

# policies



The following policies set out basic principles and associated guidelines that Council will follow to direct and limit actions, in pursuit of its long term goal of sustainable development and providing for the current and future interests of the Community.

# significance & engagement policy

## PURPOSE

To let the Community know when and how they can expect to be engaged in Council's decision-making processes.

To act as a guide to Council and council staff as to what extent, form and type of engagement is required from the beginning of a decision-making process.

To identify Council's approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters.

## GENERAL APPROACH

The decision on a matter's significance rests with Council.

If the issue, proposal, decision, or other matter concerned involves a significant decision in relation to land or a body of water, Council will take into account the view of Māori and their culture and traditions, recognising their cultural values and their relationship to land and water.

When undertaking a process to determine the extent to which issues, proposals, decisions or other matters are significant; staff will prepare a report against the thresholds and criteria listed below for consideration by and presentation to Council.

Council will evaluate the significance of each proposal or decision it makes on a case-by-case basis. Decisions of low significance, including some decisions made under delegated authority, may not explicitly state the degree of significance.

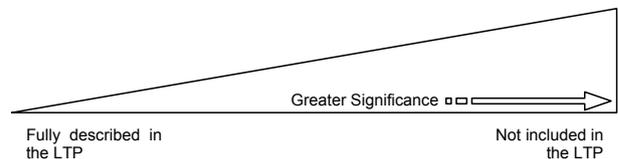
Significance and engagement will be considered in the early stages of a proposal before decision making occurs and, if necessary, reconsidered as the proposal develops. Differing levels of engagement may be required during the varying phases of decision-making on an issue, and for different stakeholders.

## THRESHOLDS AND CRITERIA

### A: Contribution to Community Outcomes or Key Project

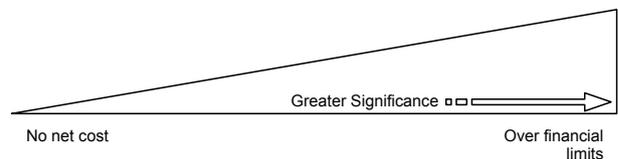
Council will consider the extent to which the decision contributes to its Community Outcomes or any key project. If a matter clearly contributes to several Community Outcomes or a key project and is borderline in regards to the other thresholds and criteria for determining significance, this will mitigate in favour of the decision being treated as "less significant". If, however, a decision does not clearly contribute to Community Outcomes or a key project and is borderline in regards to the other thresholds and criteria for determining significance, Council will adopt a precautionary approach and treat the issue as being "more significant".

### B: Consistency with the LTP



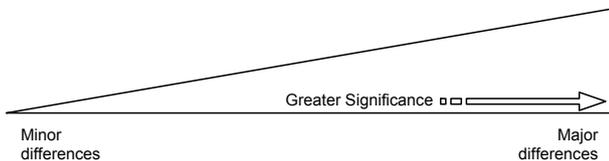
Council will consider the extent to which the decision flows logically and consequentially from a decision already made in the LTP or Annual Plan.

### C: Net Cost to Council



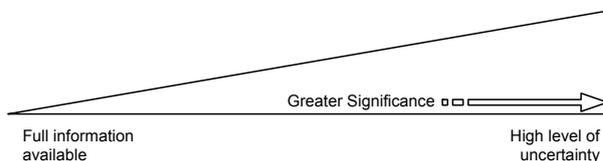
Council will consider the magnitude of the decision in terms of its net cost to Council. Most major spending decisions will be made in the context of the LTP or Annual Plan. As a general guide, any individual decision involving more than \$5 million of unbudgeted capital expenditure or \$500,000 of unbudgeted annual operating costs may be regarded as significant.

**D: Variation of Options**



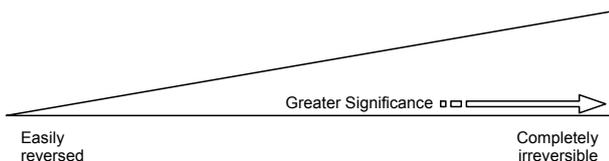
Council will consider the variation in impact of the options identified (including a “do nothing” option) on the community. The greater the variation, the greater the degree of significance.

**G: Precautionary Approach**



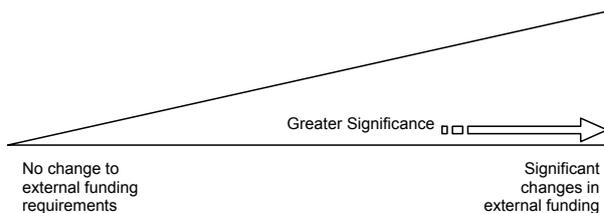
Where there is a level of uncertainty as to the outcomes or significance of a decision, Council will adopt a precautionary approach and treat the issues as being “more significant”.

**E: Reversibility**



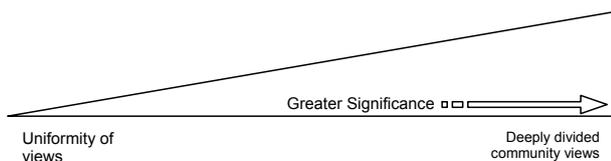
Council will consider the reversibility of the outcomes arising from the decision. In general, the degree of significance will increase as the difficulty of reversing a decision's outcome increases.

**H: Impact on Funders**



Council will consider the extent to which a decision impacts on general rates, targeted rates, and user fees / charges. A decision requiring an increase of 2% or more to general or targeted rates will be treated as significant. Likewise, a decision requiring an increase in user fees / charges of 10% or more will be considered significant.

**F: Level Of Controversy**



Council will consider the extent to which the matter under consideration may be controversial within the community. A high level of controversy indicates a greater degree of significance of the matter.

## APPROACH TO ENGAGEMENT

Council is committed to engaging with our communities in a way that is effective, meaningful and timely. When making decisions Council will give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter. To ensure that our approach to engagement is targeted at the right level Council will consider:

- the extent to which the current views and preferences of persons who will or may be affected by, or have an interest in, the decision or matter are known to the local authority;
- the nature and significance of the decision or matter, including its likely impact from the perspective of the persons who will or may be affected by, or have an interest in, the decision or matter;
- if any circumstances exist in which there is good reason for withholding local authority information (in accordance with the Local Government Official Information and Meetings Act 1987); and
- the costs and benefits of any consultation process or procedure.
- that Maori are a stakeholder in any engagement and we will work with Maori to determine the level of engagement required on each issue or matter.

Council requires that an Engagement Plan is prepared for any significant decision. If a decision is not deemed to be significant an Engagement Plan may still be prepared, but is not mandatory. An Engagement Plan will be developed by the Council Department responsible for the decision or matter, in collaboration with Council's Communications Team.

An Engagement Plan will outline the:

- engagement objectives - the feedback that is sought from communities,
- timeframe and completion date,
- communities that are to be engaged with,
- engagement tools and techniques to be used,
- resources, including budget, needed to complete the engagement,
- communication planning needed,
- basis of assessment and feedback to the communities involved,
- team roles and responsibilities.

## ENGAGEMENT ASSESSMENT CRITERIA

Community engagement occurs across a spectrum at differing levels, Council has adapted the IAP2 Spectrum of Engagement for our use. Council will determine what level of engagement is appropriate for each decision or matter on a case by case basis using the approach to engagement above. The five levels Council will consider are:

Level	Goal	Council's Promise
Inform	To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities or solutions.	At this level, Council's promise is that we will keep the Community informed.
Consult	To obtain public feedback on analysis, alternatives or decisions.	At this level, Council's promise is that we will keep the Community informed, listen to and acknowledge concerns and provide feedback on how public input influenced the decision.
Involve	To work directly with the public throughout the process to ensure the public concerns and aspirations are consistently understood and considered.	At this level, Council's promise is that we will work with the Community to ensure that their concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.
Collaborate	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	At this level, Council's promise is that we will look to the Community for direct advice and innovation in formulating solutions and incorporate the Community's advice and recommendation in to the decisions to the maximum extent possible.
Empower	To place final decision-making in the hands of the public.	At this level, Council's promise is that we will implement what the Community decides.

It will not always be appropriate or practicable to conduct processes at the participatory / empower end of the consultation continuum. Many minor issues will not warrant a participatory approach and constraints of time and money will also limit what is possible on some occasions.

There are a range of situations where engagement is necessary or desirable and a wide selection of approaches to choose from for any given situation. Council will assess each situation and determine the appropriate engagement tools. The range of tools that Council will consider using at each level of the spectrum is included in Schedule 2.

## MANDATORY CONSULTATION

In certain circumstances, Council is legislatively required to consult using the Special Consultative Procedure prescribed in Section 83 of the Local Government Act. One example of circumstances where the Special Consultative Procedure must be used is when making decisions on transferring the ownership or control of strategic assets, as listed in Schedule 1.

When using the Special Consultative Procedure, Council prepares a proposal and advertises it for public submission. Submissions on the proposal can be received from anybody and the time period for receiving submissions is at least a month. People who have submitted can also request to speak to the Council regarding their submission and this is done through a Hearing Process. After considering all submissions the Council then makes a decision to adopt, amend or reject the proposal.

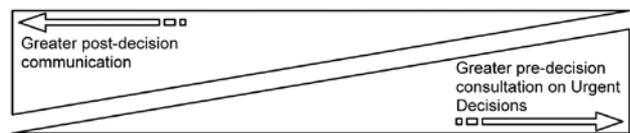
## EXCEPTION TO PROCEDURE FOR DETERMINING SIGNIFICANCE AND UNDERTAKING ENGAGEMENT

The Local Government Act provides for Council to consider the practicality of undertaking extensive consultation, considering the range of options, and obtaining the views and preferences of other people. In some circumstances, failure to make an urgent decision would result in an inability to achieve the intended outcomes and a loss of opportunity.

Where an urgent decision must be made, Council will tailor its decision-making process to include as much consultation and evaluation as is practicable within the specified timeframe. If, due to time limitations, a potentially significant decision is made without extensive consultation, Council will communicate the details of the decision to the public at a level appropriate to the nature of the matter.

Where a decision is made or is to be made that is significantly inconsistent with this policy, Council when making the decision will identify the inconsistency and the reason for the inconsistency.

### Practicality and Urgency



**SCHEDULE 1  
STRATEGIC ASSETS**

- Civic Theatre Complex
- Electricity Invercargill Limited
- Invercargill Airport Limited  
(97.2% Council ownership)
- Invercargill City Holdings Limited
- Invercargill Public Library and Archive - buildings and collections
- Invercargill Waste Transfer Station
- Parks and Reserves
- Public Toilets
- Roding Network and connected infrastructure
- Sewerage Networks and Treatment Plants
- Splash Palace
- Stormwater Networks in Invercargill and Bluff
- Stormwater system in Otatara
- Water Treatment, Storage and Supply Network

Under Section 97 of the Local Government Act, any decision to transfer the ownership or control of a strategic asset to or from Council can only be made if the decision has been explicitly provided for by a statement of proposal in Council’s Long-Term Plan. The strategic assets defined above are the asset in total and not any individual element of the asset. Section 97 will only apply to any decision being made on the strategic asset as a whole or a major sub part of the asset. The strategic asset is the asset that is listed as a strategic asset in the above list. For example, Council’s strategic asset for Electricity Invercargill Limited (EIL) is the shareholding in the parent company (EIL) and not its shareholdings in its associates or joint ventures (for example, PowerNet, Otago Power Services Limited).

**SCHEDULE 2  
TYPE OF ENGAGEMENT**

*Please note: This is not a definitive list. Techniques not listed here may be used in addition to those listed below.*

**INFORM**

- Social media
- Newspapers / public notice / noticeboard
- Websites / internet / facebook
- Radio
- Flyers / posters
- Letter drop
- Public meetings
- City Talk Back
- Telephone Information Service
- Press statements

**CONSULT / INVOLVE**

- Written submissions
- Oral submissions
- Written surveys
- Telephone surveys
- Face-to-face interview surveys
- Referenda
- Formal public meetings
- Focus groups / working panels / Local action groups / task groups

**COLLABORATE / EMPOWER**

- Interactive web sites
- Multi Stakeholder Processes such as:  
Open house events  
Meetings with existing groups  
World cafes
- Citizens Juries / Panels / Charette (Group of 12-25 people representative of a community, brought together for three to five day to consider an issue).

*Note: Techniques listed as appropriate in one level may be used in any of the other levels where this will best achieve the purpose of the engagement.*

## **INTERNATIONAL ASSOCIATION OF PUBLIC PARTICIPATION (IAP2)**

The International Association of Public Participation (IAP2) is an association that works with different groups whom undertake public consultation and engagement. They are involved in the public participation process by supporting clients, colleagues and citizen's decision-making process.

The Invercargill City Council has determined to base its Engagement on the core values established by IAP2 as outlined below:

- Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
- Public participation includes the promise that the public's contribution will influence the decision.
- Public participation promotes sustainable decisions by recognising and communicating the needs and interests of all participants, including decision makers.
- Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
- Public participation seeks input from participants in designing how they participate.
- Public participation provides participants with the information they need to participate in a meaningful way.
- Public participation communicates to participants how their input affected the decision.

Council has adapted the IAP2 Spectrum of Engagement for its use (included in the main Policy). IAP2's Public Participation Spectrum is designed to assist with the selection of the level of participation that defines the public's role in any community engagement process. The Spectrum shows that differing levels of participation are legitimate depending on the goals, time frames, resource and levels of concern in the decision to be made.

You can find out more about IAP2 by visiting their website - [www.iap2.org](http://www.iap2.org).

# maori capacity

## MAORI CONTRIBUTION TO DECISION MAKING

### Māori & Invercargill City Council

The Local Government Act provides principles and requirements for local authorities that are intended to facilitate participation by Māori in local authority decision-making processes. This is to recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi and to maintain and improve opportunities for Māori to contribute to local government decision-making processes.

These principles and requirements are outlined as follows:

- Local authority decision-making - where, in the course of the decision-making process, a significant decision relates to land or a body of water, Invercargill City Council will take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga.
- Contributions to and involvement in decision-making processes - Invercargill City Council will provide opportunities for Māori to contribute to and be involved in the decision-making processes of the council and will also consider ways to foster the development of Māori capacity. This may include tangata whenua Hearing Commissioner appointments to hearing panels.
- Consultation with Māori - Invercargill City Council has in place processes for consulting with Māori which are in accordance with the principles of consultation as set out in section 82 of the Local Government Act.
- Supporting implementation, use and understanding of Te Tangi a Tauira - The Cry of the People Ngāi Tahu ki Murihiku Resource and Environmental Management Plan 2008.
- Supporting projects initiated by Māori that involve direct management of the district's natural resources.
- Development of Māori capacity to contribute to the decision-making processes of the local authority. These opportunities include:
  - Provision of information to all Māori to underpin processes that assist effective contribution to the decision-making processes of Invercargill City Council;
  - Invercargill City Council, where practicable, will continue to make available resources such as maps and GIS services;
  - Building capacity to enable contribution of all Māori to the decision-making processes of Invercargill City Council. Related to this process is the need for Invercargill City Council to gain a clear understanding of expectations through hui and ongoing relationships with all Māori to agree and commit to practicable steps to building capacity.
  - Ongoing consideration on a case by case basis for the provision of support to assist all Māori with resourcing, opportunities for training and engagement and promotion of matters that are of mutual benefit;

- Ongoing promotion and education of staff and elected representatives to develop skills in Māoritanga, Tikanga Māori and Te Reo Māori and gain an appreciation of the needs and expectations of all Māori in relation to the Local Government Act and the Resource Management Act;
- Effective and efficient consultation to improve existing relationships, processes and protocols related to local government and resource management issues.

### **Tangata whenua & Invercargill City Council Relationship**

While the Local Government Act sets out provisions relating to all Māori, it is recognised that within the Southland and West Otago regions, Ngāi Tahu are the tangata whenua. They have a special status in terms of Invercargill City Council resource management activities, and are not just another interest group. The evolution of the relationship between Invercargill City Council and tangata whenua has reached the point where that relationship is evolving into a productive partnership.

Invercargill City Council is an active participant and signatory to a Charter of Understanding – He Huaraki mā Ngā Uri Whakatupu in place between the four Southland councils, three Otago councils, and the four Southland/Murihiku papatipu rānanga. The Charter sets out the basis and conduct of the councils and rānanga in the context of the Local Government Act 2002 and Resource Management Act 1991.

The Charter provides the basis for an ongoing relationship between relevant local authorities and tangata whenua of Southland and West Otago/Murihiku to assist in developing the capacity of Māori to contribute to the decision-making processes. It further provides principles and opportunities, is a foundation for consultation on a wide range of local government issues including Long-Term and Annual Plans and assists councils through Te Ao Mārama Inc (Iwi liaison entity representing Southland rānanga for resource management and local government issues), to consult with all Māori, those that hold manawhenua and matawaka (other tribal groups) living in Southland and West Otago.

In addition to the Local Government Act obligations set out above under Maori relationships, the Resource Management Act 1991 sets local authorities specific obligations regarding kaitiakitanga, the principles of the Treaty of Waitangi and the relationship between Māori and their culture and their traditions with their ancestral lands, water, sites, wāhi tapu and other taonga. To give effect to the obligations under the Local Government Act and the related obligations under the Resource Management Act, Invercargill City Council will continue to develop its relationships with all rānanga in Southland through Te Ao Marama and with Te Rānanga o Ngāi Tahu, the iwi authority. This is essential for achieving the sustainable management of the natural resources within the Southland and Otago regions.

# development contributions

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It is Council's policy not to charge Development Contributions (Local Government Act) or Financial Contributions (Resource Management Act).

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# revenue & financing policy

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## INTRODUCTION

The Revenue and Financing Policy states Council's policies on the funding of its operating and capital expenditure and the sources of those funds.

The Local Government Act 2002 requires Council to manage its finances prudently and in a manner which promotes the current and future needs of the community. Council must ensure that each year's projected operating revenues are set at a level sufficient to meet the year's projected operating expenses.

## GENERAL PRINCIPLES

In considering the sources of its funding, consideration was given to the following in relation to each activity.

- The Community Outcome to which it 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.
- Identification of issues which would change demand for the activity.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.
- The extent to which an individual's or group's action contributes to the need to undertake a service.

After giving consideration to the above the Council then considered "the overall impact of any allocation of liability for revenue needs on the community".

Invercargill City Council's funding policy is to treat both operating and capital expenditure in the same way. That is to say, the extent to which the provision of a service by the Council is a public or private good will largely determine the extent to which rates or fees and charges fund capital expenditure.

For example, the revenue funding policy for Parks and Reserves is 50-70% public good; 30-50% private benefit. Funding the capital expenditure would be proportioned the same way, ie 50-70% by rates and 30-50% by fees and charges.

## PERIOD OF BENEFIT

Three periods of benefit have been identified:

### 1. Short term

- Activities which have an immediate, short term benefit/impact (1-5 years) on a client or organisation.

### 2. Medium term

- Activities undertaken to implement legislation which, if amended, may alter the activity's areas of responsibility and focus.
- Activities which contribute significantly to the needs of the community.

### 3. Long term

- Activities which rely on Council's strategic assets listed in the Significance and Engagement Policy.
- Activities which rely on structures/buildings having a lifespan of at least 25 years.

## IDENTIFICATION OF WHO BENEFITS FROM THE ACTIVITY

Consideration of who benefits is unique for each activity. Individuals, when they obtain a consent / registration / licence / certification which allows them to undertake an activity, receive a personal benefit. Applicants pay the full costs associated with processing applications, once lodged.

Public benefit is gained from having access to activities provided by Council and the opportunity to be involved in the development of policies which will guide their operation.

The public benefit by having confidence in Council implementing policy and standards fairly and efficiently. Complaints are investigated and resolved.

## FUNDING SOURCES

The following sources of funding are used by Council:

### General Rate

General rates are used to fund activities where it is not possible to clearly identify customers or users.

The general rate is also used to fund activities where, for reasons of fairness and equity, consideration of the wider community good indicates that this is the most appropriate way to fund an activity. Differentials detailed in the Funding Impact Statement are applied to this rate. Differentials have been applied to the residential rating unit base rate in order to maintain an equitable rating impact.

### Targeted Rates

Targeted rates are used where an activity benefits an easily identifiable group of ratepayers and where it is appropriate that only this group be targeted to pay for some or all of a particular service, for example, water supply. Differentials detailed in the Funding Impact Statement are applied to this rate.

Differentials have been applied to the residential rating unit base rate in order to maintain an equitable rating impact.

### Fees and Charges

These are direct charges to individuals or organisations who use certain activities such as pools and building consents.

### Other Sources of Funding

Other sources of funding received by Council include dividends, interest, proceeds from asset sales and income from external agencies. These are used to support an activity e.g. government assistance such as the New Zealand Transport Agency for the roading activity.

### Loans and Reserves

Activities which rely on assets to provide services use reserve funds for capital renewals and improvements as well as loans. Reserves are developed and reserves and loans repaid on the same proportion as the benefits received from the activity.

While borrowing may be used from time to time, usually to give effect to the principles of intergenerational equity, the repayment and servicing of the debt is funded by rates, fees and charges and other sources. In short, the actual borrowing is a mechanism only; the revenue and financing policy applies to its repayment and servicing.

## RATING BASIS

Council has elected to use capital value as the basis for apportioning rates charges against the rating units where applicable. All fixed charges are based on rating units.

## DEMAND GENERATORS

The Long Term Plan is based on assumptions which identify potential growth/demand generators. Greater detail and explanation is provided in this Long-Term Plan.

## COMMUNITY OUTCOMES TO WHICH THE ACTIVITY SIGNIFICANTLY CONTRIBUTES

The Community Outcomes are identified in this policy. Greater detail and explanation is provided in the Community Outcomes section of this Long-Term Plan.

Infrastructural Services Group of Activities				
Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Roading</b>				
A diverse and growing economy	Long	<b>Public:</b> Ability to travel effectively, efficiently and safely through the district.	Target/General rates 50-65%	Change in vehicle ownership and number of vehicle trips.  Change in the industrial activity.
Healthy lifestyles in a healthy environment			Fees/Charges 0-15%	
A City that is a great place to live and visit			NZTA funding 30-40%	
<b>Sewerage</b>				
A diverse and growing economy	Long	<b>Consent holders:</b> Council approval to discharge trade waste into Council's sewerage network.  <b>Public:</b> Sewage is collected, treated and appropriately disposed of.	Uniform charge 83-93%	Change in strength and quantities of trade waste.  Change in number of properties connected to sewerage networks.
Healthy lifestyles in a healthy environment			Fees/Charges 7-17%	
<b>Solid Waste Management</b>				
Healthy lifestyles in a healthy environment	Long	<b>Collection service:</b> Waste is regularly collected and disposed of.  <b>Public:</b> Council Transfer Stations accept solid waste for disposal.	Uniform charge 45-55%	Change in legislation  Change in number of properties receiving the collection service.
Strong, innovative leadership			Fees/Charges 45-55%	
<b>Stormwater</b>				
Healthy lifestyles in a healthy environment	Long	<b>Public:</b> Stormwater is collected and discharged to prevent flooding.	Uniform charge 90-100%  Fees/Charges 0-10%	Change in legislation.  Change in level of development.

**Infrastructural Services Group of Activities** continued

Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Water Supply</b>				
A diverse and growing economy Healthy lifestyles in a healthy environment	Long	<b>Reticulated service:</b> A safe, reliable water supply is provided. <b>Public:</b> Tankered water supply is available for sale.	Uniform charge 80-90% Fees/Charges 10-20%	Change in legislation. Change in demand for water supply.

\* Funding proportions may vary within set range on an annual basis.

**Development and Regulatory Services Group of Activities**

Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Building Consents</b>				
A City that is a great place to live and visit	Medium	<b>Consent holders/ applicants:</b> Council approval to build Certification that building meets minimum standards. <b>Public:</b> Buildings are safe.	General rates 20-30% Fees/Charges 70-80%	Change in legislation. Change in level of development.
<b>Civil Defence Emergency Management</b>				
Healthy lifestyles in a healthy environment Strong, innovative leadership	Medium	<b>Public:</b> Council is prepared to lead in an emergency. Community informed of their responsibilities.	General rates 90-100% Fees/Charges 0-10%	Change in legislation. Change in frequency of emergencies.

Development and Regulatory Services Group of Activities continued				
Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Environmental Health and Compliance</b>				
<b>Environmental Health</b>				
<p>A diverse and growing economy</p> <p>Healthy lifestyles in a healthy environment</p>	Medium	<p><b>Licence holders/ applicants:</b></p> <p>Council approval to operate business within standards.</p> <p><b>Public:</b></p> <p>Business premises are clean and healthy.</p>	<p>General rates 80-90%</p> <p>Fees/Charges 10-20%</p>	<p>Change in legislation.</p> <p>Change in level of development.</p>
<b>Animal Services</b>				
<p>Health lifestyles in a healthy environment</p> <p>A City that is a great place to live and visit</p>	Short	<p><b>Dog Owners:</b></p> <p>Permission to keep dogs.</p> <p>Ensures population of dogs remains well controlled.</p> <p>Impounded animals are well cared for.</p> <p><b>Public:</b></p> <p>Stray animals are controlled.</p>	<p>General rates 10-25%</p> <p>Fees/Charges 75-90%</p>	<p>Change in legislation.</p> <p>Change in level of animal ownership and welfare.</p>
<b>Compliance</b>				
<p>A diverse and growing economy</p> <p>A City that is a great place to live and visit</p>	Short	<p><b>Public:</b></p> <p>Turnover of parking in Council provided spaces.</p> <p>Poor parking behaviour is discouraged.</p>	<p>Fees/Charges 100%</p>	<p>Change in legislation.</p> <p>Change in vehicle usage and parking behaviour.</p>

**Development and Regulatory Services Group of Activities** continued

Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Resource Management and District Licensing</b>				
<b>Resource Management</b>				
A diverse and growing economy Health lifestyles in a healthy environment	Medium	<b>Consent holders / applicants:</b> Council approval to undertake activities subject to conditions.  <b>Public:</b> Environment is protected.	Targeted rates 80-90%  Fees/Charges 10-20%	Change in legislation. Change in level of development.
<b>Alcohol Licensing</b>				
	Medium	<b>Licence holders / applicants:</b> Council approval for the sale of alcohol.	Fees/Charges 100%	Changes in legislation. Change in level of development.

\* Funding proportions may vary within set range on an annual basis.

**Community Services Group of Activities**

Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Provision of Specialised Community Services</b>				
A City that is a great place to live and visit	Short	<b>Public:</b> Events and services provided for the well-being of the Community.	General rates 90-100%  Other Sources 0-10%	Change in demand for specialised community services.
<b>Community Development</b>				
A City that is a great place to live and visit Strong, innovative leadership	Medium	<b>Public:</b> The provision of advice and information to strengthen community empowerment.	General rates 90-100%  Other Sources 0-10%	Change in community demand for service.
<b>Housing Care Service</b>				
A City that is a great place to live and visit	Long	<b>Tenants:</b> The provision of affordable housing to people with limited means.	Fees/Charges 100%	Change in facilities within the units available for rental. Change in rental levels.

Community Services Group of Activities continued				
Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Libraries and Archives</b>				
A diverse and growing economy A City that is a great place to live and visit Strong, innovative leadership	Long	<b>Public:</b> Access to quality and affordable library and archives services.	Uniform charge 90-100% Fees/Charges 0-10%	Change in legislation. Change in services available for clients.
<b>Parks and Reserves</b>				
Healthy lifestyles in a healthy environment A City this is a great place to live and visit	Long	<b>Sports clubs and organisations:</b> Hire of grounds for sporting activities.  <b>Public:</b> Safe, inviting and attractive parks and open spaces throughout the district. Burial and cremation services available.	Targeted rates 40-50% Uniform Charge 10-20% Fees/Charges 30-50%	Change in demand for open space. Change in level of development.
<b>Passenger Transport</b>				
A diverse and growing economy Healthy lifestyles in a healthy environment A City that is a great place to live and visit	Short	<b>Public:</b> Access to public bus and Total Mobility services.	Targeted rates 30-40% Fees/Charges 60-70%	Change in vehicle usage and running costs.
<b>Pools</b>				
Healthy lifestyles in a healthy environment A City that is a great place to live and visit Strong, innovative leadership	Long	<b>Sports clubs and organisations:</b> Hire of facilities for sporting activities.  <b>Public:</b> Provision of aquatic facilities.	Uniform Charge 10-20% Targeted rates 25-35% Fees/Charges 45-55%	Change in services available to clients.

### Community Services Group of Activities continued

Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Public Toilets</b>				
A City that is a great place to live and visit	Medium	<b>Public:</b> Provision of facilities in the main retail areas and Stirling Point, Bluff.	General rates 95-100% Fees/Charges 0-5%	Change in population and visitor numbers.

\* Funding proportions may vary within set range on an annual basis.

### Corporate Services Group of Activities

Community Outcome	Period of Benefit	Who Benefits?	Funding Sources and proportion*	Demand Generators
<b>Democratic Process</b>				
Strong, innovative leadership	Medium	<b>Public:</b> Local decision making about local issues	General rates 95-100% Other Sources 0-5%	Change in legislation.
<b>Destinational Marketing</b>				
A City that is a great place to live	Medium	<b>Private enterprise:</b> Businesses benefit from increasing visitor numbers to the district.	General rates 95-100% Other Sources 0-5%	Change in level of development and activity.
<b>Enterprise</b>				
A diverse and growing economy	Medium	<b>Private enterprise:</b> Businesses benefit from increased economic activity.	General rates 95-100% Other Sources 0-5%	Change in level of development and activity.
<b>Investment Property</b>				
A diverse and growing economy A City that is a great place to live	Medium	<b>Public:</b> Net income used to offset rates.	Fees/Charges 100%	Changes in property values.

\* Funding proportions may vary within set range on an annual basis.

# rating policy

## RATING

This Rating Policy should be read in conjunction with the Revenue and Financing Policy and the funding principles included in this Plan. Figures in this Policy are GST inclusive.

The following rates will be set by Council for the financial year commencing 1 July 2015 and ending 30 June 2016.

The following are the details for each of the rates to be set for each financial year. All rates set by way of a rate in the dollar are based on capital value. All rates are charged on the basis of Rating Unit, except for the Residential Multi Unit category where it is stated in the policy following as charged on the basis of separately used or inhabited part of the rating unit (SUIP).

SUIP is defined as any part of a rating unit separately occupied by the owner or any other person who has the right to occupy that part by virtue of a tenancy, lease, licence or other agreement.

## Differentials Applied In Setting General And Targeted Rates

In order to maintain an equitable rating impact and preserve the relationship which exists between residential, rural, commercial, utilities and large industrial rating units, differentials have been applied to the residential rating unit base rate, as follows:

Differentials applied in setting Rates		%
Residential	Base Rate	100.00
Residential - Multi Units		
• For the first unit	Base Rate	100.00
• For each additional unit	Base Rate	- 25.00
Commercial	Base Rate	100.00
Industrial	Base Rate	100.00
Rural-Farming	Base Rate	- 30.00

## GENERAL RATE

The general rate is to fund the activities of Environmental Health, Building Control, Emergency Services, Grants, Total Mobility, Civic Theatre, Democratic Process, Destination Marketing, Enterprise and 15% of both street lighting and

footpaths. It is based on the capital value of that rating unit. This is the base rate.

Differentials will be applied to the general rate as outlined above. No uniform annual general charge is applied.

	2014/15 \$	2015/16 \$
General Base Rate	0.00117001	0.00112760

## UNIFORM ANNUAL CHARGE AND TARGETED RATE

A uniform annual charge on all ratepayers will be levied for both the Parks and Reserves Activity and the Pools Activity. The remaining revenue required from rates will be gathered from a targeted rate on residential and lifestyle properties only.

- **Parks and Reserves Rate** is to fund provision of Parks and Reserves in the District.
- **Pools Rate** is to fund provision of Aquatic Facilities in the District.

	2014/15 \$	2015/16 \$
Parks and Reserves Uniform Annual Charge	57.40	57.50
Parks and Reserves Base Rate	0.00096947	0.0009547
Pools Uniform Annual Charge	28.70	28.75
Pools Base Rate	0.00024505	0.00031713

## TARGETED RATES

### Targeted Rates Payable on All Rating Units

The following rates are payable on all rateable land by applying a rate in the dollar based on the capital value of the rating unit and are subject to the differentials as outlined.

- **Resource Management Rate** is to fund the function of Resource Management.
- **Roading Rate** is to fund the provision of Roothing Services.
- **Cemeteries Rate** is to fund the operation of Council's Cemeteries.

	2014/15 \$	2015/16 \$
Resource Management Base Rate	0.00021924	0.00022036
Roothing Base Rate	0.00082628	0.00091470
Cemeteries Base Rate	0.00003845	0.00004282

The following rates are set on all rating units by applying a fixed charge with differentials applied as outlined. Residential - Multi Units are charged on the basis of SUIP.

- **Libraries Rate** is to fund provision of Library Services in the District.

- **Regional Heritage Rate** is to fund Council's contribution to the operation of Southland museums and heritage.
- **Regional Facilities Rate** is to fund Council's contribution to the operation of Southland regional facilities.

	2014/15 \$	2015/16 \$
Libraries Base Rate	172.71	182.44
Regional Heritage Base Rate	32.91	33.62
Regional Facilities Base Rate	-	-

The following rate applies to those rating units which have a land use as shown in the Rating Information Database of commercial only. This differential has the objective of applying a nil rate to all other categories of land use.

The rate is detailed below:

- **Business Development Rate** is to fund all costs associated with the redevelopment of commercial areas.

	2014/15 \$	2015/16 \$
Business Development Base Rate	0.00083423	0.00066026

The following rate applies to those rating units which have a land use as shown in the Rating Information Database of commercial or industrial only. This differential has the objective of applying a nil rate to all other categories of land use.

The rate is detailed below:

- **Economic Development Rate** is to fund economic, sporting and cultural development initiatives.
- **City Centre Rejuvenation Rate** (Map H).

	2014/15 \$	2015/16 \$
Economic Development Base Rate	0.00029571	0.00019747
City Centre Rejuvenation Base Rate	0.00020750	-

### Targeted Rates Payable by Groups of Ratepayers

Payable by Ratepayers Within a Specified Location. The following rates are payable on all rateable land within a specified location. A general description of the area is given in each case. Maps defining the areas are attached as Maps A - G and I.

**1. Rateable Land Within the Invercargill City and Bluff Urban Areas (Map A).** These targeted rates will be set for each rating unit by applying a rate in the dollar

based on the capital value of the rating unit. Differentials will be applied to these targeted rates as outlined earlier. 85% of the rates for footpaths and street lighting will be targeted and 15% general rate.

- **Footpaths Rate** to fund provision of footpaths in the Invercargill City and Bluff areas.
- **Street Lighting Rate** to fund provision of street lighting in Invercargill City and Bluff.

	2014/15 \$	2015/16 \$
Footpaths Base Rate	0.00036207	0.00038518
Street Lighting Base Rate	0.00008549	0.00011856

**2. Rateable Land within the Invercargill City Area Only (Map B).** This targeted rate will be set for each rating unit by applying a rate in the dollar based on the capital value of the rating unit. Differentials will be applied to these targeted rates as outlined.

- **Transport Rate** to fund the cost of subsidised passenger transport in the Invercargill City area.

	2014/15 \$	2015/16 \$
Transport Base Rate	0.00013990	0.00013903

**3. Rateable Land Within the Makarewa Drainage Area (Map C).** The Makarewa targeted drainage rate will be set for each rating unit on a fixed charge per rating unit basis.

- **Drainage - Makarewa Rate** to fund costs in the Makarewa Drainage area.

	2014/15 \$	2015/16 \$
Drainage Makarewa Base Rate	81.92	83.58

**4. Rateable Land Within the Myross Bush Drainage Area (Map D).** The Myross Bush targeted drainage rate will be set for each rating unit on a fixed charge per rating unit basis.

- **Drainage - Myross Bush Rate** to fund costs in the Myross Bush Drainage area.

	2014/15 \$	2015/16 \$
Drainage Myross Bush Base Rate	78.06	79.81

**5. Rateable Land Within the Specified Locations for Community Centres (Map E).** These targeted rates will be set for each rating unit on a fixed charge per rating unit basis to fund the cost of operating a Community Centre in each location.

- **Community Centre - Makarewa Rate**
- **Community Centre - Myross Bush Rate**
- **Community Centre - Awarua Rate**
- **Community Centre - Otatara Rate**
- **Town Hall - Bluff Rate**

	2014/15 \$	2015/16 \$
Community Centre - Makarewa Rate	12.00	0
Community Centre - Myross Bush Rate	30.00	30.00
Community Centre - Awarua Rate	30.00	30.00
Community Centre- Otatara Rate	15.00	15.00
Town Hall - Bluff Rate	8.35	15.00

**6. Rateable Land Within the Bluff Ward (Map F).** This targeted rate will be set for all rateable land by applying a rate in the dollar based on the capital value of the rating unit. Differentials will be applied to this rate as outlined.

- **Community Board - Bluff Rate** to fund costs within the Bluff Community Board.

	2014/15 \$	2015/16 \$
Bluff Community Board Base Rate	0.00034522	0.00036414

**7. Land Within the Redmayne Road Drainage District (Map G).**

**Drainage Rate - Redmayne Road** to fund drainage operational costs.

	2014/15 \$	2015/16 \$
Drainage Redmayne Road Board Base Rate	100.22	80.15

**8. Land Within the Inverurie Rating Area (Map I).**

**Inverurie Maintenance Rate.** Requested by developer of Inverurie Subdivision.

	2014/15 \$	2015/16 \$
Inverurie Maintenance Rate	-	-

**Targeted Rates Payable Where a Service is Provided or Available for Provision by Council**

The following rates are payable on all rateable land where the service is provided or available to be provided. In the provision of water, sewerage and refuse disposal services these rates also apply to those non-rateable rating units as specified in Section 9 and Parts 1 and 2 of Schedule 1, Local Government (Rating) Act 2002. There are two categories for each rate - Residential and Non-Residential.

Non-residential means rateable land included in the Rating Information Database as rating units being used for Commercial, Industrial or Other purposes. Rest Homes, Hospitals, Schools, Kindergartens and Playcentres, Halls, Services and Sports facilities are included in the Non-residential category. Residential-Multi Units are charged on the basis of SUIP.

	2014/15 \$	2015/16 \$
Water Base Rate	304.37	317.80
Sewerage Base Rate	204.69	209.92
Drainage Base Rate	107.28	130.09

The following differentials will be applied to these targeted rates:

- **Water** - those rating units designated residential will meet 84% of the total water rate. Nonresidential rating units will meet 16%.
- **Sewerage** - those rating units designated residential will meet 75% of the total sewerage rate. Non-residential rating units will meet 25%.
- **Drainage** - those rating units designated residential will meet 75% of the total drainage rate. Non-residential rating units will meet 25%.
- **All rateable land designated residential** will be set a fixed charge for each of the water, sewerage and drainage rates.
- **Vacant rating units** which are able to be connected to a water, sewerage or drainage system but have not been connected will be charged half the amount of the above charge.
- **All rateable land designated as non-residential** will be set a fixed charge for each of the water, sewerage and drainage rates based on a range of capital values as follows:

			%
Less than \$50,000	= Base Fixed Charge		-20
From \$50,001 - \$100,000	= Base Fixed Charge		100
\$100,001 - \$200,000	= Base Fixed Charge		+20
\$200,001 - \$400,000	= Base Fixed Charge		+40
\$400,001 - \$1,000,000	= Base Fixed Charge		+100
\$1,000,001 - \$3,000,000	= Base Fixed Charge		+200
\$3,000,001 - \$5,000,000	= Base Fixed Charge		+300
\$5,000,001 +	= Base Fixed Charge		+400

**Refuse Collection Rate** is to fund the provision of refuse removal and kerbside recycling services in the serviced area. This targeted rate will be set by applying a fixed charge for each rate on all rateable land within the serviced area which receives or is able to receive the service. Residential - Multi Units are charged on the basis of SUIP.

**The General Waste Management Rate** is 17% of the total solid waste service cost and is the education and administration service provided to all ratepayers. This rate is borne by all ratepayers. Differentials will be applied to these targeted rates as outlined on page 193. Each additional wheelie bin provided for refuse or recycling costs \$150 per annum.

	2014/15 \$	2015/16 \$
Refuse Collection Base Rate	168.73	171.79
Additional Wheelie Bin	150.00	150.00
General Waste Management Rate	32.39	31.19

## ADDITIONAL RATING POLICIES

In addition to the Policy and method of collecting rates as outlined above the following additional policies will also be applied.

### Rating of Utilities

Utilities as specified in the Rating Information Database will be charged only the following rates:

- General Rate
- Resource Management Rate
- Roading Rate
- Parks and Reserves Rate
- Cemeteries Rate
- Libraries Rate
- Pools Rate
- Regional Heritage Rate

All utilities are rated as industrial properties at their full capital value.

### Rating of Non-Rateable Land

Rating units which are deemed to be non-rateable under the Local Government (Rating) Act 2002 will be rateable for water, sewerage and refuse collection where these services are provided (Section 9 of that Act). These rating units will be assessed in the same manner as other ratepayers and according to their residential or non-residential status. Churches, community groups, residential homes and pensioner housing will be classified as residential for this purpose. All other non-rateable rating units will be classified as non-residential.

### Water Charge

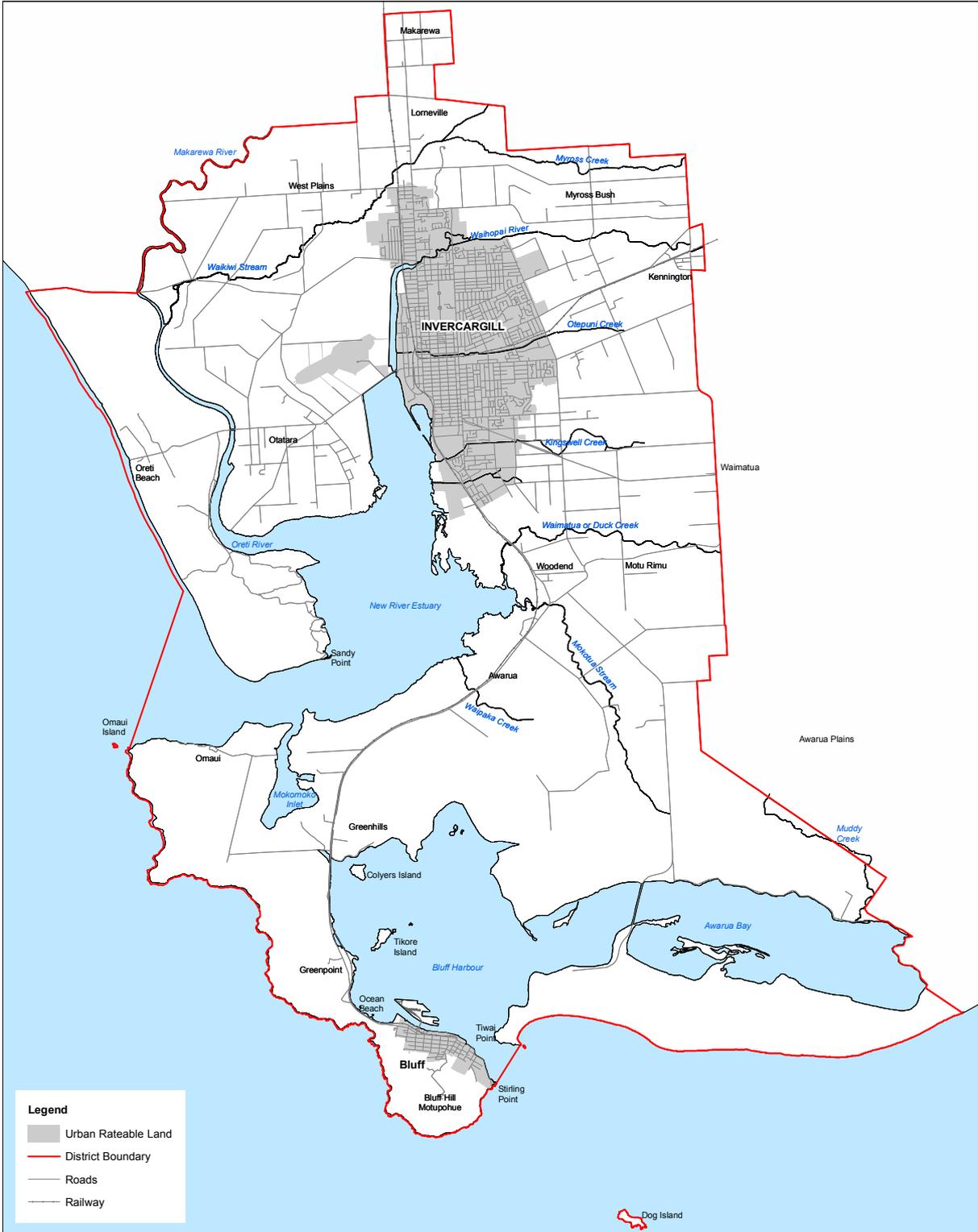
Water user charges based on metered consumption may also be made for water consumed by rating units, other than private residential rating units. This targeted rate will be charged by invoice, on a three monthly basis.

### Industrial

The maximum value on which an industrial property is rated is \$21,000,000.

**TOTAL RATES TO BE COLLECTED**

Total increase in rates	2014/15 \$ GST inclusive	2015/16 \$ GST inclusive
General Rate	7,503,391	7,289,497
Resource Management	1,405,997	1,424,528
Roading	5,299,015	5,913,198
Parks and Reserves	6,176,220	6,133,980
Cemeteries	246,582	276,795
Libraries	4,257,286	4,500,027
Pools	1,902,512	2,269,695
Regional Heritage	811,124	829,271
Footpaths	1,728,164	1,845,483
Street Lighting	405,794	565,136
Transport	657,435	657,435
Sewerage	5,648,692	5,794,519
Drainage	2,918,323	3,539,844
Drainage - Makarewa	13,025	13,373
Drainage - Myross Bush	9,680	9,897
Drainage - Redmayne Road	3,307	2,645
Refuse Collection	3,600,070	3,664,189
General Waste Management	778,930	750,497
Water	7,116,072	7,430,109
Economic Development	345,000	230,000
Business Development	1,055,875	854,847
Vibrant	92,000	
Community Centres		
• Awarua	3,480	3,541
• Makarewa	2,076	
• Myross Bush	15,600	15,780
• Otatara	19,020	19,171
Bluff Town Hall	10,772	19,350
Bluff Community Board	81,414	83,488
<b>Net Rates</b>	<b>52,106,856</b>	<b>54,136,295</b>



**Legend**

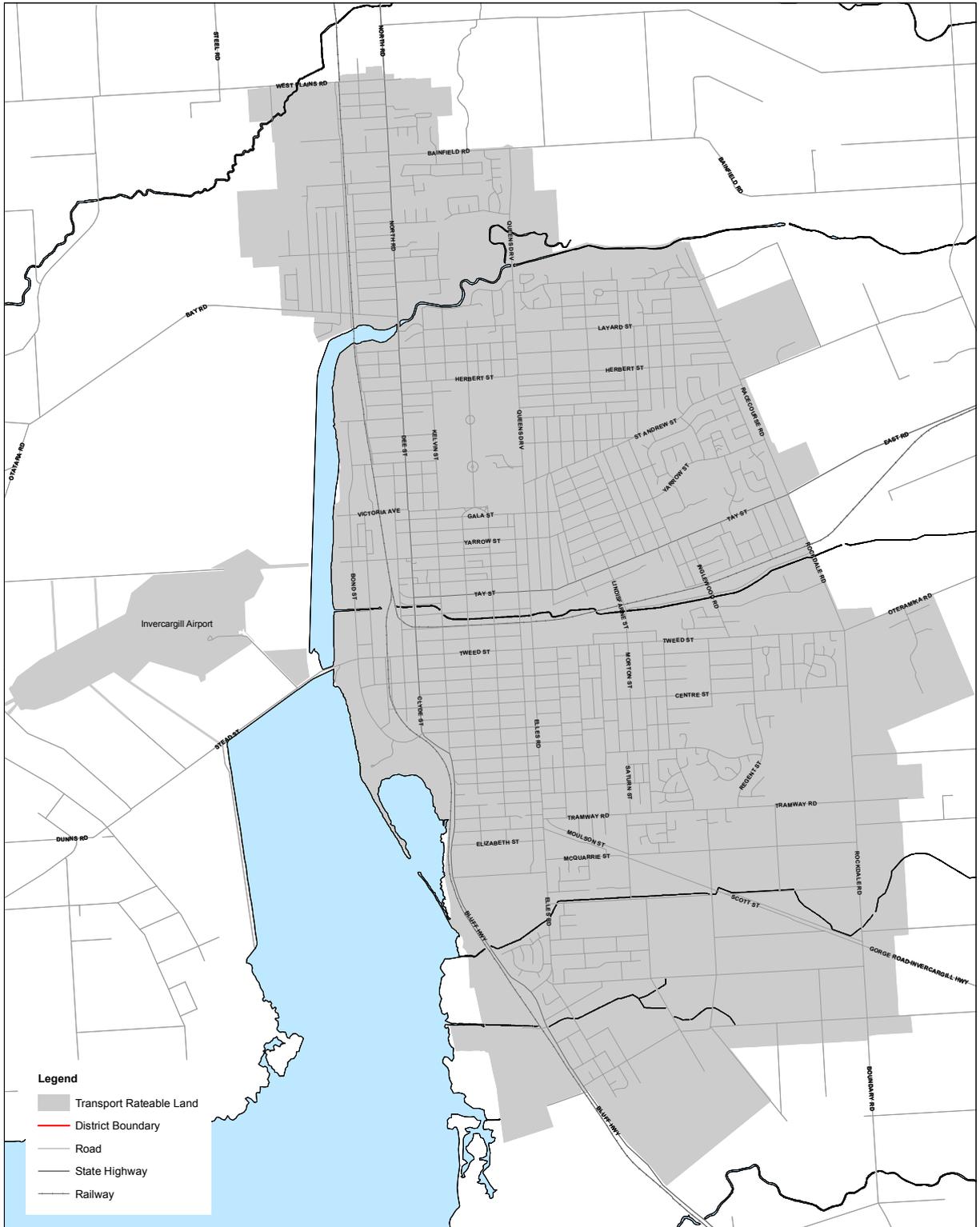
- Urban Rateable Land
- District Boundary
- Roads
- Railway



**Map A**  
**Urban Rateable Land - Invercargill and Bluff**  
 Current as at: 1/3/2009

N

Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner. E & O E.

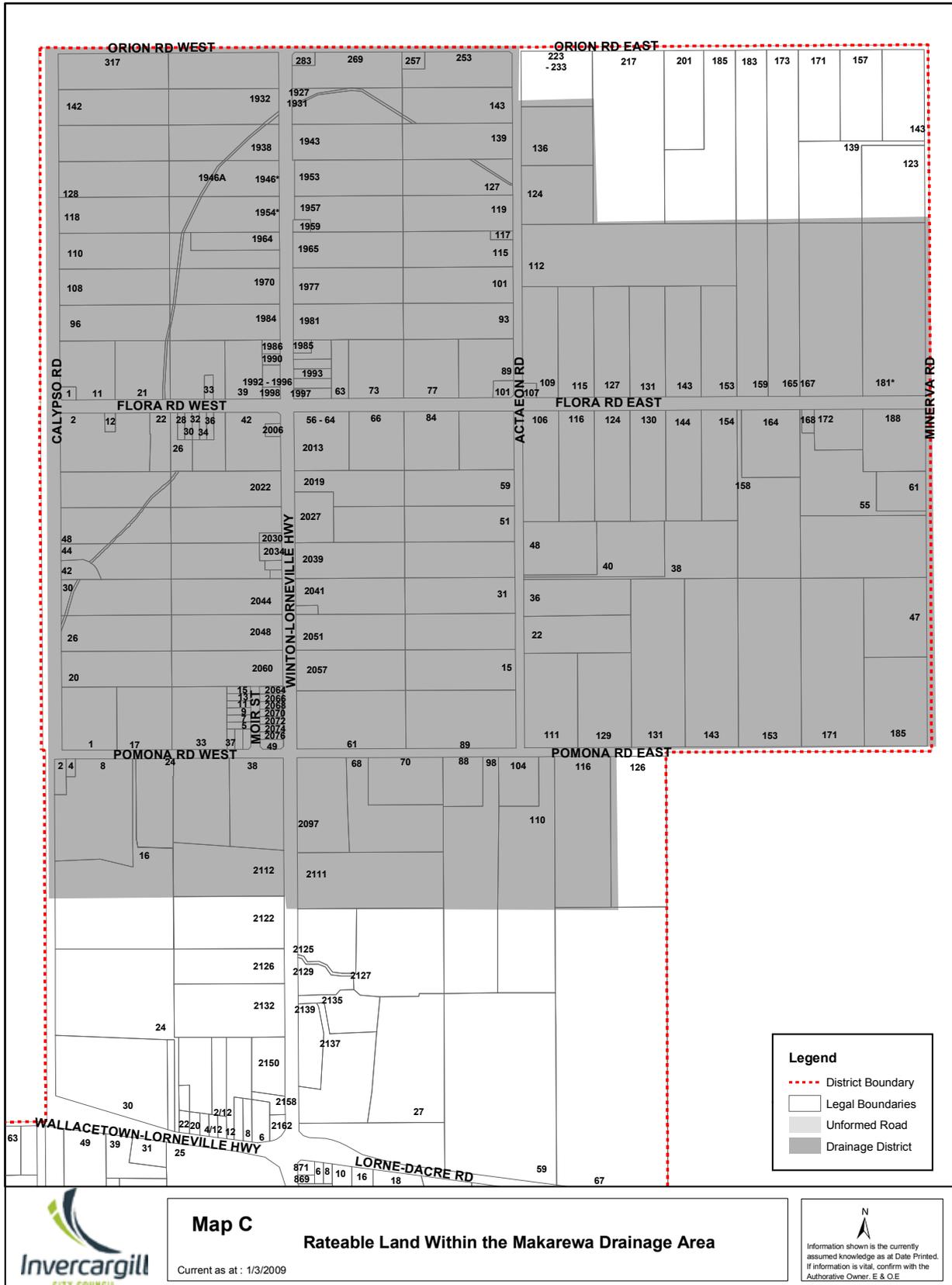


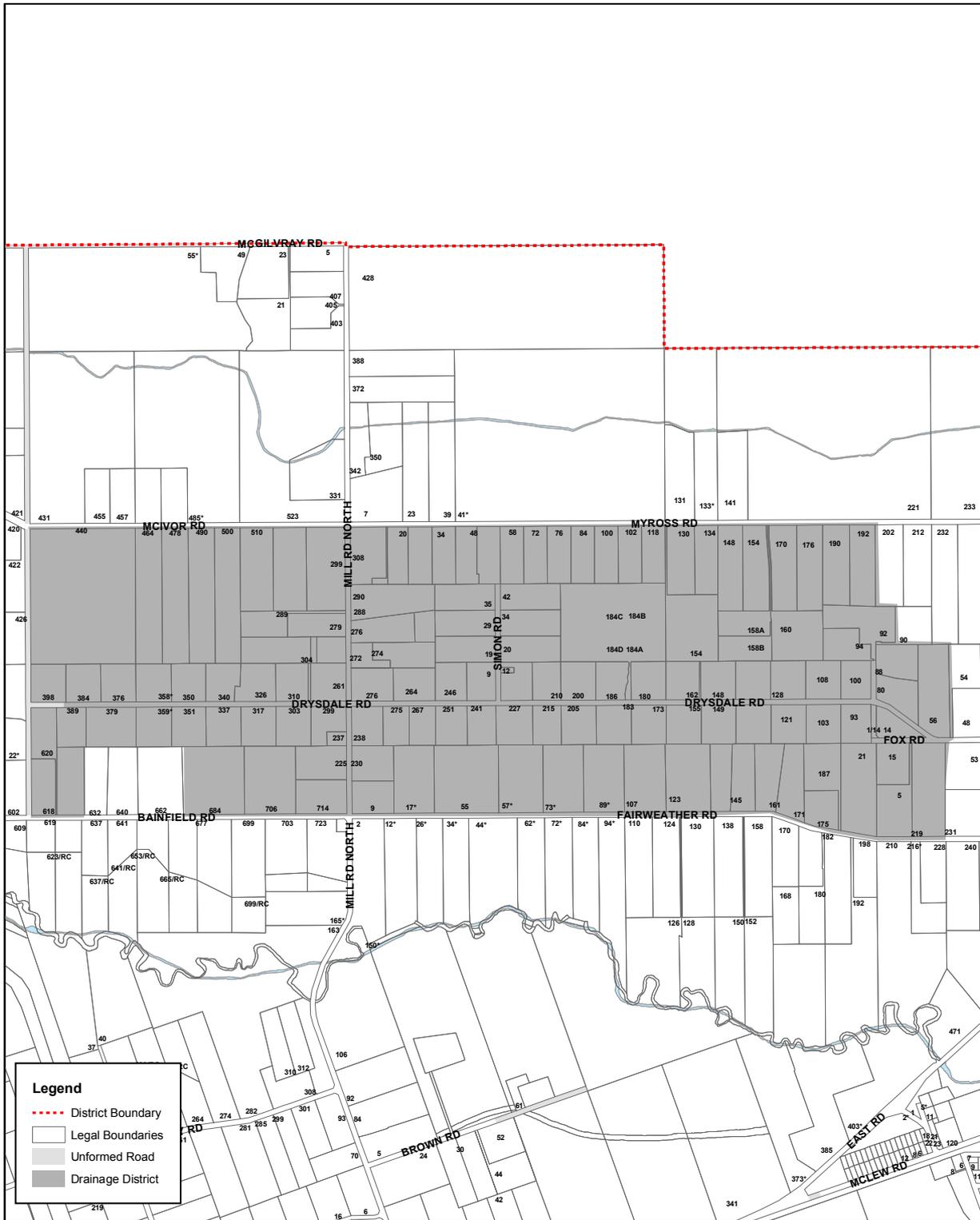
- Legend**
- Transport Rateable Land
  - District Boundary
  - Road
  - State Highway
  - Railway



**Map B**  
**Transport Rateable Land**  
Current as at : 1/3/2009

N  
Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner. E & O E





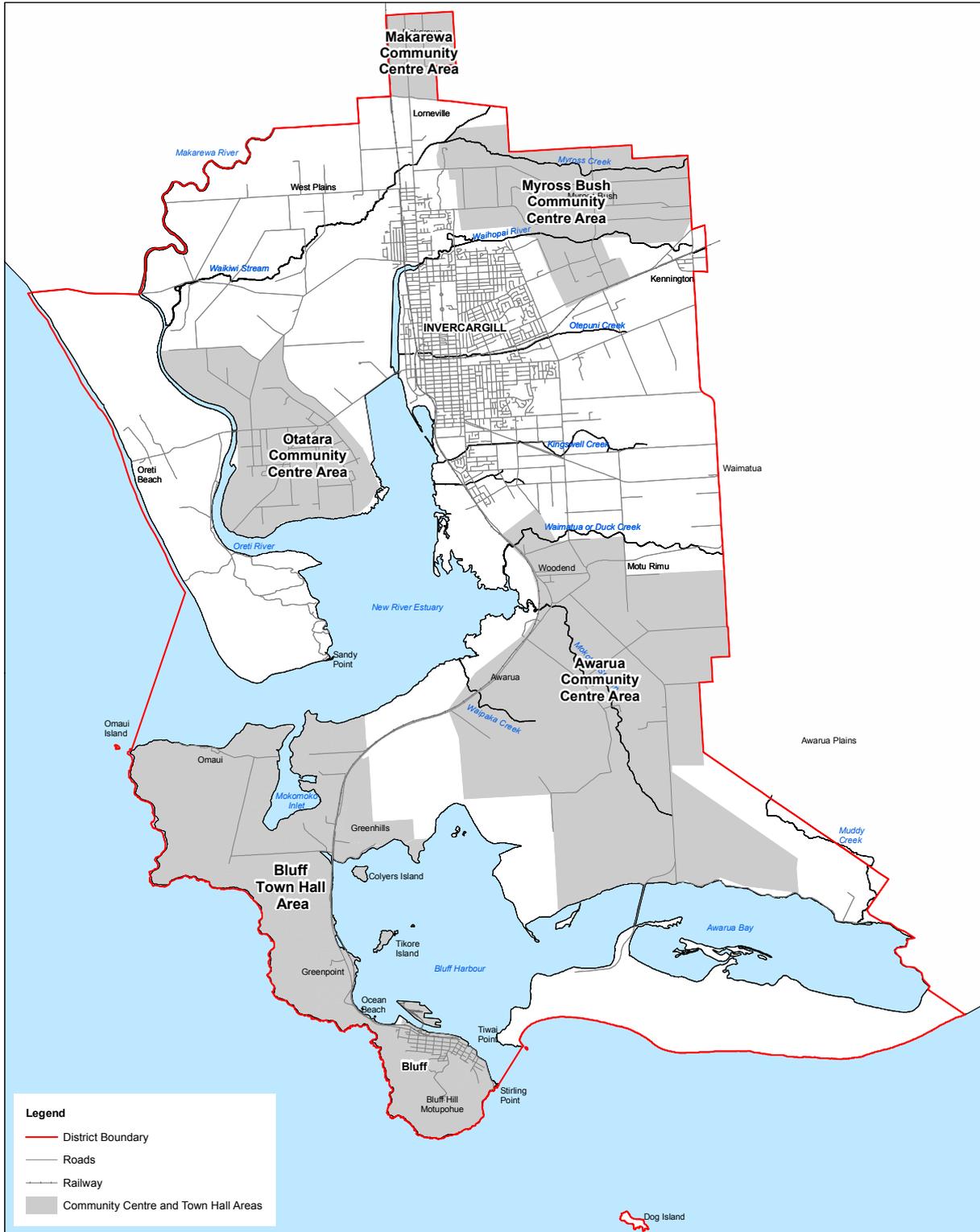
**Legend**

- District Boundary
- Legal Boundaries
- Unformed Road
- Drainage District



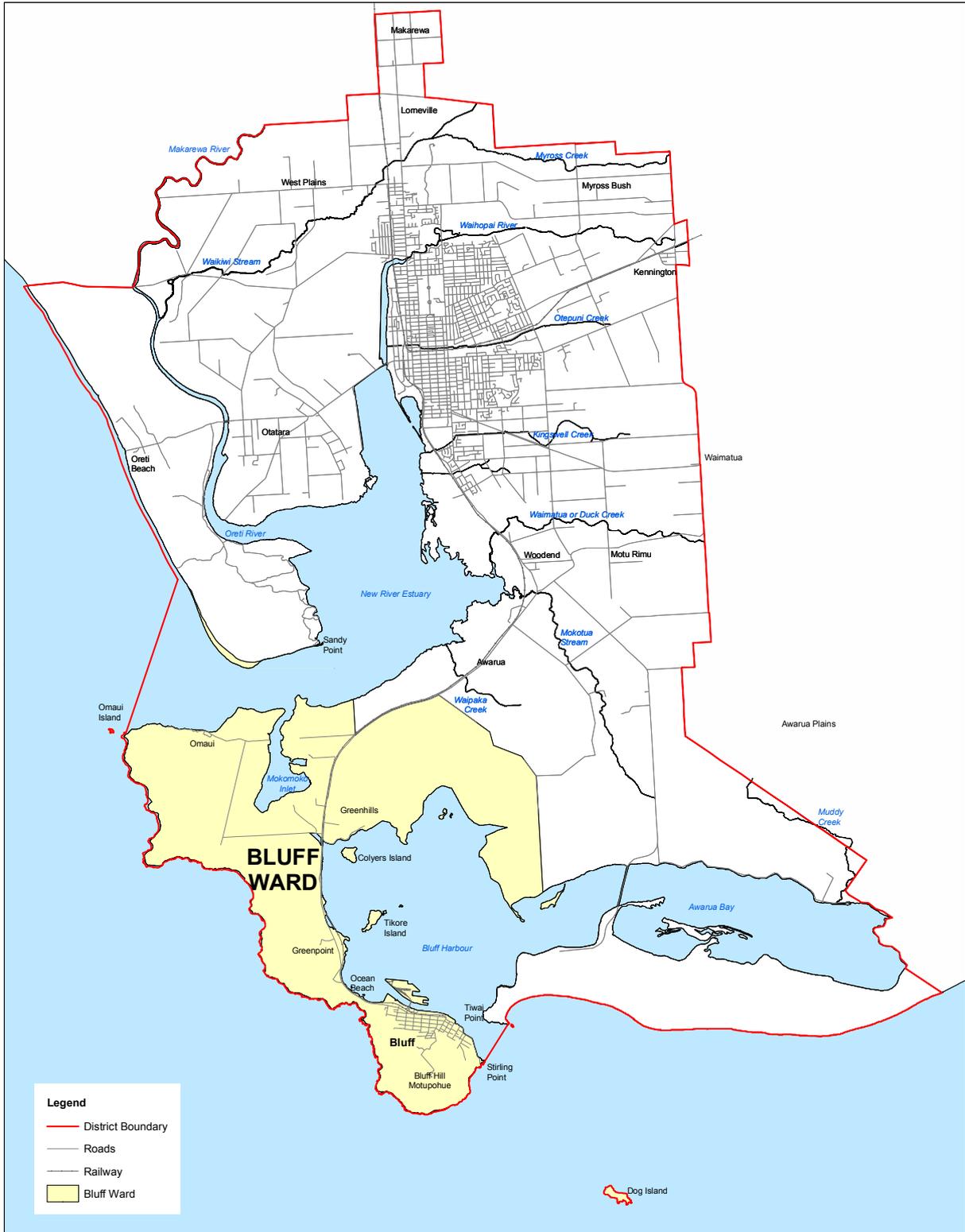
**Map D**  
**Rateable Land Within the Myross Bush Drainage Area**  
 Current as at : 1/3/2009

N  
 Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner, E & O.E.



**Map E**  
**Rateable Land Within the Specified Locations For Community Centres and Bluff Town Hall**  
 Current as at: 1/3/2011

N  
 Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner. E & O.E.



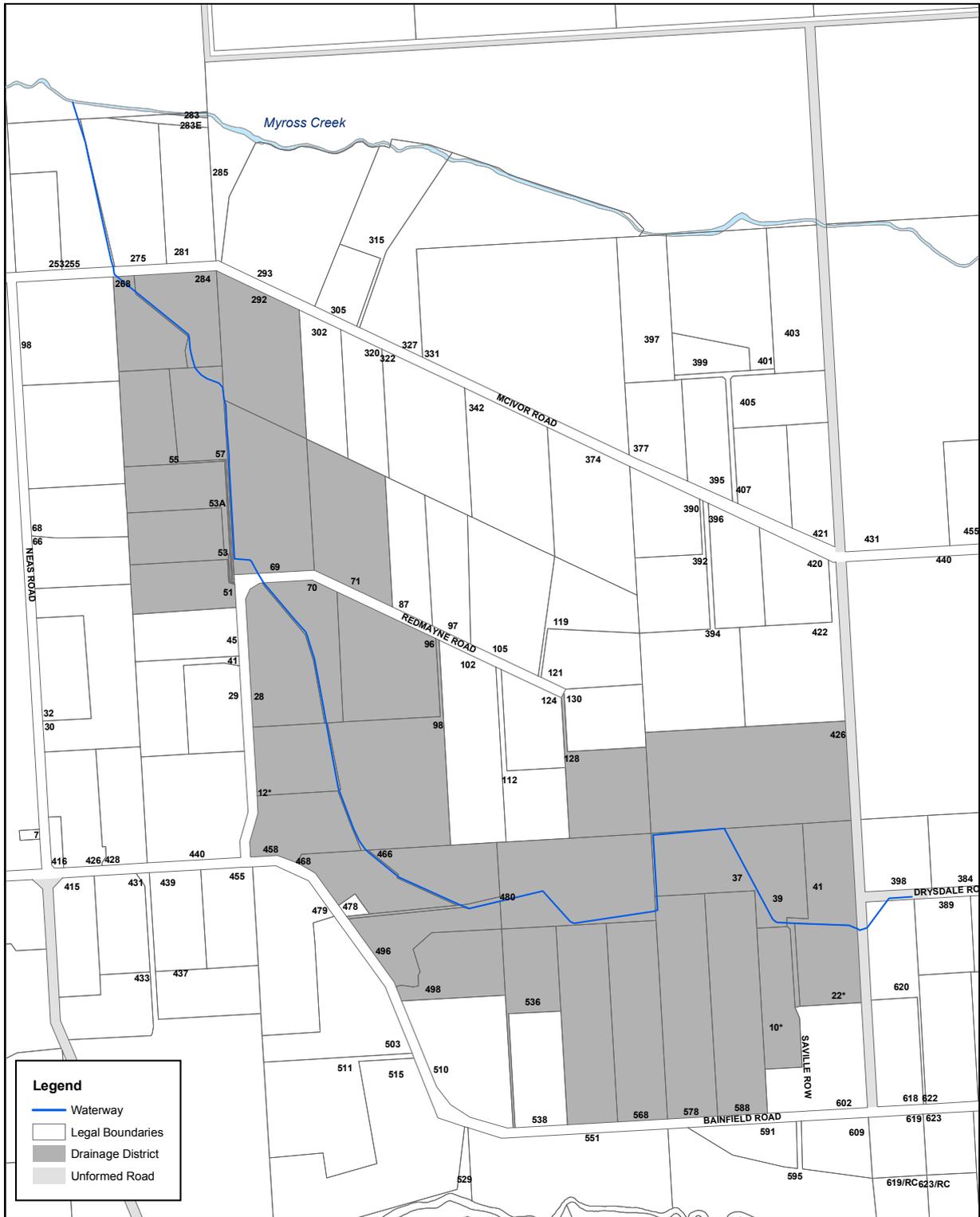
**Legend**

- District Boundary
- Roads
- Railway
- Bluff Ward



**Map F**  
**INVERCARGILL CITY DISTRICT**  
Date Printed : 24/2/2009

**N**  
Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner. E & O.E



**Legend**

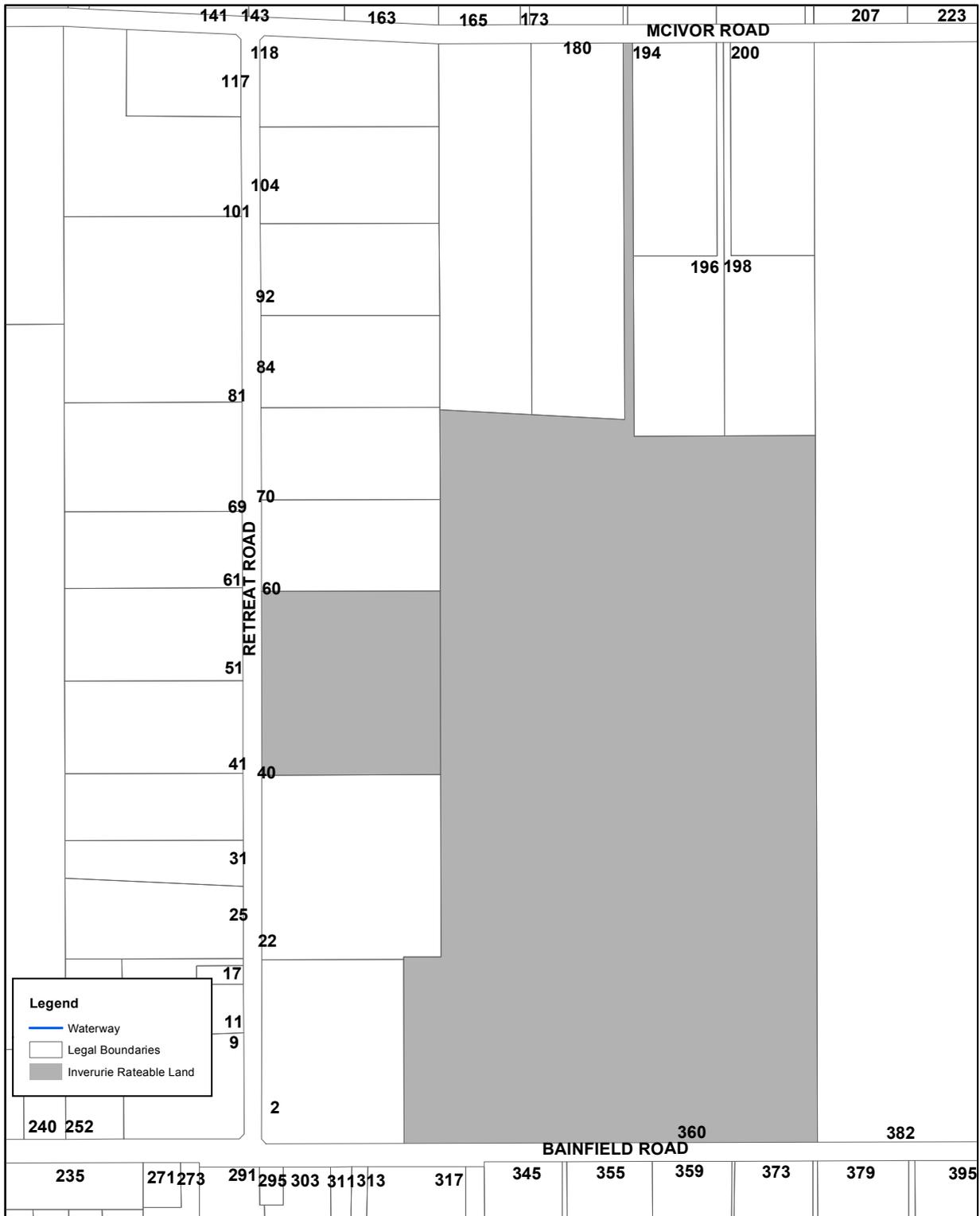
- Waterway
- Legal Boundaries
- Drainage District
- Unformed Road



**Map G**  
**Rateable Land Within the Redmayne Road Drainage Area**  
 Current as at : 1/3/2009

N  
  
 Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner. E & O.E





	<b>Map I</b> Inverurie Rateable Land	<p>Information shown is the currently assumed knowledge as at Date Printed. If information is vital, confirm with the Authoritative Owner, E &amp; O.E.</p>
	Current as at : 24/2/2012	

