

Regional Council

NOTICE IS GIVEN

that the next meeting of the **Regional Council** will be held in **Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga** on:

Thursday, 7 March 2019 commencing at 2.00 pm.

Fiona McTavish
Chief Executive
28 February 2019



Regional Council

Terms of Reference

Purpose

- Enable democratic local decision-making and action by, and on behalf of, Bay of Plenty communities.
- Meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- Set the overarching strategic direction for Bay of Plenty Regional Council as an organisation.
- Hold ultimate responsibility for allocating financial resources across the Council.

Membership

All councillors are members of the Regional Council.

Quorum

In accordance with Council standing order 10.1(a), the quorum at a meeting of the Regional Council is seven members, consisting of half the number of members.

Meeting frequency

Six-weekly.

Role of Council

- Address Local Electoral Act matters and Local Government Rating Act matters.
- Oversee all matters relating to identifying and contributing to community outcomes.
- Consider and agree on matters relating to significant new activities or areas of involvement such as infrastructure which are not the responsibility of a specific committee.
- Provide regional leadership on key issues that require a collaborative approach between a number of parties.
- Develop, adopt and review Council's Policy on Significance and decision-making policy and processes.
- Develop, adopt and implement the Triennial Agreement and the Code of Conduct.
- Consider and agree on matters relating to elected members' remuneration matters.
- Appoint the Chief Executive Officer, and review their contract, performance and remuneration at least annually.
- Approve all delegations to the Chief Executive, including the authority for further delegation to staff.
- Establish committees, subcommittees, and working parties and appoint members.
- Receive and consider recommendations and matters referred to it by its committees, joint committees, subcommittees and working parties.

- Approve membership to external bodies and organisations, including Council Controlled Organisations.
- Develop, adopt and review policies for, and monitor the performance of, Council Controlled Organisations.
- Review and approve strategic matters relating to the sale, acquisition and development of property for the purposes of meeting Council's organisational requirements and implement approved Regional Council policy.
- Address strategic corporate matters including property and accommodation.
- Institute any proceedings in the High Court that are not injunctive proceedings.
- Exercise the powers and duties conferred or imposed on Council by the Public Works Act 1981.
- Consider and agree on the process to develop the Long Term Plan, Annual Plan and Annual Report.
- Adopt Council policies as required by statute (for example Regional Policy Statement and Regional Land Transport Strategy) to be decided by Council or outside of Committee delegations (for example infrastructure policy).
- Delegate to commissioners to exercise the powers, functions and duties of the Council as a consent authority under the Resource Management Act 1991 including to hear and decide a consent application.
- Monitor Council's financial and non-financial performance in-year.
- Develop, review and approve Council's Financial Strategy and funding and financial policies and frameworks.

Delegations from Council to Committees

- Full Council has a role to monitor the functioning of all committees.
- Full Council will consider matters not within the delegation of any one Council committee.
- Full Council may at any time, revoke or modify a delegation to a Council committee, either permanently, for a specified time or to address a specific matter, if it considers there is good reason to do so.
- The delegations provided to committees may be further delegated to subcommittees unless the power of further delegation is restricted by Council or by statute.

It is accepted in making these delegations that:

- The committees, in performing their delegated functions, powers or duties, may, without confirmation by the Council, exercise or perform them in a like manner and with the same effect as the Council itself could have exercised or performed them.
- The delegated powers given shall at all times be subject to their current policies and principles or directions, as given by the Council from time to time.
- The chairperson of each committee shall have the authority to exercise their discretion, as to whether or not the delegated authority of the committee be used where, in the opinion of the chairperson, circumstances warrant it.

Powers that cannot be delegated

Under Clause 32 Schedule 7 of the Local Government Act 2002, Full Council must make the following decisions:

- Make a rate.
- Make a bylaw.
- Borrow money or purchase or dispose of assets, other than in accordance with the long-term plan.
- Adopt the long-term plan, annual plan, or annual report.
- Appoint a chief executive.
- Adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
- Adopt a remuneration and employment policy.

Public Forum

1. A period of up to 15 minutes may be set aside near the beginning of the meeting to enable members of the public to make statements about any matter on the agenda of that meeting which is open to the public, but excluding any matter on which comment could prejudice any specified statutory process the council is required to follow.
2. The time allowed for each speaker will normally be up to 5 minutes but will be up to the discretion of the chair. A maximum of 3 public participants will be allowed per meeting.
3. No statements by public participants to the Council shall be allowed unless a written, electronic or oral application has been received by the Chief Executive (Governance Team) by 12.00 noon of the working day prior to the meeting and the Chair's approval has subsequently been obtained. The application shall include the following:
 - name of participant;
 - organisation represented (if any);
 - meeting at which they wish to participate; and matter on the agenda to be addressed.
4. Members of the meeting may put questions to any public participants, relevant to the matter being raised through the chair. Any questions must be asked and answered within the time period given to a public participant. The chair shall determine the number of questions.

Membership

Chairman:	D Leeder
Deputy Chairman:	J Nees
Councillors:	N Bruning, W Clark, J Cronin, S Crosby, D Love, T Marr, M McDonald, A Tahana, P Thompson, L Thurston, A von Dadelszen, K Winters
Committee Advisor:	T Nerdrum-Smith

Recommendations in reports are not to be construed as Council policy until adopted by Council.

Agenda

E te Atua nui tonu, ko mātau ēnei e inoi atu nei ki a koe, kia tau mai te māramatanga ki a mātau whakarite mō tēnei rā, arahina hoki mātau, e eke ai te ōranga tonu ki ngā āhuatanga katoa a ngā tangata ki tō mātau rohe whānui tonu. Āmine.

“Almighty God we ask that you give us wisdom in the decisions we make here today and give us guidance in working with our regional communities to promote their social, economic, environmental and cultural well-being. Amen”.

1 Opening Karakia

2 Apologies

3 Public Forum

4 Acceptance of Late Items

5 General Business

6 Declarations of Conflicts of Interests

7 Reports

7.1 Adoption of the 'Statement of Proposal: Proposed Changes to Bay of Plenty Regional Council's Resource Management Act Charges' for Public Consultation

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Reports

Report To: Regional Council

Meeting Date: 07 March 2019

Report From: Sarah Omundsen, General Manager, Regulatory Services

Adoption of the 'Statement of Proposal: proposed changes to Bay of Plenty Regional Council's Resource Management Act charges' for public consultation

Executive Summary

This paper recommends that the Council adopts the 'Statement of Proposal: proposed changes to Bay of Plenty Regional Council's Resource Management Act charges' for public consultation (Appendix 1). Two supporting information documents have been prepared: the first sets out the charges (including proposed charges from 1 July 2019) (Appendix 2) and the second outlines the analysis that provides the basis for our charges (Appendix 3). The charges relate to services and functions that the Regional Council is responsible for providing under the Resource Management Act 1991 and the Building Act 2004.

Charges set under the Resource Management Act are required to be consulted on using the special consultative procedure under section 83 of the Local Government Act 2002. The Charges Policy does not form part of the Annual Plan, but Council is able to consult on changes to its charges concurrently. As part of the special consultative procedure, the Statement of Proposal, which describes the proposed changes, and supporting documents will be made available to the public on the Council website, with public notices regarding the consultation published in all local papers. In addition, a link to the Statement of Proposal and supporting documents will be sent to affected consent holders.

All charges quoted include GST.

Recommendations

That the Regional Council:

- 1 Receives the report, Adoption of the 'Statement of Proposal: proposed changes to Bay of Plenty Regional Council's Resource Management Act charges' for public consultation;**
- 2 Approves the proposed changes for the purposes of consultation as follows:**
 - a. Include an additional category in Tier 2 of the general resource consent application deposits as follows: 'Review of consent conditions (deposit fee is payable by the 20th of the month following service of notice by Council)'**

- b. Include an additional schedule (Schedule 3A) for charges for Monitoring under the National Environmental Standard for Plantation Forestry (Nespf)**
 - c. Include an additional compliance monitoring category in Schedule 2A for Composting Facilities (including vermicomposting)**
 - d. Change the inspection frequency (to reflect associated risk) of:**
 - i. Landfills - closed (Schedule 1A): from 5 yearly to 3 yearly**
 - ii. Low-risk OSET consents (Schedule 1A): from 8 yearly to 10 yearly**
 - iii. Dredging (Schedule 2A): from 1 yearly to 'as required'**
 - e. Exempt low-risk OSET consents from the annual administration charge unless an inspection has been carried out, and adjust the wording in Table 10 of the Charges Policy to provide for a general exemption from the annual administration charge for low risk activities (with an inspection frequency of 10 years or more)**
 - f. Introduce charging of staff time to the nearest 15 minutes, with a minimum charge of 15 minutes**
 - g. Introduce the second phase of the increase to the data and science charges (Schedules 1B-12B)**
 - h. Increase the staff charge out rates (Schedule 2) by inflation of 1.024% (BERL) and update the associated charges in Tables 2, 7 and 13 and Schedules 1A and 1B-12B accordingly**
- 3 Adopts the attached supporting information documents for the purposes of consultation on the proposed changes to some of the Resource Management Act charges;**
- 4 Adopts the attached 'Statement of Proposal: proposed changes to Bay of Plenty Regional Council's Resource Management Act charges' for public consultation using the special consultative procedure under the Local Government Act, to be consulted on concurrently with the Annual Plan 2019/20;**
- 5 Delegates authority to the Chief Executive to make minor editorial and formatting amendments to the Statement of Proposal and supporting information documents if required.**

1 Introduction

The Bay of Plenty Regional Council (Council) is responsible for controlling the use of a wide range of resources, which requires staff to process resource consents, monitor and manage consented and other authorised activities, and investigate the state of the region's resources.

The framework for setting RMA charges sits under Section 36 of the Resource Management Act 1991 (RMA). The Council also has certain functions under the Building Act 2004; section 243 of the Act allows Council to set a fee for the performance of some of its functions.

Each year we review the Council's charges for the services and functions undertaken when carrying out its regulatory functions under the RMA and Building Act 2004 which are contained in the Council's Resource Management Act and Building Charges Policy (the 'Charges Policy').

This paper recommends that the Council adopts, for the purposes of public consultation, the 'Statement of Proposal: proposed changes to Bay of Plenty Regional Council's Resource Management Act charges', included as Appendix 1 to this report. The supporting information documents for this consultation, which are a version of the Charges Policy including the proposed changes and the analysis that provides the basis for our charges, are included as Appendices 2 and 3 to this report.

The proposed changes to the RMA charges are required to be consulted on using the special consultative procedure. It is recommended that this process is also used to consult on the Building Act 2004 charges in order to allow for a combined consultation process. Undertaking consultation on these charges will allow the Council to understand community views in terms of section 78 of the LGA 2002.

All charges quoted include GST.

2 Resource Management Act charges

The proposed changes to charges have been discussed in detail at the Council workshop on 1st February 2019. These proposed changes are set out in the list of recommendations to Council in this paper.

A Statement of Proposal (Appendix 1) has been prepared as part of the requirements of the special consultative procedure set out under sections 83 and 87 of the Local Government Act 2002. This is the document for consultation which sets out the proposed changes to the charges.

3 Building Act charges

The Council has transferred its building consent authority functions in relation to large dams to the Waikato Regional Council for efficiency and cost reduction reasons.

The Council retains responsibility for the following Building Act functions:

- Maintaining a Register of Large Dams
- Administering and monitoring the Dam Safety Scheme
- Adopting and implementing a policy on dangerous, flood-prone and earthquake-prone dams
- Taking action if a dam poses an immediate danger
- Issuing Project Information Memorandum for new dams
- Issuing Certificates of Acceptance
- Enforcing the provisions of the building code and the Building Act 2004.

Section 243 of the Building Act 2004 enables the Regional Council to recover costs through imposing fees or charges. There is no obligation to consult the public on the nature of these charges; however it is considered good practice to do so.

The Charges Policy sets out the fees and charges payable for Council's functions undertaken under the Building Act. The charging regime is based on a principle of full cost recovery.

There are no changes to these charges proposed since these are in the form of a deposit, with recovery of full costs on an actual and reasonable basis.

4 Implications for Māori

Māori are both consent holders/applicants and Kaitiaki. As consent holders or applicants they would be charged in the same way as other members of the community. Resource Management Act charges support effective monitoring of our natural resources which is of significant interest to Māori. Future revenue through charges may be considered for use as a targeted contribution to support monitoring of cultural health indicators under our Mātauranga Māori Framework.

5 Next steps

If adopted for consultation by Council, the Statement of Proposal will be consulted on concurrently with the Annual Plan between 18 March to 6 May. Following adoption, the Statement of Proposal and supporting information documents will be released for public submissions. These documents will be made available to the public on the Council website, with public notices regarding the consultation published in all local papers. In addition, a link to the Statement of Proposal and supporting information document will be sent to affected consent holders.

6 Budget Implications

6.1 Current Year Budget

The work relating to the charges set under the Charges Policy is being undertaken within the budgets for the Resource Consents, Regulatory Compliance, Science and Data activities of the Long Term Plan 2018-2028.

6.2 Future Budget Implications

Future work on RMA charges is provided for in Council's Long Term Plan 2018-2028. Year 2 of the Long Term Plan 2018-2028 has allowed for:

- the staged 50% increase in Science and Data Services charges;
- inflation of 1.02% on charge rates including the staff charge rates.

It should be noted that the proposed change 1(e) 'Exempt low-risk OSET consents', for consultation will result in the revenue budget being reduced by approximately \$17,000 per year.

6.3 Summary of financial implications

The changes proposed in this report total an average \$17,000 additional funding required per year. The activities are funded by general funds so a general rate increase of between 0.05% and 0.06% will be required to cover the decreased RMA fees and charges revenue.

6.3.1 Operating budget

Financial Impact (INFLATED NUMBERS)										
	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000
Revenue										
Exempt low-risk OSET (average reduction)	-	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)
Operating Expenditure										
-	-	-	-	-	-	-	-	-	-	-

Additional Funding Required	-	17	17	17	17	17	17	17	17	17
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Rates Impact										
	2019/20 %	2020/21 %	2021/22 %	2022/23 %	2023/24 %	2024/25 %	2025/26 %	2026/27 %	2027/28 %	2028/29 %
Targeted Rates %	-	-	-	-	-	-	-	-	-	-
General Rates %	-	0.06%	0.06%	0.06%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%

7 Community Outcomes

This proposal directly contributes to 'A healthy environment', 'Freshwater for life' and 'Safe and resilient communities' outcomes in the Council's Long Term Plan 2018-2028.

Jane Palmer
Policy Analyst

for General Manager, Regulatory Services

27 February 2019

APPENDIX 1

Statement of proposal RMA Charges 2019-2020

Have your say

*Statement of Proposal: Proposed Changes to Bay of Plenty
Regional Council's Resource Management Act Charges*





What's this about?

We work with the community to promote the sustainable management of natural physical resources. As part of this work we manage the environmental impacts of activities through the issuing and monitoring of consents.

The Resource Management Act 1991 (RMA) and Building Act 2004 form the foundation of the majority of our work. The Resource Management Act and Building Act Charges Policy ("Charges Policy") sets out our charges under these Acts.

Every year we review the Council Charges Policy. Last year we carried out a more in-depth review to ensure the charges reflect the true cost of carrying out our work under the RMA. This year, the proposed changes are less extensive but do include the second stage of the increase to the data and science charges. This two-stage increase was consulted on last year, and the first stage was implemented in 2018/19. The other main proposals are an inflationary increase of 1.024% to all fixed charges and, in response to consent holder feedback, exempting low-risk on-site effluent treatment systems from the annual administration charge unless an inspection is carried out.

This document, the Statement of Proposal, outlines the changes we propose to our charges. We also considered the option of limiting the changes to just increasing the charges to reflect inflation, as we have done in previous years. This would have meant only a small increase in costs to consent holders and applicants. However it would also have meant either reducing the level of service we provide or covering the additional costs through our general funds, paid by all ratepayers. We did not consider either of these options to be fair or equitable. Because we need to take into account the increased cost of performing our RMA functions, particularly in the data and science areas, Council considered that retaining the existing RMA charges was not a sustainable option. The charges could also be changed in other ways, for example, to reflect other priorities and drivers. But Council considers that its preferred option best supports its work programme going forward and results in charges that are fair and equitable. The preferred option also allows the community to give feedback on specific proposals.

We are currently seeking feedback on these changes and we want to know what you think. Council will receive your feedback through written submissions and the 'Have Your Say' events in late April/ May. The charges set will be in the Resource Management Act and Building Charges Policy 2019/20 which will be finalised in June 2019.

Please see www.boprc.govt.nz/feesandcharges for the supporting information documents which contain a full list of the RMA charges, including the proposed changes, along with the 'Resource Management Act Charges Analysis' which explains how the classes of charges meet the criteria specified in the RMA.

For information about how to make a submission, please see pages 3 and 12 of this document.
Submissions close at 4:00 pm, 6 May 2019.

How can you have your say

We're consulting on the proposed changes to our charges between 18 March and 6 May 2019, in parallel with the consultation on our Annual Plan (details are available at www.boprc.govt.nz/annualplan).

You can provide a written submission on the proposals outlined in this consultation document at any time during the consultation period using our online form at www.boprc.govt.nz/feesandcharges by email to feesandcharges@boprc.govt.nz or by using the submission form attached to this document on page 13. You can also present your views in person to Councillors at our 'Have your Say' community events.

Have your say – Towards the end April we'll be holding four 'Have Your Say' events as part of the Annual Plan consultation process. These are an opportunity for you to come together with other members of the community, in a café style environment, to discuss the issues, including the proposed RMA charges, in more depth with Councillors – face-to-face. You will also be able to make submissions at the events. These are being held instead of formal hearings. A list of where we will be and when we will be available is on our website at www.boprc.govt.nz/annualplan

Once consultation has closed on 6 May 2019, Councillors will discuss all the feedback received and make some decisions about what changes to make to our RMA charges. These decisions will be made public and we will set the charges in our Resource Management Act and Building Charges Policy 2019/20 which will be finalised in June 2019.

If you have any questions about the submission process, please contact the Corporate Planning team on **0800 884 880**.

Submissions must be received by 4:00 pm, 6 May 2019.

Have your say
18 March to 6 May

Deliberations
Early June 2019

RMA charges set
Late June 2019

We want to hear from you!



Resource Management Act 1991, section 36

The Resource Management Act 1991 (RMA) sets out how we should manage our environment. It promotes the sustainable management of natural physical resources and forms the foundation for the majority of our work.

To carry out this work we process resource consents, monitor and manage consented and other authorised activities and monitor the state of the region's resources. The costs associated with this work are set under section 36 of the RMA in the Council Charges Policy and we pass these costs along to applicants and consent holders.

Under section 36 we can recover reasonable costs for a number of functions, including the following:

- Receiving, processing and granting of resource consents (including certificates of compliance);
- Administration, monitoring and supervision of resource consents (including certificates of compliance) and resource management functions under section 35 of the RMA (environmental monitoring);
- Reviewing resource consent conditions under Section 128(1)(a) and (c) of the RMA and reviews carried out at the request of the consent holder;
- Providing information in respect of Council plans and resource consents;
- Supplying documents;
- Charges authorised by regulations; and
- Additional charges whereby a fixed fee is not enough to recover our costs. For example, where the cost of processing a consent application is greater than the deposit fee paid by the applicant.

Summary of proposed changes

The charges associated with the work we carry out under the RMA are reviewed annually. This year we are proposing some minor updates and improvements to our charges along with an inflationary increase of 1.024% on our fixed charges.

The key changes proposed are summarised as follows:

APPLICATION CHARGES FOR RESOURCE CONSENTS

- Include an additional category in Tier 2 of the general resource consent application deposits as follows: 'Review of consent conditions (deposit fee is payable by the 20th of the month following service of notice by Council)'.

ANNUAL CONSENT CHARGES – ADMINISTRATION CHARGE

- Exempt low-risk onsite wastewater (low-risk OSET) consents from the annual administration charge unless an inspection has been carried out.
- Adjust the wording in Table 10 of the Charges Policy to provide for a general exemption from the annual administration charge for low risk activities with an inspection frequency of 10 years or more.

ANNUAL CONSENT CHARGES – COMPLIANCE MONITORING CHARGES

- Include an additional schedule (Schedule 3A) for charges for Monitoring under the National Environmental Standards for Plantation Forestry (NESPf).
- Include an additional compliance monitoring category in Schedule 2A for Composting Facilities (including vermicomposting).
- Change the inspection frequency (to reflect associated risk) of:
 - Landfills - closed (Schedule 1A): from 5 yearly to 3 yearly.
 - Low-risk OSET consents (Schedule 1A): from 8 yearly to 10 yearly.
 - Dredging (Schedule 2A): from 1 yearly to 'as required'.

ANNUAL CONSENT CHARGES – DATA AND SCIENCE CHARGES

- Introduce the second stage of the increase to the data and science charges as proposed in the 2018/19 consultation (Schedules 1B-12B).

STAFF TIME

- Introduce charging of staff time to the nearest 15 minutes, with a minimum charge of 15 minutes.

GENERAL

- Increase the staff charge out rates (Schedule A) by inflation of 1.024% (BERL) and update the associated charges in Tables 2, 7 and 13 and Schedules 1A, 1B-12B accordingly.



Explanation of proposed changes

The relevant section number is provided to help you find the detail in the supporting information document.

Application charges for resource consents

APPLICATION CHARGES FOR NON-NOTIFIED RESOURCE CONSENTS (SUPPORTING INFORMATION DOCUMENT SECTION 2.1.2)

Last year, we introduced a three tier structure to our resource consent application deposits in order to provide greater transparency and give consent applicants a more realistic price expectation for a particular type of consent.

This year, in order to provide greater clarity around the specific category relating to 'Changes, cancellation or review of consent conditions' in Tier 2, it is proposed to split this category into two as follows:

Current wording (2018/19 policy)	Proposed wording (highlighted)
Tier 2 <ul style="list-style-type: none">• Onsite effluent discharge (septic tanks)• Discharge farm dairy effluent• Remediation of contaminated land• Multiple bores (more than three)• Changes, cancellation or review of consent conditions• Transfer of consent to another site or another person at another site	Tier 2 <ul style="list-style-type: none">• Onsite effluent discharge (septic tanks)• Discharge farm dairy effluent• Remediation of contaminated land• Multiple bores (more than three)• Changes to or cancellation of consent conditions• Review of consent conditions (deposit fee is payable by the 20th of the month following service of notice by Council)• Transfer of consent to another site or another person at another site

Annual consent charges: Administration charge

(SUPPORTING INFORMATION DOCUMENT SECTION 2.4.1)

EXEMPTIONS FOR LOW RISK CONSENTS

Exemptions from application charges and zero fee activities are provided in Table 10 (page 6) of the current Charges Policy, as follows:

Consent category	Exempt from
Long term consents for structures, reclamations or diversions in the Coastal Marine Area, rivers and lakes unless an inspection has been carried out (in which case the consent holder is charged as per Schedule 1A or 2A).	Administration charge
“Consequential” consents such as the discharge permit in an activity that involves a diversion and discharge, or the discharge permit in an activity that involves taking and discharging water (e.g. to heat a pool). To qualify, the “consequential” consent must occur as a natural consequence of the primary activity and have no significant environmental effect compared to the primary consent.	Administration charge

It is proposed to change the wording of the first exemption (which is currently specific to long term consents for structures, reclamations or diversions in the Coastal Marine Area, rivers and lakes) to create a general exemption for low risk consents (those with an inspection frequency of 10 years or longer). The proposed wording is as follows:

“Long term consents with an inspection frequency of 10 years or more, unless an inspection has been carried out (in which case the consent holder is charged as per Schedule 1A or 2A)”

EXEMPTIONS FOR LOW-RISK ONSITE WASTEWATER CONSENTS

For the 2018/19 Charges Policy, Councillors made the decision to reintroduce the following charges for low-risk onsite wastewater consents (low-risk OSET), which had been exempt for a number of years:

- **Administration charge**
- **Compliance monitoring charges**
- **Data and science charges**

The rationale for reintroducing these charges was on the basis of ensuring the charges were fair and equitable and not placing an unfair burden on the general ratepayer. However, in light of feedback from consent holders, we are proposing to exempt the low-risk OSET consents from the annual administration charge on the same basis as other low risk consents: this means consent holders would only be charged the administration charge in the year that an inspection takes place.

Annual consent charges: Compliance monitoring charges

(SUPPORTING INFORMATION DOCUMENT SCHEDULES 1A AND 2A)

Our Regulatory Compliance Team monitor resource consents, undertaking site inspections to ensure the activity complies with the consent requirements and regional plan rules. The compliance monitoring charges are annual charges which cover these inspections as well as day to day contact with individual consent holders, quality checking and filing of monitoring returns and other administrative tasks.

We are proposing some minor changes to the compliance monitoring categories.

ADDITIONAL COMPLIANCE MONITORING CATEGORY

We are proposing the introduction of an additional category into Schedule 2A for 'Composting facilities (including vermicomposting)'. These consents are currently managed either as minor industrial discharges (3 yearly inspections) with fixed fees under Schedule 1A or as open landfills (6 monthly inspections) with actual and reasonable charges under Schedule 2A. In order to provide consistency and clarity for consent holders, the creation of a dedicated category for these activities is proposed under Schedule 2A (attracting actual and reasonable charges), with a 3 yearly inspection frequency (Table 1).

Compliance category	Code	Inspection frequency	Comments
Composting facilities (including vermicomposting)	Compost	3 yearly	Composting and vermicomposting facilities; careful management required to mitigate odour and stormwater contamination issues.

Table 1: Proposed additional compliance monitoring category

CHANGES TO INSPECTION FREQUENCIES

We are proposing to change the inspection frequency for three categories: landfills - closed ('Landfill min') and low-risk onsite effluent treatment systems ('OSET LR') in Schedule 1A, and dredging ('Dredge') in Schedule 2A. It is proposed to alter the inspection frequencies to reflect the level of risk associated with these consents (Table 2). We are not proposing changes to the fixed fees specified for landfills - closed and low-risk onsite effluent treatment systems in Schedule 1A, other than by inflation (see general changes on page 12).

Compliance category	Code	2018/2019 frequency	Proposed frequency	Rationale
OSET - low risk	OSET LR	8 yearly	10 yearly	Given the level of risk associated with OSET LR wconsents, it is considered appropriate that they are inspected on a frequency consistent with other activities deemed to be "low risk".
Landfills - closed	Landfill min	5 yearly	3 yearly	As a result of issues arising with historic landfills in the Bay of Plenty and the risks associated with these sites, it is recommended that they be visited three yearly.
Dredging	Dredge	1 yearly	As required	Inspections for dredging are only required when the activity is taking place (similar to earthworks and forestry consents).

Page 29 of 200 Table 2: Proposed changes to inspection frequencies

CHANGES TO MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARDS FOR PLANTATION FORESTRY

The National Environmental Standards for Plantation Forestry (Nespf) came into effect on 1 May 2018 and apply to commercial forest blocks of more than one hectare. Under regulation 106 of the Nespf, we have responsibility for monitoring permitted activities authorised in the Nespf that address earthworks, river crossings, forestry quarrying and harvesting. Under section 36(1)(cc) of the Resource Management Act 1991, we are authorised to charge for this monitoring.

We are proposing to introduce an additional schedule, ‘Schedule 3A’, that outlines the charges for the monitoring of these permitted activities on an actual and reasonable basis (Table 3).

Compliance category	Code	Inspection frequency	Comments
Permitted forestry	Nespf	As required	<p>Monitoring of forestry activity which is being undertaken as a permitted activity under the following regulations of the Nespf:</p> <p>(a) at the commencement, and for the duration of, earthworks undertaken in accordance with regulation 24;</p> <p>(b) during pre-works, construction, and ongoing use and maintenance/removal of river crossings constructed and utilized in accordance with regulation 37;</p> <p>(c) at the commencement, and for the duration of, quarrying undertaken in accordance with regulation 51;</p> <p>(d) at the commencement, and for the duration of, harvesting undertaken in accordance with regulation 63(2).</p> <p>As a default, inspections during these activities will occur once every 2 months; however, that frequency may increase or decrease, at the compliance officers discretion, depending on the nature of the activity being undertaken, compliance levels and/or risks associated with the site.</p>

Table 3: Proposed schedule of charges for monitoring under the National Environmental Standards for Plantation Forestry

Annual consent charges: Data and science charges

(SUPPORTING INFORMATION DOCUMENT SECTION 2.4.3)

Section 35 of the RMA requires us to monitor the state of the whole or any part of the environment, and to undertake or commission research to enable us to effectively carry out our functions under the RMA. The majority of this monitoring and science work is undertaken for the benefit of the wider community and is funded through general funds. However, some of the work is also of benefit to consent holders. The RMA allows Council to recover costs from consent holders for this activity.

Consent holders benefit from our monitoring programme in various ways; it provides the evidence base needed for sound management of natural resources and the information can be used by consent holders to:

- **Prepare monitoring reports;**
- **Help with future consent applications;**
- **Implement conditions on their resource consents.**

Our Data and Science activities help monitor our water, land and air resources through the operation of monitoring sites which measure and monitor water quality, water quantity, air quality and ecosystems. The monitoring data are collected and managed on our databases and website and are also analysed and reported by our scientists. The costs of this monitoring are expected to increase over the next few years due to additional requirements being introduced through new legislation, such as the National Policy Statement for Freshwater Management.

Last year we proposed increasing our charges to recover approximately \$2 million through our Data and Science activities to better reflect the work undertaken that directly benefits consent holders. Implementing the proposed changes in full for 2018/19 would have resulted in some large one-off increases in charges, particularly for larger consents.

To ensure that any increases were managed in a fair and transparent manner we proposed introducing the new charges over two years – 50% of the increase in the first year (2018/19), and the remaining 50% in the second year (2019/20). The charges set in the 2018/19 Charges Policy included a 50% increase in the charges as the first stage.

PROPOSED CHANGES

We are proposing the introduction of the second stage of the increase to the data and science charges: the remaining 50% of the increase to the charges. Please note that the inflationary increase has already been included in these charges.

Table 4 shows some examples of the proposed data and science charges. Full details of the proposed charges are included in the supporting information document.

<i>Schedule and step</i>	<i>Schedule description</i>	<i>Current annual charge 2018/19 (incl. GST)</i>	<i>Proposed annual charge 2019/20 (incl. GST)</i>
Schedule 1B Step 6	Water management - Consents to discharge industrial or process related water and/or contaminants	\$3,620	\$4,410
Schedule 2B Step 4	Water management - Consents to discharge sewage related water and/or contaminants	\$980	\$1,530
Schedule 3B Step 2	Water management - Consents to discharge agricultural related water and/or contaminants	\$160	\$240
Schedule 4B Step 4	Water management - Consents to discharge stormwater, quarrying, dredging, leachate and miscellaneous related water and/or contaminants	\$790	\$1,160
Schedule 5B Step 11	Water management - Consents to discharge warm water/geothermal fluid into the ground	\$8,100	\$9,160
Schedule 6B Step 5	Water management - Consents to take surface water	\$3,020	\$3,770
Schedule 7B Step 4	Water management - Consents to take groundwater excluding geothermal	\$2,430	\$2,800
Schedule 8B Step 4	Water management - Consents to take geothermal fluid and geothermal heat/energy	\$570	\$670
Schedule 9B Step 4	Water management - Consents to dam and/or divert	\$640	\$850
Schedule 10B Step 4	Air management - Consents to discharge contaminants into air	\$770	\$970
Schedule 11B Step 2	Coastal management - Coastal consents (other than takes and discharges)	\$120	\$135
Schedule 12B Step 2	Land use management - Land use consents	\$160	\$250

General changes

MINIMUM CHARGE FOR STAFF TIME (SUPPORTING INFORMATION DOCUMENT SCHEDULE A)

Charges for staff time are set out in Schedule A of the Charges Policy and are based on an hourly rate. In order to reduce complexity and administrative burden, it is proposed that when recording actual and reasonable charges, staff time is charged to the nearest 15 minutes, with a minimum charge of 15 minutes.

This would be included as an additional clause (d) in the General Matters section on page 10 of the Charges Policy.

INFLATIONARY INCREASE (SUPPORTING INFORMATION DOCUMENT TABLE 2, TABLE 7, TABLE 13, SCHEDULE A, SCHEDULE 1A AND SCHEDULES 1B-12B)

We are proposing an inflationary increase of 1.0245% (taken from Business and Economic Research Limited, BERL) as outlined in our Long Term Plan 2018-2028, to be applied to our fixed charges: this includes charges in Table 2, Table 7, Table 13, Schedule A, Schedule 1A and Schedules 1B-12B.

Building Act charges

There are no proposed changes to the Building Act charges.

How to have your say

You can have your say by providing a submission in any of the ways outlined below.

Submissions close 4pm on Monday 6 May.

When making a submission by email or in writing please ensure you reference “Council RMA Charges” in your subject line.

Complete a submission at an event:

Complete a submission at one of our Information or Have you Say community events.

Complete a submission online:

Visit www.boprc.govt.nz/feesandcharges

Email your submission form to:

feesandcharges@boprc.govt.nz

Complete the submission form attached and post it to us at:

Freepost Number 122076
Council RMA Charges Submissions
Bay of Plenty Regional Council
PO Box 364, Whakatāne 3158

Visit any of our offices across the Bay of Plenty:

- 5 Quay Street, Whakatāne
- 87 First Avenue, Tauranga
- 1125 Arawa Street, Rotorua

What do you think?



Your details

First name: _____

Surname: _____

Are you submitting as an individual, or on behalf of an organisation?

☐ Individual ☐ Organisation

Organisation (if applicable): _____

Phone number: _____

Email address: _____

Postal address: _____

Your gender (optional):

- ☐ Male
☐ Female
☐ Gender diverse

Your age (optional):

- ☐ 0-17 years
☐ 18-24 years
☐ 25-34 years
☐ 35-44 years
☐ 45-54 years
☐ 55-64 years
☐ 65 or older
☐ I'd rather not say

Your ethnicity (optional):

- ☐ NZ European
☐ Maori
☐ Pacific Islander
☐ Asian
☐ Middle Eastern/
Latin American/African
☐ Other, please specify: _____

I wish to keep my contact details confidential ☐ Yes ☐ No

Do you wish to discuss your submission with Councillors at the Have Your Say events? ☐ Yes ☐ No

If submitting by email or post, please fill out your submission below.

If you require more space, please feel free to attach extra pages.

You can also make a submission online at www.boprc.govt.nz/feesandcharges

Once completed, please send this form to:

Freepost Number 122076

Council RMA Charges Submissions

Bay of Plenty Regional Council, PO Box 364, Whakatane 3158

1. Application charges for non-notified resource consents

See page 7

Include an additional category in Tier 2 for 'Review of consent conditions'.

Do you support the change?

☐ Yes ☐ No ☐ No opinion

2. Administration charge

See page 8

Exempt low-risk onsite wastewater (low-risk OSET) consents from the annual administration charge unless an inspection has been carried out.

Do you support the change?

☐ Yes ☐ No ☐ No opinion

3. Exemptions from the administration charge

See page 8

Adjust the wording in Table 10 of the Charges Policy to provide for a general exemption from the annual administration charge for low risk activities (with an inspection frequency of 10 years or longer).

Do you support the change?

☐ Yes ☐ No ☐ No opinion

4. Compliance monitoring charges - additional category
See page 9

Include an additional compliance monitoring category in Schedule 2A for Composting facilities (including vermicomposting).

Do you support the change?

☐ Yes ☐ No ☐ No opinion

5. Compliance monitoring charges - adjust inspection frequency
See page 9

Change the inspection frequency of landfills (closed), low-risk OSET and dredging.

Do you support the change?

☐ Yes ☐ No ☐ No opinion

6. Compliance monitoring charges - National Environmental Standards for Plantation Forestry
See page 10

Include an additional schedule (Schedule 3A) for charges for Monitoring under the National Environmental Standards for Plantation Forestry (NESPF).

Do you support the change?

☐ Yes ☐ No ☐ No opinion

Any other feedback

7. Data and science charges
See page 10

Introduce the second stage of the increase to the data and science charges as proposed in the 2018/19 consultation (Schedules 1B-12B).

Do you support the change?

☐ Yes ☐ No ☐ No opinion

8. Staff charges
See page 12

Introduce charging of staff time to the nearest 15 minutes, with a minimum charge of 15 minutes.

Do you support the change?

☐ Yes ☐ No ☐ No opinion

9. General
See page 12

Increase the fixed charges in Table 2, Table 7, Table 13, Schedule A, Schedule 1A and Schedules 1B-12B by inflation of 1.024% (BERL).

Do you support the change?

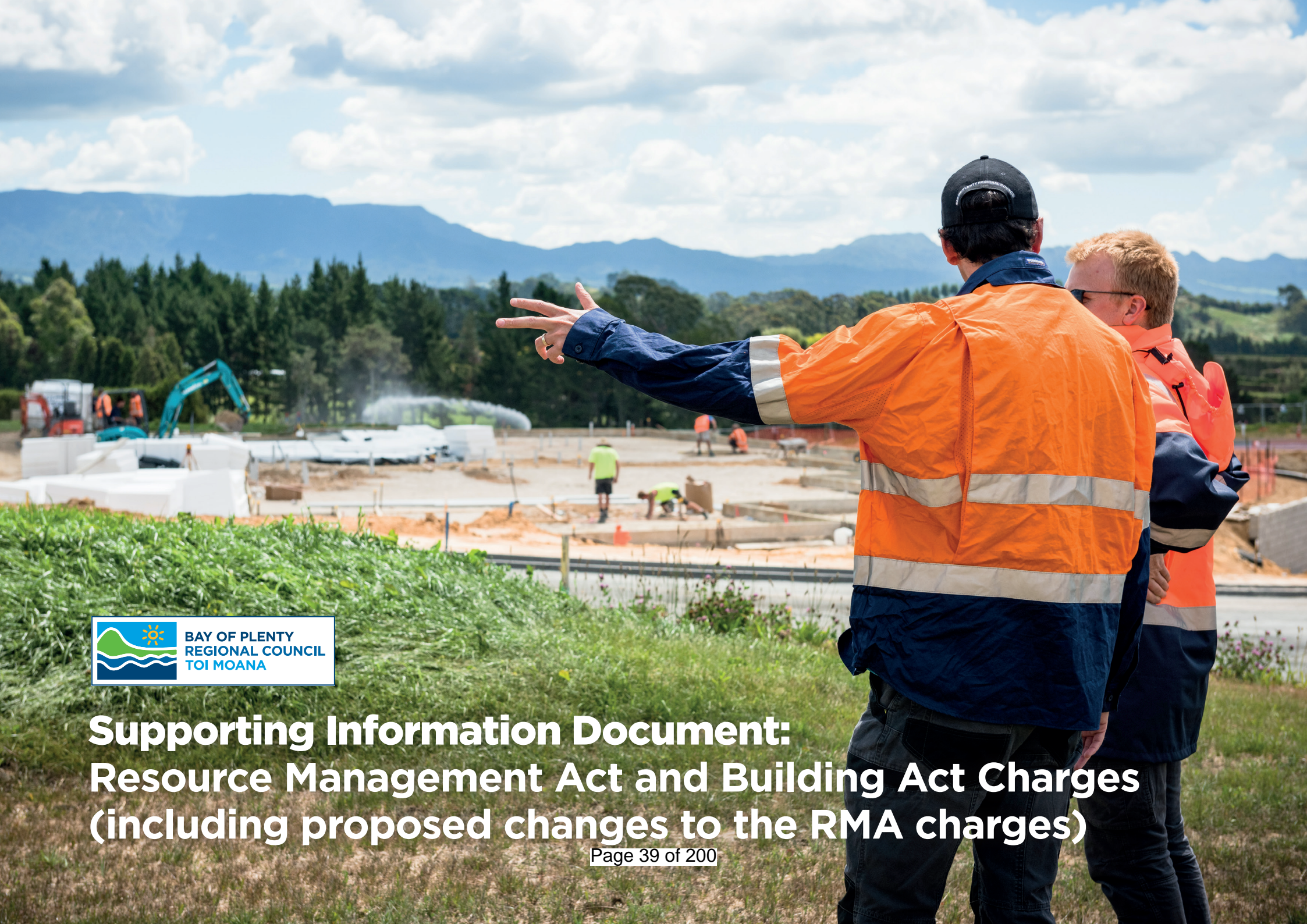
☐ Yes ☐ No ☐ No opinion





APPENDIX 2

Supporting Information Document Resource Management Act and Building Act Charges



Supporting Information Document: Resource Management Act and Building Act Charges (including proposed changes to the RMA charges)

Supporting Information Document

Resource Management Act and Building Act Charges

(including proposed changes to the RMA charges)

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23. Charges for objections	4
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1 Introduction

This policy, known as the 'Charges Policy' sets out the Resource Management Act (RMA) and Building Act charges that apply from 1 July 2019⁹⁸. Authority to set these charges falls under section 36 of the RMA and section 243 of the Building Act.

2 Resource Management Act charges

Under the RMA, the Bay of Plenty Regional Council (Council) is responsible for managing the use of a wide range of natural resources including air quality, geothermal energy, groundwater and surface water. In order to carry out this function we are required to undertake a significant level of activity including:

- Processing and administration (e.g. in regard to regional plans and resource consents)
- Monitoring and supervision of resource consents Monitoring of natural resources.

The RMA gives Council the power to recover the 'reasonable' costs associated with these functions using charges made under section 36. The RMA charges covered by this policy include:

- Application charges
- Discount on administrative charges. Charges for objections
- Annual consent charges Travel charges

2.1 Application charges

The charges in the following tables relate to applications for new resource consents, transfers or renewals of consents, certificates of compliance and the preparation or change to a policy statement or plan. The majority of these charges are deposits, with any additional costs charged on an actual and reasonable basis. An estimate of these additional costs can be provided on request.

2.1.1 Applications for resource consents

Resource consents are processed as either non-notified, limited notified or publicly notified. The majority of resource consents are processed as non-notified. Council charges consent applicants for any costs incurred when processing resource consent applications. Charges include the costs of technical assessment, RMA assessment, peer review work and administration costs.

We charge the actual and reasonable costs for processing a consent application, apart from a limited number of applications which are subject to a fixed fee (Table 2). Actual and reasonable costs include, but are not limited to:

- Staff time spent processing a resource consent at the staff charge out rates detailed in Schedule A (page 12)
- Contractor's or consultant's time based on the charge out rate of the contractor or consultant engaged to do the work
- Disbursements which may include travel costs, expert advice, photocopying and hearing costs

Before Council begins to process an application, we require the deposit (Table 1) or fixed application fee (Table 2) to be paid in full.

Please note that application charges apply even if your consent application is declined or you withdraw your application.

Our Duty Consents Officer can help you make an informed decision and, if required, offer advice about your application. The first hour is free and will save you time and money in the long run. After the first hour, we will charge you for the service. We will advise you before we start charging.

2.1.2 Application charges for non-notified resource consents

Resource consent applications are processed as “non-notified” if their effects are minor and anyone who might be affected by the activity agrees to the consent being granted and notification is not precluded. The application deposits are outlined in Table 1. Where consent processing costs exceed the deposit an additional charge for actual and reasonable costs will be made.

Table 1: General resource consent application deposits

Consent type	Deposit (incl. GST)
Tier 1 <ul style="list-style-type: none"> •Certificates of compliance •Re-consenting existing unchanged lake structures •Lapsing period extensions 	\$775 \$795
Tier 2 <ul style="list-style-type: none"> •Onsite effluent discharge (septic tanks) •Discharge farm dairy effluent •Remediation of contaminated land •Multiple bores (more than three)⁽¹⁾ •Changes <u>to or</u> cancellation <u>or review</u> of consent conditions •<u>Review of consent conditions (deposit fee is payable by the 20th of the month following service of notice by Council)</u> •Transfer of consent to another site or another person at another site 	\$1,770 \$1,810
Tier 3 <ul style="list-style-type: none"> •All other consent categories 	\$2,700 \$2,765

A limited number of consents are subject to a fixed application fee with no additional costs payable, as detailed in Table 2.

Table 2: Fixed consent application fees

Consent type	Deposit (incl. GST)
OSET approval inspection fee	\$50
Land use consent to construct between 1 to 3 geotechnical, freshwater bores or domestic geothermal bores (includes compliance monitoring charges)	\$475 \$485
Transfer of consent to another person at the same site where a complete application is submitted ²	\$165 \$170

2.1.3 Charges for limited and publicly notified resource consents

When an application is notified and proceeds to a hearing, a further charge is payable as detailed in Table 3.

Table 3: Limited notified or publicly notified resource consent deposits

Resource consent process	Deposit (incl. GST)
Limited notified applications which proceed to a hearing	\$5,000 \$5,120
Publicly notified applications which proceed to a hearing	\$10,000 \$10,240

Costs for hearing committee members and commissioners will be recovered from applicants at their set charge-out rate. Disbursements will be charged on an actual and reasonable basis.

2.1.4 Application charges for the preparation of or change to a plan or policy statement

Applicants will pay a deposit in advance for any requests for a change to an existing regional plan or policy statement, or for the preparation of any new plan or policy statement. If a change to an existing regional plan or policy statement,

² Where an incomplete application for a 'transfer of consent to another person at the same site' results in more than 1.5 hours of staff time being required to process the transfer, actual and reasonable costs will be charged to the transferee for the additional time required to process the incomplete application

or new plan request is deemed complex, a deposit of \$50,000 will be payable at the discretion of the General Manager Strategy.

Table 4: Deposit for the preparation of or change to a plan or policy statement

	Deposit (incl. GST)
Standard deposit	\$5,000 \$5,120
Deposit for complex plan or policy statement changes or new plan requests	\$50,000 \$51,200

Where costs exceed the deposit, an additional charge for actual and reasonable costs will be made. Actual and reasonable costs include, but are not limited to:

- Staff time spent at the staff charge out rates detailed in Schedule A Contractor's or consultant's time based on the charge out rate of the contractor or consultant engaged to do the work
- Disbursements which may include travel costs, expert advice, photocopying and hearing costs

2.1.5 Charges for permitted marginal or temporary activities

The cost for processing a request to issue a notice stating whether an activity is a permitted marginal or temporary activity will be charged based on actual staff time spent on an actual and reasonable basis, with the first hour being provided free of charge. Staff charge-out rates are detailed in Schedule A (page 12).

Table 5: Permitted marginal or temporary activity charges

	Charge (incl. GST)
Issuing a notice stating whether an activity is a permitted marginal or temporary activity	Actual and reasonable cost with the first hour free

2.1.6 Exemptions from application charges and zero fee activities

The exemptions in Table 6 are in accordance with decisions adopted by Council at its meeting on [xx 2019-28 June 2018](#).

Table 6: Exemptions and zero fee activities

Consent category	Charge (incl. GST)
Activities listed in regional plans that have zero fee	\$0
Application to reduce the allocated rate of a surface water take consent or allocated annual volume of groundwater take consent which reduces the environmental effect of that take	\$0

2.2 Discount on administrative charges

The Resource Management (Discount on Administrative Charges) Regulations 2010, commonly called the 'Discount Regulations', sets a default discount policy for resource consents that are not processed within statutory timeframes. Council's policy is to adhere to the Discount Regulations.

The Discount Regulations set out a discount of 1% of the total administrative charges for every working day an application remains unprocessed beyond the statutory timeframes specified in the RMA, up to a maximum of 50% (i.e. 50 working days).

The Discount Regulations apply to the processing of most resource consent applications or applications to change consent conditions. They do not apply to the following:

- Applications for extensions to consent lapsing periods. Local authority initiated consent reviews
- Certificates of compliance
- When an applicant withdraws a resource consent application
- If the application is to replace an existing consent and is granted prior to the existing consent expiring

2.3 Charges for objections

If a person who has lodged an objection requests that the objection be considered by a hearings commissioner, Council may recover charges associated with the objections being considered and decided in accordance with that request. Those costs will be recovered on an actual and reasonable basis. Council may ask the commissioner(s) to make a recommendation as to whether it would be appropriate to remit (i.e. not charge) any of these costs.

2.4 Annual consent charges

The annual consent charge payable by the consent holder in relation to each current resource consent is made up of:

- Administration charge
- Compliance/supervision charge (referred to as 'compliance monitoring charge')
- Data and science charge

Administration charge

Compliance monitoring charge

Data and science charge

Total annual consent charge

[The administration charge covers routine administration costs such as consent computer database and file system maintenance, compiling and monitoring accounts, correspondence to consent holders \(e.g. around expiring consents\) and general administration and enquiries.](#)

For those consents where compliance monitoring is charged on an actual and reasonable basis, the monitoring charges will be invoiced according to the frequency of inspections (e.g. consents inspected more than once during the year will receive monitoring invoices during the year in addition to the annual consent charge).

2.4.1 Administration charge

Table 7: Administration charge

	Fixed charge (incl. GST)
Standard charge	\$135 \$140
Multiple consents: additional charge per consent holder where separate invoicing and correspondence is required	\$115 \$120

2.4.2 Compliance monitoring charges

Compliance monitoring charges are based on the actual and reasonable costs of carrying out compliance monitoring of consents. Fixed and variable charges are made up of the staff time to carry out an inspection (if required), audit any monitoring information provided by consent holders, follow up any non-compliance and report back to consent holders (if required).

Actual and reasonable costs include, but are not limited to:

- Staff time spent processing a resource consent at the staff charge out rates detailed in Schedule A (page 12)
- Contractor's or consultant's time based on the charge out rate of the contractor or consultant engaged to do the work
- Disbursements which may include travel costs, expert advice, photocopying and hearing costs

It is Council policy that the majority of costs of compliance monitoring should be recovered from consent holders.

Table 8: Compliance monitoring charges

Compliance monitoring charge	Charge (incl. GST)
Fixed fee compliance monitoring charges ³	Schedule 1A
Charges for monitoring under the National Environmental Standards for Plantation Forestry	Schedule 3A
All other consents not listed in Schedule 1A or 3A	Actual and reasonable
Second and subsequent inspections as necessitated by previous non-compliance	Actual and reasonable
Auditing information required by consent conditions or participation in peer review panels	Actual and reasonable
Fixed administration fee relating to late submission of records and monitoring reports	\$230 \$235

2.4.3 Data and science charge

The data and science charge is a fixed annual fee which covers a portion (an average of 20%) of the Council's costs of carrying out regional and impact monitoring and specific investigations into the state of the environment. These monitoring requirements are driven, in part, by the consents process and consent holders: Council needs to understand and monitor resources to ensure consent conditions are set appropriately (e.g. water allocation limits) and to safeguard future access to resources. This requirement (and the associated charge) applies regardless of whether a consent holder fully exercises their consent e.g. the monitoring still has to take place even if a consent holder chooses not to take any or all of their consented water allocation.

Table 9: Data and science charge

Data and science charge	
All applicable consents	Schedules 1B to 12B

³ Where the time spent processing monitoring exceeds the standard time allocated to the compliance category covered by the fixed charge specified in Schedule 1A (which is based on staff charge out rates in Schedule A), any conditional time will be charged on an actual and reasonable basis.

2.4.4 Exemptions from annual charges

The exemptions in Table 10 are in accordance with decisions adopted by Council at its meeting on [xx 2019-28 June 2019](#).

Table 10: Exemptions from annual consent charges

Consent category	Exempt from
Long term consents for structures, reclamations or diversions in the Coastal Marine Area, rivers and lakes Long term consents with an inspection frequency of 10 years or more unless an inspection has been carried out (in which case the consent holder is charged as per Schedule 1A or 2A)	Administration charge
“Consequential” consents such as the discharge permit in an activity that involves a diversion and discharge, or the discharge permit in an activity that involves taking and discharging water (e.g. to heat a pool). To qualify, the “consequential” consent must occur as a natural consequence of the primary activity and have no significant environmental effect compared to the primary consent.	Administration charge

2.5 Travel charges

Site visits for resource consent applications and compliance monitoring, regardless of location, will be charged a standard rate of half an hour of staff time (at the staff charge out rates detailed in Schedule A, page 12) for travel time and 50km at the applicable IRD mileage rate.

3 Building Act charges

Under the Building Act 2004, Bay of Plenty Regional Council (BOPRC) is responsible for functions relating to dams. For efficiency and cost reduction reasons, BOPRC has transferred the following building consent authority functions for dams to the Waikato Regional Council⁴:

- Processing of building consents inspection processes
- Issuing dam code compliance certificates
- Issuing compliance schedules

Please contact Waikato Regional Council or see its website www.waikatoregion.govt.nz/damsafety for relevant up-to-date fees and charges for these areas.

Section 243 of the Building Act 2004 enables BOPRC to recover costs through imposing fees or charges for the functions not delegated to Waikato Regional Council. The charges have been set using the principle that the full cost of the service provided is to be recovered. Any costs in addition to charges specified in Table 11 will be on an actual and reasonable basis.

Table 11: Building Act charges

Activity	Deposit (incl. GST)
Administration cost for Register of Dams	
Dam potential impact classification	\$240
Dam safety assurance programme	\$240
Annual dam compliance certificate	\$240
Review	
Review of potential impact classifications submitted by dam owners	Actual and reasonable costs
Review of dam safety assurance programme	Actual and reasonable costs
Building consent for dams	
Project Information Memorandum (PIM)	\$155
Certificate of acceptance	
Dam valued up to \$20,000	\$585
Dam valued between \$20,000 and \$100,000	\$2,345
Dam valued over \$100,000	\$4,690
Compliance and other functions	
Standard labour cost and extra cost of expert advice	Actual and reasonable costs

⁴ Memorandum with Waikato Regional Council (RWC) dated 6 March 2009 (WRC document no. 1329516), updated with Memorandum with WRC dated 1 June 2015 (WRC document no. 3165770)

4 Miscellaneous administrative charges

Under sections 36(1)(e), 36(1)(f) and 36(1)(g) of the RMA and section 13 of the Local Government Official Information and Meetings Act 1987, Council is able to charge for the provision of information in respect of plans and resource consents, the supply of documents and any kind of charge authorised by regulations.

Table 12: Miscellaneous administrative charges

Charge (incl. GST)	
Information requests	
Administration fee	Actual and reasonable costs with first hour free
Photocopying	
A4 (black and white)	6c per page
A3 (black and white)	10c per page
A4 (colour)	50c per page
A3 (colour)	75c per page

5 Enforcement

The cost of issuing an abatement notice will be charged to the holder of the consent, even if the notice itself is issued to a representative of the consent holder (e.g. farm manager, contractor, etc.). This charge is for generating and issuing the notice and does not include any additional costs associated with non-compliance, which will be charged on an actual and reasonable basis. Actual and reasonable costs include, but are not limited to:

- Staff time to carry out the inspection and prepare reports etc. at the staff charge out rates detailed in Schedule A
- Associated disbursements such as travel costs, sampling and testing costs and specialist advice

Table 13: Enforcement charges

	Fixed charge (incl. GST)
Issue of an abatement notice	\$220 \$225

6 General matters

- (a) Charges will be payable on the 20th of the month following the month the invoice was issued e.g. invoices issued in September will be due on 20th October.
- (b) Where charges are deposits, applicants will be charged all actual and reasonable costs above the deposit.
- (c) Actual and reasonable costs include, but are not limited to staff time (see Schedule A, page 12), travel costs, advertising, peer review, meeting and hearing costs, commissioner charges, disbursements and costs of consultants.
- (d) Staff time will be charged to the nearest 15 minutes, with a minimum charge of 15 minutes.
- (e) Where the deposit fee exceeds the processing costs by \$25 or more, the difference will be refunded to the applicant.
- (f) In accordance with section 36AAB(2) of the RMA and section 243(2) of the Building Act, Council may decline to perform the action to which the charge relates until the charge has been paid in full, with the exception of those noted in section 36AAB(3) of the RMA.
- (g) Where a consent application is withdrawn, any actual and reasonable costs incurred will be charged.
- (h) If an activity is consented during the year which is not accommodated on the existing compliance monitoring and data and science schedules (schedules 1A – 12B), an interim charge will be invoiced based on the actual and reasonable costs to Council of carrying out the monitoring of the consent.
- (i) When a consent is issued part way through the financial year, the compliance monitoring and data and science charges will be on a pro-rata basis, but in all cases the full annual administration charge will first be payable.
- (j) Where a consent is varied during the financial year to which this policy applies, any change in compliance monitoring and data and science charges will apply on a pro-rata basis from when the variation is approved.

- (k) When a consent expires or is surrendered or lawfully terminated during the year and the activity ceases, then in any case the full annual administration charge will apply and the remainder of the annual consent charge will be on a pro-rata basis having regard to the compliance and data and science monitoring that has been undertaken.
- (l) Where a consent expires or is surrendered or lawfully terminated during the course of a year but the activity continues and is subject to a renewal process, then the full annual consent charge shall apply.
- (m) Council may remit any charge referred to in this Charges Policy, in part or in full, on a case by case basis, and solely at Council's discretion (see section 36(5) of the RMA).
- (n) Council will recover the actual and reasonable costs of investigating and reporting substantiated complaints relating to consented activities.
- (o) Provisions pertaining to private plan changes under the RMA apply and the charging or provision of payment does not infer approval or acceptance of any plan change request.
- (p) Holders of consents to take and/or discharge geothermal water and or contaminants will be invoiced separately for actual and reasonable costs of monitoring of temperature and flow, where such monitoring is required to be carried out by the consent holder, but is not carried out by the consent holder.

7 Worked examples

The following are examples of annual charges (GST inclusive) for a range of consented activities. Note that actual charges will be determined on a case by case basis.

Small cooling water discharge to a river

Administration charge		Compliance monitoring charge		Data and science charge		Total annual consent charge
\$135 <u>\$140</u>	+	\$185 <u>\$195</u>	+	\$180 <u>\$220</u>	=	\$500 <u>\$550</u>
		Schedule 1A Category - ID Min		Schedule 1B Step 3		

Small sewage discharge, land treatment, annual inspection

Administration charge		Compliance monitoring charge		Data and science charge		Total annual consent charge
\$135 <u>\$140</u>	+	\$620 <u>\$635</u>	+	\$330 <u>\$510</u>	=	\$1,085 <u>\$1,285</u>
		Schedule 1A Category - STP Min		Schedule 2B Step 3		

Small to medium stormwater discharges, flood pumping schemes without contaminants to surface water

Administration charge		Compliance monitoring charge		Data and science charge		Total annual consent charge
\$135 <u>\$140</u>	+	Actual and reasonable costs for inspections	+	\$220 <u>\$320</u>	=	\$355 + A&R <u>\$460 + A&R</u>
		Schedule 2A Category - SW		Schedule 4B Step 2		

Water take for irrigation, large impact

Administration charge		Compliance monitoring charge		Data and science charge		Total annual consent charge
\$135 <u>\$140</u>	+	Actual and reasonable costs for inspections	+	\$18,840 <u>\$21,710</u>	=	\$18,975 + A&R <u>\$21,850 + A&R</u>
		Schedule 2A Category - Irri large		Schedule 7B Step 7		

8 Schedules

Note: all charges in the following schedules are GST inclusive.

- Schedule A Charges for staff and consultants
- Schedules 1A and 2A Compliance monitoring charges
- Schedules 1B to 12B Data and science charges

Schedule A - Charges for staff, consultants/contractors (GST inclusive)

Group	Hourly rate (incl. GST)
Administration/Coordinator	<u>\$110</u> <u>\$115</u>
Officers/Planners	
Senior Officers/Planners	
Engineers/Scientist/Regulatory Project Officer (RPO)	<u>\$155</u> <u>\$160</u>
External contracted Compliance Monitoring Officer (externally contracted)	
Maritime Officer	
Team Leaders/Senior RPO/Works Engineer/Senior Maritime Officer	<u>\$180</u> <u>\$185</u>
Senior Engineer/Senior Scientist/Harbourmaster	
Pou Ngaio (Technical/Cultural RMA Specialist)	
Managers/Regional Harbourmaster	<u>\$260</u> <u>\$265</u>
Consultants/Contractors	As charged by consultant/contractor
Regional Council staff mileage	Current applicable IRD rate

Note: Some positions may not be listed. In such cases the charge will be calculated from actual time multiplied by the most appropriate charge out rate listed above.

Compliance monitoring charges

Schedule 1A - Consents subject to fixed fee compliance monitoring charges

Compliance category	Code	Inspection frequency	Comments	Annual charge (incl. GST)
Air Discharge - small industry	Air min	3 yearly	Small operations with a low risk when managed well for example sandblasters, spray painters, etc.	<u>\$235</u> <u>\$240</u>
Air Discharge - medium industry	Air med	1 yearly	Medium sized sites with a potential to result in moderate environmental impacts if not managed well. May require more significant reporting (e.g. monthly)	<u>\$1,085</u> <u>\$1,110</u>
Dairy Sheds - low risk	DairyLR	3 yearly	PI systems: Adequate pond storage (lined in Rotorua lakes), appropriate irrigator technology for soil types and slopes, good compliance history	<u>\$95</u> <u>\$100</u>
Dairy Sheds - moderate risk	DairyMR	2 yearly	All disposal systems that don't meet DairyLR or DairyHR criteria, but have good compliance history and systems that can be managed in a way that ensures compliance	<u>\$155</u> <u>\$160</u>
Dairy Sheds - high risk	DairyHR	1 yearly	Any consent authorising a discharge to surface waters, or other High Risk dairy systems that don't meet DairyLR or DairyMR criteria	<u>\$310</u> <u>\$320</u>
Industrial Discharges - small	ID Min	3 yearly	Small sites with small discharges and a low risk when managed well	<u>\$185</u> <u>\$190</u>

Compliance category	Code	Inspection frequency	Comments	Annual charge (incl. GST)
Industrial Discharges - medium	ID Med	1 yearly	Medium sites with potential to result in moderate effects if not managed well	\$930 \$950
Landfills - closed	Landfill min	5 3 yearly	Closed landfills and managed cleanfill sites	\$175 \$180
OSET - low risk	OSET LR	8 10 yearly	All septic tanks and AWTS that are not within the OSET HR category. Inspected at time of installation and then on an 8 yearly basis	\$85 \$90
Piggeries	Pig	2 yearly	Low risk when managed correctly	\$165 \$170
Wastewater Plants - small	STP Min	1 yearly	A small scale sewage treatment plant, not an OSET HR or OSET LR system, and up to 50 m³/day	\$620 \$635
Transfer Stations	Transfer	1 yearly	Operational Transfer Stations	\$465 \$475
Timber Treatment Plant	TTP	1 yearly	Timber treatment plants which generally have tight environmental controls with a significant amount of reporting. Risk is high if uncontrolled discharges occur	\$700 \$720
Minor Dams	Dams	10 yearly	Small dams (e.g. farm dams). Does not include hydro-electric scheme dams	\$40
Geothermal Abstraction - excluding Rotorua field	GeoO	3 yearly	All geothermal abstractors who are not large commercial operators, and are located outside of the Rotorua Geothermal field	\$335 \$345
Geothermal Abstraction - Rotorua field only	GeoR	3 yearly	All geothermal abstractors who are not large commercial operators, and are located inside of the Rotorua Geothermal field. Cost of undertaking temp and flow charged at A+R if not done by consent holder	\$195 \$200

Compliance category	Code	Inspection frequency	Comments	Annual charge (incl. GST)
Industrial Abstraction - minor	Ind Min	5 yearly	As most of these water takes will fall under the NER ⁽⁵⁾ inspections can be reduced as records will be good indicator of compliance. Generally inspect the industrial takes at the same time as the industrial discharge consents are inspected	\$160 \$165
Hort/Agr Abstraction ⁽⁶⁾ ->5L/s	Irri large	5 yearly	Larger takes covered by NER so require meter and verification. LTP target aims for reduced non-compliance	\$175 \$180
Hort/Agr Abstraction ⁽⁶⁾ -<5L/s	Irri small	3 yearly	Small takes that do not generally require metering and verification, so require more frequent inspection	\$115 \$120
Municipal Abstraction - minor	MA Min	5 yearly	These water takes will generally fall under the NER, and as such records will be good indicator of compliance	\$170 \$175
Geothermal Abstractors (Warm Water) Bores Tga)	Warm	3 yearly	All warm water abstractors in the Western Bay area who are not Industrial or Municipal abstractors	\$195 \$200

5 Resource Management (Measurement and Report of Water Takes) Regulations 2010

6 Inspection frequency is likely to be higher in over-allocated catchments: Any additional monitoring work required in over-allocated catchments that is not covered by the annual charge (which is based on the specified inspection frequency) fixed fee will be charged on an actual and reasonable basis

Schedule 2A - Consents subject to variable compliance monitoring charges

Compliance category ⁽⁷⁾	Code	Inspecti on frequenc	Comments
Air Discharge - large industry	Air Maj	3 monthly	In addition to regular visits, these require very frequent review of compliance returns, technical reports, etc. throughout year.
Aquaculture	Aqua	1 yearly	Aquaculture monitoring
Bore Installations	Bore Ins	As required	Administration only. Generally no site visit undertaken
Coastal structures	Struct	10 yearly	Inspected during construction (A+R) then reduced inspection frequency
Composting Facilities (including vermicomposting)	Compost	3 yearly	Composting and vermicomposting facilities; careful management required to mitigate odour and stormwater contamination issues.
Comprehensive Catchment Stormwater	CCSW	1 yearly	Regular review of returns and reports
Dewater	Dewater	As required	Short term consents usually associated with earthworks, so inspected during earthworks site visit
Other Disturbance	Disturb	1 yearly	Inspected during works
Diversions	Div	As required	Inspected as per earthworks during construction, then not at all
Dredging	Dredge	1 yearly As required	Inspected during works
Earthworks	EW	As required	An estimated annual monitoring time has been allocated for this category, as only a portion of all consents are "active" at any one time. Inspections are usually once every month, but can increase or decrease depending on site risk
Forestry	Forest	As required	An estimated annual monitoring time has been allocated for this category, as only a portion of all consents are "active" at any one time. Inspections are once every 2 months, but can increase or decrease depending on site risk
Geothermal Abstractors (Large scale industrial)	Geol	6 monthly	Complex sites, Peer Review Panels, Community Liaison Groups, etc

Compliance category ⁽⁷⁾	Code	Inspection frequency	Comments
Hydro Dams	Hydro	1 yearly	Large hydro schemes are generally well managed however impact of non-compliance can be very significant
Industrial Discharges - major	ID Maj	3 monthly	These require very frequent review of compliance returns, technical reports, etc. throughout year
Industrial Abstraction - major	Ind Maj	As required or 5 yearly	As most of these water takes will fall under the NER, inspections can be reduced as records will be good indicator of compliance. Generally inspect the industrial takes at the same time as the industrial discharge consents are inspected
Lake structures	Lake Struct	10 yearly	Inspected during construction (A+R) then reduced inspection frequency. Mainly accessed by boat
Landfills - Open	Landfill Maj	6 monthly	Open landfills and managed cleanfill sites
Mangroves	Mangrove	1 yearly	Inspected as and when required when removal is taking place
Municipal Abstraction - major	MA Maj	As required or 5 yearly	These water takes will fall under the NER, and as such records will be good indicator of compliance
OSET - high risk	OSET HR	1 yearly	All septic tanks and AWTS within 200m of Rotorua Lakes, or within Maintenance Zones as shown in OSET Plan, or where the system receives more than 2m ³ /day, or where there has been a poor history of compliance
Production land -high risk	ProdLand - high	Annual	A consent for land use, subject to the management of nutrient loss from that activity. Risk is determined through the consent process and stipulated within the resource consent.
Production land - medium risk	ProdLand - med	2 yearly	
Production land - low risk	ProdLand - low	5 yearly	

⁷ [Where an activity is consented but does not fall into one of these categories, inspections will be scheduled according to the risk associated with the activity.](#)

Compliance category ⁽⁷⁾	Code	Inspection frequency	Comments
Quarries - large commercial	Quarry Lge	6 monthly	Large commercial quarries
Quarries (small)	Quarry Sml	3 yearly	Example: Forestry, farm quarry
Reclamations	Rec	As required	Inspected as per earthworks during construction, then not at all
Disturb, excavate foreshore or seabed	Sand	5 yearly	Inspected during works
Wastewater Plants - large	STP Maj	6 monthly	Not an OSET HR or OSET LR system, and greater than 50m ³ /day
Shingle extraction	Shingle	1 yearly	Inspected during extraction - irregular basis
Spray - herbicides, etc.	Spray	As required	Inspected on an infrequent basis depending on whether the activity is taking place
Stream structures	Stream	10 yearly	Inspected during construction (A+R) then reduced inspection frequency
Stormwater	SW	As required	Variety of low risk consents. Generally only monitored at installation, unless issues arise
Water takes (over-allocated catchments)		As required	Additional monitoring work required in over-allocated catchments

Schedule 3A - Charges for monitoring under the National Environmental Standards for Plantation Forestry - variable compliance monitoring charges

Compliance category	Code	Inspection frequency	Comments
Permitted forestry	NESPF	As required	<p>Monitoring of forestry activity which is being undertaken as a permitted activity under the following regulations of the NESPF:</p> <p>(a) at the commencement and for the duration of, earthworks undertaken in accordance with regulation 24;</p> <p>(b) during pre-works, construction, and ongoing use and maintenance/removal of river crossings constructed and utilized in accordance with regulation 37;</p> <p>(c) at the commencement, and for the duration of, quarrying undertaken in accordance with regulation 51;</p> <p>(d) at the commencement and for the duration of, harvesting undertaken in accordance with regulation 63(2).</p> <p>As a default, inspections during these activities will occur once every 2 months; however, that frequency may increase or decrease, at the compliance officer's discretion, depending on the nature of the activity being undertaken, compliance levels and/or risks associated with the site.</p>

Data and science charges

Schedule 1B - Water management

Consents to discharge industrial or process related water and/or contaminants

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Small volume, often intermittent.	\$60 <u>\$80</u>
2	Minor individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Small volume, low concentration waste. May not be continuous.	\$90 <u>\$110</u>
3	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Regular discharge. Contains contaminants. Volume <20 m ³ /day.	\$180 <u>\$220</u>
4	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Range of contaminants. Volume <50 m ³ /day, regular. Discharge to surface water. No impact on other users. For land discharge Volume up to 150 m ³ /day increase in contaminant concentration.	\$460 <u>\$560</u>
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Noticeable effect on resource, other users. Regular discharge volume <100 m ³ /day. Noticeable effect on resource, other users. Regular discharge volume <100 m ³ /day. Range of contaminants. For land discharge volume up to 250 m ³ /day and increase in contaminant concentration.	\$1,870 <u>\$2,320</u>
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Significant potential effect on resource, but does not exclude other users. Volume <1,000 m ³ /day. Range of contaminants. For land discharge volume up to 2,000 m ³ /day and increase in contaminant concentration.	\$3,620 <u>\$4,410</u>

Step	Examples	Annual charge (incl. GST)
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Significant potential effect on resource, but does not exclude other users. Volume <10,000 m ³ /day. Range of contaminants. For land discharge, volume up to 20,000 m ³ /day and increase in contaminant concentrations.	\$9,030 <u>\$11,020</u>
8	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Significant potential effect on resource, but does not exclude other users. Volume <20,000 m ³ /day. Contaminants discharge to receiving waters, utilises significant portion of assimilative capacity of receiving water. Likely to exclude other significant users.	\$18,060 <u>\$22,030</u>
9	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Significant effect on resource, other users. Volume exceeds 20,000m ³ /day. Contaminants discharge to receiving waters, utilises substantial proportion of assimilative capacity of receiving water. Likely to exclude other significant users.	\$27,910 <u>\$34,670</u>
10	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Very High Impact; as a result of individual discharge or combined effect with other discharges. Substantial effect on resource or other users. Substantial range of contaminants. Can exclude other significant users.	\$37,220 <u>\$46,240</u>
11	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Severe impact. The individual discharge has a substantial effect on resources and other users. Substantial range of contaminants. Excludes other significant users. May alter habitat and impact ecosystem.	\$72,240 <u>\$88,110</u>

Schedule 2B - Water management

Consents to discharge sewage related water and/or contaminants

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. No offsite impacts. Small scale on site disposal. Individual household, up to 2m ³ /day.	\$110 <u>\$170</u>
2	Minor individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. No offsite impacts. Small scale on site disposal. Up to 30m ³ /day.	\$170 <u>\$260</u>
3	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Limited offsite impacts. Small scale communal system. Land based system 30-50m ³ /day.	\$330 <u>\$510</u>
4	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Potential offsite impacts. Small communal system. 50-100m ³ /day. For land based 50-200 m ³ /day.	\$980 <u>\$1,530</u>
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Potential and occasional offsite impacts. Significant community. Up to 2,000m ³ /day. For land discharge up to 4,000 m ³ /day. No trade wastes.	\$3,270 <u>\$5,130</u>
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Moderate impact. Small town treatment system. Potential effect on resource, but does not exclude other users. Limited trade wastes.	\$8,170 <u>\$12,820</u>

Step	Examples	Annual charge (incl. GST)
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Moderate impact. Medium scale treatment system. Identifiable effects on resource, but does not exclude other users. Trade wastes.	\$16,330 <u>\$25,610</u>
8	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Moderate to high impact. Identifiable effects on resource, can exclude other users. Significant trade wastes.	\$33,970 <u>\$53,850</u>

Schedule 3B - Water management

Consents to discharge agricultural related water and/or contaminants

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. No offsite impacts. Land discharge <20 m ³ /day.	\$130 <u>\$210</u>
2	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Discharge to surface water and land discharge >20 m ³ /day. Potential effect on resource, but does not exclude other users.	\$160 <u>\$240</u>
3	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Small to moderate impact. Some impact on resource, minimal impact on other users.	\$620 <u>\$950</u>
4	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Moderate impact. Utilises significant amount of receiving water capacity. May impact on other users. <50 m ³ /day.	\$2,200 <u>\$3,550</u>
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Moderate to high impact. Utilises substantial amount of receiving water capacity. Excludes other users.	\$3,660 <u>\$5,910</u>

Schedule 4B - Water management

Consents to discharge stormwater, quarrying, dredging, leachate and miscellaneous related water and/or contaminants

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. No offsite effects. Land based disposal only.	\$110 <u>\$160</u>
2	Minor individual impact but cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Low concentration of limited contaminants. Intermittent discharge. Insignificant impact on resource.	\$220 <u>\$320</u>
3	Individual and cumulative impacts require monitoring. Monitoring of receiving water classification standards where relevant. Small impact. Low concentration of limited contaminants. Intermittent to regular discharge.	\$320 <u>\$470</u>
4	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Moderate impact. Minor effect on resource. Does not exclude other users. Low to medium concentration of limited contaminants. Intermittent to regular discharge.	\$790 <u>\$1,160</u>
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Moderate to significant impact. Has impact on resource and may affect other users. Increase in concentration and number of contaminants discharged.	\$2,650 <u>\$3,880</u>
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Monitoring of receiving water classification standards where relevant. Significant impact. Has impact on resource, can exclude other users. Can have impact on biota and alters habitat. May contain toxic substances.	\$7,920 <u>\$11,610</u>
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major receiving water impact monitoring investigation annually. Report prepared. Monitoring of receiving water classification standards where relevant. Major impact. Has impact on resource, can exclude other users. Has impact on biota and alters habitat.	\$16,450 <u>\$24,440</u>

Schedule 5B - Water management

Consents to discharge warm water/geothermal fluid to the ground

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. No foreign contamination.	\$30 <u>\$40</u>
2	Reinjection (Rotorua Geothermal Field), small volume <25 m ³ /day. Regular discharge.	0
3	Soakage (Rotorua Geothermal Field), small volume <25 m ³ /day. Regular discharge. Minor individual impact but cumulative impacts may require monitoring. Minor impact. No foreign contamination.	\$60 <u>\$70</u>
4	Reinjection (Rotorua Geothermal Field), volume <250 m ³ /day. Regular discharge.	\$0
5	Soakage (Rotorua Geothermal Field). Regular discharge. Volume <250 m ³ /day. Individual and cumulative impacts require monitoring. Small impact. No foreign contamination.	\$160 <u>\$180</u>
6	Reinjection (Rotorua Geothermal Field), volume <500 m ³ /day. Regular discharge.	\$0
7	Soakage (Rotorua Geothermal Field). Regular discharge. Volume <500 m ³ /day. Individual and cumulative impacts require monitoring. Small to moderate impact. No foreign contamination.	\$650 <u>\$730</u>
8	Reinjection (Rotorua Geothermal Field), volume <2,000 m ³ /day. Regular discharge.	\$0
9	Soakage (Rotorua Geothermal Field). Regular discharge. Volume <2,000 m ³ /day. Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate impact. No foreign contamination. Has potential to affect resource or other users.	\$1,620 <u>\$1,830</u>
10	Discharge to reinjection. Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate impact. No foreign contamination. May affect resource and other users. Regular discharge. Volume <5,000 m ³ /day.	\$3,240 <u>\$3,670</u>
11	Discharge to reinjection. Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. High impact. No foreign contamination. Resource affected. Can exclude other users. Volume >5,000 m ³ /day.	\$8,100 <u>\$9,160</u>

Schedule 6B - Water management

Consents to take surface water

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Includes environmental protection or enhancement activities. Plentiful resource 0-250 m ³ /day. Frost protection - up to 1,000 m ³ /day.	\$80 <u>\$100</u>
2	Minor individual impact but cumulative impacts require monitoring. Includes environmental protection or enhancement activities. No significant impact on other users. Plentiful resource 250-500 m ³ /day. Frost protection - up to 2,000 m ³ /day.	\$160 <u>\$200</u>
3	Individual and cumulative impacts require monitoring. Small impact. Some impact on flow particularly in combination with other users. Not detrimental to in-stream values. 500-1,000 m ³ /day. Frost protection - up to 3,000 m ³ /day.	\$300 <u>\$370</u>
4	Individual and cumulative impacts require monitoring. Small to moderate impact. Impact on flow may exclude other users. 1,000-2,000 m ³ /day (municipal and industrial takes). Up to 5,000 m ³ /day (irrigators). Frost protection - >3,000 m ³ /day.	\$1,170 <u>\$1,460</u>
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate impact. Impact on flow may exclude other users. May be detrimental to in-stream values. Up to 10,000 m ³ /day.	\$3,020 <u>\$3,770</u>
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate to large impact. Significant abstraction. Can have impacts on the resource and other users. Up to 30,000 m ³ /day.	\$9,040 <u>\$11,280</u>
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. High impact. Significant water abstraction. Has significant impact on resource. Up to 50,000 m ³ /day.	\$15,060 <u>\$18,800</u>

Step	Examples	Annual charge (incl. GST)
8	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. High impact. Significant water abstraction. Has significant impact on resource. Up to 100,000 m ³ /day.	\$30,110 \$37,590
9	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Substantial impact. Has significant impact on water availability and capacity to receive discharges. Utilises large proportion of stream flow >10% of Q5. Potential to exclude other users. Up to 200,000 m ³ /day.	\$60,220 \$75,170

Note: these charges vary depending on the volume of water permitted to be taken under the consent and apply regardless of whether the allocation is being used.

Schedule 7B - Water management

Consents to take groundwater excluding geothermal

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Plentiful resource. Up to 250 m ³ /day. Frost protection - up to 1,000 m ³ /day.	\$170 \$200
2	Minor individual impact but cumulative impacts require monitoring. No significant impact on other users. Plentiful resource. Up to 500 m ³ /day. Frost protection - up to 2,000 m ³ /day.	\$340 \$390
3	Individual and cumulative impacts require monitoring. Small impact. Resource may be limited. Can impact other users. Up to 1,000 m ³ /day. Frost protection - up to 3,000 m ³ /day.	\$610 \$700
4	Individual and cumulative impacts require monitoring. Moderate impact. Resource may be limited. Can impact resource and other users. Up to 2,000 m ³ /day (municipal and industrial takes). Up to 5,000 m ³ /day (irrigators). Frost protection ->3,000 m ³ /day.	\$2,430 \$2,800
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate impact. Other users potentially affected. Resource may be impacted. Up to 5,000 m ³ /day (municipal and industrial takes). Up to 7,500 m ³ /day (irrigators).	\$3,420 \$3,940
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate to large impact. Other users affected or excluded. Resource impacted. Up to 10,000 m ³ /day.	\$6,280 \$7,240
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Large impact. Other users affected or excluded. Resource impacted. Up to 30,000 m ³ /day.	\$18,840 \$21,710

Step	Examples	Annual charge (incl. GST)
8	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Major impact. Localised effect on complex resource. Can limit or exclude other users. Up to 50,000 m ³ /day.	\$31,420 \$36,210

Note: these charges vary depending on the volume of water permitted to be taken under the consent and apply regardless of whether the allocation is being used

Schedule 8B - Water management

Consents to take geothermal fluid and geothermal heat/energy

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Geothermal fluid <5 m ³ /day. Warm water bores (Tauranga Field) <25 m ³ /day.	\$40 \$50
2	Minor individual impact but cumulative impacts require monitoring. No significant impact on other users. Geothermal fluid <25 m ³ /day. Down-hole heat exchangers < 5 kw. Warm water bores (Tauranga Field) <100 m ³ /day.	\$70 \$80
3	Individual and cumulative impacts require monitoring. Small impact. Resource may be limited. Can impact other users. Geothermal fluid < 50 m ³ /day. Down-hole heat exchangers >5 kw. Warm water bores (Tauranga Field) >100 m ³ /day.	\$100 \$120
4	Individual and cumulative impacts require monitoring. Moderate impact. Resource may be limited. Can impact resource and other users. Geothermal fluid <150 m ³ /day.	\$570 \$670
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate impact. Other users potentially affected. Resource may be impacted. Geothermal fluid <350 m ³ /day.	\$1,700 \$1,990
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate to large impact. Other users affected or excluded. Resource impacted. Geothermal fluid <2,000 m ³ /day.	\$4,240 \$4,960
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Large impact. Other users affected or excluded. Resource impacted. Geothermal fluid up to 20,000 m ³ /day.	\$8,470 \$9,900
8	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Major impact. Localised effect on complex resource. Can limit or exclude other users. Geothermal fluid >20,000 m ³ /day.	\$20,340 \$23,770

Schedule 9B - Water management

Consents to dam and/or divert

Step	Examples	Annual charge (incl. GST)
1	Negligible individual impact but cumulative impacts require monitoring. Intermittent flood control, permanent stream diversions and realignments. Environmental protection or enhancement activities. Dams:- less than 1.5 m. Diversions:- mean stream flow less than 0.5 m ³ /sec.	\$70 \$100
2	Minor individual impact but cumulative impacts require monitoring. No significant impact on resource. No impact on in-stream values. Permanent stream diversions and realignments. Environmental protection or enhancement activities. Dams:- less than 3 m. Diversions:- mean stream flow less than 1 m ³ /sec.	\$110 \$150
3	Individual and cumulative impacts require monitoring. Small impact. Potential effect on resource. Some impact on in-stream values on a more sensitive stream/river. Permanent stream diversions and realignments. Dams:- less than 3 m. Diversions:- mean stream flow less than 2 m ³ /sec.	\$220 \$290
4	Individual and cumulative impacts require monitoring. Small impact. Effect on resource. Some impact on in-stream values. Permanent stream diversions and realignments. Dams:- less than 5 m. Diversions:- mean stream flow less than 10 m ³ /sec. Diversion of water (power schemes) less than 10% of mean flow of river system.	\$640 \$850
5	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Small to moderate impact. Significant effect on resource. Impact in-stream values. Ecosystem impacts. Minimal compensation flow. Dams:- less than 10 m. Diversions:- (a) Permanent stream diversions and realignments - mean stream flow less than 20 m ³ /sec. (b) Diversion of water (power scheme) less than 20% of mean flow of river system.	\$1,700 \$2,2800
6	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Moderate impact. Impacts flow regime of part of catchment. Significant impact on stream ecosystem and in-stream values. Limits and may exclude other users. Diversion of water (power schemes) less than 30% of mean flow of river system.	\$4,870 \$6,570

Step	Examples	Annual charge (incl. GST)
7	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity may require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Large impact. Other users affected or excluded. Resource impacted. Geothermal fluid up to 20,000 m ³ /day.	\$8,520 \$11,390
8	Individual and cumulative impacts require monitoring. Impacts of consent holder's activity require specific monitoring techniques. Major resource impact monitoring investigation annually. Report prepared. Large impact. Impacts flow regime of part of catchment. Substantial impact on stream ecosystem and in-stream values. Likely to exclude other users. Diversion of water (power schemes) greater than 50% of mean flow of river system.	\$14,900 \$19,930

Schedule 10B - Air management

Consents to discharge contaminants into air

Step	Examples	Annual charge (incl. GST)
1	Small landfills.	\$60 \$80
2	Sand blasters, small incinerators. Predominantly former Class "B" processes. Medium/large sewage plant air discharges.	\$290 \$360
2a	Spray painters. Small/medium sewage plant air discharges.	\$60 \$80
3	Hot dip galvanising. Asphalt manufacture.	\$290 \$360
4	Rendering plants.	\$770 \$970
5	A range of chemical processes. Larger boiler plant.	\$1,910 \$2,400
6	A range of chemical processes with higher risk of offsite effects.	\$5,710 \$7,190
7	Fertiliser Manufacturing Plant.	\$11,420 \$14,380
8	Major pulp and paper mill.	\$22,830 \$28,750
9	Activities on port land.	Actual and reasonable charges*

*Actual and reasonable costs include, but are not limited to; staff time at the staff charge out rates detailed in Schedule A, sampling and testing costs and any specialist advice needed.

Schedule 11B - Coastal management

Coastal consents (other than takes and discharges)

Step	Examples	Annual charge (incl. GST)
1	No charge as there is no specific regional/impact monitoring programme associated with this category of consents.	\$0
2	Aquaculture – marine farms <10 hectare consented area.	\$120 \$135
3	Aquaculture – marine farms >10 hectare consented area.	\$1,260 \$1,350

Note: The data and science charges for marine farms apply from the time the consent is exercised (i.e. once marine farm equipment is installed in the water) and are based on the area consented.

Schedule 12B - Land use management

Land use consents

Step	Examples	Annual charge (incl. GST)
1	Minor earthworks not covered by Steps 2-6 (e.g. installation of structures such as culverts and jetties).	\$0
2	Earthworks and forestry operations <1 hectare (total land area covered under the consent).	\$160 \$250
3	Earthworks and forestry operations 1-10 hectares (total land area covered under the consent).	\$480 \$750
4	Earthworks and forestry operations >10 hectares (total land area covered under the consent).	\$940 \$1,460
5	Quarries <2 hectare (total land area allowed to be worked under the consent).	\$190 \$300
6	Quarries >2 hectare (total land area allowed to be worked under the consent).	\$310 \$470

Note: earthworks include those associated with land development, tracks, roads, forestry, vegetation clearance and rehabilitation works. It does not include consents for installation of structures (e.g. culverts and jetties).

APPENDIX 3

Supporting Information Document Resource Management Act charges analysis 2019-20



Supporting Information Document: Resource Management Act Charges Analysis

S36AAA Resource Management Act charges analysis

Purpose

This S36AAA analysis is required for the Bay of Plenty Regional Council's (Council) RMA charges. The Resource Management Act 1991 and Building Act 2004 form the foundation of the majority of our work. The Resource Management Act and Building Act Charges Policy ("Council Charges Policy") sets out our charges under these Acts.

The sole purpose of an RMA charge is to recover the reasonable costs incurred by the Council in respect of the activity to which the charge relates. When fixing charges the Council must also have regard to the following criteria (RMA s36AAA(3)):

- Person(s) should only be required to pay a charge to the extent they obtained the benefit of the local authority's actions distinct from the community as a whole; or Person(s) should only be required to pay a charge where they created need for the local authority's actions;
- Person(s) should only be required to pay a charge in relation to monitoring where it relates to that person(s) activities or the likely benefit to that person(s) exceeds that to the community as a whole.

The application of these requirements can be subjective and Council must use judgement.

The following tables detail each of the main classes of charges and our analysis against the above criteria.

How to read the analysis

RMA s36AAA/References	Considerations
Type of charge	Type/name of charge
Section of the policy	The part of the policy these charges can be found in.
Statutory basis for charge	Applicable section of the RMA.
The basis of the charge	Details on the basis of the charge.
Assessment of benefits obtained by person(s)	S36AAA(3)(a) The benefit of the local authority's actions to which the charge relates is obtained by those person as distinct from the community of the local authority as a whole. Consent applicants or holders benefit directly from the work.
Assessment of whether need for work relates from actions of person(s)	S36AAA(3)(b) The need for the local authority's actions to which the charge relates from the actions of those persons. Consent applicants or holders occasion the work (the council needs to do the work because of the actions of consent applicants or holders).
Assessment of monitoring functions (where applicable)	S36AAA(3)(c) Where the charge is in respect of the local authority's monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment), - i. To the extent the monitoring relates to the likely effects on the environment of those person's activities; or ii. To the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole.
Approximate recoveries from charges	Estimated percentage of costs to be recovered from charges.

Application charges

RMA s36AAA/References	Considerations
Type of charge	General resource consent application deposits
Section of the policy	2.1.2 Application charges for non-notified resource consents
Statutory basis for charge	S36(1)(b) charges payable by applicants for resource consents, for the carrying out by the local authority for any 1 or more of its functions in relation to the receiving, processing and granting of resource consents (including certificates of compliance and existing use certificates)
The basis of the charge	<p>Pre-application activities - we have a policy of funding the first hour of pre-application advice from Council's general funds as we believe that it saves applicants time and money in the long run.</p> <p>General resource consent application deposits - We have set deposit charges payable in advance with the balance of charges being charged/refunded in arrears at the completion of the consent process. They have been set in three tiers based on the type of consent application. We have based our tiers on the estimated average hours to process those consent types and believe that this provides consent applicants with a realistic expectation of the charge.</p>
Assessment of benefits obtained by person(s)	<p>Consent applicants benefit from the work Council undertakes directly. They will benefit from having the consent application considered and will particularly benefit if the application is approved e.g. processing and approving a consent enables development to proceed.</p> <p>Consent applicant receives 100 percent of the benefit.</p>
Assessment of whether need for work relates from actions of person(s)	The activities in the consent application process are predominantly caused by consent applicants. Council is required to do the work as a result of the consent being applied for.
Approximate recoveries from charges	80%-100% range

RMA s36AAA/References	Considerations
Type of charge	Fixed consent application fees
Section of the policy	2.1.2 Application charges for non-notified resource consents - Table 2
Statutory basis for charge	S36(1)(b) charges payable by applicants for resource consents, for the carrying out by the local authority for any 1 or more of its functions in relation to the receiving, processing and granting of resource consents (including certificates of compliance and existing use certificates)
The basis of the charge	For consent applications which are generally routine we apply fixed application fees. Our fees are based on the estimated staff time to process each type of these consent applications.
Assessment of benefits obtained by person(s)	Consent applicants benefit from the work Council undertakes directly. They will benefit from having the consent application considered and will particularly benefit if the application is approved e.g. processing and approving a consent enables development to proceed. Consent applicant receives 100 percent of the benefit.
Assessment of whether need for work relates from actions of person(s)	The activities in the consent application process are predominantly caused by consent applicants. Council is required to do the work as a result of the consent being applied for.
Approximate recoveries from charges	80%-100% range

RMA s36AAA/References		Considerations
Type of charge		Charges for limited and publicly notified resource consents
Section of the policy		2.1.3 Charges for limited and publicly notified resource consents
Statutory basis for charge		S36(1)(b) charges payable by applicants for resource consents, for the carrying out by the local authority for any 1 or more of its functions in relation to the receiving, processing and granting of resource consents (including certificates of compliance and existing use certificates)
The basis of the charge		We charge actual and reasonable costs for processing limited or publicly notified resource consents. When an application is notified and proceeds to a hearing, a further charge is payable (this is payable when we proceed to a hearing as it is only then that further costs are incurred). These costs vary considerably and depend on a number of factors such as how well the applicant has consulted, how well the application is prepared, the number of submissions received and how difficult the issues are to resolve.
Assessment of benefits obtained by person(s)		Consent applicants benefit from the work Council undertakes directly. They will benefit from having the consent application considered and will particularly benefit if the application is approved e.g. processing and approving a consent enables development to proceed. Submitters may receive benefit from having the ability to have their say.
Assessment of whether need for work relates from actions of person(s)		The activities in the consent application process are predominantly caused by consent applicants. Council is required to do the work as a result of the consent being applied for.
Approximate recoveries from charges		80%-100% range

RMA s36AAA/References		Considerations
Type of charge		Charges for permitted marginal or temporary activities
Section of the policy		2.1.5 Charges for permitted marginal or temporary activities
Statutory basis for charge		S87BB Activities meeting certain requirements are permitted activities. S36(1)(ae) charges payable by persons proposing to undertake an activity, for the carrying out by a local authority of its functions in relation to issuing a notice under S87BA or 87BB stating whether the activity is a permitted activity.
The basis of the charge		We charge actual and reasonable costs for processing a request to issue a notice stating whether an activity is a permitted marginal or temporary activity with the first hour being provided free. The actual costs will vary depending on the nature and complexity of the request.
Assessment of benefits obtained by person(s)		The applicant benefits from the work Council undertakes directly. They will benefit from having the request considered and will particularly benefit if the notice is issued stating that an activity is a permitted marginal or temporary activity. Applicant receives 100 percent of the benefit.
Assessment of whether need for work relates from actions of person(s)		The activities in the process are predominantly caused by the applicant. Council is required to do the work as a result of the notice being applied for.
Approximate recoveries from charges		80%-100% range

RMA s36AAA/References	Considerations
Type of charge	Charges for objections
Section of the policy	2.3 Charges for objections
Statutory basis for charge	S36(1)(af) charges payable by a person making an objection under section 357A(1)(f) or (g), if the person requests under 357AB that the objection be consider by a hearings commissioner, for the cost of the objection being considered and decided in accordance with the request.
The basis of the charge	Costs may be recovered on an actual and reasonable basis. To ensure a fair process for the objector, Council may ask the commissioner(s) to make a recommendation as to whether it would be appropriate to remit (i.e. not charge) any of these costs.
Assessment of benefits obtained by person(s)	There is some uncertainty about who benefits from objections. In some cases the objector may benefit and in some cases it may be for the public good. It is important to ensure people can exercise their right to object to decisions made by Council without being unduly discouraged or penalised, and without encouraging or incentivising a situation where vexatious objectors require us to hire commissioners unnecessarily.
Assessment of whether need for work relates from actions of person(s)	The objector creates the need.
Approximate recoveries from charges	0%-100% range

Annual charges

RMA s36AAA/References	Considerations
Type of charge	Administration charge
Section of the policy	2.4.1 Administration charge
Statutory basis for charge	S36(1)(c) charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to the administration, monitoring and supervision of resource consents (including certificates of compliance and existing use certificates), and for the carrying out of its resource management functions under section 35.
The basis of the charge	The administration charge is designed to cover activities such as consent computer database maintenance, consent file system maintenance, correspondence to consent holders, dealing with generic enquires. We have therefore based our administration charge on the costs of our coordinator team and our duty person. Council have elected to fund approximately 30% of our administration work through administration charges - we felt that while recovering 100% of these costs was allowed the resulting amount did not satisfy the principal of reasonableness and fairness.
Assessment of benefits obtained by person(s)	Consent applicants or holders benefit from this charge, however there is a public good element as well in keeping these records.
Assessment of whether need for work relates from actions of person(s)	Consent applicants or holders occasion a proportion of the administration work required – Council is required to keep databases, systems and correspond with consent holders as a result of their actions.
Approximate recoveries from charges	30% approximately

RMA s36AAA/References		Considerations
Type of charge		Compliance monitoring charges
Section of the policy		2.4.2 Compliance monitoring charges
Statutory basis for charge		<ul style="list-style-type: none"> • S36(1)(c) charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to the administration, monitoring and supervision of resource consents (including certificates of compliance and existing use certificates), and for the carrying out of its resource management functions under section 35. • S36(1)(cc) charges payable by a person who carries out a permitted activity, for the monitoring of that activity, if the local authority is empowered to charge for the monitoring in accordance with section 43A(8). • S36(3) Fixed charges • S36(6) Variable charges
The basis of the charge		<p>Fixed fee compliance monitoring charges - Some compliance monitoring activities are routine, involving a simple site inspection, auditing any monitoring information and occur anywhere from annually to every ten years. In these cases, we estimate the time involved to complete the inspection and charge annually in advance. This approach may also be applied for more “passive” activities or resource uses, where a lower annual fee is preferable to a higher one-off charge.</p> <p>All other consents - more complex/variable consents are charged the actual and reasonable costs of carrying out their compliance monitoring programme.</p> <p>Permitted activities - a specific schedule of charges will apply to recover the actual and reasonable costs of monitoring permitted activities where it is provided for under a National Environmental Standard</p> <p>Non-compliance - the cost of dealing with any non-compliance, regardless of its fee regime, is recovered through actual and reasonable additional charges charged in arrears.</p> <p>All consents holders only pay the cost of compliance monitoring associated with their consent</p>
Assessment of benefits obtained by person(s)		<p>Compliance monitoring helps to both verify that consent holders are meeting the conditions of their consents, and ensure that any non-compliances are identified and actioned. There is an element of public good by encouraging and ensuring compliance, as consent conditions are put in place to protect the environment and the community from potential adverse effects arising from the resource use or development activity authorised by the consent.</p> <p>However, as the need for this type of monitoring only arises because of consent holders’ activities, and the benefits of holding the consent accrue entirely to consent holders, we consider it appropriate for consent holders to bear the reasonable cost of this monitoring.</p>
Assessment of whether need for work relates from actions of person(s)		<p>The compliance monitoring activity is driven by resource use and/or discharges to the environment which require resource consents to proceed. The need for compliance monitoring is therefore occasioned by the consent holder.</p> <p>Non-compliance is caused solely by consent holder activity.</p> <p>Monitoring of permitted activities under a National Environmental Standard is driven by the specific activity taking place and is therefore occasioned by the person(s) carrying out the activity. The activities to which this pertains are explicitly outlined within the respective National Environmental Standard.</p>
Approximate recoveries from charges		80%-100% range

RMA s36AAA/References		Considerations
Type of charge		Data and science charge
Section of the policy		2.4.3 Data and science charge
Statutory basis for charge		<p>S36(1)(c) charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to the administration, monitoring and supervision of resource consents (including certificates of compliance and existing use certificates), and for the carrying out of its resource management functions under section 35.</p> <p>S36AAA(3)(c) in a case where the charge is in respect of the local authority's monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment):</p> <ol style="list-style-type: none"> To the extent that the monitoring relates to the likely effects on the environment of those person's activities; or To the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole.
The basis of the charge		<p>The charge paid by consent holders is related to the effects of their activity on the environment. Consent holders only pay for a part of the monitoring. The regional community pays for the rest as it also benefits from the information gained.</p> <p>All Data and Science projects undertaken by Council were costed and assessed in terms of their relevance to consent holders.</p>
Assessment of benefits obtained by person(s)		<p>Data and science monitoring activities are undertaken to gather information about resources to ensure they are managed on a sustainable basis. The information is used to determine the nature and state of a resource, to enable us to grant resource consents with confidence, and to check whether the management tools for resources in regional plans are working properly. A large amount of information is made publicly available.</p> <p>Both the consent holder and the regional community benefit from the monitoring undertaken.</p> <p>The consent holder benefits through the protection of resources through management, early warning of changes in resources, and information and data to aid business planning, exercising of their consent and the re-consenting process.</p>
Assessment of whether need for work relates from actions of person(s)		<p>Consent holders and the regional community.</p> <p>Where consents are in place, Council needs to understand and monitor resources to ensure consent conditions are set appropriately (e.g. water allocation limits) and to safeguard future access to resources. This requirement (and the associated charge) applies regardless of whether a consent holder fully exercises their consent e.g. the monitoring still has to take place even if a consent holder chooses not to take any or all of their consented water allocation.</p>
Assessment of monitoring functions		As there is a public good aspect to Data and Science Charges, Council will consider whether an activity has a zero, low, medium or high benefit to consent holders; or the extent it is occasioned by consent holder activity for each of the type of costs.
Approximate recoveries from charges		0%-30% dependent on the project

Report To: Regional Council

Meeting Date: 07 March 2019

Report From: Mat Taylor, General Manager, Corporate

Annual Plan 2019/20 - Adoption of Consultation Document for public consultation

Executive Summary

The purpose of this paper is to seek Council's adoption of the Annual Plan 2019/20 Consultation Document '*What Do You Think?*' and the Statement of Proposal to amend the Revenue and Financing Policy, drafts of these documents are included as attachments to this agenda. The paper also updates on the draft Annual Plan Budget 2019/20 and the plan for engaging with the community through the consultation period.

Once adopted these document will be released for public consultation beginning on 18 March 2019 and will be circulated to key stakeholders, including City and District Councils.

The development of the draft Annual Plan Budget 2019/20 and Consultation Document has been guided by Council workshops in October and November 2018 and February 2019, and by the direction provided at the Council meeting on 13 December 2018.

The forecast operating deficit is \$3 million and this is \$0.1 million lower than the budgeted operating deficit in Year 2 of LTP 2018-2028 of \$3.1 million (Section 1). Included in the updated forecasts for 2019/20 is \$2.3 million of additional expenditure in specific areas (Section 2). Because Council has delivered over \$1 million of savings through its fit for purpose review in 2018 and has increased the budgeted efficiency target in 2019/20 to ensure it operates as efficiently as possible, the funding required for this additional expenditure has been reduced.

This Annual Plan will set the level of rates for the 2019/20 financial year. The proposed average rates increase of 6.5% (an average of \$13 per household) is 1.2% above the 5.3% that was forecast almost 12 months ago in the Long Term Plan 2018-2028. This is an average and the impact on rates paid will depend on the location of the household and the services it receives. This average rates increase includes a proposed general rates increase of 3.8% (an average \$9 per household) which is approximately 1% higher than the 2.8% forecast increase in Year 2 of LTP 2018-2028.

The unbalanced budget approved by Council as part of the LTP 2018-2028, is mainly due to operating grants for infrastructure projects which are funded from reserves, and the unbalanced budget for draft Annual Plan 2019/20 is prudent.

On 13 December 2018, Council directed staff to prepare for consultation on the Annual Plan

2019/20. A draft Consultation Document and engagement plan was prepared and considered by Council at the Annual Plan workshop on 1 February 2019, this has been updated following feedback from Councillors and a final draft Consultation Document for adoption is attached to this agenda (Section 3). The four consultation questions Council are seeking the views of the community are:

- Climate change – What do you want Council to focus on when it comes to our actions on climate change?
- Regional safety and rescue services – How should Council support charities that provide regional safety and rescue services, such as Surf Lifesaving and Coastguard, in the Bay of Plenty?
- Passenger Transport - Do you support an increase in rates to fund a one year trial to improve access to tertiary education across the Bay of Plenty and for people commuting to Tauranga and Rotorua?
- Passenger Transport - Do you support an increase in rates to fund a one year trial of fare-free bus travel for Tauranga school students, to help reduce congestion in Tauranga?

In addition, amendments to the Revenue and Financing Policy are proposed through a separate Statement of Proposal (Section 3.2). The changes to rating tools outlined in the statement of proposal are intended to facilitate targeted rating for third party infrastructure and Regional Safety and Rescue service funding in future years. Council is also separately consulting on the changes to its Resource Management Act Section 36 Fees and Charges Policy.

Recommendations

That the Regional Council:

- 1 Receives the report, Adoption of Consultation Document for the Annual Plan 2019/20 public consultation process;**
- 2 Approves additional operating expenditure of \$57,000 in the draft Annual Plan Budget 2019/20 and subsequent years, for the public transport service for Waihi Beach per the recommendation of the Public Transport Committee on 8 February 2019 (refer to Section 1.2).**
- 3 Approves additional capital expenditure of \$21,000 in the draft Annual Plan Budget 2019/20 for the Passenger Transport Activity to implement the Risewise 2 Total Mobility System and notes that staff will seek co-investment by the New Zealand Transport Agency (refer to Section 2.2).**
- 4 Approves additional capital expenditure of \$400,000 in the draft Annual Plan Budget 2019/20 for the Rotorua Lakes Activity to undertake additional stream works and property remediation to manage high lake levels at Lake Ōkāreka (refer to Section 2.3).**
- 5 Approves the draft Annual Plan Budget 2019/20 (Appendix 1) for the purpose of public consultation and that the draft Annual Plan Budget 2019/20 is supported by the draft budget changes register (Appendix 2).**

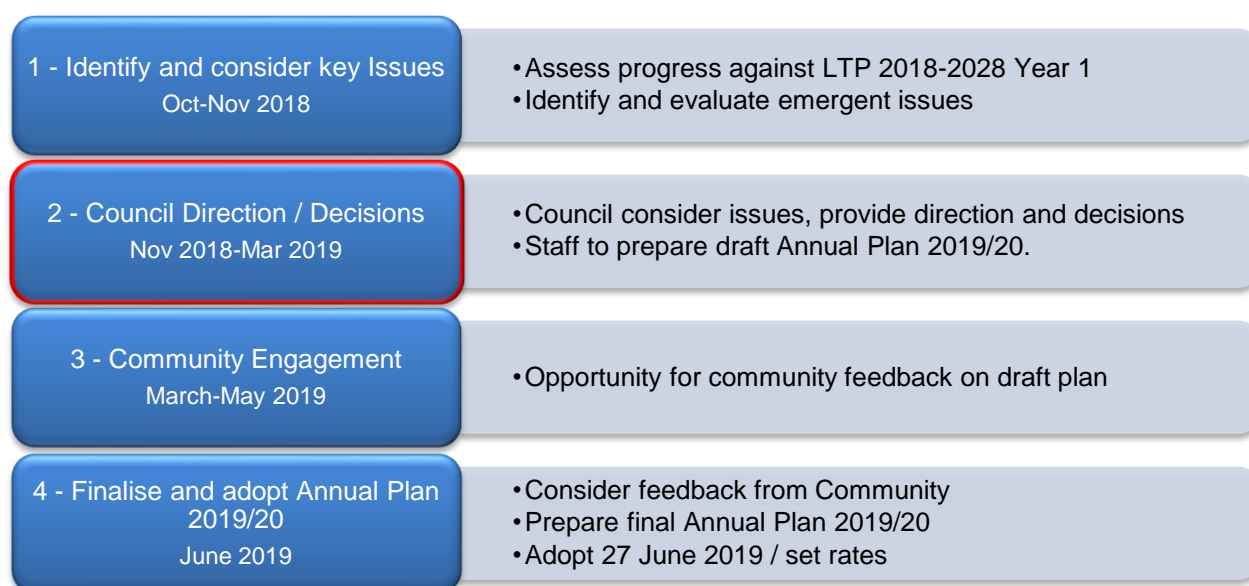
- 6 Notes that the draft Annual Plan Budget 2019/20 is unbalanced, mainly due to operating grants for infrastructure projects which are funded from reserves, and that an unbalanced budget is prudent.**
- 7 Approves the draft total real rates revenue increase of 6.5%, which is more than the forecast 5.3% increase for Year 2 of the Long Term Plan 2018-2028, for the purpose of public consultation.**
- 8 Agrees that, pursuant to section 95 2A of the Local Government Act (2002), the variances from Year 2 of the Long Term Plan 2018-2028 are not significant or material enough to require a full special consultative procedure including formal submissions and hearings.**
- 9 Adopts the Annual Plan 2019/20 Consultation Document ‘What Do You Think?’ for public consultation (Appendix 3).**
- 10 Adopts the Statement of Proposal to amend the Revenue and Financing Policy for public consultation using the special consultative procedure under the Local Government Act, to be consulted on concurrently with the Annual Plan 2019/20 (Appendix 4).**
- 11 Adopts the supporting information documents for the purposes of consultation on the proposed changes to the Revenue and Finance Policy Statement of Proposal (Appendix 5 and 6)**
- 12 Delegates to the Chief Executive to make any minor editorial changes and to update the financial information to the Annual Plan 2019/20 Consultation Document as necessary.**

1 Development of the Draft Annual Plan 2019/20 Consultation Document

This draft Annual Plan 2019/20 Consultation Document “What Do You Think?”, included as attachment to this report, presents the draft budget for the second year of the Long Term Plan 2018-2028 (LTP 2018-2028), updated for any changes from what we said we’d do. These changes include increased resources in specific areas. An important part of this Annual Plan is that Council is seeking community feedback on the consultation proposals for climate change, safety and rescue services, and passenger transport.

The draft Annual Plan 2019/20 Consultation Document has been guided by Council workshops in October and November 2018, and February 2019, and by the direction provided at the Council meeting on 13 December 2018. Figure 1 shows the high level process.

The main variances included in the draft Annual Plan Budget 2019/20 compared to Year 2 of LTP 2018-2028 are outlined below (refer to Section 1 and 2). Pursuant to section 95 2A of the Local Government Act (2002) these variances are not considered to be significant or material enough to require a full special consultative procedure. However Council agreed in December 2018 to follow a formal consultation process focused around ‘Have Your Say’ engagement events (refer to Section 3).

Figure 1: Annual Plan 2019/20 Process

1.1 Draft Annual Plan 2019/20 – Budget Overview

The proposed draft Annual Plan Budget 2019/20 underpins the financial information included in the draft Consultation Document “What Do You Think?” and is summarised in Table 1 below.

The draft budget includes changes as a result of Council decision-making, amendments and new expenditure requested in this report. The draft budget does not include forecast estimates associated with the consultation proposals for passenger transport.

The recommendations in this report seek confirmation of these budget changes and new requests, as well as the approval of the draft Annual Plan Budget 2019/20. This will enable staff to finalise the financial information contained in the Consultation Document, including forecast rates increases.

Table 1: Draft Annual Plan 2019/20 Budget (Version 3 for 7 March Council)

Operating Budget	LTP YR2 2019/20 \$000	Draft AP 2019/20 \$000	Variance 2019/20 \$000
Operating Revenue	131,538	132,534	996
Operating Expenditure (Refer to Section 1.2)	134,648	135,479	(831)
Operating Deficit	3,110	2,945	165

Capital Budget	LTP YR2 2019/20 \$000	Draft AP 2019/20 \$000	Variance 2019/20 \$000
Capital Expenditure (Refer Section 1.3)	52,406	47,264	5,142
Capital Revenue	5,134	5,134	-
Borrowings for Capital Expenditure	47,272	42,130	5,142

Table 2: Draft Annual Plan 2019/20 Rates Forecast (Version 3 for 7 March Council)

Rates Forecasts	LTP YR2 2019/20	Draft AP 2019/20	Variance 2019/20
General Rates increase	2.8%	3.8% (an average of \$9 per household)	1.0%
Targeted Rates increase	7.9%	9.3%	1.4%
Total Rates increase (Refer to Section 1.4)	5.3%	6.5% (an average of \$13 per household)	1.2%

The forecast operating deficit is \$3 million and this is \$0.1 million lower than the budgeted operating deficit in Year 2 of LTP 2018-2028 of \$3.1 million. The unbalanced budget approved by Council as part of the LTP 2018-2028, is mainly due to operating grants for infrastructure projects which are funded from reserves, and the unbalanced budget for draft Annual Plan 2019/20 is prudent.

In 2018, Council approved an additional \$1.9 million of operating expenditure in the draft Annual Plan Budget 2019/20 (refer to Section 1.2). Council has delivered over \$1 million of efficiency savings through its fit for purpose review carried out in 2018, and has also increased its budgeted efficiency target in 2019/20 from \$778,000 to \$1 million. Planning is underway to ensure Council operates as efficiently as possible and delivers further value for money to our communities. The actual savings achieved have reduced Council's forecast employee and consultancy expenditure, and these savings have been applied to the additional operating expenditure required in specific areas. This has resulted in a net increase in forecast operating expenditure of \$0.9 million to \$135.5 million in 2019/20.

As a result, Council is forecasting an increase in operating revenue of \$1 million to \$132.5 million in the draft Annual Plan Budget 2019/20, \$495,000 of this increase relates to cost recoveries for consent processing and the remainder is a change to rates revenue. Council is consulting separately on changes to its Resource Management Act Section 36 Fees and Charges Policy.

Forecast capital expenditure has decreased from \$52.4 million to \$47.3 million in 2019/20. Council has reviewed its capital works programme to ensure that our borrowings are in line with our ability to deliver on a challenging programme of work. This programme includes \$19.9 million for major repairs to the flood protection structures damaged during the April 2017 floods in the eastern Bay. Council is requested to approve additional capital expenditure of \$421,000 (refer to Section 2) and has moved budgeted expenditure of \$4.5 million for the Kaituna River Rediversion

Project and \$1 million for the Rangitāiki Floodway Upgrade Project into the capital works programme for 2018/19. As a result of these changes, Council has reduced forecast borrowings by \$5.1 million to \$42.1 million in 2019/20.

The main differences in forecast operating expenditure and capital expenditure between the draft Annual Plan Budget 2019/20 and Year 2 of LTP 2018-2028 are discussed in further detail in Sections 1.2 and 1.3 of this report.

This Annual Plan will set the level of rates for the 2019/20 financial year. The proposed average rates increase of 6.5% (an average of \$13 per household) is 1.2% above the 5.3% that was forecast almost 12 months ago in the LTP 2018-2028. This is an average and the impact on rates paid will depend on the location of the household and the services it receives. This average rates increase includes a general rates increase of 3.8% (an average \$9 per household) in 2019/20 which is approximately 1% higher than the 2.8% forecast increase in Year 2 of LTP 2018-2028.

The draft Annual Plan Budget 2019/20 is included in Appendix 1. The financial implications between the draft Annual Plan Budget 2019/20 (Version 3) and Year 2 of LTP 2018-2028 are included in Appendix 2.

1.2 Operating Expenditure Changes

The forecast operating expenditure in the draft Annual Plan Budget 2019/20 is \$135.5 million and this is \$0.9 million higher than the budgeted operating expenditure in Year 2 of LTP 2018-2028 of \$134.6 million. This net increase in operating expenditure is set out in Table 3 below.

Table 3: Summary of Operating Expenditure changes

Opex changes per Council	Group of Activity	Draft AP2019/20 Change \$000	Funding source
Climate Change (CD Question One)	Regional Planning and Engagement	200	General rates
Online people's panel	Regional Planning and Engagement	50	General rates
Kaimai Mamaku ranges biodiversity ground based pest control	Integrated Catchments Management	242	General rates
Resource consents contract works (offset 100% by cost recoveries)	Resource Regulation and Monitoring	495	Fees and charges
Rivers and drainage schemes infrastructure insurance increase in premiums	Flood Protection and Control	360	Targeted rates 80% and general rates
Real time passenger information for Rotorua and Whakatāne commuters	Passenger Transport	82	Targeted rates
Public transport service for Mamaku	Passenger Transport	50	General rates
SmartGrowth collaboration in western Bay of Plenty sub-region funding for Urban Form of Transport Initiative	Regional Planning and Engagement	420	General rates
Efficiency savings achieved through fit for purpose review – staff/consultants	All	(917)	Various
Increase in efficiency savings target in 2019/20 from \$778,000 to \$1 million per annum	All	(222)	Various

Various other adjustments	Various	14	Various
Sub-total		774	

New opex request 7 March Council	Group of Activity	Draft AP2019/20 Change \$000	Funding source
Public transport service for Waihi Beach per recommendation of Public Transport Committee 8 February 2019 (refer to Section 2.1)	Passenger Transport	57	Targeted rates

Net <u>increase</u> in Operating Expenditure Draft AP2019/20 Budget	831	
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1.3 Capital Expenditure Changes

The forecast capital expenditure in the draft Annual Plan Budget 2019/20 is \$47.3 million and this is \$5.1 million lower than the budgeted capital expenditure in Year 2 of LTP 2018-2028 of \$52.4 million. This net decrease in capital expenditure is set out in Table 4 below.

Table 4: Summary of Capital Expenditure changes

Capex changes per Council direction/approvals	Group of Activity	Draft AP2019/20 Change \$000	Funding source
Kaituna River Rediversion Project budget brought forward into 2018/19	Integrated Catchments Management	(4,500)	Borrowings
Rangitāiki Floodway Upgrade Project budget brought forward into 2018/19	Flood Protection and Control	(1,063)	Borrowings

New capex request 7 March Council	Group of Activity	Draft AP2019/20 Change \$000	Funding source
Adjustment to Ridewise total mobility solution per direction Council workshop 1 February (refer to Section 2.2)	Passenger Transport	21	Borrowings
Lake Ōkāreka pipeline additional work (refer to Section 2.3)	Integrated Catchments Management	400	Borrowings

Net <u>decrease</u> in Capital Expenditure Draft AP2019/20 Budget	(5,142)	
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2 New Expenditure Requests

2.1 Operating expenditure budget request \$57,000 for public transport service for Waihi Beach

Background

On 8th February 2019, the Public Transport Committee received an update on the success of the Waihi Beach trial passenger transport service and recommended to Council to the continuation as a permanent two day a week service.

Budget Implications

An additional \$57,000 operating expenditure budget funding is sought in Annual Plan 2019/20 and subsequent years. This will equate to an 11% increase to targeted rates for Western Bay in 2019/20.

2.2 Capital expenditure budget request \$21,000 for Ridewise total mobility solution, Passenger Transport Activity

Background

As part of the 1 February 2019 Annual Plan Workshop, Council received a proposal to migrate from a paper based Total Mobility administration system to an integrated electronic system called the Total Mobility Solution (TMS). For the Total Mobility customer, moving to TMS means that when they travel, instead of presenting and completing a paper voucher they swipe an updated mag-strip enabled identification card at the start and end of their trip to log the transaction. The next iteration of the system is Ridewise 2.

Most of the implementation costs will be funded from the existing Total Mobility programme budget. Council provided direction to staff to include additional capital expenditure in the draft budget for Annual Plan 2019/20.

Budget Implications

An additional \$21,000 capital expenditure budget funding is sought in the Annual Plan 2019/20 to move to Ridewise 2 TMS. The New Zealand Transport Agency (NZTA) has indicated that Council can seek co-investment through the low cost/low risk work activity for the Ridewise 2 cost. If so, the NZTA financial assistance rate will be about 75% and the net cost to Council circa \$5,000.

First year borrowing and depreciation costs for the Ridewise 2 TMS will result in an approximate 0.1% increase in general rates.

2.3 Capital expenditure budget request \$400,000 for erosion protection works to manage high lake levels at Lake Ōkāreka, Rotorua Lakes Activity

Background

Over the last year there have been very high lake levels at Ōkāreka, threatening homes. Council have responded by increasing flows down the Waitangi Stream to manage those lake levels and work commenced in February 2019 to install erosion protection works in the Waitangi Stream to manage the effects of the higher flow. Both of these activities have been undertaken using the emergency works provisions of the Resource Management Act. Council are also working on resource consent

applications, as required, to cover the emergency works but also the long term management of flows down the Waitangi Stream (which includes a different flow regime than is operated under the current resource consent for this).

Through the LTP 2018-2028, Council budgeted \$326,000 for erosion protection works on the Waitangi stream. In December 2018, Council approved additional funding of \$289,000 following the receipt of tenders for the work. This additional funding was reallocated from capital underspends within the Rotorua Lakes activity.

The issue

Staff have recently identified that additional stream works and property remediation is required to be carried out in 2019/20. Largely these additional works relate to the approvals from landowners for our resource consent applications, they are valid in terms of appropriate erosion management in the stream. There is no budget provision for this additional work through LTP 2018-2028

Budget Implications

An additional \$400,000 capital funding is sought to undertake additional stream works and property remediation in the Annual Plan 2019/20. Providing funding for this work will equate to a 0.3% increase to general rates, primarily as a result of interest costs on borrowing.

3 Community Engagement for Annual Plan 2019/20

Final drafts of the Annual Plan 2019/20 Consultation Document and the Statement of Proposal to amend the Revenue & Financing Policy are included as attachments to this Council Agenda.

Please note that minor changes, including proof reading edits and final selection of some photos may take place after the adoption of the documents.

Separate to consulting on the Annual Plan 2019/20, Council is required to undertake a full Special Consultation Procedure in relation to the Resource Management Act Section 36 Fees and Charges and this is covered under a separate paper in this Council Agenda.

3.1 Consultation Document

The Consultation Document is the primary source of information for the public in relation to the Annual Plan. The requirements of the Annual Plan Consultation Document are set out in LGA s 95A. In summary, the Consultation Document must:

- Identify significant or material differences between the proposed annual plan and the content of the long-term plan for the financial year to which the annual plan relates.
- Provide a description of significant new spending proposals, the costs associated with those proposals, and how these costs will be met.
- Explain the matters in a way that can be readily understood by interested or affected people.
- Be presented in a concise and simple manner.

3.1.1 Consultation Questions

The final draft Consultation Document is included as an attachment to this agenda. The four consultation questions Council are seeking the views of the community are:

- Climate change – What do you want Council to focus on when it comes to our actions on climate change?
- Regional safety and rescue services – How should Council support charities that provide regional safety and rescue services, such as Surf Lifesaving and Coastguard, in the Bay of Plenty?
- Passenger Transport - Do you support an increase in rates to fund a one year trial to improve access to tertiary education across the Bay of Plenty and for people commuting to Tauranga and Rotorua?
- Passenger Transport - Do you support an increase in rates to fund a one year trial of fare-free bus travel for Tauranga school students, to help reduce congestion in Tauranga?

In addition to the consultation questions above, the Consultation Document provides an overview of work delivered by Council to deliver on our Community Outcomes and information on other changes to the Councils proposed work programme for 2019/20.

3.2 Revenue and Financing policy amendment

Through Annual Plan 2019/20, it is proposed to amend the Revenue and Financing Policy to enable targeted rate funding of Regional Safety and Rescue organisations and also to enable targeted rating for potential future third party infrastructure.

It is not proposed to set a targeted rates for either of these purposes in 2019/20, only to amend the policy to enable this to occur in the future.

To meet the requirements to amend the Revenue and Financing Policy under LGA s102 (4), a statement of proposal has been prepared under LGA s82A, which will be consulted on in parallel with the Annual Plan 2019/20 consultation document (refer to Appendix 4).

The amendment to the Revenue and Policy (refer to Appendix 5 and 6) will use the same community engagement events and submissions process as the Annual Plan 2019/20.

3.3 Legal advice

Staff have sought legal advice in relation to the consultation requirements for the Annual Plan 2019/20, amendments to the Revenue and Finance Policy and Resource Management Act Section 36 Fees and Charges Policy.

3.4 Community Engagement Plan

The Annual Plan 2019/20 consultation process provides an important opportunity for elected officials to engage with and hear from our community. The formal consultation process is made up of two phases. Please note that the dates and locations in the tables below may be updated.

- **Information sharing events-** opportunities for Council to share information about the Annual Plan and the proposed changes for 2019/20. Where possible, we will attend information sharing events alongside other councils.

<i>Location</i>	<i>Proposed Venue</i>	<i>Date/time</i>
Otumoetai	Brookfield New World	Tuesday 19 March
Waihī Beach	Waihī Beach Community Market	Sunday 24 March (9am – 1pm)
Ōmokoroa	Ōmokoroa Community Church	Sunday 24 March (3pm – 5pm)
Te Puke	Te Puke New World	Saturday 30 March (10am – 2pm)
Kawerau	Tarawera Mall	Tuesday 2 April
Whakatāne	Ōhope Craft Market	Saturday 6 April (8am – 12pm)
Tauranga CBD	City Library	Monday 8 April (3pm – 6pm)
Ōpōtiki	Ōpōtiki New World	Thursday 11 April (10am – 2pm)
Pāpāmoa	Pāpāmoa Lions Market	Sunday 14 April (7am – midday)
Welcome Bay	Community Centre Expo	Wednesday 17 April (11am – 3pm)
Rotorua	Pak n Save	TBC – 18 Mar–12 April

- **‘Have Your Say’ events** - to provide an opportunity for members of the community to present their views in person to Councillors.

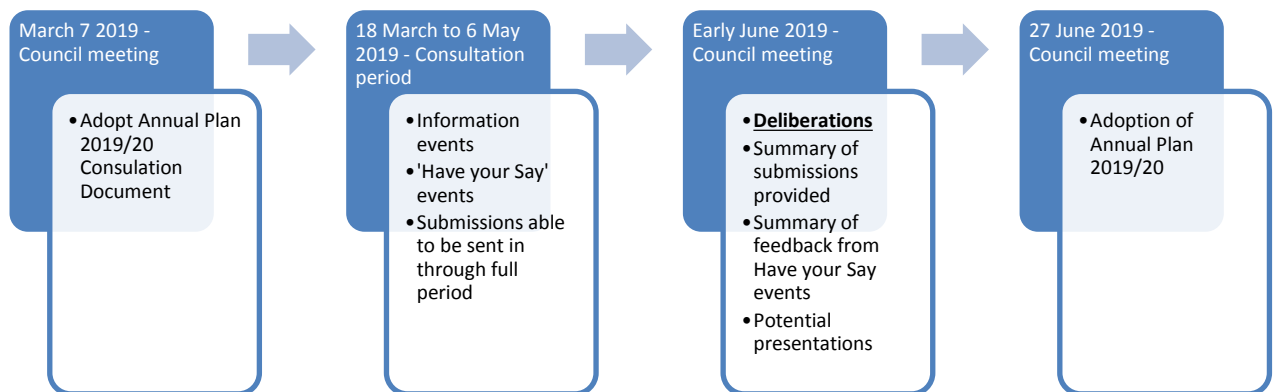
These events replace traditional hearings and provide an opportunity for people to speak to Council in person in relation to the draft Annual Plan 2019/20.

<i>Location</i>	<i>Venue</i>	<i>Date/time</i>
Tauranga	BOPRC First Avenue Office, Mauao Rooms	Monday 29 April 3pm – 7pm
Whakatāne	East Bay REAP or BOPRC Whakatāne Offices (TBC)	Tuesday 30 April 3pm – 7pm
Tauranga	BOPRC First Avenue Office, Mauao Rooms	Wednesday 1 May 3pm – 7pm
Rotorua	BOPRC Rotorua Office, Rerewhakaaitu	Thursday 2 May 3pm – 7pm

3.4.1 Consultation and engagement with Māori

Iwi authorities have competing demands for their time and engage in a number of council processes. The plan for engaging with Māori is focused on providing a succinct summary of the issues in the Annual Plan. Where iwi indicate a desire to engage, this will be followed up with by staff including advice from the Māori Policy team.

3.4.2 Consultation Timeline



3.4.3 Communications and Marketing

A comprehensive marketing campaign has been developed to sit alongside the engagement taking place for the Annual Plan.

This includes using both traditional media, such as newspapers and radio, and newer methods like electronic billboards in Tauranga, and paid and unpaid social media.

The marketing will focus on presenting the questions for the first half of the campaign, – before promoting the Have your say events for the second half of the consultation period.

In addition to the consultation document, staff will also have the use of some new technology to help explain the implications of the different options being presented. An online tool is currently being developed which will allow people to see what the different options will mean to their rates, by having them enter their property details and then selecting the different options for the four questions.

3.4.4 Annual Plan 2019/20 submission handling

The primary method for receiving submissions will be through on-line forms received through the Council website. Email and post/hand delivered submissions will still be possible.

3.4.5 Deliberations meeting

Annual Plan 2019/20 deliberations are currently scheduled for 13 June 2019. A council agenda will be provided for council to consider community feedback gathered through the consultation period. The agenda will include staff recommendations to support final decisions ahead of Annual Plan 2019/20 adoption in late June 2019.

4 Implications for Māori

Our region has New Zealand's largest number of iwi entities and the second largest Māori population. This provides the region and its communities with a rich and vibrant cultural dynamic.

As partners to the Treaty of Waitangi, Māori have particular constitutional rights and interests which are expressed not only in law but also in the way they engage at a national and regional level through their culture, language and mātauranga (Māori knowledge).

Section 81 of the LGA requires Council to establish and maintain process to provide opportunity for Māori to contribute to decision-making and consider ways in which it may foster the development of Māori capacity.

Ensuring Māori participation in Council decision-making processes is required by the LGA, and Council has an important role and obligation, in building Māori capacity and capability. Consultation and engagement with Māori on the Annual Plan 2019/20 reflects the importance of ensuring Māori participation in council decision making processes, along with the competing demands for iwi authorities' time from a range of engagement processes.

5 Next Steps

The recommendations in this report seek confirmation of the budget changes to Year 2 of the Long Term Plan 2018-2028, and approval of the draft Annual Plan Budget 2019/20 and Consultation Document "What Do You Think?".

Following direction from Councillors at this meeting, staff will prepare and implement the material to proceed with consultation on the Annual Plan 2019/20 with the consultation period beginning on 18 March 2019. In addition, staff will prepare briefing material to support Councillors through consultations events.

Following consultation on the Annual Plan 2019/20, Council will consider feedback from the community, and the draft budget will be updated through Council deliberations in early June 2019. Council will make its final budget decisions on 27 June 2019 when Council adopts the Annual Plan 2019/20 and sets rates.

6 Budget Implications

6.1 Current Year Budget

The forecast expenditure for the Annual Plan 2019/20 consultation process is approximately \$75,000 and this will be funded within the budgets set in Council's Long Term Plan 2018-2028 within the Corporate Services Group of Activities in 2018/19.

6.2 Future Budget Implications

There are no future budget implications associated with the consultation process for the Annual Plan 2019/20.

6.3 Summary of Financial Implications

The financial implications between the draft Annual Plan Budget 2019/20 (Version 3) and Year 2 of LTP 2018-2028 are summarised in Appendix 2.

7 Community Outcomes

This item/project directly contributes to each of the Community Outcomes in the Council's Long Term Plan 2018-2028.

Debbie Hyland
Finance and Corporate Planning Manager

for General Manager, Corporate

28 February 2019

APPENDIX 1

BOPRC Draft Annual Plan Budget 2019-20 and rolling ten year budget (V3 7 March 2019)

Draft Annual Plan 2019/2020 (Version 3 for Council 7 March 2019)

Council Summary by class

LTP2018-28 YR1 2018/19 \$000		LTP2018-28 YR2 2019/20 \$000	DRAFT ANNUAL PLAN 2019/20 \$000	Variance	Rolling 10 Year Budget								
					2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000
	OPERATING BUDGET												
	Operating revenue by group of activities												
(\$24,780)	Targeted rates	(\$27,526)	(\$27,873)	(\$347)	(\$31,585)	(\$31,214)	(\$32,263)	(\$32,940)	(\$33,801)	(\$34,340)	(\$34,861)	(\$35,382)	(\$35,370)
(\$31,300)	Dividends	(\$32,200)	(\$32,200)	\$0	(\$33,200)	(\$34,200)	(\$35,300)	(\$36,300)	(\$37,400)	(\$38,600)	(\$39,800)	(\$41,000)	(\$41,000)
(\$6,725)	External interest income	(\$6,423)	(\$6,312)	\$111	(\$7,434)	(\$7,305)	(\$8,311)	(\$9,330)	(\$9,672)	(\$11,173)	(\$10,688)	(\$10,403)	(\$10,403)
(\$4,074)	Internal interest income	(\$6,383)	(\$6,383)	\$0	(\$8,062)	(\$9,512)	(\$9,635)	(\$9,453)	(\$10,042)	(\$9,635)	(\$9,128)	(\$8,696)	(\$8,696)
(\$17,770)	Operating grants and subsidies	(\$17,792)	(\$17,797)	(\$5)	(\$17,581)	(\$19,615)	(\$13,285)	(\$13,366)	(\$13,596)	(\$13,829)	(\$14,122)	(\$14,403)	(\$14,407)
(\$1,775)	Other revenue	(\$2,110)	(\$2,110)	(\$0)	(\$2,140)	(\$2,171)	(\$2,204)	(\$2,238)	(\$2,274)	(\$2,312)	(\$2,353)	(\$2,397)	(\$2,397)
(\$10,625)	Fees and charges	(\$11,821)	(\$12,316)	(\$495)	(\$12,858)	(\$13,225)	(\$13,423)	(\$13,941)	(\$14,396)	(\$14,882)	(\$15,357)	(\$15,844)	(\$15,850)
(\$25,728)	General rates	(\$27,285)	(\$27,544)	(\$259)	(\$29,209)	(\$30,974)	(\$32,845)	(\$34,828)	(\$36,930)	(\$39,159)	(\$41,521)	(\$44,024)	(\$46,678)
(\$122,777)	Total operating revenue	(\$131,538)	(\$132,534)	(\$995)	(\$142,069)	(\$148,216)	(\$147,266)	(\$152,396)	(\$158,112)	(\$163,930)	(\$167,830)	(\$172,149)	(\$174,802)
	Expenditure by group of activities												
\$7,365	Administration expenses	\$7,100	\$6,826	(\$274)	\$7,012	\$7,141	\$7,189	\$7,756	\$7,767	\$8,096	\$8,082	\$8,333	\$8,372
\$15,843	Grants and subsidies	\$5,274	\$5,694	\$420	\$9,067	\$24,468	\$3,612	\$3,745	\$3,714	\$3,623	\$3,622	\$3,621	\$3,621
\$19,434	Other expenses	\$19,028	\$19,571	\$543	\$19,628	\$24,841	\$13,768	\$14,301	\$14,008	\$13,088	\$14,553	\$14,596	\$14,596
\$38,685	Employee expenses	\$39,876	\$39,461	(\$415)	\$40,376	\$42,161	\$43,051	\$43,848	\$44,646	\$45,443	\$46,240	\$47,038	\$47,835
\$6,034	Consultancy fees	\$6,414	\$6,162	(\$252)	\$5,514	\$5,501	\$4,871	\$4,729	\$4,716	\$5,171	\$4,873	\$4,899	\$4,899
\$35,439	Contract work	\$38,224	\$38,976	\$753	\$41,665	\$41,584	\$41,217	\$42,148	\$42,980	\$43,623	\$45,019	\$46,098	\$46,280
\$6,901	Finance costs	\$10,694	\$10,748	\$54	\$14,845	\$17,229	\$17,953	\$18,537	\$19,552	\$20,249	\$19,205	\$18,423	\$18,423
\$7,363	Depreciation and asset disposal	\$8,056	\$8,059	\$2	\$8,835	\$9,129	\$9,631	\$9,814	\$9,597	\$9,613	\$9,269	\$9,295	\$8,165
\$137,063	Expenditure (before charges and recoveries)	\$134,667	\$135,498	\$831	\$146,941	\$172,053	\$141,292	\$144,878	\$146,980	\$148,906	\$150,862	\$152,303	\$152,191
(\$9)	Net overhead charges and recoveries	(\$18)	(\$19)	(\$0)	(\$19)	\$0	\$0	(\$0)	(\$0)	\$0	(\$0)	\$0	\$0
\$137,054	Total operating expenditure	\$134,648	\$135,479	\$831	\$146,923	\$172,053	\$141,292	\$144,878	\$146,980	\$148,906	\$150,862	\$152,303	\$152,191
\$14,277	Total operating deficit / (surplus)	\$3,110	\$2,946	(\$164)	\$4,853	\$23,836	(\$5,974)	(\$7,518)	(\$11,132)	(\$15,024)	(\$16,968)	(\$19,846)	(\$22,611)

Draft Annual Plan 2019/2020 (Version 3 for Council 7 March 2019)

Council Summary by class

LTP2018-28 YR1 2018/19 \$000		LTP2018-28 YR2 2019/20 \$000	DRAFT ANNUAL PLAN 2019/20 \$000	Variance	Rolling 10 Year Budget								
					2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
					\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CAPITAL BUDGET													
\$1,153	Rotorua Lakes	\$4,300	\$4,702	\$402	\$3,493	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$6,925	Kaituna	\$8,483	\$3,983	(\$4,500)	\$904	\$997	\$22	\$23	\$23	\$24	\$25	\$25	\$0
\$22,515	Rivers and Drainage Schemes	\$21,013	\$19,948	(\$1,065)	\$19,985	\$1,434	\$4,090	\$2,006	\$2,814	\$1,532	\$2,144	\$1,005	\$0
\$106	Maritime Operations	\$261	\$261	\$0	\$111	\$113	\$278	\$119	\$121	\$299	\$128	\$131	\$0
\$712	Passenger Transport	\$0	\$21	\$21	\$0	\$0	\$947	\$0	\$24	\$0	\$0	\$0	\$0
\$122	Regional Parks	\$300	\$300	\$0	\$1,050	\$1,231	\$362	\$253	\$0	\$0	\$0	\$0	\$0
\$36	Emergency Management	\$0	\$0	\$0	\$11	\$22	\$27	\$27	\$28	\$28	\$29	\$30	\$0
\$307	Geospatial	\$314	\$314	\$0	\$321	\$328	\$335	\$237	\$242	\$248	\$255	\$262	\$0
\$422	Data Services	\$542	\$542	\$0	\$421	\$321	\$223	\$289	\$165	\$307	\$204	\$272	\$0
\$331	Science	\$393	\$393	\$0	\$360	\$327	\$334	\$342	\$350	\$359	\$368	\$378	\$0
\$11	Communications	\$12	\$12	\$0	\$12	\$12	\$12	\$13	\$13	\$13	\$14	\$14	\$0
\$21,983	Corporate Property	\$14,076	\$14,076	\$0	\$1,836	\$1,433	\$1,466	\$1,500	\$1,536	\$1,575	\$1,615	\$1,659	\$1,055
\$3,273	Information and Communication Technology	\$2,713	\$2,713	\$0	\$2,146	\$2,087	\$1,807	\$1,820	\$1,887	\$2,000	\$1,904	\$2,038	\$0
\$57,897	Total Capital Expenditure	\$52,406	\$47,264	(\$5,142)	\$30,649	\$8,304	\$9,904	\$6,628	\$7,203	\$6,385	\$6,685	\$5,814	\$1,055
CAPITAL FUNDING Funding of capital expenditure													
\$0	Capital subsidy - NZTA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$18)	\$0	\$0	\$0	\$0
(\$5,100)	Capital grants received	(\$2,150)	(\$2,150)	\$0	(\$1,400)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$7,422)	Capital insurance recoveries	(\$2,984)	(\$2,984)	(\$0)	(\$5,701)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$1,035)	Capital Disposals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$44,340)	Increase in debt	(\$47,272)	(\$42,130)	\$5,142	(\$23,548)	(\$8,304)	(\$9,904)	(\$6,628)	(\$7,185)	(\$6,385)	(\$6,685)	(\$5,814)	(\$1,055)
(\$57,897)	Funding of capital expenditure	(\$52,406)	(\$47,264)	\$5,142	(\$30,649)	(\$8,304)	(\$9,904)	(\$6,628)	(\$7,203)	(\$6,385)	(\$6,685)	(\$5,814)	(\$1,055)

APPENDIX 2

BOPRC Draft Annual Plan Budget 2019-20 change register (V3 7 March 2019)

Draft Annual Plan 2019/20 - Financial Implications of Budget Changes to Year 2 of the Long Term Plan 2018-2028 as at 7 March 2019 Council

Key Issue	Operating Expenditure and Revenue		Description	Class	DAP
	Group of Activities	Activity			2019/20
					\$000
In Year Adjustments					
	All Activities		Lower employee expenses	Employees	(415)
	All Activities		Lower consultant costs	Consultants	(502)
	All Activities		Adjustments to depreciation	Depreciation	2
	All Activities		Adjustments to other expenses	Other Expenses	(43)
	Corporate Services	Corporate	Increase efficiency target to \$1 million per annum	Administration	(222)
	Corporate Services	Corporate	Treasury - interest cost adjustments	Finance Costs	54
	Decrease in Expenditure: In Year Adjustments				(1,126)
Council Approved 13 December 2018					
Strategic Challenges	All	All	Climate change	Consultants	200
The Way We Work	Regional Planning and Engagement	Community engagement	Community engagement - online peoples panel	Consultants	50
A Healthy Environment	Integrated Catchments	Tauranga Harbour	Increase pest control in Kaimai Mamaku Ranges. BOPRC cost share.	Contract	242
	Resource Regulation and Monitoring	Resource Consents	Additional resourcing to achieve new KPIs in LTP 2018-28 (offset by cost recoveries)	Contract	495
Safe and Resilient Communities	Flood Protection and Control	Rivers and Drainage	Infrastructure insurance renewal	Other Expenses	360
A Vibrant Region	Regional Development	Regional Infrastructure	Ōpōtiki Harbour project grant expenditure in 2021/22	Grant	-
	Transportation	Regional Passenger Transport	Mamaku Trial Public Transport Services	Net Cost	50
	Transportation	Western Bay Passenger Transport	Waihī Beach Trial > Permanent Pasenger Transport Service (direction from PTC Friday 8 February)	Net Cost	57
	Transportation	Rotorua Passenger Transport	Real Time Passenger Information	Contract	66
	Transportation	Whakatāne Passenger Transport	Real Time Passenger Information	Contract	16
	Regional Planning and Engagement	Regional Planning	Western Bay of Plenty Sub-region Urban Form (via Smartgrowth)	Grant	420
	Increase in Expenditure: Council Direction				1,957
	TOTAL INCREASE IN OPERATING EXPENDITURE				831
	Funded by	Revenue	External Interest Received		111
			Internal Interest Received		-
			Other Revenue		(0)
			Transport Subsidies		(5)
			Fees and Charges		(495)
			Dividends		
		Targeted Rates			(347)
		General Rates			(259)
		Regional Fund			
		Reserve Funds			164
	TOTAL (INCREASE) / DECREASE OPERATING FUNDING				(831)

Draft Annual Plan 2019/20 - Financial Implications of Budget Changes to Year 2 of the Long Term Plan 2018-2028 as at 7 March 2019 Council

Key Issue	Capital Expenditure		Description	Class	DAP
	Group of Activities	Activity			2019/20
					\$000
A Vibrant Region	Transportation	Total Mobility	Ridewise - total mobility solution - per direction Council Workshop 1 Feb		21
A Healty Environment	Integrated Catchments	Kaituna Catchment	Kaituna River Re-diversion.- Council Meeting 14 Feb (brought forward to 2018/19)		(4,500)
	Integrated Catchments	Rotorua Lakes	Lake Ōkāreka Pipeline - additional expenditure budget request 7 March Council		401
	Resource Regulation and Monitoring	Data Services	CTD - brought forward to 2018/19		-
Safe and Resilient Communities	Flood Protection and Control	Rivers and Drainage	Rangitāiki Floodway - February 2019 Council (brought forward to 2018/19)		(1,065)
	TOTAL CAPITAL CHANGES				(5,142)
	Funded by	Capital Grants/Revenue			(16)
		Reserve Funds			-
		Loans			5,158
	TOTAL CAPITAL CHANGES				5,142

APPENDIX 3

BOPRC Annual Plan 2019-20 Consultation Document - draft for adoption

What do you think?

*Have Your Say on the Consultation Document for
Bay of Plenty Regional Council's Annual Plan 2019/20*

PLACE HOLDER IMAGE ONLY

Your representatives



From left: Jane Nees, Norm Bruning, Stuart Crosby, David Love, John Cronin, Paula Thompson, Andrew von Dadelszen, Kevin Winters, Lyall Thurston, Doug Leeder, Bill Clark, Matemoana McDonald, Tipene Perenara Marr and Arapeta Tahana.

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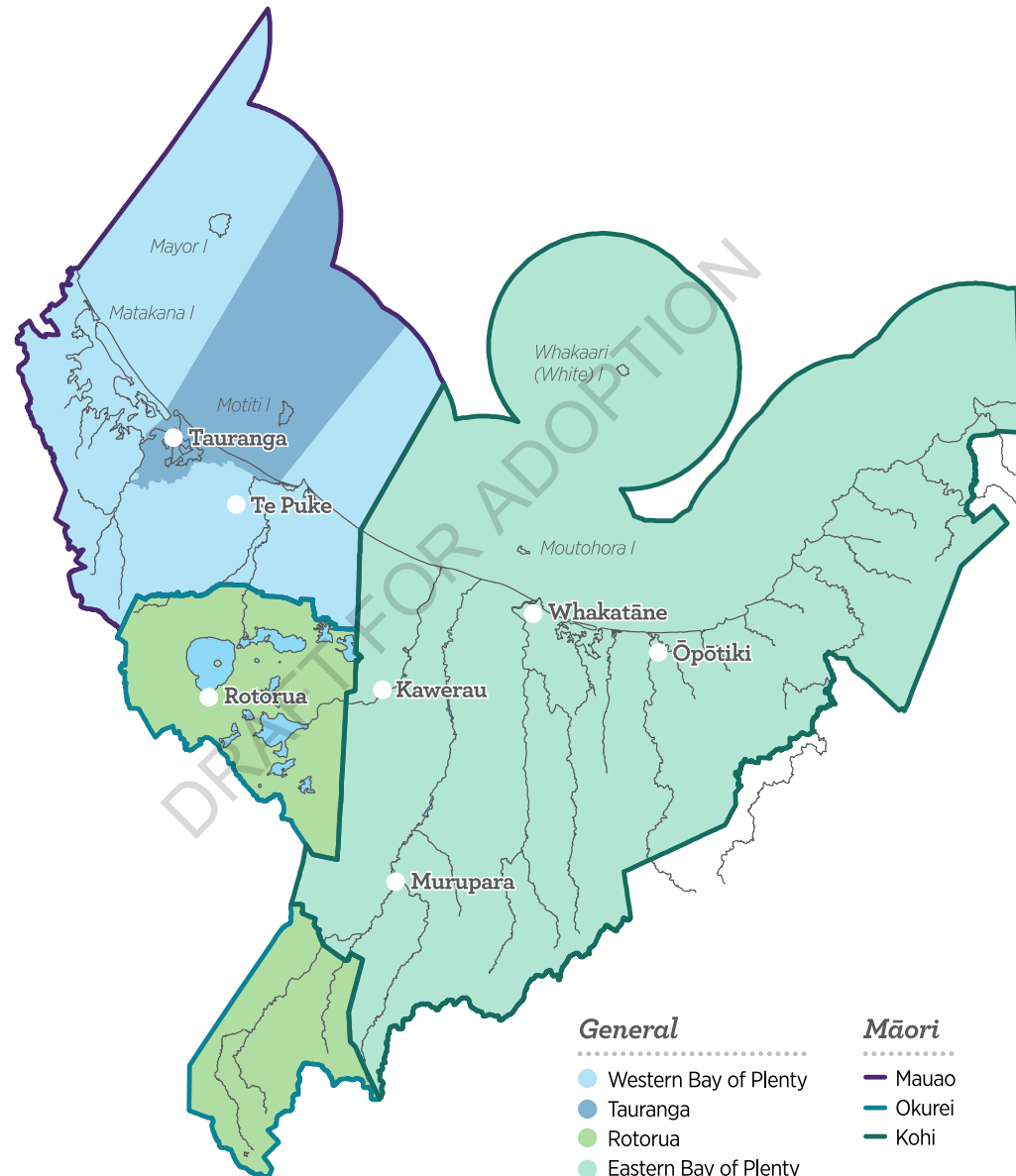
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*Mai I ngā Kurī a Whārei ki Tikirau
Mai I Maketū ki uta mai o Taupō-nui-a-Tia
Ko te Rohe Kaunihera tēnei o Toi Moana*

*Kia toi te whenua, kia toi te moana,
kia toi te taiao, kia toi te tangata*

Tīhei mauri ora!

Ō tātou tini mate, rātou kua whetūrangitia ki te
korowai o Ranginui, hoki ki te okiokinga i ō tātou
tīpuna. Haere, haere, haere

He mahere whakahono. Ko ēnei hononga hei
tūhono i a tātou; kia tūhono, kia tūtaki, kia whiti
te noho tahi ki ngā hapori katoa o te rohe.

Ko Toi Moana e mihi atu nei ki ngā tāngata,
ngā hapori, ngā kāinga, me ngā karangatanga
huri noa i te rohe.

E te iwi, ka puta mai tēnei mahere ā-tau na ngā
wawata o te iwi whānui o te rohe kaunihera.
He mahere mo tātou katoa.

Stretching from Waihi Beach to East Cape

From Maketū to just inland of Taupō

*This is the region of The Bay of Plenty
Regional Council.*

*Let the land remain, let the oceans and
lakes remain, let the environment remain,
let people remain*

‘Tis life!

Of those we have lost, those who have been
adorned as stars in the heavens, return to the
resting place of our ancestors.

This is a plan based on relationships. These
relationships join our people together. It joins us
so that our co-existence with communities across
our region.





The Bay of Plenty Regional Council
acknowledges our people, our homes, and our
communities across the region.

The annual plan emerges from the aspirations of
our people in the region. It is a pathway forward
for us all.

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Delivering on our long term plan

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 <i>Freshwater for life</i>	13
 <i>Safe and resilient communities</i>	14
 <i>A vibrant region</i>	15

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What do you think? Our consultation topics:

<i>Climate change</i>	18
<i>Regional safety and rescue services</i>	20
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***For more information visit our website
www.boprc.govt.nz/annualplan,
call 0800 884 880 or email
annualplan@boprc.govt.nz***



Message from the Chair and Chief Executive

Our vision of ‘Thriving Together – mō te taiao, mō ngā tāngata’ is about supporting our environment and our people to thrive

In 2018 we produced the Long Term Plan 2018-2028, which outlines our priorities and plans for the next decade, with a focus on the first three years. We refocused our community outcomes with a strong emphasis on a healthy environment and managing our natural resources – including freshwater.

We’re working on delivering our work programmes, major projects and initiatives we set for the first year of the plan. This includes the completion of major repairs to our flood protection structures damaged during the April 2017 floods in the eastern Bay, and the expansion of our passenger transport network service across the western Bay to support sustainable urban development and reduced congestion. We’ve also focused our efforts on improving our understanding of our natural resources through increased environmental monitoring and delivering more comprehensive programmes to reduce the impact of unwanted pests.

We have also focused on being more efficient and ensuring we deliver value for money to our communities. To help keep our costs affordable, we set ourselves a target to achieve \$1 million of efficiency savings through the way we work and we have undertaken a fit for purpose review to make sure we are focused on serving the well-being of our communities.

This consultation document presents the budget for the second year of the Long Term Plan, updated to include any changes from what was set out in our plan.

Important parts of the Annual Plan that we are seeking your feedback on are:

- Climate change – where should our focus be when it comes to action on climate change?
- Safety and rescue services – how should we support charities that provide regional safety and rescue services?
- Passenger transport – a proposal to provide improved tertiary and commuter bus services funded through targeted rates; and a proposal to trial fare-free bus services for school students in Tauranga, replacing fare revenue with targeted rates.

This Annual Plan will set the level of rates for the 2019/20 financial year. The proposed average rates increase of 6.5% (an average of \$13 per household), is slightly higher than the 5.3% increase that was forecast almost 12 months ago in the Long Term Plan.

Our budgets and the levels of service we provide are sustainable, and will allow us to continue on the path to delivering our community outcomes while providing the services you expect from us and meeting our legislative obligations. As well as this consultation on the Annual Plan, we are consulting on proposed changes to our Resource Management

Act Charges; amendments to our Revenue and Financing Policy; and the inter-regional marine pest pathway consultation document which looks at better ways to manage marine pests.

Consultation on the proposed Annual Plan 2019/20 is open from 18 March to 6 May 2019. We are using a new consultation process which we hope will make it easier for you to speak to us directly about your submission. We look forward to hearing from you about the options in this consultation document and what you think about our proposed changes and rates increases.

With your help we can ensure we continue to deliver the right work in the right areas, and that it is funded in a sustainable way to create the best possible future for our communities.



Doug Leeder
Chair



Fiona McTavish
Chief Executive



How can you have your say?

We'll be out in the community during March and April, so if you see us, please come and talk to us. Towards the end of April/early May, we will be holding a series of 'Have Your Say' events, where we're inviting you to come along and, in small groups, speak with Councillors about the topics we're consulting on. These 'Have Your Say' events will be held instead of formal hearings. We'll be listening to what you say and taking notes which will then be used by Councillors during their decision making process.

We're consulting on this Annual Plan between 18 March and 6 May 2019.

A list of where we will be and when we will be available, to speak to about this is on our website at: **www.boprc.govt.nz/annualplan**

Once consultation has closed on 6 May 2019, Councillors will discuss all the feedback received and make final decisions about what should and shouldn't be included in the Annual Plan 2019/20. These decisions will be made public and we intend to formally adopt our Annual Plan 2019/20 in late June.

You can provide a written submission on the proposals outlined in this consultation document using our online form at **www.boprc.govt.nz/annualplan**, by email to **annualplan@boprc.govt.nz** or by using the submission form at the end of this document.

Have your say
18 March
to 6 May 2019

Deliberations
Early June 2019

**Annual Plan
adopted**
Late June 2019

We want to hear from you!

Our Strategic Framework

Our vision of 'Thriving Together – mō te taiao, mō ngā tāngata' is about supporting our environment and our people to thrive. Our four community outcomes provide more detail on what this vision would look like for the Bay of Plenty focusing on: A healthy environment, Freshwater for life, Safe and resilient communities and A vibrant region (pages 12–15).

This is all combined in our Strategic Framework (page 11) which links everything together. This Strategic Framework underpins the activities and services we're responsible for across the region, including:

A copy of our Long Term Plan 2018-2028 can be found online at www.boprc.govt.nz/longtermplan

Integrated Catchment Management Te Whakahaere Tōpū i Ngā Wai

- Tauranga Harbour
- Rotorua Lakes
- Kaituna
- Eastern Catchments
- Regional Integrated Catchment Management

Flood Protection and Control Te Pare me te Whakahaere Waipuke

- Rivers and Drainage Schemes
- Regional Flood Risk Coordination

Resource Regulation and Monitoring Ngā Ture Rawa me te Aroturuki

- Air Quality
- Biosecurity
- Resource Consents
- Regulatory Compliance
- Maritime Operations

Transportation Ikiiki

- Passenger Transport
- Transport Planning

Regional Development Whanaketanga ā-Rohe

- Regional Infrastructure
- Regional Economic Development
- Regional Parks

Regional Planning and Engagement Te Hanga Mahere ā-Rohe me te Whakawhitiwhiti

- Regional Planning
- Māori Policy
- Geothermal
- Community Engagement
- Governance Services

Emergency Management Te Whakahaere Mate Whawhati Tata

- Emergency Management

Technical Services Ngā Ratonga Hangarau

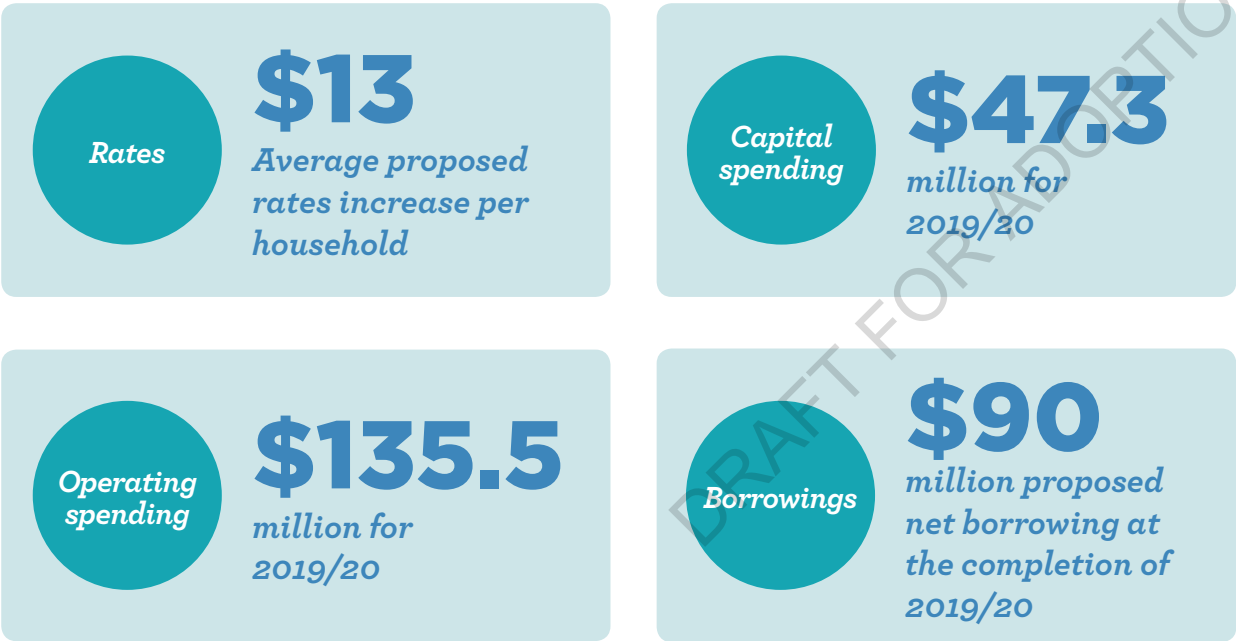
- Geospatial
- Engineering
- Data Services
- Science

Corporate Services Ngā Ratonga Rangatōpū

- Communications
- People and Capability
- Internal Services
- Information and Communication Technology
- Finance and Corporate Planning
- Corporate Property

On pages 12-15 you can read about some of the key initiatives and projects included in year two of the Long Term Plan 2018-2028. These projects and the four questions included in this consultation document (pages 18-27) align with our Strategic Framework and will assist in achieving our community outcomes.

Our financial strategy summary below has been updated and reflects our proposed rates, borrowing and capital spending for 2019/20, noting that the proposed rates increase does exceed our original forecast average rates increases in the Long Term Plan. Please see page 28 for a more detailed financial overview.



Thriving together – mō te taiao, mō ngā tāngata

The way we work

We provide great customer service

We honour our obligations to Māori

We deliver value to our ratepayers and our customers

We continually seek opportunities to innovate and improve

We look to partnerships for best outcomes

We use robust information, science and technology

Strategic challenges

Different priorities and issues across the region

The implications of changing climate

Limitations of our natural resources

Sustaining development across the region

An increasingly complex operating environment

Ensuring Māori participation in Council decision making

Balancing the expectations of both national and local partners

COMMUNITY OUTCOMES

OBJECTIVES

A healthy environment

We will maintain and enhance our air, land, freshwater, geothermal, coastal resources and biodiversity for all those who live, work and play within our region. We support others to do the same.

1. We develop and implement regional plans and policy to protect our natural environment.
2. We manage our natural resources effectively through regulation, education and action.
3. We work cohesively with volunteers and others, to sustainably manage and improve our natural resources.
4. Our environmental monitoring is transparently communicated to our communities.

Freshwater for life

Our water and land management practices maintain and improve the quality and quantity of the region's freshwater resources.

1. Good decision making is supported through improving knowledge of our water resources.
2. We listen to our communities and consider their values and priorities in our regional plans.
3. We collaborate with others to maintain and improve our water resource for future generations.
4. We deliver solutions to local problems to improve water quality and manage quantity.
5. We recognise and provide for Te Mana o Te Wai (intrinsic value of water).

Safe and resilient communities

Our planning and infrastructure supports resilience to natural hazards so that our communities' safety is maintained and improved.

1. We provide systems and information to increase understanding of natural hazard risks and climate change impacts.
2. We support community safety through flood protection and navigation safety.
3. We work with our partners to develop plans and policies, and we lead and enable our communities to respond and recover from an emergency.
4. We work with communities and others to consider long term views of natural hazard risks through our regional plans and policies.

A vibrant region

We work with our partners and communities to achieve integrated planning and good decision making. We support economic development, understanding the Bay of Plenty region and how we can best add value.

1. We lead regional transport strategy and system planning, working with others to deliver a safe and reliable public transport system.
2. We contribute to delivering integrated planning and growth management strategies especially for sustainable urban management.
3. We work with and connect the right people to create a prosperous region and economy.
4. We invest appropriately in infrastructure to support sustainable development.

Our values

Trust

Integrity

Courage

Manaakitanga

Kotahitanga

Whanaungatanga

Delivering on our Long Term Plan

A healthy environment

A healthy environment is at the heart of what we do. We sustainably manage our natural resources so our communities can thrive.

We want to continue to grow and develop as a region, support local business and ensure there are job opportunities for all our communities.

We need to make sure we are not putting more pressure on the environment than it can cope with. We also need to consider what climate change means for us and understand how we need to respond to the changes this will bring, such as different weather patterns and rising sea levels.

We work with the community to protect our water, soils and our wildlife. We manage, or get rid of, pest plants and animals. We set rules around what can and can't be done in our environment and ensure the rules are followed through our consents and monitoring processes.

Our areas of focus for 2019/20 include delivering the Regional Pest Management Plan to manage plant and animal pests, including working to prevent further catfish incursions and containing the spread of wallabies.

NEW INITIATIVES AS PART OF THE ANNUAL PLAN 2019/20 INCLUDE:

- Additional funding of approximately \$240,000 in 2019/20 as part of a five year programme, to support the biodiversity of the Kaimai Mamaku ranges. This will largely be spent on ground-based pest control and is dependent on financial support also being provided by other organisations, including the Department of Conservation.
- Increasing our capacity for processing resource consents. This is due to an increase in volume and complexity of work we are receiving and is intended to ensure we can maintain the level of service we agreed through our Long Term Plan 2018-2028.

Freshwater for life

Freshwater is vital for the health of people and communities, and that makes it important to us.

We're responsible for two kinds of freshwater: groundwater and surface water. Surface water is all the water above ground – rivers, lakes and streams, drains, ponds, springs and wetlands, while groundwater comes from rainfall and rivers and accumulates in underground aquifers.

We invest millions of dollars each year to maintain and improve water quality and quantity in the Bay of Plenty and we work with the community to look after the rivers, estuaries and coastal environments.

We monitor water quality and quantity; ensuring people follow the rules set through the consents process.

Our work in this area is guided by national legislation, regulations and standards for water that prescribe public processes for setting requirements and rules. This area is becoming increasingly complex and we're working hard to translate the policy into action on the ground.

Put simply, we manage the freshwater that's in and on the ground so there's enough for people and wildlife to thrive now and in the future.

Our areas of focus for 2019/20 include further work to improve the Ōhiwa Harbour and its catchment environment, the continued implementation of the National Policy Statement for Freshwater Management (NPSFM) and rolling out plan changes for region-wide water quantity (Plan Change 9) and on-site domestic wastewater systems (Plan Change 14) to allow for strengthened water allocation limits, improved water management, and enhanced treatment and disposal of on-site effluent.

IN 2019/20 WE WILL CONTINUE WITH OUR EXISTING PROJECTS AS INCLUDED IN OUR LONG TERM PLAN INCLUDING:

- Rotorua Te Arawa Lakes programme which has been established to coordinate, prioritise and deliver on all our work related to improving the health of the Rotorua Te Arawa Lakes. We partner with the Te Arawa Lakes Trust and Rotorua Lakes Council in the programme and set targets within the lake catchments to monitor the health of the water and the impact of our work
- The Freshwater Futures programme which works with iwi and communities to set new localised values, objectives, limits and methods (including land and water use rules) for managing freshwater in nine specific Water Management Areas.
- Kaituna River Re-diversion and Te Awa o Ngatoroirangi/Maketū Estuary Enhancement project that aims to significantly increase the volume of water (particularly freshwater) flowing from the Kaituna River into Ongatiro/Maketū Estuary so that the mauri (life-force) of the estuary is restored and it becomes healthier for wildlife to live in and people to enjoy.

PLACE HOLDER IMAGE ONLY



Safe and resilient communities

Our region is subject to a number of natural events, including volcanic activity, earthquakes and extreme rainfall. These events can endanger our communities.

We work to keep people safe by providing flood protection, such as stop banks and pump stations, and ensuring we are prepared for emergencies through our Civil Defence and Emergency Management services.

Raising awareness and preparing for issues such as climate change are also important aspects of building strong communities that can cope with change.

We are responsible for controlling the use of land to avoid or mitigate the effects of natural hazards, and we work with other local councils and Emergency Management Bay of Plenty, to identify natural hazards and reduce risk.

Our areas of focus for 2019/20 include; the continued delivery of the Flood Repair Project following the eastern Bay floods in April 2017 and the Rangitāiki Floodway Upgrade Project to protect Edgecumbe and the Rangitāiki Plains. We will also continue to provide a 24/7 navigation safety and maritime oil spill response across the region.

NEW INITIATIVES AS PART OF THE ANNUAL PLAN 2019/20 INCLUDE:

Looking at our approach to funding regional safety and rescue services, included as one of our consultation questions on page 20.

A vibrant region

People and the environment are at the heart of our region. We support the growth of jobs in the Bay of Plenty and development of new industries.

We make significant contributions to the region's economic growth through environmental and infrastructure management.

Through our contestable Regional Infrastructure Fund, that was established through the Long Term Plan 2012-2022, we are supporting projects initiated by our partners, such as the Ōpōtiki Harbour Transformation Project and the Tauranga Marine Precinct development.

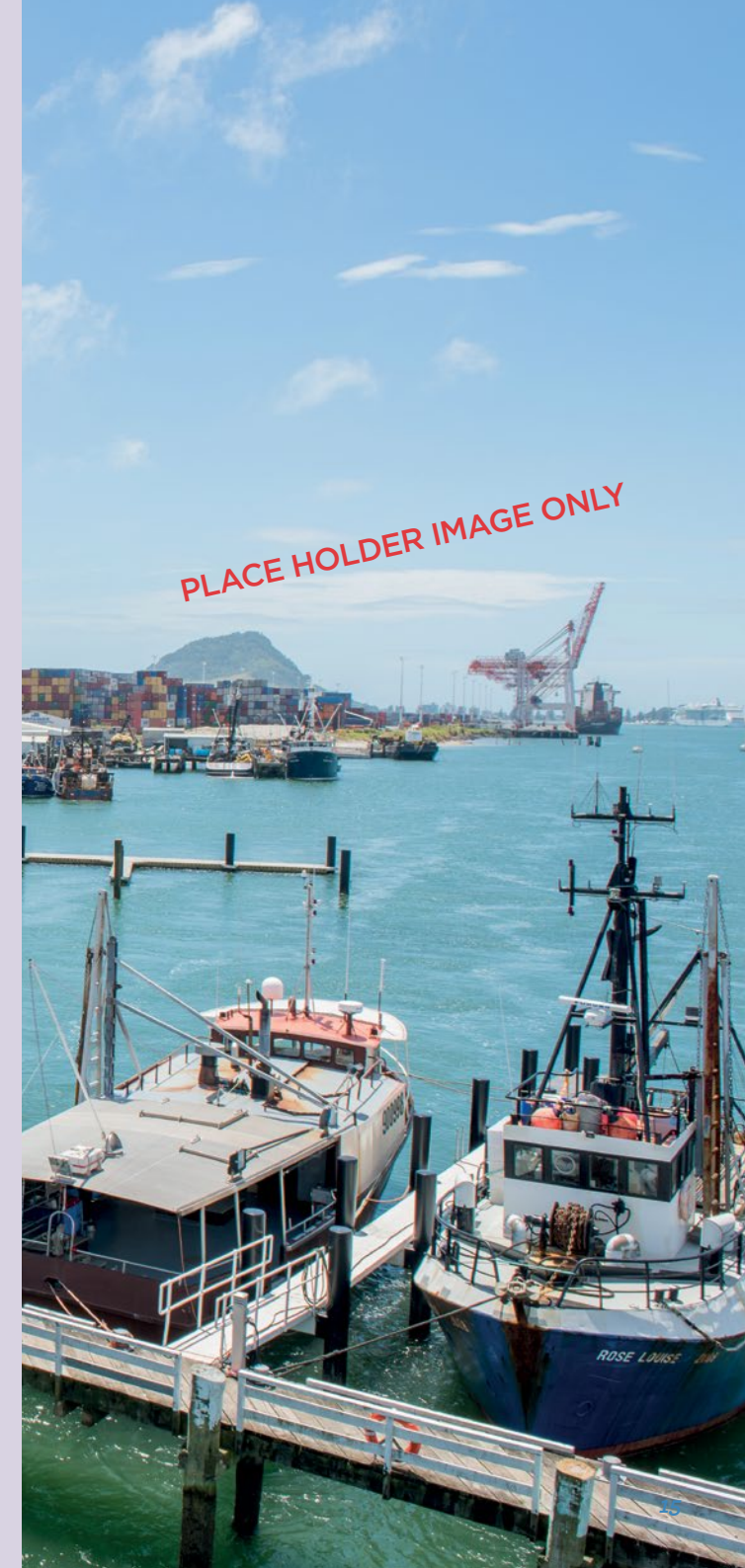
We facilitate Bay of Connections, the economic development framework for the wider Bay of Plenty. Its goal is to grow our investment and job opportunities in partnership with economic development agencies across the region.

We also keep the community connected through the regional bus network of Bayhopper and Cityride buses.

Our areas of focus for 2019/20 include the continued implementation of the Western Bay of Plenty Public Transport Blueprint to provide an improved bus service, supporting the development of the Scion Innovation Centre with a \$2.5 million contribution, and working on funding options for a Coastal Marine Research Centre alongside the University of Waikato and Tauranga City Council.

NEW INITIATIVES AS PART OF THE ANNUAL PLAN 2019/20 INCLUDE:

- New proposals associated with passenger transport, including those outlined in the two consultation questions on page 22.
- Proposals to implement a targeted rate to recover the cost of specific infrastructure projects that benefit a specific geographic region. Further information is included in the separate Statement of Proposal – Revenue and Finance Policy at www.boprc.govt.nz/annualplan



What's happening in your area for 2019/20?

WESTERN BAY / TAURANGA

- Support the **Tauranga Moana Programme** to work on maintaining and improving the health of the harbour and its catchment.
- Continue the implementation of the **Western Bay of Plenty Public Transport Blueprint** (began on 10 December 2019).
- Completing the **Kaituna River Re-diversion and Te Awa o Ngātoroirangi / Maketū Estuary Enhancement** project.
- Monitoring of **air quality** in the Mount Maunganui Industrial Area.

ROTORUA

- Deliver the **Rotorua Te Arawa Lakes Programme**.
- Continue the **Rotorua Air Quality** programme – including hot swap loans.
- Support the **Scion Innovation Centre** – \$2.5 million budgeted to partner with Scion and construction scheduled in 2019/20.
- Support the delivery of **Rotoiti sewerage reticulation**.

WHAKATĀNE / ŌPŌTIKI / EASTERN BAY

- Deliver the **Flood Repair Project** following the eastern Bay floods in April 2017 – as at 31 December 2018, we had completed works on 169 sites out of the 520 that require repairs.
- Continue the **Rangitāiki Floodway Upgrade Project**.

REGION WIDE

- Undertake maintenance, renewals, and capital projects for **rivers and drainage schemes** across the region.
- **Respond to environmental complaints and incidents**, and carrying out enforcement action where appropriate.
- Provide **resource consent application processing** services to meet growing demand.
- Provide a **24/7 navigation safety and maritime oil spill response** across the region.
- Introduce a new operating model for the **Bay of Connections regional growth development framework**.
- Deliver the **Regional Pest Management Plan** including working to prevent further catfish incursions and containing the spread of wallabies.
- Provide **public passenger transport services** across the region.
- Support **Civil Defence Emergency Management** (CDEM) services across the region.

What do you think?

On the following pages are our proposals for work we are planning to include in our Annual Plan 2019/20, with a description of why we think this work is required and options for how we could do it.

Let us know what you think via the feedback form at the end of this document or online at **www.boprc.govt.nz/annualplan**

PLACE HOLDER IMAGE ONLY



Climate change



ONE: *What do you want Council to prioritise when it comes to our actions on climate change?*

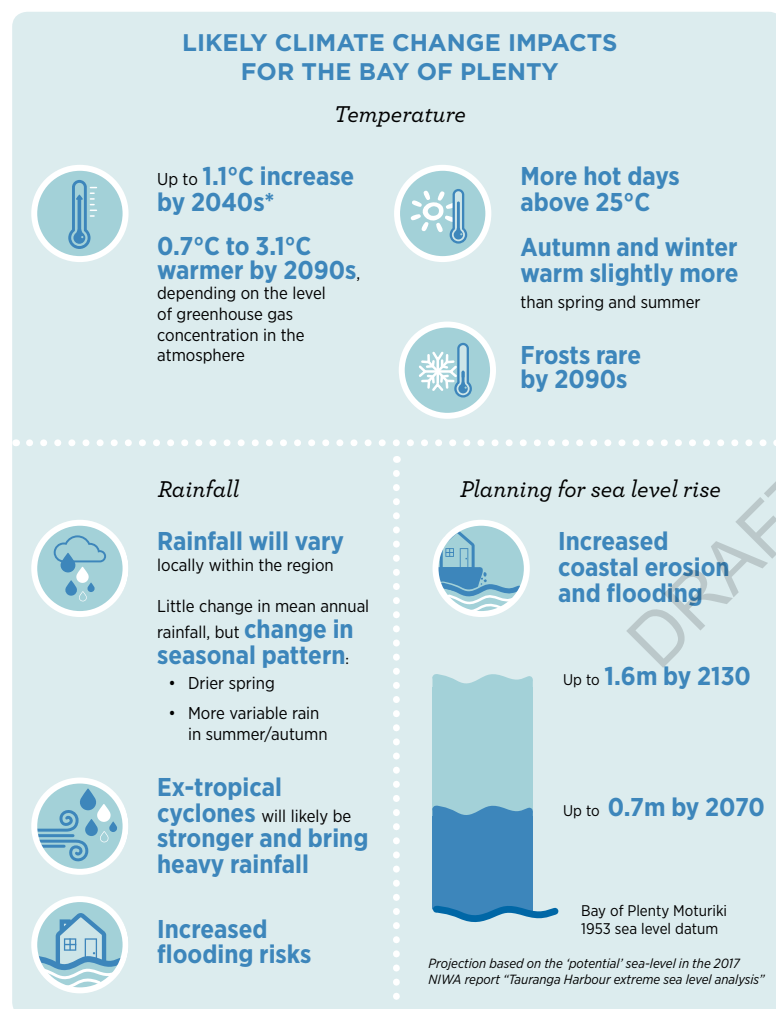
We know that climate change is happening. Council has recognised it as one of the strategic issues for the region. The latest United Nations Intergovernmental Panel on Climate Change (IPCC) report, released in October 2018, emphasised the need for action, with drastic steps needed in the next 12 years to limit severe impacts due to climate change. The issue currently facing us as a Regional Council is what we do about it: defining our role and identifying where we can have the most influence and impact.

We currently engage in climate change adaptation or reducing greenhouse gas emissions across a range of activities. For many of these projects, climate change is not the primary focus of the work; for example, the planting programmes already underway for the Pāpāmoa Hills and Onekawa Te Mawhai Regional Parks, which aim to enhance biodiversity and visitor experiences, also have benefits in terms of carbon storage.

However, it is clear we need to do more, taking deliberate actions to reduce emissions and adapt to the impacts of climate change. We are developing an action plan, to be launched in 2019/20, which outlines tasks and pathways to deliver targets across the following four focus areas.

1. Reducing Council's own carbon footprint – getting our 'house in order'. For example, reducing the energy we use in our buildings and the waste we produce from our offices.
2. Incorporating climate change considerations in our decision making. This would mean that taking climate change into account becomes part of our everyday business.
3. The services we provide as a Regional Council: our primary focus is on climate change adaptation across a range of Council functions, for example, flood protection, emergency management and regional planning. There are also opportunities for reducing greenhouse gas emissions through the range of services we provide to the community, such as public transport.
4. Collaborating with our communities to build resilience and work on the region's response to climate change. This would involve engaging with central government, other councils, iwi, businesses, organisations and individuals and supporting them in taking action and making informed decisions around the impacts of climate change.

Over this last year, we have had a strong focus on what we do internally to reduce our organisational carbon footprint: we're refurbishing our office buildings and introducing electric vehicles into our fleet (focus area 1). Alongside this, we have been looking at how climate change is considered in our major Council decisions (focus area 2).



THE OPTIONS

For 2019/20, we are planning to invest a further \$200,000 into the development and delivery of our climate change action plan and we have four areas of focus. We will be delivering on all four areas over time, but we would like to know which area/s you would like Council to prioritise for the coming year when it comes to our work in this area.

Please rank the following focus areas from 1 (high priority) to 4 (low priority):

FOCUS AREA 1	FOCUS AREA 2	FOCUS AREA 3	FOCUS AREA 4
Reducing Council's own carbon footprint - getting our 'house in order' e.g. waste and energy reduction in our offices.	Incorporating climate change considerations in our decision making.	The services we provide as a regional council e.g. flood protection (adaptation), more electric buses (reducing emissions).	Collaborating with our communities to build resilience and work on the region's response to climate change.

We are also interested in any other suggestions or comments you have around actions council could take in relation to climate change.

Let us know what you think online at www.boprc.govt.nz/annualplan

Regional safety and rescue services



TWO: *How should we support charities that provide regional safety and rescue services, such as Surf Lifesaving New Zealand and Coastguard, in the Bay of Plenty?*

Charities provide a number of vital safety and rescue services to both local people in our community and visitors to our region. Some of these organisations receive little, and in some cases, no central government funding. They rely on other sources of funding including public funding from local and regional councils. Each year, regional rescue providers, such as Surf Lifesaving New Zealand, seek funding from multiple councils and other funders.

We are considering changing our approach to how we provide funding to these charities and we are seeking early public input into our decision making. Any changes would not happen until 2020/21 at the earliest. We have outlined three broad options to guide our work with the service providers and other funders.

It is noted that changing our approach would require an amendment to our Revenue and Finance policy. The separate Statement of Proposal to amend the Revenue and Financing Policy is on our website www.boprc.govt.nz/annualplan. This includes

provisions that would enable changes to funding for regional safety and rescue services if Council decides to make changes for the 2020/21 financial year.

THE ISSUE

Surf Lifesaving New Zealand and Coastguard are financially supported by a number of territorial authorities in the Bay of Plenty. Some safety and rescue service providers consider that this approach is inefficient as it:

- Provides little certainty of continued funding for charity organisations providing safety and rescue services;
- Has service providers competing against each other for funding;
- Means service providers are using limited resources applying for funding and lobbying individual territorial authorities; and

- Means ratepayers and visitors across the region receive benefit, however funding may only come from some territorial authorities within the region.

In addition, some services such as Land Search and Rescue do not receive any council funding within the Bay of Plenty.

The main area that we are seeking your feedback on is the extent to which these services should be funded locally, or regionally.

In 2018/19, Regional Council allocated \$30,000 in grant funding to Surf Lifesaving New Zealand. Together with funding from the six territorial authorities in the Bay of Plenty, approximately \$400,000 will be distributed to regional safety and rescue service providers (primarily to Surf Lifesaving New Zealand and a small portion to Coastguard), excluding one off capital grants.

OUR PROPOSAL

We are considering whether to increase Regional Council funding to enable service providers to deliver an increased or more consistent level of service. We could do this by establishing a fund that regional safety and rescue service providers could apply to if they meet particular criteria. The fund would be rated and administered by Regional Council.

This option (option 2) would go part-way to addressing the service providers' concerns, but would retain the role of local councils as a primary decision maker on the appropriate level of service in their areas.

Alternatively, we could centralise funding of charitable regional safety and rescue service providers in the Bay of Plenty (option 3). If the current level of funding was maintained, each household would pay a targeted rate estimated at \$3.10 per household to maintain the current level of support for the service providers. The six territorial authorities in the Bay of Plenty would no longer need to collect rates for these services. Any new or increased services would increase the amount of the targeted rate.

We have discussed the idea of centralising local government funding of regional safety and rescue service charities with the six territorial authorities in our region, and there is some support to proceed with this approach. This approach is similar to that operating in several other regions in New Zealand.

THE OPTIONS

Three options are set out in the table below which we would like your feedback on. Please note that no changes would be implemented until the 2020/21 financial year.

	OPTION 1	OPTION 2	OPTION 3
	<i>Status quo</i>	<i>Increase Regional Council regional safety and rescue service funding</i>	<i>Centralised regional safety and rescue funding</i>
<i>Summary</i>	No change – funds allocated to service providers would continue to be administered and distributed by individual territorial authorities.	A fund would be opened up for regional safety and rescue service providers that meet the policy's criteria for the 2020/21 financial year. Applications would be assessed and the fund would be rated and administered by Regional Council. Local councils will continue to be an important funder of services.	Local government funding for regional safety and rescue services would be rated and administered by Regional Council, and replace funding provided by local councils. A fund would be opened up to all service providers that meet the policy's criteria for the 2020/21 financial year. An agreement with local councils would need to be made so that they no longer collect for this service.
<i>Level of service</i>	The level of service would remain as currently provided with only Surf Lifesaving New Zealand and Coastguard receiving funding. Level of service would remain as primarily a local decision.	This option would allow for an increased level of service for Surf Lifesaving New Zealand and Coastguard and the additions of other potentially eligible service providers in the 2020/21 financial year.	This option would allow for providers to have more certainty around funding and therefore confidence to set a level of service across the region. This may lead to increased and more widespread services for Surf Lifesaving New Zealand and Coastguard and other potentially eligible providers.
<i>Impact on ratepayers</i>	No change.	A region-wide targeted rate would be established to fund region-wide services. This would include at least the current regional funding (\$30,000 per year, approximately \$0.25 per household), and any increases that are specifically consulted on. Local councils would also continue to rate for local services.	A region-wide targeted rate would be established to fund region-wide services. This would include at least the current regional and local funding (approximately \$400,000 per year, \$3.10 per household), and any increases that are specifically consulted on. Local councils would not rate for local services, which would be collected regionally.

Passenger transport

We are asking you to 'Have your Say' to help us decide on two new passenger transport proposals that we are looking to deliver in 2019/20.

We manage a regional bus network that includes the yellow and blue Bayhopper buses in the western and eastern Bay, and the green Cityride buses in Rotorua. Providing a reliable public transport service that people from all walks of life can use is an important function of ours. This mode of transport provides a vital transportation option, and eases congestion and emissions in our main centres. This helps create a vibrant region and supports a healthy environment.

Over the past few years we have increased the extent and frequency of bus services across the region in response to population growth. Most recently we confirmed and have implemented the Western Bay of Plenty Public Transport Blueprint, which looked at public bus services in Tauranga and the western Bay. In parts of the western Bay, such as Te Puke, bus services now run at a frequency similar to the city services.

Following the introduction of the Blueprint we will make adjustments to improve the efficiency of the network.

Who does what?

The role of delivering the bus services is shared between the different councils in the region.

Bay of Plenty Regional Council designs the public bus networks, and contracts the operation of them.

City and District councils are responsible for bus infrastructure – which includes bus stops, bus lanes and bus shelters.

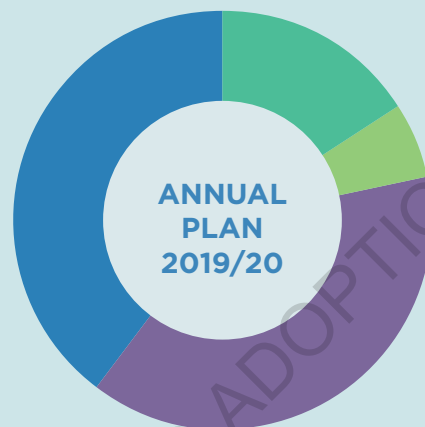
PLACE HOLDER IMAGE ONLY

HOW ARE THE BUSES FUNDED?

Through a combination of:

- Central government support (through the New Zealand Transport Agency)
- Bus fares
- General funds (which includes general rates and income from investments)
- Targeted rates which put the cost back on the region that benefits from the service.

This mix of funding means we can keep bus fares affordable for everyone.



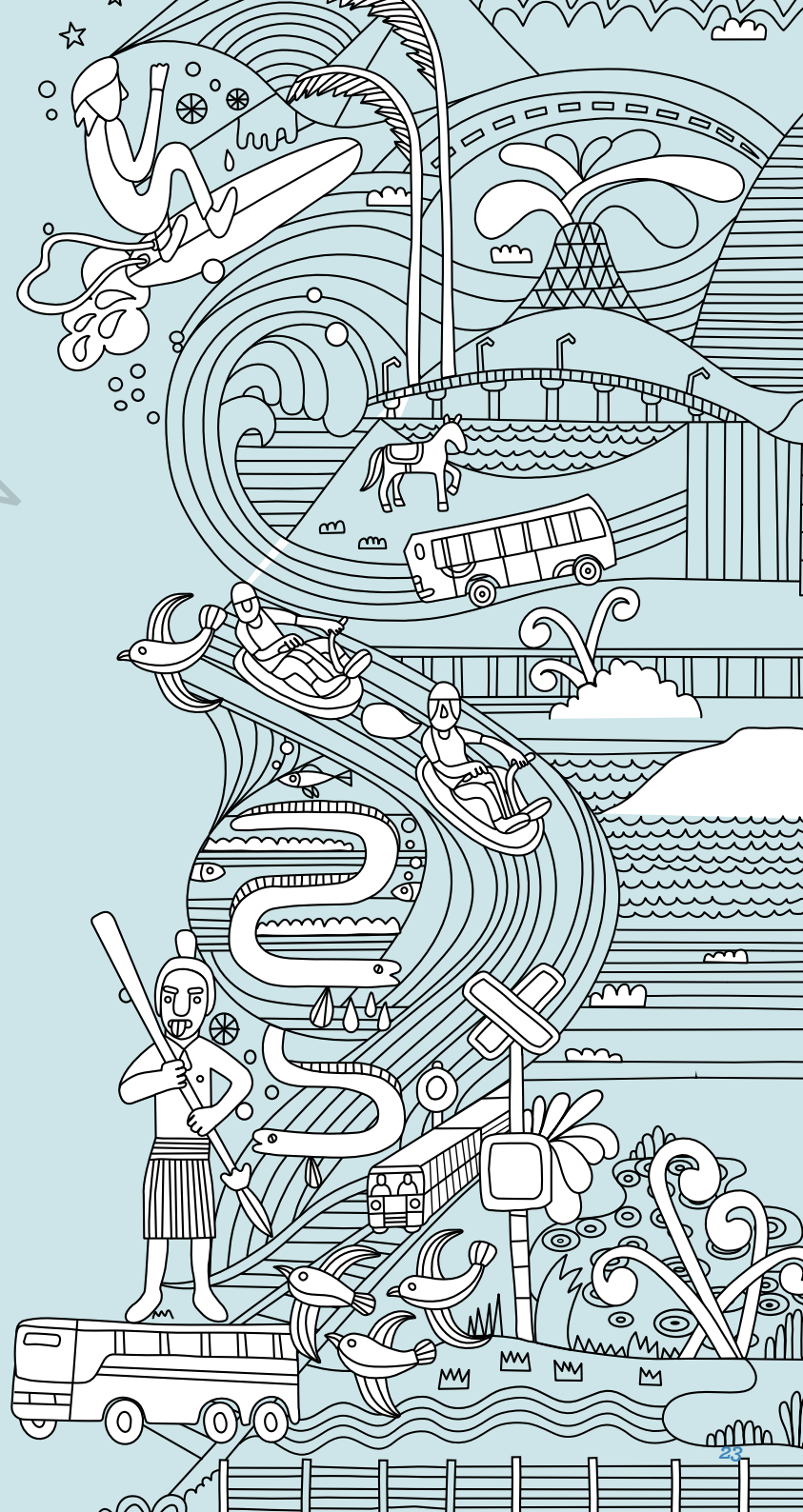
- Central government funding
- Bus fares
- General funds
- Targeted rates

HOW DOES THIS MIX CHANGE ACROSS THE REGION?

Targeted rates are used to fund the bus services in Tauranga, Rotorua, Western Bay and Whakatāne.

General funds are used to fund the non-urban (rural) services in the eastern Bay.

It was set up this way to ensure the cost of bus services was spread fairly across the community, with urban areas paying higher fares for services used more often and by more people.





THREE: *Do you support an increase in rates to fund a one year trial to improve access to tertiary education across the Bay of Plenty and for people commuting to Tauranga and Rotorua?*

THE ISSUE

This proposal is about making it easier for people living in the Bay of Plenty to get to and from tertiary education and for those starting out in the workforce to access our major employment centres.

The new University of Waikato campus opened in the Tauranga CBD early in 2019. Alongside Toi Ohomai, this has increased tertiary education options for students in Tauranga and the Bay of Plenty. Together, these organisations have approached the Regional Council with a request for extra public transport between Tauranga, Whakatāne, Rotorua and Katikati to make tertiary study more accessible to those living outside of Tauranga and in the broader Bay of Plenty.

Because no public transport service currently exists that can bring students from across the region into Tauranga on a daily basis, both tertiary institutions are working together to contract with private companies to establish a service. Both institutions have asked us to investigate whether a more expansive public service could be established, as a more sustainable and efficient option for the future, that they could invest in with fare subsidies for students.

Separate to this, community groups and individuals have approached Council requesting that commuter services are provided so that people new to the employment market and with limited resources or without access to a car, aren't disadvantaged. Services that have been requested include Whakatāne to Tauranga, and Murupara to Rotorua and would be provided on the same buses as tertiary students.

Primarily, the tertiary institutes and local community groups are highlighting that current transport options present a barrier to accessing tertiary education and job opportunities because:

- There is a lack of transport (bus) services; and
- The cost of travel (paying a fare) is considerable outside the main urban centres (for example, for a student to travel one-way from Katikati to Tauranga it currently costs them \$4.90 – so \$49.00 for a week's return travel).

OUR PROPOSAL

To address the issues described above we are planning to trial new bus services for one year from the beginning of 2020. These services would be scheduled to support the needs of people commuting to their respective places of study and/or work.

<i>Proposed new services between</i>	<i>Estimated total cost of service</i>	<i>Description of service</i>
<i>Rotorua and Tauranga</i>	\$105,000	Each service would provide a single early morning bus, returning late afternoon, and is aimed primarily at students attending tertiary campuses in Tauranga/Rotorua and those wishing to commute between communities.
<i>Whakatāne and Tauranga</i>	\$70,500	
<i>Katikati and Tauranga</i>	\$100,000	
<i>Murupara and Rotorua</i>	\$80,000	

Introducing these services is dependent on significant funding being received from NZTA and from tertiary providers. Based on between 25% to 75% of costs being met by these organisations, the estimated cost per household is expected to be between \$0.30 and \$5.25, funded through Passenger Transport targeted rates. Further detail is provided under Option 2 to the right.

Where a contribution to costs is provided (for example by tertiary providers), this may result in a reduced fare for users of the service.

THE OPTIONS

Two options are set out in the table below which we would like your feedback on..

	OPTION 1	OPTION 2
	<i>Status quo</i>	<i>Introduce new tertiary and commuter services for one year trial</i>
<i>Summary</i>	No change (i.e. we don't provide new services or reduce the cost of tertiary student travel)	Introduce new tertiary and commuter services for one year as a trial from start of 2020. Please note that introducing these services is dependent on significant funding being received from NZTA and from tertiary providers.
<i>Level of service</i>	No change	Overall there would be an increase to the level of service provided.
<i>Impact on ratepayers</i>	No impact	<ul style="list-style-type: none"> Rotorua Passenger Transport Targeted rate increase of estimated at between \$1.25 and \$3.75 per household (including GST)* Whakatāne District Passenger Transport Targeted rate increase estimated at between \$1.10 and \$3.40 per household (including GST)* Western Bay of Plenty Passenger Transport Targeted rate increase estimated at between \$1.75 and \$5.25 per household (including GST)* Tauranga City Council Passenger Transport Targeted rate increase estimated at between \$0.35 and \$1.05 per household (including GST)*

* ranges are based on between 25% to 75% of costs being met by partners (NZTA and tertiary providers).



FOUR: *Do you support an increase in rates to fund a one year trial of fare-free bus travel for Tauranga school students to help reduce congestion?*

THE ISSUE

This proposal is about whether trialling fare-free bus travel for Tauranga school students will reduce traffic congestion at peak times in Tauranga. It will also have the added benefit of reducing the financial burden on families with school children.

There is a common view in Tauranga that if access to schools on public buses was free for students this would help resolve Tauranga's peak time traffic congestion.

Our research shows that if students could travel fare-free on Tauranga buses it would likely remove some car trips and car travel from the morning peak period.

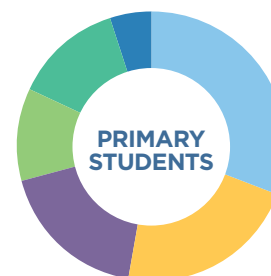
How do students get to school across Tauranga?

The graphs show how students get to school in Tauranga. Making bus fares free for school students is unlikely to take cars off the road where dropping the student at school is incidental to that car journey - e.g. being dropped off while mum or dad drive to work, however it is likely to reduce the number of trips to school by car (14-18%) where that is the sole purpose of that car journey.

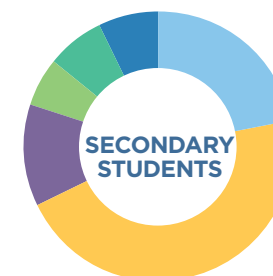
What the research shows:

- Free fares are financially costly and often difficult for an organisation to continue with, without finding new, different funding sources.
- Free public transport encourages increased use, but much of this will be from people who currently walk or cycle.

TRAVEL TO SCHOOL



- Car - solely to school
- Car - solely to school likely to use a bus
- Car - part of another journey



- Car - part of another journey, likely to use a bus
- Bus
- Other

- Free fares can cause peak crowding on already popular routes to get worse, which can increase costs if extra buses are required. This can also discourage existing bus users to continue taking the bus. While there might be an increase in people on the bus, if less people are paying for their trips it could affect overall affordability of the service.
- Lowering the fares for school children (as opposed to making travel free) would be less effective at reducing car travel where that is the sole purpose of the journey.

OUR PROPOSAL

This proposal aims to find out whether trialling fare-free bus travel for Tauranga school students will reduce traffic congestion at peak times in Tauranga. Based on data from the last 12 months this proposal would require additional revenue of approximately \$1.1 million for 2019/20 and the same amount for 2020/21 – the majority of this amount is to replace lost revenue from fares. This would require an increase in targeted rates of approximately \$22.00 per household per year.

We will also use initial results from the ‘free fares for school students Welcome Bay bus trial’ that was agreed through the Long Term Plan 2018-2028 to inform any extension to a Tauranga-wide trial as outlined in this proposal. The Welcome Bay trial started at the beginning of 2019 and runs for the school year.

THE OPTIONS

Three options are set out in the table below which we would like your feedback on.

	OPTION 1	OPTION 2	OPTION 3
	<i>Status quo</i>	<i>Trial fare free bus services for Tauranga school students for one year</i>	<i>Trial more heavily subsidised bus services for Tauranga school students for one year</i>
<i>Summary</i>	No change (i.e. we don't fund the free services).	Fully subsidise school bus fares for Tauranga students for one year as a trial from the start of the 2020 school year	Introduce a more heavily subsidised fare e.g. \$2 a day for all Tauranga school students.
<i>Level of service</i>	No change	Impact on level of service difficult to ascertain (as will be both positive and negative effects)	Impact on level of service difficult to ascertain (as will be both positive and negative effects)
<i>Impact on ratepayers</i>	No impact	Tauranga targeted rates will increase by approximately 16% (\$22.00) for 2019/20 and 14% (\$22.50) 2020/21 (including GST)*	Tauranga targeted rates will increase by approximately 14% (\$19.00) for 2019/20 and 12% (\$19.00) 2020/21 (including GST)*

* Please note: the costs to ratepayers for options two and three are similar because less than half the costs of this proposal relate to lost fare revenue.

Let us know what you think online at
www.boprc.govt.nz/annualplan



Financial overview

Our financial strategy means we can look after what we already have and provide infrastructure, services and functions for the future in a way that is sustainable and affordable

Our Financial Strategy sets out how we plan to fund our work programme and manage our investments and our levels of borrowings for the next 10 years. It is based on continuing to deliver many existing services and functions and provide infrastructure to the community, with increases in some areas, in a financially sustainable and affordable way.

In 2018 we adopted our Long Term Plan in 2018, and since then there have been a number of factors that have impacted on our financial position and as a result the proposed rates and the costs of some of our activities. These factors include changes in operational and capital expenditure described through pages 30 and 31, and the four proposals on pages 18 to 27.

We have set ourselves a target to achieve \$1 million of efficiency savings through the way we work. This means we will improve our efficiency, while we still provide the same levels of service to the community.

On the following pages you can read our financial overview. This has been updated and reflects our proposed rates, borrowing and capital spending for 2019/20, noting that the proposed rates increase does exceed our original forecast average rates increases in the Long Term Plan.

In addition to the Annual Plan consultation, we are consulting on our Resource Management Act Fees and Charges Policy; amendments to our revenue and financing policy; and the inter-regional marine pest pathway which looks at better ways to managing marine pests.

RATES

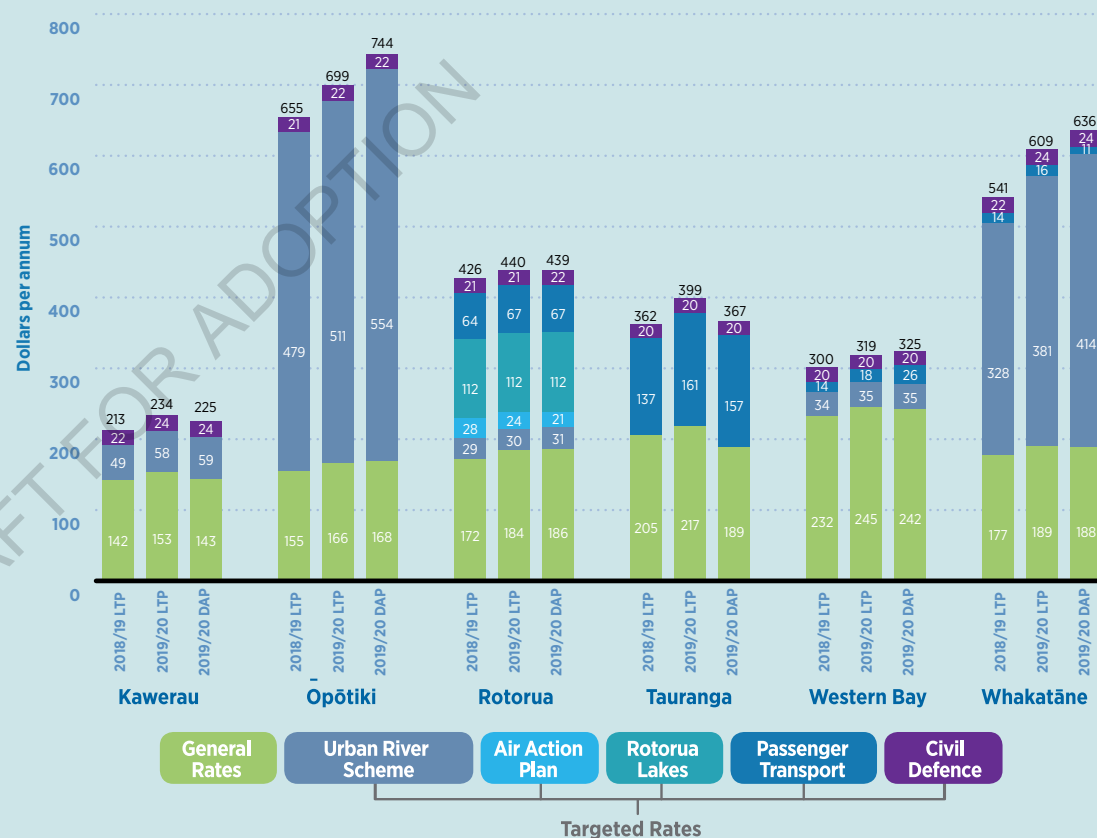
This annual plan will set the level of rates for the 2019/20 financial year. The proposed average rates increase of 6.5% (an average of \$13 per household) is 1.2% above the 5.3% that was forecast almost 12 months ago in the Long Term Plan.

We propose a general rates increase of 3.8% (an average \$9 per household) in 2019/20. The average increase in targeted rates, which affects the total rates you pay, depends on the area in which you live and the services you receive. In addition, property revaluations by Western Bay of Plenty District Council, Whakatāne District Council, Ōpōtiki and Taupō District Council will affect the final rates you pay.

Our proposed average rates increase allows us to address recent changes and to continue on the path towards our vision and our community outcomes, while delivering the services you expect from us and meeting our legislative requirements.

The graph shows rates comparisons between the Long Term Plan 2018-2028 and the Draft Annual Plan 2019/20 estimates for median properties.

TOTAL RATES BY TERRITORIAL AUTHORITY - ANNUAL AVERAGE



WHERE WE SPEND YOUR MONEY

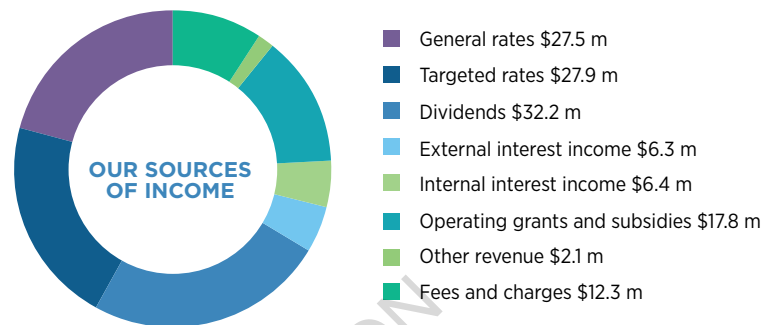
Overall, our proposed expenditure has decreased from \$187.0 million in year two of the Long Term Plan to \$182.7 million for the Draft Annual Plan 2019/20.

Our planned operating expenditure has increased from \$134.6 million to \$135.5 million. As a result, our total operating revenue is increasing from \$131.5 million to \$132.5 million to fund the additional expenditure.

The money collected through your rates is expected to make up 42% of the money that funds our operating expenditure in 2019/20. We are funding \$2.3 million contributions to third party infrastructure projects through the use of our reserves.

Capital expenditure has decreased from \$52.4 million to \$47.3 million. We have reviewed our capital works programme to ensure that our borrowings are in line with our ability to deliver on a challenging programme of work. This programme includes \$19.9 million for major repairs to our flood protection structures damaged during the April 2017 floods in the eastern Bay. We have moved \$4.5 million for the Kaituna River Re-diversion Project from 2019/20 into the capital works programme for 2018/19 as this work is being delivered ahead of schedule.

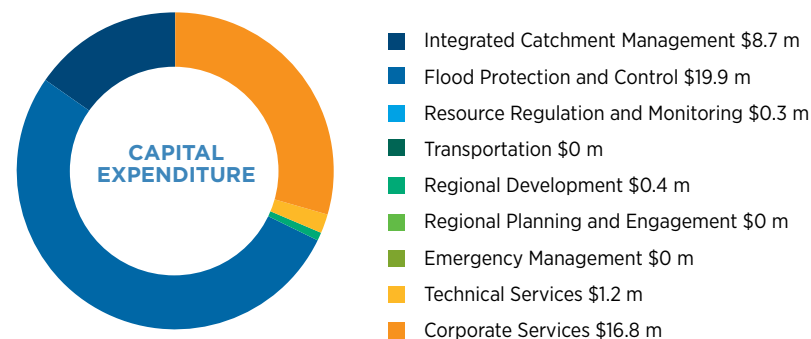
We break down our expenditure into groups of activities (what we do) as these are the basis for our prudent financial management and how we assess rates. This graph shows what we plan to spend on each group of activities and our sources of operating income.



Total income planned for 2019/20 is \$132.5 million



Total spending planned for 2019/20 is \$135.5 million



Total capital spend planned for 2019/20 is \$47.3 million

Operating expenditure \$m	How operating costs are funded
	<div>Rates</div> <div>Other</div>

This infographic outlines the costs of our services and how they are funded. These costs include services described in our Long Term Plan, and the changes identified in this consultation document.

Group of Activities	Operating expenditure \$m	How operating costs are funded
		<div>Rates</div> <div>Other</div>
Integrated Catchment Management	22.7	<div>38%</div> <div>62%</div>
Flood Protection and Control	13.1	<div>82%</div> <div>18%</div>
Resource Regulation and Monitoring	13.3	<div>32%</div> <div>68%</div>
Transportation	27.6	<div>37%</div> <div>63%</div>
Regional Development	2.4	<div>40%</div> <div>60%</div>
Regional Planning and Engagement	13.8	<div>40%</div> <div>60%</div>
Emergency Management	2.6	<div>68%</div> <div>32%</div>
Technical Services	10.7	<div>35%</div> <div>65%</div>
Corporate Services	29.3	<div>100%</div>
Total	135.5	

BALANCED BUDGET STATEMENT

We propose to have an unbalanced budget in 2019/20. This means that our forecast operating revenue is less than our operating expenditure. The main reason for the forecast unbalanced budget is that we are contributing funding to third party infrastructure projects which was committed to in our previous Long Term Plan. We have enough operating revenue and reserves to meet our obligations.

BORROWINGS

In the Long Term Plan we proposed to borrow \$166 million over the next 10 years to fund capital expenditure, the total net value of this has not changed.

In 2018 we borrowed \$90 million from the Local Government Funding Authority to fund our capital works programme for the first two years of the Long Term Plan. We also borrowed \$50 million to help optimise the interest costs incurred by Quayside Holdings Limited (Quayside).

Our integrated approach to treasury management ensures the most efficient use of our balance sheet. We have set prudent limits to how much we can borrow and we will remain well within our debt to revenue ratio limit of 250 percent in 2019/20. This additional capacity gives us flexibility and enables us to respond to unforeseen circumstances.

INVESTMENTS AND RESERVES

We have a 100 percent shareholding in Quayside, which in turn holds a majority shareholding in the Port of Tauranga Limited (POTL) and manages other investments on our behalf. We have forecast a dividend from Quayside of \$32.1 million in 2019/20 and we will use this income carefully, to help fund our work across the Bay of Plenty region and to reduce our rates. The dividend from Quayside will comprise just over 24% of our forecasted operating revenue.

We have three main reserves. These are the Infrastructure Fund, which is fully allocated to fund infrastructure projects, the Regional Fund, and the Toi Moana Fund. The Toi Moana Fund is a new reserve which we established through the Long Term Plan with the primary objective of providing optimised long term investment.

We have forecast to receive \$6.3 million interest revenue on our reserves funds as well as our cash investments in 2019/20. We use investment returns to reduce the amount we need to collect through general rates.

How to have your say

*You can have your say by providing a submission in any of the ways outlined below.
Submissions close 4pm on Monday 6 May 2019.*

Complete a submission at an event:

Complete a submission at one of our Information or Have Your Say community events.

Complete a submission online

Visit www.boprc.govt.nz/annualplan

Email your submission form to
annualplan@boprc.govt.nz

Complete the submission form attached and post it to us at:

Freepost Number 122076
Annual Plan Submissions
Bay of Plenty Regional Council
PO Box 364
Whakatāne 3158

Visit any of our offices across the Bay of Plenty:

5 Quay Street, Whakatāne
87 First Avenue, Tauranga
1125 Arawa Street, Rotorua



What do you think?



Your details

First name: _____

Surname: _____

Are you submitting as an individual, or on behalf of an organisation?

☐ Individual ☐ Organisation

Organisation (if applicable): _____

Phone number: _____

Email address: _____

Postal address: _____

Your gender:

- ☐ Male
☐ Female
☐ Gender diverse

Your age:

- ☐ 0-17 years
☐ 18-24 years
☐ 25-34 years
☐ 35-44 years
☐ 45-54 years
☐ 55-64 years
☐ 65 or older
☐ I'd rather not say

Your ethnicity:

- ☐ NZ European
☐ Māori
☐ Pacific Islander
☐ Asian
☐ Middle Eastern/
Latin American/African
☐ Other, please specify: _____

I wish to keep my contact details confidential ☐ Yes ☐ No

*We're consulting on this Annual Plan between
18 March and 6 May 2019.*

We'll be out in the community during March and April, so if you see us, please come up and talk to us. Towards the end of April, we will be holding a series of 'Have Your Say' events, where we're inviting you to come along and, in small groups, speak with Councillors about the topics we're consulting on. These will be held instead of formal hearings. We'll be listening to what you say and taking notes which will be used by Councillors during deliberations.

☐ Yes ☐ No I will attend in person one of the 'Have Your Say' events scheduled for 29 April to 3 May 2019.

A list of where we will be and when we will be available, to speak to about this is on our website at: **www.boprc.govt.nz/annualplan**

*Please see over the page to
provide your feedback.*

If you require more space please
feel free to attach extra pages.
You can also make a submission
online at
www.boprc.govt.nz/annualplan

**Submissions close 4pm
Monday 6 May 2019.**

*Once completed, please
send this form to:*

Freepost Number 122076
Annual Plan Submissions
Bay of Plenty Regional Council
PO Box 364
Whakatāne 3158

Climate change *See page 18*

Q1: What do you want Council to prioritise when it comes to our actions on climate change?

Please rank the following focus areas by writing in the boxes below, 1 (high priority) to 4 (low priority):

- ☐ Focus area 1: Reducing Council's own carbon footprint (getting our 'house in order') e.g. waste and energy reduction in our offices.
- ☐ Focus area 2: Incorporating climate change considerations in our decision making
- ☐ Focus area 3: The services we provide as a regional council e.g. flood protection (adaptation), more electric buses (reducing emissions).
- ☐ Focus area 4: Collaborating with our communities to build resilience and work on the region's response to climate change

Do you have any other suggestions on actions council could take in relation to climate change?

Regional safety and rescue services *See page 20*

Q2: How should we support charities that provide regional safety and rescue services, such as Surf Lifesaving New Zealand and Coastguard, in the Bay of Plenty?

Please tick your preferred option

- ☐ Option 1: Status quo
- ☐ Option 2: Increase Regional Council regional safety and rescue service funding
- ☐ Option 3: Centralised regional safety and rescue funding

If you require more space please feel free to attach extra pages, or you can complete a submission online, visit www.boprc.govt.nz/annualplan

General comments and feedback

Passenger transport *See page 22*

Q3: Do you support an increase in rates to fund a one year trial to improve access to tertiary education across the Bay of Plenty and for people commuting to Tauranga and Rotorua? ?

Please tick your preferred option

- ☐ Option 1: Status quo
- ☐ Option 2: Introduce new tertiary and commuter services for one year trial

Q4: Do you support an increase in rates to fund a one year trial of fare-free bus travel for Tauranga school students to help reduce congestion?

Please tick your preferred option

- ☐ Option 1: Status quo
- ☐ Option 2: Trial fare free bus services for Tauranga school students for one year
- ☐ Option 3: Trial more heavily subsidised bus services for Tauranga school students for one year

DRAFT FOR ADOPTION

DRAFT FOR ADOPTION



*For more information visit our website
www.boprc.govt.nz, call 0800 884 880
or email info@boprc.govt.nz*

APPENDIX 4

Statement of Proposal - Amendment to Revenue and Finance Policy 2019-20

What do you think?

*Have your say on Bay of Plenty Regional Council's
Statement of Proposal to amend the Revenue and Financing Policy*



What's this about?

The Revenue and Financing Policy describes how Council will use revenue and financing sources to fund its activities. Council reviews its Revenue and Financing Policy every three years as part developing the Long Term Plan. This year, we are proposing two changes outside of this normal review cycle. Submissions on these proposed amendments are being sought using the same process and timeline for the Annual Plan 2019/20. For details on how to make a submission and timelines please see pages 4 and 5.

How can you have your say

We're consulting on this Statement of Proposal to amend the Revenue and Financing Policy between 18 March and 6 May 2019. You can provide a written submission on the proposals outlined in this Statement of Proposal using our online form at www.boprc.govt.nz/annualplan by email to annual.plan.2019@boprc.govt.nz or by using the submission form attached to this document on page 5.

Through the consultation period, we will be holding a series of information events and 'Have Your Say' workshops. A list of where we will be and when we will be available, are on our website at www.boprc.govt.nz/annualplan

Find out more - we're coming to see you and speak to you about the proposals in this plan - if you see us, have questions, or if you'd like more information, please stop by and talk to us.

Have your say – towards the end of the consultation period we'll be holding four 'Have Your Say' events. These are an opportunity for you to come together with other members of the community and to discuss the issues in more depth with Councillors – face-to-face. You will also be able to make submissions at the events. These are being held as an alternative to formal hearings. Once consultation has closed on 6 May 2019, we will discuss all the feedback we have received and make some decisions about what should and shouldn't be included in the Annual Plan 2019/20. These decisions will be made public and we intend to formally adopt our Annual Plan for 2019/20 in late June.

You can provide a written submission at any time during the consultation period using our online form at www.boprc.govt.nz/annualplan, by email to annual.plan.2019@boprc.govt.nz, or by using the submission form attached to this document. Anyone who provides a written submission can also present their views in person to councillors at our 'Have Your Say' community events.

Have your say
18 March
to 6 May 2019

Deliberations
Early
June 2019

**Annual Plan
Adopted**
Late June 2019

We want to hear from you!

Proposed Changes to Council's Revenue and Financing Policy

Council is proposing new targeted rates to partially fund two activities. These are for the Community Engagement Activity, to provide transparency of revenue collected for regional safety and rescue services, and for the Regional Infrastructure Activity to allow for possible infrastructure funding that benefits specific geographic areas. Further information is provided in our Annual Plan Consultation Document, available online at www.boprc.govt.nz/annualplan

A full tracked-changes version of the proposed Revenue and Financing Policy is available through our website or at Regional Council offices. The section below outlines why we're proposing the changes, and the other options we considered.

Community Engagement Activity

The Community Engagement Activity is currently funded 100% through general funds. The Annual Plan 2019/20 proposes a new approach to council funding of regional safety and rescue services which has led us to re evaluate whether this continues to be appropriate.

After considering the funding needs set out in the Local Government Act (2002) section 101(3)A, we think a targeted rate could be an appropriate way for us to fund regional safety and rescue services. Implementing a targeted rate would help us make sure the costs of this work matches the geographic distribution of benefits, ensures there is transparency of the costs and that these funds are only used for regional and rescue services. We are not proposing to set any targeted rate for this in 2019/20 – this amendment only enables targeted rates to be used in the future if it is considered appropriate.

The other option we have is to fund regional safety and rescue services through general funds, which would not allow us to provide transparency, ring-fence funds, or match the geographic distribution of benefits.

Regional Infrastructure Activity

The Regional Infrastructure activity is currently funded 100% through reserves.

After considering the funding needs set out in the Local Government Act (2002) section 101(3)A, we think a targeted rate could be an appropriate way for us to recover the cost of specific projects. Reserves or debt would be used for up-front costs, which would be recovered through general funds if there is region-wide benefit, or through targeted rates, if the benefit is limited to a certain geographic area. We are not proposing to set any targeted rate for this in 2019/20 – this amendment only enables targeted rates to be used in the future if it is considered appropriate.

Another option we have is to continue to fund the Regional Infrastructure Activity solely from reserves. While this has been appropriate to date, it may not be appropriate for the variety of funding requests that could be received in the future.



How to have your say

You can have your say by providing a submission in any of the ways outlined below.

Submissions close midday on Monday 6 May 2019.

Complete a submission at an event:

Complete a submission at one of our Information or Have you Say community events.

Complete a submission online:

Visit www.boprc.govt.nz/annualplan

Email your submission form to:

annual.plan.2019@boprc.govt.nz

Complete the submission form attached and post it to us at:

Freepost Number 122076
Revenue and Finance Policy Submissions
Bay of Plenty Regional Council
PO Box 364
Whakatāne 3158

Visit any of our offices across the Bay of Plenty:

- 5 Quay Street, Whakatāne
- 87 First Avenue, Tauranga
- 1125 Arawa Street, Rotorua

What do you think?



Your details

First name: _____

Surname: _____

Are you submitting as an individual, or on behalf of an organisation?

☐ Individual ☐ Organisation

Organisation (if applicable): _____

Phone number: _____

Email address: _____

Postal address: _____

Your gender:

- ☐ Male
☐ Female
☐ Gender diverse

Your age:

- ☐ 0-17 years
☐ 18-24 years
☐ 25-34 years
☐ 35-44 years
☐ 45-54 years
☐ 55-64 years
☐ 65 or older
☐ I'd rather not say

Your ethnicity:

- ☐ NZ European
☐ Maori
☐ Pacific Islander
☐ Asian
☐ Middle Eastern/
Latin American/African
☐ Other, please specify: _____

I wish to keep my contact details confidential ☐ Yes ☐ No

*Please see over the page
to provide your feedback.*

If you require more space, please
feel free to attach extra pages.

You can also make a submission online at
www.boprc.govt.nz/annualplan

*Submissions close midday on
Monday 6 May 2019.*

*Once completed, please
send this form to:*

Freepost Number 122076
Revenue and Finance Policy Submissions
Bay of Plenty Regional Council
PO Box 364, Whakatane 3158

Revenue and Financing Policy Amendment

See page 3

Do you support the potential to use a targeted rate for funding regional safety and rescue services?

☐ Support ☐ Oppose

Comments

Do you support the potential to use targeted rates to fund third party infrastructure?

☐ Support ☐ Oppose

Comments

Any other feedback





APPENDIX 5

Revenue and Finance Policy proposed (tracked) changes 2019-20

Revenue and Financing Policy

Kaupapahere Whai Moni me te Pūtea

Purpose

To present Bay of Plenty Regional Council's (Council) policies for financing its planned groups of activities, including proposed funding sources.

Under sections 102 and 103 of the Local Government Act 2002 (the Act), Council must adopt a Revenue and Financing Policy.

Introduction

Section 101(1) of the Local Government Act requires us to manage our revenue, expenses, assets, liabilities, investments and general financial dealings prudently, and in a manner that promotes the current and future interests of the community.

This Policy describes how Council will use revenue and financing sources to fund its activities. Tables than set out a summary of our funding sources for operating and capital expenditure by activity. Our comprehensive section 101(3) analysis is separately documented in the Funding Needs Analysis.

We have assessed the sources of revenue and finance for each activity using the following criteria as set out by the Act:

- Community outcomes the activity primarily contributes to
- Distribution of benefits between the community as a whole, any identifiable part of the community and individuals
- The period in or over which benefits are expected to occur
- The extent to which the actions or inactions of particular individuals or a group contribute to the need to undertake the activity
- The costs and benefits, including consequences for transparency and accountability, of funding the Activity distinctly from other Activities
- The overall impact of any allocation of liability for revenue needs in the community

Section 103(2) of the Act allows us to fund our activities from:

- General rates
 - i. including choice of valuation system
 - ii. differential rating
 - iii. Uniform Annual General Charges (UAGC)
- Targeted rates
- Lump sum contributions
- Fees and charges
- Interest and dividends from investment
- Borrowings
- Proceeds from asset sales
- Development contributions
- Financial contributions under the Resource Management Act 1991
- Grants and Subsidies
- Any other source

General funds as referred to throughout this document is a combination of investment income (interest and dividends) and general rates (including UAGC) and general reserves.

The following sections outline the main funding sources that are available for operating and capital expenditure. Consideration of our Financial Principles has led to an indicative order of preference for the funding sources.

Funding sources for operating expenditure

Operating expenditure is the day to day spending that maintains the services delivered by Council. This includes contributions to the wear and tear on assets used (depreciation),

interest charged on borrowing (both internal and external) for capital projects and corporate services overheads.

Some activities may be best funded from user fees and charges such as bus fares, others with targeted rates such as the drainage scheme maintenance and others from the general rate such as regional planning.

After consideration of the legislative analysis and Financial Principles, the following are the preferred order of funding sources for operating expenditure:

- Grants, subsidies, sponsorship and other sources of revenue
- Fees and charges where benefit can be assigned to individuals
- Financial contributions (not currently used)
- Targeted rates where benefit can be assigned geographically or to itemise specific rates requirements
- Investment income (interest and dividends)
- General rates including UAGC
- Reserves
- Borrowing

This order of preference has been used as part of the proposed funding model for each activity.

Grants and subsidies

Council receives grants and subsidies from other organisations, including Central Government agencies and local authorities, to help fund some of its activities. Grants and contributions are used to fund specific activities and projects for national or local benefit. The main Government subsidies Council receives are from the New Zealand Transport Agency for passenger transport services and the Ministry for the Environment for the Rotorua Lakes activity.

Other sources

Other operating revenue includes:

- Charges to land owners for contributing to land management activities on their property
- Rent from Council owned properties leased to third parties
- Contributions from the New Zealand Transport Agency, local authorities and gravel-extraction revenue for flood protection activities
- Management fees for administrative support to Council controlled organisations

Fees and charges

Fees and charges are charged directly to users of a service or facility for the private benefit they receive.

The concept of user-pays is consistent with the 'benefit/contributor principle', where the users pay for private benefit from the service. It is also consistent with the principle that those causing the need to undertake the activity (exacerbators) pay for work required as a consequence.

User charges are applied where it is not practical for Council to establish a targeted rate on individual consumers to recover the cost of the service. Where user charges are impractical or ineffective, we may set a range of fees and charges to partly fund the private good component of an activity that delivers tangible private benefits.

Under Section 36 of the Resource Management Act 1991, Council can set administrative fees and charges for a range of matters.

These matters are set out in our Section 36 Resource Management Act and Building Act Charges Policy. Under section 150 of the Local Government Act 2002 the Council can set fees or charges for matters provided for in bylaws. Fees must be prescribed either in the bylaw, or following consultation in a manner that gives effect to the requirements of section 82 of the Local Government Act 2002.

Council's Regional Navigation Safety Bylaw (clause 5.6) contains provision for charges to be made for mooring licenses, commercial operating licenses and Port charges.

Council also collects the revenue directly from ticketing for bus travel under its bus contract (from 1 July 2009) and other regional bus services. This system allows Council the flexibility to charge user fees or to offer more benefits to users of public transport.

In addition, local authorities are empowered to set fees for any service (not covered by other legislation) as one of the consequences of the general power of competence provided in section 12 of the LGA.

Financial contributions

Section 108(2)(a) of the Resource Management Act 1991 authorises Council to include, as a resource consent condition, a financial contribution for purposes as stated in a regional plan.

For more details see Council's Policy on Development Contributions and Financial Contributions.

Targeted rates

Targeted rates are used to fund discrete activities.

Council has set one or more targeted rates to fund a single activity, or a single targeted rate to fund multiple sub-activities within an Activity. Targeted rates may be set on a uniform basis for all rateable land on which the rate is set, or differentially for different categories of rateable land identified in the funding impact statement.

Investment income (interest and dividends)

Council has a range of investments which return interest and dividends. Our major cash investments include day-to-day surplus funds, funds from the sale of Port of Tauranga Limited (POTL) shares in 1991 to Quayside Holdings Limited (Quayside) and the issue of the Perpetual Preference Shares in Quayside during 2007/08. Term investments include a 100 percent shareholding in Quayside (a Council-Controlled Organisation) and a range of day-to-day reserve investments (see the section on Council Controlled Organisations for more detail).

These investments are corporate income sources that do not directly relate to a specific activity, and form a component of 'general funds'. General funds are made up of investment income and regional general rates. To ensure investment income benefits are shared by all ratepayers, we will continue to use our investment income to reduce general rates. Without the investment income off-set, revenue required from general rates would have to increase significantly to fund current levels of service.

Council has decided that the use of special dividend proceeds from the POTL (through Quayside) will be considered year by year. If used to offset operating expenditure it will be distributed through general funds.

General rates

General rates are set at a uniform rate in the dollar of rateable value for all rateable land within the Bay of Plenty. Council has adopted the land value system for calculating its general rate. Because rating re-valuations occur across the region in different years, this rate is set on an equalised land-value basis.

The benefits of most of our activities are evenly distributed across the region. Council has adopted a land value system for the general rate as our activities, which are part-funded by the general rate, deliver benefits more closely aligned with land values than capital values. For example, the integrated and sustainable management of natural and physical resources is more likely to have a long-term impact on land resources and land values than on the capital improvements associated with that land.

Uniform Annual General Charge

Council sets a UAGC as a fixed amount per rating unit.

The impact of a UAGC is to set a component of rates as a fixed charge per rating unit, and to separate this charge from the valuation base used to calculate the general rate.

The Local Government (Rating) Act 2002 limits rates set on a uniform basis, including the UAGC, to 30%.

Because we believe that more than 30% of our total rate revenue could be levied through a fixed value targeted rate and UAGC, due to the nature of our activities having an even distribution of public good benefits, we have set our UAGC at the maximum permissible under the Act. Council has considered the affordability of rates when making this decision.

Reserves

Council has a number of cash funded reserve funds and some of these reserves funds are available to meet operating costs. Surplus funds from previous years (in the form of reserves) may be used to fund expenditure. Council generally uses these funds for the purpose that the reserve was created. Establishing and using these reserves is agreed through the Long Term Plan and Annual Plan processes.

Borrowing

Council generally plans to fund all cash operating costs from sources other than borrowing but may in specific circumstances, where it determines prudent to do so, fund some operating costs from borrowing.

Lump sum and development contributions

Council does not use lump sum or development contributions as a source of revenue.

Funding alternatives

Council will consider funding alternatives as they become available during the Long Term Plan period. These alternatives may be considered significant at the time, and if so we will engage with the community as required following an assessment of the issue against Council's Significance and Engagement policy.

Funding sources for capital expenditure

Capital expenditure is costs associated with the purchase, improvement and replacement of assets. After consideration of the legislative analysis and Financial Principles, the following are the preferred order of funding sources for capital expenditure.

- Proceeds from the sale of assets
- Grants, subsidies, sponsorship and other sources of revenue that directly apply to the given asset
- Reserves and/or borrowing depending which is the most efficient source of funding

Capital expenditure on new assets is generally not directly funded by rates as this places the entire cost on current ratepayers. Instead, the use of reserves and/or borrowing, allows for the cost to be spread over time through interest and depreciation so that all beneficiaries of the asset contribute towards the cost.

Any net operating surpluses are accumulated into various reserve funds. A specific asset replacement reserve is accumulated through funding depreciation and available for renewal of existing assets.

Proceeds from the sale of assets

Proceeds from asset sales are generally used to repay debt or off-set the borrowing requirements for the asset and its activity if it doesn't meet the Council's determination.

Grants and subsidies

Council receives grants and subsidies from other organisations, including Central Government agencies and city and district councils, to help fund some of its capital expenditure. Grants and subsidies are used whenever they are available.

Reserves and/or borrowing

Council maintains some reserve funds for capital expenditure. Capital expenditure is funded from the most efficient source, which may include borrowing.

Assessing the impact of funding needs

Council has applied the above preferences for the use of funding sources to each activity in its Funding Needs Analysis. Following section 101(3)(a) assessment Council has considered its funding mix against the overall impact of any allocation of liability for revenue needs on the community as required by section 101(3)(b).

The Long Term Plan Financial Principle which guides Council in assessing the funding mix is Principle 2:

- Council achieves the right mix to fund its activities, and keeps rates, fees and charges, affordable, fair and equitable.

Examples of how the Council has balanced its approach to funding its activities include:

- Aligning the Policy on Remission and Postponement of Rates with the local authorities. This ensures the Council's ratepayers have access to the same affordability tools, such as considering financial hardship, options for reverse equity of properties, consistent application of criteria for rates on Māori freehold land and remissions of rates for social/cultural purposes such as recreational facilities, as they do for their local authority rates
- Developing the forestry and bush remission to encourage better land use practices to lessen the amount of nutrients entering the Rororua Lakes
- Seeking alternative funding sources outside the region where wider interests exist (for example, Central Government funding for contaminated site remediation)
- Using general funds and reserves to spread the costs of services throughout the region to reduce the burden on small communities of interest, and when Council services proved wider and indirect benefits across different elements of well-being
- Considering inter-generational equity when funding depreciation and capital projects so current and future ratepayers pay their fair share

Summary of funding sources

Tables 1 and 2 show the indicative percentages each funding source is used to fund costs following our section 101(3)(a) and 101(3)(b) assessment.

Summary of operating expenditure funding sources by sub-activity							
Group of activities	Sub-activity	#	General funds	Targeted rates	User fees and charges and other revenue	Grants and subsidies	Reserves
Integrated Catchment Management	Tauranga Harbour	1	●		●		
	Rotorua Lakes	2a	●	●			
	Rotorua Lakes - Deed	2b	●	●			●
	Kaituna	3	●			●	
	Eastern Catchments	4	●		●	●	
	Regional Integrated Catchment Management	5	●				
Flood Protection and Control	Kaituna Catchment Control Scheme	6a	●	●	●	●	●
	Rangitāiki-Tarawera Rivers Scheme	6b	●	●	●	●	●
	Whakatāne-Waimana Rivers Scheme	6c	●	●	●	●	●
	Waioeka-Otara Rivers Scheme	6d	●	●	●	●	●
	Rangitāiki Drainage Schemes	6e		●	●		●
	Minor Rivers Schemes	6f		●			
	Minor Rivers (Ōpōtiki)	6g	●	●			
	Non Scheme Works	6h	●				●
	Regional Flood Risk Coordination	7	●				
Resource Regulation and Monitoring	Biosecurity	8	●		●		
	Air Quality	9a	●	●			
	Air Quality - Rotorua Clean Air	9b		●			
	Resource Consents	10	●		●		
	Regulatory Compliance	11	●		●		
	Maritime Operations	12	●		●	●	
Transportation	Tauranga Passenger Services	13a		●	●	●	
	Rotorua Passenger Services	13b		●	●	●	
	Western Bay Passenger Services	13c		●	●	●	
	Whakatane Passenger Services	13d		●	●	●	
	Regional Passenger Services	13e	●			●	
	Transport Planning	14	●			●	

Key						
0	0-20%	20-40%	40-60%	60-80%	80-100%	100%
	●	●	●	●	●	●

Summary of operating expenditure funding sources by sub-activity							
Group of activities	Sub-activity	#	General funds	Targeted rates	User fees and charges and other revenue	Grants and subsidies	Reserves
Regional Development	Regional Infrastructure	15					●
	Regional Infrastructure	15		●			●
	Regional Economic Development	16	●				
	Regional Parks	17	●		●		
Regional Planning and Engagement	Regional Planning	18	●				
	Māori Policy	19	●				
	Geothermal	20	●				
	Community Engagement	21	●				
	Community Engagement	21	●	●			
	Governance	22	●				
Emergency Management	Emergency Management	23		●	●		
Technical Services	Geospatial	24	●				
	Engineering	25	●				
	Data Services	26	●		●		
	Science	27	●		●		

Key						
0	0-20%	20-40%	40-60%	60-80%	80-100%	100%
	●	●	●	●	●	●

Group of activities	Sub-activity	#	External/ internal loans	Reserves	Capital grants, subsidies, insurance recoveries
Integrated Catchment Management	Rotorua Lakes	2a	●	●	
	Rotorua Lakes – Deed	2b	●	●	●
	Kaituna	3	●	●	●
Flood Protection and Control	Kaituna Catchment Control Scheme	6a	●	●	●
	Rangitāiki-Tarawera Rivers Scheme	6b	●	●	●
	Whakatāne-Tauranga Rivers Scheme	6c	●	●	●
	Waioeka-Otara Rivers Scheme	6d	●	●	●
	Rangitāiki Drainage Schemes	6e	●	●	●
	Non Scheme Works	6h	●	●	●
Resource Regulation and Monitoring	Air Quality – Rotorua Clean Air	9b	●		
	Maritime Operations	12	●	●	
Transportation	Tauranga Passenger Services	13a	●	●	●
	Rotorua Passenger Services	13b	●	●	●
	Western Bay Passenger Services	13c	●	●	●
	Whakatane Passenger Services	13d	●	●	●
	Regional Passenger Services	13e	●	●	●
Regional Development	Regional Parks	17	●	●	
Emergency Management	Emergency Management	23	●	●	
Technical Services	Geospatial	24	●	●	
	Data Services	26	●	●	
	Science	27	●	●	
Corporate Services	Land and Buildings	28	●	●	
	Other Corporate Services	29	●	●	

Table 2: Summary of capital expenditure funding sources by sub-activity

Group of activities	Sub-activity	#	External/ internal loans	Reserves	Capital grants, subsidies, insurance recoveries
Integrated Catchment Management	Rotorua Lakes	2a	●	●	
	Rotorua Lakes – Deed	2b	●	●	●
	Kaituna	3	●	●	●
Flood Protection and Control	Kaituna Catchment Control Scheme	6a	●	●	●
	Rangitāiki-Tarawera Rivers Scheme	6b	●	●	●
	Whakatāne-Tauranga Rivers Scheme	6c	●	●	●
	Waioeka-Otara Rivers Scheme	6d	●	●	●
	Rangitāiki Drainage Schemes	6e	●	●	●
	Non Scheme Works	6h	●	●	●
Resource Regulation and Monitoring	Air Quality – Rotorua Clean Air	9b	●		
	Maritime Operations	12	●	●	
Transportation	Tauranga Passenger Services	13a	●	●	●
	Rotorua Passenger Services	13b	●	●	●
	Western Bay Passenger Services	13c	●	●	●
	Whakatane Passenger Services	13d	●	●	●
	Regional Passenger Services	13e	●	●	●
Regional Development	Regional Parks	17	●	●	
Emergency Management	Emergency Management	23	●	●	
Technical Services	Geospatial	24	●	●	
	Data Services	26	●	●	
	Science	27	●	●	
Corporate Services	Land and Buildings	28	●	●	
	Other Corporate Services	29	●	●	

APPENDIX 6

Revenue and Finance Policy - Funding Needs Analysis - Supporting Doc 1 - Proposed Changes

Revenue and Financing - Funding Needs Analysis

Purpose

This draft Funding Needs Analysis provides the background and analysis to explain the funding decisions considered by Bay of Plenty Regional Council (Council). It is guided by the financial principles documented in the Financial Strategy.

Council must comply with the Local Government Act (2002) (LGA) section 101(3). For each activity Council must determine the appropriate sources of funding that will meet the funding needs of each activity. Council will take into consideration:

- The community outcomes to which the activity primarily contributes
- The distribution of benefits between the community as a whole, any identifiable part of the community and individuals
- The period in or over which those benefits are expected to occur
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

Once the above analysis is done Council must then consider the overall impact of any allocation of liability for revenue needs on the community.

The application of these requirements is subjective and provides Council with considerable latitude for judgement. The legislation places no more or less weight or priority on any one of the factors. Appendix One contains a general assessment of operating and capital funding against these factors.

Previous reviews

Council has incorporated a review of its Revenue and Financing Policy into every Long Term Plan process. The funding needs analysis to date has been incorporated in its entirety in the previous Revenue and Financing Policy.

At each review, Council may choose to reconsider all of the options for funding each activity or some particular activities. The Funding Needs analysis is now planned to be adopted in support of the Revenue and Financing Policy, rather than fully incorporated.

Funding bands

The Revenue and Financing Policy is intended to be in place for the next three years before it is reviewed. Current good practice is to set bands rather than specific funding percentages to allow for minor changes over time e.g. a one off subsidy or grant.

The Revenue and Financing Policy will use the bands in table 1 below. The final setting of rates will be based on the Funding Impact Statements for the relevant year.

Table 1: Funding bands

Name	Percentage range
Nil	0%
Unlikely	0% - 20%
Moderate	40% - 60%
Likely	60% - 80%
Very Likely	80% - 100%
All	100%

Activity analysis

Council must consider the funding for each activity in a way that relates exclusively to that activity. Distinct funding enables ratepayers or payers of user charges to assess more readily whether or not the cost of the service provided to them either directly or indirectly represents good value for money.

Appendix Two contains an assessment of the proposed funding bands for each activity. This assessment identifies the most likely sources of income for each activity. In all cases, general rates fund the balance of the activity after all other sources have been maximised.

Overall, the biggest proposed changes are for passenger transport and emergency management. Passenger Transport is proposed to have increased targeted rates and no

general funds for Tauranga, Rotorua, Western Bay and Whakatane bus services. Bay of Plenty Civil Defence Emergency Management is proposed to change from a 50/50 share between regional council general funds and grants from district/city councils to 100% targeted rate. The detailed changes in funding sources for these activities are shown in table 2 below.

Table 2: Proposed changes to funding sources

Activity	Current funding source (as per Annual Plan 17/18)	Proposed funding sources (average over the LTP 2018-2028)
Passenger Transport		
Tauranga Passenger Transport	Grants and subsidies 39% Fees and charges 25% Targeted rates 20% General funds 16%	Grants and subsidies 39% Fees and charges 25% Targeted rates 36% General funds 0%
Rotorua Passenger Transport	Grants and subsidies 31% Fees and charges 36% Targeted rates 20% General funds 13%	Grants and subsidies 36% Fees and charges 25% Targeted rates 39% General funds 0%
Western Bay Passenger Transport	n/a	Grants and subsidies 44% Fees and charges 13% Targeted rates 43%
Whakatane Passenger Transport	n/a	Grants and subsidies 41% Fees and charges 19% Targeted rates 40%
Regional Passenger Transport	Grants and subsidies 29% Fees and charges 7% General funds 64%	Grants and subsidies 31% Fees and charges 1% General funds 68%
Emergency Management		
Bay of Plenty Civil Defence Emergency Management Group (sub-activity)	Grants and subsidies 50% General funds 50%	Targeted rates 100%
Data Services		
Data Services	Overhead allocated	General funds 80% Fees and charges 20%

Overall funding consideration

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

Council may waive or discount fees and charges where it considers it appropriate to do so.

Council may remit rates where it considers it appropriate to do so and as documented in the Rates Remissions Policy. These policies address social matters as well as adjusting rates for benefits that differ for some rates assessments (e.g. additional or no provision of some services).

Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years for the purpose of smoothing the cost to users and ratepayers.

Other relevant policies

Revenue and Financing Policy

Appendix One Legislative assessment of funding considerations

The following table outlines the general considerations for funding against the legislative requirements of the Local Government Act (2002) section 101(3)(a). This has been used to contribute towards the activity specific funding considerations in Appendix Two.

Table 3: Legislative assessment of funding considerations

LGA s101(3)(a)	Operating funding considerations	Capital funding considerations
Community outcomes	Council determines which of its four community outcomes an activity contributes to. Council has an indirect link between community outcomes and funding sources based on the specific considerations for each activity.	A capital project is expected to contribute to the community outcomes in the same way as the activity in which it is funded, unless Council resolves otherwise.
Distribution of benefits	Determining distribution of benefit is subjective and is for Council to determine. Council will consider how the benefit of an activity applies to households, businesses and the community as a whole. Generally individual benefits lead to fees and charges, location based benefits lead to targeted rates, and wide community benefits leads to general rates.	The distribution of benefits is expected to be the same as that for the operating expenditure of the activity in which it is funded, unless Council resolves otherwise. Council may choose to target those people or organisations who primarily benefit through lump sum options or targeted rates.
Period of benefit	For most operating expenditure the benefit is received in the year the expense is incurred. For most activities Council will cash fund depreciation (an operating expense) from revenue sources and this, along with other surplus cashflow, will be used to fund capital expenditure for asset renewal or debt repayments. Some operational expenditure (provisions) may have a benefit over multiple years and so Council may choose to fund the activity over that period.	For most capital projects the benefit is received over the life of the asset. Council will have regard to the equitable distribution of costs to each generation for the building and renewal of the asset. Funding depreciation and interest are the primary ways to spread the cost of the asset over its life.
Who creates the need	Some things Council must do because the actions or inactions of individuals or groups creates the need to undertake the activity. Council may choose to target these people or organisations through fines, charges or rates.	Some capital projects are required by the actions or inactions of individuals or groups creates the need to undertake the activity. Council may choose to target these people or organisations through targeted rates.
Separate funding	Council must consider the practicalities of separate funding along with transparency and accountability. In some cases while it may be desirable to charge individuals there may be no practical way of doing so. With regard to the rates contribution, the costs and benefits of separate rating mechanisms for separate activities should be weighed up. Council does not wish to make a complex rating system which is expensive to maintain and confusing to interpret as this will not contribute to improved transparency and accountability.	Council must consider the practicalities of separate funding along with transparency and accountability. In some cases while it may be desirable to charge individuals there may be no practical way of doing so.

Appendix Two Funding analysis for each activity

Integrated Catchment Management

Activity – Tauranga Harbour

The Tauranga Harbour activity integrates the environmental work we do in the Tauranga Harbour and its catchments, from Waihi to Pāpāmoa Beach and inland through the Kaimai Range. The catchment includes Tauranga City, the largest urban centre in the Bay of Plenty. We work with our partners and community to ensure a healthy and thriving harbour and catchment that contributes to our wellbeing today and in the future.

The Tauranga Moana Programme has been established to coordinate, prioritise and deliver on all our work related to improving the health of the harbour and its catchment. Tauranga City Council, Western Bay of Plenty District Council and the Regional Council are partners in the Programme, allowing an adaptive and collaborative management approach. The Programme is overseen by the Tauranga Moana Advisory Group which includes representatives from Tauranga Moana Iwi Collective and Councillors from the three councils.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life
Who benefits?	The benefits of the activity are distributed evenly across the community. Regional benefits arise from protection and restoration of the Harbour and improved scientific knowledge of the coastal environment. Local benefits accrue to residents in the sub-region due to their immediate proximity and access to the Harbour. The activity provides benefits to individual landowners, Māori, rural industry sectors and communities across the region. The wider community and future generations will get enhanced economic, environmental, social and cultural value from these improvements.
Time frame of benefits	The benefits of expenditure, relating to current planning and delivery of protection work, are both short and long-term, with cumulative benefits as environmental well-being improves over time. The activity is provided continuously, with the Biodiversity sub-activity Standard Operating Procedures being implemented, monitored and reviewed as work progresses.
Individuals and groups creating demand for service	A wide range of community sectors drive the need for this activity, including people who interact with the water in the Harbour, and the landowners in the wider catchment who cause nutrients and contaminants to reach waterways that feed into the Harbour.
Rationale for funding mix	<p>The coastal environment is a public asset and activities to manage it provide regional benefits. However, it is clear that those living on or near the coast receive a greater benefit from sustainable coastal management than those living inland.</p> <p>The advice provided to individual landowners provides public good arising from sustainable land management across the region. It is not considered efficient to recover costs from individual beneficiaries as it may discourage landowners from obtaining advice.</p>
Operating funding mix	<p>80-100 percent general funds; 0-20 percent other revenue.</p> <p>This means that funding via general rates based on land values (which are highest on the coast) provides the closest match between benefits and costs. Benefits accrue to the regional community from sustainable land use. Benefits to property indicates value-based rate.</p>

Legislative assessment of funding considerations for operating and capital expenditure

Capital funding mix

There are no significant capital costs.

Activity – Rotorua Lakes

The Rotorua Lakes activity integrates the delivery of services within the Rotorua Lakes catchments including implementing lake water quality action plans, investigating lake restoration options, supporting ongoing research and monitoring interventions.

The Rotorua Te Arawa Lakes Programme has been established to coordinate, prioritise and deliver on all our work related to improving the health of the Rotorua Lakes. Te Arawa Lakes Trust, Rotorua Lakes Council and the Regional Council are partners in the Programme, which is part-funded through a Deed of Funding Agreement with the Crown.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<div> <input type="checkbox"/> A healthy environment </div> <div> <input checked="" type="checkbox"/> Freshwater for life </div>
Who benefits?	<p>This activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise where a nationally-significant water body is protected or restored. Local and individual benefits arise for those who live near or adjacent to lakes protected or restored.</p> <p>The activity provides benefits to individual landowners, Māori, rural industry sectors and communities across the region. The wider community and future generations will get enhanced economic, environmental, social and cultural value from these improvements.</p>
Time frame of benefits	<p>The benefits of the current expenditure, relating to current planning and delivery of protection work, are both short and long-term, with cumulative benefits as environmental well-being improves over time. The activity is provided continuously with the Biodiversity sub-activity Standard Operating Procedures being implemented, monitored and reviewed as work progresses. Long-term benefits arise from capital expenditure on physical works such as structures to restore the Rotorua lakes.</p>
Individuals and groups creating demand for service	<p>Exacerbators include a range of land uses (particularly the primary sector) and households with septic tanks plus those individuals or groups of individuals who act in ways that are incompatible with sustainable management of our water resources. A significant component of exacerbation is historic land use, with some natural contributions from geothermal discharge. Regulatory controls are now in place to cap the current level of discharge from rural activities.</p> <p>Past and present landowners have contributed to a need to improve land management practices. Current landowners require advice to sustainably manage land.</p> <p>Examples include over-extraction from our water resources in periods of drought or discharges of contaminants that have more than minor adverse environmental effect.</p>
Rationale for funding mix	<p>Since the activity benefits a range of sectors described above, a combination of sources are required to fund the costs of services provided by the activity.</p> <p>The advice provided to individual landowners provides public good arising from sustainable land management across the region. It is not considered efficient to recover costs from individual beneficiaries as it may discourage landowners from obtaining advice.</p> <p>While all residents of the region benefit from sustainable water management, resource users receive greater benefits than other landowners. Where possible beneficiaries and exacerbators of the work undertaken on the investigation and management of our water resources are recovered via Resource Management Act (RMA) Section 36 charges.</p>

Legislative assessment of funding considerations for operating and capital expenditure

Operating funding mix	<p>Projects on the four priority lakes - Rotorua, Rotoiti, Rotoehu and Ōkāreka - are funded from the Rotorua Lakes Deed: 50 percent from Central Government (through the Ministry for the Environment); 25 percent from general funds and 25 percent from targeted rates. Projects not covered by the Rotorua Lakes Deed are funded 50 percent general funds and 50 percent targeted rates from the Rotorua District (differentiated by land area).</p> <p>Benefits accrue to the regional community from sustainable land use. Benefits to property indicates value-based rate. Expenditure for projects covered by the Deed that is carried forward from previous years will be funded from the Rotorua Lakes Deed Funding reserve. Operating costs for land use change to reduce nutrients in the catchments of the Rotorua Lakes will be funded 50 percent from existing reserves and 50 percent from Central Government (through the Ministry for the Environment).</p> <p>This funding mix recognises the equal benefit of the Lakes activity to those in the Rotorua district (local and individual) and those outside (regional and national). At the same time it also recognises that, while those within the district contribute more to the need for the activity, some of the adverse effects have been caused over many years in the past, or by geothermal influences.</p> <p>The Rotorua Lakes targeted rate model is based on land area differential applying fixed rates to each of three land area categories (0-1.999 hectares, 2-9.999 hectares and greater than 10 hectares).</p>
Capital funding mix	<p>50 percent of funding comes from Central Government (through the Ministry for the Environment) under the Rotorua Lakes Deed. The remaining 50 percent plus non-Deed sub-activities are funded through existing reserves.</p>

Activity – Kaituna

The Kaituna activity integrates the environmental work we do in the catchments of the Kaituna River and Te Awa o Ngatoroirangi / Maketu Estuary, the Pongakawa River and Waihi Estuary, and the Waitahanui Stream. The activity includes implementation of the prioritised actions identified in the Kaituna River and Ongatoro/Maketū Estuary Strategy (2009), and will implement priorities in Te Maru o Kaituna River Authority's new Kaituna River Document.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life	
Who benefits?	<p>The benefits of the activity are distributed evenly across the community. Regional benefits arise from sustainable management of natural and physical resources, and achievement of community outcomes, in an integrated way within the region. Local benefits arise from addressing issues associated with water and soil quality and quantity, biodiversity, coastal protection and enhancement through landowner / occupier agreements, tangata whenua, industry partnerships and community care group activity.</p> <p>The activity benefits individual landowners, Māori, rural industry sectors and communities across the region. The wider community and future generations will get enhanced economic, environmental, social and cultural value from these improvements.</p>	
Time frame of benefits	<p>The benefits of the current expenditure, relating to current planning and delivery of protection work, are both short and long-term in nature, with cumulative benefits accruing as environmental well-being improves over time. The activity is provided on a continuous basis with the Biodiversity sub-activity Standard Operating Procedures being implemented, monitored and reviewed as work progresses.</p>	
Individuals and groups creating demand for service	<p>Present landowners and occupiers; pastoral, horticulture, forestry, rural, urban regional community require advice to protect and enhance biodiversity, water and soils, and the coastline.</p> <p>The political and legislative landscape including obligations to Māori created by the Treaty of Waitangi settlements, iwi and hapū management plans, the RMA and LGA.</p> <p>The National Policy Statement on Fresh Water (NPSFW) directs local government to manage water and land use in an integrated and sustainable way, allowing economic growth to occur within set water quality and quantity limits.</p>	
Rationale for funding mix	<p>The coastal environment is a public asset and activities to manage it provide regional benefits. However, it is clear that those living on or near the coast receive a greater benefit from sustainable coastal management than those living inland.</p> <p>The advice provided to individual landowners provides public good arising from sustainable land management across the region. It is not considered efficient to recover costs from individual beneficiaries as it may discourage landowners from obtaining advice.</p> <p>While all residents of the region benefit from sustainable water management, resource users receive greater benefits than other landowners.</p>	
Operating funding mix	<p>80-100 percent general funds; 0-20 percent grants and subsidies.</p> <p>Project costs for Kaituna/Maketū Estuary Strategy implementation are funded through investment reserves.</p> <p>This means that funding via general rates based on land values (which are highest on the coast) provides the closest match between benefits and costs. Benefits accrue to the regional community from sustainable land use. Benefits to property indicates value-based rate.</p>	

Legislative assessment of funding considerations for operating and capital expenditure

Capital funding mix	The capital work for the Kaituna River Re-diversion and Te Awa o Ngatoroirangi/Maketū Estuary Enhancement Project in the Ongatoro/Maketū Estuary will provide protection long-term. Capital is funded from reserves or by loans.
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Activity – Eastern Catchments

The Eastern Catchments activity integrates the environmental work we do in the multiple catchments from Ōtamarākau east. In particular it supports Ōhiwa Harbour Strategy, the Tarawera, the Rangitāiki, and the Waiōtahe catchments, and the Eastern Coast Care programme.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life
Who benefits?	<p>The benefits of the activity are distributed evenly across the community. Regional benefits arise from sustainable management of natural and physical resources, and achievement of community outcomes, in an integrated way within the region. Local benefits arise from addressing issues associated with water and soil quality and quantity, biodiversity, coastal protection and enhancement through landowner / occupier agreements, tangata whenua, industry partnerships and community care group activity.</p> <p>The activity benefits individual landowners, Māori, rural industry sectors and communities across the region. The wider community and future generations will get enhanced economic, environmental, social and cultural value from these improvements.</p>
Time frame of benefits	<p>The benefits are both short and long-term. The activity is provided continuously, with the Biodiversity sub-activity Standard Operating Procedures being implemented, monitored and reviewed as work progresses. Cumulative benefits also accrue as environmental well-being improves over time.</p>
Individuals and groups creating demand for service	<p>Present landowners and occupiers; pastoral, horticulture, forestry, rural, urban regional community require advice to protect and enhance biodiversity, water and soils and the coastline. The political and legislative landscape including obligations to Māori created by the Treaty of Waitangi settlements, iwi and hapū management plans, the RMA and LGA. The National Policy Statement on Fresh Water (NPSFW) directs local government to manage water and land use in an integrated and sustainable way, allowing economic growth to occur within set water quality and quantity limits.</p>
Rationale for funding mix	<p>The coastal environment is a public asset, and activities to manage it provide regional benefits. However, it is clear that those living on or near the coast receive a greater benefit from sustainable coastal management than those living inland. The advice provided to individual landowners provides public good arising from sustainable land management across the region. It is not considered efficient to recover costs from individual beneficiaries as it may discourage landowners from obtaining advice. While all residents of the region receive benefits from sustainable water management, resource users receive greater benefits than other landowners.</p>
Operating funding mix	<p>80-100 percent general funds; 0-20 percent other revenue, 0-20 percent grants and subsidies.</p> <p>This means that funding via general rates based on land values (which are highest on the coast) provides the closest match between benefits and costs. Benefits accrue to the regional community from sustainable land use. Benefits to property indicates value-based rate.</p>
Capital funding mix	<p>There are no significant capital costs.</p>

Activity – Regional Integrated Catchment Management

The Regional Integrated Catchment Management activity delivers the regional work associated with sustainable water and land use, including biodiversity. This activity facilitates the sustainable management of natural and physical resources, and achievement of community outcomes in an integrated way within the region.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input checked="" type="checkbox"/> Freshwater for life
Who benefits?	<p>The benefits of the activity are distributed evenly across the community. Regional benefits arise from sustainable management of natural and physical resources, and achievement of community outcomes, in an integrated way within the region. Local benefits arise from addressing issues associated with water and soil quality and quantity, biodiversity, coastal protection and enhancement through landowner / occupier agreements, tangata whenua, industry partnerships and community care group activity.</p> <p>The activity provides benefits to individual landowners, Māori, rural industry sectors and communities across the region. The wider community and future generations will get enhanced economic, environmental, social and cultural value from these improvements.</p>
Time frame of benefits	<p>The benefits are both short and long-term. The activity is provided continuously, with the Biodiversity sub-activity Standard Operating Procedures being implemented, monitored and reviewed as work progresses. Cumulative benefits also accrue as environmental well-being improves over time.</p> <p>Short-term - relating to current planning and delivery of restoration and protection work.</p>
Individuals and groups creating demand for service	<p>Present landowners and occupiers; pastoral, horticulture, forestry, rural, urban regional community require advice to protect and enhance biodiversity, water and soils and the coastline.</p> <p>The political and legislative landscape including obligations to Māori created by the Treaty of Waitangi settlements, iwi and hapū management plans, the RMA and LGA.</p> <p>The National Policy Statement on Fresh Water (NPSFW) directs local government to manage water and land use in an integrated and sustainable way, allowing economic growth to occur within set water quality and quantity limits.</p>
Rationale for funding mix	<p>The advice provided to individual landowners provides public good from sustainable land management across the region. It is not considered efficient to recover costs from individual beneficiaries as it may discourage landowners from obtaining advice.</p> <p>While all residents of the region receive benefits from sustainable water management, resource users receive greater benefits than other landowners.</p>
Operating funding mix	<p>100 percent general funds.</p> <p>This means that funding via general rates based on land values (which are highest on the coast) provides the closest match between benefits and costs. Benefits accrue to the regional community from sustainable land use. Benefits to property indicates value-based rate.</p>
Capital funding mix	<p>There are no significant capital costs.</p>

Flood Protection and Control

Activity – Rivers and Drainage Schemes

The Rivers and Drainage Schemes activity involves ownership, management and maintenance for the five major and 37 minor rivers and drainage schemes. The activity also comprises other programmes such as the Kopeopeo Canal Remediation Project.

Our river and drainage scheme responsibilities include providing flood protection stop banks, flood pump stations, floodgates and erosion control structures and constructing flood ways. We also carry out regular maintenance of structures, stream clearing and lake level monitoring and management of Lakes Rotorua and Rotoiti.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<input type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input checked="" type="checkbox"/> Safe and resilient communities <input type="checkbox"/> A vibrant region
Who benefits?	The river scheme sub-activities have public (local, regional and national) and private benefits. The private benefits accrue to individual landowners and occupiers through the protection of lives, livelihoods and property. Local benefits occur because a range of public facilities, infrastructure and services receive security from flooding. Private and local benefits account for the greatest proportion of benefit from the sub-activity. Regional and national benefits arise because productive land, in flood prone areas provides an economic benefit through the multiplier effect to the wider region and nation.
Time frame of benefits	The benefits are both short and long-term. The activity is provided continuously, with the Asset Management Plan being implemented, monitored and reviewed over time. Long-term benefits arise from on-going protection of land from anticipated future increases in flood events. Cumulative benefits also accrue as land management practices (for example, soil conservation and stream protection works) improve in the scheme catchment over time.
Individuals and groups creating demand for service	People whose actions or inaction cause damage to scheme works are exacerbators. The Council has a regulator mechanism – the Floodway and Drainage Bylaw – to control these exacerbators. The land use practices of landowners that increase the amount of rainfall runoff into the catchment's network of waterways increase the required capacity of the schemes to cope with flood events
Rationale for funding mix	<p>A mix of funding tools is required to reflect the wide range of benefits that the schemes provide to different groups and individuals. The significant amount of activity-specific capital costs suggests a need for a mix of short and long-term funding tools.</p> <p>These benefits are drained land for production.</p> <p>Those within a scheme who, in addition to their share of national and regional benefits, also receive local or individual benefits from the scheme should contribute additional funding to reflect those benefits. These local and individual benefits make up the vast proportion of the benefits from the scheme, and a targeted rate is therefore the best funding tool to recover the associated costs.</p>

Legislative assessment of funding considerations for operating and capital expenditure

	<p>The targeted rate based on where the land is situated within the scheme and land area within each rating unit would most accurately match the apportionment of benefits.</p> <p>The general rate is value-based as the benefits are to the property as well as regionally.</p>
Operating funding mix	<p>River Schemes; 0-20 percent general funds; 60-80 percent targeted rates to catchment- land area differential; 0-20 percent other revenue; 0-20 percent grants and subsidies; 0-20 percent reserves.</p> <p>Targeted rates recognise the private benefits to properties in the catchment. They are struck on the basis of a given per hectare rate that has been calculated for each of a number of sub catchments. The general funding component reflects economic benefit from protection of productive property and infrastructure falling equally to people across the region.</p> <p>Rangitāiki Drainage Scheme; 80-100 percent targeted rates for the land area differential; 0-20 percent other revenue; 0-20 percent grants and subsidies. The targeted rate land area differential reflects private benefits in proportion to property land area.</p> <p>The Minor Rivers Schemes are funded 100 percent from targeted rates.</p> <p>Minor River Schemes (Ōpōtiki); 80-100 percent targeted rates and 0-20 percent general funds. Three of the Minor River Schemes in the Ōpōtiki area have 20 percent general funding to recognise the regional benefit from protection of the transport network, and 80 percent targeted funding to reflect private benefit.</p> <p>Non Scheme works; 100 percent general funds.</p>
Capital funding mix	<p>River and drainage capital expenses provide long-term protection and are funded through reserves, loans, or capital grants. Major flood repair projects will be funded from borrowing and some insurance recoveries are forecasted.</p> <p>Project costs for the Kopeopeo Canal Remediation Project are to be funded through reserves, and funding from the Ministry for the Environment.</p>

Activity – Regional Flood Risk Coordination

The Regional Flood Risk Coordination Activity provides leadership, management, information and advice to manage flood risks and flood hazards in the Bay of Plenty.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input checked="" type="checkbox"/> Safe and resilient communities
Who benefits?	The activity provides region-wide benefits by providing advice on flood management throughout the region.
Time frame of benefits	The benefits are both short and long-term. The activity is provided continuously. Long-term benefits from flood management manuals, and the design of structural and non-structural flood mitigation measures.
Individuals and groups creating demand for service	No major exacerbators.
Rationale for funding mix	Flood risk co-ordination provides benefits across the region. The majority of the costs should be met by the region as a whole. Where specific advice is provided for private benefit of an individual or organisation, the Council will seek to recover the portion of the cost that is a private benefit. Owners of high-value land have more to lose from poor catchment management than owners of low value land. The land value general rate is therefore an appropriate funding tool for this sub-activity.
Operating funding mix	100 percent general funds. The general funding component reflects economic benefit from protection of productive property and infrastructure falling equally to people across the region - land area differential.
Capital funding mix	There are no significant capital costs.

Resource Regulation and Monitoring

Activity – Biosecurity

The Biosecurity activity manages pests in the region through the Regional Pest Management Plan (RPMP), providing regional leadership in pest plant and pest animal management. The activity also supports national initiatives under agreements with external agencies, including Ministry for Primary Industries and Department of Conservation.


Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> A vibrant region
Who benefits?	This activity provides a mix of national, regional, local and individual/land owner benefits. National benefits arise from the prevention of pest spread to other regions. The regional benefit arises through protecting community values, including biodiversity and ecosystem services. Landowners also obtain a private benefit through having threats to their production removed.
Time frame of benefits	The benefits are both short and long-term. The activity is provided on a continuous basis and is monitored and reviewed over time. Cumulative benefits accrue as environmental well-being is maintained or improves over time.
Individuals and groups creating demand for service	Past and present landowners have contributed to a need to improve land management practices. Current landowners require advice to effectively manage pests. Regulatory tools are used to control and mitigate the effects of potential exacerbators. Central Government through the Biosecurity Act 1993.
Rationale for funding mix	For initiatives that provide national benefits, the Council will seek recovery from the Ministry for Primary Industries (MPI) and Biosecurity NZ on a cost recovery basis. Substantial benefits to some landowners and occupiers through productivity gains and to the greater community through protecting biodiversity and ecosystem services.
Operating funding mix	80-100 percent general funds, 0-20 percent other revenue. Benefits accrue to the national and regional communities from sustainable land use. The benefits to property indicates value-based rate. Note: The 0-20 percent nominated above is an average recovery of costs for the activities. It does not constitute a target cost recovery but indicates an on-going average level of funding from other public funding.
Capital funding mix	There are no significant capital costs.

Activity – Air Quality

The Air Quality activity focuses on regional air quality through regional planning for air management under the Resource Management Act 1991, monitoring of air issues and operating the Rotorua Clean Air programme.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	 A healthy environment
Who benefits?	A significant proportion of the benefits are distributed across the Rotorua community. There are also wider regional public benefits from reduction in air pollution, particularly public health and regional amenity benefits for Rotorua as a domestic and international destination.
Time frame of benefits	The benefits are both short and long-term. The activity is provided continuously. The main period of benefit is the present to 2020 where there are no more than three exceedances of the air quality standard after 1 September 2016, and no more than one exceedance after 1 September 2020.
Individuals and groups creating demand for service	Exacerbators are predominantly homes with inefficient heating appliances, and to a lesser extent, air discharges from industry or business
Operating funding mix	40-60 percent general funds, 40-60 percent uniform targeted rate to the Rotorua urban area. A uniform targeted rate (a fixed charge per property in the Rotorua urban area) is the best proxy for equal individual benefit across the area. General funds reflect wider benefits and a regional commitment to address significant problems wherever in the region these occur.
Capital funding mix	There are no significant capital costs that are specific to the above activity. Hot Swap loans are funded from external or internal loans and recovered through a targeted rate for properties within the Rotorua Airshed area that have received a loan from the Council under the Clean Heat Conversion scheme.

Activity – Resource Consents

The Resource Consent activity processes and makes decisions on resource consent applications under the Resource Management Act 1991 and/or rules in our regional plans, ensuring statutory requirements are fulfilled and a fair process for decision-making on regional natural resource use is followed.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life
Who benefits?	<p>Those who benefit most directly from this activity are the consent applicants who seek resource consent (a resource allocation). They pay a direct charge (actual and reasonable costs) for this service.</p> <p>This activity benefits the Bay of Plenty region. It ensures through allocation that the development and use of the natural and physical resources in the region is sustainable for ratepayers and residents.</p>
Time frame of benefits	The benefits are both short and long-term. The activity is provided continuously. The duration of benefits for individuals is determined by the term of the consent issued. The long-term benefit is the sustainable management of scarce natural resources balancing competing demands for future generations.
Individuals and groups creating demand for service	Those individuals and businesses who undertake activities that require resource consents are exacerbators.
Rationale for funding mix	Consent processing provides substantial benefits to consent holders. The benefits, separately funded through user fees and charges (Section 36 charges), exceed the costs. The remaining benefits from providing information and advice to the public about the consents process and rules in our plans are spread evenly across the regional community.
Operating funding mix	<p>40-60 percent general funds; 40-60 percent fees and charges.</p> <p>The Council's aim is to ensure user fees and charges under Section 36 of the RMA are set to the level that maximises recovery of actual and reasonable costs of the private good component of this activity. This currently equates to approximately 40-60 percent user charges. This is an average recovery of costs for the whole activity. It does not constitute a target cost recovery but indicates an on-going average level of funding from fees and charges. The balance of costs after user charges (approximately 40-60 percent of the total activity cost) is met by general funding. General funds are used to recover costs which deliver a public good, those which cannot be recovered for statutory reasons and other costs which cannot be recovered efficiently from private beneficiaries</p>
Capital funding mix	There are no significant capital costs.

Activity – Regulatory Compliance

The Regulatory Compliance activity is made up of three main components; compliance monitoring of resource consents, responding to environmental complaints and enforcing compliance with the Resource Management Act, Regional Plans and National Regulations and Standards. The aim of the activity is to ensure development activities involving water, geothermal, air, land and coastal resources do not negatively impact on the natural environment or put people's health at risk.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life
Who benefits?	The activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise from minimising the potential impact on people and the natural environment caused by contaminated land. Local and individual benefits arise because adjacent resource users.
Time frame of benefits	The activity provides both immediate short-term benefits (for example, compliance monitoring and enforcement) and long-term benefits (for example, managing contaminated sites). The activity is provided on a continuous basis.
Individuals and groups creating demand for service	Identified exacerbators include consent holders for individuals, industries and businesses, and previous landowners who have contaminated land.
Rationale for funding mix	<p>Monitoring resource consent compliance is 100 percent cost recovered through Section 36 charges. If enforcement is required for a breach of a regional plan and a resource consent is not involved, costs may be recovered through infringement notices and prosecutions.</p> <p>The bulk of our response and proactive activities are not currently recovered although the Council endorses the 'polluter pays' principle. The most cost-effective funding method is user charges. General funds will be used where costs cannot be recovered by other means</p>
Operating funding mix	<p>60-80 percent general funds; 20-40 percent fees and charges.</p> <p>The Council's aim is to ensure user fees and charges under Section 36 of the RMA are set to the level that maximises recovery of actual and reasonable costs of the private good component of this activity. This currently equates to approximately 20-40 percent user charges. This is an average recovery of costs for the whole activity. It does not constitute a target cost recovery but indicates an on-going average level of funding from fees and charges.</p> <p>The balance of costs after user charges (approximately 60-80 percent of the total activity cost) is met by general funding. General funds are used to recover costs which deliver a public good, those which cannot be recovered for statutory reasons and other costs which cannot be recovered efficiently from private beneficiaries. Regulatory compliance costs that are a result of current consent holder or polluter activities are not subsidised from general funding. The Council aims to recover 100 percent of private good or exacerbator driven costs.</p>
Capital funding mix	There are no significant capital costs.

Activity – Maritime Operations

The Maritime Operations activity ensures navigation safety and maritime oil spill response is provided 24/7 in the Bay of Plenty region as required by regulations and Council requirements. Our goal is to ensure that all our users operate safely and in harmony with one another and the environment to ensure our waters are available for the prosperity and enjoyment of future generations.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	Safe and resilient communities
Who benefits?	The activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise from minimising the likelihood of maritime accidents that have an impact on people and the natural environment, including oil pollution response. Local and individual benefits arise because navigation aids help commercial and recreational vessels to avoid accidents and the associated financial and personal costs.
Time frame of benefits	The benefits are both short and long-term. The short-term initiatives are providing immediate mitigation and response to maritime incidents to immediately benefit the community. Long-term benefits include providing designated areas (such as shipping channels, mooring areas, and recreational use) in Council's frameworks.
Individuals and groups creating demand for service	Individuals who carry out unsafe navigation safety practices are potential causes of accidents. The exacerbators of the marine oil pollution are those who use or transport petrochemical products in the marine environment. The activity is a necessary 'insurance policy' against the possibility of oil spills.
Rationale for funding mix	<p>To reflect the national and regional benefits for both people and the environment from ensuring safe use of the region's navigable waterways, a regional contribution towards the costs of navigation safety is required.</p> <p>To reflect the individual and private privileges from mooring commercial operations, boat owners/operators pay a representative proportion of the costs of the activity. The most appropriate tools to recover these costs are fees and charges on owners and operators.</p> <p>The polluter of maritime oil incidents will meet the majority of the costs of Council's oil spill response.</p>
Operating funding mix	<p>60-80 percent general funds; 20-40 percent fees and charges; 0-20 percent grants and subsidies.</p> <p>Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region. User charging through mooring charges and Port levies are set to the level that fully recovers the actual and reasonable costs of the private good component of this activity.</p> <p>Note: The 20-40 percent nominated above is an average recovery of costs for the activities. It does not constitute a target cost recovery but indicates an on-going average level of funding from user charges.</p>
Capital funding mix	There are some capital costs associated with purchasing and maintaining maritime safety equipment to provide the services of the activity. Capital is funded from the asset replacement reserve, through the cash surplus created by depreciation, or by loans.

Transportation

Activity – Passenger Transport

The Passenger Transport activity enables and makes available a range of safe and reliable transport options to improve economic efficiency and environmental sustainability.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input checked="" type="checkbox"/> A vibrant region
Who benefits?	<p>This activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise because passenger transport services allow all people (both residents and visitors) to move from place to place through the efficient use of transport networks, and by reducing the economic and social costs of congestion.</p> <p>Local benefits from passenger transport services arise for those who live in close proximity to the services. Differential local benefits also arise depending on the level of service available in local communities.</p> <p>Private benefits accrue to those using passenger transport services.</p> <p>The rural service provides national and regional benefit from improved mobility and efficient transport networks. Local benefit is uneven across the region, as some rural centres have higher levels of service. There is also individual benefit to users.</p>
Time frame of benefits	<p>The benefits are both short and long-term. The services are provided continuously. Cumulative benefits accrue over time as shifts take place from private vehicles to passenger transport and as people travel more by passenger transport.</p>
Individuals and groups creating demand for service	<p>Increased population generally contribute to the need for additional passenger transport services. Different service levels are required by different areas. Individuals or groups of users are charged through the fare box.</p>
Rationale for funding mix	<p>Increased service levels have begun to be delivered. Different levels of benefit are provided to communities across the region based on their level of service for their location. In order to provide clear links to areas where a higher level of service is provided, a targeted rate for bus services is based on location.</p> <p>Private beneficiaries (in this instance passenger transport users) are charged directly through fares.</p>
Operating funding mix	<p>Tauranga Passenger Services: 20-40 percent grants and subsidies; 20-40 percent fees and charges; 20-40 percent targeted rates.</p> <p>Rotorua Passenger Services: 20-40 percent grants and subsidies; 20-40 percent fees and charges; 20-40 percent targeted rates.</p> <p>Western Bay Passenger Services: 40-60 percent grants and subsidies; 0-20 percent fees and charges; 40-60 percent targeted rates</p> <p>Whakatāne Passenger Services:</p>

Legislative assessment of funding considerations for operating and capital expenditure	
	<p>40-60 percent grants and subsidies; 0-20 percent fees and charges; 40-60 percent targeted rates</p> <p>Regional Services:</p> <p>20-40 percent grants and subsidies; 60-80 percent general funds</p>
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Activity – Transport Planning

The Transport Planning activity provides for regional land transport planning mandated by the Land Transport Management Act 2003 (LTMA).

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<input type="checkbox"/> A healthy environment <input checked="" type="checkbox"/> A vibrant region
Who benefits?	This activity provides benefits that are evenly distributed across the region. It plans for a safe, integrated, sustainable and responsive land transport system that provides benefits to all people (both residents and visitors). National benefits also arise because the benefits of transport planning in the Bay of Plenty are received by visiting land transport users from outside the region.
Time frame of benefits	The benefits of are both short and long-term. The activity is provided continuously, with transport planning documents regularly reviewed and updated. Cumulative benefits accrue over time as well-being increases due to improvements to the quality of land transport networks and services in the Bay of Plenty.
Individuals and groups creating demand for service	Business groups, industry, residents, visitors all expect a safe and efficient transport network.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.
Operating funding mix	60-80 percent general funds; 20-40 percent grants and subsidies. Benefits are evenly spread across the region's population. General Funds are the best available proxy for benefit to all people in the region.
Capital funding mix	There are no significant capital costs.

Regional Development


Activity – Regional Infrastructure

The Regional Infrastructure activity provides funding for infrastructure projects by third parties in the Bay of Plenty. Funding assistance is provided for projects that were successful through the contestable Regional Infrastructure Fund process that was run in 2014 and through direct funding to local Councils for sewerage reticulation and treatment systems, and transport infrastructure.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> Freshwater for life <input checked="" type="checkbox"/> A vibrant region
Who benefits?	The activity has a can include projects with either regional or local benefit if they deliver Council's community outcomes. The assessment framework will ensure that the appropriate beneficiaries of each project are defined, which may be region-wide or sub-regional.
Time frame of benefits	The benefits are both short and long-term. Short-term benefits include the increased ability to seek other funding sources and economic benefits from construction. Cumulative benefits arise over time as funded projects deliver their expected outcomes.
Individuals and groups creating demand for service	No identifiable exacerbator for Regional Infrastructure Grants. Third party infrastructure funding benefits individuals within the area the infrastructure is provided.
Rationale for funding mix	Council has a strong balance sheet and can provide bridging funding to third parties to get the infrastructure project completed. The benefit of the funding is specific to the group benefiting from the infrastructure so a targeted rate will be applied.
Operating funding mix	The direct cost of the grants will be paid from reserves or by loans. could be paid for from reserves or debt, particularly for up-front costs, but this would be recovered through general funds if there was a region wide benefit, or through targeted rates if the benefit is limited to a certain geographic area. Costs to administer the activity are managed within other activities.
Capital funding mix	There are no capital costs.

Activity – Regional Economic Development

The Regional Economic Development activity provides leadership, facilitation and support across the region for economic development. The focus of this programme is our economic development strategy, Bay of Connections. The activity works with industry, local and central government and other key stakeholders across the region and the country to implement the portfolio of sector strategies, including the Regional Growth Programme, in partnership with central government. There are currently 13 key industry areas, and we work with additional industry sectors as the need arises.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes		A vibrant region
Who benefits?	The activity provides benefits across the region by coordinating sustainable development actions regionally. It also provides national benefits by increasing the Bay of Plenty's contribution to the national economy.	
Time frame of benefits	The benefits are both short and long-term. The activity is provided on a continuous basis. Cumulative benefits arise over time as economic well-being improves.	
Individuals and groups creating demand for service	No identifiable exacerbator.	
Rationale for funding mix	While it may be desirable for transparency reasons to fund the activity separately through an equal charge across the region, the size of the activity does not warrant separate funding.	
Operating funding mix	100 percent general funds. General funds are used as economic development in the region provides a benefit proportionate to existing wealth, where property value is used as a proxy for wealth.	
Capital funding mix	There are no significant capital costs.	

Activity – Regional Parks

The Regional Parks activity provides ownership and management of Regional Parks; currently Pāpāmoa Hills Regional Park and Onekawa Te Māwhai Regional Park, for cultural heritage protection and recreation purposes.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input checked="" type="checkbox"/> A vibrant region
Who benefits?	This activity provides benefits across the region. Visitors to the region also benefit from being able to enjoy and use the regional parks.
Time frame of benefits	The benefits of current expenditure are both short and long-term. Short-term benefits arise from the current park operation, and long-term benefits arise because assets are available for present and future generations.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the demand.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.
Operating funding mix	80-100 percent general funds, 0-20 percent user fees and charges. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Regional Planning and Engagement

Activity – Regional Planning

The Regional Planning activity provides the Council with planning and policy advice. It includes development of strategies, policies and plans to identify how the natural and physical resources in the region are to be managed. This activity sets the Bay of Plenty Regional Council's strategic direction.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input checked="" type="checkbox"/> Freshwater for life <input type="checkbox"/> Safe and resilient communities <input type="checkbox"/> A vibrant region
Who benefits?	Benefits are distributed evenly across the regional community. All members of the regional community can access the same information and contribute to the Council's strategic direction on resource management matters.
Time frame of benefits	The benefits are short-term. The Council's statutory policy is regularly reviewed as new information comes to hand or when required by legislation.
Individuals and groups creating demand for service	Where the sustainable management of natural resources are put at risk, there is need for planning responses. Council also has a statutory responsibility under the Resource Management Act to sustainably manage natural resources.
Rationale for funding mix	The evenly spread nature of the benefits from this sub-activity across the region mean that the activity's costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.
Operating funding mix	100 percent general funds. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.
Capital funding mix	There are no significant capital costs.

Activity – Māori Policy


The Māori Policy activity provides strategic advice, support and leadership on Māori relationship management, engagement and policy, to ensure we meet our statutory responsibilities to Māori in the region. We have some 37 iwi entities, over 260 hapū and 224 marae. There are approximately 1,800 management structures covering over 5,000 Māori land blocks. As of 2017, there are 17 comprehensive Treaty claims settled and several more in progress. Also included is the He Toka Tumoana Scholarship has been created to commemorate the late Councillor Awanuiarangi Black. It assists students by providing financial support for education, activities, research and/or projects.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life
Who benefits?	The Māori Policy activity benefits the regional community by ensuring that Māori are effectively engaged in decision making to meet our statutory obligations.
Time frame of benefits	The benefits are region-wide, both immediate and into the future. This activity is provided continuously.
Individuals and groups creating demand for service	Demand for this activity has come from Māori as they seek to be more actively involved in the Council's decision making.
Rationale for funding mix	<p>The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.</p> <p>There are no particular costs or benefits for separate funding of this activity. Each is separately reported and budgeted for reasons of transparency and accountability.</p>
Operating funding mix	<p>100 percent general funds.</p> <p>Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.</p>
Capital funding mix	There are no capital costs.

Activity – Geothermal

The Geothermal activity provides co-ordination of the geothermal programme and the development of a second generation Geothermal Planning framework under the Resource Management Act (RMA). The Regional Policy Statement requires development of System Management Plans (SMPs) for Tauranga and Rotorua systems, and development of broader regional plan provisions to clarify the status of several systems. These SMPs will provide the basis for plan changes to the Regional Water and Land Plan, which are needed to enhance our ability to sustainably manage the region's geothermal resource.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes		A healthy environment
Who benefits?	The benefits are region wide, both immediate and into the future. There is some private benefit to individual geothermal users.	
Time frame of benefits	The benefits are both short and long-term and the activity is provided continuously. Cumulative benefits also accrue as environmental well-being improves over time.	
Individuals and groups creating demand for service	Exacerbators include those individuals or groups of individuals who act in ways that are incompatible with sustainable management of our geothermal resources.	
Rationale for funding mix	Benefits distributed evenly over regional community.	
Operating funding mix	100 percent general funds. Value basis is used to reflect the protection and preservation of property.	
Capital funding mix	There are no capital costs.	

Activity – Community Engagement

The Community Engagement activity leads planning, facilitation and advice support across the Council, advising on legislative procedure requirements. Community engagement through specific programmes builds awareness, involvement, engagement and education to help achieve Council's objectives across the community, inclusive of all ages and sectors. A key focus for the activity is the water programme, working across the wider community.


The activity manages the Community Fund which includes the Environmental Enhancement Fund (EEF) and the Community Initiatives funding (CIF). EEF provides seed funding for community groups to improve the environment, raise environmental awareness and use the enthusiasm and skills of the community. The EEF programme also includes the He Mātāpuna Akoranga ā Hāwea Vercoe – Hāwea Vercoe Commemoration Fund, which has been set up to provide seed funding to Bay of Plenty Kura Kaupapa Māori, Kohanga Reo and bilingual schools for projects that achieve environmental outcomes.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input type="checkbox"/> A vibrant region
Who benefits?	This activity supports and advises Councillors and staff within the Regional Council and works alongside the region's seven territorial authorities, Māori, community members, young people in families and schools. Businesses, community groups, schools and individuals from across the region all benefit from this activity. EEF activities benefits community groups, residents, schools and other stakeholders throughout the region.
Time frame of benefits	Although EEF and CIF projects are often completed within relatively short time-frames (typically within a 12 month cycle) with immediate benefits for the environment and community, there are often additional benefits to the environment and community as the project becomes more established as a result of the seed funding. Much of the work undertaken is in a support role with benefits that can take a significant amount of time to realise.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the demand. Individuals and community groups seeking funding and support for community projects have driven the demand for this activity.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.
Operating funding mix	100 percent general funds. The Community Engagement activity is primarily funded through general rates. However, a portion may be collected via a targeted rate to support funding of charitable safety and rescue services. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.
Capital funding mix	There are no significant capital costs.

Activity – Governance Services

The Governance Services activity supports the democratic structure and processes of the Council. The activity assists the Council in decision-making processes and supports elected members in providing good governance in an open and transparent manner. Governance Services are responsible for the representation structure, the administration of the triennial elections, elected members' remuneration and expenses and ensuring Council, committee and co-governance meetings comply with legislative requirements. Costs associated with the Chief Executive's office are included in the Governance activity.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	 A vibrant region
Who benefits?	Benefits are distributed evenly across the regional community. The elected members of Bay of Plenty Regional Council represent all members of the region's community.
Time frame of benefits	The benefits are short-term. Governance Services are provided continuously.
Individuals and groups creating demand for service	While lobby groups could be considered exacerbators, it is not practical to determine the extent to which these groups increase the cost of governance.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this even spreading of costs would be a UAGC on individual dwellings.
Operating funding mix	100 percent general funds. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.
Capital funding mix	There are no significant capital costs.

Emergency Management


Activity – Emergency Management

The Emergency Management activity provides Civil Defence Emergency Management (CDEM) services to the Council, as well as regional emergency management leadership.

Along with all Councils in the region, Bay of Plenty Regional Council is a member of the Bay of Plenty Civil Defence Emergency Management Group and the administering authority for the Group. This Group establishes and maintains arrangements that ensure co-ordination and communication happens, and that support is available when it's needed.

Alongside the CDEM Group, Emergency Management Bay of Plenty is a shared service arrangement between Councils in the region which delivers some CDEM activities and works with our communities to increase understanding and awareness of our hazard-scape.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	 Safe and resilient communities
Who benefits?	This activity provides benefits to all people and property owners in the region, as emergencies can occur anywhere in the region. It enables co-ordinated planning and response to regional civil defence emergencies, which can occur at any location at any time. There is also national benefit arising from protection of nationally significant infrastructure.
Time frame of benefits	The benefits of current expenditure are short-term in nature. Civil Defence Emergency Management is provided on a continuous basis. The CDEM Group needs the ability to prepare for and respond to emergency events now and in the future.
Individuals and groups creating demand for service	The demand for the CDEM Group's service is considered to be community-wide, with no one particular group or organisation creating the demand. Emergency Management BOP's services are provide as requested by territorial authorities.
Rationale for funding mix	<p>The CDEM Group provides benefits that are distributed evenly across the regional community.</p> <p>Regional Council funding of Civil Defence Emergency Management is a statutory requirement and is matched by territorial authorities in the region based on the CDEM Group Plan.</p> <p>Emergency Management BOP assists with services requested by territorial authorities in the region. They enable co-ordinated planning and response to regional civil defence emergencies.</p>
Operating funding mix	<p>Bay of Plenty Civil Defence Emergency Management Group:</p> <p>100 percent targeted rates</p> <p>Emergency Management Bay of Plenty:</p> <p>40-60 percent targeted rate; 40-60 percent grants and subsidies</p> <p>Lifelines:</p> <p>100% other revenue</p> <p>A separate differential targeted rate is applied to each rating per territorial authority location to fund this activity to make it clear to ratepayers how much they are contributing for this activity.</p>

Legislative assessment of funding considerations for operating and capital expenditure

Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.
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Technical Services

Activity – Geospatial

The Geospatial activity provides maps, other visual aids, mapping applications and data analysis to support decision making and aid in understanding issues facing our community. The activity supports Council to perform its regulatory function across a number of activities including: Integrated Catchment Management, Civil Defence and Emergency Management, Community Engagement, Regional Flood Risk Coordination, Regulatory Compliance and various planning activities.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input type="checkbox"/> Safe and resilient communities <input type="checkbox"/> A vibrant region
Who benefits?	The activity provides region-wide benefits by providing mapping services throughout the region.
Time frame of benefits	The benefits are both short and long-term as the activity is provided continuously.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the demand.
Rationale for funding mix	The activity provides region-wide benefits in both short and long-term. Regional benefits are from mapping services on historical and new development areas. Solutions often cross territorial authority boundaries.
Operating funding mix	100 percent general funds. Benefits are spread across the region's population. General funds are the best available proxy for benefit to all people in the region.
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Activity – Engineering

The Engineering activity provides technical advice and support across Council, ensuring that Council assets are well planned and designed and development is undertaken in a manner that does not create unnecessary risk or adverse effects. The activity is responsible for maintaining and updating asset management plans and the Council's infrastructure strategy.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input checked="" type="checkbox"/> Safe and resilient communities <input type="checkbox"/> A vibrant region
Who benefits?	The activity provides region-wide benefits by providing advice on integrated catchment management throughout the region.
Time frame of benefits	<p>The benefits are both short and long-term. The activity is provided continuously.</p> <p>Regional benefits by providing advice on natural hazard mitigation to existing and new development areas. Solutions often cross territorial authority boundaries.</p>
Individuals and groups creating demand for service	The impact of on-going and intensive land development is the most significant contributor to the need for the activity.
Rationale for funding mix	The activity provides region-wide benefits by providing advice on integrated catchment management throughout the region.
Operating funding mix	<p>100 percent general funds.</p> <p>The benefits are both short- and long-term. The activity is provided continuously.</p> <p>Regional benefits by providing advice on natural hazard mitigation to existing and new development areas. Solutions often cross territorial authority boundaries.</p>
Capital funding mix	There are no significant capital costs.

Activity – Data Services

The Data Services activity supports Council activities through the collection, analysis and monitoring of a range of natural resources data in the Bay of Plenty. These data enable Council to meet the increasing standards, data management and reporting requirements arising from new legislation, particularly the National Policy Statement for Freshwater and the National Objectives Framework. The activity facilitates assessment of the region's performance against such national guidelines and standards, as well as the efficiency and effectiveness of our Regional Policy Statement and regional plans.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input type="checkbox"/> Safe and resilient communities
Who benefits?	The benefits of Data Services activity are distributed across the regional community, with landowners potentially receiving the largest benefit from the monitoring of environmental issues.
Time frame of benefits	The benefits are both short and long-term as the activity is provided continuously.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the overall demand. Identified exacerbators include consent holders for individuals, industries and businesses, and previous landowners who have contaminated land.
Rationale for funding mix	The activity provides region-wide benefits in both the short and long-term. Regional benefits are from monitoring environmental issues in existing and new development areas. Solutions often cross territorial authority boundaries. Monitoring benefits consent holders as well as the general public. The most effective funding method is therefore to fund a proportion of costs from consent holders (Section 36 RMA charges) and a proportion of costs from general rates.
Operating funding mix	<p>60-80 percent general funds; 20-40 percent fees and charges.</p> <p>The Council's aim is to ensure user fees and charges under Section 36 of the RMA are set to the level that ensures recovery of actual and reasonable costs of the private good component of this activity. This currently equates to approximately 20-40 percent user fees and charges. This is an average recovery of costs for the whole activity. It does not constitute a target cost recovery but indicates an ongoing average level of funding from fees and charges. The balance of costs is met by general funds. General funds are used to recover costs which deliver a public good, those which cannot be recovered for statutory reasons and other costs which cannot be recovered efficiently from private beneficiaries.</p>
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Activity – Science

The Science activity provides accessible, relevant and trusted science that empowers others to make informed decisions on water, air, land use and geothermal, for our region's well-being. The activity supports projects across Council by providing clear direction, sound tools and methods, the right expertise, good information management and linkages that enable the sustainable development of natural resources across the region.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<input type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input type="checkbox"/> Safe and resilient communities
Who benefits?	The benefits of the Science activity are distributed across the regional community, with landowners potentially receiving the largest benefit from the identification and monitoring of environmental issues. However, monitoring of the state of and trends in the natural environment provide input to regional environmental management on behalf of all the region's residents.
Time frame of benefits	The benefits of current expenditure are short-term - current expenditure relates to current monitoring. The activity is provided continuously, based on the understanding that the value of the data, and the investment in collecting it, is enhanced as more data is collected.
Individuals and groups creating demand for service	Consent holders who hold consents to discharge contaminants or extract resources are exacerbators. They also benefit from regional knowledge about the state or quality of resources.
Rationale for funding mix	Natural environment regional monitoring benefits consent holders as well as the general public. The most effective funding method is therefore to fund a proportion of costs from consent holders (Section 36 RMA charges) and a proportion of costs from general rates.
Operating funding mix	<p>80-100 percent general funds, 0-20 percent fees and charges.</p> <p>The Council's aim is to ensure user fees and charges under Section 36 of the RMA are set to the level that ensures the recovery of actual and reasonable costs of the private good component of this activity. This currently equates to approximately 0-20 percent user charges. This is an average recovery of costs for the whole activity. It does not constitute a target cost recovery but indicates an ongoing average level of funding from fees and charges. The balance of costs after user charges (approximately 80-100 percent of the total activity cost) is met by general funds. General funds are used to recover costs which deliver a public good, those which cannot be recovered for statutory reasons and other costs which cannot be recovered efficiently from private beneficiaries.</p>
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.