacts of proposals on Council activities.</p> <p>Council may submit or advocate on specific proposals (including regionally) to minimise or improve impacts on Council operations.</p> <p>Where new requirements are confirmed, Council may need to reprioritise its strategic priorities.</p>
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Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<ul style="list-style-type: none"> <i>The Resource Management Amendment Act 2020 is focused on reducing the complexity of the RMA and improving consenting, enforcement processes as well as improving freshwater management and responding to climate change. Further reform of the Resource Management Act has also been signalled.</i> 									

<p>1.7 Climate Change</p> <p>Assumption: Over the period of this Long Term Plan the effects of climate change are expected to impact on:</p> <ul style="list-style-type: none"> a) The physical and built environment of the Timaru District b) Council’s activities and service delivery c) Council’s financial position d) The social, economic, environmental, and cultural wellbeing of our communities <p>Currently Council is prioritising gathering information on the effects of climate change effects on the Timaru District and on the services Council provides.</p> <p>The implementation of the Climate Change Response Act will require Council to provide information to the Climate Change Commission on Council’s climate change adaptation.</p> <p><i>Comment: Climate change effects on Timaru District are likely to include an increase in temperature, stronger winds, sea level rise, coastal inundation, longer dry periods and more intense rainfall events. These are likely to impact directly on Council services such as stormwater, water supply, waste minimisation, roading and emergency management.</i></p> <p><i>In addition to Canterbury wide data available from Ministry for the Environment and Environment Canterbury, Council is using the following information to plan for managing the effects of climate change</i></p>		✓	<p>The impacts of climate change across the district occur differently and/or at a faster or slower rate than expected.</p>	✓		<p>Unrealised effects of climate change are likely to create additional costs to mitigate their impacts, such as improving protection of critical infrastructure.</p> <p>More severe weather events resulting from climate change may increase damage to infrastructure and place pressure on Council finances.</p>	<p>Funding and resources will be provided through the 2021 LTP to</p> <ul style="list-style-type: none"> • obtain further Timaru district specific climate change effects and risks to enable appropriate planning • develop a strategy to prepare for the impacts of climate change in the district • progressively build up funds for work or actions that may be required as a result of the effects of climate change • initiate adaptive planning conversations with affected communities <p>Council’s Infrastructure Strategy will address the likely effects of climate change on the lifecycle of significant infrastructure; growth or decline in demand; increases in decreases in levels of service.</p> <p>Provide for borrowing/rating to cover recovery and resilience costs in the Financial Strategy.</p> <p>Maintain and establish relationships with key partners,</p>
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Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<ul style="list-style-type: none"> • <i>Timaru District Coastal Inundation Assessment report – NIWA July 2020</i> • <i>Water security report – Jacobs Feb 2021</i> <p><i>Council is part of the Canterbury Regional climate change working group, formed to conduct a detailed assessment of priority climate change risks, including adaptation urgency. The outcome of this assessment will further inform Council’s planning and service delivery.</i></p>								including iwi, Environment Canterbury, NZTA, Kiwi Rail and TransPower to proactively plan for the effects of climate change on key assets in the district.	

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.8 Resource Consents</p> <p>Assumption: The conditions of new and renewed resource consents required by Council during the period of this plan will be more rigorous.</p> <p><i>Comment: Resource consents due for renewal can be found within the relevant Activity Management Plan for individual activities. There are six major water take resource consent renewals during the 10 year period of this Long Term Plan.</i></p> <p><i>It is likely that the Canterbury Land and Water Regional Plan Change 7 (developed to respond to emerging resource management issues, to give effect to relevant national direction, to implement recommendations from the Zone implementation programmes Hinds Drains' Working Party, and to implement recommendations in the Waimakariri and Orari-Temuka-Opihi-Pareora (OTOP) Zone Implementation Programme Addenda (ZIPA)) will impact on the renewal of these consents.</i></p>			✓	A resource consent is not obtained or renewed or conditions imposed are unacceptable.			✓	<p>The non-granting or non-renewal of a major resource consent for a Council activity would have significant impacts on costs and the ability to provide that activity. A major non-renewal may mean an entirely new approach to the activity would be required. Non-granting of resource consents may delay project benefits.</p>	<p>Appropriate planning for resource consent applications/renewals should ensure that they are obtained. All project planning will include planning and a risk assessment of resource consenting. Council will maintain the Infor resource consent database.</p> <p>Monitoring of compliance with existing resource consent conditions will provide a record of compliance for future processes and renewals.</p> <p>The renewal of consents is dependent upon the legislative and environmental standards and expectations that exist at that time.</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.9 Service Levels</p> <p>Assumption: Levels of service will remain at current levels or incrementally increase.</p> <p><i>Comment: Service level changes may be initiated from increased community expectations or demand, a need to vary levels of service within the district due to local expectations, or changes required as a result of government legislation, regional or district policy. Legislative change may also impose significant new service levels on the Council. The way that services are provided may change but this may have not significant effect on service levels.</i></p>		✓		<p>Significantly enhanced or increased service levels are demanded by the community or required by the government on local authorities in one or more areas of activity. Levels of service decrease due to the impacts of climate change, where the cost of maintaining the level is prohibitive, or due to physical changes the service is no longer possible.</p>		✓		<p>Increased or improved service levels require additional cost and/or resources to provide them.</p> <p>The Council regularly monitors existing service provision within its operations and reviews and sets levels of service through activity management planning and corporate planning processes. Service levels may change due to technology enhancements.</p> <p>Minor changes may be made to service levels where budget, contracts and resources allow. These will generally occur within existing budgets.</p> <p>Significant changes in service levels will be confirmed with the community via consultation. These may require increases to fees or rates, depending on how the service involved is funded.</p>	

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.10 Demand</p> <p>Assumption: Actual demand will remain within projected levels.</p> <p><i>Comment: The impact of demand on Council activities will vary. Activities will be influenced by factors specific to them (e.g. a rise in building consents for building control). Activities may also be influenced by broader factors or trends (e.g. population change, demographic changes, household changes).</i></p>		✓		Changes in demand are significantly higher or lower than expected. Demand significantly reduces for one or more activity so that they are no longer financially viable.			✓	Significant and consistent variation from projected demand levels may adversely affect TDC's ability to meet levels of service at an affordable cost Increased or improved service levels require additional cost and/or resources to provide them.	Council will continue to monitor demand factors, growth and development changes across its activities and adapt or redirect activity provision to meet needs within reasonable costs. Updated demand information and projections where available will be incorporated into future planning work

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.11 Availability of Staff, Contractors and Materials</p> <p>Assumption: Appropriately skilled staff and contractors and necessary materials will be available to undertake the work required to agreed standards, deadlines and cost.</p> <p>Comment: <i>The availability of skilled staff and contractors and the ready supply of materials could be affected by the ongoing global impact and recovery from COVID-19.</i></p>		✓		<p>Projects could be delayed if there is a shortage of contractors or materials or contractors cannot deliver to agreed standards, costs and timeframes.</p> <p>Council’s work programme and the delivery of community outcomes could be negatively impacted if key roles within Council are vacant.</p>		✓		<p>Might increase cost and/or delay projects or mean services are delivered to a lesser level of service.</p>	<p>Spread delivery of capital projects to reasonable timeframes.</p> <p>Monitor Council’s overall programme delivery, including delivery challenges</p> <p>Continue to engage with contractors.</p> <p>Ensure robust contracts are in place.</p> <p>Look at alternative resources.</p> <p>Ensure robust internal recruitment practices and business continuity processes are in place</p>

<p>1.12 Natural hazards/ natural disasters Assumption: The increasingly magnified effects of climate change and regular occurrence of natural hazard events means it is prudent to assume that Council is likely to need to respond to the effects of natural hazard events during the term of this Long Term Plan. <i>Comment: The district is at risk from natural hazards such as flooding, earthquakes, storms, tsunami and wildfire. These events can strike without warning, but are being increasingly magnified by the effects of climate change.</i></p>	<p>✓</p>	<p>Natural hazard events occur that have a significant impact on the district and Council services</p>	<p>✓</p>	<p>A natural hazard event can potentially cause significant unbudgeted costs, beyond the capacity of the Council to cope.</p>	<p>Council is a member of the Local Authority Protection Programme Disaster Fund Trust (LAPP) and has a variety of insurance cover which would cover some emergency works. Council also has a Disaster Relief Fund for the replacement of infrastructural assets excluding roading in the event of a natural disaster. It is likely that Council will need to consider increasing contributions to this fund over time. Through its Activity Management Plan process and project planning, Council aims to increase the resilience of critical assets, to limit effects of natural disaster and enable their reinstatement or replacement. Central government has a role in disaster recovery after a natural disaster, including funding support.</p>
<p>1.13 Earthquakes – Alpine Fault Assumption: A significant earthquake in the region will cause major damage, displacement and disruptions across the district, including to Council assets and services within predicted probabilities. <i>Comment:</i></p>	<p>✓</p>	<p>An Alpine Fault event occurs earlier or later than predicted.</p>	<p>✓</p>	<p>If an event occurs earlier than predicted there is a risk that Council and the community are underprepared for the event, and not well placed for recovery.</p>	<p>In addition to mitigations outlined above: Continue to maintain CDEM readiness for response and recovery; Adopt resilient infrastructure standards through asset management plans and practises; Council existing and</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p><i>The Alpine Fault Magnitude 8 (AF8) Study, 2016 confirms a 30% probability of a magnitude 8.0 or above event within the next 50 years.</i></p> <p><i>Scientific modelling notes that a severe earthquake on the South Island Alpine Fault is likely within the lifetime of most of us, or our children. Planning for the effects of such an event needs to be included in this and future Long Term Plans.</i></p>									<p>above ground facilities are upgraded to current building code requirements; All new facilities meet current code requirements; Making appropriate District Plan provisions in relation to known active faults; Providing for borrowing to cover recovery/resilience costs in the Financial Strategy.</p> <p>Council is involved in the AF8 collaboration - planning and preparing a coordinated response across the South Island.</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.14 Strategic Assets</p> <p>Assumption: Council will remain involved in all activities involving strategic assets* and continue to own and control strategic assets. <i>*as listed in the Significance and Engagement policy</i></p> <p><i>Comment: Legislatively driven changes affecting water services (a strategic asset) have been signalled during the 2021-31 LTP period. Any changes of this nature would be subject to a legislative process and potentially local consultation processes.</i></p>		✓		Changes in control or ownership of strategic assets could have implications for Council staffing and community influence in any decision making process.			✓	Changes in control or ownership of strategic assets could affect the level of service provided to the community, and the ability of Council for input into decision making.	Currently changes in control or ownership of strategic assets must occur as part of an LTP development or amendment, with a formal process required through the Local Government Act. Any new legislation in relation to water service assets could override this requirement.
<p>1.15 Council Political Structure</p> <p>Assumption: There will be no significant changes to the Council political structure (i.e. Council Elected Members and Community Boards).</p>			✓	Changes in the Council political structure are made			✓	Changes in the political structure could either be minor or major depending on the nature of the changes. For example, an amalgamation will have a significant impact on the delivery of Council services.	Any changes in political structure will occur through either representation review processes or formal processes driven either by the community, Council or central government. Council will monitor the community and legislative sentiment regarding changes to political structure.

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.16 Economic, Industry, and Employment Growth Assumption: Employment rates will drop in the short term as a result of the COVID-19 economic shock, with a projected drop in employment of 9.3% between 2020 and 2021, but strong growth is expected through the 2020s.</p> <p>From 2030 onwards, more stringent environmental regulation and carbon pricing is likely to weigh on the primary sector and impact on employment growth overall in the district. Over the period to 2051 strong employment growth is forecast in education and training, as well as healthcare and social assistance. Over the same period, we expect employment will slowly decline in agriculture, forestry and fishing, and retail trade.</p> <p><i>Comment: This is an area of high uncertainty due to the immediacy, the evolving nature of COVID and the unknown impact on employment, the economy – locally, nationally and internationally.</i></p> <p><i>Infometrics Population projections May 2020 – Employment by Industry RM8 #1340672 and #1341115</i></p>	✓			<p>Economic, Industry and Employment growth is lower or higher than forecast due to external factors, such as a slower/quicker than predicted global recovery from COVID-19, or other limitations to accessing the global market affecting export demand for primary produce, and limiting overseas migration which the primary sector relies on for staff.</p>	✓			<p>Changes to projected growth may impact on the demand for certain Council services (e.g. water supply, sewer). This may impact on the cost of the service or provision of over/under capacity (depending on the nature of the change)</p>	<p>Council to be positioned to support changes to the industry profile of the district.</p> <p>Ongoing monitoring of the economic climate of the Timaru District</p> <p>Ongoing support for an Economic Development Agency to support the local economy</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk statement	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>1.17 Impact of Technology Advances Assumption: Technological advances will continue to enhance our delivery of services</p> <p><i>Comment: Technological advances have enabled Council to deliver services differently. These advances can occur on many levels across many of our services (e.g. improvements to water treatment techniques, implementation of new systems to replace manual Council processes, digitisation of documents, self-checkout of library books).</i></p> <p><i>Motivation for implementing technological advances can come from an ongoing desire to improve our level of service, efficiency gains or from community expectations. Advances can impact on cost of delivery, job roles and resources.</i></p>			✓	Council will not be able to fully utilise technological advances			✓	Implementation of technological advances is subject to consideration of their benefits and costs and enhancements provided to service delivery	Development of a Digital Strategy Level of service reviews Activity Management Planning
<p>1.18 Income Levels/Affordability Assumption: Ratepayers will be able to continue to afford to pay all rates set.</p>			✓	An increasing number of ratepayers are unable to afford to pay all rates set.			✓	Council will not collect the required amount of rates income to meet funding needs for service delivery	Regular review of Revenue and Financing Policies. Environmental scans of the District's economy are completed every three years. Debtor numbers are monitored.

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk																																												
	H	M	L		H	M	L																																														
<p>2.1 Inflation</p> <p>Assumption: The LTP is prepared on the inflation rates assumed in the table below for periods beyond 2021/22 which is based on Local Government Cost Index (LGCI) Mid scenario prepared by BERL. BERL quote the index at 30 June for each year:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Operational</th> <th>Capital</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2021/22</td> <td>3.60%</td> <td>4.00%</td> <td>3.70%</td> </tr> <tr> <td>2022/23</td> <td>2.90%</td> <td>3.00%</td> <td>2.90%</td> </tr> <tr> <td>2023/24</td> <td>2.50%</td> <td>2.60%</td> <td>2.50%</td> </tr> <tr> <td>2024/25</td> <td>2.50%</td> <td>2.60%</td> <td>2.50%</td> </tr> <tr> <td>2025/26</td> <td>2.50%</td> <td>2.70%</td> <td>2.60%</td> </tr> <tr> <td>2026/27</td> <td>2.50%</td> <td>2.60%</td> <td>2.50%</td> </tr> <tr> <td>2027/28</td> <td>2.60%</td> <td>2.70%</td> <td>2.60%</td> </tr> <tr> <td>2028/29</td> <td>2.70%</td> <td>2.90%</td> <td>2.70%</td> </tr> <tr> <td>2029/30</td> <td>2.70%</td> <td>2.80%</td> <td>2.70%</td> </tr> <tr> <td>2030/31</td> <td>2.60%</td> <td>2.70%</td> <td>2.60%</td> </tr> </tbody> </table>	Year	Operational	Capital	Total	2021/22	3.60%	4.00%	3.70%	2022/23	2.90%	3.00%	2.90%	2023/24	2.50%	2.60%	2.50%	2024/25	2.50%	2.60%	2.50%	2025/26	2.50%	2.70%	2.60%	2026/27	2.50%	2.60%	2.50%	2027/28	2.60%	2.70%	2.60%	2028/29	2.70%	2.90%	2.70%	2029/30	2.70%	2.80%	2.70%	2030/31	2.60%	2.70%	2.60%			✓	The rate of inflation differs from that assumed		✓		A significant change in inflation will result in changed revenue and expenditure. This could be significant and may adversely affect the ability of the Council to set rates at a level that is affordable to the community.	The Council will review its budget annually through the LTP/Annual Plan process and may adjust work programmes/budgets where necessary.
Year	Operational	Capital	Total																																																		
2021/22	3.60%	4.00%	3.70%																																																		
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Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>2.2 Interest Rates on borrowing</p> <p>Assumption: Interest on borrowing is assumed to be between 2.5% and 3.0%</p> <p>Comment: For each \$10 million of borrowing a 1% increase in interest rates increases Council's borrowing costs by \$100,000.</p>		✓		Forecast interest rates on borrowing are higher or lower than forecast		✓		Council costs could increase or decrease as interest rates fluctuate up and down. Based on Council's projected debt levels, interest cost would increase/decrease by \$(tba) and (tba) per year for each 1% movement in effective interest rate.	Council hedges interest rate exposures as per the Liability Management Policy.
<p>2.3 Return on investments</p> <p>Assumptions:</p> <ul style="list-style-type: none"> Bank deposits and bond portfolio assumed return is between 1.1% and 1.5% Timaru District Holdings Limited assumed dividend is \$1M per annum. Forestry assumed return is \$0 over the 10 years 	✓			Forecast returns are higher or lower than forecast		✓		Council income could increase or decrease as investment returns fluctuate up and down.	Council maintains a long term investment portfolio with fixed interest rates which minimises fluctuations. Investments are also managed using the Investment Policy to minimise risks. Changes in investment returns are generally partially offset by a change in borrowing costs.

<p>2.4 Funding Sources</p> <p>Assumption: Current Funding sources (including external funding sources) do not change over the first three years of this plan.</p> <p><i>Comment: Funding sources are specified in the Revenue and Financing Policy and Financial Strategy. This applies to user fees, charges and external funding towards projects and assets. It is assumed that Council will seek to develop and introduce a policy for the collection of Development Contributions. However Development Contributions income have not been budgeted.</i></p>		✓	<p>Projected revenue from user charges or financial assistance is not achieved.</p> <p>Levels and sources of funding differ from those forecast.</p>		✓	<p>Revenue could reduce without the ability to reduce expenditure proportionately. In this event, the account would run in deficit, with charges reviewed for the next financial year.</p> <p>Project and asset funding could result in projects being revised or alternative funding sources used.</p>	<p>Levels of revenue from user charges have been set at realistic levels in accordance with the ratios outlined in the Revenue and Financing Policy.</p> <p>There is a concentration of risk associated with a small number of industrial consumers for some revenue streams (e.g. extraordinary water charges and trade waste charges). Regular liaison is maintained with these consumers.</p> <p>Funding for projects and assets is considered before the commencement of each project or asset.</p> <p>A significant impact from changes in funding or funding sources may result in a revised capital work programmes, or changes in the level of user fees and charges, borrowing or rating requirements.</p>
<p>2.5 Credit availability</p> <p>Assumption: Credit can be obtained from financial markets on competitive terms and conditions.</p>	✓		<p>Required credit cannot be obtained from financial institutions</p>		✓	<p>Funding would need to be obtained from alternative sources or work programmes adjusted.</p>	<p>Council is a borrower from LGFA and that institution has a level of government support made available evident in the COVID-19 responses.</p> <p>Prudent debt levels are maintained to mitigate risk for financial institutions. Relationships are maintained with various financial institutions and</p>

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
									Council regularly monitors credit markets. A credit rating is maintained.

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>2.6 Costs</p> <p>Assumption: Costs will remain stable over the period of the Long Term Plan (refer also to inflation assumption).</p> <p><i>Comment: Maintenance expenditure has been based on historical trends.</i></p>			✓	Costs are higher or lower than anticipated		✓		Variability of prices, such as for oil, could cause variability in costs.	The Council and management will review its budget annually through the LTP/Annual Planning process and may adjust work programmes/budgets where necessary.
<p>2.7 NZ Transport Agency Financial Assistance</p> <p>Assumption: There will be no further changes to the financial assistance approach for transport funding administered by the New Zealand Transport Agency (NZTA), including funding criteria and NZTA funding.</p> <p><i>Comment: The funding assistance rate is a flat rate of 51%.</i></p>		✓		Changes in NZTA Subsidy rates or to criteria for roading and footpath projects have a positive or negative effect on Council's transport budget		✓		Funding would need to be obtained from alternative sources or work programmes adjusted. Levels of service may need to be adjusted. If sufficient funding is not available, it may mean that projects are delayed or scrapped.	The budget is reviewed annually through the LTP/Annual Plan process and may require adjusted work programmes/budgets where necessary.

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>2.8 Emissions Trading Scheme</p> <p>Assumptions: The price for NZUs increases to \$50 in year 1 of the LTP, with the market price beyond this uncertain.</p> <p>Comments: TDC has ETS liability each year (a requirement to surrender NZUs) in relation to its landfill operation. Some NZU's will be surrendered over the term of the LTP for deforestation. It will cost \$2m per tonne of waste based on a price of \$50 per NZU and using the default emissions factor for landfill emissions.</p>		✓		The carbon price could be higher or lower than expected.		✓		<p>Council could hold more or less NZU's for forestry assets. Landfill costs could vary resulting in changing landfill user charges.</p> <p>Forestry assets are maintained with a long term view but programmes are reviewed annually.</p> <p>Any sale of forestry land will compensate for the loss of NZUs and associated benefits.</p> <p>Landfill costs and waste volumes are monitored continuously.</p>	

Significant General Forecasting Assumptions

Assumption	Level of uncertainty (High, Medium, Low)			Risk	Risk Level (How likely risk will occur) (High, Medium, Low)			Consequence of variation to assumption	Approach to mitigation of risk
	H	M	L		H	M	L		
<p>2.9 Revaluation of significant assets Assumption: The Council historically used deemed cost as its approach to revaluation. In February 2019 Council resolved to move to ‘fair value’ as a measurement basis for its property, plant and equipment assets. Water, wastewater and stormwater (including Downlands) classes of assets were revalued as at 1 July 2019 and roading and footpaths assets as at 1 July 2020 using depreciated replacement cost. Parks and reserves, waste minimisation and property assets will be revalued over the first 3 years of the LTP.</p>	✓			Minimal risks as asset revaluations will occur in the future for property, plant and equipment			✓	If a revaluation does not occur, this may mean that the Council’s forecasted funding requirements may not sufficiently cover the full replacement of assets.	Revaluation affects the carrying value of fixed and infrastructural assets and the depreciation charge in the years subsequent to the revaluation. Annual revaluations are undertaken for investment properties and forestry assets. Property, plant and equipment assets revaluations will be undertaken every three years.
<p>2.10 Rating Base Assumption: There will be a modest increase in the rating base over the 10 years of this LTP, given predicted increase in household growth – specifically more smaller housing units as a result of a growth in the 1-2-person household numbers. * <i>Refer Infometrics Population projections October 2020</i></p>	✓			Rating units could grow/contract at an increased rate.			✓	An increase in the overall rating base could result in a decrease in rates for rating units as the total rates are spread across a larger base. If the rating base was to reduce, there could be an increase in rates.	The rating base is reviewed annually when determining the rates for the year.

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7.3 Review of Significance and Engagement Policy

Author: Fabia Fox, Policy Analyst

Authoriser: Bede Carran, Chief Executive

Recommendation

That Council adopts the draft Significance and Engagement Policy as presented, with or without amendments.

That Council agrees the amendments to the draft Significance and Engagement Policy do not represent material changes to the current Policy and therefore agrees that Council has sufficient information on community interests and preferences to enable the purpose of the Policy to be achieved without community consultation.

That Council notes that a summary of the Significance and Engagement Policy will be included in the Long Term Plan 2021-31.

Purpose of Report

- 1 The purpose of this report is present the amended Significance and Engagement Policy to Council for adoption, noting that a summary of the Policy will be included in the Long Term Plan 2021-31.

Assessment of Significance and Engagement

- 2 In accordance with the current Significance and Engagement Policy, the amendments made to the Policy presented have been assessed as of low significance. No material amendments have been made to the legislatively required content and the proposed changes will not impact on the manner in which Council determines significance or engages with the community. The proposed amendments are detailed in the discussion of this report.
- 3 As a result of this assessment of low significance no community consultation will be undertaken, however, Council will inform the community of the Policy content by way of a summary published in the Long Term Plan 2021-31 and having the full Policy available on Council's website.

Background

- 4 An amendment to the Local Government Act 2002 (LGA) in 2014 introduced Section 76AA of requiring Council to adopt a policy setting out:¹
 - (a) Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters; and
 - (b) Any criteria or procedures that are used by Council in assessing the extent to which issues, proposals, assets, decisions, or activities are significance or may have significant consequences; and

¹ Prior to 2014 the LGA required Council to have a Significance Policy. The 2014 amendment introduced the engagement requirements.

- (c) How Council will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable; and
 - (d) How Council will engage with communities on other matters.
- 5 The LGA states that the purpose of the Policy is:
- (a) To enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities; and
 - (b) To provide clarity about how and when communities can be expected to be engaged in decisions about different issues, assets, or other matters; and
 - (c) To inform Council from the beginning of the decision-making process about –
 - (i) The extent of any public engagement that is expected before a particular decision is made; and
 - (ii) The form or type of engagement required.
- 6 The Policy must also list the assets considered by Council to be strategic assets. Strategic assets are defined by the LGA to be:
- 6.1 An asset or group of assets that Council needs to retain if Council is to maintain its capacity to achieve or promote any outcome that Council determines to be important to the current or future wellbeing of the community, and includes any equity shares held by Council in a port company.²
- 7 When amending the Policy, Council must consult in accordance with section 82 of the LGA, unless it considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the Policy to be achieved.
- 8 Council must include a summary (or other description) of the Policy in the Long Term Plan, and a reference to where the full Policy can be found, which may be done by providing a link to the relevant document or Council's website.³
- 9 Following community consultation Council adopted the current Significance and Engagement Policy in 2014. The Policy was reconfirmed by Council in 2017 with no changes.
- 10 The draft Policy attached includes an introductory section providing further context to the legislative requirements of the Policy and consultation in accordance with the LGA.

Discussion

- 11 Council has undertaken a review of the Significance and Engagement Policy and has reconfirmed the current approach to assessing significance, the engagement principles and processes, and the assets considered to be strategic. These matters were discussed at a Council Workshop on 8 December 2020.
- 12 Following this review the Policy has been rewritten to improve the readability and clarity, to reduce duplication, and to clearly state the procedures currently in place for determining significance and undertaking engagement.

² Section 5 of the LGA.

³ Clause 11, Schedule 10 of the LGA.

- 13 The amended Policy has been broken into two sections. Part 1 provides a 'plain English' overview of the Policy to help the reader understand the wider context. This recognises that definitions and concepts of 'significance' and 'significant' are quite complex, as are some of the legislative requirements for consultation.
- 14 Part 1 also includes an overview of Council's requirements with regards to ensuring participation by Maori in local authority decision-making, and a statement of Council's relationship with mana whenua, developed jointly with Te Rūnunga O Arowhenua.
- 15 In order to achieve its purpose, it is important that the Policy is accessible and clear for the community, Council and officers alike. The proposed amendments seek to achieve this clarity.
- 16 Part 2 details Council's policies on significance and engagement in accordance with the statutory requirements of section 76AA of the LGA. The Policy section has been rewritten, however no material amendments have been made. Some additional commentary has been removed to reduce duplication and improve the clarity of the policy.
- 17 The amended Policy is attached. The current policy is also attached for comparison. For ease of reading, tracked changes have not been shown.

Options and Preferred Option

- 18 **Option One:** The draft Significance and Engagement Policy is adopted as presented. This is the preferred option. This option provides a more reader-friendly presentation, while maintaining the principles of the current Policy, and continues to provide an effective mechanism for assessing significance and guiding engagement and consultation requirements.
- 19 This option is supported by Council's review of the Policy. There are no risks or budget implications identified with this option.
- 20 **Option Two:** Council may wish to make further amendments to the Policy. This option is not supported by Council's review of the Policy and would require further analysis, and community consultation on any significant amendments proposed.
- 21 **Option Three:** The draft Policy is not adopted and Council decides to maintain the current policy. This option does not improve the readability and clarity of the Policy.

Consultation

- 22 When amending the Significance and Engagement Policy, if Council considers on reasonable grounds that it has sufficient evidence about community interests and preferences to enable the purpose of the policy to be achieved, consultation on the proposed amendments is not required.
- 23 As discussed above, the proposed amendments do not materially change Council's Policy for determining the significance of an issue, or how Council will engage with the community on issues. The current policy has been effective in ensuring Council assesses significance appropriately and engagement and consultation is undertaken accordingly.
- 24 It is therefore reasonable for Council to conclude that amended Policy will continue to meet the community's interests and preferences, and consultation on the amendments is not required.

Relevant Legislation, Council Policy and Plans

- 25 Local Government Act 2002: The legislative requirements of the LGA as they relate to this Policy have been detailed above.
- 26 Long Term Plan: A summary of the Policy will be included in the Long Term Plan 2021-31.

Financial and Funding Implications

- 27 There are no financial implications associated with the adoption of the amended Significance and Engagement Policy.

Attachments

- 1. **Significance and Engagement Policy 2018** [!\[\]\(67ff022fd78f943b679992c2874bbfd1_img.jpg\) !\[\]\(042ea11c58a77088d3dd7150909adec0_img.jpg\)](#)
- 2. **Significance and Engagement Policy - Draft February 2021** [!\[\]\(5890ff4c38007932c846fa9d39ba1fe6_img.jpg\) !\[\]\(0951d374ca92713a262635cd1d2251b2_img.jpg\)](#)



Significance and Engagement Policy

Approved by:

Council

Date Approved:

25 November 2014

Reconfirmed with no change when 2018-28 LTP adopted 26 June 2018

Keywords:

Significance, Engagement

1.0 Purpose

The purpose of the Significance and Engagement Policy is to:

- enable the Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities
- provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets or other matters
- inform the Council from the beginning of a decision-making process about:
 - the extent of any public engagement that is expected before a particular decision is made
 - the form or type of engagement required.

The Significance and Engagement Policy must list the assets considered by the Council to be strategic assets.

2.0 Background

The Local Government Act (*the Act*) requires the Council to adopt a Significance and Engagement Policy⁴ which sets out:

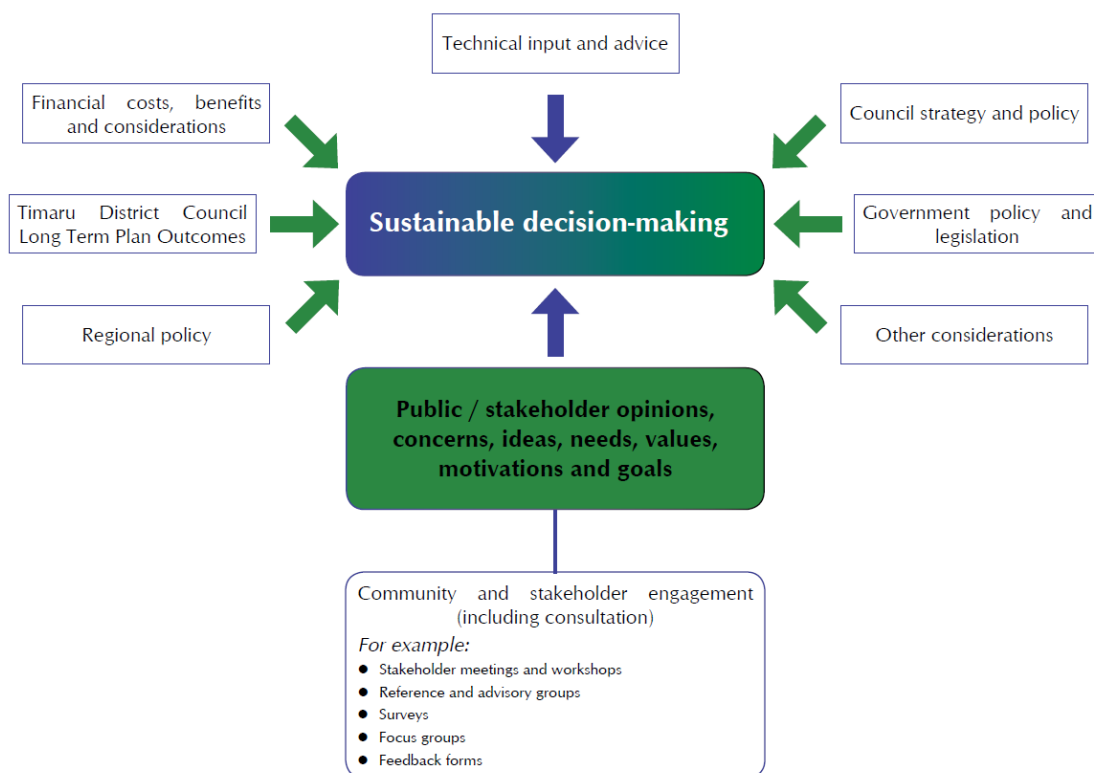
- the Council's general approach to determining the significance of proposals and decisions in relation to issues, assets and other matters
- any criteria or procedures that are to be used by the Council in assessing the extent to which issues, proposals, assets, decisions or activities are significant or may have significant consequences
- how the Council will respond to community preferences about engagement on decisions relating to specific issues, assets or other matters, including the form of consultation that may be desirable
- how the Council will engage with communities on other matters.

One of the roles of the Council is to “enable democratic local decision-making and action by, and on behalf of communities”⁵. In meeting this role, the Council will give consideration to the views and preferences of persons, likely to be affected by, or to have

⁴ This is a new requirement under section 76AA of the Act, introduced in July 2014 as one of a number of amendments to the legislation. Timaru District Council already had a Policy on Significance, a requirement under section 90 of the Act, which has now been replaced by the new section 76AA. The existing Policy on Significance has been reviewed and integrated into this Significance and Engagement Policy.

⁵ Local Government Act 2002, Section 10

an interest in, the matter, to the extent that is proportionate to the significance of the particular matter. This does not necessarily require the Council to undertake any consultation process or procedure⁶. As well as the views of communities and affected and interested parties, there are a wide range of information sources, considerations and perspectives that will inform the Council’s decisions, including the requirements of Government policy, technical matters and the financial implications, as illustrated below:



The Council considers all these factors, including public input into significant decisions, policies or programmes undertaken, to ensure they reflect the aspirations and priorities of communities and interested groups throughout the Timaru District and that sustainable decisions are made.

This Significance and Engagement Policy aims to enable a flexible but focused approach to engagement that:

- recognises the importance of involving Timaru District’s diverse communities in the Council’s work
- provides a range of options and methods for engagement with different groups and communities and for issues, decisions and proposals with different degrees of significance
- demonstrates our commitment to building ongoing relationships and greater understanding of community views and preferences.

3.0 Key Definitions

⁶ Local Government Act 2002, Section 78

- *significance*⁷, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the Council, in terms of its likely impact on, and likely consequences for,—
 - the Timaru district:
 - any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:
 - the capacity of the Timaru District Council to perform its role, and the financial and other costs of doing so.
- *significant*⁸, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.
- *strategic asset*⁹, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—
 - a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and
 - b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
 - c) any equity securities held by the local authority in—
 - (i) a port company within the meaning of the Port Companies Act 1988:
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966
- *engagement*, the process of seeking information from the community to inform and assist decision-making and of providing relevant information to the community. There is a continuum of community involvement.

4.0 Policy

4.1 General approach to determining significance

- The Council will exercise its judgement on a case by case basis, when considering the degree of significance of an issue and the corresponding level of engagement. The decision on a matter's significance rests with the Council, or a committee or officer acting under delegated authority from the Council.
- The significance of the issue and appropriate forms of engagement will be considered in the earliest possible stages of a proposal or process, before decision-making occurs. If necessary, significance and engagement will be reviewed as the proposal develops.
- The significance of the issue, proposal or decision will determine how much time, money and effort the Council will invest in exploring and evaluating options and obtaining the views of affected and interested parties.
- The commitment to invest in exploring options and obtaining the views of communities and affected and interested parties does not mean that the Council will have to fully consult with the public for every decision it makes, nor does it bind the Council to the views of communities and interested or affected parties.

⁷ Local Government Act 2002, Section 5

⁸ Local Government Act 2002, Section 5

⁹ Local Government Act 2002, Section 5

- Every decision the Council makes must be made in accordance with the decision-making requirements set out in sections 76-82A of the Act. However, the nature of the decision-making process required will be determined in proportion to the level of significance of the issue or proposal.

4.2 Criteria for assessing significance

In assessing the degree of significance or significant consequences, the Council will consider the following:

- The number of residents or ratepayers affected and the degree to which they are affected by the decision or proposal
- The degree to which any particular grouping in the community is affected by the decision or proposal
- The degree to which the issue has a financial impact on the Council's overall resources or on the rating levels of its communities
- The degree to which a decision is inconsistent with one already made in a Council policy or strategy
- Whether there is historical level of interest or reasonable expectation of wide community interest being generated
- Whether there is a legal requirement to engage with the community
- Whether the asset involved is a strategic asset as listed in 4.5.

In general, where a proposal or decision is affected by a number of the above considerations, it is more likely to have a higher degree of significance. Guidance on the use of the significance criteria on a continuum of low to high can be found in Schedule 1.

4.3 General approach to engagement

Engagement provides an opportunity for the Council to better understand the views and preferences of interested and affected persons on a decision or proposal being considered by the Council.

The Council will endeavour to apply the following general principles to community engagement:

- *Appropriate* – The Council will determine the appropriate level of engagement on a case by case basis, according to the degree of significance.
- *Genuine* – Engagement will be based on an open mind to community feedback and willingness to listen before making decisions.
- *Timely* – Where reasonably practicable, the Council will give the community a timely opportunity to have a say.
- *Informed* – The Council will seek to ensure the community can give informed feedback and wherever possible enable the community to consider options relating to the decision.
- *Balanced* – The Council will weight consultation or engagement feedback accordingly with other considerations.
- *Two-way* – The Council will always provide feedback to those who made the effort to give us their opinions and will explain our decisions.

In determining the processes and methods appropriate for engaging with communities, the Council will be guided by the following:

- the extent to which the current views and preferences of persons who will or may be affected by, or have an interest in, the decision or matter are known to the Council
- the degree of significance of the issue, decision, proposal, asset or other matters

- the objectives of the engagement
- the preferences, capacities, views and values of the community groups and individuals affected by and / or interested in the decision or proposal
- the diversity of preferences, capacities, views and values amongst the community groups and individuals affected by and / or interested in the decision or proposal
- the benefits, limitations and costs of the range of possible processes and methods for engaging
- timing issues, including any concurrent engagement processes on other matters
- opportunities provided for efficient and effective engagement.

The Community Engagement Guide (see Schedule 2) identifies the form of engagement the Council may use to respond to some specific issues. This is based on an 'engagement spectrum' approach¹⁰ and provides examples of types of issues and how and when communities could expect to be engaged in the decision-making process. The methods identified are not a definitive list, but an indication of the spectrum of engagement opportunities that may be useful for the Council and our communities.

4.3.1 When the Council will engage

- When legislation requires that consultation be undertaken:* The Council will consult when it has a legislative requirement to consult (e.g. Local Government Act 2002, Resource Management Act 1991). The Council will undertake these consultation processes using the legislative requirements guiding them, as a minimum. The Council may choose to consult further depending on the level of significance of the matter being considered. If so, the Council will consider the principles of consultation in section 82(1) of the Local Government Act 2002, but only to the extent that they are consistent with the particular legislative requirements.
- When a significant proposal or decision is being considered:* Subject to consideration of significance under this Policy, the Council will look to undertake what it considers to be an appropriate form of engagement. Note that a 'significant' decision will not automatically trigger application of the Special Consultative Procedure (SCP).
- For some matters that are not considered significant:* In general, where a matter is not considered significant under this Policy, consultation will not be undertaken. In some cases, particularly where a decision has relatively high significance the Council may decide to consult or undertake some other form of engagement on the matter.

4.3.2 When the Council may not engage

Information is always necessary for the decision-making process. However, there are times when it is not necessary, appropriate or possible to engage the community on a matter or decision. The Council may also choose not to consult on a matter based on the criteria below and any legislative requirements.

The Council will generally not engage:

- a) When the matter is not of a nature or significance that requires consultation¹¹; or
- b) When the Council already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in the matter¹²; or

¹⁰ International Association for Public Participation (IAP2) framework

¹¹ Local Government Act 2002, Section 82(4)(c)

¹² Local Government Act 2002, Section 82(4)(b)

- c) Where there is a need for confidentiality or commercial sensitivity¹³; or
- d) Where the costs of consultation outweigh the benefits of it¹⁴; or
- e) For organisational decisions (i.e. operational matters and staff changes); or
- f) Where the matter has already been addressed by the Council's policies or plans, which have previously been consulted on; or
- g) During emergency management situations in a State of Emergency; or
- h) For any decisions that are made by delegation to officers; or
- i) For an urgent, immediate or quick response or decision is needed or it is not reasonably practicable to engage; or
- j) When works are required unexpectedly or following further investigations on projects, already approved by the Council; or
- k) For business as usual - the works required are related to the operation and maintenance of a Council asset and responsible management requires the works to take place.

4.4 Procedures for determining significance and engagement

For decisions that are to be made by the Council or a committee, the degree of significance and engagement will be reported on through the Council reporting template. Reports will include a statement regarding:

- the degree of significance of the proposal or decision, including an explanation of the assessment criteria that are considered to be triggered
- the range of community views that might exist
- whether there is need for further community engagement prior to a final decision being made
- the appropriate observance of the decision-making requirements set out in sections 76-82A of the Act.

A written engagement plan will generally be developed only for proposals or decisions with a high degree of significance.

In each case, it will be for the Council or committee to determine if it agrees with the significance and engagement assessments, and any engagement plan, set out in the report.

For decisions that are made by officers under delegated authority, significance and engagement will be considered, but it will not be necessary to document any assessment. Typically, such decisions are likely to be of low significance. For instance, officers are generally delegated administrative decisions that flow from a Council plan or policy (e.g. the budgeted and routine renewal components of headworks of a water supply). The significance usually rests with the Council's decision to adopt or amend the plan or policy and not with each action taken by officers in implementing the plan or policy.

4.5 Strategic Assets

Section 76AA (3) of the Act requires the Council to identify and list the assets it considers to be strategic assets. The Council considers the following assets or groups of assets it holds to be strategic:

- Council's equity securities in Timaru District Holdings Ltd
- Council's Social Housing assets as a whole

¹³ Local Government Act 2002, Section 82(4)(d)

¹⁴ Local Government Act 2002, Section 82(4)(e)

- Cultural and Learning facilities as a whole
- District cemeteries as a whole
- Parks facilities as a whole
- Recreational facilities as a whole
- Redruth Landfill
- Roding network as a whole
- Timaru Airport
- Wastewater and Stormwater networks as a whole
- Water supply networks as a whole.

Under section 97(1)(b) of the Local Government Act 2002, decisions to transfer the ownership or control of a strategic asset to or from the Council cannot be made unless they are first consulted on in accordance with section 93E and explicitly included in the Long Term Plan.

To remove doubt, strategic assets as defined above are the assets as a whole entity and not the individual elements of that asset. This means that the requirements of Section 97(1)(b) of the Act are only triggered if the proposal relates to the asset as a whole or where it would materially affect the nature or operation of the asset.

4.6 Policy Review






The policy will be reviewed at least once every three years. It may also be amended from time to time.

5.0 Delegations, References and Revision History

<i>5.1 Delegations - Identify here any delegations related to the policy for it to be operative or required as a result of the policy</i>					
<i>5.2 Related Documents - Include here reference to any documents related to the policy (e.g. operating guidelines, procedures)</i>					
<i>5.3 Revision History – Summary of the development and review of the policy</i>					
5.1 Delegations					
Delegation					Delegations Register Reference
<i>Not Applicable</i>					
5.2 References					
Title					Document Reference
<i>Local Government Act 2002</i>					
<i>Significance and Engagement Policy Staff Guidelines (to be developed)</i>					
5.3 Revision History					
Revision #	Policy Owner	Date Approved	Approval by	Date of next review	Document Reference
<i>Draft</i>	<i>Council</i>	<i>28 October 2014</i>	<i>Council</i>	<i>2017</i>	<i>#904232 (F5453: Governance – Council Policy – Significance and Engagement Policy)</i>
<i>Final</i>	<i>Council</i>	<i>25 November 2014</i>	<i>Council</i>	<i>2017</i>	<i>#909607 (F5453: Governance – Council Policy – Significance and Engagement Policy)</i>
<i>Reconfirmed</i>	<i>Council</i>	<i>26 June 2018</i>		<i>2020</i>	<i>#1133518 – no change to policy</i>

Schedule 1: Significance Criteria Guidance

The following provides general guidance for applying the significance criteria:

<p><i>Residents or ratepayers affected</i></p>	<p>Low High <i>Degree of Significance</i>  Small number of residents/ratepayers Large number of residents/ratepayers</p>
<p><i>Particular grouping in the community affected</i></p>	<p>Low High <i>Degree of Significance</i>  No particular grouping in the community is affected A specific grouping is affected (e.g. elderly,</p>
<p><i>Financial impact on Council's overall resources and rating levels</i></p>	<p>Low High <i>Degree of Significance</i>  Small impact Large impact</p>
<p><i>Consistency with Policy/Strategy</i></p>	<p>Low High <i>Degree of Significance</i>  Consistent with existing policy and strategy Large inconsistency with existing policy and strategy</p>
<p><i>Community Interest</i></p>	<p>Low High <i>Degree of Significance</i>  Consistent community agreement/views and/or generally Divided community views and/or strong historical community interest</p>

<p><i>Legal Requirements</i></p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>Decision or proposal has no legal obligations for engagement Decision or proposal has specific legal obligations for engagement</p>
<p><i>Strategic Asset</i></p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>Involves minor changes to Council's ownership or control of strategic Involves significant changes to ownership or control of strategic assets</p>

Schedule 2 – Community Engagement Guidance

Community engagement is a process, involving all or some of the community and is focussed on decision-making or problem-solving.

The International Association for Public Participation (IAP2) has developed a Public Participation Spectrum to demonstrate the possible types of engagement with the community. This model also shows the increasing level of public impact as you progress through the spectrum



from left to right - 'inform' through to 'empower'. In simply 'informing' stakeholders there is no expectation of receiving feedback, and consequently there is a low level of public impact. At the other end of the spectrum, 'empowering' stakeholders to make decisions implies an increase in expectations and therefore an increased level of public impact. Differing levels of engagement may be required during the varying phases of decision-making on an issue, and for different stakeholders.

It will not always be appropriate or practicable to conduct processes at the 'collaborate' or 'empower' end of the spectrum. Many minor issues will not warrant such an involved approach. Time and money may also limit what is possible on some occasions. It is expected that the vast majority of matters will fall within the 'inform', 'consult' to 'involve' range. There are very limited statutory situations which fall within the 'empower' range.

In general, the more significant an issue, the greater the need for community engagement.

Forms of engagement

The Council will use the Special Consultative Procedure¹⁵ where it chooses to do so and where required to do so by law, including for the following issues requiring decisions:

- The adoption or amendment of a Long Term Plan¹⁶
- The adoption, amendment, or revocation of bylaws if required¹⁷
- The adoption, amendment or revocation of a Local Alcohol Policy¹⁸
- The adoption or review of a Local Approved Products (Psychoactive Substances) Policy¹⁹
- The adoption or review of a Class 4 venue policy²⁰
- The preparation, amendment or revocation of a Waste Management and Minimisation Plan²¹
- Unless already explicitly provided for in the Long Term Plan and consulted on in accordance with section 93E, the Council will seek to amend its Long Term Plan, and therefore use the Special Consultative Procedure, when it proposes to:
 - alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, including commencing or ceasing such an activity; or
 - transfer the ownership or control of strategic assets.

The Council will consult in accordance with, or using a process or a manner that gives effect to the requirements of Section 82 of the Act where required to do so by law, including for the following specific issues requiring decisions:

- Adopting or amending the annual plan if required²²
- Transferring responsibilities to another local authority²³
- Establishing or becoming a shareholder in a council-controlled organisation

¹⁵ Local Government Act, Section 83

¹⁶ Local Government Act 2002, Section 93

¹⁷ Local Government Act 2002, Section 156

¹⁸ Sale and Supply of Alcohol Act 2012, Section 78

¹⁹ Psychoactive Substances Act 2013, Section 69

²⁰ Gambling Act 2003, Section 102

²¹ Waste Minimisation Act, Section 50

²² Local Government Act, Section 95

²³ Local Government Act, Section 17

- Adopting or amending a revenue and financing policy, development contributions policy, financial contributions policy, rates remission policy, rates postponement policy, or a policy on the remission or postponement of rates on Māori freehold land.

For such consultation, Council will develop information fulfilling the requirements of Section 82A of the Act, will make this available to the public, allow written submissions, and will consider all submissions prior to making decisions.

For all other issues, the following table provides **examples** of the differing levels of engagement that might be considered appropriate, the types of tools associated with each level and the timing generally associated with these types of decisions/levels of engagement.

Level	Inform	Consult	Involve	Collaborate	Empower
What does it involve	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public. Under the LGA 2002, the Mayor and Councillors are elected to make decisions on behalf of their constituents.
Types of issues that we might use this for	Annual Report, Infrastructure upgrades, Water restrictions	Rates review, Bylaw reviews, Local Alcohol Policy	District Plan, Long Term Plan, Infrastructure projects. policy development	Representation Review, Canterbury Water Management Strategy	Locally based policies and initiatives, local body elections
Tools Council might use	Websites, information flyers, advertising, public notices, media releases, newsletters, Council Noticeboard	Formal submissions and hearings consultation processes, informal meetings, focus groups, surveys, expos, roadshows	Workshops, Focus groups, Community Boards, Youth Councils, Public meetings, surveys	Multi stakeholder process, Joint Committees, face to face liaison, working parties	Referendums, local group involvement, advisory groups, , citizens panels , participatory budgeting

<p>When the community can expect to be involved</p>	<p>Council would generally advise the community once a decision is made</p>	<p>Council would advise the community once a draft decision is made Council and would generally provide the community with up to 4 weeks to participate and respond.</p>	<p>Council would generally provide the community with a greater lead in time to allow them time to be involved in the process.</p>	<p>Council would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.</p>	<p>Council would generally provide the community with a greater lead in time to allow them time to be involved in the process. e.g. typically a month or more.</p>
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Engagement tools and techniques

Over the time of decision making, Council may use a variety of engagement techniques on any issue or proposal based on a range of other factors, including history and public awareness of the issue, stakeholder involvement, and timing related to other events and budgets. Council will also take into consideration that the community can feel ‘over consulted’. Each situation will be assessed on a case-by-case basis.

Significance and Engagement Policy



Approved by: 4.1. Timaru District Council

Date approved: 4.2. TBC

Part 1: Overview

This document has been broken into two sections;

- Part 1: an overview to help the reader understand the wider context; and
- Part 2: Council's policy on Significance and Engagement in accordance with statutory requirements (page 6).

1. Context

For every decision Council makes, whether big or small, we need to consider how important that decision is to our communities and how it might impact them. Sometimes we are already aware of people's views on a matter, or are very limited in our choices about a decision, but at other times, we need to hear your thoughts before we decide what to do, and at other times it may be appropriate that we collaborate with the community to reach a decision together, or empower the community to make decisions themselves.

Often when Council is making an important, or significant decision, the way we engage is set by legislation and there is a process we must follow, but other times we determine how to engage. When deciding how significant a decision is for our communities, we look at a number of factors, including:

- a) Who is affected by, or interested in the decision;
- b) What the costs will be;
- c) What the overall impact of the decision will be.

These factors are part of working out the best way to engage with our communities on the issue. Do we need to just tell the community it's happening? Do we need to ask the community for feedback on a draft proposal? Or will the best outcomes be reached if we involve the community every step of the way to design solutions to issues and make decisions?

The Significance and Engagement Policy (SEP) guides Council's assessment of the significance of matters and sets out how and when our communities can expect us to engage, before making a final decision on both significant and less significant matters.

2. Legislative Framework

Council, under the Local Government Act 2002 (LGA), is an organisation of representative democracy. The LGA gives Council authority to make decisions for, and on behalf of the community and makes it accountable for those decisions through the election process.

Councils are also directed by the LGA to seek out and take account of community views in the process of decision-making.

One of the purposes of local government is “to enable democratic local decision-making and action by, and on behalf of, communities”.

Sections 76-81 of the LGA provide a framework which applies to all decision-making processes, including the consideration of community views. For each decision, Council determines how those requirements apply.

Council’s decision-making is further framed by other things, such as the requirements of government policy, technical matters and financial implications. These matters can also influence engagement on an issue (eg, if there is only one, or very limited viable options, such as a specific change required by new legislation).

Some decisions of Council are made under legislation with specific consultation processes for plans, policies or other matters. Examples of these are District Plans under the Resource Management Act 1991 and Reserve Management Plans under the Reserves Act 1977. For most other matters there is a prescribed consultation process and Council must follow the requirements of the LGA. These are explained in the following section.

Regardless of the level of significance, if the decision is about a matter that has a prescribed legal process, Council must follow that process. However this does not mean that Council is limited to only engaging in accordance with the legislation. Council can choose to undertake additional engagement activities to support the decision-making process if this is considered appropriate.

3. Local Government Act 2002 Consultation Requirement

Consultation is one of the ways we engage to find out about community views and preferences before making a decision. We consult on certain decisions because we recognise how important they are to our communities, or because we are required to by statute, or both.

The LGA contains principles which guide consultation as well as some specific requirements. It refers to consultation in two different, but closely related ways: ‘consultation’ and the ‘special consultative procedure’ (SCP). As the name implies, the ‘special consultative procedure’ is a specific kind of consultation.

Section 82 and 82A Local Government Act

Section 82 of the LGA provides some overarching principles for consultation. This includes:

- Identify people who will be affected by, or have an interest in the decision;
- Provide them with reasonable access to relevant information in an appropriate format on the purpose and scope of the decision;
- Encourage people to give their views;

- Give people a reasonable opportunity to give their views in an appropriate way;
- Listen to, and consider those views, with an open mind;
- After the decision, provide access to the decision and any other relevant material.

Section 82A details some additional obligations if the consultation is a specific requirement under the LGA. Where this section applies Council also develops:

- A description of what we want to do and why;
- An analysis of the practical options (with advantages and disadvantages); and
- A draft of the policy or relevant document (or details of the changes to any policy or document).

Section 83 – the Special Consultative Procedure (SCP)

The SCP builds on the principles of section 82 of the LGA as well as detailing additional requirements, including developing a ‘statement of proposal’ (SOP). An SOP is a document that provides detailed information on what the proposal is about and how people can provide their feedback. Depending on what the consultation is about, for example a Long Term Plan or a bylaw, the exact content requirements are further prescribed in the LGA. In some cases it requires the development of a specific consultation document, such as that required for the LTP or Annual Plan (in certain circumstances). In addition to meeting the principles of section 82, Council will:

- Make the SOP publically available;
- Allow feedback to be provided for a minimum of one month;
- Ensure people are given an opportunity to present their views to Council through spoken interaction (or using sign language).

4. What is ‘consultation’ and what is ‘engagement’?

Often the two terms ‘consultation’ and ‘engagement’ are used interchangeably, however, this is not accurate. Consultation is just one of the engagement options available, depending on the matter. Because Council is required by the LGA to undertake consultation for a range of reasons, it has become an easily recognisable term and process, for both Council and the community.

Consultation generally is when we develop a proposal, often a draft policy or plan, and then ask for the public’s views on the draft proposal. Council then considered these views before deciding on what the final policy or plan should say.

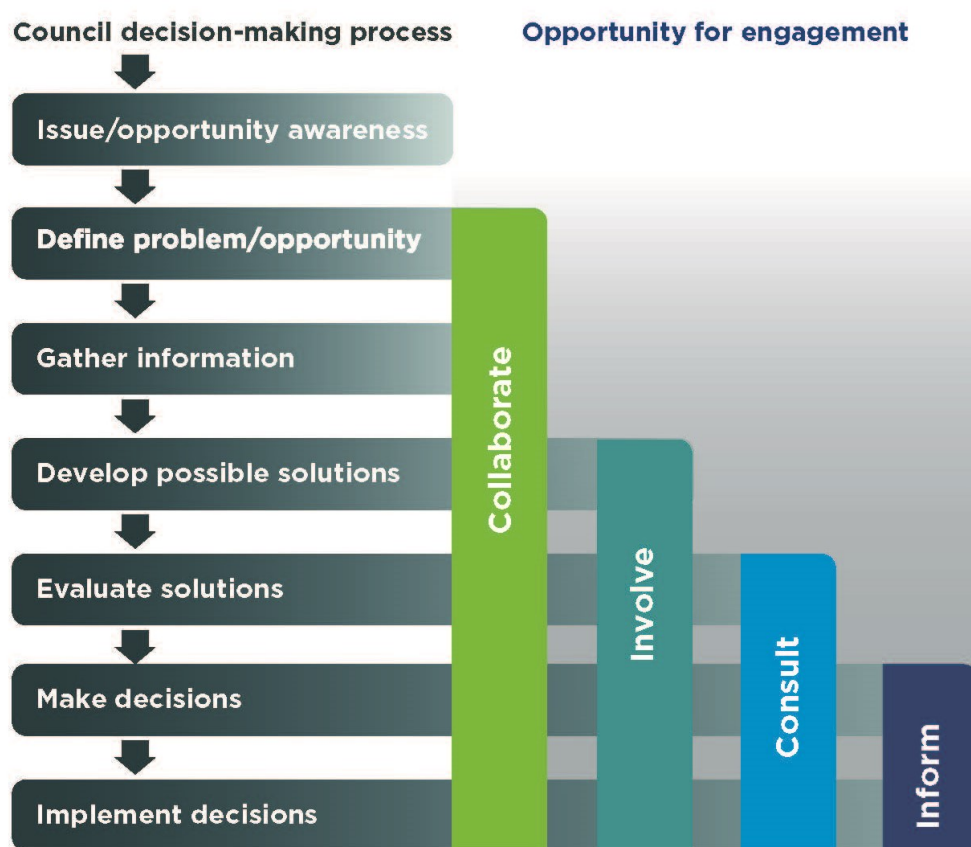
Most councils in New Zealand, including Timaru District Council, apply the principles developed by the International Association of Public Participation (IAP2) when talking about these matters.

The IAP2 developed the Spectrum of Public Participation to assist with the selection of the appropriate level of participation, or ‘engagement’ for the issues or problem. The graph below provides a summarized version of the Spectrum.



This means that engagement can range from letting the community know about the decisions, to supporting others to make their own decisions that Council then implements.

Another way of looking at the different types of engagement is to look at the steps in the decision-making process as an issue, proposal or decision progresses from development to final decision. The diagram below outlines the steps and the associated types of opportunities for participation.



Empowerment

The highest level of engagement ‘empowerment’ is not included in the graph above. This is because it is generally used in circumstances outside of Council’s formal decision-making process, where Council’s role is assisting others to make a decision. Often this kind of engagement is supported by Council through a framework of grants, advice and support.

Very occasionally, and in certain circumstances, Council may choose to empower the community to decide through a binding referendum. Councils can also delegate decisions to a group of people, for example a reserve management committee, or by allowing for the establishment of a Business Improvement District.

5. Māori

Maori have a unique relationship with councils through the Treaty of Waitangi and supporting legislation. This relationship is reflected in the principles and requirements of the LGA to ensure participation by Maori in local authority decision-making process.

In summary, the LGA requires Council to:

- Take into account Maori interests where any significant decisions are to be made affecting 'land or a body of water';
- Establish and maintain processes to provide opportunities for Maori to contribute to council decision-making processes;
- Consider ways to foster the development of Maori capacity to contribute to council decision-making processes;
- Put in place processes to consult with Maori; and
- Assist Maori to better participate generally in decision-making.

With this legislative framework in mind, Council considers it important to further develop relationship with the papatipu rūnunga who represent those who hold mana whenua in the Timaru District. Fostering these relationships is key to enabling the Council to meet its statutory requirements under the LGA and RMA. The Council will ensure all its key policy and decision-making processes include opportunities for discussion with mana whenua, through their mandated representatives, at the earliest opportunity and before any decisions are made; and endeavor to provide resources to help facilitate that engagement.

Council shall provide opportunities for mana whenua to engage in the development of key policies and plans, including the long term plans and annual plans, policies and strategies including the process, timing and content of plan or policy development and review.

Opportunities are also considered for appointments on planning and resource consent hearing committees. To assist in this commitment, Council has signed a Service Level Agreement with Aoraki Environmental Consultancy Ltd (AECL). AECL is mandated by Te Rūnunga O Arowhenua to help advise councils and other agencies on issues of interest to Arowhenua Rūnunga, to facilitate consultation with Arowhenua Rūnunga, and to ensure timely and appropriate input into policy, plans and processes on behalf of Te Rūnunga O Arowhenua.

Council will also continue to offer places for rūnunga representatives on Council Committees, including the Environmental Services Committee, the Safer Communities Committee and the Local Arts Assessment Committee, and other bodies as appropriate, and seek regular engagement with papatipu rūnunga to discuss matters of common interest and foster general relationships.

Council's Senior Management are also available to meet with ngā rūnunga.

Part 2: Policy

1. Purpose

- 1.1. The purpose of this policy is to:
 - 1.1.1. Enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities;
 - 1.1.2. Provide clarity on how and when communities can expect to be engaged in the process of decision-making by Council;
 - 1.1.3. Inform Council from the beginning of the decision-making process about the extent, form and type of any public engagement that is expected before a particular decision is made.

2. Background

- 2.1. Section 76AA of the Local Government Act 2002 (LGA) requires Council to have a policy on significance and engagement that sets out:
 - 2.1.1. The general approach Council takes to determining significance;
 - 2.1.2. The criteria and procedures used by Council in assessing the extent to which something is significant, or may have significant consequences; and
 - 2.1.3. How Council will respond to community preferences, and what the community can expect in terms of engagement on matters with different degrees of significance.
- 2.2. For further detail on the context, legislative framework and requirements, see the Introduction to Significance and Engagement attached to this policy.

3. Glossary

Engagement: The process of informing and seeking information from the community to assist with Council decision-making. There is a continuum of community involvement (refer to Appendix 2 – Engagement Guide)

Significance:²⁴ In relation to any issue, proposal, decision, or other matter that concerns or is before Council, means the degree of importance of the issue, proposal, decision, or matter as assessed by Council in terms of its likely impact on, and likely consequences for, -

- a) The current and future social, economic, environmental or cultural wellbeing of the district;
- b) Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- c) The capacity of Council to perform its role, and the financial and other costs of doing so.

²⁴ As defined in section 5 of the LGA.

Significant:²⁵ In relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision or other matter has a high degree of significance.

Strategic Asset:²⁶ In relation to the assets held by Council, means an asset or group of assets that Council needs to retain in order to maintain Council's capacity to achieve or promote any outcome that Council determines to be important to the current or future wellbeing of the community; and includes –

- a) Any asset or group of assets listed as strategic assets in Council's Significance and Engagement Policy; and
- b) Any equity securities held by Council in a port company within the meaning of the Port Companies Act 1988.

Special Consultative Procedure: A defined and mandated form of public consultation set out in section 83 of the LGA

4. Approach to Determining Significance

- 4.1. Council's approach to determining the degree of significance of an issue, proposal, decision, or other matter (the issue) will include:
 - 4.1.1. The relevant Council officer undertaking an assessment of the issue in the earliest stages of a proposal against this Policy;
 - 4.1.2. All decision-making reports presented to Council will include a summary of the assessment of significance, and the corresponding level of engagement required.
 - 4.1.3. Due consideration by Council of the assessment of significance and engagement prior to any resolution on an issue.
 - 4.1.4. Where decision-making has been delegated to a committee of Council, the Chief Executive, or a Council officer, an appropriate assessment of significance will be carried out. This does not apply where officers are implementing Council policies, projects and programmes already determined by Council.

5. Criteria for Assessing Significance

- 5.1. Council will consider the following criteria when determining the degree (very low to very high) of significance of an issue:
- 5.2. **Current and future impact on the community** including:
 - 5.2.1. The number of people affected by, or with an interest in the matter;
 - 5.2.2. The degree to which they may be impacted by the decision;
 - 5.2.3. The level of community interest already apparent, or previously expressed for the issue;
 - 5.2.4. The potential to generate community interest;

²⁵ As defined in section 5 of the LGA.

²⁶ As defined in section 5 of the LGA, as it related to Timaru District Council.

- 5.2.5. Known divided community views on the matter;
- 5.3. **Wellbeing impact** including the expected level of adverse impact on the current and future wellbeing of our communities or Districts.
- 5.4. **Rating impact** including expected costs to the community or sectors within the community, in terms of rates;
- 5.5. **Financial impact** including expected financial impact on Council including on budgets, reserves, debt levels, overall rates, and limits within Council's Financial Strategy.
- 5.6. **Consistency** including the extent to which a proposal or decision is consistent with Council's strategic direction, policies, and the current Long Term Plan.
- 5.7. **Reversibility** including the expected level of difficulty to reverse the proposal or decision once committed to.
- 5.8. **Impact on Maori** taking into account the relationship of Maori to their culture and traditions with their ancestral land, water, sites, wahi tapu, valued flora and fauna, and other taonga.
- 5.9. **Impact on levels of service** including the expected degree to which Council's levels of service will be impacted.
- 5.10. **Impact on strategic assets** including the expected impact on the performance or intended performance of Council's Strategic Asset for the purpose for which they are held.
- 5.11. See Appendix 1 for Significance Criteria Guidance

Note: any decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, and any decision to transfer ownership or control of a strategic asset to or from Council can only be made if provided for in a long term plan and consulted on accordingly (LGA Section 97).

6. Engagement Principles

- 6.1. In considering the approach to engagement on any issue, Council will consider community preferences about engagement on decisions and will apply the following principles:
- 6.1.1. **Appropriateness** – Council will determine the appropriate level of engagement on a case-by-case basis, according to the degree of significance, and engagement will be tailored to meet the particular needs of each issue, budget considerations, the stakeholders involved and the context.
- 6.1.2. **Genuineness** – There is a genuine willingness on Council's behalf to engage with an open mind to ensure the community's views are included in the decision-making process.
- 6.1.3. **Timeliness** – Council will consider engagement early in the planning process to ensure the public can be involved in the decision-making process and to ensure sufficient time to allow genuine engagement. Timeframes for engagement can vary accordingly.

- 6.1.4. **Accessibility** – Council will provide reasonable access to engagement processes in a manner and format that is appropriate to people’s needs. This will require varying methodologies, taking into account factors such as location, technology, social and cultural context.
- 6.1.5. **Information** – Council will provide relevant information to the issue under consideration, including options and consequences, in a manner that can be readily understood by interested or affected people.
- 6.1.6. **Diversity** – Council will endeavor to seek the views of a wide cross-section of the community, using the most appropriate ways of engaging with various representative groups in the community.
- 6.1.7. **Engaging with Maori** – Council will maintain processes to provide opportunities for iwi/Maori to contribute to Council’s decision-making processes and will continue to work with iwi to refine and improves these processes.
- 6.1.8. **Feedback** – Council will provide information regarding the outcome of the decision-making process and the reasons for the decisions.

7. Engagement Processes

- 7.1. The degree of significance of an issue influences how much time and money Council will invest in exploring and evaluating options, and engaging with the community before making a decision.
- 7.2. Council will use the engagement spectrum to determine the most appropriate processes and methods for engagement with affected and interested communities on particular decisions or issues. This approach is based on the International Association for Public Participation (IAP2) framework.
- 7.3. For matters determined to have a high degree of significance, Council will, at a minimum, consult with the community in accordance with the requirements of section 82 of the LGA, except for matters with another prescribed statutory consultation process. In those cases, Council will consult in accordance with the relevant statutory requirements. Council can choose, within its power, to engage on something where assessment under the policy does not indicate a high degree of significance.
- 7.4. An engagement plan, addressing Council’s engagement principles, will be developed for proposals with a high degree of significance. Where an issue has been determined to have a lower degree of significance, Council must still decide what level of engagement with the community is appropriate.
- 7.5. The decision on the level of engagement for all issues will be informed by:
 - 7.5.1. What, if any, aspect of the decision can change as a result of engagement due to the legislative, technical and operational aspects of the matter;
 - 7.5.2. The decision-making requirements of the LGA;
 - 7.5.3. The level of Council’s existing understanding of the views and preference of the interested or affected persons;
 - 7.5.4. The need for confidentiality or commercial sensitivity;

- 7.5.5. Whether the matter relates to a policy, strategy or plan that Council has already consulted on;
 - 7.5.6. The characteristics of the interested or affected persons (e.g. geographically, or by interest, age or activity);
 - 7.5.7. Urgent matters where an immediate or quick response is required;
 - 7.5.8. The length of time the matter relates (e.g. is it a one off decision or a ten year strategy).
- 7.6. While the above criteria will assist in determining the level of engagement and who to engage with, these details are also informed by the specific situation. Just because a matter has a higher level of significance compared to another matter, it does not mean that a higher level of engagement is necessarily appropriate and vice versa.

8. Strategic Assets







- 8.1. The LGA requires that Council identify and list the assets considered to be strategic assets (see Glossary).²⁷
- 8.2. Any decision to transfer the ownership or control of a strategic asset to or from the local authority must be explicitly provided for in a Long Term Plan, following community consultation.²⁸
- 8.3. Council considers the following assets, or groups of assets to be strategic:
 - 8.3.1. Council's equity securities in Timaru District Holding Ltd
 - 8.3.2. Social housing assets as a whole
 - 8.3.3. Cultural and Learning Facilities as a whole
 - 8.3.4. District cemeteries as a whole
 - 8.3.5. Parks facilities as a whole
 - 8.3.6. Recreational facilities as a whole
 - 8.3.7. Redruth Landfill
 - 8.3.8. Roding network as a whole
 - 8.3.9. Timaru Airport
 - 8.3.10. Wastewater and Stormwater networks as a whole
 - 8.3.11. Water supply network as a whole.
- 8.4. To remove doubt, strategic assets as defined above are the assets as a whole entity and not the individual elements of that asset. The requirements of section 97 of the LGA are only triggered if the proposal relates to the asset as a whole, or where it would materially affect the nature and operation of the asset.





²⁷ Section 76AA

²⁸ Section 97 and 93E of the LGA

- 8.5. Nothing in this section precludes Council from engaging with the community when proposing the transfer of ownership or control of any other Council asset, through Long Term Plan consultation, or other mechanisms as determined by this policy.

Appendix 1: Significance Criteria Guidance

<p>Number of people affected</p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>Small number of people affected Large number of people affected</p>
<p>Degree to which people may be impacted</p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>The impact on people is low The impact on people is high</p>
<p>Community Interest</p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>Consistent community agreement/views and/or generally low historical interest Divided community views and/or strong historical community interest</p>
<p>Impact on Wellbeing</p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>No adverse impact on wellbeing High impact on community wellbeing</p>
<p>Financing and Rating impact</p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>Minor impact on Council finances and all/some rates High impact on Council financing and all/some rates</p>
<p>Consistent with Council policies and plans</p>	<p>Low High</p> <p style="text-align: center;"><i>Degree of Significance</i></p>  <p>Is consistent with policies/plans Is inconsistent with policies/plans</p>

<p>Reversibility</p>	<p>Low <i>Degree of Significance</i> High</p>  <p>Can be reversed with ease and little cost Cannot be reversed, or has a high cost to reverse</p>
<p>Impact on Maori</p>	<p>Low <i>Degree of Significance</i> High</p>  <p>Little or no impact on Maori, their culture and traditions High impact on Maori, their culture and traditions</p>
<p>Impact on levels of service</p>	<p>Low <i>Degree of Significance</i> High</p>  <p>No impact on levels of services Large change in levels of service</p>
<p>Impact on strategic assets</p>	<p>Low <i>Degree of Significance</i> High</p>  <p>No impact on strategic assets High impact on strategic assets</p>

Appendix 2: Engagement Spectrum

	Inform	Consult	Involve	Collaborate	Empower
What does it involve	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public.
Types of issues that we might use this for	Annual Report, Infrastructure upgrades, Water restrictions	Rates review, Bylaw reviews, Local Alcohol Policy	District Plan, Long Term Plan, Infrastructure projects. policy development	Representation Review, Canterbury Water Management Strategy	Locally based policies and initiatives, local body elections
Tools Council might use	Websites, information flyers, advertising, public notices, media releases, newsletters, Council Noticeboard	Formal submissions and hearings consultation processes, informal meetings, focus groups, surveys, expos, roadshows	Workshops, Focus groups, Community Boards, Youth Councils, Public meetings, surveys	Multi stakeholder process, Joint Committees, face to face liaison, working parties	Referendums, local group involvement, advisory groups, citizens panels, participatory budgeting
When the community can expect to be involved	Council would generally advise the community once a decision is made	Council would advise the community once a draft decision is made Council and would generally provide the community with up to 4 weeks to participate and respond.	Council would generally provide the community with a greater lead in time to allow them time to be involved in the process.	Council would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.	Council would generally provide the community with a greater lead in time to allow them time to be involved in the process. e.g. typically a month or more.

7.4 Review of Revenue and Financing Policy

Author: Fabia Fox, Policy Analyst

Authoriser: Bede Carran, Chief Executive

Recommendation

That Council adopts the draft Revenue and Financing Policy for public consultation and inclusion in the supporting information to the Long Term Plan Consultation Document.

That Council agrees that the proposed changes to the funding of subsidised footpaths be included for consultation in the Draft Revenue and Financing Policy and Long Term Plan Consultation Document.

That Council notes that the draft Revenue and Financing Policy may be amended as a result of the Long Term Plan consultation process.

That Council notes that the Revenue and Financing Policy presented remains draft until it is adopted prior to the adoption of the final Long Term Plan.

Purpose of Report

- 1 The purpose of this report is to present Council with the draft Revenue and Financing Policy for adoption for consultation and as part of the supporting information to the Long Term Plan (LTP) Consultation Document.
- 2 The report also details a proposed amendment to the funding of footpath operating and capital expenditure, and notes a number of other immaterial amendments to the policy.

Assessment of Significance and Engagement

- 3 The Revenue and Financing Policy is a key Council policy, providing the framework for the funding of Council activities. Changes to the policy can have a significant impact, particularly on how the liability for funding Council activities is apportioned to different parts of the community.
- 4 The Local Government Act 2002 (LGA) allows Council to amend the Policy following public consultation.²⁹ The proposed amendments to the Policy, and the rationale and impact of these amendments will be included in a consultation that will run concurrently to the LTP consultation. The key changes will also be included in the LTP Consultation Document and as part of the supporting information to the Consultation Document. The feedback received will help inform Council's decision-making when the policy is presented for final adoption prior to the adoption of the Long Term Plan.

Background

- 5 In accordance with section 101 of the LGA:

²⁹ Section 102 of the LGA states that an amended policy can be adopted at any time after consulting on the proposed amendments in accordance with section 82 of the LGA.

- 1) A local authority must manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.
 - 2) A local authority must make adequate and effective provision in its long-term plan and in its annual plan (where applicable) to meet the expenditure needs of the local authority identified in that long-term plan and annual plan.
 - 3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—
 - a) in relation to each activity to be funded,—
 - i) the community outcomes to which the activity primarily contributes; and
 - ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
 - iii) the period in or over which those benefits are expected to occur; and
 - iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
 - v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
 - b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.³⁰
- 6 Further to the financial management requirements, Council must also, in order to provide predictability and certainty about sources and levels of funding, adopt a number of funding and financial policies, including a Revenue and Financing Policy.³¹
- 7 Section 103 of the LGA sets out the requirements of the Revenue and Financing Policy, including the funding needs assessment, detailed in section 101 (above).
- 1) The policy must state:
 - a) the local authority's policies in respect of the funding of operating expenses from the sources listed in subsection (2); and
 - b) the local authority's policies in respect of the funding of capital expenditure from the sources listed in subsection(2).
 - 2) The sources referred to in subsection (1) are as follows:
 - a) general rates, including—
 - i) choice of valuation system; and
 - ii) differential rating; and
 - iii) uniform annual general charges:

³⁰ LGA Section 101

³¹ As per the requirements of the LGA section 102, Council must also adopt a Liability Management Policy, an Investment Policy, a Financial Contributions Policy and a policy on the remission and postponement of rates on Maori freehold land. Council can, at its discretion, also adopt a Rates Remission Policy and a Rates Postponement Policy. These policies have been reviewed and will be presented to Council for adoption accordingly.

- b) targeted rates:
 - c) lump sum contributions:
 - d) fees and charges:
 - e) interest and dividends from investments
 - f) borrowing:
 - g) proceeds from asset sales:
 - h) development contributions:
 - i) financial contributions under the Resource Management Act 1991:
 - j) grants and subsidies:
 - k) any other source.
- 3) A policy adopted under section 102(1) must also show how the local authority has, in relation to the sources of funding identified in the policy, complied with section 101(3).
- 4) If a local authority amends its revenue and financing policy under section 93(4), only a significant amendment to the policy is required only a significant amendment to the policy is required to be audited in accordance with sections 93D(4) and 94.

Policy Review

- 8 As part of the development of the LTP, Council has reviewed the Revenue and Financing Policy, which was last reviewed in 2018. This review included an analysis of how the funding needs for each of Council's activities is best met from the revenue sources Council determines to be appropriate.
- 9 The amended policy is attached. The current policy is also attached for comparison. For ease of reading, tracked changes have not been shown, but all proposed amendments to the policy proper are discussed below.
- 10 The revenue sources of the funding of operating and capital expenditure remain unchanged following the review, and there are no changes recommended to Council's rating framework of land value, the application of differentials, the units of rating (separately used or inhabited parts of a rating unit), the rate revenue sources, and the non-rate revenue sources.
- 11 As a result of the discussion at a Council workshop on 15 December 2020, the Policy has been amended to reflect the broad changes Council sought. These amendments are discussed below.

Footpath Funding

- 12 A significant change is recommended to the way footpaths are funded and will have an impact on rates across the district. Recognising this, the proposed change will be consulted on concurrently with, and included in the LTP Consultation Document.
- 13 Under the current policy, footpath replacement and maintenance is funded through the targeted community works and services rate based on land value of the rating unit, which is recovered from each community in which the service is provided (Geraldine, Rural, Temuka and Timaru).
- 14 This policy reflected the previous situation where footpaths did not attract financial assistance from Waka Kotahi (New Zealand Transport Agency). Council determined that each community

(through budgeting processes with Council and Community Boards) should set the level of funding for the replacement and maintenance of footpaths.

- 15 At an operational level, every three years all footpaths in the district are condition rated, and replacement and maintenance needs are assessed on a quality and use basis. The current funding mechanisms however, limit the amount of work planned and carried out across the separate communities based on budget, rather than the condition rating of the footpaths. This has meant that in some instances, smaller outlying townships are receiving a lower level of service due to limited funding, and this would likely continue under the current policy if the proposed amendment is not implemented.
- 16 In 2018 Waka Kotahi amended the National Land Transport Programme to co-fund footpath replacement and maintenance. This has allowed Council to increase the amount spent on footpaths across the district as a whole as a result of Waka Kotahi's contribution.
- 17 As a result of this change, officers are now recommending an amendment to the Revenue and Financing Policy to fund footpaths in the same manner as all roading work that attracts the Waka Kotahi funding assistance, that is, at a district-wide level through general rates. Officers believe that this will provide an opportunity to gain greater efficiencies through appropriate scheduling of maintenance work across the whole footpath network.
- 18 The impact of this funding change is that the cost for all footpaths will spread across the whole district. The resulting increase in rural rates will be matched by an increase in footpath replacement and maintenance in coming years, to lift the quality of these footpaths to match those in larger urban areas across the district.
- 19 The option to maintain the status quo, and the resulting impacts, particularly on the quality of footpaths in smaller rural townships, will be discussed in the LTP Consultation Document.

Activity Changes

- 20 The analysis required under section 101 of the LGA includes an assessment of the costs and benefits, including consequences for transparency and accountability of funding the activity distinctly from other activities. In accordance with this requirement, the Policy details how activities of Council are funded, and where distinct activities which are funded in a different way, they are detailed explicitly in this policy.
- 21 A number of amendments are recommended to the policy as a result of this analysis, to improve the transparency and accountability of funding certain activities. Other amendments have been made to reflect new activities of Council, and changes made other activities.
- 22 **Climate Change:** Adding the new activity of Council to the funding analysis. This activity will provide development of climate change mitigation and adaptation strategies and action plans for the district. A community-wide benefit has been identified and expenditure will be 100% rate funded, with a split of 80% general rates and 20% uniform annual general charge (UAGC).
- 23 **Safer Communities:** This has been removed from the policy as Council no longer undertakes this activity.
- 24 **District Planning:** The District Planning activity detailed in the current policy covers all work carried out in relation to district planning, from Plan development to consenting, monitoring and other administration of the Plan. The expenditure is funded with 80-90% rate funding, and 10-20% user fees and charges. It is also noted that the District Plan Review is loan

funded, in order to spread the significant cost of this work, over the years in which ratepayers will benefit.

- 25 The amended policy redefines this activity to solely cover the development, adoption and amendment of the District Plan, and will be funded 90-100% through rates, reflecting the primary benefit is community-wide through the provision of sustainable development within the District.
- 26 **District Planning Administration:** It is proposed that a new activity is created, capturing resource consenting processes, consent monitoring, Land Information Memorandum (LIM) preparation, and other administrative processes (previously included in the District Planning activity). This activity will be funded via 80-90% user charges, 10-20% rate funding. This will improve the transparency for the funding of this activity, and reflects that the primary benefit provided by this activity is received by private individuals.
- 27 **Parking Services:** It is proposed that the current activities of Parking Development and Parking Enforcement be amalgamated into one activity, reflecting the fact that they are funded in the same way.
- 28 **Waste Minimisation:** It is proposed that this current activity be split into Waste Management and Waste Collection as detailed below, to improve transparency and accountability over the funding mechanisms.
- 29 **Waste Collection:** This activity provides for kerbside collection and recognising the group benefit for those who receive this collection service, the funding will be 100% targeted rate.
- 30 **Waste Management:** This activity covers all other aspects of waste operations including the provision and management of the Redruth Resource Recovery Park and four transfer stations, waste minimisation education and monitoring, and closed landfill remediation and monitoring. The funding is split 50-60% user charges, for those who benefit from using Redruth and the transfer stations, and 40-50% rates for the community-wide benefit provided by the services.

Other Changes

- 31 A number of smaller amendments are proposed to the policy. For the Building Control activity there is a proposed increase in the portion of rates funding (from 0-10% to 20-30%). As a result of legislative and sector changes the Building Control activity is undertaking a greater amount of work that does not attract user fees, for example, monitoring building work that no longer requires a consent, or that is currently not included in the consenting framework (eg tiny houses). This funding policy change recognises the community-wide benefit of this work.
- 32 The Policy has also been re-written to improve clarity.

Options and Preferred Option

- 33 **Option One:** Adopt the draft Revenue and Financing Policy as presented for consultation and inclusion in the supporting information to the Long Term Plan Consultation Document, and the proposed amendment to the footpath funding policy for inclusion in the Consultation Document. This is the preferred option.
- 34 This option is supported by Council's review of the Policy.

- 35 **Option Two:** Do not adopt the draft Revenue and Financing Policy and maintain the current policy. This option is not recommended, as it does not allow for the improved efficiencies, transparency and clarity provided by the proposed amendments.
- 36 **Option Three:** Make further amendments to the policy.

Relevant Legislation, Council Policy and Plans

- 37 Local Government Act 2002: As detailed above the LGA sets out the requirements for financial management, including the funding needs analysis, and the content and review requirements for the Revenue and Financing Policy.
- 38 Long Term Plan: The Revenue and Financing Policy provides the basis for Council's funding of the Long Term Plan. The policy must be included as part of the Plan.

Financial and Funding Implications

- 39 This policy provides governs the funding of all Council activities and determines who pays for which Council activities, and on what basis. To this end, the policy has very significant financial and funding implications. The policy, once adopted, will be applied to Council's financial system.
- 40 The high level rating impact of the proposed amendment to the funding of footpaths have been detailed above, and once budgets have been completed for the LTP, a more detailed impact assessment will be possible. This will be presented in the Consultation Document if Council adopts the draft policy as presented.

Other Considerations

- 41 Further amendments to the Policy may arise as part of the audit process. Any recommended amendments will be discussed when the supporting information and draft Consultation Document is presented to Council for adoption in March.
- 42 The Policy remains in draft form until Council adopts the Long Term Plan 2021-31 in June. Until this time, the current Revenue and Financing Policy remains in force.

Attachments

1. **Revenue and Financing Policy 2018-28**  
2. **Draft Revenue and Financing Policy 2021 Long Term Plan**  

Revenue and Financing Policy

Revised for 2018-28 Long Term Plan

Introduction

The Revenue and Financing Policy (RFP) outlines the Council's policies on funding sources to be used to fund the operational and capital expenditure of Council's activities and the rationale for their use.

The policy is required by Section 102 and 103 of the Local Government Act 2002 (*the Act*). The full policy must be included in the Long Term Plan (LTP). Where a change to the policy is made outside of the LTP process, only a significant amendment is required to be audited.

Section 103(2) of the Act allows the following mechanisms to be used for funding the operating or capital expenditure of Council's activities:

- a) general rates, including –
 - i) choice of valuation system; and
 - ii) differential rating; and
 - iii) uniform annual general charges
- b) targeted rates:
- ba) lump sum contributions
- c) fees and charges:
- d) interest and dividends from investments:
- e) borrowing:
- f) proceeds from asset sales:
- g) development contributions:
- h) financial contributions under the Resource Management Act 1991:
- i) grants and subsidies:
- j) any other source.

In addition to identifying the sources of funding, the policy must outline why the Council has determined they should be used. A two-step process is required under Section 101 (3) of the Act. Firstly, for each activity, the Council must consider the following matters:

- The community outcomes to which the activity primarily contributes
- The *distribution of benefits* between the community as a whole, any identifiable part of the community, and individuals
- The period of time over which benefits occur (intergenerational equity). For example, the benefits of some activities will occur over the entire life of the asset. This will benefit not only existing generations but future generations who should also contribute towards paying for the cost.
- *The extent to which actions or inactions of particular individuals or groups contribute to a need to undertake the activity.* Also called the 'exacerbator pays' principle, this suggests that exacerbators should meet at least part of the cost of an activity.
- *The costs and benefits from funding the activity distinctly from other activities.* This particularly relates to transparency and accountability, but may also relate to factors like the financial scale of the activity (e.g. a small activity may not warrant separate funding due to the cost of establishing systems to support cost recovery).

Secondly, following consideration of these elements, the Council must consider the overall impact of this allocation of liability for revenue needs on the community. This may lead to some changes to

the policy where there are particularly negative effects. These are noted under each individual activity.

Changes to 2015 Revenue and Financing Policy

The following changes are proposed to the previous policy:

- The removal of the Aquatic Centre targeted rate, with funding to be taken from the differentiated General rate and Uniform Annual General Charge to make this consistent with other leisure and recreation facilities
- The removal of subsidised labour and rural fire activities due to these services no longer being provided by the Council
- The addition of borrowing as a funding source for operating expenditure if deemed appropriate, targeted towards large projects (e.g. District Plan review)
- Changes in private funding splits for some activities, the most significant being:
 - Airport (45-55% to 70-80%), due to additional private funding sourced from Airport parking
 - District Planning (20-30% to 10-20%), due to the level of general rate funding required for the district plan review
 - Safer Communities (70-80% to 80-90%), due to the majority of funding received via contract funding for Project Turnaround
 - Theatre Royal (10-20% to 0-10%), due to the anticipated impact on funding from closure of the Theatre for upgrading
- Roading and Footpaths – splitting this into subsidised roading and other roading
- The addition of volumetric water charging as a funding source for urban supplies
- Minor editing and grammatical changes.

The Council reviews the RFP every three years, in line with its preparation of the Long Term Plan (LTP). Changes to the RFP can be made between reviews, but must go through the appropriate consultation processes. The Act requires the Council to produce a Funding Impact Statement (FIS) annually that illustrates how the RFP is being implemented, provides details on the funding mechanisms to be used and how these rates will be applied.

The policy covers all of the Council's activities, as outlined in the diagram below:

GROUP OF ACTIVITIES	ACTIVITIES
Democracy	Democracy
Community Support	Airport Community facilities (includes Public Toilets, Cemeteries) Community Funding Economic Development and District Promotions Emergency Management Safer Communities Social Housing
District Planning and Environmental Services	Building Control District Planning Environmental Compliance (includes Environmental Health, Animal Control, Parking Enforcement)
Recreation and Leisure	Cultural and Learning Facilities (includes Art Gallery, Halls, Theatre Royal, Libraries, Museum) Parks (includes Parks, Fishing Huts, Motor Camps, Forestry) Recreational Facilities (includes Caroline Bay Aquatic Centre, Swimming Pools, Southern Trust Events Centre)
Roading and Footpaths	Roading and Footpaths (includes Parking Facilities, Cycleways, Walkways)
Waste Minimisation	Waste Minimisation
Sewer	Sewer
Stormwater	Stormwater
Water Supply	Water Supply

Funding of Operating Expenditure

Operating expenditure is expenditure on the day to day operations of the Council. The Council has determined that the following sources may be used to fund operating expenditure:

- General rates, including differential rating and a uniform annual general charge
- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Proceeds from asset sales
- Financial contributions under the Resource Management Act 1991
- Grants and subsidies
- Borrowing
- Other sources

The proportion of operating expenditure to be funded by each mechanism is outlined in this policy.

Funding of Capital Expenditure

Capital expenditure is expenditure on new or existing assets that maintains or increases their value and the level of service to the community. The Council has determined that the following sources may be used to fund capital expenditure:

- General rates, including differential rating and a uniform annual general charge
- Targeted rates
- Lump sum contributions
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales

- Development contributions
- Financial contributions under the Resource Management Act 1991
- Grants and subsidies
- Reserve funds
- Other sources

The use of these sources will be considered for each capital expenditure project. It will frequently involve a mixture of funding sources that will vary over time.

Council's Funding Approach

The Council provides a wide range of activities to district residents, ratepayers and visitors. Council aims to provide a fair and equitable rating system for all ratepayers. A mixture of rating and other funding mechanisms are used to achieve this. Some constraints exist, such as the ability of Council to only receive 30% of Council revenue from rates set on a uniform basis. This requires Council to use other mechanisms, such as rates set on the land value of properties.

Rates provide the budgeted net funding requirements of the Council work programmes through the Long Term plan. Other sources, such as those listed above can be used as funding sources. Rates are set on each rating unit under the provisions of the Local Government (Rating) Act 2002.

The following principles will help guide the assessment and design of the Council's funding approach:

- Benefits – those who benefit from a Council service or facility should pay for the service, where equitable and administratively efficient. This involves selecting funding sources that are appropriate to the distribution of benefits.
- Exacerbators – those who contribute to the need for a Council facility or service should contribute to the cost of that facility or service
- Equity and fairness – Council will seek to ensure the most equitable and fair funding approach
- Affordability – Council will consider the impact of funding mechanisms on people's ability to pay and seek to ensure that Council facilities, services and rates remain affordable
- Intergenerational equity - each generation of ratepayers should contribute towards the services they receive
- Minimise effects of change - where reviews result in significant funding changes, transitional approaches will be used where possible to ease the financial impact
- Legal compliance – the policy will comply with legal requirements under the Local Government Act 2002 and Local Government (Rating) Act 2002

The application of these principles requires Council to apply judgement and to balance often competing principles. The most equitable solution will be sought for funding each activity using these and the Section 101 analysis required for each activity under the Local Government Act.

Three main types of rates are used:

1. General Rates, which are value based rates and can be adjusted through differentials. The Council is able to rate properties based on capital, land or annual value. Timaru District Council uses the land value system.
2. Uniform Annual General Charge (UAGC)
3. Targeted Rates

General rates

A general rate is set based set on a rate per dollar of rateable land value, and differentiated on the use to which the land is put. This is set on all rateable land in the Timaru District. It is used to fund

those services where there is a community benefit across the whole district and where a fixed charge per Rating Unit is not considered appropriate.

The objective of differential rating is to ensure a fair and equitable proportion of rates are paid by the various differential categories.

In 2015, it was decided to adjust differentials to increase the proportion paid by the primary (rural) category to improve the overall fairness of the system. Since that time, district properties have been revalued with shifts in the overall value of property categories. As a result, this will affect how much each property category will pay overall towards the general rate.

The Council believes that the existing proportions represent a fair split of the overall payment of the General Rate. As a result, it is adjusting the current differentials to ensure each property category continues to pay the same proportion overall.

The Council uses differentials to distribute the General Rate between particular categories of the community, as listed below. This does not change the total amount of General Rates funding required annually, but rather the proportion of overall funding of the General Rate from each category differs according to the differential factor applied.

The Council differentiates the General Rate based on land use (Schedule 2: Local Government (Rating) Act 2002). The differential is applied to the following nine categories:

	Category	Definition
1	Accommodation	All properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.
2	Commercial - Central	All properties situated within the Timaru Central Business District and used primarily for commercial purposes.
3	Commercial - Other	All properties used primarily for commercial purposes other than those situated in the Timaru Central Business District.
4	Community Services	All properties used primarily for education, religious and/or community purposes.
5	Industrial	All properties used primarily for industrial purposes.
6	Primary	All properties used primarily for agricultural, horticultural or pastoral purposes, including the grazing of animals.
7	Recreational	Properties used primarily for active or passive indoor/outdoor recreational activities.
8	Residential – General	All properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area in which residential dwellings are permitted.
9	Residential – Multi Unit	All properties used primarily for multi-unit residential accommodation, for example, purpose built rental flats.

Uniform Annual General Charge

A Uniform Annual General Charge (UAGC) is a fixed charge set per rating unit in the District. The charge enables all ratepayers to make a minimum contribution to the Council's costs, and ensures that higher value properties do not carry a disproportionate amount. This rate also applies to fund those services where community benefits apply across the district. The Council has decided that the level of annual increase in the UAGC will be the same overall percentage increase as the General Rate increase in any given year.

Targeted Rates

The Council applies Targeted Rates to a number of services where the benefits are clearly received by a particular community or group of ratepayers. These apply to properties who receive certain services or are located in specific areas. The following targeted rates are used:

Targeted rate	Activity
Community Board rate	Various
Community Centre Rate	Halls and Theatres
Community Works and Services rate	Various
Sewer rate	Sewer
Waste Management rate	Waste Minimisation
Water Supply rate	Water Supply

How these rates are set is further described under each activity.

Target recovery from funding sources

The following table shows the percentage target recovery for each activity from private funding sources organised by 10% bands:

% recovery from private funding sources in 10% bands	Activity
90-100%	Social Housing, Animal Control, Building Control, Fishing Huts, Motor Camps, Forestry, Parking Development, Parking Enforcement, Waste Minimisation, Sewer, Water Supply
80-90%	Safer Communities
70-80%	Airport
60-70%	Cemeteries
50-60%	Aquatic Centre, Environmental Health
40-50%	
30-40%	Subsidised Labour, Roading and Footpaths - Subsidised Roading, Swimming Pools
20-30%	Swimming Pools - Rural summer pools
10-20%	Community Funding (5-15%), District Planning, Halls and Community Centres, Aorangi Stadium
0-10%	Democracy, Public Toilets, Emergency Management, Economic Development and District Promotions, Art Gallery, Libraries, Museum, Parks, Roading and Footpaths - Other, Stormwater, Theatre Royal

Private funding sources (e.g. sewer targeted rate or fees and charges) are used mainly where benefits from services apply to a specific group of people or individuals are the primary beneficiaries or users of a service delivered by the Council. All sources of funding to be used by the Council are summarised in the table below for all Council activities.

Fees and Charges

The council will amend its fees and charges annually (or more frequently as appropriate) to reflect increases in costs as measured by the assumed rate of inflation and/or maintain the cost recovery levels underlying the basis for setting the fee levels.

Funding of Depreciation

The Council fully funds depreciation on assets with the exception of:

- Roothing – Council does not fully fund depreciation on roading because it is continually maintained and renewed, and over 50% of this cost is received as a subsidy. The Council funds a portion of the depreciation based on average subsidy rates.

Conclusions *(Section 101 (3b) consideration)*

Timaru District communities are diverse. There are many different users of Council services.

Council's funding approach is a complex assessment of determining where the benefits of Council services apply, what the best methods for funding those services are and how this can be equitably applied across Timaru district communities. Council must also consider affordability both from a ratepayer perspective and for individuals and groups using Council provided services. This ensures that everyone has a reasonable opportunity to access these services.

Council has considered all of these elements and considers the overall funding approach to be fair and equitable.

Council Activities

A summary of the rationale for operating expenditure funding sources for Council activities is included below. Each activity includes analysis of the five matters listed above and the funding sources and ratios the Council has identified to be used for each activity:

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
DEMOCRACY						
Democracy	This activity contributes primarily to all of the community outcomes.	Benefits from the activity are for the community generally. Council and community boards are the vehicles for making decisions affecting the whole district.	The activity provides ongoing benefits to the community.	Living in a democratic society contributes to the need for this activity.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 0-10% funded via user fees for hearings etc.
COMMUNITY SUPPORT						
Airport	High quality infrastructure to meet community and business needs Smart, diversified economic success and growth supported and enabled	Benefits from the airport accrue mainly to users and visitors who travel or who operate, store and maintain personal aircraft. Community benefits exist through the availability of a facility for air travel from and to South Canterbury. This facility helps enhance and facilitate economic development for the district.	Ongoing benefits to users, visitors and the wider community. Intergenerational benefits to the community through maintaining and developing a facility for air travel.	The community benefits widely from having airport services available.	Benefits from this activity occur district-wide and beyond. There is no benefit perceived from separate funding.	Public – 20-30%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 70-80%, funded via Airport user fees and charges.
Cemeteries	High quality infrastructure to meet community and business needs	Specific benefits to families and individuals from the provision of individual gravesites for remembrance and burial.	Benefits are ongoing to the community.	The community benefits widely from having cemeteries available. In some	Benefits from this activity occur district-wide and there is no	Public – 30-40%, funded via a Uniform Annual General Charge and a differentiated General Rate.

³² Capital Expenditure Funding Sources, see under section ‘Funding of Capital Expenditure’.

Activity Outcomes	Community Outcomes <i>(primary contribution)</i>	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
	Communities that are safe, vibrant and growing	Wider community benefits from the provision of an interment system that remembers and respects those who have passed away and maintains public health standards through safe disposal of human remains.		cases, vandalism and failure to maintain headstones may cause additional costs. Where possible, costs will be recovered if perpetrators are caught.	benefit perceived from separate funding.	Private – 60-70%, funded via Cemetery user fees and charges. Exacerbator – Cost recovery will be achieved where possible.
Community Funding	Communities that are safe, vibrant and growing A strong identity forged and promoted	Benefits can accrue to particular individuals, groups and organisations through receipt of funding to assist their various activities. The community benefits through the promotion of activities and events that meet its social, sporting and cultural needs.	Immediate and ongoing. Some benefits may be longer term.	The community benefits from having these funding opportunities available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 85-95%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 5-15%, funded via various funding agencies, such as Creative New Zealand and interest on loans provided to community organisations.
Emergency Management	Communities that are safe, vibrant and growing People enjoying a high quality of life	Benefits from Emergency Management accrue across the wider community, as the users of Emergency Management services cannot be identified until after disaster strikes.	Ongoing. Benefits occur now via training and preparedness, during an event and following an event through response and recovery.	In some cases, emergencies could be as a result of human actions, such as sabotage or terrorism.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 100%, funded via a Uniform Annual General Charge and a differentiated General Rate.
Economic Development and District Promotions	Smart, diversified economic success and growth supported and enabled People enjoying a high quality of life	Benefits from economic development and district promotions accrue largely to the community, due to the ongoing economic benefits created from business support, promotion, visitor spending, creation of	Immediate and ongoing for users. Some benefits may be longer term to the community.	The community benefits from having this support available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 0-10%, funded via user fees by funding agencies involved in providing these

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
	A strong identity forged and promoted	employment and investment in the potential of the district. Some benefits may accrue to businesses or individuals using these services (e.g. tourism operators). Any cost recovery for these will be recovered by the organisation carrying out these functions.				services or government subsidies
Public Toilets	High quality infrastructure to meet community and business needs Communities that are safe, vibrant and growing	Specific benefits to those who use the facilities. Benefits to the wider community through having these essential facilities available for residents and visitors and maintaining standards of public hygiene.	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing these facilities.	The community benefits widely from having public toilets available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 0-10%. Charging for use is difficult, but may be achievable at specific facilities, where financially viable.
Safer Communities	Communities that are safe, vibrant and growing People enjoying a high quality of life	There are some private benefits to individuals and groups from the programmes and support offered by Safer Communities and Project Turnaround. Community benefits accrue from contributions made to improving community safety and addressing social issues in the community.	Ongoing.	Offenders contribute to the need for this activity. However, the community generally benefits widely from having this support and opportunities available.	Benefits from aspects of this activity are district-wide and there is no benefit perceived from separate funding.	Public – 10-20%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 80-90%, funded via contracts from Central Government departments.
Social Housing	High quality infrastructure to meet community and business needs	Benefits from social housing are to tenants of the housing units through provision of affordable accommodation in convenient	Immediate and ongoing for tenants.	The community benefits from having social housing available.	This activity is self-funding through tenants rentals.	Public – 0%. Private – 100%, funded via user rental income.

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
		<p>locations.</p> <p>There is community benefit through the availability of low cost housing to vulnerable groups in the community.</p>				
DISTRICT PLANNING AND ENVIRONMENTAL SERVICES						
Animal Control	<p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p>	<p>Benefits from the animal control service accrue mainly to animal owners from the provision of a service that either confines or returns lost or stray animals.</p> <p>The community generally benefits through the enforcement of regulations against aggressive and straying animals.</p>	<p>Immediate and ongoing, but occur mainly in the short-term.</p>	<p>People who do not properly control their animals can be a significant contributor to this activity. In some cases, it can be difficult to identify who these people are.</p>	<p>Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.</p>	<p>Public – 0-10%, funded via a Uniform Annual General Charge and differentiated General Rate.</p> <p>Private – 90-100%, funded via Dog Registration and Impounding fees, fines and other fees associated with the activity.</p>
Building Control	<p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p>	<p>Benefits from building control accrue mainly to users (i.e. people who build or alter buildings) through meeting legislative requirements and building and maintaining safe and sanitary buildings.</p> <p>The community benefits through the enforcement of regulations that ensure safe, sanitary and accessible buildings in which people live, play and work.</p>	<p>Immediate and ongoing to users of the service.</p>	<p>The community benefits widely through having consistent standards available. People who do not comply with legislative regulations may contribute to the need for this activity. In some cases (e.g. property purchase where consent standards are not met), it may be difficult to identify who should pay.</p>	<p>Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.</p>	<p>Public - 0-10% funded from a differentiated General Rate.</p> <p>Private – 90-100%, funded via various forms of building user fees and charges.</p>

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
District Planning	<p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p> <p>A valued, healthy and accessible environment</p>	<p>Benefits from district planning services accrue to users of these services (i.e. people seeking permission to undertake a certain activity, Land Information Memorandums) through meeting legislative requirements. There is also often a direct economic benefit received by the applicant (e.g. developers).</p> <p>The community benefits through protection from adverse environmental, social and cultural impacts, control over the appropriate development of land and buildings, district-wide economic development opportunities, consistent standards for development, education and information and monitoring the impacts of development.</p>	<p>Immediate and ongoing benefits to users.</p> <p>Intergenerational benefits to the community through protection from adverse impacts.</p>	<p>The community benefits widely through having consistent standards available. People who do not comply with legislative requirements may contribute to the need for this activity. Generally, this is met through additional charges on those people.</p>	<p>Benefits from this activity are district wide and there is no benefit perceived from separate funding.</p>	<p>Public – 80-90%, funded via a differentiated General Rate or loan funding (Note: District Plan review only)</p> <p>Private/Exacerbators – 10-20%, funded via District Planning user fees and charges.</p>
Environmental Health	<p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p>	<p>Benefits from environmental health services accrue to individuals, businesses and organisations from the assurance that their premises are of an acceptable and healthy standard to the consumer and meet other legislative requirements (e.g. liquor licensing).</p> <p>The community benefits through</p>	<p>Immediate and ongoing to users of the services.</p>	<p>The community benefits widely through having consistent standards available.</p> <p>People who do not meet appropriate standards of operation can cause additional work for this activity.</p>	<p>Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.</p>	<p>Public – 40-50%, funded via a Uniform Annual General Charge and a differentiated General Rate.</p> <p>Private/Exacerbators – 50-60%, funded via various user fees and charges associated with this activity. In some cases, these fees and charges are prescribed by</p>

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
		the expectation that public health legislative standards of operation are being met and assurance of a safe and healthy environment for residents and visitors.		Generally, this is met through additional charges on those people.		government.
Parking Enforcement	Communities that are safe, vibrant and growing People enjoying a high quality of life	Benefits from parking enforcement services accrue to users of these services from being able to use their own transport. District businesses located in township CBD's benefit from the existence of a service that ensures the turnover of parking spaces.	Ongoing and immediate to users and business owners.	People who do not observe parking restrictions (exacerbators) are significant contributors to the need for this activity. Costs are recovered via parking fees and fines for infringements.	This activity is largely funded by exacerbators.	Public – 0 -10%. Private/Exacerbators – 90-100%, funded via a range of parking fees and fines for infringements.
Leisure and Recreation						
Art Gallery	Communities that are safe, vibrant and growing People enjoying a high quality of life A strong identity forged and promoted	Specific benefits to those who use the facility. Benefits accrue largely to the wider community, through access to the visual arts, appropriate storage and treatment of the art gallery collection, provision of an attraction for residents and visitors, educational opportunities, and through contributions to the cultural strength and diversity of the community. A high level of user recovery may restrict the ability of some people to continue to use these services.	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing a facility for public consumption of art.	The need is created by the community choosing to have a facility for the public consumption of art.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 0-10%, funded via some charges and donations.

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
Fishing Huts	A valued, healthy and accessible environment	Benefits from fishing huts are enjoyed wholly by those people who choose to lease this type of accommodation from the Council.	Immediate and ongoing to Fishing Hut lessees.	The need is created by people who choose to lease these facilities.	This activity is self-funding	Public – 0%. Private – 100%, funded via Fishing Huts lease fees.
Forestry	Smart, diversified economic success and growth supported and enabled A valued, healthy and accessible environment	Benefits from forestry accrue to the public through the generation of income to fund Council activities and storage of carbon to reduce the impact of climate change and meet obligations under climate change agreements.	Immediate and ongoing through generation of income for other Council activities.	There are no specific contributors to the need for this activity.	This activity is self-funding.	Public – 0%. Private – 100%, funded via the sale of timber and lease revenue.
Halls and Community Centres (including Aorangi Stadium)	High quality infrastructure to meet community and business needs Communities that are safe, vibrant and growing	Direct benefits for individuals and groups who choose to use the facilities for functions and events. Wider community benefits from use of the facilities for public events or gatherings and as a hub in the event of civil defence emergencies. Specific community benefits in some communities where funding is provided to maintain community- owned halls.	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing these facilities.	The community benefits widely from having halls and community centres available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding. Some halls/centres are funded by rates based on dwellings in the area of the community centres.	Public – 80-90%, funded via a Uniform Annual General Charge and a differentiated General Rate and Targeted Rates for some Halls/ Community Centres. Private – 10-20%, funded via Halls and Community Centres user fees and charges.
Libraries	High quality infrastructure to meet community and business needs Smart, diversified economic success and growth supported and enabled	Direct benefit to individuals who use library services. Wider benefits accrue largely to the community, through contributing to a community that is literate and informed, providing access to information and a community resource. Some costs can be recovered, but a high level	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing these facilities.	The community benefits widely from having library services available. It is appropriate to charge penalties (i.e. overdue fines) where people do not return items on time.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private/Exacerbators – 0-10%, funded via Libraries user fees, fines and charges.

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
	Communities that are safe, vibrant and growing People enjoying a high quality of life	of recovery may restrict the ability of some people to continue to use these services.				
Motor Camps	Smart, diversified economic success and growth supported and enabled	Benefits from motor camps are enjoyed by those who lease the facilities for use by groups and individuals. There is some wider economic benefit in having the facilities generally available to the district and for use by tourists and visitors.	Ongoing to those who run the facilities.	There are no specific contributors to the need for this activity.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 0-10%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 90-100%, funded via Motor Camps leases.
Museum	High quality infrastructure to meet community and business needs Communities that are safe, vibrant and growing People enjoying a high quality of life A strong identity forged and promoted	Specific benefit to those who use the facility. Benefits accrue largely to the community, through cultural enrichment, information, preservation and presentation of district heritage and community identity. A high level of recovery may restrict the ability of some people to continue to use these services.	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing these facilities.	The community benefits widely from having museum services available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. This applies where Learning Experiences Outside the Classroom (LEOTC) funding is excluded. Private – 0-10%, funded via Museum user fees and charges, donations and government subsidies (e.g. LEOTC programme).
Parks	High quality infrastructure to meet community and business needs Communities that are safe, vibrant	Individuals and groups receive private benefits through their use of parks and sportsfields for recreational pursuits, events, organised sport, health and wellbeing. However, parks	Immediate and ongoing benefits to users. Intergenerational benefits to the community through	The community benefits widely from having parks, gardens and sportsfields available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 0-10%, funded via parks user fees and charges.

Activity Outcomes	Community Outcomes (<i>primary contribution</i>)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
	<p>and growing</p> <p>People enjoying a high quality of life</p> <p>A strong identity forged and promoted</p> <p>A valued, healthy and accessible environment</p>	<p>are available to the wider community when not used exclusively for these purposes. Specific facilities located on district parks (e.g. skateparks) also provided direct benefits. A high level of cost recovery may restrict the ability of some to use these services.</p> <p>Benefits from parks accrue to the community generally through provision of facilities for individuals and groups to pursue active and passive leisure pursuits, education on the natural environment, adding to community pride and contributions to community health, wellbeing and perceptions of the district.</p>	<p>maintaining and developing these facilities.</p>		<p>funding.</p>	
<p>Swimming Pools</p>	<p>High quality infrastructure to meet community and business needs</p> <p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p> <p>A strong identity forged and promoted</p>	<p>Pool users derive a direct benefit through use of the pool for relaxation, health, sports and fitness, learning to swim and water safety education.</p> <p>Benefits accruing to the wider community include recreational opportunities, education about water safety and swimming and promotion of healthy lifestyles.</p>	<p>Immediate and ongoing benefits to users.</p> <p>Intergenerational benefits to the community through maintaining and developing these facilities.</p>	<p>The community benefits widely from having swimming pools available.</p>	<p>Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.</p>	<p><u>Rural Summer Pools</u></p> <p>Public – 70-80%, funded via a Uniform Annual General Charge and a differentiated General Rate.</p> <p>Private – 20-30%, funded via Swimming Pool user fees and charges.</p> <p><u>Aquatic Centre</u></p> <p>Public – 40-50%, funded via via a Uniform Annual General Charge and a differentiated General</p>

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
						Rate. Private – 50-60%, funded via Aquatic Centre user fees and charges.
Theatre Royal	High quality infrastructure to meet community and business needs Communities that are safe, vibrant and growing A strong identity forged and promoted	Theatre Royal users derive direct benefits from either use of the Theatre Royal for events and performances or attendance of performances. Benefits accrue to the community through economic benefits associated with performances and social and cultural benefits gained through the performing arts and entertainment.	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing this facility.	The community benefits widely from having the Theatre Royal available.	Benefits from this activity occur district-wide and there is no benefit perceived from separate funding.	Public – 90-100%, funded via a Uniform Annual General Charge and a differentiated General Rate. Private – 0-10%, funded via Theatre Royal user fees and charges.
Roading and Footpaths						
Roading and Footpaths	High quality infrastructure to meet community and business needs Smart, diversified economic success and growth supported and enabled	Private benefits accrue to individuals, groups and businesses using the roading and footpaths network to carry out their day-to-day business and activities. Rural landowners, businesses and farms receive specific benefits from a roading network that connects them to the wider district and enables goods and services to be delivered to their properties and farm produce to be sold. Public benefits include equal access for district residents to	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing roading and footpath infrastructure.	The community benefits widely from having roading and footpaths infrastructure available. In some cases, additional costs may be caused to Council through vandalism, accidents and activities beyond normal usage.	Benefits from this activity are to private users and district-wide. However, it is impractical to currently charge for private use. For some specific elements (e.g. footpaths), there are specific groups that can be identified for funding.	<u>Roading and Footpaths – other:</u> Public – 100%. Funding components of this activity differs and is outlined below: <ul style="list-style-type: none"> Road/street landscapes – uniform annual general charge and a differentiated general rate. Road carriageways and lighting – differentiated general rate, Uniform Annual General Charge and some NZTA funding assistance. Community footpaths and

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
		<p>transport people, goods and services throughout the district, connections to other transport networks, location and property identification, and maintaining an attractive urban environment and streetscape.</p>				<p>lighting – undifferentiated community based works and services rate (based on land value).</p> <p><u>Roading and Footpaths – Subsidised Roding:</u> Public – 40-50% - Funding the Timaru District portion of Roding and Footpaths - subsidised roading is through a differentiated general rate. Private – 50-60% - Funded through New Zealand Transport Agency (NZTA) funding assistance. The NZTA is the main central government source for funding assistance. The Financial Assistance Rate for Timaru District Council is reducing to 51%. This will occur in 2019/20, and will apply for all roading works.</p>
<p>Cycleways and walkways</p>	<p>High quality infrastructure to meet community and business needs</p> <p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p>	<p>Private benefits accrue to individuals and specific groups who use these facilities for travel or recreation.</p> <p>Community benefits include equal access for district residents to these facilities, provision of alternative safer and efficient transport options and sustainability benefits in improving</p>	<p>Immediate and ongoing benefits to users.</p> <p>Intergenerational benefits to the community through maintaining and developing infrastructure and potential</p>	<p>The community benefits widely from having cycleways and walkway infrastructure available. In some cases, additional costs may be caused to Council through vandalism.</p>	<p>It is impractical to currently charge for private use. In some circumstances, it may be possible to get government funding to assist in provision of these facilities.</p>	<p>Public – 100%. Funded via a Uniform Annual General Charge and a differentiated general rate, NZTA financial assistance and potential grants or donations from other external sources.</p>

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
		environmental outcomes and potentially removing vehicle traffic from the roading network.	environmental benefits through riparian plantings etc.			
Parking Development	High quality infrastructure to meet community and business needs Smart, diversified economic success and growth supported and enabled	Private benefits of parking developments are to users of the service through being able to use their own transport and businesses located in township CBDs. Community benefits accrue through the existence of these facilities to maintain and promote economic growth.	Ongoing and immediate to users and business owners.	People using parking facilities are the main contributors to the need for this activity.	This activity is largely funded by users.	Public – 0-10%, funded via a Uniform Annual General Charge and a differentiated general rate. Private – 90-100%, funded via a range of parking fees and fines for infringements.

Sewer

Sewer	High quality infrastructure to meet community and business needs Smart, diversified economic success and growth supported and enabled Communities that are safe, vibrant and growing People enjoying a high quality of life A valued, healthy and accessible environment	All properties, both domestic and industrial connected to Council’s wastewater system can be readily identified and receive a direct benefit from the service. Provision of a wastewater system is essential community infrastructure and provides numerous public benefits, including the maintenance of public health standards, prevention of disease, economic development opportunities and protection for the environment.	Immediate and ongoing benefits to users. Intergenerational benefits to the community through maintaining and developing sewer infrastructure.	The community benefits widely from having a wastewater system available. Additional costs may be caused through overloading of systems, disposal of hazardous material and illegal connections.	Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through a targeted rate and fees and charges.	Public – 0%. Private – 100%, funded via a targeted rate for those connected to a sewer system and tradewaste charges. The targeted rate is set uniformly across connected communities to allow for an equitable charge. Council may also be able to fund some of the costs of establishing new or improved wastewater schemes in small communities from central government funding sources.
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STORMWATER

Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
Stormwater	<p>High quality infrastructure to meet community and business needs</p> <p>Smart, diversified economic success and growth supported and enabled</p> <p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p> <p>A valued, healthy and accessible environment</p>	<p>Provision of a stormwater system provides public benefits including safe and efficient management of stormwater, decreased risk from flooding, protection of community infrastructure, treatment of stormwater to protect the environment, maintaining safe transport links during rainfall events and encouraging residential development.</p> <p>Private benefits accrue to property owners connected to a scheme via safe and efficient management of stormwater away from their properties.</p>	<p>Immediate and ongoing benefits to users.</p> <p>Intergenerational benefits to the community through maintaining and developing stormwater infrastructure.</p>	<p>The community benefits widely from having a stormwater treatment and management system available.</p>	<p>Because this activity provides predominantly community benefits to specific location, it is considered appropriate to fund the activity separately by community.</p>	<p>Public – 100%, funded via a Community Works and Services targeted rate.</p> <p>Private – 0%.</p>

WASTE MINIMISATION

Waste Minimisation	<p>High quality infrastructure to meet community and business needs</p> <p>People enjoying a high quality of life</p> <p>A valued, healthy and accessible environment</p>	<p>Waste Minimisation is considered to have largely private benefits, because it provides a service which householders would otherwise have to arrange for themselves.</p> <p>There are community benefits through preventing illegal dumping and litter, health hazards and damage to the environment. It also helps provide for the safe and efficient disposal of waste and maintenance of public health and environmental standards. The</p>	<p>Immediate and ongoing benefits to users.</p> <p>Intergenerational benefits to the community through protection of the environment from adverse impacts.</p>	<p>In some cases, inappropriate disposal of hazardous waste and illegal dumping (fly-tipping) causes additional costs to the community. Costs will be recovered if it is possible and economically viable to do so.</p>	<p>It is appropriate to recover the private benefit via a separate funding mechanism.</p>	<p>Public – 0-10%, funded via a Uniform Annual General Charge and a differentiated general rate.</p> <p>Private – 90-100%, funded via a differentiated (by service type – i.e. standard/large) targeted rate and user fees and charges.</p>
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Activity Outcomes	Community Outcomes (primary contribution)	Who benefits	Period of benefits	Whose actions create a need for the activity	Costs and benefits of separate funding	Operating Expenditure Funding Sources ³²
		existing system also ensures that goods can be recycled or reused to the benefit of the environment.				

WATER SUPPLY

Water Supply	<p>High quality infrastructure to meet community and business needs</p> <p>Smart, diversified economic success and growth supported and enabled</p> <p>Communities that are safe, vibrant and growing</p> <p>People enjoying a high quality of life</p> <p>A valued, healthy and accessible environment</p>	<p>There are significant direct benefits to consumers connected to a Council piped water scheme including access to potable drinking water for domestic, business, industrial and stockwater uses.</p> <p>Provision of water supplies provides public benefits including community access to potable water, maintenance of public health and availability of water for key public services and amenities (e.g. firefighting, swimming pools).</p>	<p>Immediate and ongoing benefits to users.</p> <p>Intergenerational benefits to the community through maintaining and developing water supply infrastructure.</p>	<p>The community benefits widely from having a water supply system available.</p>	<p>Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity separately through targeted rates and water supply fees and charges.</p>	<p>Public – 0%.</p> <p>Private – 100%, funded via targeted rates for those connected to a water supply system and water charges (urban, commercial/industrial users) and land and volume-based water fees and charges in rural areas. There is also a small rental contribution. The targeted rate is set uniformly across urban connected communities to allow for an equitable charge.</p> <p>Council may be able to fund some of the costs of establishing improved or new water supply schemes in small communities from central government funding sources.</p>
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Revenue and Financing Policy



Approved by: 4.3. Timaru District Council

Date approved: 4.4. TBC – Draft for inclusion in Supporting Information to Long Term Plan 2021-31

1. Purpose

- 1.1. The purpose of this policy is to detail Timaru District Council's approach to funding its operating and capital expenditure.
- 1.2. It determines who pays for Council activities, and on what basis, with a view to achieving the fairest funding mix for the community as a whole.
- 1.3. The overall objective of this policy is to ensure users and beneficiaries of Council services pay what is fair and equitable.

2. Glossary

Note: The definitions provided are intended to explain terms used on this policy in plain English.³³

Benefit: refers to the positive effect able to be gained as a result of a Council-provided activity or service, regardless of whether this is taken up or not.

Capital expenditure: means expenditure on new assets or on assets that increase the level of service provided, or extend the level of service – for example the replacement of assets.

Community-wide benefit: means a benefit that applies to the whole community, irrespective of property location or value.

Council: means Timaru District Council

Exacerbator: those who contribute to, or create the need for a Council service or facility, and should, therefore contribute to the cost of the service or facility.

General Rate: is a rate levied on all rateable properties within Council's jurisdiction. A general rate is based on:

- Land value of a property
- How the property is used

Intergenerational equity: is the principle that the cost of an asset or service should be spread over its life, so that both current and future residents who benefit contribute a fair share of the costs, and not just current residents.

³³ Legal definitions are provided in the Local Government Act 2002 and the Local Government (Rating) Act 2002.

Land Value (LV): Means the assessed value of land, excluding capital improvements, at the time of valuation.

Operating expenditure: means the costs incurred to provide normal day-to-day services and the maintenance of services and assets.

People benefit: is a benefit that people and residents can enjoy without owning a property. Council looks to fund people benefit through uniform annual charges.

Private good: means goods or services that directly benefit an individual rather than the community as a whole. Private good is an indicator that users who directly benefit should pay.

Property benefit: is a benefit that accrues to a property or to property owners. This may be a service to a property, or an activity that benefits property values. Council looks to fund property benefit through general rates based on land value.

Public good: means goods or service that one individual can consume without reducing the availability to another individual. Public good is usually both non-rival and non-excludable. An example of public good is a community park.

Rates: are funds collected by Council through taxes on property within the district.

Targeted rates: a rate charged for a specific service through a tax on each rateable unit or separately used or inhabited portion of a rating unit to ensure that the cost of a service or activity is borne by those who derive most benefit from it, or who contribute to the need for the service or activity.

Uniform Annual General Charge: a charge of an equal amount on each rateable unit or separately used or inhabited portion of a rating unit to ensure that all ratepayers make a minimum contribution to Council activities and services. This charge is applied to fund services where community benefits apply across the district.

User charges: a council charge paid by those who use specific services provided by Council.

3. Policy Context

Local Government Act 2002

- 3.1. The Local Government Act 2002 (LGA) requires Council to adopt a Revenue and Financing Policy.
- 3.2. Sections 102 and 103 of the LGA require the policy to demonstrate how operational expenditure and capital expenditure are funded from:
 - a) General rates, including –
 - i. Choice of valuation system; and
 - ii. Differential rating; and
 - iii. Uniform annual general charges:
 - b) Targeted rates:
 - c) Lump sum contributions;

- d) Fees and charges:
 - e) Interest and dividends from investments:
 - f) Borrowing:
 - g) Proceeds from asset sales:
 - h) Development contributions:
 - i) Financial contributions under the Resource Management Act 1991:
 - j) Grants and subsidies:
 - k) Other sources of income
- 3.3. Section 101(3)(a) of the LGA requires that Council has, for each activity funded, shown it has given consideration to the:
- a) Community outcomes to which the activity primarily contributes; and
 - b) Distribution of benefits between the community as a whole, and identifiable part of the community, and individuals; and
 - c) The period in or over which those benefits are expected to occur; and
 - d) The extent to which the actions or inaction of particular individuals or groups contribute to the need to undertake the activity; and
 - e) Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- 3.4. In accordance with section 101(3)(b), Council must also consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

Related Council Plans, Policies and Strategies

- 3.5. Council's Revenue and Financing Policy provides a high level funding framework that links with other Council documents that impact on funding decisions for the wider community and, in some cases, or individual ratepayers. These documents include:

Financial Contributions Policy: Details the basis on which Council charges financial contributions to offset or mitigate any adverse impacts on the natural or physical environment including utilities, services or a new development.

Timaru District Plan: Section 6 of the District Plan details Council's approach to charging financial contributions for new developments under the Resource Management Act 1991.

Significance and Engagement Policy: Details Council's approach to determining the level of significance of a particular proposal or decision, and how Council will engage with the community based on the level of significance. Decisions about the funding of Council activities will be assess in accordance with this policy.

Rates Discount Policy: Details Council's approach to providing a discount for the early payment of rates. Council's policy currently provides a discount of 2.5% on the total rates

set for a financial year, if the rates are paid in full on or before the due date of the first installment for that financial year.

Rates Remission and Postponement Policy: Details the circumstances in which Council will provide a rate remission or postponement, including on Maori Freehold Land, and the rationale for this.

Infrastructure Strategy: Details Council's approach to the provision of core infrastructure, how much it intends on investing over the next 30 years, and how this investment will be funded. Activities included in the strategy are: roads and footpaths, drinking water, sewer, stormwater, waste management and large community facilities (for example, CBay Aquatic Centre).

Financial Strategy: Details Council's approach to delivering its high-level funding requirements, including limits on rates and borrowing. The Financial Strategy considers the impact of expected changes in population and the use of land, the expected impact of Council's Infrastructure Strategy and other significant factors affecting Council's ability to maintain and meet demands for services.

Funding Impact Statement: Provided in each Long Term Plan and Annual Plan, the funding impact statement details the application and impact of the Revenue and Financing Policy for each financial year.

4. Rating Framework

- 4.1. Councils are able to use a variety of approaches in their overall rating framework. These approaches are how Council applies rates in the district, and include the following:

Valuation System

- 4.2. When applying rates based on property values councils can rate according to land value, capital value, or annual value.
- 4.3. Timaru District Council uses the land value rating system. The land values are determined by an independent valuer who is audited by the Valuer General.

Differential Rating

- 4.4. When applying rates councils can rate properties using a differential according to a range of categories detailed in schedule 2 of the Local Government (Rating) Act 2002.
- 4.5. Council's general rate is set based on a rate per dollar of rateable land value, and differentiated on the use to which the land is put. The objective of differential rating is to ensure a fair and equitable proportion of rates are paid by the various differential categories.
- 4.6. Council uses differentials to distribute the general rate between particular categories of the community, as listed below. This does not change the total amount of general rates funding required annually, but rather, the proportion of overall funding of the general rate from each category differs according to the differential factor applied.
- 4.7. The differential is applied to the following nine categories:

Category	Definition
Accommodation	All properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.
Commercial – Central	All properties situated within the Timaru Central Business District and used primarily for commercial purposes.
Commercial – Other	All properties used primarily for commercial purposes other than those situated in the Timaru Central Business District.
Community Services	All properties used primarily for education, religious, and/or community purposes.
Industrial	All properties used primarily for industrial purposes.
Primary	All properties used primarily for agriculture, horticulture or pastoral purposes, including the grazing of animals.
Recreational	All properties used primarily for active or passive indoor/outdoor recreational activities.
Residential – General	All properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area in which residential dwellings are permitted.
Residential – Multi Unit	All properties used primarily used for multi-unit residential accommodation, for example, purpose built rental flats.

Unit of rating – separately used or inhabited parts of a rating unit

- 4.8. Under the Local Government (Rating) Act 2002 charging separately used or inhabited parts of a rating unit is an option for a uniform annual general charge and for targeted rates.
- 4.9. A separately used or inhabited part of a property or building includes any part of a rating unit inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.
- 4.10. For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person, other than the owner, and generally used as such are defined as 'used'.
- 4.11. Examples of separately used or inhabited parts of a rating unit include:
- Each separately used or inhabited part of a residential unit will count as a separate part. This includes minor household units with kitchen facilities often referred to as "granny flats".
 - Where residential properties are partially used for business, the number of parts will equal the number of separately used or

inhabited residential units plus one for each separate business use (e.g. a house with a doctor's surgery attached contains two parts).

- In the case of retirement villages or farms with workers' accommodation and similar types of properties, each separately used or inhabited residential unit and each other major use (such as halls, libraries etc) are separate parts.

5. Rate Revenue Sources

- 5.1. The rates charged by Council as sources of funding are:

General Rate

- 5.2. A rate charged on all rateable properties in the district on the basis of land value, and differentiated by the use of the property.

Uniform Annual General Charge (UAGC)

- 5.3. A rate charged on all separately used or inhabited portions of a rating unit on a uniform basis. This rate enables all ratepayers to make a minimum contribution to Council's costs. The annual increase in the UAGC will be the same overall percentage increase as the general rate increase in any given year.

Targeted Rate:

- 5.4. A rate charged on specific properties in the district on the basis of the property or owner being able to receive benefit from the service provided that is not available to all. Targeted rates may be charged on the basis of land value, differentiated or as a uniform annual charge.

6. Non-Rate Revenue Sources

- 6.1. Council has a range of funding sources available which are often suited to a particular type of funding requirement. While rates are often the most appropriate source of funding for a particular requirement, Council may decide to use other sources of funding, if appropriate.

Grants and subsidies

- 6.2. Council expects to continue to receive substantial subsidies from Waka Kotahi (New Zealand Transport Agency – NZTA) for road and footpath maintenance and renewal and other expenditure related to transportation and its land transport networks.
- 6.3. Council can receive grants and sponsorship for projects which are eligible for particular grant and sponsorship schemes.

Investment income, dividends and interest

- 6.4. Interest and investment returns from Council's investments, including annual dividends from Timaru District Holdings Limited (TDHL) are generally used to offset the general rate and the uniform annual general charge.
- 6.5. Interest earned on special funds and separate reserves is used only for the purpose of the fund or reserve.

Financial contributions

- 6.6. Council's existing Financial Contributions Policy allows Council to apply a charge for water, sewer, stormwater and open space and recreation. Minor amounts of capital expenditure budget for the Parks and Recreation activity have been identified as coming from financial contributions. Amounts to be funded from financial contributions for water supply, sewer and stormwater services will be determined from Council decisions at the time of development.

Proceeds from asset sales

- 6.7. Council may sell assets that are deemed to be surplus to requirements or that are not providing satisfactory returns. Proceeds may be invested, used to fund capital expenditure or operating expenditure associated with the activity which held the original asset.
- 6.8. Council may, in exceptional circumstances, choose to use proceeds of asset sales for expenditure in another activity.

Fees and Charges

- 6.9. Council charges for some services it provides and this revenue funds all or part of the cost of service delivery for these activities. Examples include resource and building consent fees, dog registration fees and facility admission or hire.
- 6.10. Council will amend its fees and charges annually (or more frequently as appropriate) to reflect increases in costs as measured by the assumed rate of inflation and/or to maintain the cost recovery levels underlying the basis for setting the fee levels.

Bequests

- 6.11. Council occasionally receives bequests that can be used, normally for a specific purpose. Examples include bequests for the purchase of library books or art work.

Borrowing

- 6.12. Council generally borrows to fund capital expenditure as a way of promoting intergenerational equity and as a way to make the significant cost of some capital projects affordable. Borrowing may be internal (ie Council borrowing from itself by using its own reserves) or external.
- 6.13. Council does not borrow for operational expenditure unless this is deemed to be prudent and is approved by Council on that basis.

Lump Sum Contributions

- 6.14. Council may offer the option for ratepayers to pay their share of a capital project through a lump sum payment rather than through rates over a longer period of time. This can be beneficial for all parties as it reduces the interest paid by ratepayers over the life of the loan, and Council can retire a portion of debt earlier or reduce the need for borrowing.

7. Funding Operational Expenditure

- 7.1. Operating expenditure is the day-to-day cost Council incurs to provide services, including the maintenance of existing assets.
- 7.2. Council has determined that the following sources may be used to fund operating expenditure:
- Rates revenue (including general rates and UAGC)
 - Targeted rates
 - Fees and charges
 - Interest and dividends from investments
 - Proceeds from asset sales
 - Financial contributions
 - Grants and subsidies
 - Borrowing
 - Other operating revenue
- 7.3. Council may choose not to fully fund operating expenditure in any activity in any particular year if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years.
- 7.4. An operating deficit will only be budgeted when considered prudent to avoid significant fluctuations in rates, fees or charges. Council will consider the requirements of section 100 of the LGA (Balanced Budget requirements).
- 7.5. Council may choose to fund more than is necessary to meet its operating expenditure in any particular year. Council will only budget for an operating surplus to fund an operational deficit in the immediately preceding or following years, or to repay debt. Council will have regard to forecast future debt levels when deciding whether it is prudent to budget for an operating surplus for debt repayment.

8. Funding Capital Expenditure

- 8.1. Capital expenditure is expenditure on new or existing assets that maintains or increases their value and the level of service to the community.
- 8.2. Council usually borrows, either internally or from capital markets, to fund capital expenditure. Borrowing for capital expenditure enables Council to spread the cost of providing a capital asset over the expected life of the asset. Council may choose to fund capital expenditure through borrowing and repay the loan over a shorter or longer period if this is considered prudent.
- 8.3. Borrowing for capital expenditure reduced peaks and troughs in the funding required each year and promotes intergenerational equity. This ensures today's ratepayers are not required to fund the whole cost of assets with a long useful life and subsequent users of the assets also make a contribution to its cost by contributing to the interest and principal repayments in those subsequent years.

- 8.4. Council's borrowing requirements and the cost of servicing loans for capital expenditure may be reduced to the extent that other funding sources can be used.
- 8.5. Council has determined that the following sources may be used to fund capital expenditure:
- Rates revenue (including general rates and UAGC)
 - Targeted rates
 - Lump sum contributions
 - Interest and dividends from investments
 - Borrowing
 - Proceeds from asset sales
 - Financial contributions
 - Grants and subsidies
 - Reserve funds
 - Other sources.
- 8.6. Borrowing for capital expenditure is undertaken in accordance with Council's Financial Strategy.

9. Funding of Depreciation

- 9.1. Depreciation is the process of recognising that an asset is progressively used up over its useful life. By funding depreciation Council is able to provide funding to replace assets at the end of their useful life, or reduce the amount borrowed against the assets. Depreciation is funded within each activity as part of the operating expenditure each year.
- 9.2. In general, Council will fully fund depreciation over the life of an asset in order to systematically allocate the use or consumption of the asset, unless this is not considered to be in the best interests of the community. If Council decides not to fully fund depreciation of an asset it will provide the community with information on why it has decided not to fully fund depreciation and the likely impact of this decision.

10. Activity Funding Analysis

- 10.1. Council has considered each activity, and in some cases discrete items within an activity, to determine the most appropriate funding approach.
- 10.2. Council endeavours, where possible, to allocate cost to the primary beneficiary of any function or activity it provides.
- 10.3. The following matters considered in the assessment are:

Distribution of benefits

- 10.4. The benefits provided by each activity are assessed to establish to whom these flow. Benefit distribution is assessed using three categories; private benefit, group benefit and community-wide benefit.
- 10.5. **Private Benefit:** accrues to identifiable individuals. Activities that provide a high level of private benefit will normally be funded from fees and charges.
- 10.6. An example of a Council service that provides a high level of private benefit is the processing and granting of a consent. This enables the applicant applying for a consent to undertake an activity that primarily benefits them.
- 10.7. **Group Benefit:** accrues to identifiable groups within the community. Activities that provide a high level of group benefit will normally be funded from a targeted rate or charge on properties able to receive the service.
- 10.8. An example of a Council service that provides a high level of group benefit is the provision of drinking water. Only those able to connect to the drinking water supply are able to benefit.
- 10.9. **Community-wide Benefit:** accrues to the community as a whole. Activities providing a high level of community-wide benefit will normally be funded from the community as a whole, through the general rate or the UAGC.
- 10.10. An example of a Council service that provides a high level of community-wide benefit is the provision of the roading network. Everyone has the opportunity to access and use the service.

Period of benefit

- 10.11. Council considers the period over which the benefit provided by an activity flows. This provides a rationale for deciding the period over which the expenditure should be funded.
- 10.12. If the benefit an activity provides relates wholly or largely to the immediate year then the activity will normally be funded from rates or other income in the year the expense is incurred.
- 10.13. If the benefit is available over a longer period of time Council will normally borrow to fund the activity or asset to ensure future ratepayers who will enjoy some benefit will pay a fair proportion of the cost.

Control of negative effects (exacerbator pays)

- 10.14. Council may incur expenditure to protect the community from actual or potential problems. Council looks to identify the cost to the community of controlling negative effects caused by individual or group actions and to recover any costs directly from those causing the problem. Examples are animal control (funding through dog registrations and impoundment fees) and parking enforcement (funding through parking meter fees and infringement fees).
- 10.15. Where a fee or charge is not practical or efficient the cost will normally be funded as if it provides a community-wide benefit – through the general rate or UAGC.

Distinct Funding

- 10.16. Transparency and accountability are more evident when an activity is funded separately from other activities. This allows ratepayers, or payers of user charges to see how much money is being raised and spent on the activity, and whether or not the cost of the activity represents value for money.
- 10.17. Council will consider the costs and benefits of distinct funding of an activity, including the consequences of the chosen funding method in terms of transparency and accountability. Council will fund activities distinctly where this is practical and efficient.
- 10.18. All activities that are funded distinctly are detailed in section 12 of this policy.

Property versus people benefit

- 10.19. When deciding on the appropriate funding mechanism, Council will consider whether the benefit provided by an activity flows primarily to the value of the property or to the people who live at the property.
- 10.20. In general, Council will look to fund property-related benefit through the general rate, based on land value, and people-related benefit through the UAGC rate (all properties being charged a uniform amount).

Community Impact

- 10.21. Council must consider the overall impact the allocation liability has on the social, economic, environmental and cultural wellbeing of the community.
- 10.22. In considering community impact and the allocation of costs, Council will have regard to:
- The impact a particular funding approach may have on the achievement of community outcomes;
 - Fairness and equality issues arising from the allocation of costs; and
 - Any other impacts on the community, such as affordability of rates for some or all ratepayers.
- 10.23. Council may decide to fund an activity in a way other than generally prescribed in this policy if this approach to funding will promote the achievement of community outcomes or will address perceived affordability issues.

Practicality

- 10.24. Council may choose to make minor variations to the funding approach detailed in this policy for reasons of practicality. This is particularly the case for activities that are partly funded from fees and charges, or from external sources.
- 10.25. In some cases, the funding from fees and charges and external sources may vary from year to year or may be uncertain at the time of budgeting. In these cases Council may choose to adjust the funding from rates to accommodate changes or uncertainty.
- 10.26. For activities funded partly from fees and charges, the revenue generated from this source is often dependent on the demand for services at the time. Council

may decide to adjust the level of funding from rates to smooth the level of fees and charges from year to year.

- 10.27. Surplus revenue generated from fees and charges will normally be credited to Council's general reserves, or to the appropriate specified purpose reserve fund.
- 10.28. For activities with specified purpose reserve funds, these funds may be used for rates smoothing purposes if Council is able to use the fund in this way and deems this a prudent approach.
- 10.29. Council may fund minor capital expenditure from operating revenue in the year it is expended. Non-minor capital expenditure items will be funded from reserves or loan funded so as to minimise extreme rate movements and more accurately reflect intergenerational costs.

11. Wellbeing

- 11.1. Council will give consideration for the overall impact this policy has on the current and future social, economic, environmental and cultural wellbeing of the Timaru District Community.

12. Policy Review

- 12.1. This policy will be reviewed every three years, as part of the development of the Long Term Plan.
- 12.2. The policy may be amended at any time, as long as the review process provides for community engagement in accordance with Council's Significance and Engagement Policy and section 82 of the LGA.

13. Funding Analysis for Council Activities

Democracy

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity supports and guides all activities carried out by Council and includes; all work associated with elected members (including community board members); community engagement; communications; strategy; policy and plan development; elections; governance functions; performance and accountability reporting.</p>	<p>Connected Citizens</p>	<p>Community-wide Benefit: Benefits the whole community by supporting the decision-making function, representation, advocacy, communication and engagement for all residents.</p>	<p>Operating Expenditure Rates: 90-100% 50% UAGC 50% General Rate 0-10% Targeted Community Board Rates User Charges: 0-10% Hearings fees etc</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Community Support

Airport

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity provides for the management of the Richard Pearse Airport	Enhanced Lifestyle Diverse Economy	<p>Private Benefit: Users of the airport receive the primary benefit from the provision and management of the airport enabling travel, or storage and operation of personal aircraft.</p> <p>Community-wide Benefit: The whole community receives a secondary benefit through access to the airport and the economic benefits the airport provides the district.</p>	<p>Operating Expenditure User Charges: 70-80% Airport charges eg landing fees and lease income Rates: 20-30% 40% UAGC 60% General Rate</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Cemeteries

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity provides for the maintenance and development of cemeteries across the district, including burials and interments.	Resilient Infrastructure Enhanced Lifestyle	<p>Private Benefit: Users of cemetery facilities, largely family and friends of deceased, receive the primary benefit.</p> <p>Community-wide Benefit: The whole community receives benefit through ensuring the deceased are interred in a sanitary way maintaining public health, cemeteries as well maintained public spaces, and the district's social history is preserved in cemetery records.</p>	<p>Operating Expenditure User Charges: 60-70% Plot purchases and interment fees Rates: 30-40% 60% UAGC 40% General Rate</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Community Funding

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for funding, by way of grants and loans, to support individuals, community groups, facilities and events. The activity also provides for rates remissions and swimming concessions.</p>	<p>Connected Citizens Enhanced Lifestyle</p>	<p>Group Benefit: Recipients of the grants and loans receive the primary benefit. Note: Council has determined that charging these groups for this activity would not meet the purpose of this activity or the Community Wellbeing Outcomes. Community-wide Benefit: The funding criteria for the grants and loans is designed to support groups which provide benefits through their activities to the whole community.</p>	<p>Operating Expenditure Rates: 85-95% 80% UAGC 20% General Rate Grants: 5-15% Funding received from various funding agencies Interest: 5-15% Interest on loans provided to community groups Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Emergency Management

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for the development of resilient communities through planning, training, education, co-ordination with partner agencies. This activity also includes provision for the Emergency Response Fund.</p>	<p>Connected Citizens Resilient Infrastructure</p>	<p>Community-wide Benefit: The primary benefit is to the people and property of the whole district, enabling planning to mitigate the harm, and to recover from emergencies.</p>	<p>Operating Expenditure Rates: 100% 50% UAGC 50% General Rate Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Climate Change

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides development of climate change mitigation and adaptation strategies and action plans for the district.</p>	<p>Sustainable Environment Resilient Infrastructure Connected Citizens</p>	<p>Community-wide Benefit: The primary benefit is to the people and property of the whole district, enabling the planning to mitigate the harm caused by climate change and to assist the whole district to adapt to both climate change and zero carbon living.</p>	<p>Operating Expenditure Rates: 100% 80% General Rate 20% UAGC</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Economic Development and Tourism

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity promotes and assists economic development and visitor opportunities in the district.</p>	<p>Diverse Economy Enhanced Lifestyle</p>	<p>Community-wide Benefit: This activity provides community-wide benefit through supporting the economic growth and development of the district. Private Benefit: Some benefits may accrue to businesses or individuals using the services this activity provides, e.g. tourism operators.</p>	<p>Operating Expenditure Rates: 90-100% 80% General Rate 20% UAGC User Charges: 0-10% User fees for services provided by Economic Development Agency Other: 0-10% Government grants or subsidies</p> <p>Capital Expenditure Borrowing:</p>

			Loan costs are funded in the same way as operating expenditure.
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Public Toilets

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity provides and maintains public toilets across the district.	Enhanced Lifestyle Resilient Infrastructure	<p>Private Benefit: Users of the public toilets, including visitors to the district benefit, and create the need for this activity. Note: Council does not believe a user pays funding model to be practical or appropriate.</p> <p>Community-wide Benefit: The whole community benefits through the provision of public toilets and maintaining public hygiene.</p>	<p>Operating Expenditure Rates: 90-100% 70% UAGC 30% General Rate User Charges: 0-10% User pays may be achievable at some facilities.</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Social Housing

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity provides and maintains affordable housing across the district for those in need.	Connected Citizens Enhanced Lifestyle	<p>Private Benefit: The tenants of the social housing units benefit from this activity.</p>	<p>Operating Expenditure User Charges: 100% Rental income from tenants.</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p> <p>Grants:</p>

			Council may seek grant funding and sponsorship to support capital works.
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Environmental Services

Animal Control

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity provides for animal control services including the confining or stray animals and managing aggressive animals.	Enhanced Lifestyle	<p>Private Benefit: The owners of animals, particularly dogs, benefit from, and create the need for this activity.</p> <p>Community-wide Benefit: The whole community benefits from this activity minimising the negative impact of wandering and aggressive animals.</p>	<p>Operating Expenditure User Charges: 90-100% Dog registrations, impounding, infringement and other fees and fines. Rates: 0-10% 100% General Rate</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Building Control

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity provides for the administration and implementation of the Building Act, including processing and granting consents and inspecting and monitoring building work across the district.	Diverse Economy Resilient Infrastructure Sustainable Environment	<p>Private Benefit: The benefits from this activity mainly accrue to building owners through ensuring they have met legislative requirements</p> <p>Community-wide Benefit:</p>	<p>Operating Expenditure User Charges: 70-80% Various fees and charges relating to building control services. Rates: 20-30% 100% General Rate</p>

		<p>The whole community benefits through this activity ensuring buildings across the district are safe, sanitary and accessible.</p>	<p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>
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District Planning

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for the development, adoption and amendment of the Timaru District Plan</p>	<p>Sustainable Environment Diverse Economy Resilient Infrastructure</p>	<p>Community-wide Benefit: The whole community benefits from a District Plan that enables sustainable development within the district. Private Benefit: When individuals seek private plan changes they accrue the benefit.</p>	<p>Operating Expenditure Borrowing: Council will borrow for the operating costs of developing the District Plan, recognising the period benefit for this activity. Loan costs will be funded in the same way as other operating expenditure. Rates: 90-100% Rate funding will be utilised for all other policy work. 100% General Rate User Charges: 0-10% Fees for private plan changes.</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

District Plan Administration

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity includes all aspects of the resource consenting process and other district planning requirements, including receiving and processing the applications, monitoring consents and responding to public enquiries, other permissions and Land Information Memorandums.</p>	<p>Sustainable Environment Diverse Economy Resilient Infrastructure</p>	<p>Private Benefit: Those individuals seeking resource consent or other services primarily benefit from this activity. Community-wide Benefit: There is some benefit to the whole community to ensure consents are processed and monitored through enabling sustainable development Exacerbators: Individuals may contribute to costs through lack of compliance requiring ongoing monitoring and enforcement.</p>	<p>Operating Expenditure User Charges: 80-90% Various fees and charges relating to the resource consenting and other district planning process. Rates: 10-20% 100% General Rate Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Environmental Compliance

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This services provides for the administration and monitoring of food safety, liquor licensing, hazardous substances and enforcing the district bylaws</p>	<p>Enhanced Lifestyle Diverse Economy Sustainable Environment</p>	<p>Private Benefit: The benefits accrue to the individuals and businesses that require the services of this activity to meet legislative requirements Community-wide Benefit: The whole community benefits through the provision of a safe and healthy environment and standards of operation being enforced. Exacerbators: Individuals may contribute to costs through lack of compliance requiring ongoing monitoring and enforcement.</p>	<p>Operating Expenditure User Charges: 50-60% Various fees and charges associated with this activity. Rates: 40-50% 50% UAGC 50% General Rate Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Recreation and Leisure

Art Gallery

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and maintains the Aigantighe Art Gallery and collection, including exhibits, research and education</p>	<p>Enhanced Lifestyle Connected Communities</p>	<p>Community-wide Benefit: The whole community benefits from access to the Aigantighe Art Gallery and a location to exhibit, store and restore art works and to enable the public consumption of art. Private Benefit: Users of the Aigantighe Art Gallery benefit for their use of the facility.</p> <p>Note: Council considers that allocating costs only to the users of this facility would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 90-100% 60% UAGC 40% General Rate User Charges: 0-10% User charges and donations</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Bequests: Bequests and donations also fund the purchase of some art pieces and may be used to support other capital works. Grants: Council may seek grant funding and sponsorship to support capital works.</p>

Fishing Huts

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity manages two fishing hut sites; Rangitata Huts and Stratheona Huts.	Enhanced Lifestyle	<p>Private Benefit: The owners of the huts on these sites benefit from this activity.</p>	<p>Operating Expenditure User Charges: 100% Lease income</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Forestry

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
This activity manages Council’s forestry portfolio.	Diverse Economy Sustainable Environment	<p>Community-wide Benefit: The whole community benefits from the income generated from the harvest of the trees and the carbon credits provided.</p>	<p>Operating Expenditure Proceeds from asset sales: 100% Harvest of trees User Charges: 100% Lease income for forestry blocks</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Halls and Community Centres

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity manages and maintains community halls and centres, including Southern Trust Event Centre.</p>	<p>Enhanced Lifestyle Connected Citizens</p>	<p>Community-wide Benefit: The whole community benefits from the provision of halls and community centres for recreation, events and civil defence. Private Benefit: The users of the halls and community centres accrue benefits. Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 80-90% 60% UAGC 40% General Rate User Charges: 10-20% Hire fees for the facilities Lease and sponsorship income</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Grants: Council may seek grant funding, fundraising and sponsorship to support capital works.</p>

Libraries

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and maintains three district libraries including library books, resources and other services.</p>	<p>Enhanced Lifestyle Connected Citizens</p>	<p>Community-wide Benefit: The whole community benefits from the access to the district libraries through access to information, community resources and a hub for social interaction. Private Benefit: Users of the library accrue benefits. Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 90-100% 60% UAGC 40% General Rate User Charges: Charges for some services and fines.</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Bequests: Bequests and donations also fund the purchase of some library resources. Grants: Council may seek grant funding, fundraising and sponsorship to support capital works.</p>

Motor Camps

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides five motor camps across the district. Four of these camps are leased under management arrangements.</p>	<p>Diverse Economy Enhanced Lifestyle</p>	<p>Private Benefit: The individuals who lease the motor camps and those who visit the motor camps accrue benefits from this activity. Community-wide Benefit: The community as a whole benefits through the provision of these facilities for visitors to the district and wider economic benefits.</p>	<p>Operating Expenditure User Charges: 90-100% Lease income and camping fees Rate: 0-10% 60% UAGC 40% General Rate Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p>

Museum

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for management of the South Canterbury Museum facility and services, including displays, archives and educational services.</p>	<p>Enhanced Lifestyle Connected Citizens</p>	<p>Community-wide Benefit: The whole community benefits from the access to the South Canterbury Museum through cultural enrichment, education and preservation of district heritage.</p> <p>Private Benefit: Users of the museum and its services accrue benefits.</p> <p>Note: Council considers that allocating costs only to the users of this facility would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 90-100% 60% UAGC 40% General Rate</p> <p>User Charges: 0-10% User charges and donations</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p> <p>Bequests: Bequests and donations also fund the purchase of some museum resources and some operating expenses.</p> <p>Grants: Council may seek grant funding, fundraising and sponsorship to support capital works and some operating expenses (e.g. Learning Outside The Classroom (LEOTC))</p>

Parks

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and maintains parks, reserves, sports grounds, gardens and off-road tracks across the district.</p>	<p>Enhanced Lifestyle Sustainable Environment Connected Citizens</p>	<p>Community-wide Benefit: The whole community benefits from provision and access to parks facilities across the district such as for active and passive recreational pursuits, health, education and wellbeing. Facilities contribute to community pride and perception of the district.</p> <p>Private Benefit: Individuals and groups that use the parks and sports facilities accrue benefits, some from specific facilities (e.g. skateparks, sportsgrounds).</p> <p>Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 90-100% 60% UAGC 40% General Rate</p> <p>User Charges: 0-10% Sport ground leases and user charges</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Lump Sum Contributions: Some capital contributions paid for facilities (eg sports surfaces) by user groups. Financial Contributions: Council charges financial contributions for the acquisition and development of recreation and open space under the provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure. Grants: Council may seek grant funding, fundraising and sponsorship to support capital works.</p>

Swimming Pools

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides, maintains and manages four swimming pools across the district, including the gym and café facilities at CBay Aquatic Centre.</p>	<p>Enhanced Lifestyle Connected Citizens</p>	<p>Community-wide Benefit: The whole community benefits from the provision of swimming pools in the district. Private Benefit: Users of the swimming pool and gym facilities accrue benefits from this activity. Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure – Rural Summer Pools Rates: 70-80% 60% UAGC 40% General Rate</p> <p>User Charges: 20-30% Pool user fees, hire fees and other user fees</p> <p>Operating Expenditure – CBay Rates: 40-50% 60% UAGC 40% General Rate</p> <p>User Charges: 50-60% Pool and gym fees and membership, hire fees, café sales and other revenue, and other user fees.</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Grants: Council may seek grant funding, fundraising and sponsorship to support capital works.</p>

Theatre Royal

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and manages the Theatre Royal.</p>	<p>Enhanced Lifestyle Connected Citizens</p>	<p>Community-wide Benefit: The whole community benefits from the provision of the Theatre Royal.</p> <p>Private Benefit: Users who either hire the Theatre Royal for events and performances, or those who attend events and performances accrue benefits.</p> <p>Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 90-100% 60% UAGC 40% General Rate</p> <p>User Charges: 0-10% Facility hire fees (Note: Currently the facility is closed, with no revenue being generated. The existing policy will be reviewed for when the new facility is opened).</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure.</p> <p>Grants: Council may seek grant funding, fundraising and sponsorship to support capital works.</p>

Roading and Footpaths

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and maintains the road and footpath network across the district, including bridges and street lighting.</p>	<p>Resilient Infrastructure Diverse Economy</p>	<p>Community-wide Benefit: The whole community and visitors benefit from access to the roading and footpath network. Group Benefit: Group benefit is provided to residents where footpaths and street lighting and decorative lighting is available.</p>	<p>Operating Expenditure – Subsidised works Rates: 40-50% 70% General Rate 30% UAGC Subsidies: 50-60-50% Waka Kotahi (NZ Transport Agency) Financial Assistance</p> <p>Operating Expenditure – Non-subsidised works Rates: 80-90% 60% General Rate 40% UAGC</p> <p>Capital Expenditure Borrowing: Council may decide to loan fund specific projects on a case by case basis. Projects will be assessed based on the expected life of the asset and the impact on rates. Loan costs are funded in the same way as operating expenditure. Waka Kotahi Funding: Council receives funding from Waka Kotahi for qualifying capital projects. The level of funding depends on the annual “financial assistance rate” for TDC and on the work programme approval by Waka Kotahi. Private Contributions: Council may agree to undertake specified work in addition to its planned work programme at the request of a resident if there is a private contribution.</p>

Cycleways and Walkways

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and maintains on- and off-road cycleways and walkways throughout the district.</p>	<p>Enhanced Lifestyle Resilient Infrastructure Sustainable Environment</p>	<p>Community-wide Benefit: The whole community benefits from the provision of walkways and cycleways for recreational and commuting purposes. Private Benefit: Users of the walkways and cycleways accrue benefits. Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.</p>	<p>Operating Expenditure Rates: 90-100% 50% UAGC 50% General Rate Subsidies: 0-10% Waka Kotahi provide some financial assistance for active transport routes</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Financial contributions: Council charges financial contributions for the acquisition and development of recreation and open space under the provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure. Waka Kotahi Funding: Council receives funding from Waka Kotahi for qualifying capital projects. The level of funding depends on the annual “financial assistance rate” for TDC and on the work programme approval by Waka Kotahi. Grants: Council may seek grant funding, fundraising and sponsorship to support capital works.</p>

Parking Services

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity develops parking facilities across the district and includes the enforcement of Council’s parking bylaw and policy.</p>	<p>Resilient Infrastructure Diverse Economy Enhanced Lifestyle</p>	<p>Private Benefit: Vehicle users visiting or working in CBDs across the district benefit from the provision of parking.</p> <p>Group Benefit: District businesses located within CBD areas benefit through the existence of a service that facilitates business custom</p>	<p>Operational Expenditure User Charges: 100% Parking income from fees and infringements</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. User Charges: Parking income from fees and infringements</p>

Sewer

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for sewer services including the treatment and disposal of sewerage in the urban areas of Timaru, Temuka, Geraldine and Pleasant Point, and Timaru’s industrial wastewater.</p>	<p>Resilient Infrastructure Sustainable Environment</p>	<p>Group Benefit: Group benefit is provided to residents, businesses and industries able to connect to Council’s sewer network and tradewaste scheme and dispose of wastewater.</p> <p>Community-wide Benefit: There is community benefit provided through the health, economic and environmental benefits of having treated sewerage and industrial waste disposed of safely.</p> <p>Exacerbator: Additional costs may be caused through overloading of systems, disposal of hazardous material, illegal connections or incorrect disposal. Costs will be recovered if possible or prosecutions may be taken.</p> <p>Due to benefits being primarily to a group of users, it is appropriate to fund the activity via separate mechanisms.</p> <p>Note: Council does not consider it equitable to fund the community-wide benefit across the district, as residents not able to receive this service must provide their own sewerage collection and disposal.</p>	<p>Operational Expenditure Targeted Rates: 70-80% Targeted rate for all connected to the sewer services. User Charges: 20-30% Trade waste charges and other sewer charges</p> <p>Capital Expenditure Borrowing: Loan costs are funded in the same way as operating expenditure. Financial Contributions: Amounts to be funded from financial contributions for sewer services will be determined from Council decisions at the time of development. Lump Sum Contributions: Council may seek lump sum contributions from residents at the time of development.</p>

Stormwater

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides and maintains the stormwater network including treatment and disposal management of stormwater in the urban areas of Timaru, Temuka, Geraldine and Pleasant Point, and some smaller rural schemes.</p>	<p>Resilient Infrastructure Sustainable Environment</p>	<p>Group Benefit: Group benefit is provided to the residents and businesses in areas where stormwater facilities are provided and reduce risk from flooding for residents’ properties and communities.</p> <p>Community-wide Benefit: Community-wide benefit accrues through protection of assets such as roads and public facilities, and by enabling safe transit for residents within urban areas during rainfall events. There is also community-wide benefit through improved environmental outcomes in stormwater treatment.</p> <p>Exacerbator: Additional costs may be caused through illegal connections and incorrect disposal of wastewater. Costs will be recovered if possible or prosecutions may be taken.</p> <p>Due to benefits being primarily community specific, it is appropriate to fund the activity separately by community.</p>	<p>Operational Expenditure Targeted Rate: 100% 100% Community Works and Services Rate</p> <p>Capital Expenditure Borrowing: Loan costs funded as for operational expenditure.</p> <p>Financial Contributions: Amounts to be funded from financial contributions sewer services will be determined from Council decisions at the time of development.</p> <p>Lump Sum Contributions: Council may seek lump sum contributions from residents at the time of development.</p>

Waste Minimisation

Waste Collection

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for the kerbside collection of green waste, rubbish and recycling to urban and some rural residents and businesses.</p>	<p>Sustainable Environment Enhanced Lifestyle</p>	<p>Group Benefit: Group benefit is provided to owners of properties receiving kerbside collection.</p> <p>Community –wide Benefit: The whole community benefits from a system that enables waste separation, reduces illegal or incorrect disposal and encourages improved environmental outcomes.</p> <p>Exacerbator: Additional costs may be caused through incorrect or illegal disposal. Costs will be recovered where it is economically viable.</p> <p>Due to benefits being primarily to a group of users, it is appropriate to fund the activity via separate mechanisms.</p>	<p>Operational Expenditure Targeted Rate: 100% Targeted rate for collection service, additional bins are charged for as a targeted differential (by service type) collection charge</p> <p>Capital Expenditure Borrowing: Loan costs funded as for operational expenditure.</p>

Waste Management

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for the provision and management of the Redruth Resource Recovery Park and the Geraldine, Pleasant Point, Temuka and Timaru transfer station facilities, waste minimisation education and monitoring, and closed landfill remediation and monitoring.</p>	<p>Resilient Infrastructure Sustainable Environment</p>	<p>Private Benefit: Benefit is accrued by individuals who use the Resource Recovery Park and transfer stations to dispose of household and business waste, green waste and recycling.</p> <p>Community-wide Benefit: The whole community benefits from education and monitoring, a system in place to enable safe and efficient waste management, public health and improved environmental outcomes.</p> <p>Exacerbator: Additional costs may be caused through incorrect or illegal disposal. Costs will be recovered where it is economically viable.</p>	<p>Operating Expenditure User Charges: 50-60% Resource Recovery Park and transfer station charges. Rates: 40-50% 100% General Rate</p> <p>Capital Expenditure Borrowing: Loan costs funded as for operational expenditure.</p>

Water Supply

Service Provided	Community Wellbeing Outcomes	Who benefits/creates need?	Funding (operating and capital expenditure)
<p>This activity provides for safe and effective abstraction of water from the source, and the treatment, storage and distribution of water to urban and rural residents and businesses.</p>	<p>Resilient Infrastructure Enhanced Lifestyle Diverse Economy</p>	<p>Group Benefit: Group and Private benefit is provided to all those residents able to connect to Council’s drinking water networks.</p> <p>Community-wide Benefit: The whole community benefits through safe drinking water being provided in areas of the district that are serviced, maintenance of public health and availability of water for key public services (e.g. firefighting) and amenities (e.g. swimming pools).</p> <p>Exacerbator: Additional costs may be caused through illegal connections. Costs will be recovered if possible or prosecutions may be taken.</p> <p>Due to benefits being primarily to a group of users, it is appropriate to fund the activity via separate mechanisms.</p> <p>Note: Council does not consider it equitable to fund the community-wide benefit across the district, as residents not able to receive this service must provide their own drinking water source.</p>	<p>Operating Expenditure Targeted Rate: 70-80% Urban and rural scheme targeted rates for urban schemes and rural scheme targeted rates.</p> <p>User Charges: 20-30% Charges for water supplied to properties with water meters (per cubic meter) and a small rental contribution</p> <p>Capital Expenditure Borrowing: Loan costs funded as for operational expenditure.</p> <p>Financial Contributions: Amounts to be funded from financial contributions sewer services will be determined from Council decisions at the time of development.</p> <p>Lump Sum Contributions: Council may seek lump sum contributions from residents at the time of development.</p>

7.5 Long Term Plan 2021-31 Draft Consultation Document Outline and Key Issues for Consultation

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Authoriser: Bede Carran, Chief Executive

Recommendation

1. That Council confirms the following issues for consultation for the LTP 2021-31 Consultation Document, including a preferred option:
 1. Aigantighe Art Gallery Redevelopment - What's the best option?
 2. Aorangi Master Plan Stage 1 implementation – When should Council undertake this week?
 3. Climate Change – Preparing for the challenge – How much should Council spend?
 4. Regeneration of Central Timaru – What should Council's role be in this project?
 5. Financial Balancing Act
2. That Council provides any other feedback on the LTP Consultation Document, as outlined via this report.

Purpose of Report

- 1 The purpose of this report is to present an overview of the outline of the proposed LTP Consultation document and confirm the issues and options for community engagement.

Assessment of Significance

- 2 This report is of high significance, as it confirms the issues for engagement with the Community as part of the Long Term Plan 2021-31 engagement during April/May 2021.

Background

- 3 The LTP Consultation Document (CD) is the primary tool for engagement and is required to be audited prior to adoption and public release. The purpose of the CD is “...to provide an effective basis for public participation in local authority decision-making processes relating to the content of a long-term plan..”³⁴. These matters must be represented fairly, explaining overall objectives and financial impacts, be easily understood and outline the significant and important choices facing the Council and district. Refer to the attachment for a copy of legislation relating to the CD.
- 4 The content of the CD must include:
 - The issues, including options, implications, preferred option and financial consequences

³⁴ Local Government Act 2002, S93B

- Other matters of public interest relating to the financial and infrastructure strategy
- Significant changes to how either operating or capital expenditure is funded, including rating system impacts
- Changes to Council's rates levels, debt levels, levels of service and rating impacts on various categories of property
- Consultation information
- An audit opinion

The CD should be presented as simply and concisely as possible.

Discussion

- 5 Council has considered a number of issues in preparing this Long Term Plan that could be included in the CD. Work on these issues has been progressing over the period of LTP preparation.
- 6 The legislation talks about assessing the inclusion of issues after consideration against the Council's Significance and Engagement policy and the importance of other matters to the district and its communities. The key purpose underpinning this is to ensure the community is given the opportunity to consider the important issues and choices facing the Council and the district, including their consequences, and be given the opportunity to comment on them.
- 7 As outlined in earlier reports to Council, this Long Term Plan is being branded 'Timaru District: Thriving Together'. Alongside the CD, the consultation will be supplemented by a website, including a section, specifically focused on each of the issues, links to supporting information and commentary as provided by elected members and officers.
- 8 The following are proposed for inclusion as issues in the LTP 2021-31 CD:
1. Aigantighe Art Gallery upgrade
 2. Aorangi Park Master Plan Stage 1 implementation
 3. Climate change
 4. City Hub
 5. Financial Balancing Act
- 9 An assessment of the significance of these issues is provided below to justify their inclusion. CD content will focus on providing a summary of these issues, options (and Council's preferred option), the key decision to be made, and financial, rating and other consequences, as currently understood. For reference, an example of how an issue looked in a previous CD (2018 LTP) has been attached to this report.
- 10 The content of the CD is being drafted, including the issues outlined above. The Draft will be presented to Council as soon as available. The attachments outline a rough draft of the issues and potential options for discussion or review at the meeting. Also attached is the overall structure of the CD document for comment.

1

LTP Issues Assessment

Issue	Issue Type	Decision required	Significance Criteria Assessment								Importance of Other Matters		Extent to which views of those affected are known S82 (4 b)		Overall Recommendation to Include in CD
			Residents or ratepayers affected?	Particular grouping in community affected?	Financial Impact on the Council's overall resources and rating levels?	Consistency with policy/strategy?	Community Interest	Legal requirements	Strategic Asset	Overall Significance Assessment using Criteria	District	Specific Communities/Groups	Any previous consultation? Eg SCP, Prev LTP, surveys, focus groups, etc	Is previous consultation sufficient to conclude that views of those who will or may be affected are known	
1 Aigantighe Art Gallery	Significant upgrade to existing facility	Extent of upgrade to existing Aigantighe facilities (excluding the House gallery)	Medium	Medium-High	Medium	Low-Medium	Medium-High	Low-Medium	N/A	Medium-High	Yes	Yes	Liaison with key groups. No previous consultation on the options presented	No	Consult
2 Aorangi Park Master Plan Stage One	Significant upgrade to existing facility	Support for proposal to implement Stage One and timing	Medium	Medium-High	Medium-High	Medium	Medium-High	Low-Medium	N/A	Medium-High	Yes	Yes	Liaison with key groups. Master Plan development. No previous community-wide consultation on the options presented	No	Consult
3 Climate Change	Significant strategic issue	Extent of investment and timing to address climate change requirements and issues in the future	High	High	Medium-High	Medium	Medium-High	Medium	N/A	Medium-High	Yes	Yes	Development inhouse and direction from central government. Community obligations and expectations to address. No previous consultation on the options presented	No	Consult
4 Regeneration of Central Timaru	New Project	Council's preferred option to Enable future development in the Timaru city centre, financial consequences and proposed programme	High	High	High	Medium	High	Low-Medium	N/A	High	Yes	Yes	Liaison with key groups. No previous community-wide consultation on the options presented	No	Consult
5 Financial Balancing Act	Significant strategic issue	Support for Council's options for investment and rating impact	High	High	Medium-High	Medium	High	Medium	N/A	High	Yes	Yes	Developed as a result of preparation of the 2021 LTP	No	Consult

Options and Preferred Option

- 11 The Council has the following options:
1. Confirm the issues and preferred options for the LTP Consultation Document as outlined (Preferred Option)
 2. Review and change the issues for the LTP Consultation Document as outlined, either by adding additional issues or reviewing the significance of issues as presented.

Consultation

- 12 Issues will be included in the LTP Consultation Document and will represent the significant and important issues and choices being determined for the 2021-31 LTP, with a significant portion of the LTP engagement focused on them. Supporting information will be made available online.

Relevant Legislation, Council Policy and Plans

- 13 Local Government Act 2002, particularly Section 93B, 93C









Financial and Funding Implications

- 14 The funding and financial implications of the key issues are outlined as part of the information provided through the LTP engagement process, including the effects on rates, debt and levels of service. The impact of Council's preferred options, where identified, is included in the 2021-31 budget.

Other Considerations

- 15 There are no other considerations.

Attachments

1. **LGA Section 93B/C - Long Term Plan Consultation Document** [↓](#) 
2. **Consultation Issue Example 2018** [↓](#) 
3. **Long Term Plan 2021-31 Consultation Document – DRAFT proposed content/layout** [↓](#) 
4. **Key Issues - Aigantighe Art Gallery** [↓](#) 
5. **Key Issues - Southern Trust Events Centre** [↓](#) 
6. **Key Issues - Climate Change** [↓](#) 
7. **Key Issues - City Hub** [↓](#) 
8. **Key Issues - Financial Balancing Act** [↓](#) 

93B Purpose of consultation document for long-term plan

The purpose of the consultation document is to provide an effective basis for public participation in local authority decision-making processes relating to the content of a long-term plan by—

- (a) providing a fair representation of the matters that are proposed for inclusion in the long-term plan, and presenting these in a way that—
 - (i) explains the overall objectives of the proposals, and how rates, debt, and levels of service might be affected; and
 - (ii) can be readily understood by interested or affected people; and
- (b) identifying and explaining to the people of the district or region, significant and other important issues and choices facing the local authority and district or region, and the consequences of those choices; and
- (c) informing discussions between the local authority and its communities about the matters in paragraphs (a) and (b).

93C Content of consultation document for adoption of long-term plan

- (1) The content of the consultation document for the adoption of a long-term plan must be such as the local authority considers on reasonable grounds will achieve the purpose set out in [section 93B](#).
- (2) Without limiting subsection (1), the consultation document must describe—
 - (a) each issue that the local authority determines should be included having had regard to—
 - (i) the significance and engagement policy adopted under [section 76AA](#); and
 - (ii) the importance of other matters to the district and its communities; and
 - (b) for each issue identified under paragraph (a),—
 - (i) the principal options for addressing the issue and the implications (including financial implications) of each of those options; and
 - (ii) the local authority's proposal, if any, for addressing the issue; and
 - (iii) the likely consequences of proceeding with the proposal on the local authority's rates, debt, and levels of service; and
 - (c) other matters of public interest relating to—
 - (i) the proposed content of the local authority's financial strategy (under [section 101A](#)) including, without limitation, the quantified limits on rate increases and borrowing in that strategy; and
 - (ii) the proposed content of the local authority's infrastructure strategy (under [section 101B](#)); and
 - (d) any significant changes that are proposed to the way the local authority funds its operating and capital expenditure requirements, including changes to the rating system described in [clause 15\(3\) and \(4\)](#) of Schedule 10; and
 - (e) using graphs or charts, the direction and scale of changes to the local authority's rates and debt levels that will result from the proposed content of the long-term plan; and
 - (f) using graphs or charts where practicable, the direction and nature of changes to the local authority's levels of service associated with the proposed content of the long-term plan; and
 - (g) the impact of proposals on the rates assessed on different categories of rateable land with a range of property values, by the provision of examples as provided for in [clause 15\(5\)](#) of Schedule 10.
- (3) The consultation document—
 - (a) must be presented in as concise and simple a manner as is consistent with [section 93B](#) and this section; and
 - (b) without limiting paragraph (a), must not contain, or have attached to it,—
 - (i) a draft of the long-term plan, as proposed to be adopted; or
 - (ii) a full draft of any policy; or
 - (iii) a full draft of the local authority's financial strategy or infrastructure strategy; or
 - (iv) any detailed information, whether described in [Part 1](#) of Schedule 10 or otherwise, that is not necessary or desirable for the purposes of subsections (1) and (2); and
 - (c) must state where members of the public may obtain information adopted by the local authority under [section 93G](#), which may include, for example, providing links or references to the relevant documents on the local authority's Internet site; and
 - (d) may be given the title of the local authority's choice, provided that the title or subtitle make reference to this being a consultation document for the proposed long-term plan for the relevant years.
- (4) The consultation document must contain a report from the Auditor-General on—
 - (a) whether the consultation document gives effect to the purpose set out in [section 93B](#); and
 - (b) the quality of the information and assumptions underlying the information provided in the consultation document.
- (5) The report under subsection (4) must not comment on the merits of any policy content of the consultation document.

Big Issue 1

OUR WATER... WHAT PRICE?

A resilient future water supply?
How should we achieve this?

Where are we at?

Water...water...everywhere...but is it? A resilient water supply is essential to Timaru District's future. Water is a scarce resource, and we often take it for granted. It is essential to our health, our economy, our future – we can't do without it.

This discussion revolves around the bigger picture for the district – what we should do to secure and protect our water supply for the future – the next 30-40 years. What's our ideal future? How much water do we need? Should we focus on securing more? Or should we save on what we currently use and delay the need for securing more water? Or.....should we do both?

Background

Timaru's current peak water demand sits on around 29 megalitres⁴ per day. Around 2½ megalitres will fill an Olympic size swimming pool, so currently Timaru uses 9-12 Olympic size swimming pools of water per day!

Timaru's projected future peak day demand is around 31 megalitres per day (excluding any further industrial development). Water shortages for the Timaru supply can be an issue during dry periods, with low flows into our water sources or when restrictions are imposed on our taking of water. Issues can also occur when it is extremely wet. Our water availability can get as low as 24 megalitres per day. When this occurs, we can get through, but only through the use of water restrictions and other water conservation measures. We have had water restrictions of some form across all urban supplies each summer from 2011-2015. Maintaining our current approach will likely lead to more severe restrictions being imposed more often.

Council's ability to take water from current sources is subject to some limits under our consent conditions and by the capacity of our current water infrastructure.

Under the Canterbury Land and Water Regional Plan, community drinking water supplies have a high priority and consent limitations on taking water may potentially be relaxed in the future. This may increase our ability to take more water from these existing sources.

However, other factors will influence demand for water in the future. These include climate change, industrial and economic growth, environmental standards, government policy and implementation of water metering.

Timaru uses around 77% of the total urban water supply. Smaller communities (with less people and industry) use much less water, with Geraldine, Temuka and Pleasant Point using 23% between them. The need for further upgrading of supplies for these communities is dependent on whether residential demands can be kept within reasonable levels. All urban water users are currently charged a flat rate for water supply. Large commercial users already pay for water by the amount they use.

For the future, we will either need to find more water or use what we have more efficiently.

⁴ A megalitre = 1 million litres.

⁵ Includes an industrial use demand of up to 15 Megalitres per day

Timaru's current water sources

So where does Timaru's current water supply come from?

Pareora River source

The Pareora River water source is currently fully allocated, and Council cannot take anymore than 18 megalitres of water per day from this source. This source provides our highest quality water, and requires the least cost treatment. Work has started on planning for the replacement of the Pareora pipeline that is near the end of its life, and this will be replaced over the next 3 years.

Opihi River source

The Opihi River water source is currently fully allocated, although Council's water assets do not have sufficient capacity to take its fully consented amount of 35 megalitres per day. Council currently takes up to 20 megalitres per day from this source, via an infiltration gallery situated north of Pleasant Point. Opihi River water requires more intensive treatment. It is likely that in times of severe drought, there would be no restrictions for Council on the use of the Opihi River for community drinking water purposes, up to 35 megalitres per day. However, taking more Opihi River water would mean we would need to upgrade the intake infrastructure and water treatment facilities, which will cost several million dollars.

Improving our use of water

Other potential water source options

So what are the options for Timaru's future water supply?

Water Metering

One way of increasing the efficiency of use of the existing water supply is to introduce water metering. This would involve applying a volumetric charge to water use rather than the current system of charging each household a flat rate. This potentially could reduce peak day demand between 3-5 megalitres per day, and would delay the need to secure additional water in the short to medium term.

Water metering would apply across the district's urban townships to ensure consistency of charging for water for all urban communities. It would challenge behaviour around the use of water, as using more water would result in higher costs for individual properties. Studies show implementation of water meters can reduce residential consumption by 15-30%.

Water metering has a number of potential benefits. Environmental benefits include reducing the amount of water we take from river systems, minimising the environmental impact of water projects and reducing wastewater volumes (as a lot of water used discharges to wastewater systems). Consumer and Council benefits include raising awareness on water use, providing an incentive to conserve, promoting the value of water, improving the fairness of charging for water (i.e. high water users pay more for what they use), deferring capital expenditure, improving how the water network is managed and controlling water loss.

Installation of meters would aim to use the smartest technology available to ensure their ongoing management was cost effective. The method of charging for water still needs some work.

For many people, water metering charges will not have a large impact. Currently, you already pay for water through a separate charge in your rates. Water metering charges would vary according to the amount of water you use, and would replace the charge in your rates.

Opihi River intake or groundwater bores

These options would add to the existing water available to Timaru. The Opihi River intake could be upgraded to access more of the water available to us or new groundwater bores could be drilled to supplement Timaru's existing water sources. Both options are costly. Bores may be difficult to locate and any new development would have to meet regulations. The water from bores would likely require significant treatment to remove hardness, iron and manganese.

Hunter Downs Irrigation scheme

The Hunter Downs irrigation scheme is a community irrigation scheme proposal developed by the South Canterbury Irrigation Trust and Meridian Energy. The scheme plans to take water from the Waitaki River to irrigate land between Waimate and Timaru. Potentially, the Council could tap into the scheme to secure future water for Timaru, with up to 35 megalitres potentially available. This would cost several million dollars for infrastructure development including a pipe network and pump stations, as well as additional treatment costs.

Alpine Water opportunities

Investigations by some parties are ongoing on the possibility of securing water from Alpine sources such as Lake Tekapo. This would involve significant cost and work but does have the potential to secure significant quantities of water for the future.

Supporting Information and FAQs

 **Read our background paper online for answers to your questions.**

 **StoryMaps**
Visit our interactive story map

Find them at www.ourplaceourfuture.co.nz

Our water...what price?



So, where to from here? Our options:

1	<p>Introduce urban water metering and charging</p> <ul style="list-style-type: none"> • Water metering and charging would be introduced progressively for urban water users in Timaru, Pleasant Point, Temuka, Winchester, Peel Forest and Geraldine. Firstly, the best technology and most cost efficient metering 	<p>options would be investigated and selected, with implementation proposed for years 4-6 of the Long Term Plan (i.e. starting in 2021/22).</p>
2	<p>Develop further the Opihi River Water Source</p> <ul style="list-style-type: none"> • A water intake upgrade on the Opihi River would be needed to take more water. Treatment processes at the Claremont treatment plant would be changed from ozone to membrane treatment. Pipework would be upgraded as demand increased. If water metering was introduced, and there was no significant increase in industrial 	<p>demand, the majority of this work might be delayed for 20 years. If water metering was not introduced, work would need to be considered in the next five years, and in the meantime more stringent water restrictions would be imposed more often.</p>
3	<p>Develop new groundwater bores and treatment</p> <ul style="list-style-type: none"> • New groundwater bores could be developed to complement the existing water sources, with treatment processes upgraded to deal with the water quality. 	<p>As with Option 2, work would need to be considered in the next 5 years, with more stringent water restrictions imposed more frequently.</p>

What will these options mean?

	1	2	3
	Introduce urban water metering and charging	Develop further the Opihi River Water source	Develop new groundwater bores and treatment
Capital Cost	<ul style="list-style-type: none"> • Likely cost \$15M plus additional annual operating costs and inflation 	<ul style="list-style-type: none"> • Likely cost \$45M for Opihi River intake upgrade, pipeline and increased treatment capacity plus additional annual operating costs 	<ul style="list-style-type: none"> • Likely cost \$35M for new bore field, pipeline and increased treatment capacity plus additional annual operating costs
Operating Costs	<ul style="list-style-type: none"> • Increased operating costs of approximately \$200,000 per year, plus depreciation and interest 	<ul style="list-style-type: none"> • Additional \$500,000 operating costs per year plus depreciation and interest. 	<ul style="list-style-type: none"> • Additional \$800,000 operating costs per year plus depreciation and interest.
Rates	<ul style="list-style-type: none"> • Extra \$1.75M per year, recovered through water metering charges 	<ul style="list-style-type: none"> • Approximately \$3.65M increase per year primarily relating to additional operating costs, interest and depreciation 	<ul style="list-style-type: none"> • Approximately \$3.25M increase per year primarily relating to additional operating costs, interest and depreciation
Timing	<ul style="list-style-type: none"> • From 2021/22 	<ul style="list-style-type: none"> • Dependent on Option 1 decision and industrial demand 	<ul style="list-style-type: none"> • Dependent on Option 1 decision and industrial demand
Council Debt	<ul style="list-style-type: none"> • Extra \$15M 	<ul style="list-style-type: none"> • Extra \$45M 	<ul style="list-style-type: none"> • Extra \$35M
Service provided	<ul style="list-style-type: none"> • Water would continue to be provided as it is now, with the only change being how it is paid for by users • Users could monitor their own individual water use and resulting cost • Potential for water restrictions lower 	<ul style="list-style-type: none"> • Water would continue to be provided as it is now • Less risk for severe water restrictions 	<ul style="list-style-type: none"> • Water would continue to be provided as it is now • Less risk for severe water restrictions • Treatment costs higher due to 'hardness' of water and treatment for iron and manganese • Higher indirect costs for industry due to impacts of 'hard' water
Community	<ul style="list-style-type: none"> • Need for community investment in additional water sources development would be delayed, due to reduction of peak day demand by 3-5 megalitres per day • Improved water use behaviour would be encouraged, with users seeking to use less water to reduce their bill • Better environmental outcomes, with more sustainable water use 	<ul style="list-style-type: none"> • Upgrade would increase water availability to district users and meet future domestic and industrial demand • Greater water supply resilience • No improvements to environmental outcomes or consumer behaviour around use of water 	<ul style="list-style-type: none"> • Upgrade would increase water availability to district users and meet future domestic and industrial demand • Greater water supply resilience • No improvements to environmental outcomes or consumer behaviour around use of water
Water user costs	<ul style="list-style-type: none"> • Costs may increase or decrease for some consumers depending on their water usage 	<ul style="list-style-type: none"> • Water charges would likely increase overall to recover the costs of development over time 	<ul style="list-style-type: none"> • Water charges would likely increase overall to recover the costs of development over time
Strategic Direction	<ul style="list-style-type: none"> • Higher contribution to environmental aspects of overall strategic direction 	<ul style="list-style-type: none"> • Higher contribution to economic aspects of overall strategic direction 	<ul style="list-style-type: none"> • Higher contribution to economic aspects of overall strategic direction

TDC Long Term Plan 2021-31 Consultation Document (CD) – **DRAFT**
 proposed content/layout

Page (approx.)	Content	Image/Layout notes	Questions
Cover	<ul style="list-style-type: none"> Text outlining LTP, consultation etc. What's Inside? Summary 	<ul style="list-style-type: none"> Timaru district large image(s) TDC logo Brand logo 	
2	<ul style="list-style-type: none"> Mayor/CE Overview LTP Consultation Document intro/process – Explanation re significance of LTP, role of Council and issues raised in the CD, brief intro to issues and where more info found, invite to submit – how and why. Intro material re last 3 years key projects. <i>Separate Section</i> - CD content 	<ul style="list-style-type: none"> Mayor/CE photo Councillor photos 	<ul style="list-style-type: none"> Theme – Timaru District - Thriving Together
3-4	<ul style="list-style-type: none"> Context setting for 2021 LTP: <ul style="list-style-type: none"> Summary of key achievements last three years Context for district – economy, environment, population etc. Challenges for this LTP Strategic Direction – introduce new SD 	Relevant images/graphics/graphs? SD graphic	Summary and refer to website?
5-6*	1) Key Issue 1: Aigantighe Description Explanation of options, including proposed and preferred options, including consequences, rating info etc. <i>Separate Section – where to get more info</i>	Relevant images/graphics Supporting info	Title? Confirm order of issues
6-7*	2) Key Issue 2: City Hub Description Explanation of options, including proposed and preferred options, including consequences, rating info etc. <i>Separate Section – where to get more info</i>	Relevant images/graphics Supporting info	Title? Confirm order of issues
7-8*	3) Key Issue 3: STEC Description Explanation of options, including proposed and preferred options, including consequences, rating info etc. <i>Separate Section – where to get more info</i>	Relevant images/graphics Supporting info	Title? Confirm order of issues
8-9*	4) Key Issue 4: Climate Change Description Explanation of options, including proposed and preferred options, including consequences, rating info etc. <i>Separate Section – where to get more info</i>	Relevant images/graphics Supporting info	Title? Confirm order of issues

Page (approx.)	Content	Image/Layout notes	Questions
9-10*	5) Key Issue 5: Funding Approach/Rates options Description, Explanation of options, including proposed and preferred options, including consequences, rating info etc. <i>Separate Section</i> – where to get more info	Relevant images/graphics Supporting info	Title? Confirm order of issues
11-12	<ul style="list-style-type: none"> Infrastructure Strategy Summary Text, Graphics, Graphs Discussion of major outcomes from the IS, including key issues. Introduction to other major projects and options and consequences 		
13-14	<ul style="list-style-type: none"> Financial Strategy Summary (<i>working title</i>) Discussion of Financial strategy, including any significant changes, use rates/charts/graphics as per legislation covering direction/scale of rates, debt, levels of service, expenditure, revenue, rating examples based on preferred option identified by Council Rating Issues – changes in rates – e.g. footpath rating, R&F Policy changes, fees changes <i>Separate Section</i> – where to get more info 		
15-16	<ul style="list-style-type: none"> Matters of interest: 	Relevant images/graphics	Are there any lower level issues for highlighting?
17-18	<ul style="list-style-type: none"> Major projects in next 10 years Timeline Project Title, brief explanation, costs over the 10 years, source of funding. <i>Separate Section</i> – where to get more info 	Relevant images/graphics Format	Show timeline of projects
18-19	<ul style="list-style-type: none"> What your rates go towards etc? <i>Separate Section</i> – where to get more info 	Assume must start even page number	Infographic. Approach to Design?
20	<ul style="list-style-type: none"> Audit opinion <i>Separate Section</i> – where to get more info 		
22-24	<ul style="list-style-type: none"> Have your say section General info Engagement opps advertising Why should you have your say? – Submitter endorsement? How to make a submission, where to get more info, relevant details and contact details Consultation Feedback form (paper) but encourage online use How to ask questions and link to TDC Consult. Ensure same feedback survey in each. <i>Separate Section</i> – where to get more info 	Tear off perforation	Specific questions on issues identified/general free for all or both? Engagement opportunities

*As defined by LGA 93B(b)

DRAFT

Long Term Plan 2021-31 – Key Issues for Consultation Document

Issue 1: Aigantighe Art Gallery Redevelopment - What's the best option for redeveloping the Art Gallery?

- The Council is considering how best to future proof the Aigantighe Art Gallery. This key community facility is in need of upgrading and we want to take this opportunity to plan for a facility that will be used for generations to come.
-
- Currently, the Art Gallery buildings on the Wai iti Road site includes the Historic Homestead, known as the House Gallery and the adjoining two building extensions added in 1978 and 1995. Decisions have already been made to earthquake strengthen and restore the historic House Gallery and preparation for this work is underway.
-
- The focus is now on what to do with the adjacent Art Gallery Extension buildings. There are two extension buildings on the site. The first was added in 1978, and currently includes the foyer, reception area, office, collection storage, loading bay, and the main gallery space. A second extension was added in 1995 to provide an additional storeroom and office. Preliminary investigations have identified some issues with both buildings.
-
- The other question is how much space do we need into the future for our Art Gallery – Is the current footprint sufficient? Do we need more space? When the new Heritage Centre is completed it will be the site for large touring exhibitions that we are not currently able to host, but we still need to be sure our Art Gallery is big enough to house a growing collection, and provide enough space to showcase the work of local and visiting artists.

Our Options

Options	Estimated Cost (capital cost only)
Option 1 Maintain the Art Gallery Extension Buildings as is and develop an offsite storage facility	Offsite Storage Capital Cost - \$800,000 - \$3M depending on options –e.g. new build, retro fit existing Council building or lease an existing building There will need to be some remedial work on the 1978 extension - costs unknown at this stage
Option 2 Partial refurbishment of the Art Gallery Extension Buildings to upgrade the public amenities and workspaces and develop offsite storage facility.	Refurbishment Capital Cost \$1.8M – \$2.2M Offsite Storage Capital Cost - \$800,000 - \$3M depending on the option chosen
Option 3 (Council's Preferred option) Demolishing the existing Art Gallery extension buildings and constructing a new purpose building including spaces	Estimated capital cost \$8.7M plus preparatory work \$800,000

<p>for education, creativity, collection storage and exhibition space</p>	<p>Planning for this project would be undertaken in 2021/22 – 2022/23</p> <p>Construction to be undertaken during 2023/24 – 2025/26</p>
<p>Option 4 Construct a new Art Gallery on a site near the Theatre Royal/Heritage Hub including spaces for education, creativity, collection storage and exhibition space</p>	<p>Estimated capital cost \$11.2- \$12.8M (indicative only)</p> <p>The Historic House Gallery would continue to be earthquake strengthened and would remain open as a public facility.</p>

DRAFT

Long Term Plan 2021-31 – Key Issues for Consultation Document

Issue 2: Aorangi Park Master Plan– Stage 1 Redevelopment – When should Council undertake this work?

Aorangi Park is recognised as a regionally and locally significant sports hub. It is the home of a number of regional facilities for sports, including netball, basketball, volleyball, hockey and cricket. It is also a well utilised neighbourhood park. The Southern Trust Event Centre (STEC) is the beating heart of the park.

The South Canterbury Spaces and Place Strategy, recommended the Aorangi Master Plan, originally developed in 2008, be updated to effectively guide the future development of the Park.

In 2020, the Aorangi Master Plan was reviewed, following consultation with key stakeholders, and identified a number of key considerations including:

- during traditional peak times (after school and evenings), the Southern Trust Event Centre is often at full capacity, particularly for basketball , and its use for sporting competitions could be interrupted for events
- The desire for Netball South Canterbury to deliver its full senior competition inside
- The need to replace the hockey turf (located west of STEC) within the next three years
- Requirements for pavilion facilities for cricket
- Poor quality training fields and lighting for football

The revised Master Plan adopted by Council in February envisages the next 25 years for the Park and recommends five key facility developments:

1. Indoor court extension
2. Development of a ‘Sports House’ model for shared space within the Event Centre
3. Re-location of the western hockey turf (to allow for court extension)
4. Increase in quality for football fields
5. Reconfiguration of Aorangi Lounge to a multi-purpose clubroom

Council has received some rough order costs to undertake the first stage of the Master Plan.

Our Options

<p>Option 1 Undertake Stage 1 (i.e. 1-3 listed above) of the Aorangi Master Plan in years 4-6 of the LTP.</p>	<p>Capital cost \$21 million - 300k yr 2, 2 mil yr 4, 13mil yr5, 5.7 yr 6, 800k yr 10</p>
<p>Option 2 Undertake Stage 1 of the Aorangi Master Plan following the 10 year period of the LTP</p>	<p>Capital Cost \$21M+ split across the relevant years post year 10</p>
<p>Option 3</p>	<p>Capital cost: \$21M Would need 2 x project manager fte</p>

Undertake Stage 1 of the Aorangi Master Plan sooner the Year 4 of the LTP	
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Long Term Plan 2021-31 – Key Issues for Consultation Document

Issue 3: Climate Change – Preparing for the challenge - How much should Council spend?

In Timaru District, climate change will potentially have a variety of impacts, from higher sea levels to more intense rainfall, lingering droughts to changes in what we can grow. Some of these impacts may be positive, but many will challenge how we currently live.

We are starting to gather information about the impact of climate change locally to factor into our planning and consider any future action. This might involve some hard decisions. Will we have to retreat from some areas? Where should we grow? How will it impact our economy? What will this cost? How will we meet our climate change obligations?

There are increasing legislative requirements on local authorities to report climate change related information such as planning for impacts, and managing risks. The first of this reporting is already in place under the Climate Change Response (Zero Carbon) Amendment Act 2019.

In the future it is expected that Council will also need to show progress on reducing emissions generated by council activities and to demonstrate steps that are being taken to work with the community, and provide local education on climate change effects, impacts and opportunities for reducing our district’s carbon footprint. Working with climate change affected communities to plan for any adaptation needed as a result of climate change will also be required.

Our Options

Council needs to nominate its preferred option

Options	Estimated Cost
<p>Option 1 Do the minimum</p> <ul style="list-style-type: none"> • Respond to any effects of climate change on Council assets when they happen • Meet legislative reporting requirements as these are progressively introduced 	<p>No additional funding is made available in the operating budget</p> <ul style="list-style-type: none"> • Any funding needed for remedial work on Council assets or services due to damage caused by the effects of climate change will need to be found as and when required • Staff will need to absorb the additional legislative reporting requirements within current workloads

<p>Option 2 Do more</p> <ul style="list-style-type: none"> • Invest in research, data collection and planning for the long-term effects of climate change on the Timaru District and Council activities • Lead by example - take action to reduce emissions and reduce the carbon footprint associated with Council activities 	<p>An additional \$300,000 per year is provided in the operating budget</p>
<p>Option 3 More extensive planning, preparation and take a leadership role in our community.</p> <p>In addition to the work in Option 2:</p> <ul style="list-style-type: none"> • Provide district leadership on climate change activity and local impacts • Work with the community and provide local education on climate change effects, impacts and opportunities for reducing our districts carbon footprint • Working with climate change affected communities to plan for any adaptation needed as a result of climate change 	<p>An additional \$500,000 per year is provided in the operating budget</p>

DRAFT

Long Term Plan 2021-31 – Key Issues for consultation

Issue 4: Regeneration of Central Timaru - What should Council's role be in this project?

Council has been talking with the community - including business owners, investors, tenants and the wider community over the last year or so about options to regenerate the heart of central Timaru. We've received a lot of really useful feedback and interesting ideas from residents and other groups.

This regeneration has the potential for district-wide benefits – the central Timaru experience, including retail, eateries, spaces to gather, places to live, events and entertainment, the sense of community connection and wellbeing through to a wider regional economic benefit.

Now it's time to think about what is the right scope, scale and timing to get things moving, and what role the Council should play in making it happen.

The challenge

We have seen first-hand the impact of COVID-19 in the retail and tourism markets – but as a district we have also felt the support of our urban and rural communities from the “shop local” movement. Other challenges still remain – such as trends in online shopping increasing – and this will increasingly impact on retail around New Zealand.

We need to address these challenges and create a vibrant central Timaru space that will meet the needs of our residents, both urban and rural, for the next 30 – 50 years.

From Caroline Bay and the Carnival, up to the Bay Hill, through Stafford Street to the Landing Services Building and Te Ana Rock Art Museum and the Theatre Royal/Heritage hub – we have a footprint of variety, heritage, seaside views and culture that we want to maximize for current and future generations.

But like many regional areas, we need to chart a new course for central Timaru, to build on what we have to provide what our residents want, and attract people to our district to live, work and experience the lifestyle we offer.

What's planned?

We have a vision for a living, working and vibrant central Timaru area with a strong identity that links Caroline Bay, the Bay Hill, Stafford Street and the new Heritage Hub at the South End, and creates points of interest along the way. This includes things like more green spaces, art and cultural features, places where people can gather, shop and experience live entertainment, as well as options for inner city living.

We believe that these changes will create certainty for investors to plan for building improvements, and together we will achieve the look and feel of central Timaru that is needed for the next 30-50 years.

Who are the players - While Council is only one part of this story, we are a lead party but we require support from the private sector, partners, and ultimately the community to get this change happening.

Our Options

Options	Estimated Cost
<p>Option 1 Council has a facilitation role in the central Timaru Regeneration</p> <ul style="list-style-type: none"> • Encouraging community and private sector investment • Some minor roading and traffic flow changes to make the central Timaru space more attractive as public gathering space • Some beautification, maintenance, and support for small scale but unique activities to create a vibe in the central Timaru area <p>The benefits of this option are likely to be short-term in that they will provide a refresh to the central Timaru vibe, but there are no significant infrastructure or public space changes included.</p>	<p>A mix of capital and operating costs \$10M</p> <p>Spread over the 10 years of the Long Term Plan and possibly beyond</p>
<p>Option 2 (Council's preferred option) Council has an enabling role in the central Timaru Regeneration</p> <ul style="list-style-type: none"> • Leading a significant programme in collaboration with the community and private sector to change the look and feel of the public spaces, and help get move people living and working in the city • Assisting with creation of an identity around the George Street/Bay Hill area and Strathallan Corner • Supporting the scaling up of existing events such as Caroline Bay Carnival and Food Festivals to regional level events <p>This would involve Council investment in changes to public spaces, art and culture features, and linkages from Caroline Bay and through the central Timaru. As such it will be more expensive to implement, but will have more benefits for the long term.</p>	<p>Capital costs \$30M Operating costs \$10M</p> <p>Spread over the 10 years of the Long Term Plan with a further \$10M in the early years of the 2031-2041 Long Term Plan</p>
<p>Option 3 Council has a transformation role in the central Timaru Regeneration, involving steps such as:</p> <ul style="list-style-type: none"> • Potential property acquisition and partnerships with private investors to create new central Timaru "heart" at Strathallan Corner • Investment in changed transport patterns in Stafford Street, such altering traffic flows, 	<p>A mix of capital and operating costs \$100M</p> <p>Spread over the 10 years of the Long Term Plan and possibly beyond.</p>

<p>providing more options for pedestrians and for gathering spaces</p> <ul style="list-style-type: none"> • Investment in physical infrastructure so that events - from local through to national level, can be held in the central Timaru area <p>This option provides the opportunity for the most significant change.</p>	
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Long Term Plan 2021-31 – Key Issues for Consultation Document

Issue 5: Financial Balancing Act?

The scope of this issue is to be confirmed as will follow from the LTP meeting discussion.

What is being considered is presenting different rating scenarios to the community, including what the implications of them would be, how it might impact Council finances, levels of service, capital projects and other financial consequences.

A range of scenarios could be selected. Some examples are provided below, with consequences to be fleshed out in the table.

Our Options

<p>Option 1 One-off X% rate increase for year 1, then x% for the following 2-10 years</p>	
<p>Option 2 X% rate increase for year 1-2, then x% for the following year 3-10 years</p>	
<p>Option 3 Flat x% rate increase for years 1-10</p>	

What these options will mean?

	1	2	3
Capital Cost			
Operating Costs			
Rates			
Timing			
Council Debt			
Service Provided			
Community Wellbeing			

8 Consideration of Urgent Business Items

9 Consideration of Minor Nature Matters

10 Public Forum Items Requiring Consideration