

Revenue and Financing - Funding Needs Analysis

Purpose

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

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

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

Once the above analysis is done, Council is required by section 101(3)(b) to consider the overall impact of any allocation of liability for revenue needs current and future social, economic, environmental, and cultural well-being of the community. This allows Council, as a final measure, to modify the overall mix of funding in response to community needs in the short and long-term.

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

Previous reviews

Council has incorporated a review of its Revenue and Financing Policy into every Long Term Plan process.

Appendix Two contains an assessment of the proposed funding bands for each activity. This assessment identifies the sources of income for each activity.

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

Funding bands

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

The Revenue and Financing Policy will use the bands in table 1 below. The final setting of rates is based on the Funding Impact Statements for the relevant year. The ranges in Table 1 are expressed as a percentage of the revenue required to fund each activity and are indicative only. They may change over time because of changes in expenditure requirements. It is possible that actual funding sources may differ from budgeted funding sources.

Table 1: Funding bands

Name	Percentage range
Unlikely	0%
Minimal	0% - 20%
Low	20% - 40%
Moderate	40% - 60%
High	60% - 80%
Most	80% - 100%
All	100%

Activity analysis

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

Other Measures

Council may remit rates where it considers it appropriate to do so and as documented in the Rates Remissions Policy adopted under the Local Government Act sections 102(3)(a), 108, 109 and 110. These policies address social matters as well as adjusting rates for benefits that differ for some rates assessments (e.g. additional or no provision of some services).

Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years for the purpose of smoothing the cost to users and ratepayers. Council may also resolve to set an unbalanced budget if it is financially prudent to do so, having regard to the considerations in the Local Government Act section 100(2).

Other relevant policies

Revenue and Financing Policy and Rates Remission and Postponement Policy.

Appendix One Legislative assessment of funding considerations

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

Table 2: Legislative assessment of funding considerations

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

LGA s101(3)(a)	Operating funding considerations	Capital funding considerations
Current and future social, economic, environmental, and cultural well-being of the community.	<p>Current behaviours may not be compatible with the changing conditions into the future. Council will consider if long term behavior changes are required and may choose to vary funding sources to incentivise this if required.</p> <p>Council has significant investments in Quayside Holding Ltd. These investments return a substantial dividend to Council which reduces the general rates requirement. Council seeks to maintain the real value of the dividend and investments over time, and to provide for financial resilience for Climate Change or unexpected events.</p>	Council seeks to fund capital projects in the most financially efficient manner. The cost of capital is spread over the life of the asset by setting internal loans including an appropriate interest rate. These internal loans are financed either through borrowing or using accumulated reserves depending on the available interest rates.

Appendix Two Funding analysis for each activity

Catchment Management

Activity – Coastal Catchments

We protect and restore biodiversity and water quality by working with landowners, tangata whenua, industry, and the wider community, usually via Environmental Programmes. These involve a range of interventions, including fencing and planting of biodiversity and stream margins, wetland enhancement, treatment wetland construction, improved drain management, and a range of other controls designed to intercept contaminants and help control animal and plant pests.

The activity supports four co-governance bodies: Ōhiwa Harbour Implementation Forum, Rangitāiki River Forum, Te Maru o Kaituna River Authority, and the Tauranga Moana Advisory Group. Current projects to deliver our goals include the Rangitāiki Re-Connection Project, Fish Care BOP, Thriving Kaimai Mamaku, and Tauranga Harbour coastal wetland reclamation.

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

Activity - Rotorua Lakes

The Rotorua Catchments Activity integrates the delivery of services within the Rotorua Te Arawa Lakes that focuses on ensuring the lakes are thriving by recognising and providing for te mana o te wai (the intrinsic value of water). We protect and restore biodiversity and water quality by working with landowners, tangata whenua, industry, and the wider community, and implement the Plan Change 10 requirements. Work includes fencing and planting of biodiversity sites and stream margins, wetland enhancement, and a range of other controls designed to intercept contaminants and help control animal and plant pests

This includes implementing the work for the Rotorua Te Arawa Lakes Programme, agreed by the Programme partners (Te Arawa Lakes Trust and Rotorua Lakes Council) and part-funded through a Deed of Funding Agreement with the Crown.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<ul style="list-style-type: none"> ■ A healthy environment ■ Freshwater for life
Who benefits?	<p>This activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise where a nationally-significant water body is protected or restored. Local and individual benefits arise for those who live near or adjacent to lakes protected or restored.</p> <p>The activity provides benefits to individual landowners, Māori, rural industry sectors and communities across the region. The wider community and future generations will get enhanced economic, environmental, social and cultural value from these improvements.</p>
Time frame of benefits	<p>The benefits of the current expenditure, relating to current planning and delivery of protection work, are both short and long-term, with cumulative benefits as environmental well-being improves over time. The activity is provided continuously with the Biodiversity sub-activity Standard Operating Procedures being implemented, monitored and reviewed as work progresses. Long-term benefits arise from capital expenditure on physical works such as structures to restore the Rotorua lakes.</p>
Individuals and groups creating demand for service	<p>Exacerbators include a range of land uses (particularly the primary sector) and households with septic tanks plus those individuals or groups of individuals who act in ways that are incompatible with sustainable management of our water resources. A significant component of exacerbation is historic land use, with some natural contributions from geothermal discharge. Regulatory controls are now in place to cap the current level of discharge from rural activities.</p> <p>Past and present landowners have contributed to a need to improve land management practices. Current landowners require advice to sustainably manage land.</p> <p>Examples include over-extraction from our water resources in periods of drought or discharges of contaminants that have more than minor adverse environmental effect.</p>
Short and long-term well-being	<p>Environmental well-being is maintained (or improved) by this activity over time. If environmental well-being were lowered over time it would effectively be transferring costs to a future generation.</p> <p>The programme to deliver sustained improvement of lake Trophic Levels is effectively the current generation paying for damage caused by previous generations.</p>
Rationale for funding mix	<p>Since the activity benefits a range of sectors described above, a combination of sources are required to fund the costs of services provided by the activity.</p>

Legislative assessment of funding considerations for operating and capital expenditure

	<p>The advice provided to individual landowners provides public good arising from sustainable land management across the region. It is not considered efficient to recover costs from individual beneficiaries as it may discourage landowners from obtaining advice.</p> <p>While all residents of the region benefit from sustainable water management, resource users receive greater benefits than other landowners. Where possible beneficiaries and exacerbators of the work undertaken on the investigation and management of our water resources are recovered via Resource Management Act (RMA) Section 36 charges.</p>
Operating funding mix	<p>Projects on the four priority lakes - Rotorua, Rotoiti, Rotoehu and Ōkāreka- are funded from the Rotorua Te Arawa Lakes Deed: 50 percent from Central Government (through the Ministry for the Environment); 25 percent from general funds and 25 percent from targeted rates. Projects not covered by the Rotorua Te Arawa Lakes Deed are funded 50 percent general funds and 50 percent targeted rates from the Rotorua District (differentiated by land area).</p> <p>Benefits accrue to the regional community from sustainable land use. Benefits to property indicates value-based rate. Expenditure for projects covered by the Deed that is carried forward from previous years will be funded from the Rotorua Lakes Deed Funding reserve. Operating costs for land use change to reduce nutrients in the catchments of the Rotorua Lakes will be funded 50 percent from existing reserves and 50 percent from Central Government (through the Ministry for the Environment).</p>
Capital funding mix	<p>Rotorua Te Arawa Lakes deed capital projects are funded 50 percent of funding comes from Central Government (through the Ministry for the Environment) and the remaining 50 percent, plus non-Deed projects, are funded through existing reserves and /or through loans.</p>

Activity – Regional Parks

The Regional Parks activity provides two regional parks (Pāpāmoa Hills Regional Park and Onekawa Te Mawhai Regional Park), primarily for the protection of cultural heritage values. Visitor numbers have increased in recent years, with our 2019/20 performance significantly above target despite the impact of COVID-19. Current work (both capital and operational) is focused on enhancing the visitor experience as well as our sustainable management of the parks' natural resources. The planting of steep slopes assists with mitigation of climate change.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	■ A healthy environment
Who benefits?	This activity provides benefits across the region. Visitors to the region also benefit from being able to enjoy and use the regional parks.
Time frame of benefits	The benefits of current expenditure are both short and long-term. Short-term benefits arise from the current park operation, and long-term benefits arise because assets are available for present and future generations.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the demand.
Short and long-term well-being	Both population and land-value are forecast to increase over time. Therefore the demand for, and total cost of providing, this activity may increase over time.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.
Operating funding mix	80-100 percent general funds, 0-20 percent user fees and charges. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Activity – Biosecurity

The Biosecurity Activity manages pests in the region through the Regional Pest Management Plan (RPMP). It conducts monitoring and management activities. This helps to protect ecosystem services (e.g. pollination, soil quality, clean water) and thus support our environment, people, and economy from the negative impacts of pests. Biosecurity provides benefits at the national, regional, local, and individual levels. The activity supports work done by the Ministry for Primary Industries and the Department of Conservation. The quantum of work is continually increasing to maintain current levels of service, due to new incursions of pest species. This activity received substantial central government funding (approx. \$4m p.a.) as part of Budget 2020 to manage wallabies and wildling conifers but with a primary goal of economic stimulus and job creation. The Biosecurity Act is under review and will affect operations during the LTP period and may introduce new tools to manage pests, e.g. infringement notices.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	<ul style="list-style-type: none"> ■ A healthy environment ■ A vibrant region 	
Who benefits?	This activity provides a mix of national, regional, local and individual/land owner benefits. National benefits arise from the prevention of pest spread to other regions. The regional benefit arises through protecting community values, including biodiversity and ecosystem services. Landowners also obtain a private benefit through having threats to their production removed.	
Time frame of benefits	The benefits are both short and long-term. The activity is provided on a continuous basis and is monitored and reviewed over time. Cumulative benefits accrue as environmental well-being is maintained or improves over time.	
Individuals and groups creating demand for service	Past and present landowners have contributed to a need to improve land management practices. Current landowners require advice to effectively manage pests. Regulatory tools are used to control and mitigate the effects of potential exacerbators. Central Government through the Biosecurity Act 1993.	
Short and long-term wellbeing	Maintaining (or decreasing) the number of pest species is focused on environmental well-being and protects the economic potential for production and export of goods. The cost of controlling a pest incursion once it is established is very high. Allowing pest species to become established therefore transfers costs to future generations.	
Rationale for funding mix	For initiatives that provide national benefits, the Council will seek recovery from the Ministry for Primary Industries (MPI) and Biosecurity NZ on a cost recovery basis. Substantial benefits to some landowners and occupiers through productivity gains and to the greater community through protecting biodiversity and ecosystem services.	
Operating funding mix	80-100 percent general funds, 0-20 percent other revenue, 0-20 percent grants and subsidies. Benefits accrue to the national and regional communities from sustainable land use. The benefits to property indicates value-based rate. Note: The 0-20 percent nominated above is an average recovery of costs for the activities. It does not constitute a target cost recovery but indicates an on-going average level of funding from other public funding.	
Capital funding mix	There are no significant capital costs.	

Flood Protection and Control

Activity – Rivers and Drainage Schemes

This Activity delivers a range of services designed to protect people, property, and livelihoods from flooding, and to provide land drainage to some of the region's most productive land. Services include the creation and maintenance of flood protection and drainage assets and implementation of the Flood Protection and Drainage Bylaws.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<div> <div></div> <div>Safe and resilient communities</div> </div>
Who benefits?	<p>The river scheme sub-activities have public(local, regional and national) and private benefits. The private benefits accrue to individual landowners and occupiers through the protection of lives, livelihoods and property. Local benefits occur because a range of public facilities, infrastructure and services receive security from flooding. Private and local benefits account for the greatest proportion of benefit from the sub-activity.</p> <p>Regional and national benefits arise because productive land, in flood prone areas provides an economic benefit through the multiplier effect to the wider region and nation.</p>
Time frame of benefits	<p>The benefits are both short and long-term. The activity is provided continuously, with the Asset Management Plan being implemented, monitored and reviewed over time. Long-term benefits arise from on-going protection of land from anticipated future increases in flood events. Cumulative benefits also accrue as land management practices(for example, soil conservation and stream protection works) improve in the scheme catchment over time.</p>
Individuals and groups creating demand for service	<p>People whose actions or inaction cause damage to scheme works are exacerbators. The Council has a regulator mechanism – the Floodway and Drainage Bylaw – to control these exacerbators. The land use practices of landowners that increase the amount of rainfall runoff into the catchment's network of waterways increase the required capacity of the schemes to cope with flood events.</p>
Short and long-term wellbeing	<p>The long-term outlook for Climate Change is that high rainfall events will become more frequent. This means that flooding events are likely to be more severe and more frequent in the future. The climate change is exacerbated by current and previous generations and the majority of the resulting decline in social and economic well-being, or increased protection costs, will be borne by future generations.</p>
Rationale for funding mix	<p>A mix of funding tools is required to reflect the wide range of benefits that the schemes provide to different groups and individuals. The significant amount of activity-specific capital costs suggests a need for a mix of short and long-term funding tools.</p> <p>These benefits are drained land for production.</p> <p>Those within a scheme who, in addition to their share of national and regional benefits, also receive local or individual benefits from the scheme should contribute additional funding to reflect those benefits. These local and individual benefits make up the vast proportion of the benefits from the scheme, and a targeted rate is therefore the best funding tool to recover the associated costs.</p> <p>The targeted rate based on where the land is situated within the scheme and land area within each rating unit would most accurately match the apportionment of benefits.</p> <p>The general rate is value-based as the benefits are to the property as well as regionally.</p>
Operating funding mix	<p>River Schemes; 0-20 percent general funds; 60-80 percent targeted rates to catchment- land area differential; 0-20 percent other revenue; 0-20 percent reserves.</p>

Legislative assessment of funding considerations for operating and capital expenditure

	<p>Targeted rates recognise the private benefits to properties in the catchment. They are struck on the basis of a given per hectare rate that has been calculated for each of a number of sub catchments. The general funding component reflects economic benefit from protection of productive property and infrastructure falling equally to people across the region.</p> <p>Rangitāiki Drainage Scheme; 100 percent targeted rates for the land area differential. The targeted rate land area differential reflects private benefits in proportion to property land area.</p> <p>The Minor Rivers Schemes are funded 100 percent from targeted rates.</p> <p>Minor River Schemes (Ōpōtiki); 80-100 percent targeted rates and 0-20 percent general funds. Three of the Minor River Schemes in the Ōpōtiki area have 20 percent general funding to recognise the regional benefit from protection of the transport network, and 80 percent targeted funding to reflect private benefit.</p> <p>Non Scheme works; 100 percent general funds.</p>
Capital funding mix	<p>River and drainage capital expenses provide long-term protection and are funded through reserves, loans, and/or capital grants. Major flood repair projects will be funded from loans and some insurance recoveries are forecast.</p>

Activity – Regional Flood Risk Coordination

The Regional Flood Risk Coordination Activity provides leadership, management, information and advice to manage flood risks and flood hazards in the Bay of Plenty. This includes carrying out flood forecasting, floodplain monitoring and river and engineering surveys to support the development of floodplain management strategies, working with other parts of Council in taking an integrated catchment approach. Alongside this, we provide flood management systems, flood room functionality and maintain a flood warning manual. We are also responsible for managing water levels in Lakes Rotorua and Rotoiti. Requests for assistance and advice have been increasing in the last years, following the April 2017 flood event, and the trend is expected to continue.

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

Resource Regulation and Monitoring

Activity – Air Quality

The Air Quality activity is focused on the Mount Maunganui and Rotorua Airsheds. Historical work has included regulation and funding to assist with the removal of solid fuel burners from the Rotorua Airshed. The current focus is the monitoring and enforcement of air discharges, and investigation of exceedances when they occur. Air quality standards are likely to change in the next few years as a result of the current central government programme of regulatory reform.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<div></div> A healthy environment
Who benefits?	<p>A significant proportion of the benefits are distributed across the Rotorua community. There are also wider regional public benefits from reduction in air pollution, particularly public health and regional amenity benefits for Rotorua as a domestic and international destination.</p> <p>The Mount Manganui airshed is an emergent issue related to industrial activities. Resolving these issues primarily benefit local residents, but also protects amenity values for tourism.</p>
Time frame of benefits	The benefits are both short and long-term. The activity is provided continuously.
Individuals and groups creating demand for service	Exacerbators are predominantly homes with inefficient heating appliances (primarily Rotorua) and air discharges from industry or business (primarily Mount Maunganui).
Short and long-term wellbeing	Air pollution is relatively short lived compared to ground or water pollution, however, removing the causal factors may require capital investment or business changes to reduce the generation of pollutants.
Rationale for funding mix	
Operating funding mix	<p>40-60 percent general funds, 40-60 percent uniform targeted rate to the Rotorua urban area.</p> <p>A uniform targeted rate (a fixed charge per property in the Rotorua urban area) is the best proxy for equal individual benefit across the area. General funds reflect wider benefits and a regional commitment to address significant problems wherever in the region these occur.</p> <p>Mount Maunganui air is funded 100% from general funds as a targeted rate on industrial properties did not have a strong enough link to exacerbators.</p>
Capital funding mix	There are no significant capital costs that are specific to the above activity. Hot Swap loans are funded from external or internal loans and recovered through a targeted rate for properties within the Rotorua Airshed area that have received a loan from the Council under the Clean Heat Conversion scheme.

Activity – Resource Consents

The Resource Consent activity processes and makes decisions on resource consent applications, which is a permission required for an activity that may have an effect on the environment. This ensures statutory requirements are fulfilled and a fair process for decision-making on regional natural and physical resource use is followed. Key beneficiaries include consent applicants, affected parties to the consent, members of the public, internal BOPRC staff (as part of the consent lifecycle) and Tangata Whenua. Over the last four years, volumes processed have increased by approximately 13%, a rate higher than population growth, while statutory timeliness has increased from 67% to 95%. Central government regulatory reform will likely influence future demands.

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

Activity – Regulatory Compliance

The Regulatory Compliance activity promotes good environmental outcomes and environmental stewardship by delivering three core services; (1) compliance monitoring of resource consents, (2) responding to environmental complaints and (3) enforcing compliance with the RMA, regional plans, and national regulations and standards. In addition, we work to promote compliance and the effective implementation of plans.

Our aim is to ensure development activities involving water, geothermal, air, land and coastal resources do not negatively impact on the natural environment or put people's health at risk. In recent years, the quantity of work has increased as a result of both regional growth and increased level of regulatory complexity. Central government regulatory reform will likely drive future growth as well. Currently we conduct approximately 15,000 assessments and respond to approximately 3,800 pollution hotline service requests annually.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<ul style="list-style-type: none"> ■ A healthy environment ■ Freshwater for life
Who benefits?	The activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise from minimising the potential impact on people and the natural environment caused by contaminated land. Local and individual benefits arise because adjacent resource users.
Time frame of benefits	The activity provides both immediate short-term benefits (for example, compliance monitoring and enforcement) and long-term benefits (for example, managing contaminated sites). The activity is provided on a continuous basis.
Individuals and groups creating demand for service	Identified exacerbators include consent holders for individuals, industries and businesses, and previous landowners who have contaminated land.
Short and long-term well-being	Regulatory compliance ensure that appropriate environmental protections set by resource consents are implemented. This ensures that the current generation is paying to reduce the potential future impacts of their activity.
Rationale for funding mix	<p>Monitoring resource consent compliance is 100 percent cost recovered through Section 36 charges. If enforcement is required for a breach of a regional plan and a resource consent is not involved, costs may be recovered through infringement notices and prosecutions.</p> <p>The bulk of our response and proactive activities are not currently recovered although the Council endorses the 'polluter pays' principle. The most cost-effective funding method is user charges. General funds will be used where costs cannot be recovered by other means.</p>
Operating funding mix	<p>60-80 percent general funds; 20-40 percent fees and charges.</p> <p>The Council's aim is to ensure user fees and charges under Section 36 of the RMA are set to the level that maximises recovery of actual and reasonable costs of the private good component of this activity. This currently equates to approximately 20-40 percent user charges. This is an average recovery of costs for the whole activity. It does not constitute a target cost recovery but indicates an on-going average level of funding from fees and charges.</p> <p>The balance of costs after user charges (approximately 60-80 percent of the total activity cost) is met by general funding. General funds are used to recover costs which deliver a public good, those which cannot be recovered for statutory reasons and other costs which cannot be recovered efficiently from private beneficiaries. Regulatory compliance costs that are a result of current consent holder or polluter activities are not subsidised from general funding. The Council aims to recover 100 percent of private good or exacerbator driven costs.</p>
Capital funding mix	There are no significant capital costs.

Activity – Maritime Operations

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

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<ul style="list-style-type: none"> ■ A healthy environment ■ Freshwater for life
Who benefits?	The activity provides a mix of national, regional, local and individual benefits. National and regional benefits arise from minimising the likelihood of maritime accidents that have an impact on people and the natural environment, including oil pollution response. Local and individual benefits arise because navigation aids help commercial and recreational vessels to avoid accidents and the associated financial and personal costs.
Time frame of benefits	The benefits are both short and long-term. The short-term initiatives are providing immediate mitigation and response to maritime incidents to immediately benefit the community. Long-term benefits include providing designated areas (such as shipping channels, mooring areas, and recreational use) in Council's frameworks.
Individuals and groups creating demand for service	Individuals who carry out unsafe navigation safety practices are potential causes of accidents. The exacerbators of the marine oil pollution are those who use or transport petrochemical products in the marine environment. The activity is a necessary 'insurance policy' against the possibility of oil spills.
Short and long-term well-being	Maritime functions protect the long-term viability of the harbor by ensuring the current activities do not cause lasting damage (e.g. major oil spill etc).
Rationale for funding mix	<p>To reflect the national and regional benefits for both people and the environment from ensuring safe use of the region's navigable waterways, a regional contribution towards the costs of navigation safety is required.</p> <p>To reflect the individual and private privileges from mooring commercial operations, boat owners/operators pay a representative proportion of the costs of the activity. The most appropriate tools to recover these costs are fees and charges on owners and operators.</p> <p>The polluter of maritime oil incidents will meet the majority of the costs of Council's oil spill response.</p>
Operating funding mix	<p>60-80 percent general funds; 20-40 percent fees and charges; 0-20 percent grants and subsidies.</p> <p>Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region. User charging through mooring charges and Port levies are set to the level that fully recovers the actual and reasonable costs of the private good component of this activity.</p> <p>Note: The 20-40 percent nominated above is an average recovery of costs for the activities. It does not constitute a target cost recovery but indicates an on-going average level of funding from user charges.</p>
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Transport and Urban Planning

Activity – Public Transport

The Public Transport activity provides public passenger transport services across the region, and transport for people with impairments, to improve accessibility to employment, education and essential services for the community, while reducing road congestion and emissions.

We plan, contract, fund and monitor passenger transport services, including the Bayhopper and Schoolhopper, and concessionary fare schemes such as Total Mobility. Effective public transport requires a continued collaborative approach between Regional Council and Operators, Territorial Local Authorities and NZTA. Continued population growth, the upcoming Government Policy Statement on Land Transport, and the Regional Public Transport Plan are factors which are likely to affect the delivery of the activity.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<div> <div></div> A healthy environment </div> <div> <div></div> A vibrant region </div>
Who benefits?	<p>This activity provides benefits that are evenly distributed across the region. It plans for a safe, integrated, sustainable and responsive land transport system that provides benefits to all people (both residents and visitors). National benefits also arise because the benefits of transport planning in the Bay of Plenty are received by visiting land transport users from outside the region.</p> <p>Local benefits from passenger transport services arise for those who live in close proximity to the services. Differential local benefits also arise depending on the level of service available in local communities.</p> <p>Private benefits accrue to those using passenger transport services.</p> <p>The rural service provides national and regional benefit from improved mobility and efficient transport networks. Local benefit is uneven across the region, as some rural centres have higher levels of service. There is also individual benefit to users.</p>
Time frame of benefits	The benefits of are both short and long-term. The activity is provided continuously, with transport planning documents regularly reviewed and updated. Cumulative benefits accrue over time as well-being increases due to improvements to the quality of land transport networks and services in the Bay of Plenty.
Individuals and groups creating demand for service	Increased population generally contribute to the need for additional passenger transport services. Different service levels are required by different areas. Individuals or groups of users are charged through the fare box.
Short and long-term wellbeing	Increasing passenger transport services may reduce future costs and well-being impacts by reducing the need to additional cars, parking, and roads. Reducing commuter pollution contributes to long-term environmental wellbeing.
Rationale for funding mix	<p>Increased service levels have begun to be delivered. Different levels of benefit are provided to communities across the region based on their level of service for their location. In order to provide clear links to areas where a higher level of service is provided, a targeted rate for bus services is based on location. Reserves are used to partly fund bus route optimisation as part of the Western Bay Transport Systems Plan to as those changes improve long term wellbeing.</p> <p>Private beneficiaries (in this instance passenger transport users) are charged directly through fares.</p>
Operating funding mix	Tauranga Passenger Services:

Legislative assessment of funding considerations for operating and capital expenditure

	<p>40-60 percent grants and subsidies; 0-20 percent fees and charges; 40-60 percent targeted rates; 0-20% reserves.</p> <p>Rotorua Passenger Services:</p> <p>40-60 percent grants and subsidies; 0-20 percent fees and charges; 40-60 percent targeted rates.</p> <p>Western Passenger Services:</p> <p>40-60 percent grants and subsidies; 0-20percent fees and charges; 40-60 percent targeted rates</p> <p>Eastern Passenger Services:</p> <p>40-60 percent grants and subsidies; 0-20percent fees and charges; 40-60 percent targeted rates</p> <p>Regional Services:</p> <p>20-40 percent grants and subsidies; 0-20 percent fees and charges; 60-80 percent general funds</p>
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Activity – Transport and Urban Planning

This activity supports an effective and efficient transport network and a collaborative approach to providing public transport. The activity provides urban and transport planning to meet our obligations under the Land Transport Management Act 2003. Including:

- Regional Land Transport Plan (RLTP) - which we develop in partnership with the local councils and the New Zealand Transport Agency and provides guidance and policies that direct the investment in public transport across the Bay of Plenty Region.
- Regional Passenger Transport Plan (RPTP) - which provides guidance and policies that direct the investment in public transport (PT) across the Bay of Plenty and encourages councils and PT operators to work together in developing PT services and infrastructure.

We review and provide strategic planning for the PT network across the region such as where we should add or change bus routes or other public transport options (e.g. on-demand services).

We help manage growth in the western Bay of Plenty through SmartGrowth and participate in the Upper North Island Strategic Alliance. We also support the transition to a multi model transport system and reducing the impact on the environment from PT in line with direction from central government. We respond to the transport requirements particular to the BOP and our communities. We also fund on-going maintenance of an existing stock truck effluent facility. In general, the benefits from this activity are region wide in the RLTP, and more localised (largely around urban centres) for the RPTP.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> A vibrant region	
Who benefits?	This activity provides benefits that are evenly distributed across the region. It plans for a safe, integrated, sustainable and responsive land transport system that provides benefits to all people (both residents and visitors). National benefits also arise because the benefits of transport planning in the Bay of Plenty are received by visiting land transport users from outside the region.	
Time frame of benefits	The benefits of are both short and long-term. The activity is provided continuously, with transport planning documents regularly reviewed and updated. Cumulative benefits accrue over time as well-being increases due to improvements to the quality of land transport networks and services in the Bay of Plenty.	
Individuals and groups creating demand for service	Business groups, industry, residents, visitors all expect a safe and efficient transport network..	
Short and long-term wellbeing	Planning for growth and future demand provides for future well-being.	
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.	
Operating funding mix	80-100 percent general funds; 0-20 percent grants and subsidies. Benefits are evenly spread across the region's population. General Funds are the best available proxy for benefit to all people in the region.	
Capital funding mix	There are no significant capital costs.	

Activity – Environmental Strategy

We ensure that climate change and other key external issues influence the work of Council. We do this by acting as strategic advisors and enablers for the organisation, providing problem solving, strategic thinking, horizon scanning, and specialist services. We provide sustainability loans and grants to help homeowners to install solar panels, insulation and/or efficient heating to help transition to a low carbon economy.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	■	A healthy environment
Who benefits?	Benefits are distributed evenly across the regional community. All members of the regional community can access the same information and contribute to the Council's strategic direction. Sustainability loans and grants provide a direct benefit to recipients, and indirect benefits to the wider community through reduced emissions and air pollution.	
Time frame of benefits	The benefits are short and long-term. Many actions can provide immediate benefits as well as supporting a sustainable future.	
Individuals and groups creating demand for service	Where the sustainable management of natural resources are put at risk, there is need for planning responses. Council also has a statutory responsibility under the Resource Management Act to sustainably manage natural resources.	
Short and long-term well-being	The strategic responses from this activity aim to protect long-term environmental and economic well-being and to prevent excessive cost transfer to future generations.	
Rationale for funding mix	The evenly spread nature of the benefits from this sub-activity across the region mean that the activity's costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is general funds. Repayment of sustainability loans is primarily from recipients, with minor implications from expenses which are funded from general funds.	
Operating funding mix	100 percent general funds. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.	
Capital funding mix	Sustainability loans are funded from external borrowing and recovered directly from property owners that have received a loan from the Council under the scheme.	

Activity – Regional Development

Provides leadership, facilitation and support across the region for economic development. A significant focus is on our economic development strategy through Bay of Connections. We work with Māori, industry, local and Central Government and other key stakeholders across the region and the country to align the region's approach. Key deliverables over the next period will be significant projects such as the development of a regional 'transitions plan' setting out the path for the region to move towards a low carbon economy, providing support for projects focused on the region's recovery from the impact of COVID-19, and providing funding for approved Regional Infrastructure and Third Party Infrastructure projects.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	■	A vibrant region
Who benefits?	The activity provides benefits across the region by coordinating sustainable development actions regionally. It also provides national benefits by increasing the Bay of Plenty's contribution to the national economy.	
Time frame of benefits	The benefits are both short and long-term. The activity is provided on a continuous basis. Cumulative benefits arise over time as economic well-being improves.	
Individuals and groups creating demand for service	No identifiable exacerbator.	
Rationale for funding mix	While it may be desirable for transparency reasons to fund the activity separately through an equal charge across the region, the size of the activity does not warrant separate funding.	
Operating funding mix	20-40 percent general funds; 60-80 percent reserves General funds are used as economic development in the region provides a benefit proportionate to existing wealth, where property value is used as a proxy for wealth. Reserves are used to fund infrastructure projects to reflect their long term benefits.	
Capital funding mix	There are no significant capital costs.	

Activity – Māori Policy

The Māori Policy activity provides strategic advice, support and leadership on Māori relationship management, engagement and policy, to ensure we meet our statutory responsibilities to Māori in the region. Through solidifying and enhancing our relationships with Māori we are able support participation by Maori in processes that help deliver Council priorities and outcomes including supporting economic recovery from the impact of CVOID-19 and changes to fresh water policy NSF and NESFM. This activity also facilitates the integration of Mātauranga Māori in Council business. The Bay of Plenty has 37 iwi entities, over 260 hapū, and 224 marae. There are approximately 1,800 management structures covering over 5,000 Māori land blocks.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<ul style="list-style-type: none"> ■ A healthy environment ■ Freshwater for life
Who benefits?	The Māori Policy activity benefits the regional community by ensuring that Māori are effectively engaged in decision making to meet our statutory obligations.
Time frame of benefits	The benefits are region-wide, both immediate and into the future. This activity is provided continuously.
Individuals and groups creating demand for service	Demand for this activity has come from Māori as they seek to be more actively involved in the Council's decision making to reflect their roles and interests as defined in the Treaty of Waitangi.
Short and long-term benefits	Ensuring that Maori and able to provide input to decision making provides short-term cultural benefits through respecting their status and mana, and long-term benefits from improved decision making.
Rationale for funding mix	<p>The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population.</p> <p>There are no particular costs or benefits for separate funding of this activity. Each is separately reported and budgeted for reasons of transparency and accountability.</p>
Operating funding mix	<p>100 percent general funds.</p> <p>Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.</p>
Capital funding mix	There are no significant capital costs.

Activity – Policy and Planning

The Policy and Planning activity ensures that development occurs in a sustainable way that achieves positive social, environmental, and cultural outcomes. We do this via policy analysis and plan making focusing on fresh water, air quality, and coastal management.

This includes planning documents under the Resource Management Act 1991, such as the Regional Policy Statement, the Biosecurity Act 1993 and the Local Government Act 2002. We promote integrated regional resource management by providing input on district consent applications, district plans and other policy from Central and local government. A current focus is working with tāngata whenua, the community and key stakeholders to maintain and improve water quality and manage water quantity through a series of changes to the Regional Natural Resources Plan.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input checked="" type="checkbox"/> Freshwater for life <input type="checkbox"/> Safe and resilient communities <input type="checkbox"/> A vibrant region	
Who benefits?	Benefits are distributed evenly across the regional community. All members of the regional community can access the same information and contribute to the Council's strategic direction on resource management matters.	
Time frame of benefits	The Council's statutory policy is regularly reviewed as new information comes to hand or when required by legislation. Planning under the RMA seeks sustainably manage natural resources for the short and long-term.	
Individuals and groups creating demand for service	Where the sustainable management of natural resources are put at risk, there is need for planning responses. Council also has a statutory responsibility under the Resource Management Act to sustainably manage natural resources.	
Short and long-term wellbeing	The decision making requirements under the Resource Management Act protect long-term well-being so that excessive costs are not transferred to future generations.	
Rationale for funding mix	The evenly spread nature of the benefits from this sub-activity across the region mean that the activity's costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings.	
Operating funding mix	100 percent general funds. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.	
Capital funding mix	There are no significant capital costs.	

Activity – Community Engagement

The Community Engagement Activity facilitates community involvement in council decision making. This helps ensure that council work is more closely aligned to community expectations. This activity manages the Environmental Enhancement Fund (EEF), the Community Initiatives Funding (CIF) and the Regional Safety and Rescue Services Fund (RSRSF). This provides funding for community groups to deliver projects that are aligned to Council Outcomes and leverage the enthusiasm and skills of the community.

Legislative assessment of funding considerations for operating and capital expenditure	
Link to community outcomes	<ul style="list-style-type: none"> ■ A healthy environment ■ Freshwater for life ■ A vibrant region
Who benefits?	This activity supports and advises Councillors and staff within the Regional Council and works along side the region's seven territorial authorities, Māori, community members, young people in families and schools. Businesses, community groups, schools and individuals from across the region all benefit from this activity. EEF activities benefits community groups, residents, schools and other stakeholders throughout the region.
Time frame of benefits	Although EEF and CIF projects are often completed within relatively short time-frames (typically with in a 12 month cycle) with immediate benefits for the environment and community, there are often additional benefits to the environment and community as the project becomes more established as a result of the seed funding. Much of the work undertaken is in a support role with benefits that can take a significant amount of time to realise.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the demand. Individuals and community groups seeking funding and support for community projects have driven the demand for this activity.
Short and long-term well-being	Ensuring that the community is engaged and be involved in decision making allows for both short and long-term interests to be considered.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population. The funding tool that most closely approximates this is a UAGC on individual dwellings. The RSRSF has benefits that align with geography depending on the services funded.
Operating funding mix	The Community Engagement activity is 80-100% funded through general funds. Benefits are evenly spread across the region's population. The Regional Safety and Rescue Services Fund is funded by targeted rates to allow for the different spread of benefits across the region and to ring-fence funding.
Capital funding mix	There are no significant capital costs.

Activity – Governance Services

The Governance Services activity supports the democratic structure and processes of Council. The activity assists the Council in decision-making processes and supports elected members in providing good governance in an open and transparent manner.

The Governance Activity is responsible for the administration of the triennial elections, reviewing the representation structure, elected members' remuneration and expenses, and ensuring Council, committee and co-governance meetings comply with legislative requirements. It also provide governance advice, support and guidance to Council and the Chief Executive.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	■ A vibrant region
Who benefits?	Benefits are distributed evenly across the regional community. The elected members of Bay of Plenty Regional Council represent all members of the region's community.
Time frame of benefits	Governance Services are provided continuously.
Individuals and groups creating demand for service	Governance ensures that all of the community can participate in democratic processes and provides transparency through meeting processes including publicising meeting and making agendas and minutes publically available.
Short and long-term wellbeing	Ensuring that the community is able to participate in democratic processes ensure that short and long-term interests to be considered.
Rationale for funding mix	The evenly spread nature of the benefits from this activity across the region mean that the costs should be evenly distributed across the region's population.
Operating funding mix	100 percent general funds. Benefits are evenly spread across the region's population. General funds are the best available proxy for benefit to all people in the region.
Capital funding mix	There are no significant capital costs.

Emergency Management

Activity – Emergency Management

Emergency Management is complex due to it being a combination of directly provided services and the co-ordination of services provided by a range of parties. The Bay of Plenty CDEM Group partnership agreement came into force 1 July 2020 and sets out the following key functions, roles, and responsibilities:

- Bay of Plenty CDEM Group (Group) – BOPRC is the administering authority for the Group, which comprises the seven Council members in the region including BOPRC.
- Emergency Management Bay of Plenty (EMBOP), the CDEM Group Emergency Management Office (GEMO) is responsible for delivery of services on behalf of the Group, including development of plans and policies, response capability planning and hazard and risk analysis functions. This is funded through a CDEM Regional targeted rate.
- Regional Council – is responsible for providing administrative services for EMBOP and the Group, providing facilities and a sufficient number of trained staff to enable Group Emergency Coordination Centre capability and operational excellence, and building community resilience including through leading identification of at risk communities.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	■	Safe and resilient communities
Who benefits?	This activity provides benefits to all people and property owners in the region, as emergencies can occur anywhere in the region. It enables co-ordinated planning and response to regional civil defence emergencies, which can occur at any location at any time. There is also national benefit arising from protection of nationally significant infrastructure.	
Time frame of benefits	The benefits of current expenditure are short-term in nature. Civil Defence Emergency Management is provided on a continuous basis. The CDEM Group needs the ability to prepare for and respond to emergency events now and in the future.	
Individuals and groups creating demand for service	The demand for the CDEM Group's service is considered to be community-wide, with no one particular group or organisation creating the demand. Emergency Management BOP's services are provide as requested by territorial authorities.	
Short and long-term well-being	Recovery from emergencies is primarily about short-term well-being, and increasing preparedness is a longer-term protection.	
Rationale for funding mix	<p>The CDEM Group provides benefits that are distributed evenly across the regional community.</p> <p>Regional Council funding of Civil Defence Emergency Management is a statutory requirement and is matched by territorial authorities in the region based on the CDEM Group Plan.</p> <p>Emergency Management BOP assists with services requested by territorial authorities in the region. They enable co-ordinated planning and response to regional civil defence emergencies.</p>	
Operating funding mix	<p>Bay of Plenty Civil Defence Emergency Management Group:</p> <p>100 percent targeted rates</p> <p>Emergency Management Bay of Plenty:</p> <p>80-100 percent targeted rate; 0-20 percent other revenue</p> <p>Lifelines:</p> <p>100% other revenue</p>	

Legislative assessment of funding considerations for operating and capital expenditure

	A separate differential targeted rate is applied to each rating per territorial authority location.
Capital funding mix	There are no significant capital costs.

Support Services

The Technical Support Activity is focused on providing accessible, relevant and trusted data and science, as well as technical engineering expertise and design advisory services. These are both delivered directly to the community and as support to other Council activities. The Freshwater NPS, and the proposed amendments to some provisions of the National Environmental Standards for Air Quality are foreseen to have implications on monitoring requirements. In terms of the engineering expertise there has been an increase in the number of technical reviews required for resource consents as well as district applications. Furthermore, flood level information requests have increased following the April 2017 flood events, from about 60 per year to about 500.

Legislative assessment of funding considerations for operating and capital expenditure

Link to community outcomes	<input checked="" type="checkbox"/> A healthy environment <input type="checkbox"/> Freshwater for life <input type="checkbox"/> Safe and resilient communities <input type="checkbox"/> A vibrant region
Who benefits?	The activity provides region-wide benefits by providing services throughout the region.
Time frame of benefits	The benefits are both short and long-term as the activity is provided continuously.
Individuals and groups creating demand for service	The demand for this service is considered to be community-wide, with no one particular group or organisation creating the demand.
Short and long-term wellbeing	Information use is a short-term benefit, however the improved decisions that this may result in contribute to long-term wellbeing.
Rationale for funding mix	The activity provides region-wide benefits in both short and long-term. Regional benefits are from mapping services on historical and new development areas. Solutions often cross territorial authority boundaries.
Operating funding mix	80-100 percent general funds, 0-20 percent user fees and charges.
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.

Activity – Corporate Support

The Corporate Support Activity provides support services to enable delivery of all Council activities, thereby contributing indirectly to all community outcomes. The activity include services such as Communication, ICT, People and Capabilities, and Corporate Property. Corporate Support also includes the primary point of contact with the community through the Customer Contact service.

The Corporate Support Activity primarily contribute to *A Healthy Environment* through its work in the focus area “Our house in order” in the Bay of Plenty Regional Council Climate Change Action Plan.

Legislative assessment of funding considerations for operating and capital expenditure		
Link to community outcomes	<input checked="" type="checkbox"/>	A healthy environment
	<input type="checkbox"/>	Freshwater for life
	<input type="checkbox"/>	Safe and resilient communities
	<input type="checkbox"/>	A vibrant region
Who benefits?	The activity provides region-wide benefits by supporting all other activities.	
Time frame of benefits	The benefits are both short and long-term. The activity is provided continuously.	
Individuals and groups creating demand for service	Support services are based on the needs of other activities and therefore are indirectly based on community needs.	
Short and long-term wellbeing	The activity provides for short and long-term well-being in the aggregate ratio of other activities.	
Rationale for funding mix	The activity provides region-wide benefits in the aggregate ratio of other activities.	
Operating funding mix	Costs are funded through overhead recoveries on public facing activities. This ensure that those activity costs represent the total cost of services.	
Capital funding mix	Capital is funded through loans, or the asset replacement reserve, through the cash surplus created by depreciation.	