

# Funding Policy

# Funding Policy

## Purpose

The purpose of this document is to clearly set out a rationale for the way that the Council funds its wide range of functions now and in the future.

**This Policy is being published following consultation with the people of Christchurch.**

The Council consulted the public in late 1997 on the initial findings of its work on this policy, and took account of that consultation in promulgating a draft for public consultation as part of the 1998 Annual Plan. The public have thus been allowed two opportunities for public input. Various amendments have been made to the policy arising from the consultation prior to final adoption by the Council on 29 June 1998.

## Background

Many of the Council's existing funding methods have developed progressively due to a variety of different issues which have influenced the charging mechanisms over time. The work done in the process of establishing this funding policy is to ensure that there is a consistent, rational and fair basis for funding the Council activities in the future.

The Council recognised the need for a major review of its funding policy in about 1994 and in 1995 commenced a review of every output of the Council to determine who benefits from those outputs and what the appropriate funding mechanisms should be in comparison to how they are funded at the present time. There are approximately 260 outputs. While this review was based on the 260 outputs of Council the results have been summarised into 34 functions for the purpose of publication.

## Legislative Requirements

In August 1996 the Local Government Amendment (No.3) Act was passed by parliament formally requiring every local authority to develop and adopt such a policy to take effect no later than 1 July 1998.

The Act describes in detail a process which is required to be followed which in effect requires a systematic review of the funding mechanisms for all activities or functions of the Council so that the funding is derived as closely as possible from the beneficiaries of those activities or functions.

The Act identifies three types of expenditure:

- That which is independent of the number of persons who benefit from the expenditure, or generates benefits which do not accrue to identifiable



persons or groups of persons, or which generates benefits to the community generally (general benefits); and

- That which provides direct benefits to persons or categories of persons (direct benefits); and
- That which is needed to control negative effects caused by the action or inaction of persons or categories of persons (negative effects).

The Act then requires local authorities to identify how the costs of the above expenditure should be allocated to the persons or categories of persons to which it delivers services.

The Act then goes on to prescribe how each type of expenditure should be funded:

- Expenditure which gives rise to general benefits may be funded from rates
- Expenditure which gives rise to direct benefits should be funded by contributions from the persons or categories of persons who benefit from that expenditure
- Expenditure necessary to control negative effects should be funded by those whose action or inaction caused the negative effects to occur.

The Act also identifies considerations which may, if the local authority so chooses, allow the local authority to modify the allocation of costs arrived at above:

- The obligation of the local authority to act in the interests of its residents and ratepayers.
- The fairness and equity arising from any allocation of costs
- Any lawful policy of the local authority, to the extent that allocating costs may effectively promote that policy.
- Provide for transition from an existing funding regime to a new funding regime.

Finally, the Act allows local authority to consider issues of practicability and efficiency when choosing funding mechanisms.

The Act also requires that in establishing the Funding Policy it must consult the public before the Policy is finally adopted.

## FUNDING POLICY - GENERAL PRINCIPLES

The Act sets out a range of broad principles which must be considered in establishing a funding policy. The Council in establishing its own specific policy has adopted the following definitions, principles and procedures.

### General Benefits

Defined as expenditure which:

- provides benefits which are independent of the number of persons who benefit from the expenditure; or
- generates benefits which do not accrue to identifiable persons or groups of persons; or
- which generates benefits to the community generally
- These benefits will generally be funded by the Community as whole using a capital value rate because:
  - The general benefits relate to the community as a whole
  - Capital value represents the stakeholders (general community) interest
  - Capital value has a broad correlation with the ability to pay
  - Capital value is independently assessed
  - It is considered by Council to be the most suitable rating mechanism available to Council through the Rating Powers Act.

### Direct benefits

- Direct benefits are defined as expenditure which provides direct benefits to persons or categories of persons in a manner which matches the extent to which the direct benefits accrue to persons or categories of persons.
- These benefits will be charged to the direct beneficiary through the making of a user charge where this is practicable, and where direct charging is consistent with Council policy, and with fairness and equity for that particular service. In other circumstances, direct benefits will be funded from rates.
- Direct benefits will be largely, if not wholly, funded by user charges for consents processes (to the extent permitted by law), Council housing, refuse disposal (ie the cost of operating transfer stations and the land fill), and certain services delivered directly to individuals or groups.
- Direct benefits will be partially funded from rates for those services the Council wishes to make available to the whole community regardless of ability to pay, where the Council seeks to assist or encourage organisations or individuals, or where the Council is seeking to influence developments and trends in the City.
- User Charges for all of the Council's services are reviewed every year as part of the budget process on the basis of:
  - the cost of the service
  - the market acceptability of the current charge
  - fairness and equity of charges
  - Council Policy regarding the impact of user charges on the community and the Council's purpose in providing the service.
- Where direct benefits will not be fully funded by user charges, then the following mechanisms may be used:
  - Separate rates
  - Uniform charges
  - Capital Value rating to defined user groups
- Separate rates will generally be used as a mechanism for allocation of the cost of direct benefits when:
  - a user group can be defined or benefits are available to a defined area
  - a standard service is available
  - there is generally no alternative supplier
- Uniform Annual Charges (UAGC) will generally be used as a mechanism for allocation of the cost of direct benefits when:
  - The benefit is people related
  - There is a reasonable correlation between the number of properties and the spread of benefits in the community
  - Consumption of Benefits is relatively uniform by the inhabitants of the community.
- Capital value rating to defined user groups will generally be used as a mechanism for allocation of the cost of direct benefits when:
  - Individual beneficiaries are difficult to identify, but are part of one of the ratepaying sectors recognised by the Council
  - services are property related
  - availability of services lead to the enhancement of properties or the amenity of the City as a whole
  - The Council seeks to assist individuals or organisations, or seeks to influence trends and developments in the City.
  - The Council wishes services to be widely available regardless of ability to pay.

### Control of Negative Effects

- Where costs are needed to control negative effects caused by the action or inaction of persons or categories of persons then those costs will be allocated to those persons by:
  - firstly a direct charge to the exacerbator; or
  - where a direct charge is not possible by the use of one of the following rating mechanisms according to similar principle outlined for direct benefits in the preceding section:
    - Separate rates
    - Uniform charges
    - Capital Value rating to defined user groups

### Modifications

- In accordance with the provisions of the Local Government Act, where appropriate, the Council has given consideration to modifying the allocation of costs to take account of:
  - The obligation of the Council to act in the interests of its residents and ratepayers.
  - The fairness and equity arising from any allocation of costs
  - Policies of the local authority which can be effectively promoted through the utilisation of particular charging mechanisms
  - Transition from an existing funding regime to a new funding regime.
  - The suitability of a mechanism to:
    - achieve an appropriate allocation of costs
    - be an efficient mechanism
    - be effective and efficient as a separate funding mechanism
    - help identify the expenditure needs to which costs relate.
- Modifications may be made in respect of particular functions and these are described on the function pages

### Capital Funding

- Capital Expenditure will be funded from the following sources:
  - Surplus Cash Flow principally generated from depreciation plus or minus any operating surplus or deficit
  - Reserve Funds and bequests
  - Capital Grants received from external parties
  - Loans raised as per the Council's borrowing policy.

### Intergenerational Equity

In order to ensure that today's users pay today's costs of utilising the Council's assets and to prevent costs being incurred by the current generation which are for the benefit of future generations the following mechanisms are employed by the Council:

- All assets are depreciated at a rate assessed to reflect the life of particular assets. This depreciation is included in the operating costs of the functions using the assets, along with the annual interest costs. In this way, the capital costs of the assets are annualised to the functions using them.
- The majority of new capital works are funded by reserves or loans which are repaid on a rolling basis over a twenty year period from surpluses generated in the operating account
- Revenue of the Council is required to be sufficient to meet:
  - depreciation on capital assets employed
  - interest on outstanding debt
  - the proportion of outstanding debt due to be repaid each year.
- Asset Management Plans are in the process of being developed for all major assets owned by the Council to ensure that an appropriate rate of renewal of existing assets is planned for and carried out. This renewal work is generally funded by a first call on depreciation funds generated by revenue.
- For more detail reference should be made to the Long Term Financial Strategy of Council.

### Corporate Revenues

- The Council receives a significant amount of corporate revenue, the principal revenue types being dividends, interest and petrol tax.
- These revenues are independent of any specific function of the Council but generally relate to returns on investments which the Council holds on behalf of the community such as its major trading enterprises - Southpower, Christchurch International Airport, Lyttelton Port Company and Christchurch Transport.
- These Revenues are allocated as a credit against general rates in proportion to capital value because capital value reflects the ratepayers stake (share) in the city.

## Details of the Funding Policy

The Council plans to fund its services for the 1998/99 financial year as follows:

User Charges	37.5%
Grants and Subsidies	3.8%
Net Corporate Revenues	15.3%
Capital Value Rating	39.2%
Uniform Annual Charge	4.2%

The Council has applied the analyses described above to each of the outputs recognised by its accounting system, and aggregated these into 34 functions and sub-functions. If costs were to be allocated in the way suggested by the sum of the individual analyses, rates to the residential sector would have increased by 3.54%, and the commercial, rural and institutional sectors would have decreased by 0.81%, 0.33% and 32.18% respectively. The Council was concerned that only one sector would experience a rate rise, and resolved as follows:

- To achieve a greater degree of fairness and equity (s122G(b) Local Government Act 1974)
- To respect the obligations to act in the interest of all residents (s122G(a) Local Government Act 1974)
- To avoid the significant adjustment difficulties for the residential sector which would come from a sudden and significant change from the advertised 1.88% to a suggested 3.64% (s122G(d) Local Government Act 1974).

As a result of the Council's resolution:

Rates for 1998/99 will be shared among the ratepaying sectors as follows:

Residential	70%
Commercial/Industrial	27.7%
Rural	1.5%
Institutions	0.8%

The different sectors will experience changes to their rates from 1997/98 as follows:

Residential	+2.45%
Commercial / Industrial	+2.18%
Rural	-0.54%
Institutions	-32.98%

The following summary table shows how the costs of benefits and modifications to the cost of benefits have been calculated for the Council's operations as a whole, together with the funding to be received from user charges, grants and subsidies, net corporate revenues, capital value rating, and the uniform annual charge.

Details of the funding policy are disclosed in the function tables following the summary table. Details of how the funding policy affects individual properties may be found in Appendices 1, 2 and 3 (see pages 90, 91 and 92). Details of how the figures in the funding policy have been built up from the individual outputs recognised by the Council's accounting system are published in a separate volume, which is available from the Council on request.

## Summary of the Funding Policy

The budgeted costs of the benefits the Council proposes to provide in 1998/99, and their proposed funding, are shown in the following table:

		Users	Residential	Commercial	RuralInstitutions		Totals
<b>Cost and Modifications</b>							
<b>Costs</b>							
30.7%	General Benefits	0	61,787,774	15,425,859	1,839,347	3,384,081	82,437,061
61.9%	Direct Benefits	137,449,938	20,482,643	6,944,812	582,476	1,048,582	166,508,451
7.4%	Negative Effects	19,937,806	0	0	0	0	19,937,806
Total Costs		157,387,744	82,270,417	22,370,671	2,421,823	4,432,663	268,883,318
<b>Modifications</b>							
	Transfer User Costs to Rating [1]	-66,100,514	40,816,961	24,111,864	627,784	543,905	0
	Non-Rateable [2]	0	2,913,166	744,468	107,385	-3,765,019	0
	Avoiding Sudden Changes [3]	0	-933,333	933,333	0	0	0
Total Modifications		-66,100,514	42,796,794	25,789,665	735,169	-3,221,114	0
<b>Total Costs and Modifications</b>		91,287,230	125,067,211	48,160,336	3,156,992	1,211,549	268,883,318
<b>Funded By</b>							
<b>External Funding</b>							
37.5%	User Charges	104,031,850	0	0	0	0	104,031,850
3.8%	Grants and Subsidies	0	4,883,288	5,631,040	73,775	37,128	10,625,231
15.3%	Net Corporate Revenues	0	32,892,087	8,405,661	1,212,469	0	42,510,217
39.2%	Capital Value Rating	0	73,326,536	32,562,972	1,597,732	969,224	108,456,464
4.2%	Uniform Annual Charge [4]	0	10,736,600	735,560	154,000	0	11,626,160
Total External Funding		104,031,850	121,838,511	47,335,233	3,037,976	1,006,352	277,249,922
<b>Internal Transfers</b>							
	Surplus from Refuse Disposal	-1,156,591	852,963	217,977	31,442	54,209	0
	User Charges to Offset Rates	-3,221,425	2,375,737	607,126	87,574	150,988	0
	Surplus to Corp Charge	-8,366,604	0	0	0	0	-8,366,604
Total Internal Transfers		-12,744,620	3,228,700	825,103	119,016	205,197	-8,366,604
<b>Total Funding</b>		91,287,230	125,067,211	48,160,336	3,156,992	1,211,549	268,883,318

### Notes

[1] There are circumstances when it is in the community interest, or where Council policy requires it, for the costs of direct benefits received by users to be met from rates. These circumstances, and the rationale for them, are detailed in the following analysis pages.

[2] Benefits are often identified as accruing to the institutional or non-rateable sector. As this sector is exempt paying general rates, the cost of providing benefits to this sector must be met by the residential, commercial and rural sectors. Costs have been allocated to these three sectors in proportion to their capital value.

[3] If costs were allocated strictly according to the analyses of the individual functions, the residential sector would receive a rate rise of 3.64%, while all other sections would receive a rates decrease. In order to avoid significant adjustment difficulties pursuant to section 122G(d) of the Local Government Act, \$933,333 has been transferred from the residential sector to the commercial sector. It is intended that such inter-sector adjustment be phased out over four years.

[4] If the uniform annual charge was applied strictly according to the analyses of the individual functions, the uniform annual charge levied would be \$133 inclusive of GST. In order to avoid significant adjustment difficulties pursuant to section 122G(d) of the Local Government Act, the full impact of the uniform annual charge will be phased in gradually. The uniform annual charge for the 1998/99 financial year will be \$105. This will have the effect of increasing the revenue collected through capital value rating, and decreasing the revenue collected through the uniform annual charge. It does not further affect the allocations of costs among sectors.

The impact of this decision on the ratepaying sectors is as follows:

	Residential	Commercial	Rural	Institutions	Totals
<b>Capital Value Rating</b>					
With UAC of \$133	70,506,408	32,370,240	1,556,039	967,332	105,400,019
With UAC of \$105 (as approved)	73,326,536	32,562,972	1,597,732	969,224	108,456,464
<b>Uniform Annual Charge</b>					
With UAC of \$133	13,556,728	928,292	195,693	1,892	14,682,605
With UAC of \$105 (as approved)	10,736,600	735,560	154,000	0	11,626,160
<b>Total Rating</b>					
With UAC of \$133	84,063,136	33,298,532	1,751,732	969,224	120,082,624
With UAC of \$105 (as approved)	84,063,136	33,298,532	1,751,732	969,224	120,082,624



# Function Tables

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*Costs and benefits associated with  
each Council service function*

# Function

## Art Gallery

### Sub-Function Canterbury Collection

#### Description of Service

Preserving Canterbury's art heritage. The work includes maintenance and storage of the collection, and research into Canterbury's art history. It also includes art conservation work done for private clients.

#### Allocation of Costs Pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

Conserving Canterbury's art heritage is considered to benefit the entire community generally. The work done is independent of the number of persons who benefit; likewise there are no individuals who specifically benefit, apart clients who have work done on their private art.

##### Nature and Distribution of General Benefits

Conserving Canterbury's art heritage increases the overall amenity of the city - it part of what makes a city "civilised". It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Providing advice and conservation services to private owners of artworks. This service is provided on a cost recovery basis. It is estimated that 9.6% of the service will be to such owners.

Share

Control Negative Effects (Section 122F(d))  
Not Applicable

Share

#### Modifications of Allocations of Costs Pursuant to Section 122E(1)(b)

None necessary

0%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Services provided to clients shall be funded by user charges on full cost recovery basis.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

90.4%

9.6%

## Canterbury Collection

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
90.4% General Benefits		492,086	125,754	18,139	31,274	667,254
9.6% Direct Benefits	70,600					70,600
<b>Total Costs</b>	70,600	492,086	125,754	18,139	31,274	737,854
<b>Modifications</b>						
Non-Rateable		24,198	6,184	892	-31,274	0
<b>Total Modifications</b>		24,198	6,184	892	-31,274	0
<b>Total Costs and Modifications</b>	70,600	516,285	131,938	19,031	0	737,854
<b>Funded By</b>						
9.6% User Charges	70,600					70,600
90.4% Capital Value Rating	0	516,285	131,938	19,031	0	667,254
<b>Total Funding</b>	70,600	516,285	131,938	19,031	0	737,854
<b>Share of Rates</b>		77.4%	19.8%	2.9%	0.0%	

# Function

## Art Gallery

### Sub-Function Exhibitions and Programmes

Share

Control Negative Effects (Section 122F(d)  
Not Applicable

Share  
0%

#### Description of Service

Mounting local, national and international exhibits in the McDougall Gallery; providing educational programmes on the fine arts; operating the Gallery's shop and providing special exhibitions for private functions on request.

#### Allocation of Costs Pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The availability of art for viewing increases the amenity of the City as a whole, and contributes to the unique identity of Christchurch. Local and national exhibitions have therefore been assessed as 50% general benefit. International exhibitions, because they do not contribute to Christchurch's Unique Identity to the same extent have only been assessed as 30% general benefit. Education programmes have been assessed at 10% general benefit. The net general benefit is therefore 44.5%.

44.5%

##### Nature and Distribution of General Benefits

Making art available increases the overall amenity of the city - it is part of what makes a city "civilised". It is considered that such general benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Visitors to the gallery receive a direct benefit from their experience. This has been assessed as 50% of the cost of providing local and national exhibitions, 70% of the cost of providing international exhibitions, 90% of the cost of education providing programmes, and 100% of the cost of special exhibitions and operating the shop. The net direct benefit is assessed as 55.5%.

55.5%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is Council policy to make art readily available to all, including encouraging appreciation of the arts by school children - doing so is included in the Council's Strategic Objectives. User costs shall be allocated to ratepayers using a mix of capital value and the number of properties, the latter being a surrogate for the likely number of users from each sector; the costs of special programmes for schools shall be allocated to the residential sector

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The Gallery Shop and private functions shall be funded by user charges. Admission to local exhibitions shall be at no cost at the present time, although consideration will be given to charging visitors to Christchurch when the new gallery is built. Admission to national and international exhibitions shall be charged for as appropriate to the exhibition. The physical layout of the present Gallery makes it extremely difficult to close of sections to permit charging to specific exhibits. This limits the opportunities for charging for smaller travelling exhibits. The principal beneficiaries of the education programmes are schools. If these were charged, they could simply cease using the service. The cost of direct benefits not recovered from users shall be funded by uniform annual charge as an approximation of the likely number of users from each sector; the cost of direct benefits not recovered from schools shall be funded by capital value rating.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Exhibitions and Programmes

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
44.5% General Benefits		578,225	147,767	21,315	36,749	784,055
55.5% Direct Benefits	978,086					978,086
<b>Total Costs</b>	978,086	578,225	147,767	21,315	36,749	1,762,142
<b>Modifications</b>						
Transfer User Costs to Rating	-546,436	501,726	34,356	7,242	3,112	0
Non-Rateable		30,842	7,882	1,137	-39,861	0
<b>Total Modifications</b>	-546,436	532,568	42,237	8,379	-36,749	0
<b>Total Costs and Modifications</b>	431,650	1,110,793	190,004	29,694	0	1,762,142
<b>Funded By</b>						
24.5% User Charges	431,650					431,650
44.7% Capital Value Rating	0	609,067	155,649	22,451	0	787,167
30.8% Uniform Annual Charge		501,726	34,356	7,242		543,324
<b>Total Funding</b>	431,650	1,110,793	190,004	29,694	0	1,762,142
<b>Share of Rates</b>		83.5%	14.3%	2.2%	0.0%	



# Function

## Canterbury Museum

### Description of Service

Statutory levy imposed upon the Council by the Canterbury Museum Trust Board, and used by that Board for the operation of the Canterbury Museum

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

This is a levy imposed upon stakeholders by statute; it is therefore taken to benefit the community generally.

### Share

Control Negative Effects (Section 122F(d))  
Not Applicable

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Not Applicable

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

#### General Benefits

General benefits shall be funded by capital value rating.

### Nature and Distribution of General Benefits

The liability of stakeholders to provide revenue is best reflected by their interest in the City, ie capital value.

### Direct Benefits (Section 122F(c))

Not Applicable

## Canterbury Museum

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
100.0% General Benefits		1,739,517	444,538	64,122	110,554	2,358,731
<b>Total Costs</b>		1,739,517	444,538	64,122	110,554	2,358,731
<b>Modifications</b>						
Non-Rateable		85,540	21,860	3,153	-110,554	0
<b>Total Modifications</b>		85,540	21,860	3,153	-110,554	0
<b>Total Costs and Modifications</b>		1,825,057	466,398	67,275	0	2,358,731
<b>Funded By</b>						
100.0% Capital Value Rating		1,825,057	466,398	67,275	0	2,358,731
<b>Total Funding</b>		1,825,057	466,398	67,275	0	2,358,731
<b>Share of Rates</b>		77.4%	19.8%	2.8%	0.0%	

# Function

## Car Parking

### Sub-Function Enforcement and Abandoned Vehicles Share

Control Negative Effects (Section 122F(d))  
None Applicable

#### Description of Service

Ensure equitable use of the on-street parking resource through the enforcement of parking regulations; police vehicle standards such as tyres and warrants of fitness, remove abandoned vehicles from city streets.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

None necessary.

#### Allocation of Costs of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The removal of abandoned vehicles from the streets contributes to the overall amenity of the City; the cost of providing the benefit is independent of the number of residents who benefit. Enforcement of vehicle standards contributes overall motoring safety, which benefits the community generally, and the cost of which is independent of the number of people who benefit. Such enforcement accounts for approximately 30% of the enforcement effort.

31.1%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Enforcement shall be funded by such fees and fines as may be set from time to time by the Council. General benefits shall be funded from such surpluses as may arise. Residual surpluses after all cost have been met shall be included in corporate revenues for allocation to ratepayers in proportion to their stake in the City.

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### Direct Benefits (Section 122F(c))

Direct benefits arise from enforcing parking regulations so that people who travel by vehicle in the City will have places to park at their destination.

68.9%

## Enforcement and Abandoned Vehicles

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
31.1% General Benefits		586,678	149,927	21,626	37,286	795,518
68.9% Direct Benefits	1,761,124					1,761,124
<b>Total Costs</b>	1,761,124	586,678	149,927	21,626	37,286	2,556,642
<b>Total Costs and Modifications</b>	1,761,124	586,678	149,927	21,626	37,286	2,556,642

### Funded By

100.0% User Charges	2,655,000					2,655,000
User Charges to Offset Rates	-795,518	586,678	149,927	21,626	37,286	0
Surplus to Corp Revenue	-98,358					-98,358
<b>Total Funding</b>	1,761,124	586,678	149,927	21,626	37,286	2,556,642

# Function

## Car Parking

### Sub-Function Parking Services

Share

Control Negative Effects (Section 122F(d))  
Not applicable

#### Description of Service

Operation of parking buildings and parking lots, administering the on-street parking spaces.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

No modification is necessary

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

None applicable. All benefits accrue to identifiable persons or categories of persons. 0%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Direct benefits shall be funded by such fees and charges as the Council may set from time to time. Surpluses shall be included in corporate revenues for allocation to ratepayers in proportion to their stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to users of the parking space, and to businesses through easier access by patrons. 100%

##### General Benefits

It is not necessary to fund general benefits, as the service is entirely self-funding.

## Parking Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
100.0% Direct Benefits	5,557,078				0	5,557,078
<b>Total Costs</b>	5,557,078				0	5,557,078
<b>Total Costs and Modifications</b>	5,557,078				0	5,557,078
<b>Funded By</b>						
100.0% User Charges	7,029,925					7,029,925
Surplus to Corp Revenue	-1,472,847					-1,472,847
<b>Total Funding</b>	5,557,078					5,557,078

# Function

## City Streets

### Sub-Function Kerbing, Footpaths and Streetscape

Share

Control Negative Effects (Section 122F(d)  
Not Applicable

Share

#### Description of Service

Maintenance costs for kerbs and channels, footpaths and berms, including depreciation; cleaning and maintaining the pedestrian areas in the central City; and maintaining the city's streetscape, including plantings and other amenity features.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

None Applicable. Such modifications as are necessary arise from the impracticability of recovering costs from users as discussed below.

0%

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

A portion of cost of providing the above services is independent of the number of users on a daily basis, but the cost will increase as more facilities are required to cope with growth in the City and the enhance the "garden city" image. Transfund New Zealand makes a contribution to the cost of these services on behalf of the user - the balance is therefore considered general benefit.

15.8%

##### Nature and Distribution of General Benefits

These services increase the convenience and amenity of the City, and contribute significantly to its Unique Identity. It is considered that such general benefits are distributed in the same way as residents' interests or stake in the City.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Grant money shall be applied in the same proportion as costs of direct benefits. As there is no mechanism currently available to local government to recover costs directly from users of these parts of the roading system, these costs shall be recovered from capital value rating. Costs related to footpaths, berms and streetscapes shall be allocated to residential and commercial ratepayers on the basis of the relative number of properties; of kerbs and channels to sectors on the basis of vehicle kilometres travelled; and Central City pedestrian areas to the commercial sector.

##### General Benefits

These shall be funded by capital value rating as capital value best represents stakeholders' interests.

##### Direct Benefits (Section 122F(c))

Where Transfund New Zealand provides funding, their contribution is taken as payment on behalf of users. The proportion of the service so funded is therefore regarded as direct benefit. Direct benefits for footpaths berms and streetscapes accrue to property owners and residents; for kerbs and channels to motorists and residents; for cleaning and maintaining Central City pedestrian areas to Central City businesses.

84.2%

## Footpaths, Kerbing and Streetscapes

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
15.8% General Benefits		1,641,977	419,612	60,527	104,355	2,226,470
84.2% Direct Benefits	7,196,306	2,626,422	1,819,921	86,112	172,224	11,900,986
<b>Total Costs</b>	7,196,306	4,268,399	2,239,533	146,639	276,579	14,127,456
<b>Modifications</b>						
Transfer User Costs to Rating	-7,156,306	6,486,676	669,630			0
Non-Rateable		202,200	51,673	7,453	-261,326	0
<b>Total Modifications</b>	-7,156,306	6,688,875	721,303	7,453	-261,326	0
<b>Total Costs and Modifications</b>	40,000	10,957,275	2,960,836	154,092	15,253	14,127,456
<b>Funded By</b>						
0.3% User Charges	40,000					40,000
12.1% Grants and Subsidies		1,396,317	293,023	7,627	15,253	1,712,220
87.6% Capital Value Rating	0	9,560,958	2,667,813	146,466	0	12,375,236
<b>Total Funding</b>	40,000	10,957,275	2,960,836	154,092	15,253	14,127,456
<b>Share of Rates</b>		77.2%	21.6%	1.2%	0.0%	

# Function

## City Streets

### Sub-Function Lighting, Signs and Signals

#### Description of Service

Operating and maintaining street lighting, traffic signals and street markings and signs.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

A portion of the cost of providing these services is independent of the number of users, apart from the increase in demand as the City grows. Streetlighting, signage and markings benefit the community generally through its contribution to the safety of pedestrians and motorists.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to users of the system. The payment by Transit New Zealand is taken to be a payment on behalf of users. Direct benefits are allocated on the basis of vehicle kilometres travelled by the user, excluding rural users for streetlighting purposes.

Share

Control Negative Effects (Section 122F(d))  
Not Applicable.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Not applicable. Such modifications as are necessary arise from the impracticability of recovering costs from users as discussed below.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

There is no practical method for collecting charges from users. The costs of providing direct benefits shall be allocated to sectors on the basis of vehicle kilometres travelled, and be funded by rating on capital value. Grants and subsidies shall be allocated in the same proportion as costs.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

34.4%

65.6%

## Lighting, Signs and Signals

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
34.4% General Benefits		1,869,104	477,655	68,899	118,790	2,534,447
65.6% Direct Benefits	3,672,030	1,020,932	131,997	15,185	0	4,840,144
<b>Total Costs</b>	3,672,030	2,890,036	609,651	84,084	118,790	7,374,591
<b>Modifications</b>						
Transfer User Costs to Rating	-3,644,030	3,216,807	413,019	14,204	0	0
Non-Rateable		91,913	23,489	3,388	-118,790	0
<b>Total Modifications</b>	-3,644,030	3,308,720	436,508	17,592	-118,790	0
<b>Total Costs and Modifications</b>	28,000	6,198,756	1,046,159	101,676	0	7,374,591
<b>Funded By</b>						
0.4% User Charges	28,000					28,000
39.2% Grants and Subsidies		2,551,407	326,474	16,040	0	2,893,921
60.4% Capital Value Rating	0	3,647,349	719,685	85,636	0	4,452,671
<b>Total Funding</b>	28,000	6,198,756	1,046,159	101,676	0	7,374,591
<b>Share of Rates</b>		81.9%	16.2%	1.9%	0.0%	

# Function

## City Streets

### Sub-Function Planning and Customer Services

Share

Control Negative Effects (Section 122F(d))  
None Applicable

Share  
97.5%

#### Description of Service

Forward planning for the roading system, safety administration and planning, public inquiries on roading matters, roading issues as related to subdivisions and resource management planning.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits arise from participation in the consents processes associated with subdivisions etc. The existence of a consent process benefits the community generally.

2.5%

##### Nature and Distribution of General Benefits

It is considered that such general benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits arise from services provided to customers, inquirers and seekers of consents for subdivisions or resource management consents and users of the commercial services provided by the Council; the benefits of planning and safety administration accrue to the users of the system proportional to vehicle kilometres travelled, with an allowance for the extra planning effort required for managing heavy vehicles.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is considered in the community interest to make information freely available, and for residents to participate in planning processes.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

It is not practicable to recover costs from inquirers, as most inquiries are of short duration. Nor is it practicable to recover costs directly from the beneficiaries of planning and safety management process. These are therefore allocated to ratepayers proportional to the vehicle kilometres travelled by each sector, adjusted for the fact that extra planning effort is generated by the need to provide for heavy vehicles.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Planning and Customer Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
2.5% General Benefits		89,108	22,772	3,285	5,663	120,828
97.5% Direct Benefits	900,276	2,772,321	994,605	89,004	0	4,756,206
<b>Total Costs</b>	900,276	2,861,429	1,017,376	92,289	5,663	4,877,034
<b>Modifications</b>						
Transfer User Costs to Rating	-41,904	78,393	-20,060	-5,627	-10,802	0
Non-Rateable		-3,976	-1,016	-147	5,139	0
<b>Total Modifications</b>	-41,904	74,417	-21,076	-5,773	-5,663	0
<b>Total Costs and Modifications</b>	858,372	2,935,847	996,300	86,516	0	4,877,034
<b>Funded By</b>						
17.6% User Charges	858,372					858,372
6.3% Grants and Subsidies		224,010	77,373	7,026		308,410
76.1% Capital Value Rating	0	2,711,836	918,927	79,489	0	3,710,253
<b>Total Funding</b>	858,372	2,935,847	996,300	86,516	0	4,877,034
<b>Share of Rates</b>		73.1%	24.8%	2.1%	0.0%	

# Function

## City Streets

### Sub-Function Vehicle Ways

#### Description of Service

Services which are used by vehicles on the road - carriageways, bridges, culverts and storm damage repairs to the right-of-way.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The cost of maintaining carriageway services as a result of weathering is independent of the number of users; likewise for structures such as guard rails, culverts, responses to storm damage, etc. The balance of these services not funded by Transfund New Zealand is treated as general benefit.

##### Nature and Distribution of General Benefits

These services are available to all users of the roading system. It is considered that such general benefits are distributed in the same way as residents' interests or stake in the City - a stake best represented by capital value.

##### Direct Benefits (Section 122F(c))

Transfund New Zealand makes a contribution on behalf of users for storm damage repairs and gritting, etc - its contribution is considered to represent the proportion of direct benefits where applicable.

Share

#### Control Negative Effects (Section 122F(d))

Negative effects arise from wear and tear caused by vehicles using the system. Details of the calculations are appended. (Appendix 4)

Share

91.9%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

None necessary. Such modifications as are necessary arise from the impracticability of recovering costs from users as discussed below.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

There is no mechanism currently available to local government to recover costs directly from users of the roading system. Costs are therefore allocated to ratepayer sectors in proportion to the vehicle kilometres travelled by each sector as estimates from data provided by the Land Transport Safety Authority.

##### General Benefits

These shall be funded by capital value rating.

7.9%

0.2%

##### Negative Effects

Costs cannot be collected directly from users; nor is it feasible to identify heavy transport operators separately from the commercial sector for rating purposes. These costs are therefore allocated to the commercial sector as a whole and shall be recovered from capital value rating. Details are appended as Appendix 4.

## Vehicle Ways

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
7.9% General Benefits		1,140,204	291,382	42,030	72,465	1,546,081
0.2% Direct Benefits	45,390				0	45,390
91.9% Negative Effects	18,020,274					18,020,274
<b>Total Costs</b>	<b>18,065,664</b>	<b>1,140,204</b>	<b>291,382</b>	<b>42,030</b>	<b>72,465</b>	<b>19,611,745</b>
<b>Modifications</b>						
Transfer User Costs to Rating - 18,041,664		111,838	17,821,168	108,613	45	0
Non-Rateable		50,350	12,867	1,856	-65,073	0
<b>Total Modifications</b>	<b>-18,041,664</b>	<b>162,187</b>	<b>17,834,035</b>	<b>110,469</b>	<b>-65,027</b>	<b>0</b>
<b>Total Costs and Modifications</b>	<b>24,000</b>	<b>1,302,391</b>	<b>18,125,417</b>	<b>152,499</b>	<b>7,437</b>	<b>19,611,745</b>
<b>Funded By</b>						
0.1% User Charges	24,000					24,000
25.4% Grants and Subsidies		174,450	4,769,138	33,605	7,437	4,984,630
74.5% Capital Value Rating	0	1,127,941	13,356,279	118,895	0	14,603,115
<b>Total Funding</b>	<b>24,000</b>	<b>1,302,391</b>	<b>18,125,417</b>	<b>152,499</b>	<b>7,437</b>	<b>19,611,745</b>
<b>Share of Rates</b>		<b>7.7%</b>	<b>91.5%</b>	<b>0.8%</b>	<b>0.0%</b>	

# Function

## Community Services

### Sub-Function Community Services

**Share** Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Services to the community including community group assistance, advice on community issues, operation of community halls and centres, childcare services, and the Cathedral Square conveniences; administer the Community Grants scheme; customer and community services at Service Centres.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The community as a whole benefits from individuals being better able to met their own needs, from parents having the opportunity to have their children spend time at childcare centres, from the sense of community arising from the availability of community centres, and the contribution the conveniences make to the amenity of the City Centre.

62.9%

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to users of the services. Direct benefits are also considered to accrue to the residential sector as a whole because of the opportunities and amenity created by the services, and to the commercial sector as a whole because of the increased amenity of the Central City, and through the increased opportunities for parents to engage in commercial activities afforded by the creches.

37.1%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

The contribution community services make to the well being of the community is such that they should be available to their target populations without undue constraints arising from low income or other personal circumstances. Costs of direct benefits not to be recovered by user charges shall be allocated to ratepayers by number of properties, as a surrogate for potential usage.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The cost of direct benefits not recovered from users shall be funded by uniform annual charge, this being considered to approximate likely usage by the various sectors; as it is not possible to specifically identify individuals or businesses which receive some of the direct benefits of the service, the costs of providing these benefits shall be allocated to the respective sectors. .

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Community Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
62.9% General Benefits		3,981,878	994,863	144,057	246,101	5,366,900
37.1% Direct Benefits	2,673,706	240,824	245,547		10,598	3,170,675
<b>Total Costs</b>	2,673,706	4,222,702	1,240,411	144,057	256,700	8,537,575
<b>Modifications</b>						
Transfer User Costs to Rating	-1,738,170	1,601,571	111,561	17,175	7,863	0
Non-Rateable		204,704	52,313	7,546	-264,562	0
<b>Total Modifications</b>	-1,738,170	1,806,275	163,874	24,720	-256,700	0
<b>Total Costs and Modifications</b>	935,536	6,028,977	1,404,285	168,777	0	8,537,575
<b>Funded By</b>						
11.0% User Charges	935,536					935,536
4.5% Grants and Subsidies		287,447	98,604			386,051
68.2% Capital Value Rating	0	4,456,188	1,217,667	150,223	0	5,824,078
16.3% Uniform Annual Charge		1,285,343	88,013	18,554		1,391,910
<b>Total Funding</b>	935,536	6,028,977	1,404,285	168,777	0	8,537,575
<b>Share of Rates</b>		79.6%	18.1%	2.3%	0.0%	



# Function

## Community Services

### Sub-Function Social Initiatives and Services

Share

Control Negative Effects (Section 122F(d))  
Not Applicable

Share  
21.0%

#### Description of Service

Services which improve the social quality of life in Christchurch, including initiatives in the areas of emergency housing, crime prevention, work with youth and disadvantaged communities, and administering the Mayor's Welfare Fund.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

This service gives effect to the Council's Community Development and Social Well-being policy. This Policy can be best implemented if it is funded from rates.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The community as a whole benefits when all members are able to meet their basic needs, take responsibility for their own well-being, and advocate for their interests.

79.0%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Direct benefits not transferred to rating shall be funded from the uniform annual charge as a surrogate for the likely number of beneficiaries.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Negative Effects

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

##### Direct Benefits (Section 122F(c))

These accrue to participants in the individual programmes

### Social Initiatives and Services

#### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
79.0% General Benefits		1,033,873	264,209	38,111	65,707	1,401,899
21.0% Direct Benefits	373,021					373,021
<b>Total Costs</b>	373,021	1,033,873	264,209	38,111	65,707	1,774,920
<b>Modifications</b>						
Transfer User Costs to Rating	-322,021	295,673	20,246	4,268	1,834	0
Non-Rateable		52,259	13,355	1,926	-67,541	0
<b>Total Modifications</b>	-322,021	347,932	33,601	6,194	-65,707	0
<b>Total Costs and Modifications</b>	51,000	1,381,805	297,810	44,305	0	1,774,920
<b>Funded By</b>						
2.9% User Charges	51,000					51,000
79.1% Capital Value Rating	0	1,086,132	277,564	40,037	0	1,403,733
18.0% Uniform Annual Charge		295,673	20,246	4,268		320,187
<b>Total Funding</b>	51,000	1,381,805	297,810	44,305	0	1,774,920
<b>Share of Rates</b>		80.1%	17.3%	2.6%	0.0%	

# Function

## Corporate Revenues and Operating Surplus

### Corporate Revenues

#### Description of Service

Revenues accrue to the Council from the following sources:

<i>Dividends</i>	<i>17,780,778</i>
<i>Interest on Investments</i>	<i>7,531,106</i>
<i>Other Interest</i>	<i>2,320,617</i>
<i>Cash in Lieu</i>	<i>3,500,000</i>
<i>Petroleum Tax</i>	<i>1,900,000</i>
<i>Rates Penalties</i>	<i>1,111,112</i>
	<hr/>
	<i>34,143,613</i>
 <i>Surplus from Car Parking</i>	 <i>1,571,205</i>
<i>Surplus from Housing</i>	<i>1,416,112</i>
<i>Surplus from</i>	
<i>Internal Service Providers</i>	<i>5,379,287</i>
	<hr/>
	<i>8,366,604</i>
	<hr/>
	<i>42,510,217</i>

### Allocation of Revenues

Revenues have been allocated in proportion to stakeholders' interest in the community, that is, by capital value.

	Residential	Commercial	Rural	Institutions	Totals
<b>Corporate Revenues</b>					
<i>Net Corporate Revenues</i>	<i>32,892,087</i>	<i>8,405,661</i>	<i>1,212,469</i>	<i>0</i>	<i>42,510,217</i>
<i>Reduce Capital Value Rating</i>	<i>-32,892,087</i>	<i>-8,405,661</i>	<i>-1,212,469</i>	<i>0</i>	<i>-42,510,217</i>
<b>Share of Rates Reduction</b>	<b>77.3%</b>	<b>19.8%</b>	<b>2.9%</b>	<b>0.0%</b>	

### Operating Surplus

The Council is budgeting for an operating surplus of \$750,000 for the 1998/99 financial year. The extra rating necessary to generate this surplus has been allocated on the basis of capital value, on the grounds that capital value best represents stakeholders' interests in the City.

Operating Surplus	Residential	Commercial	Rural	Institutions	Totals
<b>Funded By</b>					
<i>100.0% Capital Value Rating</i>	<i>580,309</i>	<i>148,300</i>	<i>21,391</i>	<i>0</i>	<i>750,000</i>
<b>Share of Rates</b>	<b>77.3%</b>	<b>19.8%</b>	<b>2.9%</b>	<b>0.0%</b>	

# Function

## Economic Development and Employment

### Convention and Entertainment Facilities

#### Description of Service

Council contribution to the Sport and Entertainment Centre now under construction, and to the Convention Centre, for an initial period until they become self-funding; Council contribution to the operation of the Town Hall. These costs are the net cost to the Council of operating grants and management fees; the venues themselves are operated on the Council's behalf by a private contractor.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits accrue to the City through increased economic activity generated by visitors, particularly to the Convention Centre; and to the residents through having access to international class events and productions.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to patrons of the venues

##### Control Negative Effects (Section 122F(d))

Not Applicable

#### Share Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

The Council believes it is in the interest of the community to attract national and international class conventions, sporting events and other presentations; and the visitors to the City and added business they bring. The venues would not be able to carry out this function were it not for Council support during their establishment phase. The cost of direct benefits is therefore allocated to residents, businesses, rural dwellers and schools in approximate proportion to likely usage, and to businesses for the stimulus the venues will bring through the attraction of visitors to the City.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Costs of benefits accrued to residents shall be allocated to the residential sector. It is not feasible to identify individual businesses which benefit from this function; therefore costs for benefits to businesses shall be allocated to the commercial sector; costs for rural residents shall be allocated to the rural sector, and costs for schools shall be allocated to the institutional sector. Costs so allocated shall be funded by capital value rating. The balance of the cost of providing direct benefits shall be funded by uniform charge as a surrogate for the likely number of users.

##### General Benefits

General benefits shall be funded using capital value rating as best representing stakeholders' interests

27.4%

72.6%

0%

### Convention and Entertainment Facilities

#### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
27.4% General Benefits		734,868	187,798	27,089	46,704	996,459
72.6% Direct Benefits	2,646,511				0	2,646,511
<b>Total Costs</b>	2,646,511	734,868	187,798	27,089	46,704	3,642,970
<b>Modifications</b>						
Transfer User Costs to Rating	-2,546,511	2,143,070	308,991	49,179	45,271	0
Non-Rateable		71,165	18,186	2,623	-91,975	0
<b>Total Modifications</b>	-2,546,511	2,214,235	327,178	51,802	-46,704	0
<b>Total Costs and Modifications</b>	100,000	2,949,103	514,975	78,891	0	3,642,970
<b>Funded By</b>						
2.7% User Charges	100,000					100,000
53.6% Capital Value Rating	0	1,479,969	414,377	57,684	0	1,953,030
43.7% Uniform Annual Charge		1,469,135	100,599	21,207		1,590,940
<b>Total Funding</b>	100,000	2,949,103	514,975	78,891	0	3,642,970
<b>Share of Rates</b>		83.3%	14.5%	2.2%	0.0%	

# Function

## Economic Development and Employment

### Sub-Function Economic Development

Share Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Promotion of economic development in Christchurch through promoting the City nationally and internationally, providing information on Christchurch business opportunities through business data bases and directories; stimulating exports, attracting new business to Canterbury, and assisting the visitor industry through tourist information and promotion; provision of tracks for the inner city tram; promoting the City as a venue for international events.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Increased economic activity is considered to be in the interest of the entire community. Direct benefits not recovered by user charges have therefore been allocated principally to the business community as that community is the main beneficiary of the service.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

Increased economic activity is considered to benefit the entire City generally. The general level of benefit has been assessed at 60%, the proportion varying slightly for the various services.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Costs of civic promotions shall be directly recovered from promoters, all other direct benefits shall be funded by capital value rating. Costs of providing benefits to residents shall be allocated to the residential sector; to businesses to the commercial sector, and to rural residents to the rural sector.

##### Nature and Distribution of General Benefits

Increased economic activity increases the amenity of the city as a whole. It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to the users of the various services. The portion of general to direct varies from service to service.

## Economic Development

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
58.5% General Benefits		1,635,914	418,062	60,303	103,969	2,218,249
41.5% Direct Benefits	1,139,267	161,640	261,933		10,720	1,573,560
<b>Total Costs</b>	1,139,267	1,797,554	679,995	60,303	114,690	3,791,809
<b>Modifications</b>						
Transfer User Costs to Rating	-912,117	155,006	758,633	127	-1,648	0
Non-Rateable		84,564	21,611	3,117	-109,292	0
<b>Total Modifications</b>	-912,117	239,570	780,243	3,244	-110,940	0
<b>Total Costs and Modifications</b>	227,150	2,037,124	1,460,238	63,547	3,750	3,791,809

### Funded By

6.0% User Charges	227,150					227,150
2.1% Grants and Subsidies		58,998	15,077	2,175	3,750	80,000
89.0% Capital Value Rating		1,878,210	1,438,320	59,930	0	3,376,460
2.9% Uniform Annual Charge		99,915	6,842	1,442		108,199
<b>Total Funding</b>	227,150	2,037,124	1,460,238	63,547	3,750	3,791,809
<b>Share of Rates</b>		56.7%	41.5%	1.8%	0.0%	

# Function

## Economic Development and Employment

### Sub-Function Employment and Training

Share Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Administering the adult community employment schemes, Task Force Green projects, the youth employment initiative, support for community employment initiatives, and various training schemes.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits accrue to the community as a whole through the widely recognised benefits of high levels of employment, including increased physical and mental health, and reduced anti-social behaviour. The level has been assessed at 40% generally, allowing for variations among the different services provided.

40.4%

##### Nature and Distribution of General Benefits

Increased employment is considered to improve the amenity of all City stakeholders in proportion to their interest in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to the participants in the various schemes, whether for the employment and training individuals may receive, or for the assistance given to businesses.

59.6%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Because of the importance of employment to the community as a whole, all of this function will be funded from rating, except for contract services provided to clients. Benefits are considered to accrue to businesses, through increasing the level of skills available in the workforce, from the advice made available on training and employment issues, and from the assistance given to create new jobs; and to residents through increased opportunities for employment.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Contract services provided to clients shall be funded by user charges. All other direct benefits shall be funded by capital value rating.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Employment and Training

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
40.4% General Benefits		876,521	223,997	32,310	55,707	1,188,535
59.6% Direct Benefits	1,754,056					1,754,056
<b>Total Costs</b>	1,754,056	876,521	223,997	32,310	55,707	2,942,591
<b>Modifications</b>						
Transfer User Costs to Rating	-807,423	395,472	411,950			0
Non-Rateable		43,103	11,015	1,589	-55,707	0
<b>Total Modifications</b>	-807,423	438,575	422,965	1,589	-55,707	0
<b>Total Costs and Modifications</b>	946,633	1,315,096	646,963	38,899	0	2,942,591
<b>Funded By</b>						
32.2% User Charges	946,633					946,633
67.8% Capital Value Rating	0	1,315,096	646,963	38,899	0	1,995,958
<b>Total Funding</b>	946,633	1,315,096	646,963	38,899	0	2,942,591
<b>Share of Rates</b>		65.9%	32.4%	1.7%	0.0%	

# Function

## Economic Development and Employment

### Sub-Function Promotion of the City Centre

**Share** Control Negative Effects (Section 122F(d))  
None Applicable.

#### Description of Service

Operating the inner city shuttle bus, marketing the Central City; holding promotional events in the Central City; free bus initiatives.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a) **Share**

##### General Benefits (Section 122F(b))

A vibrant Central City, free of the decay that can beset the core of a modern city, is considered to benefit all the stakeholders of Christchurch.

**60.0%**

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to patrons of the services and programmes, to purchasers of sponsorships, and to those business who benefit from the promotion programmes.

**40.0%**

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is Council policy to promote the Central City as essential to the on-going amenity of the City as a whole; direct beneficiaries of the programme are therefore not asked to meet the costs of direct benefits themselves, beyond the benefits arising from sponsorships.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

It is not possible to identify individuals or businesses which benefit from the programmes; nor is it considered feasible or desirable to create a rate for the Central City. There is no generally accepted rigorous definition of the Central City; nor would Council policy of stimulating the Central City in the interests of the whole be assisted by allocating costs only to Central City businesses. The costs of direct benefits will therefore be recovered from the residential sector for the benefit derived from using the services, and from the commercial sector for the benefit derived from the promotional activity.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

### Promotion of the City Centre

#### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
60.0% General Benefits		754,840	192,901	27,825	47,973	1,023,540
40.0% Direct Benefits	682,360				0	682,360
<b>Total Costs</b>	682,360	754,840	192,901	27,825	47,973	1,705,900
<b>Modifications</b>						
Transfer User Costs to Rating	-460,810		460,810			0
Non-Rateable		37,119	9,486	1,368	-47,973	0
<b>Total Modifications</b>	-460,810	37,119	470,296	1,368	-47,973	0
<b>Total Costs and Modifications</b>	221,550	791,959	663,197	29,193	0	1,705,900
<b>Funded By</b>						
13.0% User Charges	221,550					221,550
87.0% Capital Value Rating	0	791,959	663,197	29,193	0	1,484,350
<b>Total Funding</b>	221,550	791,959	663,197	29,193	0	1,705,900
<b>Share of Rates</b>		53.4%	44.7%	2.0%	0.0%	

# Function

## Environmental Planning and Services

### Sub-Function Consents and Applications

#### Description of Service

Processing of consents, permits etc under the Resource Management Act and the Building Act; health licensing, administration of the Sale of Liquor Act, and dangerous goods administration; provision of advice to the public on the above issues; monitoring the impact of consents on the City and considering implications for future plans.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The existence of a consents process and inspection services protect the safety and amenity of the community as a whole, a benefit best represented by stakeholders' interests; likewise monitoring ensures the City's amenity will be protected and enhanced.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to recipients of consents and permits, and to recipients of advice.

Share

#### Control Negative Effects (Section 122F(d))

Negative effects are controlled through activities under health licensing, dangerous goods administration and certain aspects of the resource consents processes.

Share

8.8%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is considered to be in the community interest for the different sectors of the community to bear a cost of protecting their interests.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Users shall meet the costs of consents and expenses to the extent permitted by the various statutes administered. The balance of direct benefits shall be funded by capital value rating.

17.0%

##### Negative Effects

The costs of controlling negative effects shall be shared by the exacerbator and the community, on the grounds that the community benefits from control of potentially hazardous situations.

74.2%

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Consents and Applications

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
17.0% General Benefits		1,234,255	315,417	45,497	78,442	1,673,612
74.2% Direct Benefits	6,601,400	513,216	169,943	19,672	12,257	7,316,488
8.8% Negative Effects	867,700					867,700
<b>Total Costs</b>	<b>7,469,101</b>	<b>1,747,471</b>	<b>485,360</b>	<b>65,169</b>	<b>90,699</b>	<b>9,857,800</b>
<b>Modifications</b>						
Transfer User Costs to Rating	-124,888	-21,929	120,182	25,994	641	0
Non-Rateable		69,745	17,824	2,571	-90,140	0
<b>Total Modifications</b>	<b>-124,888</b>	<b>47,817</b>	<b>138,005</b>	<b>28,565</b>	<b>-89,499</b>	<b>0</b>
<b>Total Costs and Modifications</b>	<b>7,344,213</b>	<b>1,795,288</b>	<b>623,365</b>	<b>93,734</b>	<b>1,200</b>	<b>9,857,800</b>
<b>Funded By</b>						
74.5% User Charges	7,344,213					7,344,213
0.4% Grants and Subsidies		24,800	12,400	1,600	1,200	40,000
25.1% Capital Value Rating	0	1,770,488	610,965	92,134	0	2,473,587
<b>Total Funding</b>	<b>7,344,213</b>	<b>1,795,288</b>	<b>623,365</b>	<b>93,734</b>	<b>1,200</b>	<b>9,857,800</b>
<b>Share of Rates</b>		<b>71.6%</b>	<b>24.7%</b>	<b>3.7%</b>	<b>0.0%</b>	

# Function

## Environmental Planning and Services

### Sub-Function Environmental Control and Monitoring Share

#### Description of Service

Planning for the protection of natural area and heritage values, monitoring the environmental state of the City, promoting sound environmental practices, animal control; funding clean air and energy efficiency initiatives.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The benefits of improving air quality through the reduction in pollution from domestic fires accrue to the entire community. **21.0%**

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to sectors through having their amenity protected. The benefits are proportional to a mix of capital value, number of properties, and the Council resources committed to providing the services to the different sectors. **55.5%**

##### Control Negative Effects (Section 122F(d))

Livestock control and dog control are necessary to control the negative effects of wandering animals. **Share 23.5%**

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is considered to be in the community interest to make these services widely available, including facilitating the receipt and processing of complaints. Benefits accrue to sectors on the basis of the amenity value protected, and the resources required to deliver the service.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

It is not feasible to charge people for reporting environmental incidents. The balance of costs not met by user charges shall be met by capital value rating.

##### Negative Effects

The cost of dog control shall be entirely self-funding. The balance costs of livestock control not recoverable through inability to trace owners shall be met by capital value rating.

## Environmental Control and Monitoring

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
21.0% General Benefits		516,236	131,926	19,030	32,809	700,000
55.5% Direct Benefits	826,551	639,895	349,859	20,444	12,012	1,848,761
23.5% Negative Effects	782,901					782,901
<b>Total Costs</b>	<b>1,609,452</b>	<b>1,156,131</b>	<b>481,785</b>	<b>39,474</b>	<b>44,821</b>	<b>3,331,662</b>
<b>Modifications</b>						
Transfer User Costs to Rating	-99,105	77,233	15,797	2,375	3,701	0
Non-Rateable		30,290	7,741	1,117	-39,147	0
<b>Total Modifications</b>	<b>-99,105</b>	<b>107,523</b>	<b>23,538</b>	<b>3,491</b>	<b>-35,447</b>	<b>0</b>
<b>Total Costs and Modifications</b>	<b>1,510,347</b>	<b>1,263,654</b>	<b>505,322</b>	<b>42,965</b>	<b>9,374</b>	<b>3,331,662</b>
<b>Funded By</b>						
45.3% User Charges	1,510,347					1,510,347
6.0% Grants and Subsidies		147,496	37,693	5,437	9,374	200,000
48.0% Capital Value Rating	0	1,095,097	466,187	37,224	0	1,598,507
0.7% Uniform Annual Charge		21,061	1,442	304		22,808
<b>Total Funding</b>	<b>1,510,347</b>	<b>1,263,654</b>	<b>505,322</b>	<b>42,965</b>	<b>9,374</b>	<b>3,331,662</b>
<b>Share of Rates</b>		<b>68.8%</b>	<b>28.8%</b>	<b>2.3%</b>	<b>0.0%</b>	



# Function

## Environmental Planning and Services

### Sub-Function Information and Advice

#### Description of Service

Advice to business and the public on environmental matters, collecting and analysing information about the City's environment, including the social and economic environments, provision of land information memoranda, maintaining geographical information.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits accrue from having information on the environment freely available to protect and enhance the amenity of the City.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Recipients of land information memoranda; the benefit the various sectors receive from information and advice.

Share

Control Negative Effects (Section 122F(d))  
Not Applicable

Share  
0%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is considered to be in the community interest for information on the environment and environmental legislation to be widely available and freely given. The entire costs of providing general public advice shall be met by rating. Note: This function is separate from actually processing consents. The advice given may lead to the lodging of a formal consent, for which costs are then recovered from the applicant.

2.8%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

99% of the costs of land information memoranda and geographic information shall be met by recipients and users. The balance shall be funded by a uniform annual charge, representing likely use of the service. The balance of direct benefits shall be funded by capital value rating.

97.2%

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

### Information and Advice

#### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
2.8% General Benefits		92,494	23,637	3,410	5,878	125,419
97.2% Direct Benefits	3,878,602	355,295	128,301	9,869		4,372,067
<b>Total Costs</b>	3,878,602	447,789	151,938	13,279	5,878	4,497,486
<b>Modifications</b>						
Transfer User Costs to Rating	-1,863,602	1,370,779	353,718	50,939	88,165	0
Non-Rateable		72,766	18,595	2,682	-94,043	0
<b>Total Modifications</b>	-1,863,602	11,443,545	372,314	53,621	-5,878	0
<b>Total Costs and Modifications</b>	2,015,000	1,891,334	524,252	66,900	0	4,497,486
<b>Funded By</b>						
44.6% User Charges	2,015,000					2,015,000
55.4% Capital Value Rating	0	1,909,573	525,501	67,163	0	2,502,237
Uniform Annual Charge		-18,239	-1,249	-263		-19,751
<b>Total Funding</b>	2,015,000	1,891,394	524,252	66,900	0	4,497,486
<b>Share of Rates</b>		76.2%	21.1%	2.7%	0.0%	

# Function

## Environmental Planning and Services

### Sub-Function Plans and Policies

#### Description of Service

Preparing environmental planning policy statements; providing policy advice on City design and heritage values, environmental and transportation issues.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

None. Benefits may be attributed to different sectors of the community.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to purchasers of planning documents, and to the community, whose various sectors receive protected and enhanced amenity as a result of this work.

Share

Control Negative Effects (Section 122F(d))  
Not Applicable

Share  
0%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Planning and policy development are considered to be in the interest of the community as a whole. It is estimated that the various sectors receive value as follows:

Residential	72%
Commercial	26%
Rural	2%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Purchasers of planning documents shall pay for the cost of their publishing. The balance of direct benefits shall be funded by capital value rating.

### Plans and Policies

#### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
100.0% Direct Benefits	80,000	2,713,860	980,005	75,385		3,849,250
<b>Total Costs</b>	80,000	2,713,860	980,005	75,385		3,849,250
<b>Total Costs and Modifications</b>	80,000	2,713,860	980,005	75,385		3,849,250

#### Funded By

2.1% User Charges	80,000					80,000
97.9% Capital Value Rating	0	2,713,860	980,005	75,385		3,769,250
<b>Total Funding</b>	80,000	2,713,860	980,005	75,385		3,849,250
<b>Share of Rates</b>		72.0%	26.0%	2.0%	0.0%	

# Function

## Housing

### Description of Service

Provision of housing for the elderly and people on low incomes.

### Share

Control Negative Effects (Section 122F(d))

Not Applicable

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

Provision of housing for the elderly and people on low incomes is seen as an important community responsibility. Benefits which accrue to the community generally include satisfaction among the community at large that a good standard of housing is available to the elderly, a reduced demand on social services, and the positive impact of the Council's housing operation on urban renewal.

19.7%

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

None necessary - all costs are met by user charges.

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

#### Direct Benefits

Direct benefits shall be funded by user charges, which shall be set to meet all costs of the operation.

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### General Benefits

User charges shall be sufficient to meet the cost of providing general benefits as well as the direct benefits.

#### Direct Benefits (Section 122F(c))

Direct benefits accrue to the occupiers of the housing.

80.3%

## Housing

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
19.7% General Benefits		1,108,211	283,206	40,851	70,432	1,502,700
80.3% Direct Benefits	6,128,716					6,128,716
<b>Total Costs</b>	6,128,716	1,108,211	283,206	40,851	70,432	7,631,416
<b>Total Costs and Modifications</b>	6,128,716	1,108,211	283,206	40,851	70,432	7,631,416

### Funded By

100.0% User Charges	9,047,528					9,047,528
User Charges to Offset Rates	-1,502,700	1,108,211	283,206	40,851	70,432	0
Surplus to Corp Revenue	-1,416,112					-1,416,112
<b>Total Funding</b>	6,128,716	1,108,211	283,206	40,851	70,432	7,631,416

# Function

## Internal Service Providers

### Description of Service

Services which are charged to internal users on a cost recovery / return on investment basis. Surpluses earned by these services are used to offset rating requirements. The services include accounting, City Design, Commercial Property, General Housing, Corporate Administration, Property Management and Services, Works Operations; and includes counter services provided at Service Centres on behalf of Accounting Servicers. Also a few miscellaneous services.

### Share

Control Negative Effects (Section 122F(d))  
Not Applicable

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

No allocations are necessary - direct benefits are fully self-funding.

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

None applicable. All costs are recovered from users.

100%

**Note:** The costs of these services are built into the costs of services delivered to the public by the Council. The costs of these services are therefore, in effect, allocated in the same way as the services they support.

#### Direct Benefits (Section 122F(c))

Direct Benefits accrue to the users of the services

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

#### Direct Benefits

Direct benefits shall be fully met by user charges, which shall include a provision for return on capital as appropriate.

## Internal Service Providers

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
100.0% Direct Benefits	34,806,069					34,806,069
<b>Total Costs and Modifications</b>	34,806,069					34,806,069

### Funded By

100.0% Internal Charges	40,185,356					40,185,356
Surplus to Corp Revenue	-5,379,287					-5,379,287
<b>Total Funding</b>	34,806,069					34,806,069

# Function

## Library and Information Services

### Description of Service

Operating the Council's central and suburban libraries, providing access to literature, audio-visual material and information for almost 222,000 members as well as the general public; maintaining a stock of more than 960,000 volumes and 2,000 journal subscriptions and providing services from 49 access points.

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

General benefits accrue to the community as a whole through ready access to literature and information. The "standing charges" of the library system have therefore been assessed as general benefits.

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### Direct Benefits (Section 122F(c))

Direct benefits accrue to library users. These have been assessed as the operating costs of the library system.

### Share

Control Negative Effects (Section 122F(d))  
Not Applicable

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is Council policy to make access to libraries widely available, regardless of personal circumstances. The Council considers that information and the free accessibility to it is fundamental to living in a modern democracy; likewise the the benefits of an informed and educated citizenry. Therefore over 90% of the direct cost of operating the library system are allocated to ratepaying sectors using a mix of capital value, number of properties, and estimated benefit derived.

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

#### Direct Benefits

Limited costs of direct benefits shall be charged to users. The balance of the cost of direct benefits not recovered from users shall be funded by a mix of uniform annual charge and capital value rating.

#### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Library and Information Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
26.9% General Benefits		3,566,161	911,342	131,456	226,645	4,835,604
73.1% Direct Benefits	6,282,755	5,068,958	1,265,443	196,163	344,645	13,158,255
<b>Total Costs</b>	6,282,755	8,635,120	2,176,785	327,619	571,580	17,993,859
<b>Modifications</b>						
Transfer User Costs to Rating	-5,012,155	4,602,056	315,124	66,431	28,544	0
Non-Rateable		464,343	118,664	17,117	-600,124	0
<b>Total Modifications</b>	-5,012,155	5,066,399	433,788	83,548	-571,580	0
<b>Total Costs and Modifications</b>	1,270,600	13,701,519	2,610,574	411,167	0	17,993,859
<b>Funded By</b>						
7.1% User Charges	1,270,600					1,270,600
72.2% Capital Value Rating	0	10,249,977	2,374,230	361,343	0	12,985,551
20.8% Uniform Annual Charge		3,451,542	236,343	49,823		3,737,708
<b>Total Funding</b>	1,270,600	13,701,519	2,610,574	411,167	0	17,993,859
<b>Share of Rates</b>		81.9%	15.6%	2.5%	0.0%	

# Function

## Parks

### Sub-Function Parks, Beaches, Gardens

#### Description of Service

Planning and operating the City's system of parks, gardens, beaches and conservation areas; providing cemeteries; fighting rural fires.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits arise from the contribution parks make to the Unique Identity of Christchurch, particularly to its Garden City image, and to the well being of its residents arising from the availability of green, open space within and surrounding the City; and from protection from rural fires.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits arise from a person's enjoyment of parks and from the use of parks facilities such as playground equipment, picnic areas and visitor centres.

Share

Control Negative Effects (Section 122F(d))  
Fighting rural fires

Share  
1.6%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Because of the importance of parks to the image of Christchurch and the well-being of its inhabitants, and the Council's policy of ensuring free access to parks, 71% of the cost of general benefits is allocated to the ratepaying population, using a mix of capital value, number of properties, and benefits accrued by the various sectors.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Users make a contribution to the operation of cemeteries, some of the facilities associated with garden parks and regional parks, and for the purchase of nursery products. The cost of direct benefits not recovered from users shall be funded by a mix of capital value rating and uniform annual charge. This being considered to approximate the usage by the various sectors.

##### Negative Effects

Costs of fire fighting shall be recovered from the Fire Services Commission as per their guidelines, and from persons or organisations responsible for fires, provided these can be identified and convinced to accept liability. The balance shall be funded from capital value rating.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Parks, Beaches and Gardens

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
64.9% General Benefits		7,351,700	1,878,747	270,998	467,232	9,968,677
33.5% Direct Benefits	4,646,110	443,236	26,703	32,226	3,815	5,152,091
1.6% Negative Effects	250,024					250,024
<b>Total Costs</b>	<b>4,896,134</b>	<b>7,794,936</b>	<b>1,905,450</b>	<b>303,225</b>	<b>471,047</b>	<b>15,370,792</b>
<b>Modifications</b>						
Transfer User Costs to Rating	-1,929,061	1,672,306	195,534	26,528	34,694	0
Non-Rateable		391,227	99,979	14,421	-505,627	0
<b>Total Modifications</b>	<b>-1,929,061</b>	<b>2,063,533</b>	<b>295,513</b>	<b>40,949</b>	<b>-470,933</b>	<b>0</b>
<b>Total Costs and Modifications</b>	<b>2,967,072</b>	<b>9,858,468</b>	<b>2,200,963</b>	<b>344,174</b>	<b>114</b>	<b>15,370,792</b>
<b>Funded By</b>						
19.3% User Charges	2,967,072					2,967,072
0.1% Grants and Subsidies		18,364	1,257	265	114	20,000
71.4% Capital Value Rating	0	8,541,100	2,110,757	325,157	0	10,977,014
9.2% Uniform Annual Charge		1,299,005	88,949	18,751		1,406,705
<b>Total Funding</b>	<b>2,967,072</b>	<b>9,858,468</b>	<b>2,200,963</b>	<b>344,174</b>	<b>114</b>	<b>15,370,792</b>
<b>Share of Rates</b>		<b>79.5%</b>	<b>17.8%</b>	<b>2.8%</b>	<b>0.0%</b>	

# Function

## Parks

### Sub-Function Sports Parks

#### Description of Service

Planning for and operating the Council's parks used by various sporting codes and by private individuals for sports.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits arise from the contribution sports parks make to a healthy lifestyle, and from the amenity of open space within and around the City.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to users of the sports grounds.

##### Control Negative Effects (Section 122F(d))

Not Applicable

Share

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Because of the importance of sports parks to the amenity of the City and their contribution to a healthy lifestyle, Council's policy that sports parks be available to persons of all circumstances, and the fact that sports parks are available for other users, 71% of the direct costs shall be allocated to ratepayers by the number of properties, reflecting the likely usage of sports parks.

30%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The cost of direct benefits not recovered from users shall be funded by uniform annual charge, this being considered to approximate likely usage by the various sectors.

##### Negative Effects

The balance of the cost of fighting rural fires not recoverable from the Fire Services Commission or instigators shall be allocated by capital value and funded by capital value rating.

70%

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Sports Parks

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
30.0% General Benefits		747,089	190,921	27,539	47,481	1,013,029
70.0% Direct Benefits	2,363,735					2,363,735
<b>Total Costs</b>	2,363,735	747,089	190,921	27,539	47,481	3,376,765
<b>Modifications</b>						
Transfer User Costs to Rating	-2,172,335	1,994,593	136,579	28,792	12,371	0
Non-Rateable		46,310	11,835	1,707	-59,852	0
<b>Total Modifications</b>	-2,172,335	2,040,903	148,414	30,499	-47,481	0
<b>Total Costs and Modifications</b>	191,400	2,787,992	339,334	58,038	0	3,376,765
<b>Funded By</b>						
5.7% User Charges	191,400					191,400
30.4% Capital Value Rating	0	793,399	202,755	29,246	0	1,025,401
64.0% Uniform Annual Charge		1,994,593	136,579	28,792		2,159,964
<b>Total Funding</b>	191,400	2,787,992	339,334	58,038	0	3,376,765
<b>Share of Rates</b>		87.5%	10.7%	1.8%	0.0%	

# Function

## Public Accountability -

### Elected Member Representation

**Share** Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Operation of the democratic functions of the Council and Community Boards, including the Mayor, Councillors and Board members; advice and services to the Council, Boards and Councillors; maintaining the Council's media relations, providing for civil defence, and the preparation of public accountability documents such as the Annual Plan and Annual Report.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

None necessary

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The cost of providing election services to the Canterbury Regional Council shall be met by user charges.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The community as a whole benefits from the existence a democratic process for the exercise of community governance, and for dealing with issues and providing services of importance to the community.; the costs of providing these services are largely independent of the number of beneficiaries.

99.2%

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Contact services provided to the Canterbury Regional Council.

0.8%

## Public Accountability

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
99.2% General Benefits		6,759,790	1,727,482	249,179	429,613	9,166,065
0.8% Direct Benefits	75,000				0	75,000
<b>Total Costs</b>	75,000	6,759,790	1,727,482	249,179	429,613	9,241,065
<b>Modifications</b>						
Non-Rateable		332,411	84,949	12,253	-429,613	0
<b>Total Modifications</b>		332,411	84,949	12,253	-429,613	0
<b>Total Costs and Modifications</b>	75,000	7,092,201	1,812,431	261,433	0	9,241,065
<b>Funded By</b>						
0.8% User Charges	75,000					75,000
99.2% Capital Value Rating	0	7,092,201	1,812,431	261,433	0	9,166,065
<b>Total Funding</b>	75,000	7,092,201	1,812,431	261,433	0	9,241,065
<b>Share of Rates</b>		77.4%	19.8%	2.9%	0.0%	



# Function

## Sewerage

### Description of Service

Planning and operation of the City's sewerage system. Note: Residents, including businesses and institutions, are required to connect to the system if it is available to them.

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

General benefits accrue from the contribution to public and environmental health arising from the safe disposal of liquid effluent.

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### Direct Benefits (Section 122F(c))

Direct benefits arise from the service provided to properties for removing liquid waste.

### Share

Control Negative Effects (Section 122F(d))  
Not Applicable

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Because of the importance to the community of an effective, universally available sewerage system regardless of an individual householder's ability to pay, and because it is compulsory to use the service if it is available, 70% of the cost of direct benefits is allocated to be collected by rating, on a mix of capital value, numbers of properties, and incidences of benefit to the various ratepaying sectors.

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

**Note** Rates for liquid waste services are collected by way of a separate rate whose district is the area serviced by the liquid waste system.

#### Direct Benefits

The cost of direct benefits not recovered from users shall be funded by a mix of capital value rating, and uniform annual charge.

#### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Sewerage

### Wastewater System

#### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
56.0% General Benefits		8,363,240	1,957,693	42,848	521,152	10,884,933
44.0% Direct Benefits	8,552,640	13,475	3,369			8,569,483
<b>Total Costs</b>	8,552,640	8,376,714	1,961,062	42,848	521,152	19,454,416
<b>Modifications</b>						
Transfer User Costs to Rating	-5,927,488	4,966,399	767,308	18,728	175,053	0
<b>Total Modifications</b>	-5,927,488	4,966,399	767,308	18,728	175,053	0
<b>Total Costs and Modifications</b>	2,625,152	13,343,114	2,728,370	61,576	696,205	19,454,416
<b>Funded By</b>						
13.5% User Charges	2,625,152					2,625,152
84.8% Capital Value Rating	0	13,038,060	2,707,482	57,172	694,313	16,497,026
1.7% Uniform Annual Charge		305,054	20,888	4,403	1,892	332,238
<b>Total Funding</b>	2,625,152	13,343,114	2,728,370	61,576	696,205	19,454,416
<b>Share of Rates</b>		79.3%	16.2%	0.4%	4.1%	

# Function

## Sports, Leisure and Festivals

### Sub-Function Festivals and Events

**Share** Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Coordinating, organising and presenting events and festivals, the Summertime series, World Buskers Festival, including Cathedral Square concerts, Kids in Town, Summertime and other festivals; holding free and professionally supervised fireworks displays on appropriate occasions.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is Council policy to promote a sense of community through the provision of free theatre, and to provide safe displays of fireworks. Costs have therefore been allocated among residents and businesses in proportion to benefits they gain, including the benefits of increased economic activity.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

Festivals and events benefit the City generally through their contribution to the unique identity of Christchurch;

42.9%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Concession holders shall pay fees which reflect the value of their concession. The cost of providing all other direct benefits shall be funded by capital value rating. As it is not possible to identify individual businesses which benefit from this function, the cost of benefits accruing to businesses shall be allocated to the commercial sector.

##### Nature and Distribution of General Benefits

Contributions to the identity of the City and the vibrancy of the City Centre benefits all stakeholders.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to persons who attend the festivals, and to those businesses which purchase sponsorships; the tourism and service sectors benefit from the economic stimulation caused by the events.

57.1%

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Festivals and Events

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
42.9% General Benefits		660,279	168,736	24,339	41,964	895,318
57.1% Direct Benefits	1,192,975					1,192,975
<b>Total Costs</b>	1,192,975	660,279	168,736	24,339	41,964	2,088,293
<b>Modifications</b>						
Transfer User Costs to Rating	-840,475	383,030	453,433	2,806	1,206	0
Non-Rateable		33,402	8,536	1,231	-43,169	0
<b>Total Modifications</b>	-840,475	416,432	461,969	4,038	-41,964	0
<b>Total Costs and Modifications</b>	352,500	1,076,711	630,705	28,377	0	2,088,293
<b>Funded By</b>						
16.9% User Charges	352,500					352,500
73.0% Capital Value Rating	0	882,305	617,394	25,570	0	1,525,269
10.1% Uniform Annual Charge		194,406	13,312	2,806		210,524
<b>Total Funding</b>	352,500	1,076,711	630,705	28,377	0	2,088,293
<b>Share of Rates</b>		62.0%	36.3%	1.6%	0.0%	

# Function

## Sport, Leisure and Festivals

### Sub-Function Leisure Services

**Share** Control Negative Effects (Section 122F(d))  
None applicable

#### Description of Service

Preparation of recreation plans and policies, operating recreational programmes, including the communities activities programmes operated by the Service Centres; promoting recreational programmes

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is council policy to make such programmes widely available and to make participation possible regardless of personal income.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

The community as a whole benefits from the promotional work. The benefits of this do not accrue to identifiable individuals.

25%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The cost of direct benefits not recovered from users shall be funded by uniform annual charge, this being considered to approximate likely usage by the various sectors.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Negative Effects

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to the participants in the programmes.

75%

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Leisure Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
25.0% General Benefits		438,203	89,819	13,496	21,055	,562,572
75.0% Direct Benefits	1,487,436	163,149	30,591		10,197	1,691,374
<b>Total Costs</b>	1,487,436	601,351	120,410	13,496	31,252	2,253,946
<b>Modifications</b>						
Transfer User Costs to Rating	-1,275,136	1,170,803	80,170	16,901	7,262	0
Non-Rateable		29,800	7,615	1,098	-38,514	0
<b>Total Modifications</b>	-1,275,136	1,200,603	87,786	17,999	-31,252	0
<b>Total Costs and Modifications</b>	212,300	1,801,955	208,196	31,495	0	2,253,946
<b>Funded By</b>						
9.4% User Charges	212,300					212,300
28.6% Capital Value Rating	0	512,672	119,913	12,884	0	645,469
61.9% Uniform Annual Charge		1,289,282	88,283	18,611		1,396,177
<b>Total Funding</b>	212,300	1,801,955	208,196	31,495	0	2,253,946
<b>Share of Rates</b>		88.3%	10.2%	1.5%	0.0%	

# Function

## Sport, Leisure and Festivals

### Sub-Function Sports Facilities and Services

Share Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Operating and/or administering the leases of Council-owned sporting facilities including swimming pools, stadia, golf courses and camping grounds; operating the QEII Park complex; liaising with sporting codes for scheduling access to Council facilities.

#### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

Sporting facilities contribute to the well-being of the community generally. 7.6%

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to users of the service, principally residents and schools, and to those who gain commercial benefits from activities associated with the various venues. 92.4%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is Council policy to make access to sporting facilities readily available to all regardless of personal circumstances because of the benefits of a healthy lifestyle to the community as a whole. A net of just over 53% of direct benefits are therefore allocated to rating using a mix of capital value, number of properties, and benefits accruing to specific sectors.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

A portion of direct benefits shall be recovered from users, set sufficiently low as to minimise barriers to use arising from personal circumstances. The balance shall be funded by a mix of uniform annual charge and capital value rating.

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Sports Facilities and Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
7.6% General Benefits		475,961	121,633	17,545	30,249	645,389
92.4% Direct Benefits	5,301,269	1,756,394	308,368		471,823	7,837,854
<b>Total Costs</b>	5,301,269	2,232,355	430,002	17,545	502,072	8,483,243
<b>Modifications</b>						
Transfer User Costs to Rating	-1,490,158	1,368,232	93,689	19,751	8,486	0
Non-Rateable		395,042	100,954	14,562	-510,558	0
<b>Total Modifications</b>	-1,490,158	1,763,274	194,643	34,313	-502,072	0
<b>Total Costs and Modifications</b>	3,811,111	3,995,630	624,645	51,858	0	8,483,243
<b>Funded By</b>						
44.9% User Charges	3,811,111					3,811,111
37.6% Capital Value Rating	0	2,627,397	530,956	32,107	0	3,190,460
17.5% Uniform Annual Charge		1,368,232	93,689	19,751		1,481,672
<b>Total Funding</b>	3,811,111	3,995,630	624,645	51,858	0	8,483,243
<b>Share of Rates</b>		85.5%	13.4%	1.1%	0.0%	

# Function

## Waste Minimisation and Disposal

### Sub-Function Refuse Collection Services

Share

Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Weekly collection of refuse from domestic properties; daily collection of refuse from commercial properties.

#### Allocation of Costs of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

Not applicable. All benefits accrue to identifiable persons or categories of persons.

0%

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to persons and organisations whose rubbish is removed.

100%

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

Because of the importance of household and commercial rubbish collection to the amenity of the City, it is Council policy to provide a specified level of collection paid for from rates. The costs of these benefits have been allocated proportional to the usage made by the various sectors.

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The cost of direct benefits not recovered from users shall be funded by capital value rating

## Refuse Collection Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
100.0% Direct Benefits	2,259,668	1,993,027	228,226	38,414		4,519,336
<b>Total Costs</b>	2,259,668	1,993,027	228,226	38,414		4,519,336
<b>Modifications</b>						
Transfer User Costs to Rating	-1,910,172	1,753,880	120,096	25,317	10,878	0
Non-Rateable		8,417	2,151	310	-10,878	0
<b>Total Modifications</b>	-1,910,172	1,762,297	122,247	25,628	0	0
<b>Total Costs and Modifications</b>	349,496	3,755,324	350,474	64,042	0	4,519,336
<b>Funded By</b>						
7.7% User Charges	349,496					349,496
92.3% Capital Value Rating	0	3,755,324	350,474	64,042	0	4,169,840
<b>Total Funding</b>	349,496	3,755,324	350,474	64,042	0	4,519,336
<b>Share of Rates</b>		90.1%	8.4%	1.5%	0.0%	

# Function

## Waste Minimisation and Disposal

### Sub-Function Refuse Disposal Services

**Share** Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Operation of the Council's transfer stations and land fill; managing old landfill sites; planning for future landfill sites.

#### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

None necessary.

#### Allocation of Costs of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

Future planning, and the management of old landfill sites, are considered to benefit the community generally.

9.0%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

Direct benefits shall be funded by user charges. The level of user charges shall be such as to meet all the costs of this service, and provide a surplus for supporting waste minimisation services; while considering issues such as setting prices so as to encourage waste minimisation without making the service so expensive people will find illegal dumping an attractive option.

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### Direct Benefits (Section 122F(c))

Direct beneficiaries are the users of the service.

91.0%

## Refuse Disposal Services

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
9.0% General Benefits		680,847	173,992	25,097	43,271	923,208
91.0% Direct Benefits	9,362,231					9,362,231
<b>Total Costs</b>	9,362,231	680,847	173,992	25,097	43,271	10,285,439
<b>Total Costs and Modifications</b>	9,362,231	680,847	173,992	25,097	43,271	10,285,439

### Funded By

100.0% User Charges	11,442,030					11,442,030
User Charges to Offset Rates	-923,208	680,847	173,992	25,097	43,271	0
Surplus to Waste Minimisation	-1,156,591					-1,156,591
<b>Total Funding</b>	9,362,231	680,847	173,992	25,097	43,271	10,285,439

# Function

## Waste Minimisation and Disposal

### Sub-Function Waste Minimisation Programmes

Share

Control Negative Effects (Section 122F(d))  
Not Applicable

#### Description of Service

Commercial waste auditing services; operation of the compost, recycling and resource recovery facilities.

Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

#### Allocation of Costs of Benefits pursuant to Section 122E(1)(a)

##### General Benefits (Section 122F(b))

General benefits accrue to the community as a whole through reducing demands on the environment for disposing of refuse, and for minimising the use of expensive landfill facilities.

43.1%

#### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

##### Direct Benefits

The surplus from Refuse Disposal shall be applied to the cost of providing direct benefits in the same proportion as the benefit. Direct benefits not funded by user charges and the surplus shall be allocated to ratepaying sectors on the basis of their capital value, this value reflecting their interest in the amenity of the City.

##### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

##### Direct Benefits (Section 122F(c))

Direct benefits accrue to participants in the various minimisation programmes, and to purchasers of compost and other re-cycled materials.

56.9%

##### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Waste Minimisation Programmes

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
43.1% General Benefits		1,739,814	444,614	64,133	110,573	2,359,134
56.9% Direct Benefits	3,118,720				0	3,118,720
<b>Total Costs</b>	3,118,720	1,739,814	444,614	64,133	110,573	5,477,854
<b>Modifications</b>						
Non-Rateable		38,232	9,770	1,409	-49,412	0
<b>Total Modifications</b>		38,232	9,770	1,409	-49,412	0
<b>Total Costs and Modifications</b>	3,118,720	1,778,047	454,385	65,542	61,161	5,477,854
<b>Funded By</b>						
59.6% User Charges	3,267,028					3,267,028
21.1% Surplus from Refuse Disposal		852,963	217,977	31,442	54,209	1,156,591
19.2% Capital Value Rating	0	815,710	208,457	30,069	0	1,054,235
User Charges to Offset Rates	-148,308	109,374	27,951	4,032	6,951	0
<b>Total Funding</b>	3,118,720	1,778,047	454,385	65,542	61,161	5,477,854
<b>Share of Rates</b>		77.4%	19.8%	2.9%	0.0%	

# Function

## Fresh Water Supply

### Description of Service

Supply of fresh water to defined standards of pressure and quality, including advocating water conservation, and ensuring water is available for fire fighting.

### Share

#### Control Negative Effects (Section 122F(d))

The Council administers a set of bylaws to protect the water supply system. The cost of this administration is negligible compared to the overall cost of supplying fresh water.

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

General benefits include protection from water-borne diseases and the availability of adequate water for fire fighting; and the availability of adequate water for maintaining the Garden City image.

22.1%

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### Direct Benefits (Section 122F(c))

Direct benefits accrue to users of the system.

77.9%

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

It is Council policy to fund the cost of water supply from capital value rating, excluding charges for high volume users. Costs of direct benefits not associated with high volume use have therefore been allocated to rating. The Council further considers it to be in the community interest for residents to be able to access sufficient water, without regard to economic circumstances, to maintain the City's Garden City image.

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

**Note** Water supply is funded by a separate rate, whose district is the area serviced by the water supply system. Revenues from this rate may only be used for water supply purposes.

#### Direct Benefits

The cost of direct benefits not recovered from users shall be funded by capital value rating.

#### Negative Effects

As it is not usually practicable to recover the cost of administering the bylaw system from persons who breach the bylaws, the cost of bylaw administration shall be funded by capital value rating.

#### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Fresh Water Supply

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
22.1% General Benefits		2,204,157	529,646	25,319	138,838	2,897,960
77.9% Direct Benefits	10,212,753				0	10,212,753
0.0% Negative Effects	966					966
<b>Total Costs</b>	10,213,719	2,204,157	529,646	25,319	138,838	13,111,679
<b>Modifications</b>						
Transfer User Costs to Rating	-6,808,669	6,145,905	387,091	141,493	134,180	0
<b>Total Modifications</b>	-6,808,669	6,145,905	387,091	141,493	134,180	0
<b>Total Costs and Modifications</b>	3,405,050	8,350,062	916,737	166,812	273,019	13,111,679
<b>Funded By</b>						
26.0% User Charges	3,405,050					3,405,050
74.0% Capital Value Rating	0	8,350,062	916,737	166,812	273,019	9,706,629
<b>Total Funding</b>	3,405,050	8,350,062	916,737	166,812	273,019	13,111,679
<b>Share of Rates</b>		86.0%	9.4%	1.7%	2.8%	



# Function

## Waterways and Wetlands

### Description of Service

Planning and operating the City's land drainage system including waterways and piped systems; administration of land drainage bylaws; providing information on land drainage issues and proving land drainage input into the resource consents process.

### Allocation of Cost of Benefits pursuant to Section 122E(1)(a)

#### General Benefits (Section 122F(b))

Benefits accrue to the community generally through the amenity afforded by a well-drained city, including freedom from water borne pests and diseases, protecting the integrity of public and private assets, and the scenic and conservation values of wetlands and waterways; the cost of operating the land drainage system is partially independent of the number of persons benefiting from the service.

#### Nature and Distribution of General Benefits

It is considered that such benefits are distributed in the same way as residents' interests or stake in the City.

#### Direct Benefits (Section 122F(c))

Direct benefits accrue to property owners whose assets are protected, and to users of the information provided.

Share

### Control Negative Effects (Section 122F(d))

Negative effects on the land drainage system are controlled through administering land drainage bylaws.

Share

0.1%

### Modifications of Allocation of Costs Pursuant to Section 122E(1)(b)

92.5%

Because of the importance of land drainage to the well-being of the community as a whole, regardless of income or personal circumstances, all direct benefits except a portion of these those associated with information requests, are to be transferred to ratepayers, distributed by capital value.

### Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

**Note** Rates for land drainage shall be by way of a separate rate whose district reflects the area of benefit of the land drainage system. Revenue collected by this rate may be used only for land drainage purposes.

7.4%

#### Direct Benefits

Direct benefits associated with information shall be partially funded by user charges; the balance shall be funded by capital value within the special rating district .

#### Negative Effects

The cost of controlling negative effects shall be funded by capital value rating from within the special rating district, as it is usually not possible to recover costs from persons who offend against bylaws.

#### General Benefits

These shall be funded by capital value rating on the grounds capital value best represents stakeholder interest.

## Waterways and Wetlands

### Costs and Modifications

	Users	Residential	Commercial	Rural	Institutions	Totals
<b>Costs</b>						
92.5% General Benefits		8,141,432	1,974,461	188,582		10,304,475
7.4% Direct Benefits	823,496				0	823,496
0.1% Negative Effects	15,939					15,939
<b>Total Costs</b>	839,435	8,141,432	1,974,461	188,582	0	11,143,910
<b>Modifications</b>						
Transfer User Costs to Rating	-578,185	456,816	110,787	10,581		0
<b>Total Modifications</b>	-578,185	456,816	110,787	10,581		0
<b>Total Costs and Modifications</b>	261,250	8,598,248	2,085,248	199,164	0	11,143,910
<b>Funded By</b>						
2.3% User Charges	261,250					261,250
97.7% Capital Value Rating	0	8,598,248	2,085,248	199,164	0	10,882,660
<b>Total Funding</b>	261,250	8,598,248	2,085,248	199,164	0	11,143,910
<b>Share of Rates</b>		79.0%	19.2%	1.8%	0.0%	

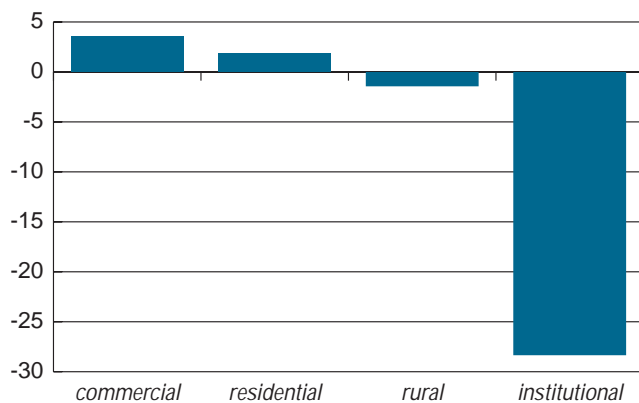
# Appendix 1

## Funding Policy for 1998/99 Appendix 1

Changes in the rates for each sector over 1997/98 actual rates (after adjustment for capital growth)

Increases	Residential rates increase by	\$2,263,502 over 1997/98 adjusted actual or	+2.45%
Increases	Commercial / Industrial rates increase by	\$840,632 over 1997/98 adjusted actual or	+2.18%
Decreases	Rural rates decrease by	-\$6,505 over 1997/98 adjusted actual or	-0.54%
Decreases	Non rateable sector decrease by	-\$517,459 over 1997/98 adjusted actual or	-32.98%

### Rates increases and decreases



### Uniform Annual General Charge

The Uniform Annual General Charge will be \$105 per property compared with \$100 last year

### Impact on ratepayers within each sector

#### Residential

For all capital values there would be a rate increase over 1997/98 actual rates charged

At a capital value of \$50,000	\$10pa.
At a capital value of \$100,000	\$16pa.
At a capital value of \$124,000	\$18pa.
At a capital value of \$145,000	\$21pa.
At a capital value of \$240,000	\$31pa.
At a capital value of \$500,000	\$59pa.

#### Commercial / Industrial

For all capital values there would be a rate increase over 1997/98 actual rates charged

At a capital value of \$60,000	\$14pa.
At a capital value of \$100,000	\$20pa.
At a capital value of \$200,000	\$35pa.
At a capital value of \$300,000	\$50pa.
At a capital value of \$500,000	\$80pa.
At a capital value of \$1,000,000	\$156pa.

#### Rural

For all capital values there would be a rate decrease over 1997/98 actual rates charged

At a capital value of \$50,000	-\$0pa.
At a capital value of \$200,000	-\$17pa.
At a capital value of \$1,000,000	-\$103pa.

# Appendix 2

## Rates Summary By Sector

### 1998/99 Rates

#### Impact of Funding Policy on ratepaying sectors

<i>GST Inclusive</i>	<i>Actual 1997/98 Adjusted for Capital Growth</i>	<i>Comparison 1997/98</i>	<i>Proposed 1998/99</i>
<i>Differential scheme:</i>			
<i>Commercial/Industrial</i>	130%	<i>Funding</i>	<i>Funding</i>
<i>Rural</i>	-20%	<i>Policy</i>	<i>Policy</i>
<i>Uniform Annual General Charge</i>	\$100	\$100	\$105

#### Rates by Sector

<i>Commercial/Industrial</i>	36,620,215	35,842,973	37,460,847
<i>Residential/Base</i>	92,307,526	90,801,406	94,571,028
<i>Rural</i>	1,977,204	1,911,284	1,970,699
<i>Non-rateable</i>	1,607,835	1,144,619	1,090,376

<i>Total Rates</i>	132,512,779	129,700,282	135,092,950
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#### Sector Percentage

<i>Commercial/Industrial</i>	27.64%	27.64%	27.73%
<i>Residential/Base</i>	69.66%	70.01%	70.00%
<i>Rural</i>	1.49%	1.47%	1.46%
<i>Non-rateable</i>	1.21%	0.88%	0.81%

100.00%	100.00%	100.00%
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#### Sector Percentage Change (From 97/98 adjusted actual)

<i>Commercial/Industrial</i>	2.30%
<i>Residential/Base</i>	2.45%
<i>Rural</i>	-0.33%
<i>Non-rateable</i>	-32.18%

<i>Total Rates Increase (From 97/98 adjusted actual)</i>	1.95%
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#### Total Rates by Type

<i>General rate on Cap Val.</i>	76,276,314	57.56%	74,657,396	57.56%	79,917,648	59.16%
<i>Uniform Annual General Charge</i>	12,801,402	9.66%	12,529,700	9.66%	13,079,430	9.68%

<i>Total General Rate</i>	89,077,715	67.22%	87,187,096	67.22%	92,997,078	68.84%
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<i>Water Rate</i>	11,572,044	8.73%	11,326,311	8.73%	10,919,958	8.08%
<i>Land Drainage Rate</i>	12,610,163	9.52%	12,342,644	9.52%	12,242,992	9.06%
<i>Sewer rate</i>	19,252,857	14.53%	18,844,231	14.53%	18,932,922	14.01%

<i>Total Separate Rate</i>	43,435,064	32.78%	42,513,186	32.78%	42,095,872	31.16%
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<i>Total Rates</i>	132,512,779	100.00%	129,700,282	100.00%	135,092,950	100.00%
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#### Impact of Rates on Residential Properties:

	\$	\$
<i>For a dwelling with the median value -</i>	\$124,000	669
<i>For a dwelling at the average residential value-</i>	\$145,290	767
<i>Where the residential value is -</i>	\$80,000	467
<i>Where the residential value is -</i>	\$175,000	903

# Appendix 3

## Funding Policy

### City Council Rates on selected property values

Comparing Actual rates of 1997/98 to rating under the proposed Funding Policy

	Actual 1997/98 (Adjusted for capital growth)	Proposed 1998/99 Funding Policy	Change Over Actual 1997/98 \$
Commercial Differential	130%		
Rural Differential	-20%		
UAGC	\$100.00	\$105.00	
<b>Residential &amp; Base - fully serviced</b>			
Total Rates for the Sector	92,307,526	94,571,028	2,263,502 2.45%

### Rates for a property with Capital values of:

Capital Value	No of Ratepayers	Actual 1997/98	Proposed - Funding policy 1998/99	Change Over Actual 1997/98
50,000	1,391	330	340	10
60,000	1,803	375	387	11
70,000	3,895	421	434	13
80,000	6,279	467	481	14
90,000	9,220	513	528	15
100,000	9,833	559	575	16
110,000	10,789	605	622	17
120,000	9,956	651	669	18
124,000	1995 Med'n	669	688	18
130,000	9,883	697	716	19
140,000	7,777	743	763	20
145,290	1995 Ave	767	788	21
150,000	5,729	789	810	21
160,000	4,498	834	857	22
180,000	7,018	926	951	24
200,000	5,443	1,018	1,045	27
220,000	3,930	1,110	1,139	29
240,000	3,147	1,202	1,233	31
260,000	2,074	1,293	1,327	33
280,000	1,847	1,385	1,421	35
300,000	1,348	1,477	1,515	37
350,000	2,417	1,707	1,750	43
400,000	798	1,936	1,984	48
450,000	616	2,166	2,219	54
500,000	365	2,395	2,454	59
550,000	207	2,625	2,689	65
1,000,000	541	4,690	4,804	113
Over 1,000,000	203			
Total	111,007			

### Commercial - Fully serviced

Total Rates for the Sector			Increase	
36,620,215		37,460,847	840,632	2.30%
60,000	2,402	585	599	14
100,000	1,010	908	928	20
140,000	962	1,231	1,257	26
160,000	423	1,392	1,421	29
200,000	750	1,715	1,750	35
300,000	1,163	2,523	2,573	50
400,000	735	3,330	3,395	65
500,000	457	4,138	4,218	80
1,000,000	927	8,175	8,331	156
Over 1,000,000	724			
20,000,000		161,605	164,624	3,019
Total	9,553			

### Rural - Not paying Water, Sewerage, or Land Drainage Rate.

Total Rates for the Sector			Decrease	
1,977,204		1,970,699	-6,505	-0.33%
50,000	56	207	207	-0
100,000	55	314	309	-6
150,000	104	422	410	-11
200,000	120	529	512	-17
300,000	457	743	716	-28
400,000	397	958	919	-38
500,000	217	1,172	1,123	-49
1,000,000	254	2,245	2,141	-103
Over 1,000,000	57			
Total	1,717			

# Appendix 4

## Roading: An approach to allocating costs

### Wear and Tear outputs

The LTSA have provided the following figures for annual vehicle kilometres for Christchurch:

	V-KM	Car Equivs	Equiv V-KM	Share	
Car	1,923,000	1	1,923,000	0.39%	0.40%
Trailer Combination	35,000	1.6	56,000	0.01%	
Light Commercial	30,000	1	30,000	0.00%	
Rigid Truck	41,000	5000	205,000,000	41.25%	99.60%
Articulated Truck	29,000	10000	290,000,000	58.35%	
	2,058,000		497,009,000		

The figure for Car Equivalents has been arrived at as followed:

Trailer Combination	It has been assumed that a trailer does only 60% of the damage as a car
Light Commercial	Same as for a car
Rigid Truck	Half of an articulated truck
Articulated Truck	An articulated truck can do up to 13,000 times the damage to a road as a private automobile. The figure of 10,000 is used as a realistic conservative weighting factor

### Allocation among Residential, Commercial or Rural ratepayers.

The number of rateable properties in each sector has been used as a surrogate for the number of vehicles owned by each sector

Cars, Trailers Etc		Unweighted	Distance		Weighted
	Nr of Prop't's	Share	Weighting	Equivalents	Share
Residential	111,273	91.8%	1	111,273	89.3%
Commercial	8,246	6.8%	1	8,246	6.6%
Rural	1,681	1.4%	3	5,043	4.0%
	121,200	100.0%		124,562	100.0%
Trucks		Use	Distance	Equivalents	Weighted
	Nr of Prop't's				Share
Residential	111,273	0	0	0	0
Commercial	8,246	1	1	8,246	99.4%
Rural	1,681	0.01	3	50	0.6%
	121,200			8,296	100.0%

A distance weighting factor of 3 is used to compensate for the fact that a greater length of road must be maintained to provide access to rural properties. A use weighting of 0.01 is used because rural truck owners do not use their vehicles as often as commercial operators

### Overall Allocation

	Cars Trailers	Share of Damage	Cmls Trucks	Share of Damage	Overall Share
Total Damage Share		0.4%		99.6%	
Residential	89.3%	0.4%			0.4%
Commercial	6.6%	0.0%	99.4%	99.0%	99.0%
Rural	4.0%	0.0%	0.6%	0.6%	0.6%
	100.0%		100.0%		100.0%

### Non Wear & Tear Outputs

The LTSA figures can be used unweighted to give the following results:

	V-KM	Share	
Car	1,923,000	93.4%	95.1%
Trailer Combination	35,000	1.7%	
Light Commercial	30,000	1.5%	
Rigid Truck	41,000	2.0%	4.9%
Articulated Truck	29,000	1.4%	
	2,058,000	100.0%	

### Overall Allocation

	Cars, Trailers		Cmls, Trucks		Share
Share of Direct Benefits		95.14%		4.86%	
Residential	91.8%	87.3%	0.0%	0.0%	87.3%
Commercial	6.8%	6.5%	99.4%	4.8%	11.3%
Rural	1.4%	1.3%	0.6%	0.0%	1.3%
	(Unweighted)		(Count)		100.0%