



DRAFT ANNUAL PLAN 2026/27

SUPPORTING INFORMATION

**FOR CONSULTATION
DOCUMENT 24 MARCH 2026**

Supporting information for the Consultation Document

Draft Annual Plan 2026-27

Page #	Supporting information	
3	1.	Prospective Statement of Funding Sources
4	2.	Prospective Whole of Council Funding Impact Statement
5 - 8	3.	Summary Prospective Financial Statements
9	4.	Financial Reporting and Prudence Benchmarks
10 - 17	5.	Rating Examples
18	6.	Draft Revenue and Financing Policy 2026
68	7.	Draft Significance and Engagement Policy 2026
79	8.	Draft Policy on Appointment of Directors to Council Controlled Organisations 2026

Prospective Statement of Funding Sources For The Year Ending 30 June 2027	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027	Variance to Annual Plan 2026	Variance to Long Term Plan 2027
\$000's					
Wastewater	3,041	3,342	3,138	97	(204)
Water Supply	2,671	2,963	2,944	273	(19)
Metered Water Supply Rates	1,350	1,422	1,422	72	0
Piopio Retirement Village Contribution	16	14	0	(16)	(14)
District Rooding Rate	5,322	5,523	5,328	6	(195)
Solid Waste Rate	1,590	1,658	1,569	(21)	(89)
Solid Waste Collection	251	295	393	142	98
Stormwater	925	1,207	986	61	(221)
Forecast Total Targeted Rates and Service Charges	15,166	16,424	15,780	614	(644)
General Rates	9,434	10,280	10,609	1,175	329
UAGC	1,232	1,803	495	(737)	(1,308)
Rates Penalties Revenue	360	375	300	(60)	(75)
Forecast General Rates and UAGC Requirement	11,026	12,458	11,404	378	(1,054)
Forecast Total Rates Requirement	26,192	28,882	27,184	992	(1,698)
Change in Rates Requirement			992		
<i>Percentage Change</i>	<i>2.91%</i>	<i>5.29%</i>	<i>3.79%</i>		
Other Revenue Sources					
Subsidies and Grants	13,522	13,489	25,377	11,855	11,888
Interest Revenue	142	69	117	(25)	48
Dividend Revenue	200	0	0	(200)	0
Fees and Charges	4,672	5,556	5,010	338	(546)
Total Other Revenue	18,536	19,114	30,504	11,968	11,390
Other Funding Sources					
Internal Loans raised	12,610	3,832	683	(11,927)	(3,149)
Total Funding Sources	57,338	51,828	58,371	1,033	6,543
Funding Applied to					
Operating Expenditure	43,604	45,048	43,462	(143)	(1,586)
Capital Expenditure	22,041	13,765	22,729	688	8,964
Internal Loan Repayments	3,286	3,983	2,137	(1,149)	(1,846)
Debt Repayment From Dividend	200	0	0	(200)	0
Reserve transfers and non-funding of depreciation	(11,793)	(10,968)	(9,957)	1,837	1,011
Total Funding Applied	57,338	51,828	58,371	1,033	6,543

Prospective Funding Impact Statement: Whole of Council \$000's	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027	Variation to Annual Plan 2026	Variation to Long Term Plan 2027
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	11,026	12,459	11,404	378	(1,055)
Targeted rates	15,166	16,424	15,779	613	(645)
Subsidies and grants for operating purposes	6,988	6,972	7,686	698	714
Fees and charges	4,390	5,258	4,659	269	(599)
Interest and dividends from investments	342	69	117	(225)	48
Local authorities fuel tax, fines, infringement fees and other receipts	282	297	351	69	54
Total operating funding (A)	38,194	41,479	39,996	1,802	(1,483)
Applications of operating funding					
Payments to staff and suppliers	31,281	32,612	34,541	3,260	1,932
Finance costs	1,545	2,390	468	(1,077)	(1,922)
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	32,826	35,002	35,009	2,183	10
Surplus (deficit) of operating funding (A-B)	5,368	6,477	4,987	(381)	(1,493)
Sources of capital funding					
Subsidies and grants for capital expenditure	6,534	6,516	17,691	11,157	11,175
Increase (decrease) in debt	9,325	(152)	(36,978)	(46,303)	(1,302)
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum Contribution	0	0	0	0	0
Other dedicated funding	0	0	35,524	35,524	0
Total sources of capital funding (C)	15,859	6,364	16,237	378	9,873
Applications of capital funding					
Capital expenditure - to improve the level of service	10,889	2,151	1,711	(9,178)	(482)
Capital expenditure - to replace existing assets	11,151	11,613	21,018	9,867	9,446
Increase (decrease) in reserves	(813)	(923)	(1,505)	(692)	(584)
Total applications of capital funding (D)	21,227	12,841	21,224	(3)	8,380
Surplus (deficit) of capital funding (C-D)	(5,368)	(6,477)	(4,987)	381	1,493
Funding Balance ((A-B) + (C-D))	0	0	0	0	0

PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR YEAR ENDING 30 JUNE (\$000's)	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027
Revenue			
Rates revenue including rates penalties	24,388	27,050	25,483
Metered water rates	1,350	1,422	1,422
Subsidies and grants	13,522	13,489	25,377
Investment Revenue	200	0	0
Interest revenue	142	69	117
Fees and charges	4,399	5,259	4,659
Other revenue including gains/(losses)	273	297	351
Total Revenue and Gains/(Losses)	44,274	47,586	57,409
Expenditure			
Employee benefit expenses	7,875	8,064	6,012
Depreciation and amortisation expense	10,778	10,892	9,013
Finance costs	1,545	2,390	660
Other expenses	22,953	23,291	27,690
Total Expenditure	43,151	44,637	43,375
Surplus/(Deficit)	1,123	2,949	14,034
Other Comprehensive Revenue and Expense			
Gains/(Losses) on revaluation of property, plant and equipment	31,531	9,062	0
Gains/(Losses) on cash flow hedges	(636)	0	593
Total Other Comprehensive Revenue and Expense	30,895	9,062	593
Total Comprehensive Revenue and Expense for the year	32,018	12,011	14,627

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDING 30 JUNE (\$000's)	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027
Opening balance at 1 July	688,599	733,588	705,650
Revaluation of property, plant and equipment	31,531	9,062	0
Gains/(Losses) on cash flow hedges	(636)	0	593
Net Income recognised directly in equity	30,895	9,062	593
Net Surplus/(Deficit) for the year	1,123	2,949	14,034
Total Recognised Income for the years ended 30 June	1,123	2,949	14,034
Total Comprehensive Revenue & Expense for the year	32,018	12,011	14,627
Balance at 30 June	720,617	745,599	720,277

PROSPECTIVE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE (\$000's)	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027
Equity			
Accumulated funds	254,871	257,641	315,050
Other Reserves	31,340	31,542	31,581
Revaluation reserve	434,406	456,416	373,646
Total Equity	720,617	745,599	720,277
Current Assets			
Cash and cash equivalents	1,593	1,553	2,992
Other financial assets	298	54	86
Inventory	120	140	68
Receivables under exchange transactions	543	487	475
Receivables under non exchange transactions	6,455	4,968	6,104
Derivative financial instruments	0	297	0
Total Current Assets	9,009	7,499	9,725
Current Liabilities			
Payables and deferred revenue under exchange transactions	5,877	5,868	5,443
Payables and deferred revenue under non exchange transactions	1,009	1,062	752
Current portion of borrowings	21,424	14,332	2,818
Provisions	2	4	6
Employee entitlements	701	923	711
Derivative financial instruments	100	0	100
Total Current Liabilities	29,113	22,189	9,830
Net Working Capital	(20,104)	(14,690)	(105)
Non Current Assets			
Property, plant and equipment	742,954	773,315	661,131
Intangible assets	5,441	7,249	5,295
Intangible Asset - Interest in Waikato Waters Ltd	0	0	45,569
Investment property	2,127	2,581	869
Other financial assets	758	889	364
Investment in CCO and Civic Financial Services Ltd	12,903	10,622	13,546
Derivative financial instruments	0	260	0
Total Non Current Assets	764,183	794,916	726,774
Non Current Liabilities			
Borrowings	22,991	34,000	6,000
Provisions	271	627	392
Derivative financial instruments	200	0	0
Total Non Current Liabilities	23,462	34,627	6,392
Net Assets	720,617	745,599	720,277

PROSPECTIVE CASH FLOW STATEMENT FOR YEAR ENDING 30 JUNE 2027 (\$000's)	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027
Cashflows from Operating Activities			
Cash forecast to be provided from:			
Rates revenue (including penalties)	26,192	28,768	27,184
Subsidies and grants	13,522	13,489	28,197
Property rentals	387	630	413
Petroleum tax	130	146	130
Dividends	200	0	0
Interest Revenue	142	69	117
Receipts from other revenue	4,155	4,780	4,467
	44,728	47,882	60,508
Cash forecast to be applied to:			
Payments to suppliers and employees	30,715	30,974	36,868
Elected members	600	543	559
Interest paid on borrowings	1,545	2,390	469
	32,860	33,907	37,896
Net Cash Inflows from Operating Activities	11,868	13,975	22,612
Cashflows from Investing Activities			
Cash forecast to be provided from:			
Proceeds from the transfer of property, plant and equipment to Waikato Waters Limited	0	0	34,265
Proceeds from surrender of financial assets	0	0	1,053
	0	0	35,318
Cash forecast to be applied to:			
Purchase and development of property, plant and equipment	22,042	13,744	22,729
Purchase of intangible assets	251	21	0
Purchase of financial assets	0	250	0
	22,293	14,015	22,729
Net Cash Outflow from Investing Activities	(22,293)	(14,015)	12,589
Cashflows from Financing Activities			
Cash forecast to be provided from:			
Cash was provided from borrowings	23,925	15,040	6,237
	23,925	15,040	6,237
Cash forecast to be applied to:			
Repayment of borrowings	15,000	15,000	40,000
	15,000	15,000	40,000
Net Cash Inflows/(Outflows) from Financing Activities	8,925	40	(33,763)
Net increase/(decrease) in cash, cash equivalents	(1,500)	0	1,438
Cash and cash equivalents at the beginning of the year	3,092	1,553	1,554
Cash and cash equivalents at the end of the year	1,593	1,553	2,992
Cash at the end of the year represented by:			
Cash at Bank and in hand	1,593	1,553	2,992

PROSPECTIVE STATEMENT OF PUBLIC DEBT FOR THE YEAR ENDING 30 JUNE 2027 (\$000's)	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027
Opening Balance	35,439	48,241	42,581
Loans raised	23,976	15,091	6,237
Loans repaid	(15,000)	(15,000)	(40,000)
Closing Balance	44,415	48,332	8,818

PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEAR ENDING 30 JUNE 2027 (\$000's)	Annual Plan 2026	Long Term Plan 2027	Draft Annual Plan 2027
Leadership	580	674	433
Recreation and Property	611	647	617
Regulatory Services	5	10	5
Solid Waste	2,650	366	0
Stormwater	1,136	1,942	2,090
Wastewater	725	677	0
Water Supply	8,327	619	0
Roads and Footpaths	8,007	8,830	19,584
Total Forecast Capital Expenditure	22,041	13,765	22,729

Financial Reporting and Prudence Benchmarks	Description	Draft Annual Plan 2027	Met [Yes/No]
Rates (Income) Affordability Benchmark	The quantified limit is total rates revenue will be limited to an average of 75% of total operating expenditure	62%	Yes
Rates (Increases) Affordability Benchmark	The quantified limit is total rates increases will be limited to an average rate increase of 6% over the ten years of the LTP 2024-34.	3.67%	Yes
Debt Affordability Benchmark	The quantified limit is total net debt will not exceed 165% of total revenue. <i>NB: The result excluding WWL revenue is 16%</i>	14%	Yes
Debt Affordability Benchmark	The quantified limit is the ratio of net interest will not exceed 20% of annual rates. <i>NB: The result excluding WWL revenue is 3%.</i>	2%	Yes
Balanced Budget Benchmark	The benchmark is met if planned revenue equals or is greater than planned operating expenditure	132%	Yes
Essential Services Benchmark	The benchmark is met if planned capital expenditure on network services equals or is greater than expected depreciation on network services	335%	Yes
Debt Servicing Benchmark	The benchmark is met if its planned borrowing costs is equal or is less than 10% of planned revenue. <i>NB: The result excluding WWL revenue is 1%.</i>	1%	Yes

Rates Examples 2026/27 (Including GST) Capital Value \$ as at September 2024

Waitomo District Council	Te Kuiti Residential \$450,000 2026/27	Te Kuiti Commercial \$375,000 2026/27	Te Kuiti Wider Rating Area \$1,070,000 2026/27	Waitomo Commercial \$1,160,000 2026/27 (2 parts)	Maniaiti/Benneydale Residential \$160,000 2026/27	Piopio Residential \$335,000 2026/27	Piopio Wider Rating Area \$670,000 2026/27	Mokau Residential \$505,000 2026/27	Drystock Rural \$4,380,000 2026/27	Dairy Farm Rural \$5,970,000 2026/27 (4 parts)	Te Waitere Residential \$420,000 2026/27
Uniform Annual General Charge (UAGC)	100	100	100	200	100	100	100	100	100	400	100
General Rate	1,144	954	2,721	2,950	407	852	1,704	1,284	11,140	15,184	1,068
District Rooding Rate	561	467	1,334	1,446	199	418	835	629	5,459	7,441	523
Stormwater Urban Fixed Charge	198	198	0	0	0	0	0	0	0	0	0
Stormwater Urban Capital Value	388	323	0	0	0	0	0	0	0	0	0
Stormwater (Rural)	0	0	26	52	26	26	26	26	26	104	26
Solid Waste Management - District	324	324	324	648	324	324	324	324	324	1,296	324
Solid Waste Collection & Recycling	119	119	140	280	0	210	0	195	0	560	0
Waitomo District Council Total	2,834	2,485	4,645	5,576	1,056	1,930	2,989	2,558	17,049	24,985	2,041
Waikato Waters Ltd											
Water Supply (Te Kuiti and Rural)	1,127	1,127	0	0	1,583	1,583	0	1,583	0	0	0
Wastewater (Uniform)	1,506	753	0	0	1,506	1,506	0	0	0	0	1,506
Waikato Waters Ltd Total	2,633	1,880	0	0	3,089	3,089	0	1,583	0	0	1,506
Proposed Total Rates 2026/27	5,467	4,365	4,645	5,576	4,145	5,019	2,989	4,141	17,049	24,985	3,547
Total Rates (Actual) 2025/26	5,191	4,214	4,584	5,580	3,949	4,750	3,119	4,042	16,204	23,933	3,511
Change (%)	5.3%	3.6%	1.3%	-0.1%	5.0%	5.6%	-4.2%	2.5%	5.2%	4.4%	1.0%
Change (\$)	276	151	61	-4	196	269	-130	99	845	1,052	36

Rates Examples 2025/26

(Including GST) Capital Value \$ as at September 2024	Te Kuiti Residential \$450,000 2025/26	Te Kuiti Commercial \$375,000 2025/26	Te Kuiti Wider Rating Area \$1,070,000 2025/26	Waitomo Commercial \$1,160,000 2025/26 (2 parts)	Maniaiti/Benneydale Residential \$160,000 2025/26	Piopio Residential \$335,000 2025/26	Piopio Wider Rating Area \$670,000 2025/26	Mokau Residential \$505,000 2025/26	Drystock Rural \$4,380,000 2025/26	Dairy Farm Rural \$5,970,000 2025/26 (4 parts)	Te Waitere Residential \$420,000 2025/26
Uniform Annual General Charge (UAGC)	250	250	250	500	250	250	250	250	250	1,000	250
General Rate	1,026	855	2,439	2,644	365	763	1,527	1,151	9,982	13,606	957
District Roading Rate	565	470	1,342	1,455	201	420	841	634	5,495	7,490	527
District Benefit Water	40	40	40	40	40	40	40	40	40	40	40
District Benefit Wastewater	43	43	43	43	43	43	43	43	43	43	43
Stormwater Urban Fixed Charge	193	193	0	0	0	0	0	0	0	0	0
Stormwater Urban Capital Value	365	304	0	0	0	0	0	0	0	0	0
Stormwater (Rural)	0	0	22	44	22	22	22	22	22	88	22
Water Supply (Te Kuiti and Rural)	966	966	0	0	1,356	1,356	0	1,356	0	0	0
Wastewater (Uniform)	1,300	650	0	0	1,300	1,300	0	0	0	0	1,300
Piopio Retirement Village Contribution	0	0	0	0	0	24	24	0	0	0	0
Te Kuiti Trade Waste Contribution	42	42	42	42	42	42	42	42	42	42	42
Solid Waste Management - District	330	330	330	660	330	330	330	330	330	1,320	330
Solid Waste Collection & Recycling	71	71	76	152	0	160	0	174	0	304	0
Total Rates (Actual) 2025/26	5,191	4,214	4,584	5,580	3,949	4,750	3,119	4,042	16,204	23,933	3,511

Rates Examples 2026/27 – Residential and Lifestyle (Including GST) Capital Value \$ as at September 2024

Waitomo District Council	Te Kuiti Average Residential \$375,000 2026/27	Piopio Average Residential \$300,000 2026/27	Maniaiti/ Benneydale Average Residential \$165,000 2026/27	Mokau Average Residential \$425,000 2026/27	Te Waitere Average Residential \$440,000 2026/27	Low Value Residential \$155,000 2026/27	High Value Residential \$780,000 2026/27	Low Value Lifestyle \$285,000 2026/27	Average Value Lifestyle \$640,000 2026/27	High Value Lifestyle \$1,240,000 2026/27
Uniform Annual General Charge (UAGC)	100	100	100	100	100	100	100	100	100	100
General Rate	954	763	420	1,081	1,119	394	1,984	725	1,628	3,154
District Rooding Rate	467	374	206	530	548	193	972	355	798	1,546
Stormwater Urban Fixed Charge	198	0	0	0	0	0	198	0	0	0
Stormwater Urban Capital Value	323	0	0	0	0	0	672	0	0	0
Stormwater (Rural)	0	26	26	26	26	26	0	26	26	26
Solid Waste Management - District	324	324	324	324	324	324	324	324	324	324
Solid Waste Collection & Recycling	119	210	0	195	0	0	119	140	0	140
Waitomo District Council Total	2,485	1,797	1,076	2,256	2,117	1,037	4,369	1,670	2,876	5,290
Waikato Waters Ltd										
Water Supply	1,127	1,583	1,583	1,583	0	1,583	1,127	0	0	0
Sewerage	1,506	1,506	1,506	0	1,506	1,506	1,506	0	0	0
Waikato Waters Ltd Total	2,633	3,089	3,089	1,583	1,506	3,089	2,633	0	0	0
Proposed Total Rates 2026/27	5,118	4,886	4,165	3,839	3,623	4,126	7,002	1,670	2,876	5,290
Total Rates (Actual) 2025/26	4,864	4,627	3,966	3,759	3,582	3,930	6,624	1,811	2,989	5,185
Change (%)	5.2%	5.6%	5.0%	2.1%	1.1%	5.0%	5.7%	-7.7%	-3.8%	2.0%
Change (\$)	254	259	199	80	41	196	378	-141	-113	105

Rates Examples 2025/26 – Residential and Lifestyle

(Including GST) Capital Value \$ as at September 2024	Te Kuiti Average Residential \$375,000	Piopio Average Residential \$300,000	Maniaiti / Benneydale Average Residential \$165,000	Mokau Average Residential \$425,000	Te Waitere Average Residential \$440,000	Low Value Residential \$155,000	High Value Residential \$780,000	Low Value Lifestyle \$285,000	Average Value Lifestyle \$640,000	High Value Lifestyle \$1,240,000
	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26
Uniform Annual General Charge (UAGC)	250	250	250	250	250	250	250	250	250	250
General Rate	855	684	376	969	1,003	353	1,778	650	1,459	2,826
District Roding Rate	470	376	207	533	552	194	979	358	803	1,556
Stormwater Urban Fixed Charge	193	0	0	0	0	0	193	0	0	0
Stormwater Urban Capital Value	304	0	0	0	0	0	632	0	0	0
Stormwater (Rural)	0	22	22	22	22	22	0	22	22	22
Water Supply (Te Kuiti and Rural)	966	1,356	1,356	1,356	0	1,356	966	0	0	0
Wastewater (Uniform)	1,300	1,300	1,300	0	1,300	1,300	1,300	0	0	0
Solid Waste Management - District	330	330	330	330	330	330	330	330	330	330
Solid Waste Collection & Recycling	71	160	0	174	0	0	71	76	0	76
Piopio Retirement Village Contribution	0	24	0	0	0	0	0	0	0	0
Te Kuiti Trade Waste Contribution	42	42	42	42	42	42	42	42	42	42
District Wide Benefit Water	40	40	40	40	40	40	40	40	40	40
District Wide Benefit Sewerage	43	43	43	43	43	43	43	43	43	43
Total Rates (Actual) 2025/26	4,864	4,627	3,966	3,759	3,582	3,930	6,624	1,811	2,989	5,185

Rates Examples 2026/27 – Pastoral, Dairy and Commercial (Including GST) Capital Value \$ as at September 2024

Waitomo District Council	Low Value Pastoral \$870,000 2026/27	Average Value Pastoral \$2,620,000 2026/27	High Value Pastoral \$11,300,000 2026/27 (4 parts)	Low Value Dairy \$1,240,000 2026/27	Average Value Dairy \$3,650,000 2026/27 (3 parts)	High Value Dairy \$16,700,000 2026/27 (7 parts)	Low Value Commercial \$435,000 2026/27	Average Value Commercial \$740,000 2026/27 (1 part & up to 4 pans)	High Value Commercial \$12,300,000 2026/27 (2 parts & 11 pans)
Uniform Annual General Charge (UAGC)	100	100	400	100	300	700	100	100	200
General Rate	2,213	6,663	28,739	3,154	9,283	42,473	1,106	1,882	31,283
District Rooding Rate	1,084	3,266	14,084	1,546	4,549	20,815	542	922	15,331
Stormwater Urban Fixed Charge	0	0	0	0	0	0	198	198	198
Stormwater Urban Capital Value	0	0	0	0	0	0	375	637	10,594
Stormwater (Rural)	26	26	104	26	78	182	0	0	0
Solid Waste Management - District	324	324	1,296	324	972	2,268	324	324	648
Solid Waste Collection & Recycling	0	0	0	140	420	980	119	119	238
Waitomo District Council Total	3,747	10,379	44,623	5,290	15,602	67,418	2,764	4,182	58,492
Waikato Waters Ltd									
Water Supply	0	0	0	0	0	0	1,127	1,127	2,254
Wastewater	0	0	0	0	0	0	753	753	4,668
Waikato Waters Ltd Total	0	0	0	0	0	0	1,880	1,880	6,922
Proposed Total Rates 2026/27	3,747	10,379	44,623	5,290	15,602	67,418	4,644	6,062	65,414
Total Rates (Actual) 2025/26	3,802	10,009	42,464	5,185	15,057	63,884	4,475	5,800	61,020
Change (%)	-1.4%	3.7%	5.1%	2.0%	3.6%	5.5%	3.8%	4.5%	7.2%
Change (\$)	-55	370	2,159	105	545	3,534	169	262	4,394

Rates Examples 2025/26 – Pastoral, Dairy and Commercial

(Including GST) Capital Value \$ as at September 2024	Low Value Pastoral	Average Value Pastoral	High Value Pastoral	Low Value Dairy	Average Value Dairy	High Value Dairy	Low Value Commercial	Average Value Commercial	High Value Commercial
	\$870,000 2025/26	\$2,620,000 2025/26	\$11,300,000 2025/26 (4 parts)	\$1,240,000 2025/26	\$3,650,000 2025/26 (3 parts)	\$16,700,000 2025/26 (7 parts)	\$435,000 2025/26	\$740,000 2025/26 (1 part & up to 4 pans)	\$12,300,000 2025/26 (2 parts & 11 pans)
Uniform Annual General Charge (UAGC)	250	250	1,000	250	750	1,750	250	250	500
General Rate	1,983	5,971	25,754	2,826	8,319	38,061	991	1,687	28,033
District Roading Rate	1,092	3,287	14,177	1,556	4,579	20,952	546	928	15,432
Stormwater Urban Fixed Charge	0	0	0	0	0	0	193	193	193
Stormwater Urban Capital Value	0	0	0	0	0	0	353	600	9,973
Stormwater (Rural)	22	22	88	22	66	154	0	0	0
Water Supply (Te Kuiti and Rural)	0	0	0	0	0	0	966	966	1,932
Wastewater (Uniform)	0	0	0	0	0	0	650	650	4,030
Piopio Retirement Village Contribution	0	24	0	0	0	0	0	0	0
Solid Waste Management - District	330	330	1,320	330	990	2,310	330	330	660
Solid Waste Collection & Recycling	0	0	0	76	228	532	71	71	142
Te Kuiti Trade Waste Contribution	42	42	42	42	42	42	42	42	42
District Wide Benefit Water	40	40	40	40	40	40	40	40	40
District Wide Benefit Wastewater	43	43	43	43	43	43	43	43	43
Total Rates (Actual) 2025/26	3,802	10,009	42,464	5,185	15,057	63,884	4,475	5,800	61,020

Rates Examples 2026/27 – Forestry (Including GST) Capital Value \$ as at September 2024

Waitomo District Council	Low Value Forestry	Average Value Forestry	High Value Forestry	Highest Value Forestry	Mixed Use Forestry
	\$175,000 2026/27	\$1,294,000 2026/27	\$3,257,000 2026/27	\$13,695,000 2026/27	\$1,910,000 2026/27
Uniform Annual General Charge (UAGC)	100	100	100	100	100
General Rate	445	3,291	8,284	34,830	4,858
District Rooding Rate - Forestry Exotic	654	4,839	12,179	51,208	2,505
District Rooding Rate	0	0	0	0	1,546
Stormwater (Rural)	26	26	26	26	26
Solid Waste Management - District	324	324	324	324	324
Proposed Total Rates 2026/27	1,549	8,580	20,913	86,488	9,359
Total Rates (Actual) 2025/26	1,785	8,570	20,433	83,486	9,158
Change (%)	-13.2%	0.1%	2.3%	3.6%	2.2%
Change (\$)	-236	10	480	3,002	201

Rates Examples 2025/26 – Forestry

(Including GST) Capital Value \$ as at September 2024	Low Value Forestry	Average Value Forestry	High Value Forestry	Highest Value Forestry	Mixed Use Forestry
	\$175,000	\$1,294,000	\$3,257,000	\$13,695,000	\$1,910,000
	2025/26	2025/26	2025/26	2025/26	2025/26
Uniform Annual General Charge (UAGC)	250	250	250	250	250
General Rate	399	2,949	7,423	31,212	4,353
District Roding Rate - Forestry Exotic	659	4,870	12,259	51,547	2,522
District Roding Rate	0	0	0	0	1,556
Stormwater (Rural)	22	22	22	22	22
Piopia Retirement Village Contribution	0	24	24	0	0
Solid Waste Management - District	330	330	330	330	330
Te Kuiti Trade Waste Contribution	42	42	42	42	42
District Wide Benefit Water	40	40	40	40	40
District Wide Benefit Wastewater	43	43	43	43	43
Total Rates (Actual) 2025/26	1,785	8,570	20,433	83,486	9,158

Waitomo District Council

Draft

Revenue and Financing Policy

First Adopted:	
Review History:	<p>24 June 2008 (as part of the 2008/09 Annual Plan and adopted as an amendment to the 2006/2016 Long Term Council Community Plan)30 June 2009 (in conjunction with Long Term Plan)</p> <p>29 June 2010</p> <p>28 June 2011</p> <p>29 June 2012 (in conjunction with Long Term Plan)</p> <p>25 June 2013</p> <p>23 June 2015 (in conjunction with Long Term Plan)</p> <p>26 June 2018 (in conjunction with Long Term Plan)</p> <p>29 June 2021 (in conjunction with Long Term Plan)</p> <p>25 June 2024 (in conjunction with Long Term Plan)</p> <p>30 June 2025 (in conjunction with Annual Plan)</p>
Date of Next Review:	June 2027 (concurrently with LTP 7 ⁵ -or-sooner-if-required)
Responsibility:	Chief Financial Officer
Adopted by:	Council (30 June 202 6 ⁵)

Contents

INTRODUCTION KUPU ARATAKI	4
PURPOSE AND SCOPE TE ARONGA ME TE KORAHĪ	4
DEFINITIONS NGĀ WHAKAMĀRAMATANGA	4
POLICY KAUPAPA HERE	6
1.0 FUNDING PRINCIPLES	6
2.0 EXPENDITURE TO BE FUNDED	7
3.0 SOURCES OF FUNDING.....	8
4.0 OVERALL IMPACT OF THE FUNDING MECHANISMS SELECTED	11
5.0 BENEFITS ALLOCATION AND FUNDING MECHANISM	12 <u>12</u>
6.0 APPLICATION OF FUNDING PRINCIPLES TO THE FUNDING FOR EACH ACTIVITY	12
7.0 LEADERSHIP	15
8.0 COMMUNITY AND PARTNERSHIPS	18
9.0 REGULATORY SERVICES	21 <u>21</u>
10.0 RECREATION AND PROPERTY	25 <u>25</u>
11.0 SOLID WASTE MANAGEMENT	32 <u>33</u>
12.0 STORMWATER	34 <u>35</u>
13.0 RESOURCE MANAGEMENT	36 <u>37</u>
14.0 WASTEWATER	38 <u>38</u>
15.0 WATER SUPPLY.....	41 <u>41</u>
16.0 ROADS AND FOOTPATHS	44 <u>44</u>
APPENDIX ONE: TE KUITI URBAN RATING AREA	48 <u>48</u>
APPENDIX TWO: RURAL RATING AREA.....	49 <u>49</u>
APPENDIX THREE: PĪOPIO WIDER-BENEFIT AREA.....	50 <u>50</u>

INTRODUCTION | KUPU ARATAKI

Under Section 102 of the Local Government Act 2002 (LGA 2002), all local authorities are required to adopt a Revenue and Financing Policy (RFP).

The RFP provides details of Council's policies in respect of funding operating and capital expenditure, including how the policy was developed and what sources are used to fund the different activities. Total funding comprises a funding mix of rates, fees and charges, debt and other income.

The application of the RFP is reflected in the Funding Impact Statement for a particular financial year. To understand the rating impact of the policy it needs to be read in conjunction with the Funding Impact Statement.

This policy complies with the legislative requirements of section 103 the LGA 2002 which sets out a number of factors that Council has to consider in determining its RFP.

PURPOSE AND SCOPE | TE ARONGA ME TE KORAHĪ

The purpose of the RFP is to set out how the operating and capital expenditure of each of Council's activities is to be funded – that is, who pays for what, how and why. The Policy outlines:

- Available funding mechanism (e.g. rates, fees, borrowings, subsidies and grants etc.),
- Council's funding considerations (i.e. the decision about how each Council Activity is to be funded and the process followed to reach the decision), including
 - Funding of operating costs (i.e., the funding mix Council has chosen for each Activity's operating costs), and
 - Funding of capital costs (i.e., the funding mix Council has chosen for each type of capital investment).

The application of this Policy is set out elsewhere:

- Rates charges and definitions are set out in the Funding Impact Statement,
- Fees and charges for all Activities are set out in the Fees and Charges Schedule.

DEFINITIONS | NGĀ WHAKAMĀRAMATANGA

National Benefit	Benefits the nation and is public in nature.
District Benefit	Benefits the whole District and is public in nature.
Regional Benefit	Benefits the Region and is public in nature.
Commercial Benefit	Benefits the commercial sector and has elements of both public and private benefit.
Community Benefit	Benefits a particular Community of Interest and is public in nature.
User Benefit	Benefits an identifiable individual, group, or community segment.
Applicant	Benefits an identifiable individual, group or community segment.
Offender / Exacerbator	The cost is the result of offenders, or ones who exacerbate a problem.
SUIP	For the purposes of this Policy, the definition of SUIP / Separately used or inhabited part of a rating unit shall be as set out in the Council's Funding Impact Statement.

CHANGES SINCE THE 2025~~4~~ POLICY WAS ADOPTED

Removal of District Wide Subsidy Rates for Water Supply and Wastewater and Trade Waste Contribution Rate.

Since the RFP was adopted in June 2025, the transition of the waters assets to Waikato Waters Ltd (WWL) has progressed and new legislation (Local Government Water Services Act 2025 (LGWSA)), is now in place. Council's water and wastewater assets will transfer to WWL on 1 July 2026. For the 2026/27 financial year, the water and wastewater revenue will continue to be set and collected under the LGA (2002) and LGRA (2002) by WDC, on behalf of WWL.

The District Wide Benefit Rates for Water Supply and Wastewater and the Trade Waste Contribution Rate will be removed from 1 July 2026. This is in line with Council's direction towards a 'user pays' approach and will simplify the move from rates charges under the LGRA to water charges under the LGWSA.

From 1 July 2027, WWL will set the water charges under the LGWSA.

Removal of Piopio Retirement Village TFR

The rates remission provided to the Piopio Retirement Village will be funded from the General Rate/UAGC from 1 July 2026. This will align the funding with other rates remissions. The removal of this rate type also removes the Piopio Township and Piopio Wider Benefit Rating Areas and map.

Kerbside collection funding

Under the new waste contract, the contractor will supply and distribute rubbish bags and will receive the revenue from the sale of rubbish bags. This revenue will offset the contract charge received by WDC. As there will be no fees and charges received directly by WDC, the fees and charges funding has been removed from Kerbside collection from 1 July 2026.

~~The District Benefit rates for Water Supply and Wastewater will reduce in 2025/26 as the first step towards a "user pays" approach, taking into account potential changes to the future delivery of water and wastewater services as part of Local Waters Done Well reforms and the planned installation of water meters in Years 4 and 5 of the LTP 2024-34. To assist in smoothing the impact of this change Council intends to transition the reduction in these rates over 3 years commencing 2025/26, with the intention to remove the District Benefit rates by 1 July 2028.~~

~~Previously these rates were assessed at 10% of the total funding requirement for Water Supply and 10% of the rates funding requirement for Wastewater (excluding the trade waste contribution rate).~~

~~The allocation for 2025/2026 will be assessed at 6% of the total funding requirement for Water Supply; and 6% of the rates funding requirement for Wastewater (excluding the trade waste contribution rate).~~

POLICY | KAUPAPA HERE

1.0 Funding Principles

In developing the RFP and determining the appropriate funding sources for each activity, Council considered each activity against the principles laid out in section 101 (3) of LGA 2002.

Principle	Rational for its application
Community Outcomes	<p>These are the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions. Section 101(3)(a)(i) of the LGA 2002 requires that in determining the funding sources, Council identify the community outcomes to which each activity primarily contributes.</p> <p>This RFP lists for each group of activities, the outcomes to which it primarily contributes, and states why each activity is undertaken.</p> <div data-bbox="407 688 1255 888" data-label="Image"> </div> <p>A district for all people Our district is a great place to live because it is accessible, safe, affordable, and inclusive. We promote health, wellbeing, and participation.</p> <p>A prosperous people We enable a thriving and sustainable economy to create greater benefits for everyone.</p> <p>A district that values culture We value the whakapapa of our district, and we promote cultural, creative, and recreational activities where traditions, heritage, and arts are celebrated.</p> <p>A district that cares for its environment We ensure the wise use and management of all land and resources now and for future generations.</p>
Distribution of Benefits	<p>Section 101(3)(a)(ii) of LGA 2002 requires costs to be allocated where the benefits lie. Council assessed the Distribution of Benefits for each activity, whether the benefits flowed to the District as a whole, or to individuals or identifiable parts of the community.</p> <p>In order to assess the Distribution of Benefits, it is necessary to first describe and define the different types of benefits that flow from Council activities.</p>
Period of Benefits	<p>Section 101(3)(a)(iii) requires the consideration of intergenerational equity – the principle that the costs of any expenditure should be recovered over the time that the benefits of the expenditure accrue. This principle applies particularly to the allocation of capital expenditure and results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it over that period.</p> <p>The principles of funding operating and capital expenditure are as stated in this policy. They are assumed to apply to each activity, unless otherwise stated in the individual Activity Analysis section.</p> <p>Operational expenditure is funded annually and therefore there are no intergenerational equity issues to be considered. Intergenerational equity issues arise in relation to capital expenditure and investments and identified in the individual activity analysis sections where relevant.</p>

Principle	Rational for its application
Exacerbator Pays	<p>Section 101(3)(a)(iv) requires Council to assess the extent to which each activity is undertaken to remedy the negative effects of the actions or inaction of an individual or group. It is important to note that the actions themselves may not be negative or “bad” but they may have negative effects on the whole community.</p> <p>This principle (exacerbator or polluter pays principle) is particularly relevant to Council’s regulatory functions and other activities undertaken to mitigate the adverse effects of community behaviours on the environment.</p> <p>The Exacerbator Pays principle suggests that Council should, where it is practical, recover any costs directly from the individual or group that contributes to the deterioration of a situation or to a cost that is a direct result of their actions.</p> <p>Most activities do not exhibit exacerbator pays characteristics. This heading is only included in the analysis of those activities which do demonstrate such characteristics.</p>
Costs and Benefits	<p>This consideration includes transparency, accountability and some assessment of the cost efficiency and practicality of funding a particular activity separately as required by section 101(3)(a)(v).</p> <p>Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges as the case may be, to see exactly how much money is being raised for and spent on the activity. However, funding every activity on an individual basis would be extremely administratively complex. The administrative costs and lack of materiality has led Council to fund a number of activities collectively. The individual Activity Analysis section of this policy does not repeat this argument for each activity.</p> <p>The merit of identifying and accounting for functions under the activities separately from other functions enables:</p> <ul style="list-style-type: none"> • More Transparent disclosure and accountability of projects and funding to the Waitomo Community. • Greater opportunity for the Waitomo Community to have input on decisions, proposals, issues and other matters through consultation. • Identification of the Activity contributes to the achievement of community outcomes and service delivery goals through detailed understanding and planning. • Improved monitoring of the Activity in terms of how well Council is achieving its community outcomes annually. <p>Identification of costs required supporting the Activity in terms of time involved in planning, monitoring, accounting, reporting and administration.</p>

2.0 Expenditure to be Funded

2.1 Funding of Operating Expenditure

2.1.1 Where expenditure does not create a new asset for future use or extend the lifetime or usefulness of an existing asset, it is classed as operating expenditure.

2.1.2 Council funds operating expenditure from the following sources:

- General Rates (GR)
- Uniform Annual General Charge (UAGC)
- Targeted Rates (TFR and TR)
- Fees and Charges
- Interest and dividends from investments
- Grants and subsidies towards operating expenses
- Proceeds from asset sales
- Other sources.

- 2.1.3 Council may choose to not fully fund operating expenditure in any particular year, if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years.
- 2.1.4 Council has determined the proportion of operating expenditure to be funded from each of the sources listed above, and the method for apportioning rates and other charges. The process used is as specified by the LGA 2002.
- 2.1.5 The Funding Impact Statement produced each year (as required by Schedule 10(20) LGA 2002) shows the impact of the RFP each year. It also shows the amounts to be collected from each available source, including how various rates are to be applied.

2.2 Funding of Capital Expenditure

- 2.2.1 Capital expenditure is the cost of creating or upgrading a new asset, or extending the life of an existing asset. Capital expenditure can also be incurred to improve the level of service provided by the asset.
- 2.2.2 The following sources are available for Council under the LGA 2002 to fund capital expenditure:
- Grants and subsidies
 - Depreciation reserves (rate funded depreciation)
 - Loans
 - Rates
 - Proceeds from asset sales
 - Financial contributions under the Resource Management Act 1991
 - Development contributions under the LGA 2002
 - Other revenue sources
- 2.2.3 Council makes use of all of the above sources of funding of capital expenditure, with the exception of Development Contributions. Population trends show that there is no demand for growth related infrastructure at the present time. There is currently enough capacity in the infrastructure networks to allow for nominal growth should it occur in an area. The RFP does not include a provision for growth related capital expenditure as it has been assumed that capital outlay to cater for growth will not occur until there is evidence that the assumed growth is taking place.
- 2.2.4 Council makes provision for capital expenditure for renewals and capital developments which relate to improvements to levels of service. Funding sources used by Council for capital expenditure for renewals in order of priority are, subsidies and grants (when available), rate-funded depreciation, loan funding, and lastly, rate funding. Expenditure for capital developments for improvements to levels of service are funded in the following order of priority: subsidies and grants (when available), loan funding, and lastly, rate funding.
- 2.2.5 Loan funding is an appropriate funding mechanism to enable the effect of peaks in capital expenditure to be smoothed and also to enable the costs of major developments to be borne by those who ultimately benefit from the expenditure. This is known as the 'intergenerational equity principle' and means that the costs of any expenditure should be recovered from the community at the time or over the period the benefits of that expenditure accrue.

3.0 Sources of Funding

The funding sources available to a local authority are set out under the LGA 2002 and the LGRA 2002. Presented below are descriptions of the available funding sources.

3.1 General Rate

- 3.1.1 The General Rate is set under Section 13(2) (a) of the LGRA 2002 and has been used to part fund the activities of Leadership, Community and Partnerships, Recreation and Property, Regulatory Services, Resource Management and Solid Waste. It is set according to the RFP for these activities.

3.1.2 The General Rate is a rate per \$100 of capital value applied to all rateable properties in the District. A General Rate is used according to the RFP, when:

- Council considers that a capital value rate is fairer than the use of other existing rating tools for the service funded; and
- Council considers that the community as a whole should meet costs of the function; and
- Council is unable to achieve its user charge targets and must fund expenditure; or
- UAGC use would be a fair method but Council is constricted by the 30% cap (Section 21 LGRA 2002).

3.2 Uniform Annual General Charge (UAGC)

3.2.1 The UAGC, assessed on each separately used or inhabited part of a rating unit (SUIP), is set under Section 15 of the LGRA 2002 and has been used to part-fund some activities where overall District-wide benefit has been assessed (details are contained within the relevant activity funding sections).

3.2.2 UAGC is assessed on each separately used or inhabited part (SUIP) of a rating unit to:

- Ensure equity in bearing the cost liability of a service (or part of service) which is deemed equally beneficial to all
- Ensure that those with multiple uses pay a fair share
- Provide a consistent treatment between all uniform charges.

3.2.3 In setting the UAGC, based on the RFP, Council will consider the following aspects:

- Adherence to the legislative cap (UAGC to be maximum of 30% of total rates excluding any fixed rate charges for water or wastewater) and;
- Set the amount of UAGC such that it is as fair as possible to all ratepayers and in consideration of the principles of affordability and sustainability.

3.2.4 Council may consider 'capping' the amount of the UAGC at a certain value or that any increase in UAGC may be limited to a maximum of the Local Government Cost Indicator (LGCI) for that year (to be determined by Council through the annual rates setting process).

3.2.5 This consideration is primarily to maintain rates affordability and is in keeping with section 101(3) of LGA 2002 which explicitly requires that the funding needs be met by sources considered appropriate by local authorities, after giving consideration to, among other things, the impact of the funding allocations on the interests of the community.

3.3 Targeted Rates

3.3.1 A Targeted Rate is set under Sections 16 or 19 of the LGRA 2002 and has been used to part fund the groups of activities of Community and Partnerships, Recreation and Property, Wastewater, Water Supply, Stormwater, Solid Waste and Roads and Footpaths. Targeted Rates are set according to the RFP for these services.

3.3.2 A Targeted Rate is used according to the RFP, when:

- Council considers that a Targeted Rate would enable a higher level of transparency in funding allocation; or
- Council considers that a Targeted Rate is fairer than the use of other existing rating tools for the service funded, in consideration of the benefit derived from the service. The percentage of benefit is determined by Council's RFP.

3.3.3 The LGRA 2002 allows for Targeted Rates to be assessed on land defined on the basis of use to which land is put, area of land, location of land, the value of land and the provision or availability of Council services. Targeted Rates may be imposed as a fixed rate or differentially based on property uses.

3.3.4 Council has chosen to differentiate the District Roading Rate into two categories and will use the 'use to which the land is put' (Schedule 2 (1) of LGRA 2002) to define the land liable for these rates. The TR will be assessed as a rate per \$100 of capital value to part fund the Roads and

Footpaths activity. Council has chosen to primarily use valuation data to determine the allocation of rating units to differential rate categories.

The following land use categories and differential factors will apply to the District Roding Rate:

Differential Category	Definition	Differential Factor
a) District Roding Rate - General	All rating units in the district excluding those properties categorised as differential b) District Roding Rate - Forestry Exotic below.	1.0
b) District Roding Rate - Forestry Exotic	<p>Rating units that have been assigned the FE category code (Forestry Exotic) by Council's Valuation Service Provider and/or properties that are partially used for exotic forestry.</p> <p>Properties with a mixed use Where rating units have a mixed use (eg, pastoral and exotic forestry), and the area of exotic forestry is 20 hectares or more, the rating unit will be apportioned to enable the district roding rate to be charged correctly. The portion used for exotic forestry will be charged the differential of 3.0 and the remaining portion will be charged the differential of 1.0.</p>	3.0

- 3.3.5 Council will use location (Schedule 2(6) of LGRA) to define the land liable for a number of targeted rates based on location. The following location definitions for the respective rating areas will apply:

Te Kuiti Urban Rating Area	All rating units situated within the Te Kuiti urban area, shown as shaded blue on the map attached in Appendix One.
Rural Rating Area	All rating units situated in the rural areas, shaded green on the map attached as Appendix Two in the district (excluding those rating units shaded blue on the map attached in Appendix One.)
Piopio Township	All rating units connected or with the ability to connect to the Piopio Sewerage System.
Piopio Wider-Benefit Rating Area/ PWBRA	All rating units situated in the rural areas around Piopio township (excluding rating units/SUIPs connected or with the ability to connect to the Piopio sewerage system) that are deemed to indirectly benefit from the Piopio sewerage reticulation network, shown as yellow on the map attached as Appendix Three.

3.4 Fees and Charges

- 3.4.1 Fees and Charges will be set according to Council's RFP where:

- It is assessed that the level of benefit to identified beneficiary/exacerbator groups justifies the seeking of user charges; and
- There are identifiable and distinct user groups/exacerbators identified by Council's RFP; and
- User fees represent the fairest method to seek a contribution from identified beneficiaries or exacerbators.

- 3.4.2 The RFP includes the percentage of fees and charges Council aspires to collect for the relevant activity. The actual fees and charges collected by Council will vary dependent on a number of external factors.

3.5 Interest, Subventions and Dividends

- 3.5.1 Council receives limited interest from cash investments and borrower notes. Any interest received is used to offset the rate required in the year received.
- 3.5.2 Council has an investment in Inframax Construction Ltd. No dividends are forecast over of the life of the plan however if any dividends and/or subventions were to be received these may be used to repay debt. Council will determine how dividend revenue is applied as part of the LTP or annual plan process or by Council resolution.

3.6 Borrowing

- 3.6.1 Borrowing is managed by the provisions of Council's Treasury Policy. Council's use of funding mechanisms to fund capital development is set out in the Funding of Capital Expenditure section of this policy.

3.7 Proceeds from Asset Sales

- 3.7.1 Council will determine how proceeds from assets sales will be applied through the LTP or annual plan process or by Council resolution.

3.8 Development and Financial Contribution Policy

- 3.8.1 Population trends show that there is no forecast demand on infrastructure created by growth, for the foreseeable future.
- 3.8.2 Currently Council does not require development contributions for development that triggers section 198(1) of the Local Government Act 2002.
- 3.8.3 Financial contributions are currently taken by Council as consent conditions for subdivision and land use activities approved under the Resource Management Act 1991("RMA") where possible. Formulae are specified in the District Plan for collecting financial contributions to remedy or mitigate the adverse effects of development on the District.

3.9 Grants and Subsidies

- 3.9.1 Council receives a subsidy from NZTA Waka Kotahi to part-fund operations, renewal, and capital development in provision of roads and footpaths.
- 3.9.2 Council pursues other Grant and Subsidy funding available from Central Government wherever it is considered appropriate.

4.0 Overall Impact of the Funding Mechanisms Selected

- 4.1 Following consideration of the matters referred to in Section 101(3)(a), a picture emerges of where the benefits of engaging in activities land. Once this is done and indicative cost allocation compiled, the final step in Council's process of developing this policy has been to consolidate the results of the individual activity analysis and consider these results in terms of Section 101(3)(b). Section 103(b) requires Council to consider the overall impact of any allocation of liability for revenue needs on the community. The impact is assessed on the current and future wellbeing of the community.
- 4.2 Council has agreed that for most activities where a District benefit has been identified, funding that benefit allocation equally through the General Rate and UAGC would be the most efficient, equitable and transparent funding method. Both the General Rate and the UAGC are appropriate funding sources when a District wide benefit is assessed.
- 4.3 Council's reasoning behind this decision was that, for some activities, the UAGC would be the most appropriate method for funding the District Allocation because of the 'equal benefit' nature of the activity, but Council needs to take into account the 'rates affordability' and 'ability to pay' considerations within the community and also the legislative 'cap' on the amount that can be funded through the UAGC.

4.4 This reasoning by Council has not been repeated in the rest of the policy except where Council has made exceptions to it.

5.0 Benefits Allocation and Funding Mechanism

5.1 Council’s RFP has been developed mostly at activity level however for some activities it has been necessary to develop the policy at function level. The benefit allocation and funding mechanism for each function is included under the relevant activity or function in sections 6 to 16 of this policy.

6.0 Application of funding principles to the funding for each activity

6.1 Council has determined the sources of funding for capital and operating expenditure for each of its activities after considering the principles set out in Section 1.0 and the rationale for the use of funding sources. The table below outlines a summary followed by a detailed explanation.

Activity	Fees and Charges	Other Revenue	Grants and Subsidies	General Rate/UAGC	Targeted Fixed Rate	Targeted Rate	Rate Type	Assessment basis: CV/Rating Unit/SUIP
Leadership								
Representation								
Representation	1%	30% rates penalties		69%			GR	CV
							UAGC	SUIP
Strategy and Engagement								
Strategy and Engagement				100%			GR	CV
							UAGC	SUIP
Investments								
Investment in CoLab				100%			GR	CV
							UAGC	SUIP
Investment in Inframax Construction Limited				100%			GR	CV
							UAGC	SUIP
Council Owned Quarries	80%			20%			GR	CV
							UAGC	SUIP
Community and Partnerships								
Community Development								
Community Development				98% 100%	2% (approx)		GR	CV
							UAGC	SUIP
							FFR (Piopio-Retirement-Village)	Rating Unit—within Piopio-Township and the Piopio-Wider-Benefit Rating Area
District Promotion								
District Promotion	1%			99%			GR	CV
							UAGC	SUIP
Economic Development								
Economic Development				100%			GR	CV
							UAGC	SUIP
Regulatory Services								
Environmental Health								
Environmental Health	10%			90%			GR	CV
							UAGC	SUIP
Animal and Dog Control								
Animal and Dog Control	50%			50%			GR	CV
							UAGC	SUIP

Activity	Fees and Charges	Other Revenue	Grants and Subsidies	General Rate/UAGC	Targeted Fixed Rate	Targeted Rate	Rate Type	Assessment basis: CV/Rating Unit/SUIP
Building Control Services								
Building Control Services	30%			70%			GR	CV
							UAGC	SUIP
Alcohol Licensing								
Alcohol Licensing	25%			75%			GR	CV
							UAGC	SUIP
Emergency Management								
Emergency Management				100%			GR	CV
							UAGC	SUIP
Recreation and Property								
Parks and Recreation								
Parks and Reserves	2%			98%			GR	CV
							UAGC	SUIP
Housing and Property								
Elderly Persons Housing	100%			Balance by Gen Rate/UAGC if required				
Community Halls	5%			95%			GR	CV
							UAGC	SUIP
Other Land and Buildings	20%			80%			GR	CV
							UAGC	SUIP
Community Facilities								
District Libraries	1%			99%			GR	CV
							UAGC	SUIP
Aquatic Centre				100%			GR	CV
							UAGC	SUIP
Les Munro Centre	4%			96%			GR	CV
							UAGC	SUIP
Aerodrome	60%			40%			GR	CV
							UAGC	SUIP
Gallagher Community Centre	48%	25%		27%			GR	CV
							UAGC	SUIP
Public Facilities								
Cemeteries	30%			70%			GR	CV
							UAGC	SUIP
Public Amenities				100%			GR	CV
							UAGC	SUIP
Solid Waste Management								
Kerbside Collection	40%				1060%		TFR	SUIP
Waste Disposal	60%				40%		TFR	SUIP
Waste Minimisation			60%	40%			GR	CV
							UAGC	SUIP
Stormwater								
Te Kuiti Stormwater					35% (Te Kuiti)	65%	TFR	Rating Unit
							TR	CV
Rural Stormwater					100% (rural areas)		TFR	SUIP

Activity	Fees and Charges	Other Revenue	Grants and Subsidies	General Rate/UAGC	Targeted Fixed Rate	Targeted Rate	Rate Type	Assessment basis: CV/Rating Unit/SUIP
Resource Management								
District Plan Administration	45%			55%			GR	CV
							UAGC	SUIP
District Planning				100%			GR	CV
							UAGC	SUIP
Wastewater								
District Wastewater (Te Kuiti, Te Waitere, Piopio, Maniaiti/Benneydale)	22.24%				78.76%		TFR	Residential properties per SUIP –connected/ serviceable – District TFR (Harmonised)
							TFR - Base charge	Te Kuiti Non-residential Per SUIP
							TFR – Pan Charge	Te Kuiti Non-residential Per Pan
							TFR – Trade-Waste-Contribution	Rating-Unit – District Wide
							TFR – District-wide-benefit-allocation	Rating-Unit – District Wide (Transition rate for 3 years commencing 2025/26, with the intention to remove this rate by 1 July 2028 as we move to a “user-pays” approach)
Water Supply								
Te Kuiti, Mokau, Piopio, Maniaiti/Benneydale Water Supply					68.70%	32.0%	TFR	SUIP –connected/ serviceable – District TFR (harmonisation paused), transition rate until a decision is made on the formation of regional CCO for water delivery).
							TR	Water meter / consumption
							TFR – District-wide-benefit-allocation	Rating-Unit – District Wide (Transition rate for 3 years commencing 2025/26, with the intention to remove this rate by 1 July 2028 as we move to a “user-pays” approach))
Roads and Footpaths								
Subsidised Roding	1%		71%			28%	TR	CV - Rating Unit – District Roding Rate – General Differential of 1.0
							TR	CV – Rating unit – District Roding Rate -Forestry Exotic Differential of 3.0
Unsubsidised Roding	17%					83%	TR	CV - Rating Unit – District Roding Rate – General Differential of 1.0
							TR	CV – Rating unit – District Roding Rate -Forestry Exotic Differential of 3.0

7.0 Leadership

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that values culture A district that cares for its environment

7.1 Description

7.1.1 In carrying out this activity

- We enable, promote and support local democracy by providing governance advice and democratic services to elected members, the public and staff. We support public engagement with the mayor, councillors and with our democratic processes.
- We consider research, analysis and policy development, and ~~provides~~provide advice to support development of the District with a focus on strategies, plans, policy, and bylaws to address the top issues facing our community. We also coordinate and undertake community engagement and consultation on a variety of issues.
- We provide leadership to Council's investment portfolio which oversees the investment in CoLab, Civic Financial Services Ltd, Inframax Construction Ltd and Council owned quarries.

7.2 Activities

7.2.1 The Leadership Group of Activity (GOA) provides for:

- Representation
- Strategy and Engagement
- Investments

7.3 Activity analysis and funding mechanisms

7.3.1 Representation

This Activity involves the provision of leadership and governance of the District and includes the Mayor's Office and Council's governance, including committees.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	69%	General Rate/ UAGC
		1%	Fees and Charges
		30%	Other Revenue: Penalties and sundry revenue

(a) Distribution of Benefits

District Benefit: The benefit of the Representation activity is considered to be District wide in nature as the benefits of good governance and representation benefit the District as a whole.

(b) Funding Mechanism

District Allocation: Council is not able to recover all the costs of this activity from penalties and fees and charges. The most appropriate method of funding is a combination of UAGC and General Rate (GR). While the fairest method would be to fund this activity by UAGC, a combination of UAGC and General Rate is considered most appropriate, given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

7.3.2 Strategy and Engagement

This Activity includes:

- Carrying out long-term and annual planning for the District and producing plans which reflect the outcomes desired by the community.
- Communicating and consulting with the community on projects, issues and various planning documents, as well as surveys to gauge community satisfaction with services provided.
- Development of policy to promote community outcomes at a local level, and to influence policy at a regional or national level.
- Monitoring the achievement of the levels of service.
- Preparation of Council's Annual Report comprising public information on achievement against the financial and key performance targets of the previous year.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	100%	General Rate/UAGC

(a) Distribution of Benefits

District Benefit: The benefit of this activity is considered to be District wide in nature as the benefits of effective planning and policy development and the monitoring of Council activities and performance ~~is~~are of benefit to the entire District.

(b) Funding Mechanism

District Allocation: The most appropriate method of funding this activity is a combination of UAGC and General Rate (GR). While the fairest method would be to fund this activity by UAGC, a combination of UAGC and General Rate is considered most appropriate, given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

7.3.3 Investments

Council has investments in land and other organisations that it manages for the benefit of the community and to generate income. The functions comprising this activity are:

1. Investment in CoLab
2. Council Owned Quarries
3. Inframax Construction Limited

7.3.4 Period of Benefit (Intergenerational Equity)

The total expenditure and income of Investment Activities needs to be specified over the proposed investment period as part of intergenerational funding decisions.

7.3.5 Investment in CoLab

This function represents Council's shareholding/investment in CoLab. The ~~principal~~ objective for the company is to provide the most effective access to regional information of mutual value to the regional community using modern technology and processes and to be an umbrella for future development of shared services within the region.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	80%	100%	General Rate/ UAGC
Regional Benefit	20%	0%	No funding mechanism

(a) Distribution of Benefits

District Benefit: The investment in CoLab is assessed to have a District wide benefit as it is either made to generate income or to explore opportunities for cost reduction/efficiencies, which are used for the benefit of the entire District, or Council is involved for a strategic reason which again is for the benefit of the District as a whole.

Regional Benefit: Gaining the most effective access to regional information and services of mutual value to the regional community is seen as having regional benefit.

(b) Funding

District Allocation: The fairest method of funding this investment would be by way of UAGC. However, due to the 30% UAGC 'cap' and rates affordability issues, Council resolved a combination of General Rate and UAGC to be the most efficient, effective and transparently lawful funding mechanism for this allocation.

Regional Allocation: As there is no lawful funding mechanism available to Council to recover from this group of beneficiaries Council resolved that the Regional Benefit be reallocated to District Benefit and funded by a combination of General Rate and UAGC.

7.3.6 Investment in Inframax Construction Ltd (ICL)

This function represents Council's investment in ICL. ICL is a provider of roading construction and maintenance, quarrying, and maintenance and construction of utilities and infrastructure assets.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	100%	General Rate/UAGC
		0%	Dividend or Subvention

(a) Distribution of Benefits

District Benefit: ICL is assessed to have District wide benefit as it exists to give effect to social and economic outcomes that benefit the entire District. Council's investment in ICL is considered to be strategic in nature and for the benefit of the wider District as a whole.

(b) Funding

Investment Income: Council resolved that as this investment has been entered into for social and economic purposes it would be equitable to fund the cost of this activity through Investment Income (i.e. dividend and/or subventions), when available.

Any surplus generated through this investment may be used for repayment of term debt which benefits the wider community by enhancing the financial sustainability of the Waitomo District Council and will be resolved by Council through the LTP or annual planning cycle or by Council resolution.

District Allocation: Any deficit resulting from Council's investment in ICL will be funded by way of a combination of General Rate and UAGC which reflects the public good associated with the investment. This is considered to be the most efficient, effective and transparent method for funding this allocation.

7.3.7 Council Owned Quarries

This function involves the maintenance and management of Council owned quarries.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	80%	Fees and charges
		20%	General Rate/UAGC

(a) Distribution of Benefits

District Benefit: Council owned quarries are assessed to have District wide benefit as they exist to give effect to social and economic outcomes for the benefit of the entire District. Council's investment in quarries is considered to be strategic in nature and for the benefit of the wider District as a whole.

(b) Funding

District Allocation: Council resolved that as this investment has been entered into for social and economic purposes it would be most equitable to fund this activity through investment income (e.g. metal royalties/leases). Any net surplus income generated through this investment will be used to offset General Rate and UAGC rates income collected from the entire District. However it is recognised that revenue is dependent on quarrying activity and market rates for products and therefore investment income may not be enough to fully fund expenditure. Council considers that where fees and charges are not sufficient to fund activities, the balance will be funded from the General Rate and UAGC which reflects the public good associated with the investment. This is considered to be the most efficient, effective and transparent method for funding this allocation.

8.0 Community and Partnerships

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that values culture A district that cares for its environment

8.1 Description

8.1.1 The Community and Partnerships is a group of activities (GOA) where the Council, in a number of diverse roles, is actively involved in 'helping the community to help itself'. The Community Development service supports the wellbeing of our communities. This is done by enabling local organisations and private providers to deliver a variety of community-based services and activities to meet the needs of our community. This includes providing grants to community groups through community assistance grants, event funding and international sister city engagement.

8.1.2 We manage the visitor information services to provide residents and visitors to the District access to quality, up to date information and a booking service for activities, attractions and accommodation and events.

8.2 Activities

8.2.1 There are three activities under this GOA:

1. Community Development
2. District Promotions
3. Economic Development

8.3 Activity Analysis and Funding Mechanisms

8.3.1 Community Development

As part of this Activity Council seeks to improve social outcomes within Waitomo District by working closely with the District community. It includes safe communities, making grants to the community, provision of service contracts, Council's Sister City relationship and Youth engagement.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100 98 %	100 98 %	General Rate/UAGC
Community Benefit	2%	2%	Targeted Fixed Rate

(a) Distribution of Benefits

District Benefit: The benefit of this activity is considered to be District wide in nature as the benefits of the activity of supporting the community by working to create a better quality of life ~~is~~are beneficial to the entire District.

~~Community Benefit: A small element of this activity benefits the Piopio Community specifically via support to the Piopio retirement village. The wider Piopio community consider the Piopio retirement village is an asset that should be retained.~~

(b) Funding

District Allocation: It is considered that ~~after funding the Piopio Retirement Village~~ the most appropriate method of funding the district allocation~~remainder~~ of this activity is a combination of the UAGC and General Rate (GR). The Community Development activity aims to develop a more liveable and vibrant district which can have an effect on the prosperity of the entire District.

~~Community Allocation: In recognition of the unique situation that exists with Piopio Retirement Village and of the invaluable role it plays within the Piopio Community, both now and in the future, the Piopio Retirement Village will receive an annual rates remission as determined by Council's Rates Remission Policy, to support the Trust in the continued delivery of elderly housing accommodation services.~~

~~The amount determined as the annual rates remission for the Piopio Retirement Village will be separately funded by way of a Targeted Fixed Rate assessed on all rateable units situated within the Piopio Township and the Piopio Wider Benefit Rating Area.~~

8.3.2 District Promotions

This Activity encompasses three functions that serve to attract visitors to the District and contribute over time to the overall development of the District.

- 1) **Visitor Information Centres** - We manage the visitor information services to provide residents and visitors to the District access to quality, up to date information and a booking service for activities, attractions and accommodation and events.
- 2) **District and Regional Promotion** - This activity involves regional tourism growth at both domestic and international levels.
- 3) **Events** - Co-ordination of major events in the District, including the Great NZ Muster, Matariki celebrations and the Christmas Parade.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	10%	0%	No funding mechanism
District Benefit	80%	99%	General Rate/UAGC

Community Benefit	10%	1%	Fees and charges
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(a) Distribution of Benefits

National Benefit: There is an element of national and regional benefit that results from attracting visitors to the District. New Zealand as a whole and particularly the region will benefit from services and events which attract overseas and local visitors.

Increased visitor numbers to Waitomo District will have flow on effects for our neighbours and help in promoting other neighbouring Districts as well.

District Benefit: The Visitor Industry is considered to have a District wide benefit as the activity gives effect to the economic development and employment within the District as a whole. There are numerous examples that demonstrate tourism can contribute immensely to the whole economy in terms of increased employment, revenue generation and the like and that benefit will accrue to the overall District.

Community Benefit: The Visitor Industry provides a high degree of benefit to communities that provide meals, entertainment and accommodation.

(b) Funding

National/Regional Allocation: Council resolved that this allocation should be funded through Grants when available. Where grant funding is not available, the National Allocation is reallocated to the District Allocation.

District/Community Allocation: Council considered that the overall District benefits to an extent from District Development Activities and although there is some element of community benefit, the most appropriate and efficient funding method is a combination of General Rate and UAGC.

Some minor revenue is received through sales at the Customer Service Centre.

8.3.3 Economic Development

This Activity involves the development, support and promotion of business-related programmes and activities and new employment initiatives within the District. It also involves the maintenance of a high quality environment, input into the urban infrastructure, the need to recognise the importance of international relationships and the tourism industry and utilisation of the landscape and culture of the Waitomo District. We also support Regional and Economic Development opportunities and outcomes.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	10%	0%	No funding mechanism
District Benefit	80%	100%	General Rate/UAGC
Community Benefit	10%		

(a) Distribution of Benefits

National Benefit: There is an element of national and regional benefit that results from attracting visitors and investment to the District.

District Benefit: The promotion of the district is considered to have a District wide benefit as the activity gives effect to the economic development and employment within the District as a whole.

Community Benefit: The commercial development within the district provides increased employment, growth and supports the sustainability of the District.

(b) Funding

National/Regional Allocation: Council resolved that this allocation should be funded through Grants when available. Where grant funding is not available, the National Allocation is reallocated to the District Allocation.

District/Community Allocation: Council considered that the overall District benefits to an extent from Economic Development Activities and although there is some element of community benefit, the most appropriate and efficient funding method is a combination of General Rate and UAGC.

9.0 Regulatory Services

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that values culture A district that cares for its environment

9.1 Description

9.1.1 The Regulatory Services GOA works towards the goal of seeking to effectively and efficiently provide a safe and sustainable environment through the administration and enforcement of Central Government Legislation.

9.2 Activities

9.2.1 The activities under this GOA are:

1. Environmental Health
2. Animal and Dog Control
3. Alcohol Licensing
4. Building Control
5. Emergency Management

9.3 Activity Analysis and Funding Mechanisms

9.3.1 Environmental Health

The provision of environmental health services, including ~~licencing~~licensing and inspection of food premises and noise control. Council has specific statutory responsibilities under each of these functions.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	70%	90%	General Rate/UAGC
User/Applicant Benefit	20%	10%	Fees and Charges
Exacerbator	10%		

(a) Distribution of Benefits

District Benefit: Environmental Health delivers District benefits by ensuring minimum health standards, such as premises are ~~licenced~~licensed and safe, healthy and hygienic for the public to use, and providing general advice and education. Noise control services provided also contribute to healthy living. The investigation and notification of incidents of communicable diseases also provides benefit to the entire District.

User/Applicant Benefit: Individuals and organisations applying for a licence to operate under specific regulations nationally and within the District and those requiring advice about the regulations are direct beneficiaries of this service.

Exacerbator/Offender: These are the costs incurred in responding to the actions of

offenders. This includes costs associated with investigating complaints, non-compliance with licences and regulations and prosecution of offenders.

(b) Funding

User Allocation: Council resolved user fees and charges to be the most efficient, effective and transparently lawful available method for funding this allocation. However Council considered that not all of the recovery of this benefit can be undertaken through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council has resolved to partly fund through General Rate and UAGC.

Exacerbator Allocation: User fees and charges are considered to be the most efficient, effective and transparently lawful available method for funding the Exacerbator allocation. However Council considered that not all of the recovery of this benefit can be undertaken through Fees and Charges from the exacerbator therefore Council has resolved to partly fund through General Rate and UAGC.

District Allocation: Council is not able to recover all the costs of this activity from fees and charges. The most appropriate method of funding the remainder of this activity is considered to be a combination of General Rate and UAGC.

9.3.2 Animal and Dog Control

Provision of an animal and dog control service for the District. This activity involves the registration of dogs as well as the prevention of harm to the community in cases of menacing or dangerous behaviour by dogs and dealing with roving stock.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	50%	General Rate/UAGC
User/Applicant Benefit	70%	50%	Fees and Charges
Exacerbator	10%		

(a) Distribution of Benefits

District Benefit: The District benefit is received from general advice given to the public, education and public safety. All residents have equal access to the use of the service.

User/Applicant Benefit: Individuals applying for and maintaining dog registration and receiving education are direct beneficiaries of this service. The allocation reflects the benefit to those individuals with animals.

Exacerbators: These are the costs incurred in responding to the actions of offenders. This includes costs associated with investigating complaints, impounding of stock and prosecution of offenders.

(b) Funding

User Allocation: Council resolved that user fees and charges would be the most efficient, effective and transparently lawful method available for funding this allocation. However Council considered that not all of the recovery of this benefit can be undertaken through Fees and Charges as it may make the fees prohibitively high for the users and therefore Council has resolved to partly fund through General Rate and UAGC.

Exacerbator Allocation: Council resolved that education and monitoring would be the most effective method to promote good animal management and control. Council also proposes that user fees and charges (in the form of infringements and penalties) would be the most efficient, effective and transparently lawful method available for funding this allocation.

District Allocation: Council considers that given there is some benefit to the entire district in the form of public safety, the most appropriate method of funding this allocation is a

combination of General Rate and UAGC.

9.3.3 Building Services

Provision of building services, including issuing and monitoring of building consents

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	70%	General Rate/UAGC
User/Applicant Benefit	75%	30%	Fees and Charges
Exacerbator	5%		

(a) Distribution of Benefits

District Benefit: The District benefit is received from general advice given to the public, education, and public safety. This activity is mandatory for Council and has a District benefit by ensuring minimum building standards are met and that buildings are safe for use. This activity is also driven by Central Government policies and there is increased focus at the national level around sustainable building development.

User/Applicant Benefit: Individuals and groups applying for a building consent, requiring building inspection, compliance certificates and advice, are the direct beneficiaries of this service.

Exacerbator: These are the costs incurred in responding to the actions of offenders. This includes costs associated with non-compliance with consents and Warrants of Fitness.

(b) Funding

District Allocation: Council resolved that the most efficient, effective and transparent method for funding this allocation would be a combination of UAGC and General Rate since any investment in and development of the District will have more positive economic impact on larger property owners.

User Allocation: Council resolved that User Fees and Charges would be the most efficient, effective and transparently lawful available method for funding this allocation. However, since not all of the recovery of this benefit can be done through Fees and Charges which would make the fees too high and could potentially impact on development, Council resolved to partly fund this benefit through General Rate/UAGC.

Exacerbator Allocation: Council resolved that User Fees and Charges would be the most efficient, effective and transparently lawful available method for funding this allocation where the cost is able to be recovered from the exacerbator. Where this cost is not able to be recovered, Council resolved to partly fund through the General/UAGC.

9.3.4 Alcohol Licensing

The Alcohol Licensing function oversees the administration of the Sale and Supply of Alcohol Act 2012 at a local level acting as the District Licensing committee on behalf of the Alcohol Regulatory and Licensing Authority which encourages the responsible sale and use of alcohol through licensing, monitoring of premises and enforcement of the Act. It also involves ensuring bylaws are enforced and complied with for public safety and well-being.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	35%	75%	General Rate/UAGC
User/Applicant Benefit	35%	25%	Fees and Charges
Exacerbator	30%		

(a) Distribution of Benefits

District Benefit: This activity is assessed as having a medium level of District benefit which occurs from ensuring Licenses are complied with, sellers of alcohol have certain qualifications, etc, which contributes towards public safety and well-being. General advice and education is also provided.

Applicant Benefit: The user benefit for this service is high. Individuals and organisations applying for a licence to operate under specific regulations nationally and within the District and those requiring advice about the regulations are direct beneficiaries of this service.

Exacerbators: These are the costs incurred in responding to the actions of offenders. This includes costs associated with investigating complaints, non-compliance with licenses and regulations and prosecution of offenders.

(b) Funding

User/Applicant Allocation: Council resolved user fees and charges to be the most equitable method for funding this portion of the benefit allocation. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as the fees are set by legislation and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

Offender Allocation: User fees and charges are considered to be the most efficient, effective and transparently lawful available method for funding the Exacerbator funding allocation for this activity.

District Allocation: Council resolved that the most efficient, effective and transparent method for funding this allocation would be a combination of UAGC and General Rate.

9.3.5 Emergency Management

Provision of emergency response capability includes public education and administering the Civil Defence Emergency Management Act 2002.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National and Regional Benefit	10%	0%	Government Subsidy
District Benefit	90%	100%	General rate/UAGC

(a) Distribution of Benefits

National Benefit: Emergency Management has been assessed to have a certain element of National and Regional benefit, in that this service provides safety and general well-being to the national public under a national civil defence and emergency management network. By way of example, any significant natural disaster has the potential to disrupt state highways and the rail system which might affect the Country as a whole.

District Benefit: Emergency management is considered to have a high District benefit. The benefit of this function is for the safety and well-being of all people within the District.

(b) Funding

National Allocation: Council considers that given the element of national benefit provided by the service, Central Government subsidy would be the most efficient and effective method of funding this allocation. However Central Government subsidies are no longer available so it was resolved that this allocation be re-allocated to District Benefit.

District Allocation: A combination of UAGC and General Rate is the most appropriate method of funding this activity given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of this activity.

10.0 Recreation and Property

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A district that cares for its environment

10.1 Description

10.1.1 Council's Recreation and Property GOA provides recreation and community facilities with the aim of ensuring that basic ranges of recreational activities are available to meet the present and future needs of the Community, and that Council meets its statutory obligations under such acts as the Reserves Act 1977 and Burials and Cremations Act 1964.

10.1.2 This Activity also ensures that the Community has essential community facilities such as public toilets and cemeteries. These facilities are necessary to ensure that public health and safety is maintained.

10.2 Activities

10.2.1 The Activities comprising this GOA are:

1. Parks and Recreation
2. Housing and Property
3. Community Facilities
4. Public Facilities

10.3 Period of Benefit (Intergenerational Equity)

10.3.1 Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

10.4 Activity Analysis and Funding Mechanisms

10.4.1 Parks and Recreation

This activity involves the provision of parks and reserves to support the health and well-being of the community by supplying and maintaining areas for sport and recreation, as well as green places and landscapes that are restful and enhance the visual amenity.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	98%	98%	General Rate/UAGC
User Benefit	2%	2%	Fees and Charges

(a) Distribution of Benefits

District Benefit: The benefit of this activity is considered to be District wide in nature as the benefits of providing recreational spaces and facilities for the community is of benefit to the entire District.

User Benefit: Lessees of the reserves are the direct beneficiaries of the services.

(b) Funding

District Allocation: The most appropriate method of funding this activity is a combination of the UAGC and General Rate given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

User Allocation: Council resolved fees and charges to be the most efficient and

transparently lawful method of funding this allocation.

10.4.2 Housing and Property

The functions comprising of this Activity are:

1. Elderly Person's Housing
2. Community Halls
3. Other Land and Buildings

10.4.3 Elderly Persons Housing

This function involves the provision and maintenance of affordable housing for the elderly. There are 20 pensioner units owned by Council.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	5%	100%	Fees and Charges
User Benefit	95%		

(a) Distribution of Benefits

District Benefit: Provision and maintenance of housing for the elderly provides a level of District wide benefit as it provides for the current and future social well-being of the District.

User Benefit: This service has a high degree of private benefit. The direct beneficiaries of Elderly Persons Housing are the occupants, and the family and friends of the occupants.

(b) Funding

District Allocation: Due to the minor nature of the District Benefit, Council resolved that this be reallocated to User Allocation. However it is recognised that the impact of fully funding this activity from fees and charges may be prohibitive if completed in one year and therefore agreed to transition the move to fully funding the activity from fees and charges. During the transition phase any shortfall will be funded by combination of General Rate and UAGC funding.

User Allocation: Council resolved Fees and Charges to be the most appropriate funding tool for this allocation as the users (tenants) are easily identifiable and excludable and the user charges can be easily administered. However, Council considered that not all of the recovery of this benefit can be undertaken through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

10.4.4 Community Halls

This function involves the provision and maintenance of halls through the support of Hall Committees throughout the District.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	95%	General Rate/UAGC
User Benefit	0%	5%	Fees and Charges

(a) Distribution of Benefits

District Benefit: Provision of Community halls is assessed to provide benefit to the wider District as a whole as any member of the District can use the halls directly or as guests for functions, etc. Halls serve as places for meetings or functions, particularly where other options are unavailable.

(b) Funding

District Allocation: Given the element of general public benefit associated with this activity, the Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

Council recognised that most community halls are operated and maintained by the different communities themselves and Council's expenditure on the activity was in the form of grants provided to the various hall committees towards operating costs.

A small percentage of funding for this activity comes from fees and charges for hall hire to the community.

10.4.5 Other Land and Buildings

This function involves the maintenance and management of other miscellaneous Council owned properties.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	30%	80%	General Rate/UAGC
User Benefit	70%	20%	Fees and Charges

(a) Distribution of Benefits

District Benefit: This activity is assessed to have a degree of District wide benefit as these land and buildings are retained and maintained by Council either with strategic intent or as investments which provide benefit to the District as a whole.

User Benefits: Lessees of these properties are the direct beneficiaries of the service. They are identifiable and able to be excluded.

(b) Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved Fees and Charges to be the most efficient and transparently lawful method of funding this allocation. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC.

10.4.6 Community Facilities

The functions comprising of this Activity are:

1. District Libraries
2. Aquatic Centre
3. Les Munro Centre
4. Aerodrome
5. Gallagher Recreation Centre

10.4.7 District Libraries

This function involves the provision of library services to support culture, education, economic and personal development in the District. The main library is located at Te Kuiti.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	99%	General Rate/UAGC
User Benefit	80%	1%	Fees and Charges

(a) Distribution of Benefits

District Benefit: District libraries provide a degree of benefit to the wider District as a whole which relates to enhancing the knowledge and skills of the population and provides enjoyment. Benefits also include the promotion of knowledge building, social interaction and the provision of services to people with special needs (e.g. the visually impaired and people with disabilities).

User Benefit: Borrowers, information seekers and users of other library services are direct beneficiaries of the service.

(b) Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved that although the user benefit for this service is high, funding this allocation totally through Fees and Charges would be detrimental to usage as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC. Since libraries provide intangible benefits of promoting social and cultural development of the general population and also contribute to increasing literacy, it would be to the advantage of the District to promote their usage. It was resolved that 1% of the user benefit allocation be funded through Fees and Charges and the remaining be reallocated to District allocation.

10.4.8 Aquatic Centre

This function involves the provision and maintenance of the Waitomo District Aquatic Centre in Te Kuiti for leisure and competitive recreation opportunities for the community.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	10%	100%	General Rate/UAGC
Community Benefit	70%		
User Benefit	20%	0%	Fees and Charges

(a) Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that anyone wanting to use the facility has access to it. It is a facility that can be used by all and provides for the leisure, training or health needs of the entire District.

Community Benefit: The Aquatic Centre has a comparatively high degree of community benefit. It is assessed that people who live within the Community will benefit more than those who have to travel a longer distance to use the facility.

User Benefit: Individual users, clubs and schools are direct beneficiaries of the service.

(b) Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

Community Allocation: Council discussed that a large proportion of the benefit of this service lay in the Te Kuiti urban area however the most appropriate and efficient funding is a combination of General Rate and UAGC.

User Allocation: Council discussed that although the user benefit of this service is high, not all of the recovery of this benefit can be done through Fees and Charges as charging higher for the use of the pool would be detrimental to its usage. It would also impact on the

purpose of promoting a healthy community and hence it was resolved that part of this allocation be transferred to Community Allocation. There are no fees and charges revenue forecast for the life of the plan as this revenue is now received by the contractor as part of their contractual arrangement.

10.4.9 Les Munro Centre

This function involves the maintenance and management of the Les Munro Centre.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National/Regional Benefit	10%	0%	No funding mechanism
District Benefit	80%	96%	General rate/UAGC
User Benefit	10%	4%	Fees and Charges

(a) Distribution of Benefits

National/Regional Benefit: The facilities may be booked by national or regional organisations, private providers. These have a small national benefit as they add benefit to the nation as a whole through stimulating local knowledge and history. They also help to add tourism value to the District.

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that it contributes to the cultural well-being of the District as a whole. The facilities can also be enjoyed by all.

User Benefit: Individual users are direct beneficiaries of the service.

(b) Funding

National Allocation: A lawful funding method for this allocation is not available. Council resolved that this allocation be transferred to District Allocation.

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved user Fees and Charges to be the most appropriate funding tool for this allocation. However Council considered that not all of the recovery of this benefit can be undertaken through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council has resolved to partly fund through General Rate and UAGC.

10.4.10 Aerodrome

This function involves the provision of an Aerodrome facility in Te Kūiti to provide leisure and recreational opportunities for residents and visitors to the District. Provision of a base for commercial aerial activities.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	20%	40%	General Rate/UAGC
User Benefit	80%	60%	Fees and Charges

(a) Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that it provides a facility that contributes to the District economy through commercial use.

User Benefit: Individual users, clubs and commercial users are direct beneficiaries of the service.

(b) Funding

District Allocation: Due to minor nature of District Benefit, Council resolved that this would be reallocated to User Allocation. However it is recognised that the impact of fully funding this activity from fees and charges may be prohibitive if completed in one year and therefore agreed to transition the move to fully funding the activity from fees and charges.

During the transition phase any shortfall will be funded by combination of General Rate and UAGC funding.

User Allocation: Council resolved that user Fees and Charges would be the most appropriate funding tool for this allocation and intends to progress to fully funding this activity by fees and charges. However, Council considered that not all of the recovery of this benefit can be done through Fees and Charges as it would make the fees prohibitively high for the users and therefore Council resolved to partly fund this benefit through General Rate and UAGC as this activity transitions to be fully funded by fees and charges.

10.4.11 Gallagher Recreation Centre

This function involves the recognition of the right to use the Gallagher Recreation Centre (GRC) for a period of 35 years. It includes the interest and principal repayment of Council's contribution towards the development of the GRC and the maintenance of the facility in accordance with the property sharing arrangement with the Ministry of Education and Board of Trustees.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	30%	27%	General rate/UAGC
User Benefit	70%	48%	Fees and Charges
		25%	Other Revenue

(a) Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that it contributes to the cultural well-being of the District as a whole. The facilities can also be enjoyed by all. This funding covers the interest and principal repayments on Council's contribution to the construction of the GRC.

User Benefit: Individual users, clubs and schools are direct beneficiaries of the service. The Ministry of Education and the Board of Trustees receive benefit from the facility through the property sharing arrangement.

(b) Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

User Allocation: Council resolved that user Fees and Charges would be the most appropriate funding tool for this allocation. The Ministry of Education and Board of Trustees contribute towards the long term maintenance of the facilities and operating costs of the facility.

10.4.12 Public Facilities

The functions comprising of this Activity are:

- Public Amenities
- Cemeteries

10.4.13 Public Amenities

This function involves the provision of:

- Public toilet facilities in the District to ensure visitors and residents have access to safe, clean and sanitary facilities.
- Street furniture, bins and other structures to visually enhance the town's environment and provide facilities for people to relax and enjoy the environment
- Car park areas to ensure residents and visitors to the District can access conveniently located off street parking in our towns.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	75%	100%	General rate/UAGC
User Benefit	20%	0%	Fees and Charges
Exacerbator	5%		

(a) Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole in that all people from within and outside the District have the ability to come and use public toilets, car park facilities and benefit from the provision of street furniture, bins and the like.

User Benefit: Individual users are the direct beneficiaries of the service. These can be visitors, as well as people from within the District.

Exacerbator: These are costs associated with responding to offenders (vandals).

(b) Funding

District Allocation: A combination of UAGC and General Rate is considered the most appropriate method of funding this activity.

Exacerbator: Council resolved that as it is usually hard to identify or inefficient to prosecute offenders this allocation be transferred to District Allocation.

User Benefit: Council agreed that although users are the direct beneficiaries of this service it would not levy fees and charges given the public health benefits of this service and the benefits to visitors of our district this service provides. Therefore, the user benefit allocation is transferred to District Allocation.

10.4.14 Cemeteries

This function involves the provision and maintenance of cemeteries in the District as required under the provisions of the Burials and Cremations Act 1964.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	10%	70%	General rate/UAGC
Community Benefit	30%	30%	Fees and Charges
User Benefit	60%		

(a) Distribution of Benefits

District Benefit: This activity is assessed to provide a degree of benefit to the wider District as a whole. District benefit results from the promotion of public health and sanitary disposal of the deceased. It also contributes to the cultural well-being of all people in the District.

Community Benefit: Cemeteries have a small degree of community benefit. The Community benefit results from the promotion of public health and sanitary disposal of the deceased. It is also assessed that those people who live within the Community will utilise the cemetery more than those outside the Community.

User Benefit: Families and friends of the deceased are direct beneficiaries of the service.

(b) Funding

District Allocation: Council resolved a combination of General Rate and UAGC to be the most appropriate, efficient and transparent funding tool for this allocation.

Community Allocation: It was resolved that this allocation be reallocated to District Allocation as it was difficult to draw boundaries around the area serviced by a cemetery. Also, allocating the exact users of the cemeteries on a per community basis would be fraught with difficulties.

User Allocation: Council resolved user Fees and Charges to be the most efficient, effective and transparently lawful available method to fund this allocation. However, as it is difficult to accurately predict the fees and charges that will be generated from this activity and it can vary quite a bit from year to year, it was resolved that a portion should be reallocated to District Allocation.

11.0 Solid Waste Management

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district that cares for its environment	A district for people A prosperous district A district that values culture

11.1 Description

11.1.1 The Solid Waste GOA manage the refuse collection, disposal and recycling services for the Waitomo District. The solid waste network involves a series of recycling and transfer stations throughout the District. Residual waste is deposited at the District Landfill in Te Kuiti.

11.2 Activities

11.2.1 The Solid Waste GOA is made up of three functions:

1. Kerbside Collection
2. Waste Disposal
3. Waste Minimisation

11.2.2 People generate un-recyclable waste each day and the current trend of increasing amounts of packaging and waste material results in an ongoing challenge for waste management. If waste is not managed in an appropriate manner it may result in serious public health and environmental concerns.

11.3 Period of Benefit (Intergenerational Equity)

11.3.1 Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

11.4 Activity Analysis and Funding Mechanisms

11.4.1 Kerbside Collection

This activity involves the provision of kerbside collection and recycling services to residents of Te Kuiti, Piopio, Awakino, Mokau and Waitomo Village and some surrounding parts.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
Community/User Benefit	100%	40%	Fees and Charges
		100%	TFR Per community where service is provided

(a) Distribution of Benefits

Community Benefit/User: Communities that are provided with kerbside collection and recycling services are the beneficiaries of this service.

(b) Funding

Community Allocation/User Allocation: As users can be identified as a particular group (communities that are provided with the service) and also individuals that will benefit from the service, Council resolved that ~~fees and charges and a Targeted Fixed Rate~~ per separately used or inhabited part of a rating unit differentiated by Community receiving the service would be the most effective, efficient and transparent method for funding this allocation. ~~Fees and charges are applied in order to meet the Waste Minimisation objectives in the Solid Waste Management and Minimisation Plan.~~

~~The utilisation of fees and charges (including the cost of solid waste disposal in the cost of the rubbish bag) will ensure that the true cost of disposal is reflected in the right place and paid for by the beneficiary. Reflecting the true cost of disposal in the price of a rubbish bag is also expected to encourage waste minimisation.~~

11.4.2 Waste Disposal

This function involves the maintenance and management of the Waitomo District Landfill in Te Kuiti and Transfer Stations across the District.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	45%	40%	Solid Waste TFR District wide
Community/User Benefit	55%	60%	Fees and Charges

(a) Distribution of Benefits

District Benefit: The provision of this service provides benefit to the entire District derived from the accessibility of landfill and transfer stations and in terms of maintaining public health standards within the District.

User Benefit: Users of the landfill and transfer stations are the direct beneficiaries of this service.

(b) Funding

District Allocation: Council resolved that a Targeted Fixed Rate assessed on the basis of separately used or inhabited part of a rating unit across the entire District would be the most efficient and transparent method for funding this allocation.

User Allocation: Council resolved that user Fees and Charges would be the most efficient and transparent method to fund this allocation.

11.4.3 Waste Minimisation

Preserves the environment and minimises potentially negative effects of the solid waste activity. Includes education programmes aimed at drawing attention to the benefits of waste minimisation and recovery.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	10%	0%	No funding mechanism
District Benefit	90%	40%	General Rate/UAGC
		60%	Grants and subsidies (Waste Minimisation Rebate)

(a) Distribution of Benefits

National Benefit: Effective Waste Minimisation provides not only environmental, but economic benefits as well, that accrue to the nation as a whole. Effective and appropriate disposal of solid waste helps protect public health and the environment for all New Zealanders.

District Benefit: All residents of the District benefit from general advice and education provided as part of this service. This activity is driven by Central Government policies and there is increased focus on waste minimisation at a national level, the benefits and costs of which accrue to the wider District as a whole.

(b) Funding

National Allocation: There is no lawful funding method to fund this allocation and therefore Council resolved that it be transferred to District Allocation.

District Allocation: Since all residents of the District benefit from the provision of this service, Council resolved a combination of General Rate, UAGC and Ministry of the Environment Waste Minimisation Rebates (when available) to be the most efficient, effective and transparent funding mechanism available to fund this allocation.

12.0 Stormwater

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that values culture A district that cares for its environment

12.1 Description

12.1.1 Stormwater is rain that runs over the ground on its way to a natural watercourse. When rain falls on buildings, carparks, driveways, roads and gardens, if it doesn't soak into the ground it follows its natural flow path downhill until it reaches a water course or is collected by a pipe system. Where there is development, runoff from properties and roads flow into stormwater systems. The greater the level of development in a catchment, the greater the level of impervious surfaces (e.g. roofs, driveways, paths etc), and therefore the greater the conversion of rainfall into runoff. If this runoff is not managed well, it will cause flooding. Generally, stormwater is channelled on to roads or into open watercourses, then down streams and rivers to lakes and then the sea.

12.1.2 The stormwater system manages runoff by collecting and removing the runoff, eventually disposing of it into natural streams and rivers. The Stormwater Activity involves maintaining and extending the capacity of the existing system and advocating for the appropriate management of rivers and streams within the Waitomo District.

12.2 Period of Benefit (Intergenerational Equity)

12.2.1 Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

12.3 Activity Analysis and Funding Mechanisms

12.3.1 Te Kuiti Urban area

Attributable Benefit – urban areas		Funding	
Benefit Group	% of Benefit	%	Method
Community Benefit	90%	35%	TFR
		65%	Targeted Rate (rate per \$100 of capital value)
User Benefit	10%	0%	Fees and Charges

12.3.2 Rural areas

Attributable Benefit – rural areas		Funding	
Benefit Group	% of Benefit	%	Method
Community Benefit	90%	100%	TFR
User Benefit	10%	0%	Fees and Charges

(a) Distribution of Benefits

Community Benefit: Communities that are provided with this service are the direct beneficiaries as it is their land and buildings that are protected from potential flooding. There are general public health benefits in providing a Stormwater system. A further significant community benefit from the Stormwater system is that roads remain passable during times of heavy rain and flooding.

User/Applicant Benefit: Individual land or property owners who can connect or are connected to the Stormwater network are the direct beneficiaries of the service.

(b) Funding

Community Allocation: Council resolved that the most effective, equitable and transparent methods to fund this allocation is:

Te Kuiti Urban Rating Area

A combination of:

- (a) A Targeted Fixed Rate assessed on a per rating unit basis (which will fund the standing charges associated with the provision of the service). This charge will be increased no more than annually to a maximum of the Local Government Cost Index for that year.
- (b) The residual funding requirement will be met from a targeted rate assessed on a rate per \$100 of capital value per rating unit in the Te Kuiti Urban Rating Area.

Properties in the Te Kuiti Urban Rating Area that hold current resource consents to discharge stormwater directly into the Mangaokewa Stream, and which are not utilising any part of the urban reticulated Stormwater or drainage network, will not be assessed for the targeted rate based on property value. However, the TFR is associated with the overall provision of an urban Stormwater service. As such this component is deemed to relate to the public good element of an urban Stormwater service. Therefore, the TFR will be assessed on all properties in the Te Kuiti Urban Rating Area.

Rural Rating Area

A Targeted Fixed Rate will be assessed on the basis of every separately used or inhabited part of a rating unit within the Rural Rating Area.

In deciding the funding split between the Urban and Rural rating areas, Council recognised that most of the Stormwater network exists in the urban rating area and urban properties benefited most from the service.

User/Applicant Allocation: Given that minimal new growth is forecast, Council resolved that the Targeted Rate and the Targeted Fixed Rate differentiated by Te Kuiti and rural areas is the most efficient and transparently lawful available method for funding this allocation.

13.0 Resource Management

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district that cares for its environment	A district for people A prosperous district A district that values culture

13.1 Description

13.1.1 The Resource Management GOA work towards the goal of seeking to effectively and efficiently provide a safe and sustainable environment through the administration and enforcement of the Resource Management Act 1991 (RMA 1991).

13.1.2 These activities involve the administration, application and enforcement of the Waitomo District Plan provisions including:

- Issuing of resource consents for land use and subdivisions
- Monitoring consents for compliance with conditions
- Making amendments to the District Plan.

13.2 Activities

13.2.1 There are two functions under this activity:

1. District Plan Administration
2. District Planning

13.3 Activity Analysis and Funding Mechanisms

13.3.1 District Plan Administration

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	60%	55%	General Rate/UAGC
User/Applicant Benefit	35%	45%	Fees and Charges
Exacerbator	5%		

(a) Distribution of Benefits

District Benefit: There is a district wide benefit to this activity as ensuring that the sustainable management of physical and natural resources in the District are developed in a planned and orderly matter is beneficial to the entire District.

User/Applicant Benefit: Individuals and groups applying for Resource Consents requiring monitoring are direct beneficiaries of this service.

Exacerbators: These are costs incurred in responding to the actions of offenders. This includes costs associated with non-compliance with consent conditions, and can result in expensive legal action and/or hearings.

(b) Funding

User/Applicant Allocation: Council resolved that user fees and charges would be the most efficient, effective and transparently lawful method available for funding this allocation.

Exacerbator Allocation: It is usually inefficient to prosecute offenders. Council agreed that it was not efficient or effective to separately fund this allocation due to the costs associated with prosecution, collection and administration and that education and monitoring are probably the most effective methods to promote a safe and sustainable environment in the District. It was resolved to reallocate this portion to District Allocation.

District Allocation: The most appropriate method of funding the remainder of this activity is considered to be a combination of General Rate and UAGC given the 30% legislative cap on UAGC and the affordability considerations and the District wide benefit of these activities.

13.3.2 District Planning

Involves the planning and strategy development around urban and District development with a view to promoting the principles of sustainable development.

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	80%	100%	General Rate/UAGC
Regional Benefit	20%	0%	No funding mechanism

(a) Distribution of Benefits

District Benefit: District Planning benefits the wider District as a whole. Sustainable land use and growth planning seeks to uphold and protect outcomes that are important to the entire District. Every resident and ratepayer within the Waitomo District has the opportunity to be involved in Council's District Planning processes.

Regional Benefit: There is an element of Regional Benefit to Council's District Planning function in that Regional outcomes and priorities can be advanced at a local level. Further, there is a requirement in law that Council's District Plan is aligned with the regional policy statement.

(b) Funding Mechanism

District Allocation: Given the District wide benefit associated with District Planning, a combination of General Rate and UAGC was resolved to be the most efficient, effective and transparent method for funding this allocation.

Regional Allocation: As there is no lawful funding mechanism available to Council to recover from this group of beneficiaries, Council resolved that the Regional Benefit be reallocated to District Benefit and funded by a combination of General Rate and UAGC.

14.0 Wastewater

Wastewater assets will transfer to WWL on 1 July 2026. For the 2026/27 financial year, wastewater revenue will continue to be set and collected by WDC on behalf of WWL under the LGA 2002 and the LGRA 2002. WWL will adopt a Water Services Strategy and from 1 July 2027 all charges for wastewater will be set by WWL in accordance with LGWSA.

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that values culture A district that cares for its environment

14.1 Description

14.1.1 The purpose of the Wastewater Activity is to collect, treat and dispose of sewage in an effective and environmentally friendly manner. Effective and efficient sewage collection, treatment and disposal is essential to protect the environment, maintain public health and to facilitate further economic development.

14.2 Schemes

14.2.1 Council provides wastewater schemes in the following communities, in order to ensure the effective treatment and disposal of sewage in an environmentally sustainable manner and to promote and protect public health.

1. Te Kuiti
2. Piopio
3. Maniaiti/Benneydale
4. Te Waitere

14.3 Period of Benefit (Intergenerational Equity)

14.3.1 Capital works that are an improvement or addition to the asset are considered intergenerational.

14.4 Activity Analysis and Funding Mechanisms

14.4.1 District Wastewater

Attributable Benefit – Te Kuiti		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	8%	4%	TFR – District Benefit Wide (Transition rate for 3 years commencing 2025/26, with the intention to remove this rate by 1 July 2028 as we move to a “user pays” approach)
		4%	TFR – Trade Waste Contribution
Community Benefit	70% <u>76%</u>	70% <u>76%</u>	TFR – residential TFR – Te Kuiti Non residential Base Charge TFR – Te Kuiti Non residential pan charge
User/Applicant Benefit	22% <u>24%</u>	22% <u>24%</u>	Fees and Charges

(a) Distribution of Benefits

~~District Benefit: Wastewater services are provided by Council in communities where environmental, public health/safety and/or economic outcomes require it as an imperative. Council recognises that there is a District wide benefit from provision of adequate wastewater services in preventing environmental pollution and achieving public health outcomes. Council notes that the social, economic and environmental benefits of communities in the District having sustainable wastewater services accrue to the entire District and not just to those communities connected to a scheme.~~

Community Benefit: Wastewater collection and treatment reduces the possibility of health problems like spread of communicable diseases resulting from open sewer or inadequate septic tank facilities the benefits of which can be attributed to the community as a whole. Inadequate wastewater disposal facilities can also detract from the aesthetic nature of the community and impact on receiving waterways.

The Community benefit can vary depending upon the amount of demand present. High users include premises with multiple pans.

User Benefit: Individual users in the particular wastewater scheme who want to and are able to use the service can be identified as beneficiaries of the service.

(b) Funding

~~District Allocation: Given the District wide benefit assessed from the service, Council resolved a Targeted Fixed Rate assessed on each rating unit including those connected to an existing wastewater scheme to be the most efficient, effective and transparent method for funding this allocation.~~

~~The District Benefit rate for Wastewater will reduce in 2025/26 as the first step towards a "user pays" approach, taking into account potential changes to the future delivery of water and wastewater services as part of Local Waters Done Well reforms.~~

~~To assist in smoothing the impact of this change, Council will transition the reduction in this rate over 3 years commencing 2025/26, with the intention to remove the District Benefit rate by 1 July 2028. The allocation for the 2025/26 financial year will be assessed at 6% of the rates requirement (excluding the trade waste contribution rate).~~

Community Allocation: Council resolved a uniform (harmonised) Targeted Fixed Rate (TFR) across all scheme areas in the district and assessed on each separately used or inhabited part of a rating unit, would be the most efficient, effective and transparently lawful method for funding this allocation.

Within a scheme area, the TFR will be differentiated by properties that are connected or have the ability to connect (serviceable). Any SUIP will be considered to have the ability to connect (serviceable) if in the opinion of Council it is practicably serviceable and its boundary is situated within 30 metres of Council's sewerage main, to which it is able to be connected but is not so connected.

User Allocation: Council resolved user Fees and Charges to be the most efficient method for funding this allocation for Te Kūiti, where revenue is received from connection fees and Trade Waste charges.

14.4.2 Te Kuiti – Non Residential

14.4.2.1 For all non-residential properties in Te Kuiti, Council will assess a Targeted Fixed Rate per SUIP set on a differential basis based on the following Categories (differentiated by the use to which land is put):

- **Category 1** - All Businesses
- **Category 2** - Education & Community Childcare, Places of Worship, Marae, Clubs and Societies and Emergency Services. This category consists of organisations that are generally deemed 'not for profit'. For avoidance of doubt, Category 2 only covers properties with uses listed within this category and no others.

- **Category 3** - Government Department use, Rest Homes and Hospitals.
- **Ability to connect** – Those non-residential properties which are not connected but have the ability to connect.

14.4.2.2 All non-residential SUIPs will be charged one base charge for up to four pans and per pan (Pan Charge) for every pan over and above this threshold. The base charge and per pan charge is calculated as follows:

Category	Base Charge	Pan Charge (per pan)
Category 1	50% of District residential connected rate (for up to 4 pans)	70% of District residential connected rate (for 5th pan and over)
Category 2	50% of District residential connected rate (for up to 4 pans)	30% of District residential connected rate (for 5 – 10 pans)
		20% of District residential connected rate (for over 10 pans)
Category 3	100% of District residential connected rate (for up to 4 pans)	70% of District residential connected rate (for 5th pan and over)
Ability to connect – base charge	50% of the District residential connected rate	

14.4.3 Trade Waste Charges

14.4.3.1 The Trade Waste Bylaw regulates the discharge of Trade Waste to a wastewater system operated by Council and sets out the mechanism for implementing trade waste charges.

~~Larger industrial meat processing industries (namely Te Kuiti Meats Ltd and Universal Beef Packers), who discharge trade waste into Council's sewerage system, play a major role in the local community. The very nature of their presence means that they contribute to economic and social well being. They do that by virtue of the fact that they employ a large number of local people. There are a range of positive downstream impacts for the community as a result. There is an economic benefit in that the related employment results in economic activity with people living locally and investing in the local property market, sending their children to local schools and spending their earnings within the local economy. Social benefits also accrue with families becoming integrated within the local community, joining clubs and societies and reduced crime.~~

14.4.3.2 Council will continue with the 'exacerbator pays' principle for the large industrial meat processing companies as users of the sewerage network in Te Kuiti through the continued implementation of the Trade Waste Bylaw as it relates to Trade Waste Charges. ~~However, Council will recognise the public good attached to the contribution these significant industries make to the social and economic well being of the District Wide Community. This public good component is considered to be enjoyed by all in the community. By having such a large combined demand for a labour force means that these industries attract people to our community for work and lifestyle reasons. Having these people living and working in the community provides economies of scale for infrastructure and services that are then enjoyed by all in the District. Further, these industries not only provide employment opportunities but also largely exist to add value to products produced by primary industry within the Waitomo District.~~

~~Council has decided that the cost of receiving and treating Trade Waste from the two major industrial meat processing industries via the Te Kūiti sewerage network will be funded 80% by way of Trade Waste Charges (Exacerbator Pays) and 20% by way of Targeted Fixed Rate (Public Good) on a per rating unit basis across every rateable property in the District.~~

14.4.3.3 ~~The continuation of the cap on Trade Waste Charges at 80% of full cost recovery for the two meat processors only is dependent on Te Kūiti Meats Limited and Universal Beef Packers providing a demonstrable commitment to an agreed level of on-site treatment of their Trade Waste prior to releasing it to the Te Kūiti Wastewater Network.~~

15.0 Water Supply

Water supply assets will transfer to WWL on 1 July 2026. For the 2026/27 financial year, water supply revenue will continue to be set and collected by WDC on behalf of WWL under the LGA 2002 and the LGRA 2002. WWL will adopt a Water Services Strategy and from 1 July 2027 all charges for water supply will be set by WWL in accordance with LGWSA.

Level of alignment to community outcomes

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that values culture A district that cares for its environment

15.0 Description

15.1 The Water Supply activity provides for the environmentally safe collection, treatment and reticulation of Council's public water supplies. Water supply is essential to run households, maintain public health and sustain economic development. Council is committed to providing a water supply service that meets the diverse needs of the Waitomo District.

15.2 Supply Areas

15.2.1 Council provides water supply in the following communities:

1. Te Kuiti
2. Maniaiti/Benneydale
3. Mokau
4. Piopio

15.3 Period of Benefit (Intergenerational Equity)

15.3.1 Capital works that are an improvement or addition to the asset are considered intergenerational in nature.

15.4 Activity Analysis and Funding Mechanisms

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	6%	6%	TFR – District Benefit (Transition rate for 3 years commencing 2025/26, with the intention to remove this rate by 1 July 2028 as we move to a “user pays” approach)
Community Benefit	68 64%	68 64%	TFR – Per community where service is provided (Te Kuiti and Rural areas). Harmonisation paused. ^{1,7} Transition rate until a decision on the forming of a regional entity for delivery of water services is made
User/Applicant Benefit	30 32%	30 32%	Targeted Metered Water Rate

(a) Distribution of Benefits

~~District Benefit: Council has assessed that there is a District-wide benefit from provision of adequate water supply services in its communities. Council notes that the social, economic and environmental benefits of communities in the District having sustainable Water Supply services accrue to the entire District and not just to those communities connected to services.~~

Community/User Benefit: Water treatment and supply contributes to providing a safe and healthy lifestyle and reduces the possibility of health problems resulting from contaminated water and inadequate supply. These benefits are attributable specifically to the community as a whole.

Provision of water supply ensures the maintenance of fire-fighting capability, the benefits of which accrue to the entire community. Factors such as the sensitivity of the surrounding environment on the availability of water at source are outside of a community's control.

All residents and properties in the area serviced by a particular water supply scheme can be identified as direct beneficiaries of the service.

(b) Funding

~~District Allocation: Council resolved that a Targeted Fixed Rate assessed on all rating units in the District including those connected to an existing Water supply scheme is the most transparent, equitable and appropriate method of funding this benefit allocation, as well as reflect the that the provision of adequate water supply services benefits the whole District as it is essential for maintaining public health and safety and protection of property from fire.~~

~~The District Benefit rate for Water Supply will reduce in 2025/26 as the first step towards a "user pays" approach, taking into account potential changes to the future delivery of water and wastewater services as part of Local Waters Done Well reforms and the planned installation of water meters in Years 4 and 5 of the LTP 2024-34.~~

~~To assist in smoothing the impact of this change, Council will transition the reduction in this rate over 3 years commencing 2025/26, with the intention to remove the District Benefit rate by 1 July 2028. The allocation for the 2025/26 financial year will be assessed at 6% of the total rates requirement.~~

Community Allocation: In the previous 10YP, Council resolved that a uniform (harmonised) Targeted Fixed Rate across all supply areas in the district and assessed on each separately used or inhabited part of a rating unit, would be the most efficient, effective and transparently lawful method for funding this allocation.

~~The activity was to be fully harmonised in 2024/25, however due to~~ ~~Due to~~ affordability considerations and ~~the transfer uncertainty around future ownership of water supply assets to WWL at 1 July 2026,~~ Council will ~~continue to pause the current~~ not progress the transition to full harmonisation of the charges. ~~over the life of the plan. The activity was to be fully harmonised in 2024/25 however due to the uncertainties with the formation of a regional entity to deliver water services and the implementation of metered water commencing from Year 4 Council have elected to pause the full harmonisation of the charges.~~ Within a water supply area, the TFR will be differentiated for properties that are connected or have the ability to connect (serviceable).

Any SUIP will be considered to have the ability to connect (serviceable) if, in the opinion of Council, it is practicably serviceable and its boundary is situated within 100 metres of a water main, to which it is able to be connected but is not so connected.

User Allocation: Any SUIP situated in Te Kuiti, Piopio, Maniaiti/Benneydale or Mokau that has been fitted with a water meter and/or is defined as having an extraordinary supply (in accordance with Council's Water Services Bylaw) will be charged a targeted fixed rate per

cubic metre of water consumed over and above an annual consumption of 292m3 per SUIP.

16.0 Roads and Footpaths

Level of alignment to community outcomes

Council considers the community outcomes that this activity contributes to as:

Primary Contribution	Secondary Contribution
A district for people	A prosperous district A district that cares for its environment

16.1 Description

- 16.1.1 The Roads and Footpaths GOA includes the maintenance and development of roads, kerbs and channels, bridges, street lighting, footpaths and street cleaning for all of the Waitomo District, with the exception of the State Highways, which are managed by NZTA Waka Kotahi.
- 16.1.2 Council maintains its roads under contract to a standard that provides safe and comfortable driving within the limitations of available funding.

16.2 ACTIVITIES

16.2.1 The functions comprising this activity are:

1. Subsidised Roading
2. Unsubsidised Roading

16.3 Period of Benefit (intergenerational equity)

- 16.3.1 The benefit of most operating costs is expected to arise in the year the funding is sourced. Capital works that are an improvement or addition to the asset are considered intergenerational in nature.
- 16.3.2 In relation to the damage to local roads from forestry harvest the period of benefit has been considered over an exotic forest's life (ie 27 years) because of the high road damage costs during harvest relative to the rest of the forest's growing lifecycle.

16.4 Costs and benefits

- 16.4.1 There is a greater opportunity for the Waitomo District community to have input on decisions, proposals, issues and other matters through consultation by treating the Roading activity distinctly from other activities. The Roads activity comprises two functions due to the requirement to identify expenditure eligible for NZTA funding and the other expenditure that is not eligible for subsidy.
- 16.4.2 The contribution towards the community outcomes were considered as well as the long term sharing of these costs versus the social, environmental and economic benefit that comes from the exotic forestry sector.
- 16.4.3 Modelling of forestry compared to non-forestry road costs has made it more transparent that there was a significant difference in costs. The modelled incremental costs from harvest damage are not fully passed on through the rating differential and there is strong intent to work with forestry businesses to find the best solution for maintaining and funding road damage during log harvest.

16.5 Impact on social, economic, environmental, and cultural well-being of the community

- 16.5.1 In considering the setting of the differential factors, Council reduced the differential factor to recognise the benefit that Forestry Activities provide to the district and to assist with affordability. The benefit recognised that the forestry industry provides to the district is through employment and commercial activity.

- 16.5.2 The capital value of the forestry property values do not include the value of the trees resulting in a lower capital value compared to other property categories thereby resulting in forestry properties contributing significantly less towards roading costs.
- 16.5.3 Consideration of the overall impact of the introduction of the differential categories and the resulting differential rates on each category of ratepayer.
- 16.5.4 The roading activity therefore lends itself to be funded by a separate targeted rate. There are several indicators why there should be a separate differential on the roading rate for exotic forestry (detailed above).
- 16.5.5 Due to the relatively low capital value of forestry land but the high contribution to roading costs from harvesting activities, the differential should be a substantial uplift on other categories of land. The differential for exotic forestry properties has been moderated somewhat less than the direct contribution to costs caused to due the benefits to the wider community from the exotic forestry activity and the affordability on ratepayers. Having regard to the overall effect of any rating impact, the Council has settled on a differential factor of 3. This differential factor may be reviewed during the 2025/26 annual plan development.

16.6 Activity Analysis and Funding Mechanisms

- 16.6.1 Council has chosen to differentiate the District Roading Rate into two categories and will use the 'use to which the land is put' (Schedule 2 (1) of LGRA 2002) to define the land liable for these rates. The TR will be assessed as a rate per \$100 of capital value to part fund the Roads and Footpaths activity. Council has chosen to primarily use valuation data to determine the allocation of rating units to differential rate categories.

The following land use categories and differential factors will apply to the District Roading Rate:

Differential Category	Definition	Differential Factor
a) District Roading Rate - General	All rating units in the district excluding those properties categorised as differential b) below.	1.0
b) District Roading Rate - Forestry Exotic	<p>Rating units that have been assigned the FE category code (Forestry Exotic) by Council's Valuation Service Provider and/or properties that are partially used for exotic forestry.</p> <p>Properties with a mixed use</p> <p>Where rating units have a mixed use (eg; pastoral and exotic forestry), and the area of exotic forestry is 20 hectares or more, the rating unit will be apportioned to enable the district roading rate to be charged correctly.</p> <p>The portion used for exotic forestry will be charged the differential of 3.0 and the remaining portion will be charged the differential of 1.0.</p>	3.0

16.7 Subsidised Roading

- 16.7.1 Waka Kotahi the national road funding authority, provides a subsidy for works that meet the criteria for subsidy. The Activities currently subsidised by Waka Kotahi are:

1. Sealed Pavement Maintenance
2. Unsealed Pavement Maintenance
3. Footpath Maintenance
4. Footpath Renewals
5. Routine Drainage Maintenance

6. Structures Maintenance
7. Environmental Maintenance
8. Traffic Services Maintenance
9. Level Crossing Warning Devices
10. Emergency Reinstatement
11. Network and Asset Management
12. Professional Services
13. Road repairs for damage to local roads from forestry harvesting

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
National Benefit	50%	71%	Subsidy
District Benefit	45%	27%	Differentiated Targeted Rates for 2 categories (rate per \$100 of capital value)
Exacerbator	5%	1%	Differentiated Targeted Rates for 2 categories (rate per \$100 of capital value)
		1%	Fees and charges (Petroleum Tax Rebates and Contributions)

(a) Distribution of Benefits

National Benefit: The District's roading network is part of the national and regional transport network. Efficient and sustainable development of the network within the District contributes to the economic and social well-being of the entire nation and region, as it is used by travellers, goods transporters and others who may or may not live in the District. Transport facilities are maintained and developed to provide safe and comfortable travel within and through the District.

District Benefit: All residents and businesses within the District can be identified as direct beneficiaries of the service as provision of roads enables access and transport to people and organisations within the District. The economic benefits of maintaining efficient transport facilities accrue to all residents of the District in one way or another.

Exacerbator: Extensive damage may occur to local roads from heavy vehicle movements during the forest harvest resulting in increased costs for repairing roads during and after the harvest period. The forestry traffic, at times of harvest, creates significant damage beyond that of other users to roads. The frequency of heavy traffic use during the harvest is believed to also accelerate damage compared to if the same volume was spread over a much longer period.

The implementation of forestry differential to recover part of the direct cost of exotic forest harvesting on local roads is seen to be a prudent way to balance the economic benefits derived by the district from forestry operations with the increased costs of maintaining local roads during harvest. The incremental annual average cost of maintaining a forestry road over the forest lifecycle is well in excess of the cost to maintain other roads and therefore an additional contribution from ratepayers who own exotic forests is considered appropriate.

In the case of mixed-use properties with less than 20 hectares of forestry, it was considered that these blocks may be too small to make a material impact on roading during harvest. This land may be steep or in small plantings that may have taken place to aid with erosion and may not be harvested.

(b) Funding

National Allocation: The National benefit portion is funded through the NZTA Waka Kotahi subsidy.

The amount of subsidy is decided by NZTA Waka Kotahi and is based on assessing costs and benefits therefore, Council resolved that the remainder of this allocation be transferred to District Allocation.

District Allocation: Council resolved that a combination of differentiated targeted rates (rate per \$100 of capital value) assessed on the two categories defined above, Petroleum Tax Rebates and contributions to works would be the most efficient and transparently lawful method of funding this allocation.

Exacerbator Allocation: Council resolved that differentiated targeted rates (per \$100 of capital value) assessed on the two categories defined above would be the most efficient method of funding this allocation. Council will continue to work with forestry parties to establish agreements whereby the parties assume all or part of the funding and/or management of the road repairs or reconstruction for roads directly and significantly impacted when forest harvesting takes place.

16.8 Unsubsidised Roding

16.8.1 These are activities carried out to ensure the safe and efficient travel within and through the District and are necessary for road or pedestrian safety and convenience but are not subsidised by NZTA Waka Kotahi and for which Council has sole financial responsibility.

These include:

1. Amenity Lights
2. Unsubsidised Miscellaneous work including road legalisation and road stopping and support services for unsubsidised road projects
3. Street Cleaning and Litter Bins
4. Carpark maintenance (other than kerbside parking)

Attributable Benefit		Funding	
Benefit Group	% of Benefit	%	Method
District Benefit	100%	83%	Differentiated Targeted Rates for 2 categories (rate per \$100 of capital value)
		17%	Fees and Charges

(a) Distribution of Benefits

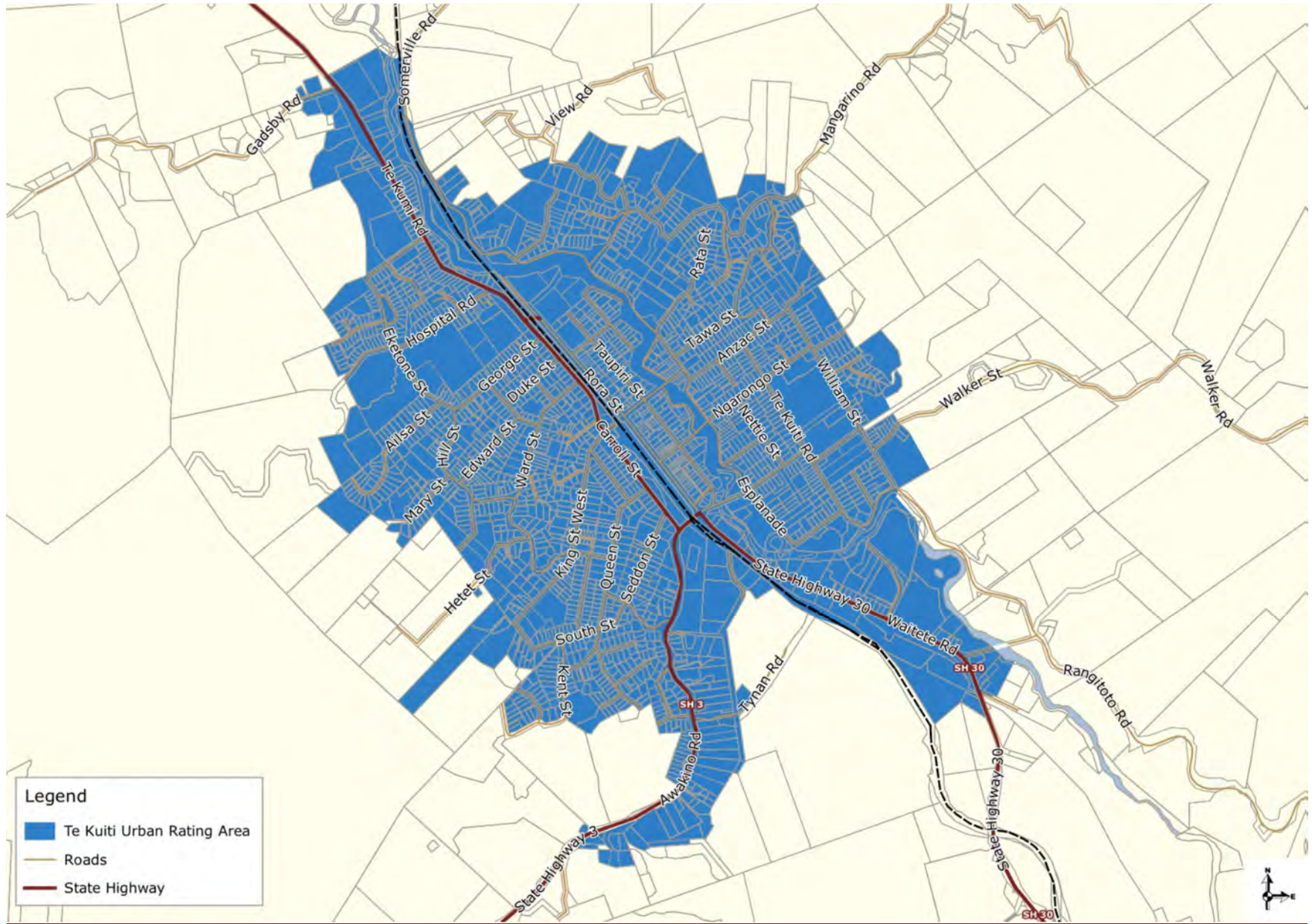
District Benefit: Maintenance of transport services to provide for pedestrian safety and convenience has a District wide benefit in that all residents use or visit the urban centres.

(b) Funding

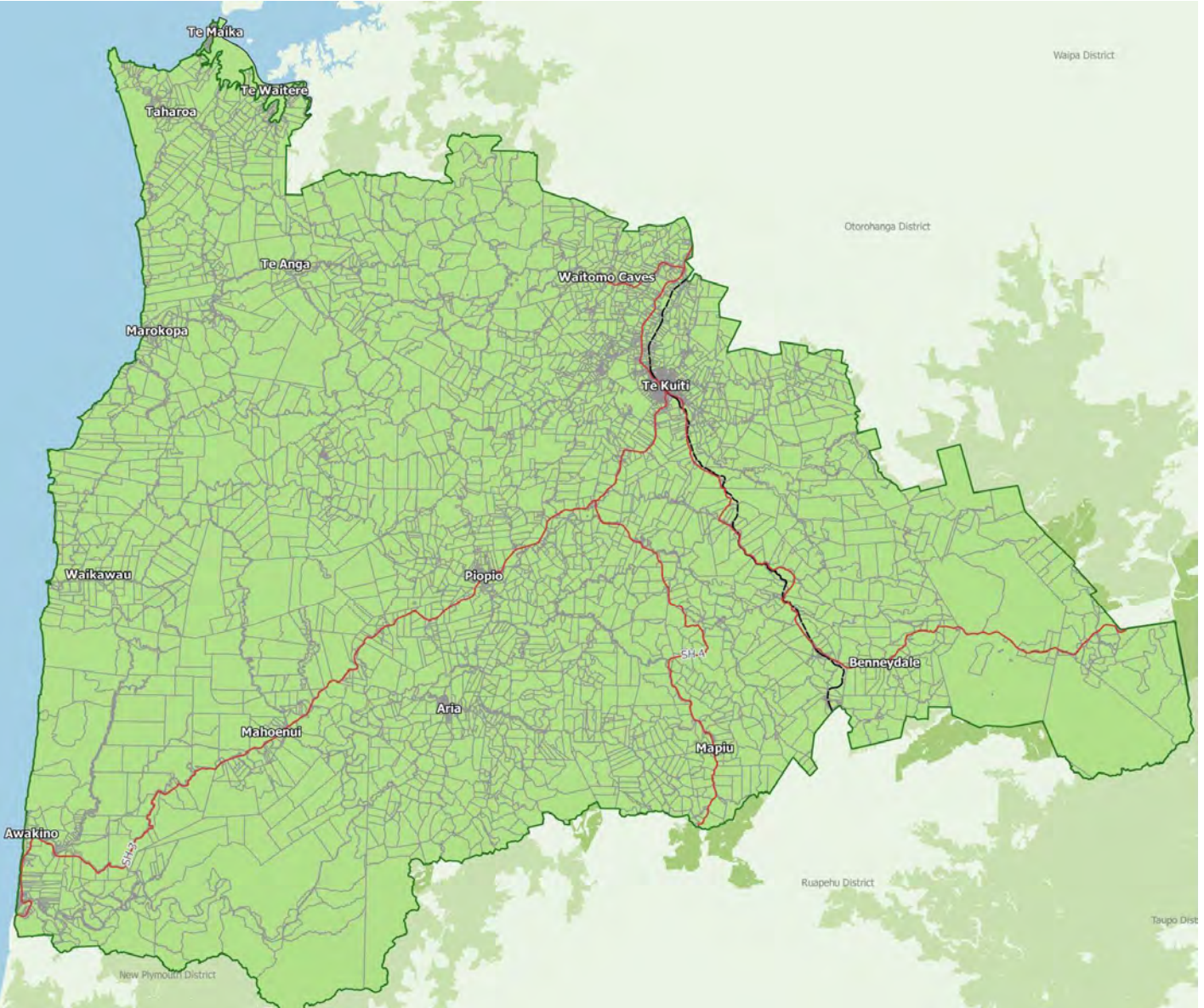
District Allocation: Council resolved that a combination of differentiated targeted rates (per \$100 of capital value) assessed on the two categories defined above and fees and charges would be the most efficient method of funding this allocation.

Fees and charges include receipts from road closures, overweight permits, etc. together with a long-standing contribution from identified parties towards maintenance of the District's roads based on annual production or capitation.

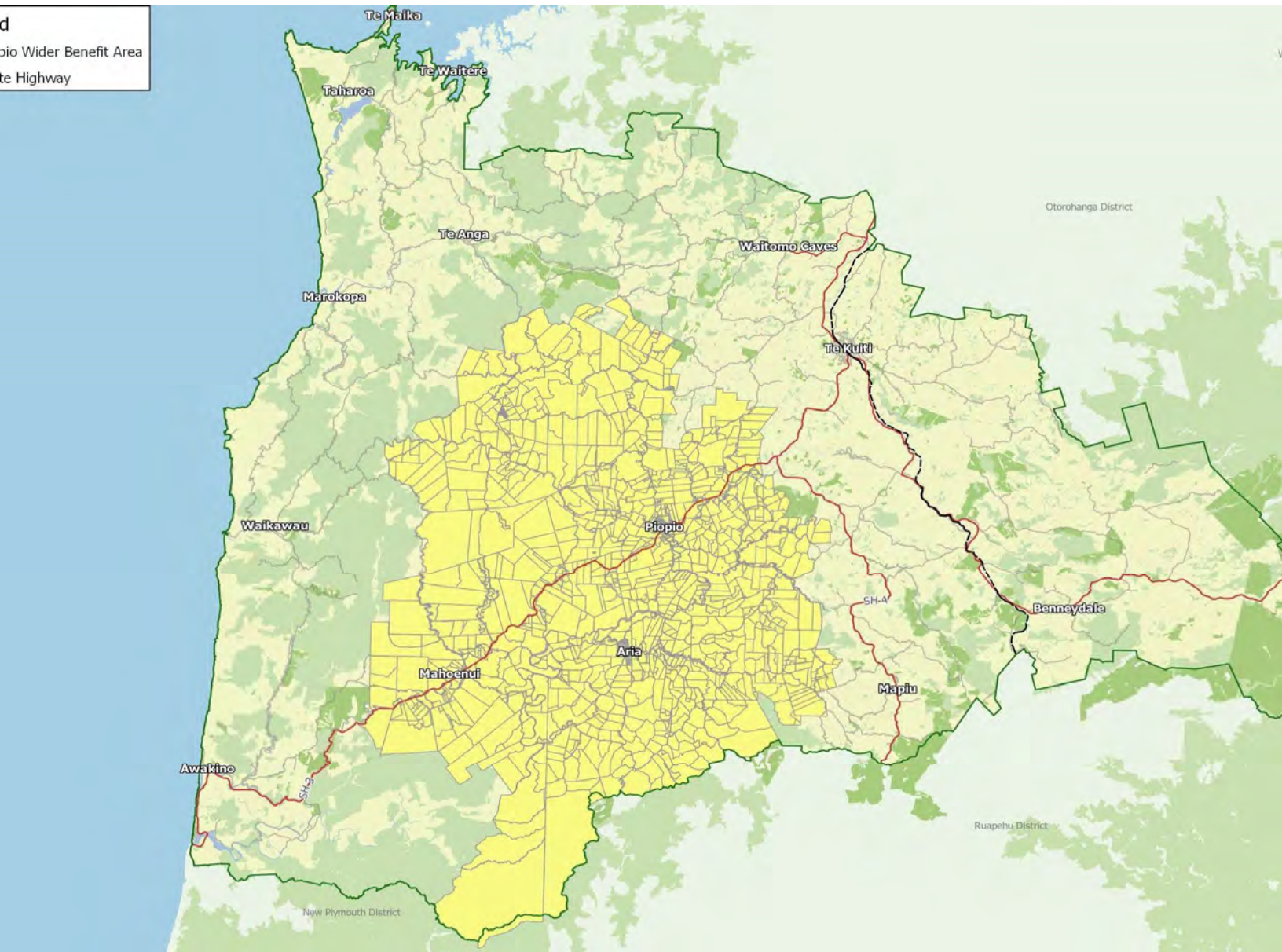
APPENDIX ONE: TE KUITI URBAN RATING AREA



INDEX TWO: RURAL RATING AREA



INDEX THREE: PIOPIO WIDER BENEFIT AREA



Waitomo District Council

Significance and Engagement

Policy ~~2024~~2026

Kaupapa Here Whai Pūtake me te Tūhonohono

First adopted	2014
Last Reviewed	2018, 2021, June 2024, <u>2026</u>
Review Date	June 2027 <u>2026</u>
Associated documents	N/A
Responsibility	General Manager - Strategy and Environment

Contents

INTRODUCTION KUPU ARATAKI.....	3
PURPOSE AND SCOPE TE ARONGA ME TE KORAHI.....	3
DEFINITIONS NGĀ WHAKAMĀRAMATANGA	3
POLICY KAUPAPA HERE	5
1. Assessment of Significance He aromatawai i te pūtake	5
2. Engagement and Consultation Tūhonohono me te whakawhiti korero	6
SCHEDULE 1 – STRATEGIC ASSETS WAHANGA 1 – RAWA RAUTAKI.....	7
SCHEDULE 2 – COMMUNITY ENGAGEMENT GUIDE WAHANGA 2- ARATAKINGA TŪHONOHONO HAPORI	8

INTRODUCTION | KUPU ARATAKI

Waitomo District Council's Significance and Engagement Policy was adopted in 2014 to meet the legislative requirements under the Local Government Act 2002 (the LGA) and was subsequently reviewed every three years during the Long Term Plan review. The Policy:

- enables the Council and our communities to understand the significance Council places on certain issues, proposals, assets, decisions and activities; and
- identifies how and when communities can expect to be engaged or specifically consulted on these matters.

The Significance and Engagement Policy applies across our Council. When assessing the degree of significance and deciding on appropriate engagement or consultation processes, the Policy requires us to take into consideration other legislative requirements, as well as any other agreements that might already be in place.

To ensure Council engages as effectively as possible with its diverse communities, we gather information on people's views and preferences in a variety of ways. Sometimes that might be via formal statutory consultation process, or it might be via a more informal engagement process. Either way, the overall intent is to ensure that, wherever possible, anyone who wishes to contribute ideas or information to important Council processes and decisions has the opportunity to do so.

PURPOSE AND SCOPE | TE ARONGA ME TE KORAHĪ

1. To enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities.
2. To provide clarity about how and when communities can expect to be engaged in decisions made by Council.
3. To inform Council from the beginning of a decision-making process about the extent, form and type of engagement required.

DEFINITIONS | NGĀ WHAKAMĀRAMATANGA

Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Core Service	<p>As stated in <u>the updated</u> Section 11A of the LGA 2002 <u>(as per Local Government (Systems Improvements) Amendment Bill)</u>:</p> <p><i>In performing its role, a local authority must have particular regard to the contribution that the following core services make to its communities:</i></p> <ul style="list-style-type: none"> (a) <i>network infrastructure</i> (b) <i>public transport services</i> (c) solid waste collection and disposal <u>waste management and minimisation</u> (d) the avoidance or mitigation of natural hazards <u>civil defense and emergency management</u> (e) <i>libraries, museums, reserves, and other</i> <u>community and recreational facilities</u> and community amenities.

Decisions	Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. <i>(Management decisions made by officers under delegation during the implementation of Council decisions will not be deemed to be significant)</i>
Engagement	Term used to describe the process of seeking information from the community to inform and assist decision making. There is a continuum of community involvement.
Group of Activities	The term is used to describe a whole-of-activity approach. Without limiting the application of this provision to other assets, it means all activities and assets comprised within a group as a whole and not each individual component of the group.
LGA 2002	Local Government Act 2002.
Significance	As defined in Section 5 of the LGA2002 <i>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 local authority, in terms of its likely impact on, and likely consequences for,—</i> (a) <i>the district or region;</i> (b) <i>any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;</i> (c) <i>the capacity of the local authority to perform its role, and the financial and other costs of doing so.</i>
Significant	As defined in Section 5 of the LGA 2002 <i>Means that the issue or proposal, decision, or other matter has a high degree of significance.</i>
Significant Activity	Describe those Groups of Activities which are both a Core Service of Council AND in which Council has historically invested substantial funding. These include: <ul style="list-style-type: none"> • Roding • Water • Wastewater • Solid Waste • Recreation and Culture • Public Amenities • Parks and Reserves
Strategic Asset	As defined in Section 5 of the LGA 2002 and Schedule 1 of this Policy.

POLICY | KAUPAPA HERE

1. Assessment of Significance | He aromatawai i te pūtake

- 1.1. An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement, will be considered in the early stages of a proposal before decision making occurs and, if necessary, reconsidered as a proposal develops.
- 1.2. The Council will take into account the following matters when assessing the degree of significance of proposals and decisions, and the appropriate level of engagement:
- a) the level of financial consequences of the proposal or decision.
 - b) whether the proposal or decision will affect a large portion of the community.
 - c) whether the impact or consequences of the decision or proposal on the affected persons (being a number of persons) will, in Council's view, be substantial.
 - d) the likely impact on present and future interests of the community.
 - e) the likely impact on Māori cultural values and their relationship to land and water.
 - f) whether the proposal affects the level of service of a significant activity.
 - g) whether community interest is high.
 - h) whether the likely consequences are controversial.
 - i) whether community views are already known, including the community's preferences about the form of engagement.
 - j) the form of engagement used in the past for similar proposals and decisions.
 - k) there is a legal requirement to engage with the community.
- 1.3. If the financial consequences of the proposal or decision exceed the following thresholds the proposal or decision will be considered significant:
- 1.4. A possible increase in funding requirement in excess of:
- a) 20% of total Council operating budget costs, or
 - b) Capital expenditure in excess of 2.5% of the total value of Council's assets

Note 1: Emergencies and emergency works of Council are excluded from these thresholds, as by their very nature, they are unplanned and must be responded to immediately.

Note 2: The threshold for capital expenditure relates to new or development expenditure only. Asset renewal is an important and integral aspect of owning and managing assets.

Note 3: The thresholds above are not mutually exclusive. Capital expenditure is likely to result in associated operating costs, which must also be tested for materiality.

Note 4: The thresholds are calculated including current and non-current assets, gross FAR funding, interest and total depreciation expense (including non-funded depreciation)

- 1.5. If a proposal or decision is affected by a number of the above considerations, it is more likely to have a higher degree of significance.
- 1.6. Engagement with the community is needed to understand the views and preferences of people likely to be affected by or interested in, a proposal or decision that is being considered by Council.
- 1.7. In general, the more significant an issue, the greater the need for community engagement.

2. Engagement and Consultation | Tūhonohono me te whakawhiti korero

- 2.1. The Council will apply a consistent and transparent approach to engagement.
- 2.2. Council is required to undertake a Special Consultative Procedure as set out in Section 83 of the Local Government Act 2002, or to carry out consultation in accordance with or giving effect to Section 82 of the Local Government Act 2002 on certain matters (regardless of whether they are considered significant as part of this policy). There are also other pieces of legislation like the Resource Management Act 1991 and Reserves Act 1977, which have their own requirements with regard to engagement which will be taken into account when determining the extent of community engagement.
- 2.3. For all other issues requiring a decision, Council will determine the appropriate level of engagement on a case by case basis.
- 2.4. The Community Engagement Guide (attached as Schedule 2) identifies the form of engagement Council may use to seek feedback on some specific issues. It also provides examples of types of issues and how and when communities could expect to be engaged in the decision making process.
- 2.5. Where Joint Management Agreements (JMAs), Memorandums of Understanding (MOUs) or any other similar high-level agreements exist, these will be considered as a starting point when engaging with Māori who are a party to the particular JMAs or MOUs on matters relevant to that agreement.
- 2.6. When Council makes a decision that is significantly inconsistent with this Policy, the steps identified in Section 80 of the Local Government Act 2002 will be undertaken.

SCHEDULE 1 – STRATEGIC ASSETS | WAHANGA 1 – RAWA RAUTAKI

1. Section 5 of the Local Government Act defines a strategic asset as:

Strategic asset 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 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.
2. The following is a list of assets or group of assets that the Council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.
- Roding and Footpath Network as a whole.
 - ~~Water Network and Treatment Plants as a whole.~~
 - ~~Wastewater Network and Treatment Plants as a whole.~~
 - Reserves listed and managed under Reserves Act 1977.
 - Housing for Elderly Persons as a whole.
 - Stormwater Network as a whole.
 - Refuse Transfer Station Network.
 - Public Cemeteries.
 - Les Munro Centre.
 - Gallagher Recreation Centre
3. The Strategic Assets (as defined above) are the assets in total and not every single element of the assets. For example:
- It is the ~~Water Supply~~ Stormwater Network as a whole that is the strategic asset and not each individual pipeline, filter and pump station.
 - The Roding Network is strategic, but small parcels of land that make it up may not be, and the purchase (or sale) of such parcels of land is unlikely to amount to a significant decision.
4. The requirements of section 97 of the Act are therefore only triggered if the proposal relates to the asset **as a whole**, or a **major sub-part** of the asset.

SCHEDULE 2 – COMMUNITY ENGAGEMENT GUIDE | WAHANGA 2-ARATAKINGA TŪHONOHONO HAPORI

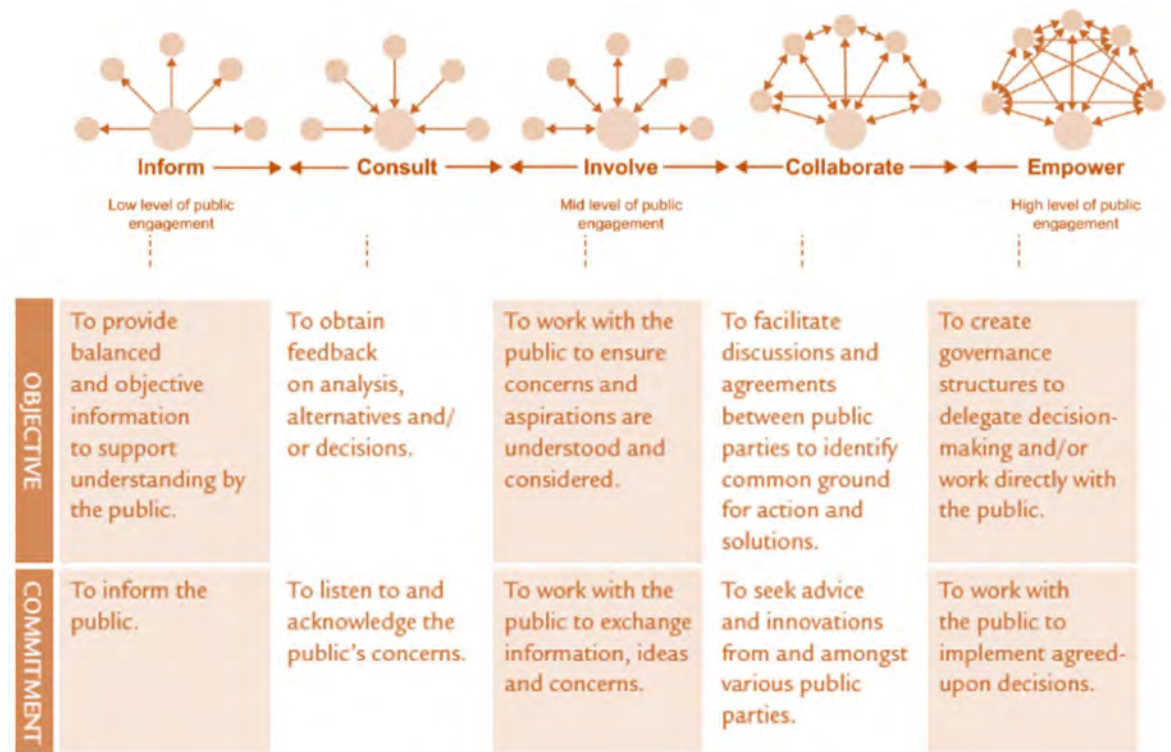
Community Engagement:

- is a process
- involves all or some of the public
- 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.

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



When engaging with the community, the Council will:

- seek out and encourage contributions from people who may be affected by or interested in a decision,
- provide reasonable access to relevant, timely and balanced information so people can contribute in a meaningful way,

- provide a variety of appropriate ways and opportunities for people to have their say, and;
- tell the community what the Council's decision is and the reasons for that decision; and
- provide a clear record or description of the relevant decisions made by Council and explanatory material relating to the decision.

Forms of Engagement

The Council will use the Special Consultative Procedure (as set out in section 83 of the LGA 2002) where required to do so by law, including for the following issues requiring decisions:

- The adoption or amendment of a 10 Year Plan (in accordance with section 93 A of the LGA 2002).
- The adoption, amendment, or revocation of Bylaws if required under section 156(1)(a) of the LGA 2002.
- The adoption, amendment or revocation of a Local Alcohol Policy.
- The adoption or review of a Local Approved Products (Psychoactive Substances) Policy.
- The adoption or review of a Class 4 Venue Policy under the Gambling Act 2003.
- The preparation, amendment or revocation of a Waste Management and Minimisation Plan.

Unless already explicitly provided for in the 10 Year Plan, the Council will seek to amend its 10 Year 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 Council, including commencing or ceasing such an activity; or
- transfer the ownership or control of strategic assets, as listed in Schedule 1.

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 LGA 2002 where required to do so by law, including for the following specific issues requiring decisions:

- Transferring responsibilities to another local authority under section 17 of the LGA 2002.
- Establishing or becoming a shareholder in a Council-Controlled Organisation.
- 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.
- Adoption, amendment or revocation of Bylaws in accordance with section 156(1)(b) of the LGA 2002.
- Prescribing fees in a Bylaw under section 150 of LGA 2002.

For such consultation, Council will develop information fulfilling the requirements of Section 82A of the LGA 2002, will make this available to the public, allow written submissions for a period of up to 4 weeks, and will consider all submissions prior to making decisions.

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

Significance Rating	Level of Engagement	What does it involve?	Examples	Engagement – Tools & Timing
High	Empower 	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.	Elections Binding Referendums	<div style="border: 1px solid black; padding: 2px; display: inline-block; color: red; font-weight: bold;">More Time More Resources</div> Voting Council will generally provide the community with a greater lead in time to allow them to be involved in the process e.g. typically a month or more time.
	Collaborate 	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	Significant capital projects	External working groups (involving community experts) Expressions of Interest Document 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.
High	Involve 	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Long Term Plan Annual Plan District Plan	Waitomo Way and other Council publications Surveys Radio Website Existing community meetings (Elected Member briefings) Specific community meetings where feasible Submissions and Hearings Social Pin Point Council would generally provide the community with a greater lead in time to allow them time to be involved in the process.
Medium	Consult 	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making.	Local Alcohol -Policy Bylaw reviews	Waitomo Way and other Council publications Radio Website Existing community meetings Submissions and Hearings Social Pin Point 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.
Low	Inform 	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Water Restrictions Annual Report Legislative changes	Waitomo Way and other Council publications Radio Website <div style="border: 1px solid black; padding: 2px; display: inline-block; color: red; font-weight: bold;">Less Time Less Resource</div> Council would generally advise the community once a decision is made.

Engagement Tools and Techniques

Over the time of decision making, Council may use a variety of engagement tools. The ones shown in the Table above are a guide. Tools and techniques used will be based on a range of 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.

DRAFT – Under review
Waitomo District Council
Policy on Appointment of
Directors to Council Controlled
Organisations

First adopted	June 2003
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CONTENTS

PURPOSE AND SCOPE TE ARONGA ME TE KORAHĪ	3
DEFINITIONS NGĀ WHAKAMĀRAMATANGA	3
POLICY KAUPAPA HERE	4
1. CRITERIA FOR SELECTING DIRECTORS (GENERAL).....	4
2. PROCEDURES FOR APPOINTMENT OF DIRECTORS (GENERAL)	5
3. PROCEDURES FOR APPOINTMENT OF DIRECTORS TO INFRAMAX CONSTRUCTION LIMITED.....	6
4. WAITOMO DISTRICT COUNCIL CONTROLLED ORGANISATIONS.....	7
5. CCOS AND CCTOs IN WHICH COUNCIL HAS A MINORITY INTEREST	7

PURPOSE AND SCOPE | TE ARONGA ME TE KORAHĪ

1. This purpose of this policy is to set out, in accordance with Section 57 of the Local Government Act 2002 (the "Act") an objective and transparent process for:
 - (a) Identifying and considering the skills, knowledge and experience required of directors of a Council organisation.
 - (b) Appointing directors to a Council organisation.
 - (c) Determining the remuneration of directors of a Council organisation.
2. This policy will:
 - (a) Comply with section 57 of the Local Government Act 2002.
 - (b) Disclose the process and criteria Council will apply to the appointment, removal and setting of remuneration for directors of Council organisations.
3. When Council is involved with CCO's under the definitions of Section 6(1) of the LGA, Council will disclose its interests in these organisations in the Long Term Plan.
- ~~3.4.~~ This Policy is not required for the appointment of directors to a water organisation CCO which is covered by Section 48 of the Local Government Water Services Act 2025 (LGWSA).

DEFINITIONS | NGĀ WHAKAMĀRAMATANGA

Council Organisation ("CO")	as defined in Section 6 of the Act of the Local Government Act 2002 a CO is an organisation in which Council has a voting interest and/or the right to appoint a director, trustee or manager.
Council Controlled Organisation (CCO)	means a CO in which one or more local authorities' control, directly or indirectly, 50% or more of the voting rights and/or have the right, directly or indirectly, to appoint 50% or more of the directors, trustees or managers.
Council Controlled Trading Organisation CCTO	means a CCO which operates a trading undertaking for which making a profit is one of its purposes.
Appointments and Chief Executive Relationship Committee	means a committee appointed by Council consisting elected members that has the authority to appoint directors to CCO's.
<u>Water organisation</u>	<u>As defined in Section 4 of the Local Government Water Services Act 2025</u>

POLICY | KAUPAPA HERE

1. Criteria for Selecting Directors (General)

1.1 General Criteria

1.1.1. Council will appoint persons as directors of CCO's (excluding water organisation CCO's) under the criteria outlined in Section 57(2) and Section 57(3) of the LGA, specifically, persons that Council considers have the skills, knowledge and experience to:

- a) Guide the organisation given the nature and scope of its activities
- b) Contribute to the achievement of the objectives of the organisation.
- c) Knowledge of tikanga Māori (if relevant).

1.1.2. A director of a water organisation must be appointed on the basis of their competency to perform the role by the Shareholder Representative Forum or the Board of Directors.

1.2 Skill Criteria

1.2.1. Council considers that any person that it appoints to be a director of a CCO should clearly demonstrate the following skills/attributes:

- a) Intellectual ability
- b) Business experience or other experience, skills or qualifications that are relevant to the activities of the organisation
- c) Sound judgement
- d) High standard of personal integrity
- e) Ability to work as a team member
- f) Understanding of governance issues
- g) Knowledge of tikanga Māori (if relevant)

g) 1.2.2. The directors of a water organisation must collectively have an appropriate mix of skills, knowledge, and experience in relation to providing water services.

1.3 Specific Exclusions from Directorship of a Council Controlled Organisation

1.3.1. No person shall be appointed as a director of a CCO (excluding water organisation CCO) who:

- a) Has served a jail sentence of three months or longer or has been convicted of a crime that carries such sentence.
- b) Has been convicted of fraud, theft, or robbery.:-
- c) Has been declared bankrupt at any point in time or been the director of a company at the time it was placed in receivership or liquidation.

1.3.2. A person is not able to be appointed as a director of a water organisation CCO if the person is—

- a) an elected member of a territorial authority that is a shareholder in the water organisation; or
- b) an employee of a territorial authority that is a shareholder in the water organisation; or
- c) an employee of any other shareholder in the water organisation; or

d) an employee of the water organisation.

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2. Procedures for Appointment of Directors (General - excluding water organisations)

2.1 Appointment Process

2.1.1 When vacancies arise in the directorship of any CCO, Council will follow the following appointment process:

- a) Council will decide whether to advertise a particular vacancy or make an appointment without advertisement, and outline the process for appointment and setting of remuneration including:
 - i. Recruiting of candidates,
 - ii. Contract development and negotiation,
 - iii. Ongoing performance monitoring.
- b) When taking a decision on this matter, Council will consider:
 - i. The costs and benefits of any advertisement,
 - ii. The availability of qualified candidates,
 - iii. The urgency of the appointment,
 - iv. The degree of public interest in the issue
- c) Council will consider applications and resolve an appointment in committee (this protecting the privacy of natural persons). Public notice of the appointment will be made as soon as practicable after Council has made its decision.
- d) An elected member who is under consideration to fill a particular vacancy may not be present in the discussion or vote on that appointment.

2.2 Length of Tenure

2.2.1 Council will decide length of tenure prior to appointment.

2.3 Remuneration

2.3.1 Remuneration will be determined on a case by case basis taking in to account the size, form and purpose of the organisation, any previous level of fees paid by the shareholder and any other relevant requirements contained in the organisation's constitution.

2.4 Removal of Directors

2.4.1 Directors appointed to CCO's by Council are in the role at the pleasure preference of Council. Council may terminate a director's appointment at any time by way of written notice.

2.5 General

2.5.1 Council expects that directors appointed to CCO's will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations, Council requires directors to follow the provisions of the Institute of Directors in New Zealand Code of Practice for Directors and the provisions of the Companies Act 1993. All directors are appointed at the pleasure of the Council and may be dismissed for breaches of these stated documents.

3. Procedures for Appointment of Directors to Inframax Construction Limited

NOTE: This section is to be read in conjunction with the Constitution of Inframax Construction Limited.

3.1 Appointment Process

3.1.1 Directors on the board of Inframax Construction Limited (ICL) will be appointed by way of Council resolution on receipt of advice/recommendation by the Appointments and Chief Executive Relationship Committee. The Appointments and Chief Executive Relationship Committee will provide advice to Council on the following matters:

- a) Whether to advertise a particular vacancy or make an appointment without advertisement, and outline the process for appointment and setting of remuneration including:
 - i. Recruiting of candidates,
 - ii. Contract development and negotiation,
 - iii. Ongoing performance monitoring.
- b) In preparation of this advice the Investment Representative Committee will consider:
 - i. The costs and benefits of any advertisement,
 - ii. The availability of qualified candidates,
 - iii. The urgency of the appointment,
 - iv. The degree of public interest in the issue.
- c) The Appointments and Chief Executive Relationship Committee will select and interview a shortlist of candidates, undertake a structured evaluation and make recommendation to Council for final approval. Council may consider applications and resolve an appointment in committee (this protecting the privacy of natural persons). Public notice of the appointment will be made as soon as practicable after Council has made its decision.
- d) An elected member who is under consideration to fill a particular vacancy may not be present in the discussion or vote on that appointment and may not continue to be an elected member if appointed as a director of ICL.

3.2 Appointment of Temporary Directors

3.2.1 Temporary directors for ICL will be appointed by the Appointments and Chief Executive Relationship Committee.

3.3 Remuneration

- 3.3.1 The Council will set ICL directors' remuneration either by resolution at the Annual General Meeting or by way of resolution of Council. The resolution will state whether the remuneration is set as a fixed cap for Board Remuneration, to be allocated by the Board, or specifying the salaries to be paid to the directors and chairperson.
- 3.3.2 Remuneration for directors will be determined by an analysis of market rates for comparable positions at the time appointment(s) are being made and thereafter assessed every three years.

3.4 Removal of Directors

3.4.1 The Appointments and Chief Executive Relationship Committee may terminate the appointment of an ICL director at any time by way of written notice.

4. Procedures for Appointment of Directors to Waikato Waters Limited

4.1.1 All matters relating to directors for Waikato Waters Limited are outlined in the Constitution of Waikato Waters Limited and the Shareholders Agreement. Appointment of directors to a water organisation CCO must also met the criteria of Section 48 of the LGWSA.

4.5. Waitomo District Council Controlled Organisations

4.1.5.1 Companies in which Waitomo District Council directly owns the shares and trades for profit (CCTO).

4.1.1.5.1.1 Inframax Construction Limited.

4.2.5.2 Companies in which Waitomo District Council holds shares with other local authorities. (CCO)

5.2.1 Waikato Local Authority Shared Services Ltd (WLASS) trading as CoLab.

4.2.1.5.2.2 Waikato Waters Limited (WWL) also known as Waikato Waters (WW)

4.3.5.3 Other Entities in which Waitomo District Council holds shares (not CCO)

4.3.1.5.3.1 NZ Local Government Insurance Corporation Limited trading as Civic Financial Services Ltd.

5.6. CCOs in Which Council Has a Minority Interest

5.1.1.6.1.1 Where Council has a minority interest in a CCO (i.e. where a CCO is controlled by a number of councils and this Council does not have a majority stake) then the process for the appointment and remuneration of directions will be agreed with other stakeholders (by whatever name) in the CCO. As far as practicable, Council's involvement in the process will be consistent with this policy.