

Revised Revenue and Financing Policy

TO	Thames-Coromandel District Council
FROM	Steve Baker - Chief Financial Officer
DATE	22 January 2015
SUBJECT	Revised Revenue and Financing Policy

1 Purpose of report

The purpose of the report is to present the revised Revenue and Financing Policy for Council's consideration and adoption as supporting information for the Long Term Plan consultation document and approval to release the revised policy for public consultation in March.

2 Background

The Council must, in order to provide predictability and certainty about sources and levels of funding, adopt a Revenue and Financing Policy. The Council, before adopting its consultation document for the Long Term Plan, must adopt the Revenue and Financing Policy as information that the consultation document relies on and because it is necessary information that will enable Audit New Zealand to audit the underlying information and verify the quality of that information (Section 93G, 93C LGA2002).

The policy must use a consultation process that gives effect to the requirements of Section 82 (consultation principles) of the Local Government Act 2002. The Council's Significance and Engagement Policy acts as a guide on the level of engagement (public consultation) deemed appropriate given the level of change within the policies and the effects on residents/ratepayers. The suggested style of consultation is discussed under Section 4.

3 Issue

The Revenue and Financing Policy has been revised to reflect the Long Term Plan discussions with the Council over the last seven months. A summary of the development through the workshops is below:

30 June 2014	Overview of the legislative requirements related to the Revenue and Financing Policy Initial views sought from elected members on changes required
30 July 2014	Proposals were considered for the funding of a retirement village remission; rating relief for community and sporting organisations; financial assistance for resource and building consenting costs and development contributions associated with community and sporting organisations; removal of the current "non-paying" requirement in relation to the Remission policy for rating units containing two separately used or inhabitable units; policy on Commercial B&B's.
1-2 July 2014	Activity review workshops including the mechanism for funding each activity appropriate to the benefits to the community/individuals, period in an over benefits occur, extent of actions/inactions, external sources of funding available, use of fees and charges.

Direction given for changing the funding from local to district

for stormwater and from district to local for public conveniences and cemeteries activities.

17-18 November	Economic Development funding arrangements proposal considered
15-16 December	The Council considered the impact of the allocations within the revised policy on the community (S101 3b LGA2002 affordability consideration) and agreed a transitional arrangement for the funding of the locally funded information centres.

4 Discussion

Options for consultation on the Revenue and Financing Policy:

Over March/April 2015 the Council will be carrying out a special consultative procedure for the Development Contributions Policy while also consulting on the 2015-25 Long Term Plan, using a process that is based on the special consultative procedure.

The special consultative procedure ensures that we notify the consultation appropriately, have a submission period of at least one month, provide a statement of proposal (and summary if deemed appropriate), and provide an opportunity for persons to present their views.

Given that the Council will already be undertaking a special consultative procedure and given the Revenue and Financing Policy has had some significant amendments to reflect the funding changes proposed by the Council for its new Long Term Plan Council officers recommend that the special consultation procedure be used for the consultation on the revised policy.

The Statement of Proposal and publicity information for the Revenue and Financing Policy will be presented for Council approval at the 4 March 2015 Council meeting when the Long Term Plan's consultation document is approved for consultation.

5 Suggested resolution(s)

That the Thames-Coromandel District Council:

1. Receives the 'Revised Revenue and Financing Policy' report, dated 22 January 2015.
2. Adopts the revised Revenue and Financing Policy as supporting information for the 2015-25 Draft Long Term Plan and approves the release of the revised policy for public consultation over March/April (concurrently with the 2015-25 Long Term Plan consultation).

References-Tabled/Agenda Attachments

Attachment A *Revised Revenue and Financing Policy*

[Attachment A - Revised Revenue and Financing Policy](#)