

Funding Needs Analysis

Purpose and scope

1. The Funding Needs Analysis (FNA) provides the background and analysis to explain our funding decisions.
2. To comply with Section 101(3),¹ we must determine the appropriate sources of funding² for each activity. In determining this, we must take into consideration under s 101(3)(a):
 - a. *“The community outcomes to which the activity primarily contributes.*
 - b. *The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.*
 - c. *The period in or over which those benefits are expected to occur.*
 - d. *The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.*
 - e. *The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.”*
3. Having completed the above analysis, we must then consider, under Section 101(3)(b): *“The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.”*
4. The legislation places no more or less weight or priority on any one of the factors listed in Section 101(3)(a).
5. The following sections document the matters and approaches we have taken to determine the funding needs of an activity and how that translates into Council’s decision on the appropriate funding sources to be used.

Previous reviews

6. The FNA was last reviewed in 2018, prior to the adoption of the Revenue and Financing Policy included in the 2018-2028 Long-term Plan (LTP).
7. We undertook a full review of Council’s activity structure in 2020. Changes have been made to the FNA reflecting this new activity structure.

Funding sources for operating costs

8. Operating costs are the everyday spending that maintains the services delivered. This includes corporate overheads, funded wear and tear on assets (depreciation) and any interest costs of borrowing for capital projects.
9. We must consider the funding for each activity in a way that relates exclusively to that activity. Some activities may be best funded by user charges, others with targeted rates and others from a general rate. Distinct funding may assist ratepayers or payers of user charges to assess more readily whether the cost of the service provided to them either directly or indirectly represents good value. They can

¹ All references to legislation are to the Local Government Act 2002 (LGA), unless otherwise stated.

² The funding sources are listed in section 103 LGA and the Council’s preference for using funding sources is described in the Revenue and Financing Policy.

also more easily determine how much money is being raised for the service and spent on the service.

10. The funding sources for operating costs are:
- a. fees and charges (including Marine Fee);
 - b. grants and subsidies (including “shovel-ready” projects);
 - c. other income (e.g. fines, lease income);
 - d. investment income;
 - e. financial contributions;
 - f. reserve funds;
 - g. borrowing;
 - h. proceeds from the sale of assets;
 - i. rates:
 - General rate
 - Targeted rate.
11. Each funding source and our preference for using that funding source for operating expenditure is included in the Revenue and Financing Policy and is based on the analysis set out in this document.

Table 1: Matters the Council considers in applying the legislation for operating and capital expenditure

Section 101(3)(a) - Step 1 reference	Matters Council might consider
Community outcomes - s.101(3)(a)(i)	<p>- We determine which of our community outcomes an activity primarily contributes to.</p> <p>Four Community Outcomes were identified in the 2018-2028 Strategic Direction document for the 2018-2028 Long-term Plan. Those Community Outcomes are still relevant for the 2021-2031 Long-term Plan.</p> <p>We will consider how our funding choices will support the achievement of the community outcomes and their strategic aspirations and outcomes.</p>
Distribution benefits - s.101(3)(a)(ii)	<p>Determining benefit is inherently subjective and it is ultimately for us to determine.</p> <p>Where we consider there is a clearly identified direct relationship between users and the services provided then we will consider fees and charges, financial contributions or targeted rates.</p> <p>Where we consider the services provide a benefit to the community as a whole; is of a uniform nature; or where we are not able to identify a direct relationship between users and the service, we will consider using general rates.</p>
Period of benefit - s.101(3)(a)(iii)	<p>For most operational expenditure the benefit is received in the year the expense is incurred.</p> <p>For most activities’ depreciation (an operating expense) is cash funded from revenue sources and this is placed into reserve funds for the future renewal of assets³.</p>

³ Note that much of Council’s asset is land associated with flood control that has little depreciable value, as such for these assets there is little cash generated from funding depreciation.

Section 101(3)(a) - Step 1 reference	Matters Council might consider
	<p>Some operational expenditure (provisions) may have a benefit over multiple years and so Council may choose to fund the activity over that period.</p> <p>For most capital projects the benefit is received over the life of the asset. We will have regard to the equitable distribution of costs to each generation for the construction and renewal of the asset.</p>
Who creates the need - s.101(3)(a)(iv)	<p>Some services are provided because the actions or inactions of individuals or groups create the need to undertake the activity.</p> <p>We may choose to target these people or organisations through fines, charges or rates.</p>
Separate funding - s.101(3)(a)(v)	<p>We must consider the practicalities of separate funding along with transparency and accountability.</p> <p>In some cases, while it may be desirable to charge individuals there may be no practical way of doing so.</p> <p>For all activities, we are able to easily identify what proportion of operational expenditure is recovered from each funding sources. In the case of rates Council is able to inform individual ratepayers of their rates contribution to each activity.</p> <p>For many smaller capital projects, it is not practical to have a separate funding policy. Where we do not resolve otherwise, a capital project will be funded in accordance with the funding mechanism adopted for the operating costs in the activity in which it is funded.</p>

12. Analysis for operating costs by activity is described in Schedule 1.

Funding sources for capital costs

13. Capital costs are those costs associated with the purchase and improvement of assets and for the repayment of debt. The funding sources for capital costs include:

- a. fees and charges (including Marine Fee);
- b. grants and subsidies;
- c. other income (e.g. fines; lease income);
- d. investment income;
- e. financial contributions;
- f. reserve funds;
- g. borrowing;
- h. proceeds from the sale of assets;
- i. rates:
 - General rate
 - Targeted rate.

14. Each funding source and how we prefer to use that funding source for capital expenditure is included in the Revenue and Financing Policy and is based on the analysis set out in this document.

Analysis for capital costs by activity

15. Capital costs would be funded on the same basis as the operating costs funding policy unless resolved otherwise. Such a resolution will follow the funding guidelines and in doing so would be consistent with this policy and would not require amendment to the policy. Existing projects (projects resolved prior to 31 December 2020) will be funded according to the Annual Plan, Long-term Plan or other resolution at the time of Council approving the project. It is not practicable to determine a funding policy for an unknown future project, at this time.
16. Council uses the following guidelines when considering the funding of capital projects:
 - a. a Funding Needs Analysis will be completed (see paragraph 18);
 - b. all projects are first funded from grants, subsidy, reserve funds, or other income before general rate funding;
 - c. renewal projects that maintain the same service level are then funded from reserve funds set aside for that purpose;
 - d. reserve funds for other purposes (e.g. financial contributions or coastal occupation charges or Marine Fee) are considered;
 - e. projects where other funding is not available or are for new or increased service levels or for growth in non-network infrastructure are then funded from debt.
17. A single project may have a mix of each of these funding options.
18. It is not practical to create separate funding policies for each and every capital project. We would only do this when a project is particularly large, affects a particular group or does not fit with an existing funding policy or activity.
19. Whenever funding a capital project, we would consider the available sources of funds, the Revenue and Financing Policy, Section 101(3) in applying the above guidelines to a capital project. Generally, we resolve the funding policy at the time the project is proposed in an Annual or Long-term Plan. In undertaking this assessment, it shall have regard to the matters in Table 1.
20. Note: For growth-related capital projects a separate s.101(3) analysis is required in the Financial Contributions Policy, as required by s106.

Funding bands

21. After considering the Section 101(3)(a) components, we then consider to what extent each of the funding sources is able to fund each activity. This policy is intended to be in place for the next three years before it is reviewed and because things change over time, it is not possible to precisely determine the percentage allocated. For this reason, we have decided to band the percentages into the categories listed in Table 2.
22. The assessment in Schedule 1 identifies the most likely sources of funding an activity⁴ is budgeted to receive. In all cases, rates fund the balance of the activity after all other sources have been maximised. It is likely that from time to time additional funding may become available.
23. Budgets will normally be set within these ranges. These ranges are expressed as a percentage of the cost of the activity and are indicative only. They may change over time because of changes in expenditure rather than changes in revenue. It is also likely that actual funding sources will be different from budgeted funding sources.

⁴ Note the description of the groups and activities are included in the Group of Activities statements in the LTP.

Table 2: Funding bands

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

Funding sources and rationale

24. The assessment of the funding sources is a complex matter of weighing up the requirements of Section 101(3)(a) with the available sources and our preferences for using these sources. The Council has documented its rationale for choosing each the funding source in this Funding Needs Analysis and the Revenue and Financing Policy.
 25. The funding source for an activity may be modified by the Council when it considers the requirements of Section 101(3)(b). If this has occurred, it is considered as part of the overall funding considerations section in the Revenue and Financing Policy.
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Schedule 1: Activity Funding Needs Analysis

Group Activity: Air Quality

Group objective - Over the next 10 years, the Council will work with iwi, communities, other councils and organisations to improve the region’s air quality by improving heating and burning practices across the region.

Activity: Regulation and Planning						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council’s outcome of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports the review of the Regional Air Quality Plan and the decision-making function of Council and therefore benefits the community as a whole.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>
Activity: Science, Research and Monitoring						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council’s outcome of:</p> <ul style="list-style-type: none"> Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports data gathering, scientific analysis and reporting of air quality monitoring data to assist the decision-making function of Council and therefore benefits the community as a whole.</p> <p>Council works with other councils, agencies and stakeholders to promote and enable improvements in air quality in the region through better heating and burning practices. Together, we show leadership, advocacy and collaboration.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p> <p>It is not practicable to transfer cost to future generations as we anticipate future generations will have their own challenges, new technologies, improved science etc that would make transferring cost unjust.</p>	<p>MOST (80% - 100%) General rate MINIMAL (0% -20%) Fees and Charges UNLIKELY All other funding sources.</p>

Activity: Community Engagement and Education

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports the review and implementation of the Regional Air Quality Plan and the decision-making function of Council and therefore benefits the community as a whole.</p> <p>Community surveys are undertaken to assess adoption of best practices.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>

Activity: Partnerships

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports the implementation of the Regional Air Quality Plan and the decision-making function of Council and therefore benefits the community as a whole.</p> <p>The home heating scheme is operated and assessed on a regular basis to ensure it is meeting community needs,</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>

Group Activity: Water and Land

Group objective - Over the next 10 years, in partnership with Iwi, the Council will work with communities, other councils and organisations towards achieving Southland's goals for freshwater and estuaries through integrated water and land management across catchments.

Activity: Regulation and Planning						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> • Diverse opportunities to make a living • Managed access to quality natural resources • Communities empowered and resilient • Communities expressing their diversity <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>This regulatory activity developing a Water and Land Plan supports the range of water management decision-making responsibilities and functions of Council and therefore benefits the community as a whole.</p> <p>Closely associated with the water management regulatory processes, is the regional economics project that has been developed as a basis for understanding the wider user environment and assists in establishing the regulatory settings.</p> <p>Investigation and understanding of the community's needs and values for water use are being developed through the People, Water and Land programme using a multi-party collaborative regional forum as the core source.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of most individuals or groups have a minor impact.</p>	<p>Identifying separate external funding components in addition to general funds assists in the accountability and transparency of Council's costs on this activity.</p>	<p>These activities support the regulatory activities of Council and generally have community-wide benefits.</p> <p>Compliance fees and charges are collected for various functions that have a direct benefit to individuals or groups of individuals.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>
Activity: Science, Research and Monitoring						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> • Managed access to quality natural resources • Communities expressing their diversity <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports data gathering, scientific analysis and reporting of environmental monitoring data to assist the decision-making and plan development functions of Council and therefore benefits the community as a whole. External scientific expertise is contracted in where there are any gaps in local skills.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of most individuals or groups have a minor impact.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p> <p>The freshwater and ecology work have national and international benefits and assist the community to understand the quality and nature of the freshwater resources.</p> <p>The monitoring programmes are seen as a community benefit.</p>	<p>MOST (80% - 100%) General rate MINIMAL (0% - 20%) Fees and Charges - Science UNLIKELY All other funding sources.</p>

Activity: Community Engagement and Education

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Diverse opportunities to make a living Managed access to quality natural resources Communities empowered and resilient Communities expressing their diversity <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>This activity supports a range of other Council activities by dealing with matters on the ground primarily through the provision of advice and information on best land management practice.</p> <p>Community partnerships allow Council to connect with urban and rural individuals, community groups and agencies across the region. The activity encourages a greater understanding of environmental challenges and provides a platform for developing and enabling solutions.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of most individuals or groups have a minor impact.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p>The primary benefit is to the community as a whole however, the benefit is more so to the rural sector than the urban sector. By using and land value targeted rate a more just and equitable allocation of the cost is achieved.</p> <p>A targeted rate is the primary funding source for this activity recognising the predominant community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p>	<p>ALL (100%) Targeted rate – Land Sustainability Fees and Charges – People, Water & Land UNLIKELY All other funding sources.</p>

Activity: Partnerships

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Diverse opportunities to make a living Managed access to quality natural resources Communities empowered and resilient Communities expressing their diversity <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>This activity works with others to support on the ground action and new ways of working to improve water and land. To achieve the environmental outcomes for freshwater and estuaries sought by the community and iwi over a generation (a state of hauora <i>wellbeing</i> over a 25-30 year period), an integrated catchment management approach with 5-yearly steps is proposed to be co-developed in partnership with other organisations such as Te Ao Marama Inc Thriving Southland⁵.</p> <p>Environment Southland and Te Ao Marama Inc's overarching programme to improve water and land in the region is the People Water and Land programme Te Mana o te Tangata, te Wai, te Whenua. Other partnership projects include:</p> <ul style="list-style-type: none"> Whakamana te Waituna – a project to restore the mana of the Waituna catchment and wetlands. Aparima Community Environment (ACE) – farmer leaders supported by agencies with a vision to build and support the resilience of the Aparima area. 	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>

⁵ A community-led group that is working with the community to drive positive change in the primary sector in Murihiku Southland, by working with farmers and supporting catchment groups.

Group Activity: Biosecurity and Biodiversity

Group objective - Over the next 10 years, the Council will work with iwi, communities, other councils and organisations to improve and protect the region's biodiversity and actively manage the number of pests in the region.

Activity: Regulation and Planning						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The whole community benefits from the quality of information about natural resources including the management of pest plants, through strategy, the Pest Management Plan, and policy development.</p> <p>Individuals especially benefit, both urban and rural landholders.</p> <p>The management of biodiversity is planned and regulated for under this activity and financially accounts for approximate 45% of the groups or Biodiversity Group of Activities total cost.</p> <p>The benefit is region-wide from this particular part of the activity.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals and groups drive the costs in this activity.</p>	<p>Identifying separate funding sources assists in the accountability and transparency of Council's costs on this activity.</p>	<p>A targeted rate is the one of the funding sources for this activity recognising the level of community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p> <p>The biodiversity and planning activities have a wider community benefit across the region as a whole and the general rate is the source funding for this aspect.</p> <p>Fees and charges are collected for some items that have a direct benefit to individuals or groups of individuals.</p>	<p>MODERATE (40%-60%) Targeted rate - Biosecurity MODERATE (40%-60%) General rate - Biodiversity UNLIKELY All other funding sources.</p>
Activity: Science, Research and Monitoring						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The whole community benefits from the quality of information gathered from monitoring pest plants and animals across the region. Provisions of the Fiordland Marine Pathways Plan are implemented and enforced.</p> <p>Individuals especially benefit, both urban and rural landholders.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals and groups drive the costs in this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>A targeted rate is the primary funding source for this activity recognising the predominant community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p>	<p>MOST (80% - 100%) Targeted rate – Biosecurity MINIMAL (0% - 20%) Fees and Charges - Science UNLIKELY All other funding sources.</p>

Activity: Community Engagement and Education

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p> <p>We recognise the intrinsic value of ecosystems and biodiversity. There is no further loss of significant natural, cultural or historic heritage. We all practice active guardianship.</p>	<p>The whole community benefits from the quality of information about natural resources including the management of pest animals.</p> <p>Individuals especially benefit, both urban and rural landholders.</p> <p>Because animal pests are mobile, and move freely across property boundaries, benefits are not confined to particular properties.</p> <p>Animal pests are largely land-based and the major beneficiaries are rural land occupiers. Marine pests are also covered here.</p> <p>Council adopted the 10-year Regional Pest Management Plan in May 2019.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals and groups drive the costs in this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>The primary benefit is to the community as a whole however, the benefit is more so to the rural sector than the urban sector. By using and land value targeted rate a more just and equitable allocation of the cost is achieved.</p> <p>A targeted rate is the primary funding source for this activity recognising the predominant community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p> <p>The marine pests work has national and international benefits as the waters of the fiords adjoin the Fiordland World Heritage area, which attracts visitors in the region.</p>	<p>ALL (100%) Targeted rate - Biosecurity Fee and Charges – Science, Biodiversity Monitoring UNLIKELY All other funding sources.</p>

Activity: Partnerships

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The whole community generally benefits from the management of Wilding Trees at Mid Dome but a wide range of public and private lands more specifically. This is an inter-agency project.</p> <p>Individuals especially benefit, primarily rural landholders.</p> <p>The site-led pest plants project is included in this activity.</p> <p>The Predator Free NZ programme externally funds pest animal work in the region in conjunction with the Council biosecurity team.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals and groups drive the costs in this activity.</p>	<p>Identifying separate funding sources assists in the accountability and transparency of Council's costs on this activity.</p>	<p>A targeted rate is the one of the funding sources for this activity recognising the level of community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p> <p>The Predator Free activity has a wider community benefit particularly across the rural sectors of the region with the 100% of external funds being provided by Predator Free NZ.</p>	<p>HIGH (60%-80%) Targeted rate - Biosecurity LOW (20%-40%) Other Income – Predator Free NZ UNLIKELY All other funding sources.</p>

Activity: Operations

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> • Managed access to quality natural resources • Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The whole community benefits from the Council's extensive Possum Control Area (PCA) programme which accounts for 69% of the expenditure within this activity.</p> <p>Individuals especially benefit, both urban and rural landholders.</p> <p>Council's Progressive Containment Programme (PCP) for pest plants and animals as set out in Section 6.3 of the Regional Pest Management Plan, requires active in-field follow-up work.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals and groups drive the costs in this activity.</p>	<p>Identifying separate funding sources assists in the accountability and transparency of Council's costs on this activity.</p>	<p>A targeted rate is the primary funding source for this activity recognising the predominant community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p> <p>The PCA Programme accounts for approximately 70% of the expenditure.</p>	<p>ALL (100%) Targeted rate - Biosecurity UNLIKELY All other funding sources.</p>

Group Activity: Climate Change and Community Resilience

Group objective - Over the next 10 years, the Council will work with iwi, communities, other councils and organisations to understand, prepare and respond to the challenges and opportunities resulting from climate change. It will build on the community's experience and knowledge in responding to natural hazards, events and emergencies.

Activity: Regulation and Planning						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcome of:</p> <ul style="list-style-type: none"> Communities empowered and resilient Managed access to quality natural resources <p>and is associated with all other Council's outcomes.</p> <p>We are increasing the resilience of our infrastructure, economy and our communities through Community Resilience Projects.</p>	<p>Civil defence activities are provided for the benefit of all the people in the region as anyone can be affected by an emergency event.</p> <p>Civil defence emergency may be initiated in response to threats to life or property.</p> <p>Civil Defence and Emergency Management Act applies.</p>	<p>The benefit of operating costs is in having plans in the event of an emergency at some time in the future.</p> <p>The annual operating costs ensure there are up to date plans and staff and volunteers are trained. Costs are incurred in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>In the event of an activation Council may be entitled to subsidies for some civil defence costs such as welfare.</p> <p>The planning for an emergency benefits the whole community and is fully rate funded.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>
Activity: Science, Research and Monitoring						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcome of:</p> <ul style="list-style-type: none"> Communities empowered and resilient Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council's outcomes.</p> <p>We are increasing the resilience of our infrastructure, economy and our communities through Community Resilience Projects.</p>	<p>The whole community benefits from the quality of information gathered from river level and flood monitoring sites across the region.</p> <p>Individuals especially benefit, both urban and rural landholders.</p> <ul style="list-style-type: none"> Flood warnings are available for the wider community. Those specific people who receive flood warnings for properties and land. 	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community, as well as benefits to groups of landowners adjoining rivers who can be identified.</p>	<p>MOST (80% - 100%) General rate MINIMAL (0% - 20%) Fees and Charges - Science UNLIKELY All other funding sources.</p>
Activity: Community Engagement and Education						

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcome of:</p> <ul style="list-style-type: none"> Communities empowered and resilient Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council's outcomes.</p> <p>We are increasing the resilience of our infrastructure, economy and our communities through Community Resilience Projects.</p>	<p>The activity supports the governance and the range of decision-making responsibilities and activities of Council and therefore benefits the community as a whole.</p> <p>The activity provides the community with advice and information about flooding areas and erosion protection.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate funding sources assists in the accountability and transparency of Council's costs on this activity.</p>	<p>A targeted rate is a minor funding source for this activity with the majority funding coming from the General Rate, recognising the level of community benefit. This rate recognises that some services have a benefit or contribute to an outcome for the whole region and some services provide a greater or lesser based on location.</p>	<p>MOST (80% - 100%) General rate MINIMAL (0% - 20%) Other income UNLIKELY All other funding sources.</p>

Activity: Partnerships

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcome of:</p> <ul style="list-style-type: none"> Communities empowered and resilient Managed access to quality natural resources Diverse opportunities to make a living <p>and is associated with all other Council's outcomes.</p> <p>We are increasing the resilience of our infrastructure, economy and our communities through Community Resilience Projects.</p>	<p>The Emergency Management Southland office is based on the Environment Southland campus. The four Southland councils fund the collaborative operation via a partnership agreement.</p> <p>The facility can and is activated during any form of regional emergency or where a region-wide multi-agency co-ordinated response is required.</p> <p>This activity also includes the joint development and implementation of a Regional Climate Change Strategy with regional partners.</p>	<p>The benefit of operating costs is in having plans in the event of an event at some time in the future.</p> <p>The annual operating costs ensure the facility is at a standby state of readiness at all times.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate external funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>The benefit of a centralised collaborative emergency management base of operations which is able to cater for all Government Agencies and Emergency Services at one site, is valuable for the region and the entire region benefits.</p>	<p>MOST (80% - 100%) Other Income – Other Councils MINIMAL (0% - 20%) General rate UNLIKELY All other funding sources.</p>

Activity: Operations (including Flood protection and control works)

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcome of:</p> <ul style="list-style-type: none"> • Communities empowered and resilient • Managed access to quality natural resources • Diverse opportunities to make a living <p>and is associated with all other Council's outcomes.</p> <p>We are increasing the resilience of our infrastructure, economy and our communities through Community Resilience Projects.</p>	<p>The activity supports the governance and the range of decision-making responsibilities and activities of Council and the Catchment Liaison Committees and therefore benefits the community as a whole.</p> <p>The three base activities included are River Works, Land Drainage, and Catchment Planning.</p> <p>River Works: There is a mix of community public good and identifiable parts of the community benefiting.</p> <p>Economic benefit to the wider community especially employment from the Community Resilience Projects (Shovel-ready projects – Capital expenditure projects).</p> <p>Land Drainage: The community as a whole does not receive any specific benefits. Individuals receive the entire benefit.</p> <p>Catchment Planning:</p> <ul style="list-style-type: none"> • There is a mix of community, public and identifiable parts of the community benefiting. • Identifiable parts of the community: <ul style="list-style-type: none"> All properties and businesses including residents and owners within the areas of the essential channel maintenance works benefit due to reducing any erosion issues. 	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>Rivers management and flood control provide a large benefit to the wider community by enabling the protection of people, property and businesses and more resilient economic activity. For this reason, rating options extend beyond the direct benefices and across the region when Council considers that appropriate.</p> <p>Some protection (rivers) has a high degree of direct benefit to individuals and Council when appropriate will adjust the allocation of funding to these groups.</p>	<p>RIVER WORKS LOW (20%-40%) General rate HIGH (60%-80%) Targeted rate – Catchment UNLIKELY All other funding sources.</p> <p>LAND DRAINAGE MINIMAL (0%-20%) General rate MOST (80%-100%) Targeted rate – Catchment UNLIKELY All other funding sources.</p> <p>CATCHMENT PLANNING LOW (20%-40%) General rate HIGH (60%-80%) Targeted rate – Catchment UNLIKELY All other funding sources.</p>

Group Activity: Coast and Marine

Group objective - Over the next 10 years, the Council will work with iwi, communities, other councils and organisations to ensure our Regional Coastal Plan gives effect to national direction. Outstanding landscapes and significant indigenous biodiversity are protected and it is safe to access and use our coastal areas.

Activity: Regulation and Planning						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The whole community benefits from the review of the Regional Coastal Plan which enables management and use of resources in the public domain through regulatory processes.</p> <p>Marine monitoring and navigation compliance activities while focussed on individuals or groups, have a safety benefit to the whole community.</p> <p>Compliance activity for whitebait stands benefits the individual stand holders, and other waterway users.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) Marine Fee Reserve UNLIKELY All other funding sources.</p>
Activity: Science, Research and Monitoring						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>A strategic assessment of coastal information needs is undertaken and marine significant ecological areas and threats are identified.</p> <p>The coastal and bathing sites monitoring programme provides the general public information and reassurance that beaches are safe to swim at.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate funding for the Biosecurity activity assists in the accountability and transparency of Council's costs on this activity.</p>	<p>The benefits of this activity are available to the whole community.</p> <p>The beach monitoring programme is seen as a community benefit.</p>	<p>MOST (80%-100%) Marine Fee Reserve MINIMAL (0% - 20%) Fees and Charges – Science UNLIKELY All other funding sources.</p>

Activity: Community Engagement and Education

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports the review and implementation of the Regional Coastal Plan and the decision-making function of Council and therefore benefits the community as a whole.</p> <p>Council provides boating education and works with community to ensure the safe use of the Coastal Marine Area. It also provides information to increase community understanding of the marine environment.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) Fees and Charges UNLIKELY All other funding sources.</p>

Activity: Partnerships

Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>Council works collaboratively with iwi, councils, research entities, groups, agencies, homeowners and businesses to increase knowledge and improve the integrated management of the Coastal Marine Area.</p> <p>Examples include partnering with Land Information New Zealand to increase the coverage of benthic mapping in Murihiku Southland and active engagement in the operationalisation of the Milford Opportunities Project's Master Plan.</p>	<p>The benefit of operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individual and groups can have a significant impact in this activity.</p>	<p>Identifying separate external funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>The benefits of this activity are available to the whole community, funded primarily from the Marine Fee.</p> <p>Benefits to other agencies and users of marine and freshwater spaces also benefit.</p>	<p>ALL (100%) Fees and Charges UNLIKELY All other funding sources.</p>

Activity: Operations						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> • Managed access to quality natural resources • Communities empowered and resilient • Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>This activity provides benefits to the community including navigational safety and harbour management responsibilities.</p> <p>The activity also provides response capability for oil spill incidents in the region's coastal waters.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community, funded primarily from the Marine Fee.</p> <p>Benefits to other agencies and users of marine and freshwater spaces also benefit.</p> <p>Council costs in responding to marine oil spills are refunded 100% by Maritime NZ.</p>	<p>HARBOURS* ALL (100%) Fees and Charges UNLIKELY All other funding sources.</p> <p>MARINE OIL SPILL ALL (100%) Other Income – Maritime NZ (Oil spill response costs fully recoverable) UNLIKELY All other funding sources.</p> <p>*The Harbour management activity is usually funded by cruise ship fee income but the Covid-19 pandemic has meant that from the 2020/21 cruise season, no income will come from that source until the industry re-establishes. In the meantime, the Marine Fee Reserve funds will be used until exhausted and then funds will be drawn in the interim from General Funds.</p>

Group Activity: Regional Leadership

Group objective - Over the next 10 years, the Council will work with iwi, communities, other councils and organisations to achieve the full suite of strategic outcomes for the region.

Activity: Regulation and Planning						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient Communities expressing their diversity Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The series of regulatory activities support the range of resource management and decision-making responsibilities and activities of Council and therefore benefits the community as a whole.</p> <p>Regional Planning – includes all resource planning and plan development functions, and transport management.</p> <p>Consents – includes all resource consenting activities, alongside smaller special projects.</p> <p>Compliance – includes all enforcement matters, investigations/complaints, and a proactive educational aspect for consent holders and landowners.</p> <p>A review of the Regional Policy Statement will take place and Environment Southland will work collaboratively with the region's territorial authorities to implement and give effect to this, along with reforms to the Resource Management Act 1991.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Identifying separate external funding components in addition to general funds assists in the accountability and transparency of Council's costs on this activity.</p>	<p>These activities support the regulatory activities of Council and generally have community-wide benefits.</p> <p>Consents and Compliance fees and charges are collected for various functions that have a direct benefit to individuals or groups of individuals.</p>	<p>REGIONAL PLANNING All (100%) General rate Fees and Charges UNLIKELY All other funding sources.</p> <p>CONSENTS AND COMPLIANCE HIGH (60% -80%) Fees and Charges - Consents and Compliance LOW (20% - 40%) General rate UNLIKELY All other funding sources.</p>
Activity: Community Engagement and Education						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Managed access to quality natural resources Communities empowered and resilient Communities expressing their diversity Diverse opportunities to make a living <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The activity supports the governance and the range of decision-making responsibilities and activities of Council and therefore benefits the community as a whole.</p> <p>The Environmental Education activity is included.</p> <p>The Engagement/Communications activity as a strategic function that works across the organisation, is incorporated.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>These activities support the governance and environmental education activities of Council and generally have community-wide benefits.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>

Activity: Partnerships						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Communities expressing their diversity Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>This activity supports the governance and the range of decision-making responsibilities and activities of Council and therefore benefits the community as a whole.</p> <p>Council's relationship with tangata whenua under the Murihiku Charter of Understanding, is significant to the organisation and provides for Māori engagement in local government matters and decision-making.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>These activities support the iwi relationship activities of Council and generally have community-wide benefits.</p>	<p>MOST (80% - 100%) General rate MINIMAL (0% - 20%) Other Income UNLIKELY All other funding sources.</p>
Activity: Governance						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Communities expressing their diversity Communities empowered and resilient <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>The Governance Activity is responsible for the representation structure, the administration of the triennial elections, elected members' remuneration and expenses, ensuring Council, committee and co-governance meetings comply with legislative requirements and elected members receive appropriate information in a timely way to support the decision-making process.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Council considers that there is little benefit of separately funding this activity.</p>	<p>The benefits of this activity are available to the whole community.</p>	<p>ALL (100%) General rate UNLIKELY All other funding sources.</p>
Activity: Operations						
Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need?	Separate Funding	Rationale	Funding Sources by Funding Stream
<p>This activity primarily contributes to Council's outcomes of:</p> <ul style="list-style-type: none"> Diverse opportunities to make a living Managed access to quality natural resources Communities empowered and resilient Communities expressing their diversity <p>and is associated with all other Council outcomes, including strategic outcomes.</p>	<p>This activity supports the range of responsibilities and activities of Council relating to the management of floodway properties owned by the Council and therefore benefits the community as a whole.</p> <p>This activity also includes a major investment in technology to meet the changing national requirements and the needs of the community.</p>	<p>The benefit of most operating costs is expected to arise in the year the funding is sourced.</p>	<p>The actions of individuals or groups have a minor impact on this activity.</p>	<p>Identifying separate external funding assists in the accountability and transparency of Council's costs on this activity.</p>	<p>These activities support other activities of Council and generally have community-wide benefits.</p> <p>Leasehold income is the primary funding source.</p>	<p>ALL (100%) Other Income – Leasehold income UNLIKELY All other funding sources.</p>