



**WAIMAKARIRI**  
DISTRICT COUNCIL

# Council

## Agenda

**Wednesday 2 February and  
Thursday 3 February 2022**

**9am**

*Council Chamber  
215 High Street  
Rangiora*

*Members:*

Mayor Dan Gordon (Chair)

Cr Neville Atkinson

Cr Kirstyn Barnett

Cr Al Blackie

Cr Robbie Brine

Cr Wendy Doody

Cr Niki Mealings

Cr Philip Redmond

Cr Sandra Stewart

Cr Joan Ward

Cr Paul Williams

The Mayor and Councillors

**WAIMAKARIRI DISTRICT COUNCIL**

A meeting of the **WAIMAKARIRI DISTRICT COUNCIL** will be held in the **COUNCIL CHAMBER, RANGIORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA** on **WEDNESDAY 2 FEBRUARY 2022 and THURSDAY 3 FEBRUARY 2022**, commencing at **9AM** each day, to consider budgets in relation to the Draft Annual Plan.

Sarah Nichols  
GOVERNANCE MANAGER

**Recommendations in reports are not to be construed as Council policy until adopted by the Council.**

**The Draft Annual Plan will be publically consulted on from Friday 4 March to Monday 4 April 2022.  
Hearings will be held 4 and 5 May 2022  
Deliberations will be held 24 and 25 May 2022  
The Annual Plan will be adopted by the Council 14 June 2022**

**BUSINESS**

Page No

1. **APOLOGIES**

2. **CONFLICTS OF INTEREST**

*Conflicts of interest (if any) to be reported for minuting.*

3. **OVERVIEW AND FINANCIAL STRATEGY**

3.1 **Overview - Jim Harland (Chief Executive) and Jeff Millward (Manager Finance and Business Support)**

*Each unit will present reports followed by operational budgets before proceeding to the next unit.*

*The order that operational units will present information to the Council is:*

- o *Utilities and Roading*
- o *Community and Recreation*
- o *Planning and Regulation*
- o *People and Engagement*
- o *Strategic Projects*
- o *Finance and Business Support*

#### 4. **REPORTS**

##### **Utilities and Roading Unit**

#### **4.1 Kaiapoi Stormwater and Flooding Improvements – Funding of Additional Budget – K Simpson (3 Waters Manager) and G Cleary (Manager Utilities and Roading).**

16 - 24

##### *RECOMMENDATION*

**THAT** the Council

- (a) **Receives** report No. 211207195102.
- (b) **Approves** funding the additional \$4.175 million partially from the Kaiapoi Urban Drainage North East Kaiapoi development contribution area (\$705,000) and partially from the District Drainage account (\$3,470,000).
- (c) **Approves** the following budget changes associated with the additional funding and scope changes:

<b>Beach Road PS and Rising Main</b>	<b>Add</b> \$2,190,000 to the 2022/23 financial year budget, comprising of \$1,600,000 of new budget and \$335,000 of reallocated budget (from Feldwick SMA and Drain Upgrade) and \$255,000 of reallocated budget (from Feldwick SW PS Upgrade)
<b>Feldwick SMA and Drain Upgrade</b>	<b>Remove</b> \$335,000 from the 2021/22 financial year budget, reallocated to Beach Road PS and Rising Main in the 2022/23
<b>Feldwick SW PS Upgrade</b>	<b>Remove</b> \$255,000 from the 2021/22 financial year budget, reallocated to Beach Road PS and Rising Main in the 2022/23
<b>Otaki Flood PS and Rising Main</b>	<b>Add</b> \$1,255,000 to the 2022/23 financial year budget, comprising of \$1,000,000 of reallocated budget (from McIntosh Channel Upgrade and SMA) and \$255,000 of reallocated budget (from Dudley SW PS Upgrade)
<b>Otaki Basin Interceptor Pipeline</b>	<b>Add</b> \$1,800,000 to the 2022/23 financial year budget, comprising of \$1,800,000 of new budget
<b>Dudley SW PS Upgrade</b>	<b>Remove</b> \$255,000 from the 2021/22 financial year budget, reallocated to Otaki Flood PS and Rising Main in 22/23
<b>McIntosh Channel Upgrade and SMA</b>	<b>Remove</b> \$890,000 from the 2021/22 and \$110,000 from 22/23 financial year budget, reallocated to Otaki Flood PS and rising main
<b>McIntosh Drain Upgrade and Wetland - Growth</b>	<b>Remove</b> \$705,000 from the 2021/22 financial year budget, reallocated to McIntosh PS - Growth
<b>McIntosh Flood PS - Growth</b>	<b>Add</b> \$1,410,000 to 22/23 financial year budget, comprising of \$705,000 of new budget and \$705,000 of reallocated budget
<b>McIntosh Flood PS</b>	<b>Add</b> \$70,000 to the 2022/23 financial year budget, comprising of \$70,000 of new budget

- (d) **Notes** that the revised District Drainage rate will increase by approximately \$8.22 to \$28.12 in 2023/24.
- (e) **Circulates** this report to the Kaiapoi-Tuahiwi Community Board for their information.

4.2 **Ashley Gorge Water Supply Compliance – C Roxburgh (Water Asset Manager) and C Brown (Manager Community and Recreation)**

25 - 32

*RECOMMENDATION*

**THAT** the Council

- (a) **Receives** Report No. 211208196326.
- (b) **Notes** that under the Water Services Act, the Ashley Gorge water supply has additional legislative requirements, meaning that it must now comply with the Drinking-water Standards for New Zealand.
- (c) **Approves** assigning \$45,000 of new capital budget to the current 2021/22 financial year to allow for the installation of a chlorine analyser and associated SCADA equipment, and the commencement of an options investigation to determine the optimum long term option to achieve compliance with the Drinking-water Standards for New Zealand.
- (d) **Approves** inclusion of \$50,000 in the 2022/23 financial year and \$400,000 in the 2023/24 financial year to allow for the upgrade of the treatment system at Ashley Gorge to meet Drinking-water Standards for New Zealand requirements, for inclusion in the Draft 2022/23 Annual Plan.
- (e) **Approves** assigning \$14,000 of annual operational budget for the 2022/23 year onwards to allow for operation, maintenance and sampling of the Ashley Gorge water supply in line with other public water supply schemes that the Council manages.
- (f) **Notes** that the upgrades to the water supply are to be funded from the general rate, via the recreation account, as the benefits of a safe and compliant water supply applies to the entire district who may utilise the reserve area, and that the rating impact has been forecast at \$1.03 per year in 2022/23, increasing to \$1.44 per year in 2024/25.
- (g) **Circulates** this report to the Oxford-Ohoka Community Board for their information.

4.3 **Smarts Road – Flooding issues from May 2021 flood – D Young (Senior Engineering Advisor)**

33 - 54

*RECOMMENDATION*

**THAT** the Council

- (a) **Receives** Report No. 211104177706.
- (b) **Allows** \$80,000 unsubsidised budget in 2022/23 in the draft Annual Plan, to carry out improvements to the Smarts Road/ Feathers Road drains and culverts.
- (c) **Notes** that this budget is not currently included in the current forecasts in the draft Annual Plan.
- (d) **Notes** that this work would represent an increase in the level of Service currently provided.

- (e) **Circulates** this report to the Utilities and Roading Committee for its information.

*Refer to Public Excluded Agenda item No. 6.1 Contract 21/26 Wiltshire to Green Stormwater Upgrades – Tender Evaluation and Contract Award Report.*

**4.4 2022/23 Development Contribution Schedules and Policy for Consultation with Draft Annual Plan – K LaValley (Project Delivery Manager)**

55 - 113

*RECOMMENDATION*

**THAT** the Council

- (a) **Receives** Report No. 220112003012.
- (b) **Approves** the Draft 2022/23 Development Contribution Schedules as per Attachment I for consultation with the 2022/23 Annual Plan (220112003021).
- (c) **Approves** an addition and amendment to the Draft 2022/23 Development Contributions Policy noting that projects related to a development contribution area and outline development area may be located outside of the area shown on the maps (220112002964).
- (d) **Notes** that the proposed policy update does not affect the draft scheduled amounts.
- (e) **Notes** that the recommended changes to the Development Contributions have been reflected in the draft Annual Plan for 2022/23 and beyond.
- (f) **Notes** that a project has been started to confirm that no DCs have been over-recovered. This is to improve our systems to comply with a recent court decision.

## **Community & Recreation Unit**

**4.5 Kaiapoi Community Hub – 2022/23 Annual Plan Budget Submission – D Roxborough (Implementation Project Manager – District Regeneration) and R Thornton (Community Development Facilitator – Vibrant Communities)**

114 - 133

*RECOMMENDATION*

**THAT** the Council

- (a) **Receives** Report No. 211206195018.
- (b) **Notes** the progress that has been made over the last year through staff working with the key Kaiapoi Community Hub user groups; including refinement of the site concept plan, individual building plans and layouts, infrastructure design, establishment of governance models and Hub purpose, vision and objectives.

- (c) **Notes** that the key user groups have expressed a commitment to being founding user groups at the hub development and founding members of the associated Kaiapoi Community Hub Trust that is proposed.
- (d) **Approves** additional budget of \$300,000 in the 2022/23 year and \$300,000 in the 2023/24 year for the WDC-funded development of the Kaiapoi Community Hub site; loan funded from the Recreation activity budget. This is in addition to the existing total budget of \$618,000 already approved in the 2021/31 Long Term plan and/or funded through external agencies.
- (e) **Notes** that the additional budget in the above recommendation (d) has been included in the budget spreadsheet and commentary for Earthquake Recovery and Regeneration.
- (f) **Notes** that a separate report is being presented to Council meeting in February 2022 regarding the funding of Project Management resourcing costs for the Community Hub project related to the Covid Recovery Loan drawdown in the 2021/22 year; and the budget request figure in recommendation d) is based on that separate Covid recovery loan draw-down being approved.
- (g) **Notes** that a further report will be brought to Council to seek approval of the Trust Deed and terms of the lease of the site to the Trust.
- (h) **Circulates** this report to the Kaiapoi-Tuahiwi Community Board.

**4.6 Rangiora Airfield Development – G MacLeod (Community Greenspace Manager) and R O’Loughlin (Greenspace Asset and Capital Project Advisor)**

134 - 142

*RECOMMENDATION*

**THAT** the Council:

- (a) **Receives** Report No. 211208196015.
- (b) **Notes** the work being completed in relation to future development of the Rangiora Airfield and further information will be provided as this progresses.
- (c) **Approves** capital budget (loan funded) of \$74,000 for water services in 2022/23, and \$640,000 in 2023/24.
- (d) **Approves** capital budget (loan funded) of \$32,500 for wastewater services in 2022/23, and \$565,000 in 2023/24.
- (e) **Notes** that the water and wastewater budgets are dependent on successfully rezoning in accordance with the developers proposal, and if this is unsuccessful, then the budget will need reconsideration.
- (f) **Approves** capital budget (loan funded) for runway reseeding of \$60,000 in 2022/23.
- (g) **Approves** capital budget (loan funded) for installation of electronic gates of \$60,000 in 2022/23.
- (h) **Notes** that all of the budgets within this report have been included in the draft annual plan commentaries.

## District Planning and Regulation

### 4.7 Consideration of a request to increase rates grant for landowners of Significant Natural Areas (SNAs) – S Milosavljevic (Senior Policy Planner)

143 - 147

#### RECOMMENDATION

THAT the Council

- (a) **Receives** Report No. 211116182704.
- (b) **Approves** additional \$50,050 pa budget for Option 2 in Table 1 below which increases the rates grant for landowners of Significant Natural Areas to \$155 flat rate plus \$30 per hectare of Significant Natural Area in order to acknowledge the contribution landowners of Significant Natural Areas make to the District's indigenous biodiversity.
- (c) **Notes** that the funding requested has been included into the Draft Greenspace budget for consideration.

## Finance and Business Support

### 4.8 Review of Rating Policy – Remission of Rates on Maori Freehold Land – M Harris (Customer Services Manager) and J Schumacher (Rates and Debtors Team Leader)

148 - 162

#### RECOMMENDATION

THAT the Council

- (a) **Receives** Report No. 220113003258.
- (b) **Authorises** the inclusion of the draft policy for Remission of Rates on Maori Freehold Land in the 2022/2023 Draft Annual Plan for consultation, subject to recommendation (c).
- (c) **Authorises** the Mayor and Chief Executive to approve any wording adjustments after discussion of the Draft Revised Policy at the 8 February 2022 Mahi Tahī Joint Development Committee meeting.

### 4.9 Line of Business – J Millward (Manager Finance and Business Support)

#### RECOMMENDATION

THAT the Council

*NOTE: This report is included in the public excluded agenda.*

**5. BUDGETS**  
**(The Page numbers listed here refer to the pages in the Budget folders)**

*Note that budget resolutions will be considered proforma during the meeting and confirmed collectively prior to the conclusion of the meeting.*

**5.1 Roading**

1 - 22

**RECOMMENDATION**

**THAT** the Council

- (a) Approves the draft budget for the 2022 -2023 year;
- (b) Notes that Maintenance, Operations and Renewals funding endorsed by Waka Kotahi is less than requested by Council and this has resulted in a funding shortfall;
- (c) Notes that Council resolved at its December meeting that for Maintenance, Operations and Renewals the status quo for levels of service be retained and that the funding shortfall of \$637,392 be funded;
- (d) Approves for inclusion in the Draft Annual Plan, consultation on the allocation of additional budget of \$637,392 in the 2023/24 Year to cover the shortfall in Maintenance, Operations and Renewals funding to inform a decision around future levels of service;
- (e) Notes that Low Cost Low Risk funding endorsed by Waka Kotahi is also less than requested by Council and this has resulted in a funding shortfall;
- (f) Notes that consideration has been given to the option of reducing capital project spending to balance the shortfall and Council has resolved to take a multi-layered approach to progressing these projects. This approach includes allowing work to continue on the design of a number of declined projects so that if funding does become available over the next two years, Council will be well positioned to secure funding and progress projects quickly;
- (g) Notes that Council resolved at its December meeting to allocate additional budget in the area of Low Cost Low Risk over years two and three of the 2021-24 NLTP period, to partially cover a shortfall in funding of \$445,650 and allow the Minor Safety Programme to continue in full as planned and safety improvements to be delivered;
- (h) Approves for inclusion in the Draft Annual Plan, consultation on the allocation of additional budget of \$445,650 over years two and three of the 2021-24 NLTP period, to cover a shortfall in funding in the Low Cost Low Risk area, specifically the Minor Safety Programme.

- 5.2 Solid Waste** 23 - 55
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022-2023 Annual Plan.
- 5.3 Water** 56 - 127
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- (b) **Approves** the updated fees and charges for inclusion in the draft 2022-23 Annual Plan.
- (c) **Notes** that any new levels of service or other significant changes are to be provided within a separate report provided to the Council at a later date, once more clarity is gained with respect to the chlorine exemption process and the requirements and timeframes associated with the next revision of the Drinking Water following consultation on the standards signalled for early 2022.
- 5.4 Wastewater** 128 - 177
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.5 Drainage** 178 - 232
- RECOMMENDATION* 178 - 232
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- (b) **Approves** the new fees and charges for stormwater discharge approvals as set out in Section 5 of the Budget.
- 5.6 Stockwater Activity** 233 - 240
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

- 5.7 Utilities and Roading Overheads** 241 - 250
- THAT** the Council
- (a) **Approves** the draft budget for the 2022-2023 Annual Plan.
- 5.8 Project Delivery Unit** 251 - 259
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022-2023 Annual Plan.
- 5.9 Libraries and Local Museums** 260 - 271
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022-2023 Annual Plan.
- 5.10 Aquatic Facilities** 272 - 283
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.11 Community Development** 284 - 292
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023.
- (b) **Notes** that staff will prepare a report to the Community and Recreation Committee, detailing issues and options related to the inclusion of provision for the proposed maintenance of 2021/2022 levels of service for community development.
- 5.12 Greenspace and Community Facilities** 293 - 337
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022-2023 Annual Plan.
- (b) **Notes** that any new levels of service/performance measures are to be provided within a separate report provided to the Council.

- 5.13 Community and Recreation Overheads** 338 - 346
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022-2023 Annual Plan.
- 5.14 Earthquake Recovery and Regeneration** 347 – 361
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- (b) **Notes** that a separate report will be presented to Council regarding the budgets and planned expenditure on the Kaiapoi Community Hub project.
- (c) **Notes** that a separate report will be presented to Council by the Community Team regarding additional budget allocation in the current 2021/22 year from Covid Recovery Loan for project management services for the Kaiapoi Community Hub project.
- (d) **Notes** that external funding provisions for the proposed Kaiapoi Community Hub Trust's development of buildings and associated facilities on site are not included in this budget and commentary.
- 5.15 Planning and Regulation Management Overhead** 362 - 368
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.16 Plan Implementation Unit** 369 - 377
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.17 Development Planning Unit** 378 - 385
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

- 5.18 Building Unit** 386 - 407  
*RECOMMENDATION*  
**THAT** the Council  
 (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.19 Environmental Services Unit** 408 - 417  
*RECOMMENDATION*  
**THAT** the Council  
 (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.20 Civil Defence Emergency Management** 418 - 429  
*RECOMMENDATION*  
**THAT** the Council  
 (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.21 Human Resources, Organisational Development and Safety and Risk** 430 - 434  
*RECOMMENDATION*  
**THAT** the Council  
 (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.22 Communications and Engagement** 435 - 443  
*RECOMMENDATION*  
**THAT** the Council  
 (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.23 Property, Housing for the Elderly** 444 - 463  
*RECOMMENDATION*  
**THAT** the Council  
 (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

- 5.24 **Strategic Projects** 464 - 473
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.25 **Economic Development** 474 - 481
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.26 **Finance and AIM (Asset Information Management)** 482 - 489
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.
- 5.27 **Canterbury Museum** 490 - 496
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023.
- (b) **Approves** a referral period of the Canterbury Museum 2022/23 of 6 weeks submission period from Friday 18 March 2022 concluding on Friday 29 April 2022;
- (c) **Advises** a suitable time for the Museum to present on its draft Annual Plan and the Museum Project is the 12 April 2022; and
- (d) **Advises** that a six-monthly briefing presentation on the Redevelopment Project progress would be useful and welcomed by our Council
- 5.28 **Information and Technology Support** 497 - 509
- RECOMMENDATION*
- THAT** the Council
- (a) **Approves** the draft budget for the 2022 -2023.

- 5.29 **Water Unit** 510 - 516  
*RECOMMENDATION*  
**THAT** the Council  
(a) **Approves** the draft budget for the 2022 -2023.
- 5.30 **Customer Service** 517 - 528  
*RECOMMENDATION*  
**THAT** the Council  
(a) **Approves** the draft budget for the 2022 -2023.
- 5.31 **Governance and Secretarial** 529 - 539  
*RECOMMENDATION*  
**THAT** the Council  
(a) **Approves** the draft budget for the 2022 -2023.
- 5.32 **District Management** 540 - 544  
*RECOMMENDATION*  
**THAT** the Council  
(a) **Approves** the draft budget for the 2022 -2023.

*All budget resolutions to be confirmed from proforma to final.*

## 6. **MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED**

*Section 48, Local Government Official Information and Meetings Act 1987*

### **RECOMMENDATION**

**THAT** the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

<b>Item No</b>	<b>Minutes/Report of:</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) for the passing of this resolution</b>
6.1	Report of D Young (Senior Engineering Representative) and K Simpson (3 Waters Manager)	Contract 21/26 Wiltshire to Green Stormwater Upgrades – Tender Evaluation and Contract Award Report	Good reason to withhold exists under Section 7	Section 48(1)(a)
6.2	Report of Liz Smith (Manager People and Engagement)	Site Security Review and Associated Implementation of Actions - Annual Plan Report 2022/2023	Good reason to withhold exists under Section 7	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

<b>Item N°</b>	<b>Reason for protection of interests</b>	<b>Ref NZS 9202:2003 Appendix A</b>
6.1 – 6.2	Protection of privacy of natural persons To carry out commercial activities without prejudice	A2(a) A2(b)ii

### **CLOSED MEETING**

*See Public Excluded Agenda (separate document)*

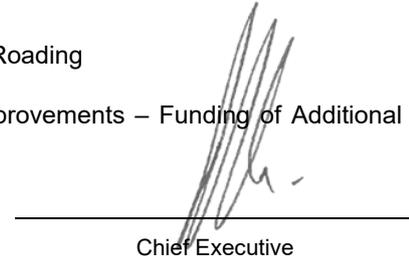
### **OPEN MEETING**

## 7. **BUDGET SUMMARY**

Jim Harland and Jeff Millward will provide a verbal update summarizing the budget outcomes and rate based on decisions made.

## 8. **NEXT MEETING**

The next meeting of the Council is scheduled for 1pm on Tuesday 1 March 2022 in the Council Chamber, Rangiora Service Centre, 215 High Street, Rangiora.

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION****FILE NO and TRIM NO:** DRA-20-27-08 / 211207195102**REPORT TO:** Council**DATE OF MEETING:** 2 & 3 February 2022**FROM:** Kalley Simpson, 3 Waters Manager  
Gerard Cleary, Manager Utilities and Roading**SUBJECT:** Kaiapoi Stormwater and Flooding Improvements – Funding of Additional Budget**SIGNED BY:**  
(for Reports to Council,  
Committees or Boards)  
Department Manager  
Chief Executive**1. SUMMARY**

- 1.1. The purpose of this report is to seek Council approval for the proposed funding approach of the additional \$4.175 million budget included in the draft Annual Plan for the Kaiapoi Stormwater and Flood Improvements project.
- 1.2. In December 2021, Council approved the inclusion of additional budget and associated scope changes to enable the construction of the McIntosh Drain pump station to proceed as part of the Kaiapoi Stormwater and Flood Improvements project (refer TRIM 211123187654). This increased the total budget for this work to \$22.305 million, of which \$9 million will be funded by the Government's Shovel Ready programme and \$13.305 million by the Council.
- 1.3. The current funding sources for the Council budgets are the Kaiapoi Urban Drainage account and the District Drainage account. It is proposed that the funding sources are increased as shown in Table 1 below.

<b>Funding Source</b>	<b>Original Amount</b>	<b>Additional Amount</b>	<b>Revised Amount</b>
Shovel Ready Fund	\$9,000,000		\$9,000,000
Kaipoi Urban Drainage (LOS)	\$6,204,000		\$6,204,000
Kaipoi Urban Drainage (Renewal)	\$483,500		\$483,500
Kaipoi Urban Drainage (Growth)	\$1,400,000	\$705,000	\$2,105,000
District Drainage (LOS)	\$1,042,500	\$3,470,000	\$4,512,500
<b>Total</b>	<b>\$18,130,000</b>	<b>\$4,175,000</b>	<b>\$22,305,000</b>

- 1.4. The additional budget changes will double the North East Kaiapoi development contribution under the Kaiapoi Urban Drainage scheme and the District Drainage rate by approximately 50% from 2023/24 onward.

**Attachments:**

Attachment A: Plan of works

Attachment B: Financial Summary

Attachment C: Summary of proposed budget changes

## 2. **RECOMMENDATION**

**THAT** the Council:

- (a) **Receives** report No. 211207195102.
- (b) **Approves** funding the additional \$4.175 million partially from the Kaiapoi Urban Drainage North East Kaiapoi development contribution area (\$705,000) and partially from the District Drainage account (\$3,470,000).
- (c) **Approves** the following budget changes associated with the additional funding and scope changes:

<b>Beach Road PS and Rising Main</b>	<b>Add</b> \$2,190,000 to the 2022/23 financial year budget, comprising of \$1,600,000 of new budget and \$335,000 of reallocated budget (from Feldwick SMA and Drain Upgrade) and \$255,000 of reallocated budget (from Feldwick SW PS Upgrade)
<b>Feldwick SMA and Drain Upgrade</b>	<b>Remove</b> \$335,000 from the 2021/22 financial year budget, reallocated to Beach Road PS and Rising Main in the 2022/23
<b>Feldwick SW PS Upgrade</b>	<b>Remove</b> \$255,000 from the 2021/22 financial year budget, reallocated to Beach Road PS and Rising Main in the 2022/23
<b>Otaki Flood PS and Rising Main</b>	<b>Add</b> \$1,255,000 to the 2022/23 financial year budget, comprising of \$1,000,000 of reallocated budget (from McIntosh Channel Upgrade and SMA) and \$255,000 of reallocated budget (from Dudley SW PS Upgrade)
<b>Otaki Basin Interceptor Pipeline</b>	<b>Add</b> \$1,800,000 to the 2022/23 financial year budget, comprising of \$1,800,000 of new budget
<b>Dudley SW PS Upgrade</b>	<b>Remove</b> \$255,000 from the 2021/22 financial year budget, reallocated to Otaki Flood PS and Rising Main in 22/23
<b>McIntosh Channel Upgrade and SMA</b>	<b>Remove</b> \$890,000 from the 2021/22 and \$110,000 from 22/23 financial year budget, reallocated to Otaki Flood PS and rising main
<b>McIntosh Drain Upgrade and Wetland - Growth</b>	<b>Remove</b> \$705,000 from the 2021/22 financial year budget, reallocated to McIntosh PS - Growth
<b>McIntosh Flood PS - Growth</b>	<b>Add</b> \$1,410,000 to 22/23 financial year budget, comprising of \$705,000 of new budget and \$705,000 of reallocated budget
<b>McIntosh Flood PS</b>	<b>Add</b> \$70,000 to the 2022/23 financial year budget, comprising of \$70,000 of new budget

- (d) **Notes** that the revised District Drainage rate will increase by approximately \$8.22 to \$28.12 in 2023/24.
- (e) **Circulates** this report to the Kaiapoi Tuahiwi Community Board for their information.

## 3. **BACKGROUND**

- 3.1. In 2020, the Council successfully secured “Shovel-Ready” funding for the Kaiapoi Stormwater and Flooding Improvements project. The overall scheme involves construction of a number of stormwater pump stations, as well as associated pipework and other infrastructure.
- 3.2. The original project budget was for a total of \$18.13 million, of which \$9.0 million will be contributed by Central Government, and \$9.13 million by the Council.
- 3.3. The current cost estimate for the revised schedule of projects is forecast to cost \$22.123 million, which has increased due to an underestimation of the costs in the original shovel ready application process and also an escalation in construction.

#### 4. ISSUES AND OPTIONS

- 4.1. Ōtākaro have signalled that it is very unlikely that any additional funding will be made available by the Government, additionally they have indicated that Government funding may be withdrawn if the benefits of the original scope are not realised. Government Ministers considered a briefing paper setting out the proposed change to the scope and programme on 8 December 2021 and accepted this change (refer extract below). Therefore Council must consider options to fund the additional \$4.175 million in order to construct the McIntosh Drain pump station as part of the Kaiapoi Stormwater and Flood Improvements project.

56. Agree to approve:	
EITHER	
56.1.	<b>Option 1 (Ōtākaro recommended option)</b> – Accept the proposal from WDC for a scope change and delay to the McIntosh pumpstation. This option protects 99% of the project benefits, and while delayed 12 months, represents the best option balancing the needs for flooding risk mitigation for the people of Kaiapoi and the Governments use of funding;
	Agree / Disagree
	OR
56.2.	<b>Option 2</b> – Accept the proposal from WDC for a scope change to the two smaller pumpstation refurbishments and increase funding to deliver the McIntosh pumpstation now. This will involve increasing Government funding by \$3.99m and likely deliver the project within the agreed timeframes;
	Agree / Disagree
	OR
56.3.	<b>Option 3</b> – Terminate the project and seek the reimbursement of Government funds from WDC as per the FA. This option will recover from WDC the \$2.4m of Government funds granted to date, however, leave the project in an untenable position and will not deliver the project benefits;
	Agree / Disagree

- 4.2. There are four areas that Council could consider funding this increase from:
- Kaiapoi Urban Drainage (LOS)
  - Kaiapoi Urban Drainage (Renewal)
  - Kaiapoi Urban Drainage (Growth)
  - District Drainage (LOS)
- 4.3. Funding the increase from the Kaiapoi Urban Drainage (LOS) would have a direct impact on the Kaiapoi Urban rates. They have already increased substantially to contribute to a large portion of this project, with a rating increase from \$305 per property in 2021/22 to \$425 in 24/25 to pay for the construction works and also the going operating. If the full \$4.175 million were to be loan funded against the Kaiapoi Urban Drainage account this would increase the rate by a further \$48.70 per property (assuming a 25 year loan).
- 4.4. As most of this project is new works, with the exception of the Sneyd Street pipeline, Otaki to Dudley pipeline and the McIntosh Drain PS, there is limited justification to fund any additional budget from the Kaiapoi Urban Drainage renewals fund.
- 4.5. The original funding report on the Kaiapoi Stormwater and Flooding Improvements project (refer TRIM 201022141878), recognised the benefits the McIntosh Drain improvement works would provide to the proposed Kaiapoi East North East development area to the east of Sovereign Palms and north of Beach Grove. As the cost of constructing the McIntosh Drain pump station has increased, it is recommended that the Kaiapoi East North East

development area is also increased to fund approximately 50% of the McIntosh Drain improvement works from this development contribution. This will increase the East North East Kaiapoi development contribution to approximately \$1,654 per property, which is considered to be reasonable given the benefit it provides for growth in this area.

- 4.6. The District Drainage account previously covered only 25% of the McIntosh Drain improvement works as set out in the original funding report on the Kaiapoi Stormwater and Flooding Improvements project (refer TRIM 201022141878). It is suggested that there is justification to fund a proportion of the other works from the District Drainage account, given that this projects provides some benefit for managing future climate change and also given the situation where Council has had to proceed with realising the full scope of work to maintain the Government's funding, rather than prioritising which part of the proposed works could be delivered within the existing budget.
- 4.7. It is therefore recommended to fund the additional \$4.175 million budget, partially from partially from the Kaiapoi Urban Drainage North East Kaiapoi development contribution area (\$705,000) and partially from the District Drainage account (\$3,470,000). The revised East North East Kaiapoi development contribution will increase to approximately \$1,654 per property from 2022/23 onwards and the revised District Drainage rate will increase by approximately \$8.22 to \$28.12 in 2023/24.

#### **Implications for Community Wellbeing**

- 4.8. There are implications for community wellbeing related to management of hazards that are the subject matter of this report.
- 4.9. The Management Team has reviewed this report and support the recommendations.

### **5. COMMUNITY VIEWS**

#### **5.1. Mana whenua**

Te Ngāi Tūāhuriri hapū may have an interest in the subject matter of this report. In particularly, mana whenua have consistently expressed a desire for improved water quality and treatment of urban stormwater runoff.

The Feldwick SMA is dependent on the Beach Road Pumping Station. This is because the SMA is feed by a dedicated pump in the pumping station. As such, the Beach Road pumping station will enable the SMA to be developed in the future.

#### **5.2. Groups and Organisations**

There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report.

As the project covers a wide area of Kaiapoi, there are a large number of stakeholders and interested parties involved. Key stakeholders will be kept updated as the project develops.

#### **5.3. Wider Community**

The wider community is likely to be affected by, or to have an interest in the subject matter of this report. Consultation on the draft Annual Plan for 2022/23 will enable input and comment from the community.

### **6. OTHER IMPLICATIONS AND RISK MANAGEMENT**

#### **6.1. Financial Implications**

- 6.1.1. It is proposed that the funding sources are increased as shown in Table 2 below.

**Table 2 – Proposed Funding Sources**

Funding Source	Original Amount	Additional Amount	Revised Amount
Shovel Ready Fund	\$9,000,000		\$9,000,000
Kaiapoi Urban Drainage (LOS)	\$6,204,000		\$6,204,000
Kaiapoi Urban Drainage (Renewal)	\$483,500		\$483,500
Kaiapoi Urban Drainage (Growth)	\$1,400,000	\$705,000	\$2,105,000
District Drainage (LOS)	\$1,042,500	\$3,470,000	\$4,512,500
<b>Total</b>	<b>\$18,130,000</b>	<b>\$4,175,000</b>	<b>\$22,305,000</b>

- 6.1.2. The additional growth budget of \$705,000 under the Kaiapoi Urban Drainage account will be funded from the North East Kaiapoi development contribution area. The revised East North East Kaiapoi development contribution will increase to approximately \$1,654 per property from 2022/23 onwards.
- 6.1.3. The additional level of service budget of \$3,470,000 under the District Drainage account will increase by approximately \$8.22 to \$28.12 in 2023/24.
- 6.1.4. A breakdown of the proposed changes in expenditure and programme for each part of the Kaiapoi Stormwater and Flooding Improvements project is included in Attachment B.
- 6.1.5. A breakdown of the proposed budget changes associated with the change in scope and programme is included in Attachment C and summarised in Table 3 below.

**Table 3 – Proposed Budget Changes**

<b>Beach Road PS and Rising Main</b>	<b>Add</b> \$2,190,000 to the 2022/23 financial year budget, comprising of \$1,600,000 of new budget and \$335,000 of reallocated budget (from Feldwick SMA and Drain Upgrade) and \$255,000 of reallocated budget (from Feldwick SW PS Upgrade)
<b>Feldwick SMA and Drain Upgrade</b>	<b>Remove</b> \$335,000 from the 2021/22 financial year budget, reallocated to Beach Road PS and Rising Main in the 2022/23
<b>Feldwick SW PS Upgrade</b>	<b>Remove</b> \$255,000 from the 2021/22 financial year budget, reallocated to Beach Road PS and Rising Main in the 2022/23
<b>Otaki Flood PS and Rising Main</b>	<b>Add</b> \$1,255,000 to the 2022/23 financial year budget, comprising of \$1,000,000 of reallocated budget (from McIntosh Channel Upgrade and SMA) and \$255,000 of reallocated budget (from Dudley SW PS Upgrade)
<b>Otaki Basin Interceptor Pipeline</b>	<b>Add</b> \$1,800,000 to the 2022/23 financial year budget, comprising of \$1,800,000 of new budget
<b>Dudley SW PS Upgrade</b>	<b>Remove</b> \$255,000 from the 2021/22 financial year budget, reallocated to Otaki Flood PS and Rising Main in 22/23
<b>McIntosh Channel Upgrade and SMA</b>	<b>Remove</b> \$890,000 from the 2021/22 and \$110,000 from 22/23 financial year budget, reallocated to Otaki Flood PS and rising main
<b>McIntosh Drain Upgrade and Wetland - Growth</b>	<b>Remove</b> \$705,000 from the 2021/22 financial year budget, reallocated to McIntosh PS - Growth
<b>McIntosh Flood PS - Growth</b>	<b>Add</b> \$1,410,000 to 22/23 financial year budget, comprising of \$705,000 of new budget and \$705,000 of reallocated budget
<b>McIntosh Flood PS</b>	<b>Add</b> \$70,000 to the 2022/23 financial year budget, comprising of \$70,000 of new budget

## 6.2. Sustainability and Climate Change Impacts

6.2.1. The recommendations in this report have sustainability and/or climate change impacts as the scheme is designed to future proof the town against future sea level rise and increased rainfall intensity.

## 6.3. Risk Management

6.3.1. There are a number of risks associated with the project which will need carefully managed to meet the accelerated delivery timeframe. In terms of this decision, two main risks are identified.

- **Risk of cost exceed the available budget:** This is continuous managed, with an on-going value engineering and quantitative risk analysis to minimise this risk.
- **Stakeholder responses** to increase costs. This will be the subject of the consultation in the draft Annual Plan.

## 6.4. Health and Safety

6.4.1. Health and safety matters are carefully managed and the design process has been subject to Safety in Design process.

## 7. CONTEXT

### 7.1. Consistency with Policy

7.1.1. This matter is a matter of significance in terms of the Council's Significance and Engagement Policy which is why community views on the increased expenditure is recommended to be sought as part of the consultation on the draft Annual Plan 2022/23.

### 7.2. Authorising Legislation

7.2.1. This matter is covered by the Local Government Act.

### 7.3. Consistency with Community Outcomes

7.3.1. Harm to people from natural and man-made hazards is minimised.

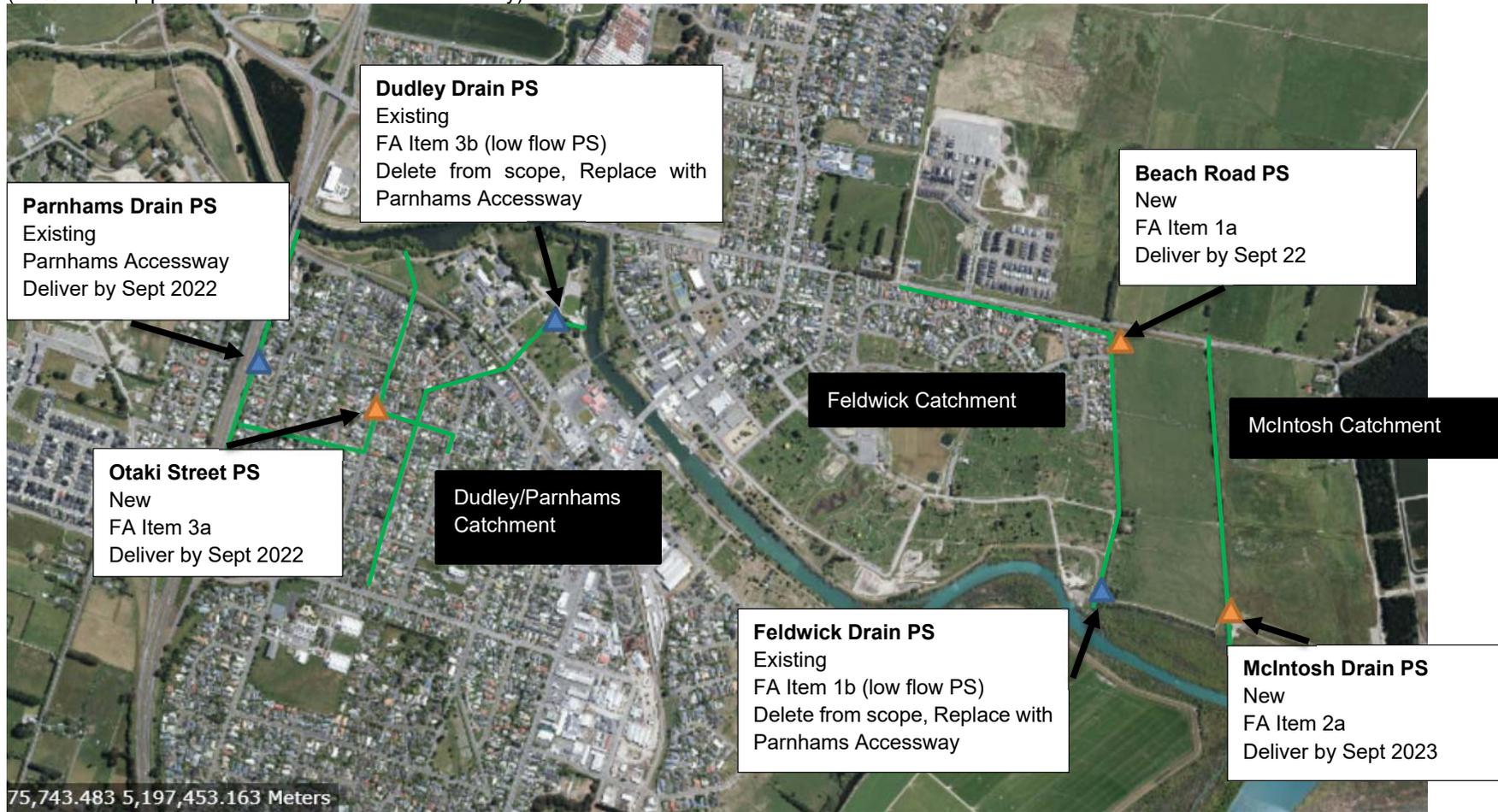
7.3.2. Harm to the environment from sewage and stormwater discharges is minimised.

### 7.4. Authorising Delegations

7.4.1. The Council has authority to consider this matter.

**Attachment A: Map of pumping stations in Kaiapoi Stormwater and Flood Improvements project**

(Note: Some pipelines and culverts excluded for clarity)

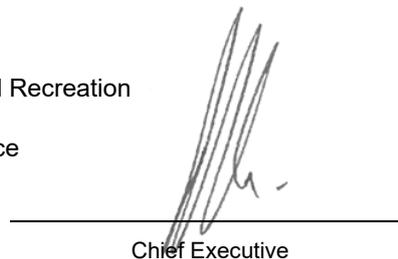


**Attachment B: Summary of proposed changes in expenditure and programme**

	Work package	FA reference	Base		Proposed Change		Variation	
			FA	PC Milestone	EAC	PC Milestone	EAC	PC Milestone
Contracted works	Programme Management	common items	\$793,000.00	Sep-22	\$1,283,827.41	Sep-22	\$490,827.41	0
	Design		\$1,264,000.00	Sep-22	\$1,003,087.89	Sep-22	-\$260,912.11	0
	Site Investigations and Consents		\$93,000.00	Sep-22	\$388,241.06	Sep-22	\$295,241.06	0
	Land Acquisitions		\$400,000.00	Sep-22	\$1,575,511.79	Sep-22	\$1,175,511.79	0
	Construction MSQA			Sep-22	\$848,850.50	Sep-22	\$848,850.50	0
	21/08 Early Works (Sneyd Street)	3d	\$230,000.00	Sep-22	\$615,790.75	Sep-22	\$385,790.75	0
	21/08 Early Works (Beach Culvert & drain)	2b and 2c	\$1,900,000.00	Sep-22	Incl above/below		-\$1,900,000.00	0
	21/24 Advanced Works	3c	\$2,850,000.00	Sep-22	\$594,927.54	Sep-22	\$585,503.90	0
	21/27 Otaki Street West Interceptor			Sep-22	\$1,443,527.40	Sep-22		0
	21/28 Otaki Street East Interceptor			Sep-22	\$1,397,048.96	Sep-22		0
	21/29 Otaki Street SWPS			3a	\$3,140,000.00	Sep-22		\$2,101,507.05
	21/30 Otaki Street Pressure Main	Sep-22	\$1,579,728.24			Sep-22	0	
	Pump and power supply	common items	\$700,000.00	Sep-22	incl	Sep-22	-\$700,000.00	0
Designed but not contracted	Beach Road PS and RM	1a and 1c	\$3,480,000.00	Sep-22	4,197,569.00	Sep-22	\$717,569.00	0
	McIntosh Drain PS	2a	\$2,550,000.00	Sep-22	\$2,995,000.00	Sep-23	\$445,000.00	12 months
	Dudley Drain PS and Feldwick Drain PS	1b and 3b	\$507,000.00				-\$507,000.00	Delete
	Parnhams Drain Accessway			Sep-22	\$500,000.00	Sep-22	\$500,000	Add
	Contingency			n/a	\$2,292,235.90	n/a	\$2,292,235.90	n/a
	<b>Total Forecast expenditure</b>		<b>\$17,907,000.00</b>		<b>\$22,816,853.49</b>			
	Less Revenue from land sales				-\$693,500.00			
	<b>Net forecast expenditure</b>				<b>\$22,123,353.49</b>			
	Less budget				\$18,130,000.00			
	<b>Deficit</b>				<b>\$3,993,353.49</b>			

**Attachment C: Summary of proposed budget changes**

Work Package	20/21	21/22	22/23	Current Budget	Additional Budget	Revised Budget	Financial Changes
Shovel Ready - Project Mgmt	661,000	263,000	60,000	984,000		984,000	
Shovel Ready - Site Investigations	159,000			159,000		159,000	
Shovel Ready - Design	1,170,000	94,000	36,000	1,300,000		1,300,000	
Shovel Ready - Land Acquisition	2,419,000		-1,492,000	927,000		927,000	
Beach Road PS and Rising Main	-	2,115,000	600,000	2,715,000	2,190,000	4,905,000	<b>Add</b> \$2,190,000 to 22/23 FY budget, comprising of \$1,600,000 of new budget and \$335,000 of reallocated budget (from Feldwick SMA and Drain Upgrade) and \$255,000 of reallocated budget (from Feldwick SW PS Upgrade)
Feldwick SMA and Drain Upgrade	-	335,000	-	335,000	-335,000	-	<b>Remove</b> \$335,000 from 21/22 FY budget, reallocated to Beach Road PS and Rising Main in 22/23
Feldwick SW PS Upgrade		255,000	-	255,000	-255,000	-	<b>Remove</b> \$255,000 from 21/22 FY budget, reallocated to Beach Road PS and Rising Main in 22/23
Otaki Flood PS and Rising Main	-	2,450,000	350,000	2,800,000	1,255,000	4,055,000	<b>Add</b> \$1,255,000 to 22/23 FY budget, comprising of \$1,000,000 of reallocated budget (from McIntosh Channel Upgrade and SMA) and \$255,000 of reallocated budget (from Dudley SW PS Upgrade)
Otaki Basin Interceptor Pipeline		2,150,000	260,000	2,410,000	1,800,000	4,210,000	<b>Add</b> \$1,800,000 to 22/23 FY budget, comprising of \$1,800,000 of new budget
Dudley SW PS Upgrade	-	255,000	-	255,000	-255,000	-	<b>Remove</b> \$255,000 from 21/22 FY budget, reallocated to Otaki Flood PS and Rising Main in 22/23
Sneyd Street Pipe Upgrade	150,000	50,000	-	200,000		200,000	
McIntosh Channel Upgrade and SMA	-	1,155,000	110,000	1,265,000	-1,000,000	265,000	<b>Remove</b> \$890,000 from 21/22 and \$110,000 from 22/23 FY budget, reallocated to Otaki Flood PS and rising main
McIntosh Drain Upgrade and Wetland - Growth		705,000	-	705,000	-705,000	-	<b>Remove</b> \$705,000 from 21/22 FY budget, reallocated to McIntosh PS - Growth
McIntosh Flood PS - Growth		695,000	-	695,000	1,410,000	2,105,000	<b>Add</b> \$1,410,000 to 22/23 FY budget, comprising of \$705,000 of new budget and \$705,000 of reallocated budget
McIntosh Flood PS		1,105,000	220,000	1,325,000	70,000	1,395,000	<b>Add</b> \$70,000 to 22/23 FY budget, comprising of \$70,000 of new budget
Programme Contingency	-	1,440,000	360,000	1,800,000		1,800,000	
				<b>18,130,000</b>	<b>4,175,000</b>	<b>22,305,000</b>	

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION****FILE NO and TRIM NO:** WAT-03 / 211208196326**REPORT TO:** COUNCIL**DATE OF MEETING:** 2-3 February 2022**AUTHOR(S):** Colin Roxburgh, Water Asset Manager  
Chris Brown, Manager Community and Recreation**SUBJECT:** Ashley Gorge Water Supply Compliance**ENDORSED BY:**  
(for Reports to Council,  
Committees or Boards)  
Department Manager  
Chief Executive**1. SUMMARY**

1.1. This report is to:

- 1.1.1. Inform the Council of the change in legislative status of the Ashley Gorge water supply that services the campground and reserve area, and;
- 1.1.2. Request that the Council allocate the necessary funding to undertake works necessary to upgrade the supply to meet its new requirements.

**Attachments:**

i. Nil

**2. RECOMMENDATION****THAT** the Council:

- (a) **Receives** Report No. 211208196326.
- (b) **Notes** that under the Water Services Act, the Ashley Gorge water supply has additional legislative requirements, meaning that it must now comply with the Drinking-water Standards for New Zealand.
- (c) **Approves** assigning \$45,000 of new capital budget to the current 2021/22 financial year to allow for the installation of a chlorine analyser and associated SCADA equipment, and the commencement of an options investigation to determine the optimum long term option to achieve compliance with the DWSNZ.
- (d) **Approves** inclusion of \$50,000 in the 2022/23 financial year and \$400,000 in the 2023/24 financial year to allow for the upgrade of the treatment system at Ashley Gorge to meet DWSNZ requirements, for inclusion in the Draft 2022/23 Annual Plan.
- (e) **Approves** assigning \$14,000 of annual operational budget for the 2022/23 year onwards to allow for operation, maintenance and sampling of the Ashley Gorge water supply in line with other public water supply schemes that the Council manages.
- (f) **Notes** that the upgrades to the water supply are to be funded from the general rate, via the recreation account, as the benefits of a safe and compliant water supply applies to the entire district who may utilise the reserve area, and that the rating impact has been forecast at \$1.03 per year in 2022/23, increasing to \$1.44 per year in 2024/25.

- (g) **Circulates** this report to the Oxford-Ohoka Community Board for their information.

### 3. **BACKGROUND**

#### Legislation and Public Water Supply Definitions

- 3.1. Under the Health Act (prior to enactment of the Water Services Act), the Council was responsible for the operation and management of 11 public water supplies. In order for these supplies to be compliant they are required meet the Drinking-water Standards for New Zealand (DWSNZ) both in terms of having a suitable treatment system in place and having adequate ongoing monitoring and testing, and have a Water Safety Plan.
- 3.2. The Council has a number of other sites where it supplies water to residents, but these had not been classified in the same way as the Council's public supplies, and therefore did not have the same legislative requirements in terms of meeting the DWSNZ and having a Water Safety Plan. One of the thresholds for needing to meet the DWSNZ was having multiple properties connected by pipework to become a network supply. This therefore meant for some sites that may have had a number of buildings on the same property (campgrounds, schools, marae) they had previously not had the same legislative requirements as other water supplies, despite in some cases serving a similar number of people to conventional networked supplies. Examples of these supplies that the Greenspaces and Property departments of the Council operate are:
- Ashley Gorge
  - Woodend Beach Campground
  - Rangiora Airfield
  - Warrens Reserve
- 3.3. On the 15<sup>th</sup> of November 2021, the Water Services Act came into force which required that any property that is not a single domestic dwelling be required to comply with the DWSNZ and have a Water Safety Plan in place, which created a large number of new public water supplies across the country (informal estimates provided are that 80,000 new supplies were picked up by this change).
- 3.4. When the legislation came into force, supplies that were currently not registered were given 5 years to become registered, and 2 years to comply from that date (7 years total). However, for some supplies that were on a drinking-water register (which included a large number of campgrounds, schools, and similar) no lead in time was provided and hence compliance with the DWSNZ is expected immediately.
- 3.5. All supplies are given one year from the 15<sup>th</sup> of November 2021 to submit a Water Safety Plan compliant with the Water Services Act.
- 3.6. With Ashley Gorge previously being on a water supply register (even though it did not previously meet the threshold to have to comply with the DWSNZ), it has been transferred to being a registered supply under the Water Services Act, and therefore as of the 15<sup>th</sup> of November from a regulation point of view it is now considered one of our public supplies, and is the only one that doesn't comply with the DWSNZ.
- 3.7. As all registered supplies are required to comply with the DWSNZ, there is now an immediate obligation for the Council to ensure that the Ashley Gorge water supply complies with the DWSNZ. Compliance will mean putting in a protozoa barrier, and increased sampling and monitoring.

- 3.8. Currently the supply has a shallow bore close to the Ashley River, and chlorine treatment. Looking at the monthly samples since 2019, all have been absent of coliforms and E. coli, chlorine levels have been maintained above 0.2ppm for all but one sample, and turbidity < 5 NTU for all but one sample as well. The only recorded instance where turbidity was unacceptable was during the May / June floods this year, which was considered an extreme (approximately 1 in 100 year) event.
- 3.9. This water source and water quality history suggest that a treatment system similar to that recently installed for the Garrymere water supply would likely be suitable. There is also an alternative option to be considered to connect Ashley Gorge to the Oxford Rural No.2 scheme, if there is sufficient capacity.

#### Ashley Gorge Reserve Background

- 3.10. Ashley Gorge Reserve is a very popular destination for both day visitors and those seeking a longer stay to fully enjoy the camping activity or cabin accommodation in an attractive bushed setting. Visitor numbers are increasing due to additional recreational facilities recently developed with more planned in the future.
- 3.11. Recreational activities have been enhanced with the development of walking tracks in the adjacent DOC conservation area with plans to further extend these. Other attractions include the swimmable Ashley River with its high quality water, picnic area, playground and toilet facilities. Family groups, clubs and community groups frequently picnic at the reserve whilst making use of these opportunities multiple nearby recreational opportunities available.
- 3.12. Although there are no public cooking facilities available within the Reserve the Ashley Gorge Reserve Advisory Group (AGRAG) successfully secured Council funding in the 2021/22 year to install a BBQ area including a double electric BBQ.
- 3.13. The AGRAG membership of neighbours and local community stakeholders are an active group who have raised funds to cover 50% of the cost of the BBQ area. The reserve recently received significant investment from the Council (\$88,000) in the construction of the Reynolds Pavilion (shelter/information centre).
- 3.14. AGRAG are intent on further enhancing the reserve's vegetation and walking tracks in the coming years to ensure visitors' experience is as enjoyable as possible.
- 3.15. The Council has shown its intention to support the use and development of this reserve and ongoing provision of a water supply that meets required drinking standards is critical to capitalise on this investment now and in the future.

#### **4. ISSUES AND OPTIONS**

- 4.1. The options considered are:
1. Bring the Ashley Gorge water supply up to the required standard, as required by legislation. This is the recommended option.
  2. To knowingly and deliberately not comply with legislative requirements to provide safe and compliant drinking water, and continue operating the supply in its current state, and mark the water supply as 'non-potable'. This is not an option that can be given serious consideration, as the Water Services Act clearly sets out requirements to comply with the DWSNZ, and introduces the ability to issue fines or prosecutions both against organisations and individuals who do not meet these obligations. The marking of the supply as 'non-potable' is not a legitimate reason to not comply with the Act. Regardless of the legislative obligations, it is a reasonable community expectation that the water supplied at the reserve and campground be safe and compliant.

4.2. Based on the above, Option 1 is recommended. A preliminary assessment has been undertaken to determine what is required for the Ashley Gorge water supply to comply with the DWSNZ and the Water Services Act, to achieve the objectives of the recommended option

- Water Safety Plan: This must be prepared and submitted prior to 15 November 2022. These are comprehensive documents outlining how the supply is run, how risks are managed, and what is being done about any unacceptable risks. There is currently a programme for all 11 supplies to update plans by the deadline next year, with Ashley Gorge now required to be added to this list. This may cost in the order of \$5,000 - \$10,000 of Project Delivery Unit fees.
- Sampling: To comply with the DWSNZ, samples must be taken weekly rather than monthly. This will cost \$92 per week extra based on current Water Unit rates.
- Treatment Plant Upgrade or Connection to Oxford Rural No.2 Scheme: While chlorine can adequately treat bacteria and viruses, it cannot treat protozoa. Therefore, under the DWSNZ, a protozoa barrier must be in place, or it must be connected to a scheme with an adequate protozoa barrier and the existing treatment plant disestablished. To address the best way to achieve this, an options assessment must be undertaken. An initial fee of \$20,000 is estimated to identify the optimum option of either installing a treatment system upgrade versus connecting to the Oxford Rural No.2 supply. It is recommended that this proceed in 2021/22, to allow design works to commence in 2022/23.
- Install Chlorine Analyser: The supply is heavily reliant on chlorine treatment being continuous to maintain the safety of the supply. If the chlorine treatment equipment were to fail now, there is no automatic notification to alert anyone to this occurrence. All other chlorinated supplies within the district have an analyser connected to SCADA to alert operators immediately of this. Ideally an analyser would be installed at the intake, which is estimated to cost \$25,000 (\$10,000 for the analyser, \$15,000 for the SCADA equipment).
- Design and Build Upgrade: At this stage the best estimate for the full cost of designing and building a treatment system is \$450,000, based on the total project cost at Garrymere. The following staging is recommended:
  - \$50,000 in 2022/23 for detailed design and tender (following options assessment in 2021/22)
  - \$400,000 in 2023/24 for construction.
  - The programme above is realistic given the complexities of a project such as this. The budget is based on this timeframe. Staff will endeavour to deliver the project as quickly as possible. Therefore, if the project is progressed ahead of programme, staff may bring a report requesting to move budget forward. If it is identified that the Oxford Rural No.2 scheme can be extended as an alternative to upgrading the treatment system, this should reduce the total cost. However until staff have undertaken a full options assessment, the practicalities of this are unknown. On this basis the budget recommendation has been prepared using the option of a treatment upgrade.
- Other Operational Changes: It will be necessary to build this scheme into the 3 Waters / Water Unit Service Level Agreement, which defines all the maintenance activities required to operate the site. The annual operational costs of similar water

supply sites are in the order of \$6,000 to \$9,000 per year allowing for the anticipated site specific elements.

- 4.3. The above elements have been discussed at a meeting with the Manager Community and Recreation, Manager Utilities and Roading and Manager People and Engagement to determine how these should be delivered, funded and managed. The following is proposed:

*Table 1: Summary of Expected Costs*

Item	Amount	Financial Year
Water Safety Plan	\$7,500	2022/23
Additional Sampling	\$5,000 / year	Annual, 2022/23 onwards.
Operation of Water Treatment Plant and Scheme	\$9,000 / year	Annual, 2022/23 onwards.
Options Assessment	\$20,000	2021/22
Chlorine Analyser and SCADA Upgrade	\$25,000	2021/22
Design of Upgrade	\$50,000	2022/23
Construction of Upgrade	\$400,000	2023/24*

*\*this is a conservative estimate of when this may be able to be achieved. If options assessment and detailed design can progress quicker than outlined above, a further report will be brought to the Council to request that this budget be brought forward.*

- 4.4. While the above budgets are related to the operation and management of a water supply, the primary purpose of the supply is to provide safe and compliant water to a Greenspaces managed reserve area, and Council owned campground. As the reserve is utilised by the entire district (and beyond) the beneficiaries of the compliant water supply are district wide. Hence it makes sense to fund the above from Greenspaces department budgets, which are recovered across the district.
- 4.5. While it makes sense that the funding for the upgrade and management of the Ashley Gorge water supply continue to be via the Greenspaces department, it is logical that the operation and management of the supply be from within the Utilities and Roading Department. This is due to the efficiencies and consistency that will be achieved by having all of the Council's public supplies managed by the same department. A service level agreement is to be prepared between departments to outline the responsibilities for the ongoing management of the supply being transitioned to the 3 Waters Unit within the Utilities and Roading department, while the funding and budget allocation remaining from within the Greenspaces department.

#### Implications for Other Supplies

- 4.6. As noted previously, other supplies that are not currently categorised as public supplies, and not currently on any water supply register, but which are not single domestic dwellings have 5 years to register and a further 2 years to comply with the DWSNZ. Supplies that are owned and run by the Council that fall into this category are listed below. Also included are notes on how these supplies may be able to be upgraded:

- **Woodend Beach Campground:** Could be serviced by an extension of the Woodend-Pegasus water supply. Consideration is required to be given to funding mechanism.
  - **Rangiora Airfield:** This is proposed to be serviced by way of extension of the Rangiora water supply, with costs shared between the airfield and a developer. This matter is being considered separate as part of this annual plan process.
  - **Warrens Reserve:** This is a small reserve with very low demand currently. This may be able to be serviced by delivery of potable water by tanker rather than via upgrade of the well.
- 4.7. With the above, consideration needs to be given to when these supplies should be registered, given there is a 5 year window to do so, and any implications that this may have one way or the other in terms of Three Waters Reforms. Staff have not turned their minds to this point in detail yet, however further consideration will be given to this.
- 4.8. As well as options for consideration on the upgrade option, there are also several options for the most appropriate funding source. These are dependent on the outcome of the upgrade options assessment, and are discussed further in the Financial Implications section.

#### **Implications for Community Wellbeing**

There are implications on community wellbeing by the issues and options that are the subject matter of this report. It is the expectation of all residents that they are able to receive safe and compliant water supplies when utilising the Council's facilities and reserves, and the proposal contained within this report support this being achieved.

- 4.9. The Management Team has reviewed this report and support the recommendations.

### **5. COMMUNITY VIEWS**

#### **5.1. Mana whenua**

Te Ngāi Tūāhuriri hapū are likely to be affected by, or have an interest in the subject matter of this report. It is an expectation across the district that all residents have access to clean and safe drinking-water, and the proposals in this report go towards fulfilling this expectation. Specific engagement on this matter has not been undertaken with local Runanga on this matter, however it will be noted at monthly Runanga meetings.

#### **5.2. Groups and Organisations**

There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report.

The Ashley Gorge Reserve Advisory Group (AGRAG) will have an interest in this matter. Staff have not yet engaged with the Campground Manager and the AGRAG at the time of writing this report. This will be completed prior to the presentation of the report and responses provided verbally at the Annual Plan deliberations meeting.

#### **5.3. Wider Community**

The wider community is likely to be affected by, or to have an interest in the subject matter of this report. As noted previously, it is the expectation of the general public that drinking-water that is provided at Council sites and facilities be safe and compliant, and this report aims to ensure that this is the case for the Ashley Gorge campground and reserve.

### **6. OTHER IMPLICATIONS AND RISK MANAGEMENT**

#### **6.1. Financial Implications**

There are financial implications of the decisions sought by this report. The table presented in the Issues and Options section outlined the required budget, including the amounts and the funding department.

The upgrades to the water supply are proposed to be funded from the general rate, via the recreation account. The reason for this funding source is that this water supply is unique from the other Council water supplies in that the beneficiaries to the supply are not private residents with water connections, but rather the general public who benefit from the reserve area. For this reason the general rate makes sense to fund this upgrade, which is different to the other public supplies which are funded via a targeted rate to properties with a water connection. The impact to rates of the proposed funding is outlined in the table below:

*Table 2: Summary of Rating Impact of Proposed Upgrades*

	Year	2021/22	2022/23	2023/24	2024/25
Operational	Budget		21,500		
	Rate Impact		0.91		
Capital	Budget	45,000	50,000	409,200	
	Rate Impact		0.12	0.13	1.44
Total	Rate Impact		1.03	0.13	1.44

It is noted that the above budget and funding source has been comprised assuming that the recommended upgrade is improved treatment of the existing source. If following the options assessment the recommended upgrade ends up being to connect Ashley Gorge to the Oxford Rural No.2 supply by way of extension, the upgrade could be funded as a growth project on the Oxford Rural No.2 scheme, with a portion funded by the recreation budget and a portion by the Oxford Rural No.2 scheme to be recovered by development contributions. Once the recommended option is confirmed, any proposed changes to the budget and funding source will be brought to the Council in a future report for consideration.

A further funding source that could be considered is the District UV account. This is used for UV upgrades on the Council's public water supplies. So if the recommended option was filtration followed by UV disinfection, there could be an argument that this would be the appropriate funding source, and would be consistent with how the Garrymere UV upgrade was funded. Again, a final decision on this would rely on the completion of the options assessment to determine whether UV treatment of the existing source, or extending the Oxford Rural No.2 scheme is the preferred upgrade option. Given that construction is not budgeted until the 2023/24 Annual Plan, there would be time to re-consider the funding source, following the options assessment, as part of the 2023/24 Annual Plan.

This budget as outlined in Table 2 above is included in the Draft 2022/23 Annual Plan for consideration.

## 6.2. Sustainability and Climate Change Impacts

The recommendations in this report do not directly have sustainability and/or climate change impacts. It is noted however that the water quality in the Ashley River where the Ashley Gorge water is sourced varies with weather, and in the recent flood events in May and June 2021, the turbidity in the water spiked. With climate change, the frequency and scale of these events is likely to increase, increasing the need to ensure that there is adequate treatment systems in place to deal with variable water quality.

### 6.3 Risk Management

There are risks arising from the adoption/implementation of the recommendations in this report. The objectives of this report aim to address risks related to compliance as well as water safety risks associated with operating a water supply that does not meet current requirements.

### 6.3 Health and Safety

There are not health and safety risks arising from the adoption/implementation of the recommendations in this report.

## 7. CONTEXT

### 7.1. Consistency with Policy

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

### 7.2. Authorising Legislation

The Water Services Act is relevant in this matter. In particular:

- Section 8 which defines a "drinking water supplier" as someone who supplies drinking water, but excludes domestic self-suppliers. This is the part of the Act that defines the Council as a drinking water supplier for the Ashley Gorge water supply.
- Section 22 Duty to comply with drinking water standards is the relevant section outlining that the drinking water supplier (the Council) must ensure that the drinking water supplied by the supplier complies with the drinking water standards.

### 7.3. Consistency with Community Outcomes

The Council's community outcomes are relevant to the actions arising from recommendations in this report. The relevant outcomes are:

- Core utility services are sustainable, resilient, affordable and provided in a timely manner;
- Public spaces and facilities are plentiful, accessible and high quality;
- There is a healthy and sustainable environment for all.

### 7.4. Authorising Delegations

The Council has the delegated authority to assign budgets.

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION**

**FILE NO and TRIM NO:** DRA-20-28-08/211104177706

**REPORT TO:** COUNCIL (Annual Plan)

**DATE OF MEETING:** 2<sup>nd</sup> February 2022

**AUTHOR(S):** Don Young, Senior Engineering Advisor

**SUBJECT:** Smarts Rd – flooding issues from May 2021 flood

**ENDORSED BY:**  
(for Reports to Council,  
Committees or Boards)

  
Department Manager

  
Chief Executive

**1. SUMMARY**

- 1.1. This report is to request additional funding is made available to remedy drainage issues in Smarts Rd and Feathers Rd. It is in response to a request from local residents for the council to look into the issue after there was significant flooding in the area as part of the May 2021 floods.
- 1.2. The staff recommendation is to budget \$80,000 towards remedying this.

**Attachments:**

- i. Letter from Smarts Rd residents to council post flood 21.06.21 (210708111487)
- ii. Smarts Rd Journey's End Community Aerial Map flooding post flooding May 2021 (210708111492)
- iii. Smarts Rd Aerial Map post flooding May 2021 (211215200556)
- iv. Smarts Road Drainage Improvements - Design Consideration Memo (211103177221)
- v. Smarts Rd - Flooding May 2021 - first update to residents (210708111533)
- vi. Smarts Rd - Flooding May 2021 - second update to residents (211104177704)

**2. RECOMMENDATION**

**THAT** the Council:

- (a) **Receives** Report No. 211104177706.
- (b) **Allows** \$80,000 unsubsidised budget in 2022/23 in the draft Annual Plan, to carry out improvements to the Smarts Rd / Feathers Road drains and culverts.
- (c) **Notes** that this budget is not currently included in the current forecasts in the draft Annual Plan
- (d) **Notes** that this work would represent an increase in the level of Service currently provided
- (e) **Circulates** this report to the Utilities and Roading Committee for its information

**3. BACKGROUND**

- 3.1. On 21<sup>st</sup> June 2021, the Council received a letter from the residents of Smarts Rd and Feathers Rd, expressing concern about flooding that occurred during the May 2021 event, and requesting a meeting with Council representatives to discuss further (attachment i). A map showing the extent of flooding was attached (attachment ii and iii).

- 3.2. On 30<sup>th</sup> June 2021, the Mayor and Council staff representatives met with the residents to discuss further. At that meeting an undertaking was given that the staff would investigate the issue, and report back to the residents.
- 3.3. Since that time, a brief investigation has been carried out, looking into the catchments, sizing of culverts and drains, and possible solutions, and costs (attachment iv).
- 3.4. The residents have been generally kept informed about the process and an expected timeframe (attachments v and vi).
- 3.5. It is worth noting the landform of the area. It is not apparent from the plan view that the area is made up of four distinct land forms
  - 3.5.1. Rolling hills to the south-east of Smarts Rd, sloping towards Smarts Rd
  - 3.5.2. An 'upper terrace' to the north and west of Smarts Rd out as far as the shelter belts
  - 3.5.3. A middle terrace between the shelter belts and the top of the river banks
  - 3.5.4. A lower terrace adjacent to the river, effectively forming the river bed

#### **4. ISSUES AND OPTIONS**

- 4.1. What was observed?
  - 4.1.1. A significant volume of flow came off the upper catchments to the east of the road, and ran onto the road. This then ran down the road until it exceeded the roadside drain capacity and spilled over into the neighbouring properties to the west of the road. It flowed along a naturally lower area, and surrounded houses, garages and sheds. No houses were actually flooded, but the flood waters got very close.
  - 4.1.2. The residents were busy during the event clearing out drain and culverts, and bypassing flow away from their houses.
- 4.2. What was the return period of the event?
  - 4.2.1. With regard to the return period of the May 2021 event, this is difficult to estimate due to the remoteness of the area, and the lack of accurate rainfall gauges. However, based on other information gathered from other foothill areas (such as Oxford), it is clear it is a significant event.
  - 4.2.2. Therefore it is likely that the size of the event (and the subsequent events) was larger than a reasonable level of service could accommodate.
- 4.3. What is the target Level of Service?
  - 4.3.1. The Council's target Level of Service is detailed in Clause 5.5.2 of the Engineering Code of Practice which states the following:
    - 4.3.1.1. Design all new surface water and land drainage systems to cope with design storms in accordance with Table 5.1
- 4.4. Table 5.1 includes the following
  - 4.4.1. Primary reticulation system – general 20% (1 in 5 year event)
  - 4.4.2. Primary reticulation – Rangiora and Kaiapoi CBD 10% (1 in 10 year event)
  - 4.4.3. Secondary flow paths 2% (1 in 50 year event)
  - 4.4.4. Culvert 10% (1 in 10 year event)

- 4.4.5. Bridge 1% (1 in 100 year event)
- 4.5. In this rural context, the expected Level of Service for roadside drains (and driveway culverts) would be 1 in 5 year events, and for culverts crossing the road would be 1 in 10 year.
- 4.6. What is the flow expected in the target Level of Service?
- 4.6.1. The assessment has considered the area as 4 separate catchments (see Attachment iv).
- 4.6.2. Red – 8.2ha – 1 in 5 year flow = 1.23m<sup>3</sup>/sec
- 4.6.3. Light blue – 2.5ha – 1 in 5 year flow = 0.38m<sup>3</sup>/sec
- 4.6.4. Orange – 6.0ha - 1 in 5 year flow = 0.90m<sup>3</sup>/sec
- 4.6.5. Dark blue – 10.5ha - 1 in 5 year flow = 1.58m<sup>3</sup>/sec
- 4.6.6. Total – 27.2ha – 1 in 5 year flow = 4.09m<sup>3</sup>/sec.
- 4.6.7. However note that this total flow is partially disposed of in the upper portion of the road, partially captured in the roadside drain and carried down Smarts Rd to Feathers Rd and then on to Mount Grey Rd, and partially spills over the neighbouring land. Therefore it isn't appropriate to assume that all of the infrastructure needs to take the total flow.
- 4.6.8. Also note that there is an opportunity to better divert flows from the upper catchments (coloured light blue and red) away from Smarts Rd by increasing the size of the culvert at the top end of Smarts Rd to 1050mm. If this was done, then we would reduce the flow that needs dealing with to only be the 1 in 5 year flow from the orange and dark blue catchments, which is 2.5m<sup>3</sup>/sec.
- 4.6.9. This is seen as an 'easy fix' and will reduce the scale of the issue, and therefore is common in the options below.
- 4.7. What is the actual Level of Service?
- 4.7.1. Staff have carried out an initial survey of the area and calculated the expected capacities.
- 4.7.2. The survey and modelling would indicate the following capacities:
- 4.7.2.1. Roadside drain - approximate capacity of 0.9m<sup>3</sup>/sec
- 4.7.2.2. Roadside culverts (mainly 300mm and 350mm) - approx. 0.2m<sup>3</sup>/sec.
- 4.7.3. Therefore both the drain and the culverts are significantly undersized to cater for the target Level of Service (regardless of whether the upper catchments have been diverted or not).
- 4.8. What is the Council's obligation to act?
- 4.8.1. The Council does not maintain a drainage system in this area, and does not rate for drainage rates. Therefore it does not have an obligation (or a budget) to deal with wider drainage issues.
- 4.8.1. It does have some obligation to meet the target level of service for roading infrastructure. If this was a new road installed by developers, then the Council would expect it to be installed to meet the above Levels of service.
- 4.8.2. However, this is not a new road, and there are many kilometres around the District that would not comply with the ECOP standard and it is totally unpractical to try to achieve this throughout the District. This would be very expensive, and the roading budget is limited, and prioritised based on a range of factors. It is not a practical

goal to try to meet this level of service in the foreseeable future. Further, there are many residences that were 'nearly flooded' in the May 2021 floods, and also (as noted above) the floodwaters were probably significantly greater than the target event.

- 4.8.3. It is also worth noting that it is not the Council's responsibility to mitigate the full effects of run-off from upstream properties to downstream properties. 'Common Law' requires that lower properties should expect to receive run-off from higher ground, as long as the flow is not altered in a detrimental way (e.g. by accumulating the flow into one place that then scours). The fact that run-off passes across a road on its journey downhill does not necessarily place responsibility on the Road Controlling Authority to remedy the effects of that run-off.
- 4.8.4. In this instance it could be argued that the presence of the road has not worsened the problem (and may in fact have improved it), which instead is caused by flows from higher ground entering and then exiting the road reserve. There is no evidence to date that the road infrastructure has created or worsened the flooding that was experienced.
- 4.8.5. However, the Council (wearing its 'public good' hat) acknowledges that there is a wider Level of Service for the community that needs to be recognised. With regard to flooding of residential properties, we would expect that rural residential dwellings would be similar to urban residents – i.e. not be subject to flooding in a less than 1 in 50 year event. However with regard to flooding of private property, (which is 1 in 5 year flooding in urban areas) there would not be an equivalent level of service for rural properties.

#### 4.9. Contribution of Subdivision in the area

- 4.9.1. Over a number of years, there have been a number of subdivisions in this area. They have taken place in a piecemeal manner, and so are quite hard to track.
- 4.9.2. The local residents are critical of the Council for allowing these subdivisions, claiming that flooding in the area was not a problem before, and that the recent flooding has been caused or at least accentuated by the subdivisions. They assert that the Council needs to rectify the issue due to these approvals.
- 4.9.3. As noted above, it is difficult to correlate this, given that this rainfall was very heavy, and may have been heavier than other events that the residents are comparing it with.
- 4.9.4. It is also difficult to see without further investigation how any of the subdivision have either individually or collectively caused this issue. The majority of the runoff has come from catchments to the north-eastern, which are still in their original farmed state. Therefore the total runoff would be expected to be similar.
- 4.9.5. It is acknowledged that there are more lots now on the 'upper terrace' (i.e. adjacent to the road). However these have also largely stayed in a grassed state, and so the expected run-off would be similar.
- 4.9.6. However, it is noticeable that at least three of the affected residents appear to have chosen to build in the low point of their section. In addition one resident from the middle terrace has filled in and piped the open drain along his driveway (which is on the upper terrace), which has effectively taken away one of the cut-off drains.
- 4.9.7. Neither of these actions are 'subdivision approval issues' but are rather decisions made by the landowners. Note the consent conditions require a floor level of 400mm above surrounding land (this has not been checked but is probably the case). However they do not specify to not construct with an overland flow path (this situation is rectified in more recent consent conditions).

- 4.9.8. There are a number of smaller lots on the 'middle' terrace closer to the river, but these neither caused an issue, nor were unduly affected.
- 4.9.9. It is worth considering the role of the Council in approving the driveway culverts as part of each subdivision application. Due to the number of individual approval, all of the decisions have not been checked. However in those that have been checked, the requirement is for the standard 300mm driveway culvert.
- 4.9.10. In hindsight, this is insufficient for the size of the drain. However, even if specific design was carried out, it is unlikely the full capacity would have been required.
- 4.9.10.1. Firstly, this area is not highlighted in the Council's flooding maps as an issue. As noted above, this could be because the rainfall that caused the issue was greater than would be designed for anyway.
- 4.9.10.2. Secondly, the cross-section of the land around the drain is such that there are limited options to get the water through the drain (and therefore to the culverts). Therefore, while the culverts could have reasonably been larger, they would not have been sized for the full required flow.

#### 4.10. Exacerbating issue

- 4.10.1. It is noted that a number of the residences built recently are located in the lowest point of the flow path. While this area has not been identified as a high flooding area, nevertheless this decision will be impacting on individual property flooding issues.

#### 4.11. Additional downstream issue

- 4.11.1. In addition there is another issue which is common to all, which is effectively discharging flow when it reaches Mt Grey Rd. Currently there is an undersized culvert on Mt Grey Rd, and no adequate overland flow path. This results in scouring occurring at the intersection of Mt Grey and Feather Rd. If the Council agrees to carry out improvements in this area, upgrades at this intersection would also be appropriate.

#### 4.12. Options

##### 4.12.1. Option 1 – Do minimum

- 4.12.1.1. This option involves the Council not carrying out any improvements to the Smarts Rd and Feathers Rd.
- 4.12.1.2. This could be considered as the rainfall event that caused the issue is greater than the design event, there are a lot of similar issues throughout the district, and the Council does not have a drainage rating area covering these properties.
- 4.12.1.3. However the argument against this are that the existing infrastructure is undersized.
- 4.12.1.4. On balance, this option is not recommended.

##### 4.12.2. Option 2 – upsizing to match ECOP standards

4.12.2.1. This option involves installing upsized roading infrastructure to cater for the above flows, without any requirement to create infrastructure on private property.

4.12.2.2. This would involve

4.12.2.2.1. Increasing the size of the culvert across the top of Smarts Rd to 1050mm

4.12.2.2.2. Increasing the size of four road side culverts to 900mm.

4.12.2.2.3. Increasing the capacity of the roadside drain to 2.5m<sup>3</sup>/sec. by excavating approx. an extra 300mm to 400mm, and steepening the banks in some areas. In addition, it will be possible to increase the bank height on the boundary side of the drain, although the ability to do this is limited by the topography.

4.12.2.2.4. Improving culvert and outlet at Mt Grey / Feathers Rd intersection.

4.12.2.2.5. However, the shape of the land beside the roadside drain means this option is impractical due to the limited ability to upgrade the drain.

4.12.2.2.6. Therefore this option is not practicable.

4.12.3. Option 3 – installing swales over private property

4.12.3.1. An alternative to this approach would be to intersect the flow at two additional locations, and send it across private property towards the river.

4.12.3.1.1. Effectively this would mean the upsizing the culvert at the top end to 1050mm (as above), and the installation of 2-3 swales across private property to take the flow more directly towards the river.

4.12.3.1.2. Hydraulically this option would be more effective – however it involves a range of issues associated with constructing public good works on private property. These include access, funding and maintenance.

4.12.3.1.3. In addition, by the Council taking responsibility for works on private property, it is taking on a risk relating to erosion or scour.

4.12.3.1.4. If the local community (or individual landowners) agreed to maintain these swales, then this option may work. However it could also lead to issues for either the Council, or the landowner or others who may be affected by poor maintenance.

4.12.3.1.5. Due to the long term complexities of this option, this option is not recommended.

#### 4.12.4. Option 4 – upgrading to a ‘maximum practical’ level

4.12.4.1. This option involves upgrading the roadside network to the ‘maximum practical’, whereby the red and light blue catchments are piped towards the river (as above), and the remainder of the roadside drain and roadside culverts are upgraded to a practical level. This would involve:

4.12.4.2. Increasing the size of the culvert across the top of Smarts Rd to 1050mm

4.12.4.3. Increasing the size of four road side culverts to 750mm.

4.12.4.4. Increasing the capacity of the roadside drain to 1.5m<sup>3</sup>/sec by excavating approx. an extra 300mm to 400mm, and steepening the banks in some areas. In addition, it will be possible to increase the bank height on the boundary side of the drain, although the ability to do this is limited by the topography.

4.12.4.5. Improving culvert and outlet at Mt Grey / Feathers Rd intersection

4.12.4.6. This is the recommended option.

### 5. **Implications for Community Wellbeing**

5.1. There are implications on community wellbeing by the issues and options that are the subject matter of this report. For the local residents, work on this road would increase their resilience and peace of mind

5.2. The Management Team has reviewed this report and support the recommendations.

### 6. **COMMUNITY VIEWS**

#### 6.1. **Mana whenua**

6.1.1. Te Ngāi Tūāhuriri hapū are likely to be affected by, or have an interest in the subject matter of this report. They have consistently expressed an interest in all matters relating to water. However the effect in this instance will be relatively minor, due to the fact we are largely referring to very irregular occurrences. They will be updated as part of the Council’s regular discussions with the iwi.

#### 6.2. **Groups and Organisations**

6.2.1. There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report. The residents have expressed a strong interest and are waiting on feedback from the council.

#### 6.3. **Wider Community**

6.3.1. The wider community is likely to be affected by, or to have an interest in the subject matter of this report, due to the possible financial impact.

### 7. **OTHER IMPLICATIONS AND RISK MANAGEMENT**

#### 7.1. **Financial Implications**

7.1.1. There are financial implications of the decisions sought by this report.

7.1.2. The cost of the recommended option (Option 4) would be in the order of \$80,000, being approx. \$20,000 each for the two road crossings, \$9,000 each for four roadside culverts, and the remainder on drain works).

- 7.1.3. This budget is not included in the Annual Plan/Long Term Plan.
- 7.1.4. This could be funded from the Council's existing drainage improvements budget. However this budget has already been reduced by Waka Kotahi, and taking further unplanned expenditure from it would mean that other programmed works did not occur.
- 7.1.5. It is possible that the Council could request an additional \$80,000 from Waka Kotahi for this work, but there is no guarantee it would fund this additional drainage work.
- 7.1.6. Therefore the safest option is to assume that the work will be carried out unsubsidised, and then if subsidy is received, there will be a reduction in Council funding.

## 7.2. **Sustainability and Climate Change Impacts**

- 7.2.1. The recommendations in this report do have sustainability and/or climate change impacts. The impact of climate change will increase the frequency of extreme events and this will impact these residents as well as all other Waimakariri residents.
- 7.2.2. The matter also affects sustainability as works to reduce the negative impact on residents will reduce the disposal of waste and other material losses due to flooding.

## 7.3. **Risk Management**

- 7.3.1. There are risks arising from the adoption/implementation of the recommendations in this report.
  - 7.3.1.1. The recommendation is for a lesser level of capacity in the roadside drain than the ECOP would suggest – however this will still provide a significant increase over the current situation.
  - 7.3.1.2. The residents may feel as if the Council's intervention is insufficient – however this needs to be balanced with many other competing needs.
  - 7.3.1.3. There is a risk that a further event will occur in the meantime – this is always a risk but needs to be balanced against other commitments.

## 7.4. **Health and Safety**

- 7.4.1. There are health and safety risks arising from the adoption/implementation of the recommendations in this report. These will be covered in any procurement process.

## **8. CONTEXT**

### 8.1. **Consistency with Policy**

- 8.1.1. This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

### 8.2. **Authorising Legislation**

- 8.2.1. This matter is affected by the Local Government Act and the Resource Management Act.

### 8.3. **Consistency with Community Outcomes**

- 8.3.1. The Council's community outcomes are relevant to the actions arising from recommendations in this report.
- 8.3.2. Harm to people from natural and man-made disasters is minimised.

#### 8.4. **Authorising Delegations**

- 8.4.1. The Council has the appropriate authority to consider and set budgets. The Utilities and Roading Committee has been briefed on the matter.



21<sup>st</sup> June, 2021

Dear Sir/Madam,

I write on behalf of the residents' of the Journey's End Community; Smarts Road, Feathers Road and two households on Mt Grey Road in connection with the recent heavy rain events North Canterbury has experienced. The most recent down-pour having dropped approximately 85mm of rain in a 24 hour period.

The Smarts Road residents have all experienced extreme flooding to their properties, due in the main to the new sub-division located on the terrace to the East of Smarts Road. This flooding has then subsequently flowed across the land to Feathers Road and Mt Grey Road properties creating further impact.

Firstly, the drainage ditch which runs the length of Smarts Road and round into Feathers Road is unable to cope with the sheer volume of water flowing from the top end of Smarts Road and off the terrace where the sub-division is located. Along the ditch each drive is a pinch point and the culverts are either too small or block and then overflow.

Below is a brief outline of the problems by property;

115 Smarts Road – 

Flooding issues to land and outbuildings. The water is flowing off the road and down onto their land.

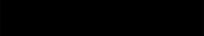
111 Smarts Road – 

Firstly, the drain flowing east to west across Smarts Rd at 111 (picture111). The Council has placed this drain across the road and it empties straight into the field at 111, this only has one place to go and that is toward their outbuildings. There has been significant flooding to their outbuildings.

The people behind 111 at 107 have installed a 200mm pipe to the old existing drain to protect their property from flooding. This pipe being of a relatively small diameter backs-up the storm water and this water consequently causes flooding also to 111's sheds and land.

69 Smarts Road – 

The entranceway is the main problem here, where the 300mm culvert pipe cannot cope with the sheer volume of water flowing through it. The water from this unfortunately then overflows into the neighbouring properties flooding them.

83 & 73 Smarts Road – 

Both these properties are experiencing overflow from the properties located on the east side of Smarts Road, namely 80 & 96. The water flows out of the gully located at the base of the terrace and crosses the road into the drain on the west side of Smarts Road. This then overflows the culverts at each entranceway, which cannot cope with the sheer volume of water and consequently causes flooding over their land and around their houses. The thresholds of both family dwellings were close to being breached with water lapping over their decks. Both properties have had the added Public Health issue of their septic tanks flooding effluent over the land and onward to other properties, this has occurred on two occasions.

In addition water flows from the land of 111 Smarts Road into 83 Smarts Road.

Further to this 83 Smarts Road has received a deluge from across the road at the valley of 96 Smarts Road (pictureP+P), which has an extensive catchment area of approximately 30 acres. This is

exacerbated by being directed through another small pipe incapable of carrying the volume of water which is intended to deliver storm water to the Smarts Road drain, which was already overflowing. The water from the valley flows across the road and into the front paddock, before threatening the 2 residences on that property, before crossing yet another boundary threatening more homes downstream.

Storm water also flows through the drive of 107 and 103 and onto the land of 83 and 73 causing considerable issues as it travels.

Don Scott from 11 Smarts Road, spent 4 hours on a digger diverting water from the home at 73 Smarts road two weeks ago.

#### 51 & 11 Smarts Road - [REDACTED]

Both these properties are experiencing the overflow of the drainage ditch and culverts running along Smarts Road. With extensive flooding across their land and gardens. Septic tanks have again been flooded and overflowing across the land and onto neighbouring properties.

#### 388 Mt Grey Road - [REDACTED]

The residents at 388 Mt Grey have had significant flooding issues in the past, which they have managed to alleviate by utilising a pond they have at the back of their property. The overflow from the pond has been drained and the direction of the water re-routed, this has enabled flood areas to drain, and the flood water to run off to the river. The Denson's have said they would have no problem with water being diverted via their pond from Smarts Road, providing it doesn't create any issues to their house and land. The excess water flow from the pond is now diverted to the north west and into the Grey River.

#### 298 Mt Grey Road - [REDACTED]

Water flows from 11 & 51 Smarts Road down through their land onto 298 Mt Grey Road's land and around their house. The water flowed over their deck and in consequence, they had to spend considerable time digging trenches to divert the water. Their septic tank was flooded and needed pumping out.

#### 49 Feathers Road - [REDACTED]

The water flows from both the north and the south here. The first storm water flooding comes from 51 Smarts Road and the eastern drainage ditch off Smarts Road. It tracks across the land from North to South in at least three separate flows. The western side of the land down from the house ends-up with a flow of water gushing out towards Feathers Road. The East side of the house the water is contained in three paddocks, which are not useable most of the winter due to them being sodden. The second area is at the south end where the storm water drainage ditch flows through a culvert under the entranceway drive. The culvert is a pinch point due to sheer flow of stormwater and blocks and the water overflows the culvert and over the drive de-gravelling the drive surface and eroding the compacted aggregate around the culvert pipe. The excess water then either finds its way back into the drainage ditch or continues over into 42 Feathers Road, or down Feathers Road.

The recent weekend downpour necessitated the digging of channels around the stables, tack-room and feed store to prevent flooding.

#### 42 Feathers Road - [REDACTED]

The water flows from the overflow at the culvert of 49 Feathers Road entranceway over the road and down the drive of 42 Feathers and on into their haybarn, garage and into their front door.

At numerous places along the drain water is forced to find alternative ad-hoc routes to flow as it reaches pinch-point restrictions and consequently runs into properties causing damage and displacing Stock: Horses, Cows and Sheep. The ad-hoc flows across properties increase as the stormwater heads south-west.

The residents have all met and feel the problem has been created by removal of the field drains, which used to carry the water directly to the river and the Council approving a subdivision without considering the consequences of what would result by the development for the said sub-division.

The Feathers Road drain barely can handle Feathers Road water and certainly struggles with the huge amount of water flowing from the Smarts Road drain. The water-flow building from the top of Smarts Road, has to go somewhere and it is inevitably finding its way across all the residents land down Smarts and Feathers and ultimately spews out at the foot of Feathers Road, where it has washed out the Mt Grey Road. (Picture Feathers A and B).

In conclusion we believe the solution is to reinstate the field swales/drains and route these from Smarts Road to the north west back to the river. This could easily be organised by the Council with discussion with each of the land owners.

The residents are understandably concerned and worried at the prospect of what the future is likely to bring, bearing in mind the likelihood of increased numbers of extreme weather events exacerbated by climate change. We therefore request that the Council sends suitable representatives at its earliest convenience and meet with the residents, with a view to understanding the issues and then providing an equitable solution to eliminate or minimise further flooding.

Several of the residents have video footage and further photographs recording the events and these are available on request.

We look forward to hearing from you.

Regards.



Catherine Sellin.

On Behalf of the Flooded Residents of the Journey's End Community.





ECanMaps

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### Smarts Road Journeys

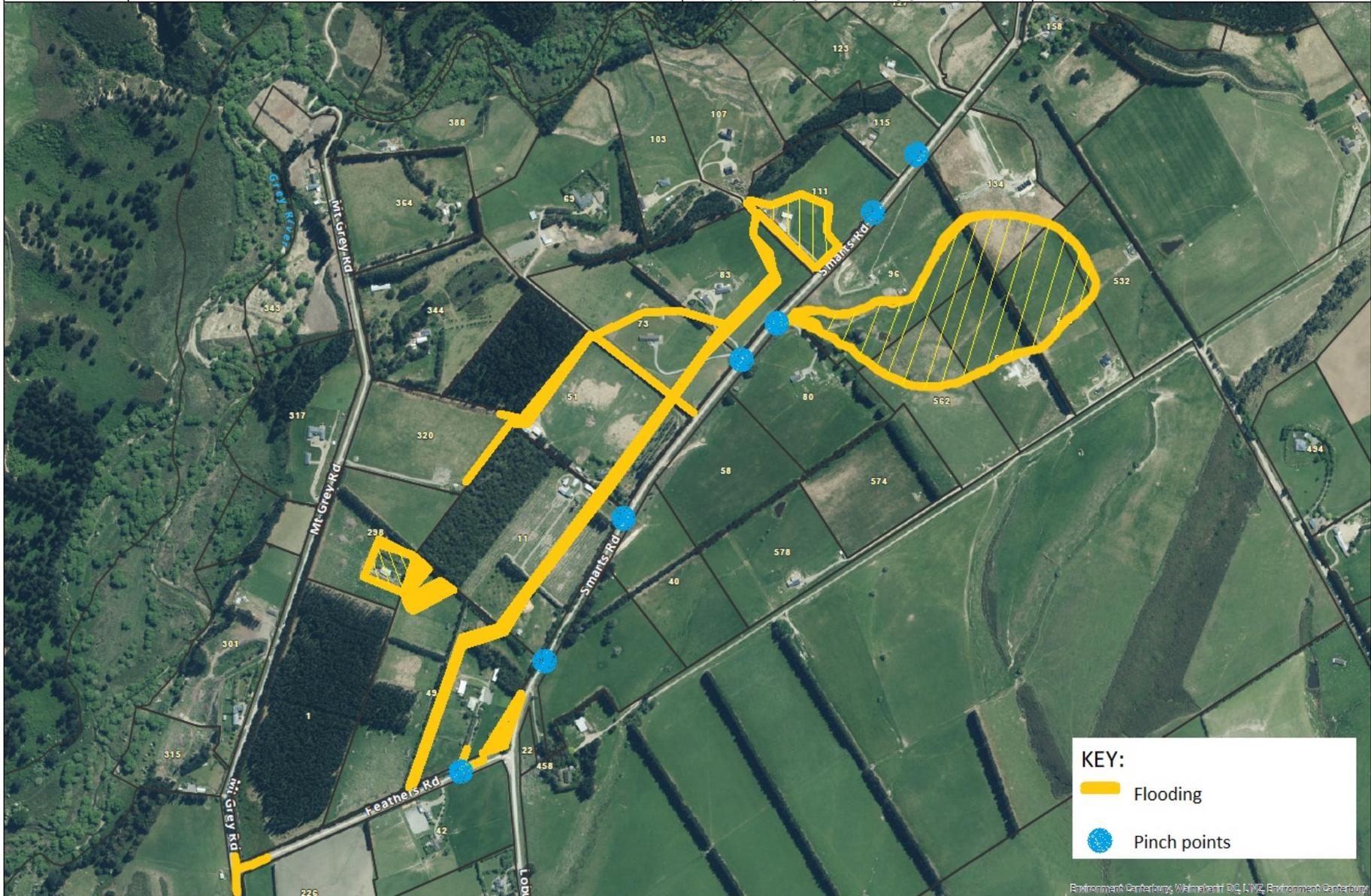
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Scale: 1:6,000 @A3

Map Created by Canterbury Maps on 14/12/2021 at 9:19 AM



**KEY:**

- Flooding
- Pinch points

**WAIMAKARIRI DISTRICT COUNCIL****DESIGN MEMO**

**FILE NO AND TRIM NO:** DRA-20-28-04 / 211103177221

**DATE:** 11<sup>th</sup> November 2021

**MEMO TO:** Don Young, Senior Engineering Advisor

**FROM:** Aaron Kibblewhite, Project Engineer

**SUBJECT:** Smarts Road Drainage Improvements – Design Considerations

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**1. Purpose**

This memo outlines the design aspects that have been considered in preparing the drainage improvement proposal for Smarts Road, Loburn.

**2. Background**

Several properties around the Smarts Road area were impacted with significant surface water flooding in the storm events of May and June 2021 and risked entering resident's homes.

The rural area consists of pasture type land which generally falls from higher land east of Smarts road, west under Smarts Road via a number of culverts and into a roadside open channel drain running south to Feathers Road. This open channel continues west alongside Feathers Road where it pools with no obvious discharge paths for significant flows.

There is also three other catchments at the northern end of Smarts Road, two of which discharge across Smarts Road via culverts as well but then have their own swale running through private properties, and the last catchment again passing through a separate culvert to discharge onto property #111 and soaking away to ground.

Aside from the above controlled flow paths the natural overland flow paths trend generally south-west and flow down a number of terraced plateaus to eventually discharge into a more significant river which flows south to join the Karetu River.

**3. Risks**

The observed issues arise from a combination of two points:

- a) The controlled flow paths infrastructure is not sufficient to effectively carry and discharge large amounts of stormwater as was experienced in May/June.
- b) When the controlled infrastructure overflows, the stormwater flows overland via natural flowlines which pass close to dwellings.

**4. Improvement Proposal**

The proposal shown in the attached drawings looks to improve both of the above issues in a practical and cost effective way.

This is best explained by addressing each in catchment starting upstream at the northern most catchments.

The two northern most catchment (coloured red and cyan) cross Smarts Road via two close 300mm diameter culverts before flowing through a swale crossing properties #123, #127 & #135. However the 300mm culverts are undersized for the peak flow experienced in large events and so the overflow runs south down Smarts Road exacerbating issues further south.

Therefore the first proposal item is to upsize the downstream culvert to a 1050mm diameter culvert to ensure stormwater flows are efficiently transferred across Smarts Road without bottlenecking and overflowing south along Smarts Road.

Secondly, the orange catchment, again crosses Smarts Road via a 300mm culvert but then the only options for discharge are via ground soakage through a small retention swale on property #111 and when the swale is at capacity the overflow travels along the natural overland flowpaths. This is considered to be one of the main issues observed in May/June due to the natural flowpath is directly through or very close to the dwellings of #111, #83 and #73.

To address this the proposal includes shaping a new swale perpendicular to Smarts Road to direct the flow north-west, down the bank onto the back paddock of #115 and join the flowline which carries the red and cyan catchments to the river.

Thirdly, the southern blue catchment has its own 300mm culvert across Smarts Road which transfers the flows into the formal roadside drain which runs south along Smarts Road. This catchment is the largest of the four analysed and therefore has a comparatively large amount of water discharged in a storm level event. Also other similar catchments further south behave similarly discharging into the Smarts Road drain to be carried down to Feathers Road.

The capacity of the Smarts Road drain varies over its length so it is expected that a large enough event will make it overflow as was observed by the residents in May/June. Hence the third aspect of the proposal is to shape a new swale as a secondary flowpath which will collect any overflow before it reaches the nearby dwellings. This would be shaped to transfer the overflow similar to the existing natural flow path until diverting westwards on property #320 to discharge the flow early across Mt Grey Road and down the bank at the north end of property #317.

Finally, the main flow that does discharge through the Smarts Road drain down to Feathers Road also causes flooding issues at the bottom of Feathers Road as there no major discharge outlet at Mt Grey road to carry the flow away. So to address this another swale is proposed to be shaped directing the flow west from the Feathers Road/Mt Grey Road intersection across property #64.

## 5. Summary of Works

In all this proposal therefore includes the following physical works and estimated costs:

Item	Description	Quantity	Unit	Engineer's Estimate	
				Rate	Amount
<b>1.0</b>	<b>PRELIMINARY AND GENERAL</b>	1	LS	\$5,000.00	\$5,000.00
<b>2.0</b>	<b>RED &amp; CYAN CATCHMENTS</b>				
2.1	Upsize 300mm culvert to 1050mm	1	LS	\$20,000.00	\$20,000.00
<b>3.0</b>	<b>ORANGE CATCHMENT</b>				
3.1	Shape new swale				
3.1.1	Property #111	170	m	\$20.00	\$3,400.00
3.1.2	Property #115	125	m	\$20.00	\$2,500.00
3.3	Hydroseeding new Swale	2950	m2	\$4.00	\$11,800.00

<b>3.0</b>	<b>BLUE CATCHMENT/SMARTS ROAD DRAIN OVERFLOW</b>				
3.1	Shape new swale				
3.1.1	Property #83	140	m	\$20.00	\$2,800.00
3.1.2	Property #73	142	m	\$20.00	\$2,840.00
3.1.3	Property #51	242	m	\$20.00	\$4,840.00
3.1.3	Property #320	275	m	\$20.00	\$5,500.00
3.1.3	Property #317	40	m	\$20.00	\$800.00
3.2	Hydroseeding new Swale	8390	m2	\$4.00	\$33,560.00
3.3	Reshape #69 driveway	1	LS	\$2,000.00	\$2,000.00
3.4	Install 750mm culvert at Mt Grey Road	1	LS	\$20,000.00	\$20,000.00
<b>4.0</b>	<b>FEATHERS ROAD DISCHARGE</b>				
4.1	Shape new swale				
4.1.1	Property #83	163	m	\$20.00	\$3,260.00
4.2	Hydroseeding new Swale	1630	m2	\$4.00	\$6,520.00
4.3	Reshape Mt Grey Road	1	LS	\$2,000.00	\$2,000.00
<b>5.0</b>	<b>CONTINGENCY</b>	20%	%	\$126,820.00	\$25,364.00
	<b>TOTALS</b>				<b>\$152,184.00</b>

[REDACTED]

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**From:** Don Young  
**Sent:** Thursday, 8 July 2021 10:06 AM  
**To:** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
**Subject:** Flooding on Smarts Rd

Hi all

Thank you for meeting with the Mayor and staff recently to discuss the flooding issues in your area. As I indicated, I would advise you of our general approach within a week.

I have raised this matter with the management of the Utilities and Roading department, and highlighted the issues that were raised.

As a result I can confirm that they have given me a mandate to look into the issue, in order to better understand the causes, and possible solutions.

My intended approach is as follows:

- Visit the properties with engineering staff and consider the issues
- Request our engineering staff to
  - Carry out topographical surveys, and long-sections and cross-sections of the key drains and potential alternative flow paths
  - Carry out flow assessments from the contributing catchments
  - Assess the capacity of the existing culverts and drains
  - Investigate possible alignments and sizes of improved structures or alternative routes, and estimate costs
  - Recommend a practical engineering solution
- Discuss the possible solutions with individual affected property owners
- Determine a preferred approach taking into account both sound engineering solutions, complexities such as land ownership, long term maintenance issues, balancing effects on others, and cost
- Meet with the local community to discuss
- Report to Council with any recommendations, including budget implications

In doing this, we would need to come on to private property to firstly look over the situation in general, and then secondly carry out the surveying. At this stage I would intend to keep this agreement to access as informal, in that we would knock on each property's door before accessing, and if no-one home we would leave a note. If anyone has a concern about this, please email me separately.

I would point out that this issue has not been allowed for in our work programme (which as you can imagine is very full). In addition, the Council's budget is already established for the 2021/22 year. Therefore, my current objective is to complete the process and report to Council about November 2021. This would be in time to inform the next Annual Plan if there are any budget constraints.

I will keep you informed about progress through this period, and if you have any thoughts please email me.

[REDACTED]



Regards

**Don Young** | Senior Engineering Advisor

Project Delivery Unit

Phone: 0800 965 468 (0800 WMK GOV)

Mobile: 021 240 9763



[REDACTED]

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**From:** Don Young  
**Sent:** Wednesday, 20 October 2021 5:04 PM  
**To:** [REDACTED]

**Subject:** Smarts Rd

Hi all

Thank you for your patience with the resolution of the flooding issues in Smarts and Feathers Rds. You will be aware that there were many additional tasks that fell out of the May/June flood events, and that they all need to be looked into by staff with very full 'business-as-usual' workloads.

This email is to provide an update to you as to where we have got to, and our intended next steps.

#### Work to date

- Our staff have been to site, and carried out some analysis on the issues. In particular this has involved
  - a. Confirming the various catchment boundaries that affect Smart and Feathers Rds
  - b. Calculating the run-off from the various catchments
  - c. Confirming the sizes of the drains and culverts in the area
  - d. Assessing the capacity of these drains and culverts
  - e. Confirming where there are capacity issues
  - f. Considering the range of options to remedy, including "do nothing".

At this stage, we have reached a point where we generally understand the issues and options, but have not yet finalised the advantages and disadvantages and the costs. We also need to give consideration to we here this work fits with other council priorities, and also how the Council would fund any work it committed to. This latter point will need careful consideration because there is no Council drainage rating area in your road, and so there are no drainage rates to cover this cost.

#### Our next steps will be

- Finalising the technical report, including cost estimates
- Considering funding options
- Discussing this at Roading Manager and Drainage Manager level to finalise a recommendation
- Preparing a report to the Utilities and Roading Committee with the issues and options, and receive a resolution to either proceed with the works or not, and if so how to prioritise it and fund it.
- If the resolution is to proceed, Preparing budget estimates for the Council to consider amongst other priorities in the Annual Plan to allow works, if funded, to take place in the 2022/23 or 2023/24 financial year.

Once we have carried out these steps, we intend to meet with you

- Firstly we will meet with any landowners who may be directly affected by the works
- Secondly as a group of residents, to discuss the issues and options, and the Council recommendations

We anticipate that we will be in touch to catch up in approx. March and April next year.

Once we have met with the residents, we will advise the Council, and get their decision to either proceed with improvement works, or not proceed, and if they resolve to proceed to finalise the required budget

based on the residents feedback, and to programme the works subject to funding being available. At this stage we anticipate the work would be designed, procured and constructed in 2022/23 and 2023/24, depending on how the Council prioritises the work compared to other currently programmed projects.

It is important to understand that apart from funding, even this timeframe has an element of risk associated with finding a suitable solution, consenting and agreement with property owners. We appreciate that this is a later timeframe than we had previously discussed. However this is the required timeframe, noting that we have no budget allocated for any works at this stage, and the Council already has a very busy work programme planned.

If you have any queries feel free to email me

regards

**Don Young** | Senior Engineering Advisor

Project Delivery Unit

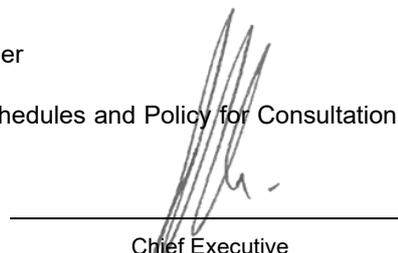
Phone: 0800 965 468 (0800 WMK GOV)

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**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION****FILE NO and TRIM NO:** POL-08-39 / 220112003012**REPORT TO:** COUNCIL**DATE OF MEETING:** 2 & 3 February 2022**AUTHOR(S):** Kelly LaValley, Project Delivery Manager**SUBJECT:** 2022/23 Development Contribution Schedules and Policy for Consultation with Draft Annual Plan**ENDORSED BY:**  
(for Reports to Council,  
Committees or Boards)

  
Department Manager


  
Chief Executive
**1. SUMMARY**

- 1.1. This report seeks Council approval of the Draft 2022/23 Development Contribution Schedules for consultation as part of the 2022-23 Annual Plan (AP).
- 1.2. The draft 2022/23 Development Contribution Schedules are based on the AP budgets and growth projects.
- 1.3. As a result of changes to budgets and growth projections, many of the development contributions have changed from the 2021/22 schedules.
- 1.4. This report also seeks Council approval of the Draft 2022/23 Development Contribution Policy for consultation as part of the 2022-23 Annual Plan (AP).
- 1.5. There has been a minor change to the Policy that clarifies that projects included within the development contribution schedules may be located outside of the map area identifying the growth catchment that benefits from that project.
- 1.6. The Development Contribution Schedules and Policy will be included with the supporting information to the Draft 2022/23 Annual Plan Consultation Document.

**Attachments:**

- i. 2022/23 Draft Development Contribution Schedules (220112003021)
- ii. 2022/23 Draft Development Contribution Policy (220112002964)

**2. RECOMMENDATION****THAT** the Council:

- (a) **Receives** Report No. 220112003012.
- (b) **Approves** the Draft 2022/23 Development Contribution Schedules as per Attachment I for consultation with the 2022/23 Annual Plan (220112003021).
- (c) **Approves** an addition and amendment to the Draft 2022/23 Development Contributions Policy noting that projects related to a development contribution area and outline development area may be located outside of the area shown on the maps (220112002964).
- (d) **Notes** that the proposed policy update does not affect the draft scheduled amounts.

- (e) **Notes** that the recommended changes to the Development Contributions have been reflected in the draft Annual Plan for 2022/23 and beyond.
- (f) **Notes** that a project has been started to confirm that no DCs have been over-recovered. This is to improve our systems to comply with a recent court decision.

### 3. **BACKGROUND**

- 3.1. The cumulative effects of development on Council infrastructure is one of the principles to be taken into consideration when preparing a development contribution policy or requiring development contributions. All new developments, whether rural or urban, have an additional demand put on Council's roading infrastructure.
- 3.2. The Development Contributions Policy has a series of schedules that set out the basis for the various development contributions. Development Contributions include those that relate to District-wide growth, scheme growth, and specific Development Contribution Areas (DCA). The location of any particular development will determine which Development Contributions apply.
- 3.3. Development Contributions have two primary components: the growth rate anticipated for the scheme or development contribution area, and the capital cost of the works required for servicing the new growth. The DCs are determined based on the projects and costs which are required to facilitate growth in the area divided by the expected number of properties to be developed in that area. These project costs include both past expenditures and anticipated future expenditures that need to be recovered by growth in the area that is serviced by the growth related projects.
- 3.4. Solely growth related projects (those required only to service new development) have capital costs spread as a development contribution over the anticipated number of new lots in the scheme/District.
- 3.5. Partially growth related projects (level of service improvements that also provide additional capacity for growth) typically have the growth component as the percentage of new lots in the scheme/District anticipated in the 10-year planning period.
- 3.6. Development contributions are established based on catchments where each scheme (water, sewer, or drainage) has a development contribution. This approach is taken as a practical approach to group development areas by geographic area and type of land use.
- 3.7. DCA servicing requirements are identified through structure plans and investigations into the requirements to service specific growth areas. Through the structure plan process, infrastructure projects are subject to a cost benefit analysis. DCAs are typically solely growth related and therefore all of the costs are divided among the number of properties anticipated to develop in the area.
- 3.8. The District's Roothing network is considered a single integrated network in the Development Contribution Policy, and the components of upgrades and additions represent improvements to strategic and arterial roads on the network designed to cater for growth. This network approach is in accordance with the principles of development contributions. The growth costs associated with strategic roading projects are all pooled together for the purposes of calculating the District Roothing calculation. It is considered that this approach is fair given considerations of practicality and administrative efficiency.
- 3.9. The costs of projects that are included within the each development contribution are only those costs related to growth. Projects within the each development contribution have a percentage of the project cost allocated to growth and a percentage to levels of service and/or renewal. This percentage is based on benefit to each group.

#### 4. **ISSUES AND OPTIONS**

##### 4.1. Policy

- 4.2. Earlier this year, the Hamilton City Council High Court case decision was released and reviewed. One aspect of the decision that is not already fully covered in the Policy relates to projects that are for a specific DCA, but are actually located outside of the DCA. In order to clarify this it is proposed that a further paragraph is added to 4.2.2 and a paragraph is amended in 4.2.3.

- 4.3. The additional paragraph at 4.2.2 reads:

*Infrastructure required to service a growth area may not be located within that defined growth area.*

- 4.4. Paragraph 4.2.3 is amended to read (amendment in *italics*):

Development within an Outline Development Area (ODA) is subject to an additional contribution, in accordance with the maps included in this policy. ODAs recognise the costs of the development of infrastructural services that are unique to that particular area. *Infrastructure required for a particular ODA is not limited to infrastructure that is specifically located within that area (map) and may be located outside of the area shown.*

##### 4.5. Schedules

- 4.6. A summary of the draft 2022/23 development contributions based on the budgets and growth projections in the draft AP are shown below. Commentary is provided when the development contribution has changed by more than 5% from the 2021/22 development contribution.

- 4.7. There are four main reasons for the increases, as follows:

4.7.1. Increased interest costs

4.7.2. Additional capital works are now required

4.7.3. Lower growth than originally estimated

4.7.4. Other capital works from outside the boundary now being recovered (as per policy change)

- 4.8. Further detail in each instance is included in the table below.

- 4.9. It should be noted that the amount payable per lot for Residential Reserves has not changed from that charged in previous years. This is because the calculated contribution value amount (i.e. the total growth related costs divided by the predicted additional lots) exceeds the allowable cap.

- 4.10. As per Section 203(1) of the Local Government Act 2002; the maximum value for reserves must not exceed the greater of (a) 7.5% of the value of the additional allotments created by a subdivision, and (b) the value equivalent of 20 square metres of land for each additional household unit or accommodation unit created by the development. The current residential reserves contribution is capped at 7.5% of the average value of residential allotments in the District, being \$170,000. While theoretically the chargeable amount is \$15,631 including GST, the maximum capped amount is \$12,750 including GST. However there will be a revaluation taking place in the near future and so the average residential lot value is likely to increase, allowing a higher contribution.

**Table 1 – Summary of Draft 2022/23 Development Contributions with Commentary for changes greater than 10% (All figures are inclusive of GST)**

	Adopted LTP 2021-22	Draft AP 2022-23	% Change	Commentary
<b>WATER</b>				
Cust*	7,085	7,246	2.27%	
Fernside*	1,434	1,498	4.46%	
Garrymere*	7,377	7,377	0.00%	
Kaiapoi	1,600	1,740	8.75%	Increase due to: <ul style="list-style-type: none"> <li>• Addition of Darnley Surface Pump Upgrade project</li> <li>• Decrease in growth numbers.</li> </ul>
North East Kaiapoi DCA	-	707		
East North East Kaiapoi	21	102	385.71%	Increase due to: <ul style="list-style-type: none"> <li>• Included all projects for the entire ODP area</li> <li>• Updated growth numbers per the Development Area</li> </ul>
	Adopted LTP 2021-22	Draft AP 2022-23	% Change	Commentary
West Kaiapoi DCA	2,900	3,657	26.10%	Increase due to: <ul style="list-style-type: none"> <li>• Included the West Kaiapoi North Supply Main - Stage 3 project</li> <li>• Updated growth numbers per the PDA with Lime Developments.</li> </ul>
Mandeville*	1,236	1,435	16.10%	Increase due to: <ul style="list-style-type: none"> <li>• Increased budget for the storage upgrade project</li> <li>• Decrease in growth numbers</li> </ul>
Ohoka*	8,027	8,388	4.50%	
Oxford	7,847	8,830	12.53%	Increase due to: <ul style="list-style-type: none"> <li>• Addition of Reservoir Upgrade project.</li> </ul>
Oxford 1*	7,826	8,130	3.88%	
Oxford 2*	6,113	7,642	25.01%	Increase due to: <ul style="list-style-type: none"> <li>• Addition of Reservoir Upgrade project.</li> </ul>
Poyntzs Road*	2,293	2,557	11.51%	Increase due to: <ul style="list-style-type: none"> <li>• Decrease in growth numbers.</li> </ul>
Rangiora	6,410	6,651	3.76%	
East Rangiora DCA	137	143	4.38%	
East Rangiora DCA - Kippenberger Ave	235	-	-100.00%	Development area is fully built out.
North Rangiora Outline Development Plan Area	5,530	5,658	2.31%	

				Increase due to: <ul style="list-style-type: none"> <li>• Included all projects for the entire ODP area</li> <li>• Updated growth numbers per the Development Area</li> </ul>
West Rangiora	1,563	1,780	13.88%	
Outer East Rangiora	1,213	1,213	0.00%	
Southbrook (m <sup>2</sup> )	0.86	0.87	1.16%	
Summerhill*	7,797	8,081	3.64%	
Tuahiwi	12,990	13,514	4.03%	
Woodend - Tuahiwi water	2,533	2,923	15.40%	Increase due to: <ul style="list-style-type: none"> <li>• Interest accumulation</li> <li>• Decrease in growth numbers</li> </ul>
Waikuku Beach	523	536	2.49%	
West Eyreton*	1,847	1,814	-1.79%	
Woodend	7,145	8,354	16.92%	Increase due to: <ul style="list-style-type: none"> <li>• Increase to the Main North Rd Main project budget.</li> </ul>

	Adopted LTP 2021-22	Draft AP 2022-23	% Change	Commentary
<b>SEWER</b>				
Eastern Districts	5,887	6,076	3.21%	
Kaiapoi	2,254	2,209	-2.00%	
North East Kaiapoi	381	401	5.25%	
West Kaiapoi	1,770	1,850	4.52%	
East North East Kaiapoi Reticulation	932	2,586	177.47%	Increase due to: <ul style="list-style-type: none"> <li>Growth numbers updated based on recently completed Structure Plan</li> </ul>
Rangiora	1,711	1,760	2.88%	
Todds Rd Business Zone (per hectare)	166,095	166,095	0.00%	
Southbrook Stage 2 (m <sup>2</sup> )	2.25	2.25	0.00%	
East Rangiora DCA Other Properties	9,776	10,217	4.51%	
East Rangiora DCA (Gilberthorpes)	2,516	2,630	4.53%	
Outer East Rangiora Sewer	3,292	5,626	70.90%	Increase due to: <ul style="list-style-type: none"> <li>Growth numbers updated based on Bellgrove completing works and budget for e/o for other properties in Development Area</li> </ul>
Inner West Rangiora DCA	2,024	2,116	4.55%	
West Rangiora DCA	2,802	2,919	4.18%	
North Rangiora DCA	7,327	7,642	4.30%	
Fernside	16,897	16,897	0.00%	
Tuahiwi	5,406	6,082	12.50%	Increase due to: <ul style="list-style-type: none"> <li>Interest accumulation</li> <li>Decrease in growth numbers</li> </ul>
Mandeville, Ohoka, Swannanoa - new properties	14,956	15,683	4.86%	
Mandeville, Ohoka, Swannanoa - existing properties wishing to connect	1,712	1,796	4.91%	
Waikuku Beach	-	-		
Woodend	-	-		
East Woodend DCA	7,802	8,118	4.05%	
Oxford Sewer	4,459	4,423	-0.81%	

	Adopted LTP 2021-22	Draft AP 2022-23	% Change	Commentary
Loburn Lea Sewer	17,734	16,532	-6.78%	Decrease due to: <ul style="list-style-type: none"> <li>Budget and growth numbers updated per August 2021 report to Council on Stimulus funding</li> </ul>
<b>DRAINAGE</b>				
Rangiora	41	42	2.44%	
East Rangiora	8,450	8,664	2.53%	
South West Rangiora DCA	7,799	7,911	1.44%	
North Rangiora - Enverton Drive East	6,713	7,015	4.50%	
North Rangiora - Enverton Drive / Ballarat Rd	2,941	3,073	4.49%	
Southbrook (m2)	9.02	9.02	0.00%	
Todds Rd Business Zone (per hectare)	57,500	57,500	0.00%	
Coastal Urban	-	-		
East Woodend DCA	9,846	10,091	2.49%	
Woodend DCA	2,784	2,784	0.00%	
Woodend DCA (Commercial) (m <sup>2</sup> )	8.65	8.65	0.00%	
Kaiapoi	-	-		
North East Kaiapoi	-	-		
North East Kaiapoi Commercial (m2)	-	-		
East North East Kaiapoi	973	1,988	104.32%	Increase due to: <ul style="list-style-type: none"> <li>Draft budget increase to align with February 2022 request to Council.</li> </ul>
West Kaiapoi	4,792	4,707	-1.77%	
Mill Road ODP	30,804	29,434	-4.45%	
<b>ROADING</b>				
District	8,405	9,514	13.19%	Increase due to: <ul style="list-style-type: none"> <li>New projects added (Outer East Rangiora)</li> <li>Budget increases in West Rangiora Route Improvements and Tram Road</li> </ul>
Southbrook (m <sup>2</sup> )	0.84	0.73	-13.10%	Decrease due to: <ul style="list-style-type: none"> <li>Reduction in budget</li> </ul>
East Woodend	7,022	7,022	0.00%	

	Adopted LTP 2021-22	Draft AP 2022-23	% Change	Commentary
West Rangiora DCA	3,580	3,593	0.36%	
West Kaiapoi DCA	5,931	5,931	0.00%	
West Kaiapoi DCA - new collector Rd	10,493	10,124	-3.52%	
Kaipoi North	313	764	144.09%	Increase due to: <ul style="list-style-type: none"> <li>Addition of Smith Street/Williams Street Intersection Improvements project</li> </ul>
Kaipoi South MUBA (m <sup>2</sup> )	44	44	0.00%	
Kaipoi East MUBA (m <sup>2</sup> )	8	7.50	0.00%	
Outer East Rangiora Rooding	2,753	5,653	105.34%	Increase due to: <ul style="list-style-type: none"> <li>Addition of North/South Collector Road and Kippenberger/MacPhail Roundabout projects as per October 2021 SCP</li> </ul>
South West Rangiora (West Belt Extension to Townsend Road)	7,196	7,199	0.04%	
<b>RESERVES</b>				
Rural Zones	1,397	1,447	3.58%	
Residential Zones	12,750	12,750	0.00%	

\* Denotes a restricted scheme where the DC is per unit with a minimum of 2 units per connection

### **Implications for Community Wellbeing**

There are not implications on community wellbeing by the issues and options that are the subject matter of this report.

4.11. The Management Team has reviewed this report and support the recommendations.

## **5. COMMUNITY VIEWS**

### **5.1. Mana whenua**

Te Ngāi Tūāhuriri hapū are not likely to be affected by, or have an interest in the subject matter of this report.

It is noted that development contributions relating to MR873 are subject to future discussion at the Mahi Tahi Committee and decision by Council.

### **5.2. Groups and Organisations**

There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report.

Community groups and organisations, including developers, have an opportunity to review the Draft 2022/23 Development Contribution Schedules and Policy as part of the AP consultation process.

Specific issues relating to specific development areas are also consulted on with developers and landowners in the area as required during the early stages of a development.

### 5.3. Wider Community

The wider community is not likely to be affected by, or to have an interest in the subject matter of this report.

The wider community also have an opportunity to review the Draft 2022/23 Development Contribution Schedules and Policy as part of the AP consultation process.

## 6. OTHER IMPLICATIONS AND RISK MANAGEMENT

### 6.1. Financial Implications

There are financial implications of the decisions sought by this report.

- 6.1.1. The current funding policy, excluding ring fenced outline development areas, is to fund capital works until growth occurs. The development contribution amount is amended each year to reflect the cost of funds and any changes to the programme.
- 6.1.2. The ability of the Council to require development contributions from growth to pay for the infrastructure required to accommodate growth is critical to ensuring growth is self-funding. This means that the cost of the increased capacity in Council's infrastructure is the responsibility of those requiring the increased capacity and not carried by the people who occupy existing dwellings.
- 6.1.3. The legislation allows the Council to recover growth related expenditure for projects in a manner that is generally consistent with the capacity life of the assets for which the development contributions are intended to be used.
- 6.1.4. In accordance with the above, Council's Policy allows for some larger infrastructure projects such as the Ocean Outfall and new water source projects to be recovered over a 35-year period. Development contributions for specific Development Contribution Areas are generally recovered until the development area is completely developed.
- 6.1.5. The recommended changes to the DCs for the 2022/23 financial year will have an impact on developments and that impact will vary depending on where growth occurs.
- 6.1.6. To provide an indication of the impact of the development contributions on various development areas within the District, the following examples have been prepared. The 2021/22 development contribution rate has also been included for comparison.

**Table 2 – Summary of Draft 2022/23 Development Contributions for Example Development Areas (All figures are inclusive of GST)**

	Water	Sewer	Drainage	Roading	Recreation	Total (Excl. Standard DC)	Total (Incl. Standard DC)	2021/22 Total (Incl. Standard DC)
<b>Kaiapoi</b>								
Kaiapoi (Standard – No DCA)	1,740	8,285		9,514	12,750	<b>32,289</b>	<b>32,289</b>	30,896
DCAs pay the costs above PLUS one of the following depending on the area of development:								
West Kaiapoi	3,657	1,850	4,707	16,055		<b>26,269</b>	<b>58,558</b>	56,782
<b>Oxford</b>								
Oxford	8,830	4,423	-	9,514	12,750	<b>35,517</b>	<b>35,517</b>	33,461

<b>Rangiora</b>								
Rangiora (Standard – No DCA)	6,651	7,836	42	9,514	12,750	<b>36,793</b>	<b>36,793</b>	35,204
DCAs pay the costs above PLUS one of the following depending on the area of development:								
Outer East Rangiora	1,213	5,626		5,653		<b>12,492</b>	<b>49,285</b>	42,462
North Rangiora	5,658	7,642	7,015			<b>20,315</b>	<b>57,108</b>	54,774
West Rangiora SPA	1,780	2,919	7,911	7,199		<b>19,809</b>	<b>56,602</b>	54,564
Southbrook (10,000 m <sup>2</sup> development)	8,700	22,500	90,200	7,300		<b>128,700</b>	<b>165,493</b>	157,704

<b>Woodend</b>								
Woodend	8,354	6,076	-	9,514	12,750	<b>36,694</b>	<b>36,694</b>	33,259
DCAs pay the costs above PLUS one of the following depending on the area of development:								
East Woodend		8,118	10,091	7,022		<b>25,231</b>	<b>61,925</b>	57,929
Woodend DCA			2,784			<b>2,784</b>	<b>39,478</b>	36,043

<b>Ohoka</b>								
Ohoka	8,388	21,759	-	9,514	1,447	<b>41,108</b>	<b>41,108</b>	38,672
DCAs pay the costs above PLUS one of the following depending on the area of development:								
Mill Road ODP			29,434			<b>29,434</b>	<b>70,542</b>	69,476

<b>Mandeville</b>								
Mandeville	1,435	21,759	-	9,514	1,447	<b>34,155</b>	<b>34,155</b>	31,697

6.1.7. The overall financial implication of these changes is dependent on the number of lots that are created and the areas that these lots are created in.

## 6.2. Sustainability and Climate Change Impacts

The recommendations in this report do not have sustainability and/or climate change impacts.

## 6.3 Risk Management

There are risks arising from the adoption/implementation of the recommendations in this report.

6.2.1. The key risk associated with development contributions is the timing of works completed to ensure that work is timed so as to not hold up development while also not be too far in advance of development such that excessive interest costs are incurred ahead of income from development contributions.

6.2.2. This risk is managed through careful programming of work and collaboration with developers on timing of developments.

6.2.3. There is also the risk that the development contributions are challenged by a developer. In recent years, developers have been more vocal about rising development contributions and the effects on the financial viability of developments.

6.2.4. Risk of developer challenge to development contributions can be reduced through review of the development contributions policy and implementation of this Policy.

A probity audit of the development contribution schedules was undertaken in September 2016. Recommendations from this report were implemented and carried through to development contribution schedules in subsequent years.

### 6.3 **Health and Safety**

There are not health and safety risks arising from the adoption/implementation of the recommendations in this report.

There will be individual project based health and safety risks associated with the specific projects included in the development contribution schedules. These risks will be assessed during the planning, design, and construction phases of each specific project.

## 7. **CONTEXT**

### 7.1. **Consistency with Policy**

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

### 7.2. **Authorising Legislation**

The Local Government Act 2002 (LGA2002) Subpart 5 Sections 197 through 211 relates to development contributions.

### 7.3. **Consistency with Community Outcomes**

The Council's community outcomes are relevant to the actions arising from recommendations in this report.

7.3.1. Transport is accessible, convenient, reliable and sustainable.

7.3.2. Core utility services are provided in a timely and sustainable manner.

7.3.3. There is a healthy and sustainable environment for all.

7.3.4. Public spaces and facilities are plentiful, accessible and high quality.

7.3.5. Businesses in the District are diverse, adaptable and growing.

### 7.4. **Authorising Delegations**

7.4.1. Council has delegation to make any changes to the Development Contribution Policy including schedules.

7.4.2. Council staff may only apply development contributions in accordance with the Development Contributions Policy including the schedules.



Kelly LaValley  
**Project Delivery Manager**

<b>Development Contributions:</b>		
All contribution charges are shown inclusive of GST.		
Council's full Development Contribution Policy should be consulted when determining an assessment		
	<b>Long Term Plan 2021-22</b>	<b>Draft AP 2022-23</b>
<b>WATER</b>		
<a href="#">Cust</a>	7,085	7,246
<a href="#">Fernside</a>	1,434	1,498
<a href="#">Garrymere</a>	7,377	7,377
<a href="#">Kaiapoi</a>	1,600	1,740
<a href="#">North East Kaiapoi DCA</a>	-	707
<a href="#">East North East Kaiapoi</a>	21	102
<a href="#">West Kaiapoi DCA</a>	2,900	3,657
<a href="#">Mandeville</a>	1,236	1,435
<a href="#">Ohoka</a>	8,027	8,388
<a href="#">Oxford</a>	7,847	8,830
<a href="#">Oxford 1</a>	7,826	8,130
<a href="#">Oxford 2</a>	6,113	7,642
<a href="#">Poyntzs Road</a>	2,293	2,557
<a href="#">Rangiora</a>	6,410	6,651
<a href="#">East Rangiora DCA</a>	137	143
<a href="#">East Rangiora DCA - Kippenberger Ave</a>	235	-
<a href="#">North Rangiora Outline Development Plan Area</a>	5,530	5,658
<a href="#">West Rangiora</a>	1,563	1,780
<a href="#">Outer East Rangiora</a>	1,213	1,213
<a href="#">Southbrook (m2)</a>	0.86	0.87
<a href="#">Summerhill</a>	7,797	8,081
<a href="#">Tuahiwi</a>	12,990	13,514
<a href="#">Woodend - Tuahiwi water</a>	2,533	2,923
<a href="#">Waikuku Beach</a>	523	536
<a href="#">West Eyreton</a>	1,847	1,814
<a href="#">Woodend</a>	7,145	8,354

<b>Development Contributions:</b>		
All contribution charges are shown inclusive of GST.		
Council's full Development Contribution Policy should be consulted when determining an assessment		
	<b>Long Term Plan 2021-22</b>	<b>Draft AP 2022-23</b>
<b>SEWER</b>		
<a href="#">Eastern Districts</a>	5,887	6,076
<a href="#">Kaiapoi</a>	2,254	2,209
<a href="#">North East Kaiapoi</a>	381	401
<a href="#">West Kaiapoi</a>	1,770	1,850
<a href="#">East North East Kaiapoi Reticulation</a>	932	2,586
<a href="#">Rangiora</a>	1,711	1,760
<a href="#">Todds Rd Business Zone (per hectare)</a>	166,095	166,095
<a href="#">Southbrook Stage 2 (m2)</a>	2.25	2.25
<a href="#">East Rangiora DCA Other Properties</a>	9,776	10,217
<a href="#">East Rangiora DCA (Gilberthorpes)</a>	2,516	2,630
<a href="#">Outer East Rangiora Sewer</a>	3,292	5,626
<a href="#">Inner West Rangiora DCA</a>	2,024	2,116
<a href="#">West Rangiora DCA</a>	2,802	2,919
<a href="#">North Rangiora DCA</a>	7,327	7,642
<a href="#">Fernside</a>	16,897	16,897
<a href="#">Tuahiwi</a>	5,406	6,082
<a href="#">Mandeville, Ohoka, Swannanoa - new properties</a>	14,956	15,683
<a href="#">Mandeville, Ohoka, Swannanoa - existing properties wishing to connect</a>	1,712	1,796
<a href="#">Waikuku Beach</a>	-	-
<a href="#">Woodend</a>	-	-
<a href="#">East Woodend DCA</a>	7,802	8,118
<a href="#">Oxford Sewer</a>	4,459	4,423
<a href="#">Loburn Lea Sewer</a>	17,734	16,532
<b>DRAINAGE</b>		
<a href="#">Rangiora</a>	41	42
<a href="#">East Rangiora</a>	8,450	8,664
<a href="#">South West Rangiora DCA</a>	7,799	7,911
<a href="#">North Rangiora - Enverton Drive East</a>	6,713	7,015
<a href="#">North Rangiora - Enverton Drive / Ballarat Rd</a>	2,941	3,073
<a href="#">Southbrook (m2)</a>	9.02	9.02
<a href="#">Todds Rd Business Zone (per hectare)</a>	57,500	57,500
<a href="#">Coastal Urban</a>	-	-
<a href="#">East Woodend DCA</a>	9,846	10,091
<a href="#">Woodend DCA</a>	2,784	2,784
<a href="#">Woodend DCA (Commercial) (m2)</a>	8.65	8.65
<a href="#">Kaiapoi</a>	-	-
<a href="#">North East Kaiapoi</a>	-	-
<a href="#">North East Kaiapoi Commercial (m2)</a>	-	-
<a href="#">East North East Kaiapoi</a>	973	1,988
<a href="#">West Kaiapoi</a>	4,792	4,707
<a href="#">Mill Road ODP</a>	30,804	29,434

<b>Development Contributions:</b>		
All contribution charges are shown inclusive of GST.		
Council's full Development Contribution Policy should be consulted when determining an assessment		
	<b>Long Term Plan 2021-22</b>	<b>Draft AP 2022-23</b>
<b>ROADING</b>		
<u>District</u>	8,405	9,514
<u>Southbrook (m2)</u>	0.84	0.73
<u>East Woodend</u>	7,022	7,022
<u>West Rangiora DCA</u>	3,580	3,593
<u>West Kaiapoi DCA</u>	5,931	5,931
<u>West Kaiapoi DCA - new collector Rd</u>	10,493	10,124
<u>Kaiapoi North</u>	313	764
<u>Kaiapoi South MUBA (m2)</u>	44	44
<u>Kaiapoi East MUBA (m2)</u>	8	7.50
<u>Outer East Rangiora Roding</u>	2,753	5,653
<u>South West Rangiora (West Belt Extension to Townsend Road)</u>	7,196	7,199
<b>RESERVES</b>		
<u>Rural Zones</u>	1,397	1,447
<u>Residential Zones</u>	12,750	12,750

# Development Contributions Policy **(2022/23)**

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## 1. **INTRODUCTION**

Development contributions (DCs) are the contributions that the Council levies on the developers of new properties, and new development that place additional demand on infrastructure in the District. These funds are used to provide the additional reserves, roads and/or water, sewer and stormwater (drainage) services needed to meet the demands generated by new residential and non-residential developments. Contributions, therefore, are used to cater for the growth in demand for infrastructure that comes from new properties or activities.

This Development Contributions Policy (the Policy) sets out the basis on which development contributions will be charged. The aim of the Policy is to share the cost of infrastructure fairly between the owners of existing properties, and the owners and developers of new properties or developments.

This document provides the Council's policy base that states what it will do in relation to levying development contributions. Accompanying it are the appendices and related maps (for Development Contribution Areas).

The schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

Development contributions include those that relate to District-wide growth, scheme growth, and specific Development Contribution Areas (DCA). The location of any particular development will determine which development contributions apply.

## 2. **POLICY CONTEXT**

### 2.1 **Statutory context**

#### 2.1.1 **Development Contributions**

The *Local Government Act 2002* (LGA2002) provides powers to levy development contributions. The power to require contributions is set out in Section 198 of LGA2002:

*A territorial authority may require a development contribution to be made to the territorial authority when —*

- (a) A resource consent is granted under the *Resource Management Act 1991* (RMA) for a development within its district
- (b) A building consent is granted under the *Building Act 2004* for building work situated in its district (whether by the territorial authority or a building consent authority)
- (c) An authorisation for a service connection is granted.

LGA2002 Section 198(4A) also provides for the levying of development contributions when granting a certificate of acceptance (under the *Building Act 2004* Section 98), if a development contribution would have been payable on the building consent had one been obtained for the work that is the subject of the certificate of acceptance.

The principles that underpin this Policy with respect to development contributions are set

out in LGA2002 Section 197AB.

### **2.1.2 Financial Contributions**

Financial contributions are contributions levied under the RMA. Section 108(10) of the RMA provides the conditions under which financial contributions can be imposed on resource consents.

Financial contributions, imposed under the District Plan, can be taken to address environmental effects of activities irrespective of whether they result from growth, for example, to pay the costs of services such as roads, water supplies, sewerage and drainage systems that must be developed to address adverse effects on the environment.

Financial contributions can also be taken to offset adverse effects that may result from developments, as environmental compensation. Financial contributions will be used when the effect of development directly contributes to the need for physical works on Council services and when the effect of the development has not been foreseen in the Long Term Plan (LTP).

Financial contributions are based on actual expenditure. Council's ability to levy financial contributions is drawn from Section 108(2)(a) of the RMA. These sections were repealed by the *Resource Legislation Amendment Act 2017* and financial contributions will be phased out by 2022 by which time a single regime for recovery of all contribution costs will need to be in place.

## **2.2 Assumptions**

### **2.2.1 Introduction**

This Policy uses a range of assumptions and forecasts about population growth, and the demand that will be placed on infrastructure by different types of development. These assumptions assist with planning for growth, and help determine how the cost of growth will be recovered for different types of development.

### **2.2.2 Population forecasting**

The key assumption underpinning this Policy is that the District's population will continue to grow. The household unit equivalents (HUEs) are the basis upon which Development contributions will be assessed. For the purposes of calculating the additional residential HUEs for a given period, the estimated number of households that is anticipated at the end of the LTP period is determined by dividing the projected population by the anticipated average number of people per household across the District. The additional households required to accommodate the projected population is then determined by subtracting the number of households at the beginning of the period from the estimated number at the end of the period.

The 2020/21 Policy is based on the District having a projected population of 74,900 by 30 June 2029, and that an estimated 29,960 HUEs based on the assumption of 2.5 people per household will be required to accommodate this projected population. This projection is consistent with Statistics New Zealand's medium to high variant projection for the District for 2028.

The following table sets out the anticipated population across the District based on the population projections for 30 June 2029. The Council uses its own growth model to produce medium-to-high population projections as a balancing measure and to readjust projections as necessary.

	<b>Estimated Resident Population 30 June 2019</b>	<b>Projected Resident Population 30 June 2029</b>
Total	63,400	74,900

### 2.2.3 *Business Zones*

New allotments in Business Zones will be treated for development contributions purposes as for any other new allotment created in any other Zone within the District. Contributions equivalent to one HUE will be charged for any new allotment created by subdivision in a Business Zone, and prior to the release of the Section 224(c) certificate.

Further contributions may be levied on land-use or building consents if the proposed activity will place additional demand on infrastructure.

### 2.2.4 *District Wide Reserves assumption*

A smaller contribution is required for Rural Zones, which is made on the assumption that people living in these areas will provide their own local open spaces, but still generate demand for District-wide reserves of various categories.

### 2.2.5 *Network infrastructure assumptions*

#### *General*

- It is assumed that all Residential Zone allotments consume the same unit of demand, except as provided for under multi-unit developments and as provided for drainage
- The District will continue to grow in line with population forecasts and new infrastructure assets designed to cater for additional growth-related capacity will be required.

#### *Water*

- As for the general network infrastructure above.
- A standard water connection is a 15mm pipe, and that a higher contribution will be levied if a larger connection is requested

#### *Sewer*

- The costs of reticulating, treating and disposing of sewage for lots connected to sewer systems are in proportion to the volume of sewage produced.
- No adjustment is made for sewage strength or seasonal flow variations.
- Sewage disposal assessment is in relative proportion to the inflow of water to the lot, assuming the standard water connection is a 15mm pipe.
- Adjustments to contributions payable will be made for connections where the pipe size exceeds the standard connection size.

### *Drainage*

- The drainage from Residential 1, 2, 3, 5, 6 and 6A Zone allotments will have the same volume of runoff.
- Exceptions may occur when developments are undertaken which provide for a significantly higher run-off co-efficient than is anticipated for residential development.

### *Roading*

- The District's roading network is a single integrated network, and the components of upgrades and additions that represent improvements to strategic and arterial roads on network designed to cater for growth are separate from projects that cater solely for growth and relate to development contributions areas.
- Additional growth of allotments in the District will result in additional volumes of vehicle movements, and developers, therefore, should contribute to the cost of providing an appropriate roading network.
- For planning purposes, the number of vehicle movements per day will be the same regardless of lot size, for a single household unit.
- The growth-related component of projected expenditure of strategic and arterial roads as set out in the Council's Long-Term Plan will provide the basis for calculating the general roading contribution.
- Development contributions will only be sought for roads for the growth component of expenditure on strategic and arterial roads and DCA. Funds required for upgrading local roads will be obtained from other sources.

## **3. POLICY OBJECTIVE**

The Council is levying development contributions to ensure that the growth-related capital expenditure identified in the LTP (future and past expenditure) is appropriately recovered from those who are directly benefiting, rather than having existing ratepayers bear all of the costs.

Development contributions will be levied when the effect of the development, or the cumulative effects of developments, contributes to the need for the development of physical works or Council services and when these works or services have been allowed for in the LTP.

While the greater part of capital expenditure included in the calculation of development contributions is recovered within the term of the LTP, Section 106 2(a) of the LGA2002, and more specifically clause 1(2) of Schedule 13, notes capital expenditure occurs beyond the term of the LTP.

Clause 1(2) of Schedule 13 of the LGA2002 states:

*A territorial authority may identify capital expenditure for the purposes of calculating development contributions in respect of assets or groups of assets that will be built after the period covered by the long-term plan and that are identified in the development*

*contributions policy.*

## 4. POLICY STATEMENT

### 4.1 Definitions

**Allotment** - has the meaning given to it in Section 218(2) and (3), Resource Management Act 1991.

**Capital Expenditure** – means the cost of capital expenditure identified in the LTP, or capital expenditure for the purposes of calculating development contributions in respect of assets or groups of assets that will be built after the period. It may also include historical capital expenditure incurred.

**Development Contribution Area (DCA)** – means a mapped area within the District which defines an area for which specific Development Contributions will be payable. DCA maps are included with the schedules that accompany this Policy.

**Dwellinghouse** - means any lot, or habitable structure on that lot, occupied or intended to be occupied in part or in whole as a residence and may include one additional physically separated dwellinghouse (or secondary dwelling) that is no more than 75m<sup>2</sup> in gross floor area and is located within 30m of the primary dwellinghouse.

**Eastern District Sewer Scheme (EDSS)** – means the Ocean Outfall and all four wastewater treatment plants (Kaiapoi, Rangiora, Woodend and Waikuku Beach) that discharge directly or indirectly into the Ocean Outfall under one discharge consent. The sewer development contribution has an additional component if the development is connected to the Eastern Districts Sewer Scheme.

Developments connecting to the EDSS are assessed as an EDSS DC as well as a reticulation DC based on the geographical location within the EDSS. The EDSS DC includes expenditures for both the ocean outfall, the four wastewater treatment plants and associated connecting trunk pipelines.

**Household unit equivalent (HUE)** – means a “unit of demand” that equates to the typical demand for infrastructure by an average household unit assessed at 2.5 persons per household.

**Household unit** - means a building or part of a building intended to be used as an independent residence, including, but not limited to, apartments, semi-detached or detached houses, units, and town houses. For the purposes of calculating Development Contributions, a dwellinghouse with two separate self-contained areas consented for family use only will be treated as one household unit.

In addition, a secondary independent dwellinghouse will be treated as a household unit for the purposes of calculating development contributions. To avoid any doubt, visitor accommodation units that are separately unit-titled shall be considered as separate household units.

*Note: a development contribution is not subsequently charged where the secondary dwelling ends up being on a separate lot.*

If a subdivision results in the principal dwellinghouse on one lot and a secondary dwellinghouse on a separate lot, development contributions will apply to the secondary dwellinghouse as if it were a new principal dwellinghouse.

**Multi-unit residential development** – means any development involving more than one household unit (as defined above) per allotment including flats, townhouses, retirement villages and traveller’s accommodation. Contributions will be levied on the increase in the number of dwellinghouses over those already existing at the commencement of the development.

**Multi-unit non-residential development** – means a development involving more than one self-contained structure, either attached or separate from other structures on the same allotment that is designed to be used for non-residential activity.

Multi-unit non-residential developments will be treated for development contribution purposes as if subdivision had occurred. Each unit will attract the contributions equivalent to those to be paid for one HUE for the district-wide, District Plan Zone and DCA-specific contributions, as well as relevant network infrastructure connections at the time building consents are lodged irrespective of location within the District.

**Notional lot** – means an area of land within a site that meets the minimum lot area and dimensions for the Zone, and is shown by defined boundaries, legal or otherwise, which encompasses a proposed building platform for a dwellinghouse or an existing, second or subsequent dwellinghouse.

**Reserve** – means land that is vested in and managed by the Waimakariri District Council, under the *Reserves Act 1977*.

**Residential activity** – means a building or part of a building that is intended to be lived in that does not meet the definition of a household unit or visitor accommodation. This includes but is not limited to the portion of a retirement village or residential health care facility where 24-hour on-site medical support to residents is provided.

To assess the HUEs for residential activity, the number of people to be accommodated in the facility that meets this definition should be divided by the number of people per household that is used to determine the number of HUEs for Development Contributions purposes for the 10 years under consideration.

**Run-off coefficient** – the anticipated proportion run-off from impervious surfaces from an allotment and is the basis for assessing the impact that a development will have on the stormwater infrastructure. The average run-off coefficient for a 600m<sup>2</sup> Greenfields development is 55% and this is the basis for establishing the stormwater HUE.

**Section 224 (c) certificate** – means the certificate that is issued under Section 224(c) of the RMA to formalise the establishment of a new allotment. New allotments may also be created by way of Section 226 of the RMA.

**Subdivision** – definition as per Section 218 of the RMA (*Meaning of subdivision of land*)

**Vehicle crossing** – means an area of land from the carriageway up to and including the road frontage of any site or allotment that is used by vehicles to access a site or allotment from the carriageway.

**Zoned** – means the various areas identified as zones shown on the Waimakariri District Plan: District Plan Maps.

## 4.2 Types of Development Contributions charged

### 4.2.1 Contributions levied on new allotments anywhere in the District

The District-wide development contributions are based on assumptions about the increase in population anticipated over the period covered by the policy and the number of additional “units of demand” that will be needed to accommodate the increased population. District-wide contributions are collected for roading and reserves.

When determining the amount to be paid in development contributions for roading to cater for growth, the Council also takes into account the amount of the total expenditure needed to meet any existing deficiency or shortcomings in the infrastructure. This means that not all the cost of a particular project is necessarily collected from development contributions.

This Policy provides the Council with the ability to levy contributions for past growth related expenditure incurred during the previous 10 years, and growth-related spending over the next 10 years.

### 4.2.2 Development Contribution Areas (DCA)

This Policy includes maps and details concerning the specific contributions that are payable for each of the DCAs. These contributions relate to infrastructure such as water, sewer, roading, and drainage that is provided specifically for a particular area, and are spread over the estimated number of new lots in each area. Development contributions for DCAs are levied in addition to other contributions.

Schedules and DCA maps accompany this Policy. Works schedules identifying the projects to be funded or part funded by development contributions are posted on the Council's website.

Infrastructure required to service a DCA may not be located within the map area shown for the DCA.

### 4.2.3 Outline Development Areas (ODA)

Development within an Outline Development Area (ODA) is subject to an additional contribution, in accordance with the maps included in this policy. ODA's recognise the costs of the development of infrastructural services that are unique to that particular area.

Infrastructure required for a particular ODA is not limited to infrastructure that is specifically located within that area (map) and may be located outside of the area shown.

In determining how credits for standard development contributions are applied, any underlying lot (that is, the original lot that existed prior to development) that by right was able to have a dwelling established upon it, is eligible for credits for standard DCs as well as any applicable roading or drainage ODA DC upon further development.

If a proposed subdivision is located within a sewer or water ODA, and the underlying lot is not connected to either or both services prior to development, then upon connecting the underlying lot to reticulation, the subdivision is subject to standard DCs (e.g. Rangiora Water) and ODA DCs (e.g. North Rangiora Water).

#### **4.2.4 Infill Development**

Infill development is small scale development (generally 4 lots or less) or re-development within existing urban areas. Infill development is typically developed under the Comprehensive Residential Development rules in the District Plan. For water, sewer, drainage, roading and reserves infill development is regarded as being no different than any other type of development and is levied accordingly.

### **4.3 Reserves contributions**

#### **4.3.1 Introduction**

The Council aims to develop a reserves network within the District to enable recreation activities to be undertaken, to retain areas with conservation value and to develop sports surfaces for the purpose of encouraging physical as well as passive activity.

#### **4.3.2 Provision for reserves contributions**

The use of reserves development contributions is for the land purchase and development of reserves.

The two main types of reserves are those that are used by the community as a whole, and those that are used more often by people living in the immediate vicinity of the reserve. For this reason the reserves schedule is divided into neighbourhood reserves and District-wide reserves.

While residents in urban areas will likely make the most use of neighbourhood reserves, people living in rural areas will be likely to make use of District-wide reserves. Accordingly, the formula for calculating contributions recognises the zone in which the residential development lies.

Development contributions payable for reserves are also subject to the statutory maxima set out in *LGA2002* Section 203, namely that:

- “(1) Development contributions for reserves must not exceed the greater of –*
- (a) 7.5% of the value of the additional allotments created by a subdivision; and*
  - (b) The value equivalent of 20m<sup>2</sup> of land for each additional household unit or accommodation unit created by the development.*

For the purpose of Section 203(1)(a), the Council will assess the value of additional allotments created by a subdivision by reference to the land value recorded for similar allotments in the vicinity of the subdivision in the District valuation roll.

The council will assess the value equivalent of 20 m<sup>2</sup> of land for the purposes of Section 203(1)(b) by reference to the value of reserve land (including all improvements thereon) in the vicinity of the subdivision. In each case, the assessment of value shall be the Council's discretion.

The LGA2002 Section 198A (3) also specifies “...reserves does not include land that forms or is to form part of any road or is used or is to be used for stormwater management purposes.”

Open space within subdivisions that provides walkways/cycleways are regarded as road reserves and are excluded from calculations with respect to the development contributions payable for reserves.

#### **4.3.3 Land in lieu of cash for reserve Development Contributions**

The Council will generally take development contributions towards providing reserves for open space and recreation in cash. In some circumstances the Council may, at its sole discretion consider taking land in lieu of, or in addition to, cash. Where it does so, any land taken will be valued in accordance with the Council's land valuation policy.

#### **4.3.4 Reserve land valuation policy**

Land valuation for the purpose of assessing the value for land to be vested as reserves in lieu of cash development contributions will be determined by the Council on the basis of the market value of the land at the time the application for subdivision consent is lodged. A request for a reserve land valuation will be made by the Council to an independent valuer within 20 working days from the date the resource consent application is lodged with the Council.

The cost of the initial valuation will be met by the developer. The Council is not required to provide an updated valuation before the issue of a Section 224(c) certificate. The valuation of reserve land for vesting must be carried out according to the following principles:

- *the value of any improvements to the land will be excluded;*
- *an appropriate adjustment will be made on account of any easements or other rights to which the land is subject;*
- *where there are different density zonings within a subdivision or outline development plan, the value will be based on the lowest density zoning;*
- *the value will include any rights and configuration given by the consents already granted; and*
- *the value will be based on the highest and best use for the particular parcel of land valued (based on the lowest density zoning).*

Unless otherwise agreed in writing between the Council and developer, the valuation of reserve land will be based on evidence consistent with the *Public Works Act 1981* and relevant case law.

If the developer and the Council cannot agree on the valuation of the land to be vested, either party may, by written notice to the other party, refer the matter to independent valuation. If the parties do not agree on the valuer within five business days of either party giving a notice of valuation, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuer as soon as is reasonably practicable.

The onus on the independent valuer will be to seek the correct valuation rather than to mediate a mid-point answer. The findings of the independent valuation as to the value of

the land will be the final determination of value for the purposes of this policy.

The cost of this further valuation will be met equally by the developer and the Council.

The Council may notify the developer, at its discretion, that it chooses to take the development contribution for reserves in money rather than in land. If having received the final determination of the value of the land proposed to be vested, the Council determines that, at that price the land does not represent a prudent acquisition for the wider community and the Council's broader portfolio of open spaces.

If having received the final determination of the value of the land proposed to be vested, the developer determines that it does not wish to sell the land at that price, the developer may, at its discretion, notify the Council that it chooses to pay the development contribution for reserves in cash rather than in land.

Notices given by the Council or the developer, as referred to in the previous two paragraphs, must be given to the other party no later than 20 working days after the final determination of the value of land proposed to be vested is issued.

#### **4.3.5 Circumstances for refunds or reductions for reserves contributions**

In the event that planned reserve developments or alternative upgrades are not undertaken within a reasonable timeframe, then development contributions will be refunded, after allowing for the associated administrative costs.

Development contributions are being applied to general reserve purposes as specified under Section 205 of the LGA2002 not for specific reserves under Section 210 of the LGA2002.

If the Council does not use the land for reserve purposes within ten years of acquiring the land that has been vested to Council, it will be returned to the developer.

*Note: a reasonable timeframe is 20 years, to align with the collection of development contributions.*

## **4.4 Network Infrastructure Development Contributions**

### **4.4.1 Introduction**

There are separate schedules for the assessment of development contributions for water, sewerage, drainage and roading but each policy has been developed on the broad principle that costs associated with the development of assets, to meet the demands associated with growth of the population, should be spread as equitably as practicable among the beneficiaries of those developments.

The growth of the District and the resulting additional connections to the system will increase the demand on existing services. The Council considers it should be developing long-term sustainable solutions to cater for users of today and tomorrow, therefore any scheme it develops or extends will have a planned growth component within it.

## 4.4.2 Water

### 4.4.2.1 Introduction

The Council provides potable water to avoid or mitigate the risk of water-borne diseases affecting public health.

The Council operates several different water supply schemes. While the policies and methodology for calculating development contributions are the same for each scheme, the actual level of contribution varies because of different growth and planned expenditure.

The policy differentiates between residential, non-residential and DCA developments and there is a different basis for assessing the development contribution payable for each type of development. Distinction is also made between those connected to restricted schemes, and those with a restricted supply connected to an on-demand scheme.

The policy also provides for the levying of additional contributions where the size of the pipe, required to service a development, is larger than the standard 15mm water pipe. Provision is nevertheless made for the applicant to negotiate the connection rate where the applicant can show larger pipe size is required for firefighting or fire prevention.

Schedule 3 details the different amounts applicable to developments within each scheme.

### 4.4.2.2 Basis for assessment

Current users and future users benefit equally from the maximum capacity of a water supply system. Based on the assumption that one current user will consume the same amount of system capacity as a future user, they should equally share the cost of providing that maximum capacity.

#### *Residential Zones:*

The unit of demand relating to the water systems is the average number of litres per day consumed by a household. Each additional household increases the consumption of water by approximately 2,000 litres per day.

Growth in water consumption volumes and the system's maximum capacity has been translated into a HUE for the purposes of planning and calculating development contributions. Each new lot established will be charged one development contribution as per the accompanying schedule.

Any additional dwellinghouse established (except a secondary dwelling as permitted under the District Plan) on the same lot will be assessed as one HUE and charged a development contribution as per the attached schedule.

#### *Rural Zones:*

The contribution is assessed on the same basis as for residential zones. The exception is where rural properties abut urban areas, and are able to connect to the urban water supply network.

In recognition of the reduced demand from a restricted supply as compared to a full on-demand connection, single unit (i.e. 1m<sup>3</sup> per day) restricted connections are charged at 40% of the full residential development contribution, and a two unit restricted connection is

charged at 80% of the full residential development contribution.

A minimum 2m<sup>3</sup> of demand connection is required per lot.

*Business Zones (excluding Southbrook):*

For these lots, the contribution is payable in two parts. Firstly, when each new lot is created, a contribution equal to the Residential contribution will be charged. If a larger than standard 15mm pipe connection is required, there will be an additional cost.

This contribution will be in direct relation to the size of the water inflow pipe. See Appendix 3 for the formula.

*Southbrook:*

For these lots, the contribution is assessed based on the area of the block being subdivided or developed less the area of land used for roading and stormwater utilities.

In calculating the area of lots being subdivided or developed, the total block being subdivided or developed shall be counted.

**4.4.2.3 Circumstances for refunds or reductions for water contributions**

In the event that planned system upgrades, or alternative upgrades, are not undertaken within a reasonable timeframe, then development contributions will be refunded, after allowing for the cost of investigating the upgrade options.

In the case of the Southbrook DCA development, where a subdivision results in a substantial balance block that is expected to be developed at a later date, the Council may defer charging water development contributions in respect of the balance block.

This would happen until such time further subdivision or building or connection occurs in respect of the balance block, whichever is the earlier. This discretion will only be available where the area of the balance block is at least 50% of the area of the original block as at 1 July 2007.

Other than as detailed above, there will be no postponements of payments, reductions or remissions of payments.

**4.4.3 Sewer**

**4.4.3.1 Introduction**

The Council provides reticulated sewer treatment and disposal systems to achieve high quality public health and to minimise adverse effects on the receiving environment. There is an expectation from tangata whenua and the community that high environmental standards will be met.

The Council operates four different sewerage schemes (areas) - Eastern District, Oxford, Fernside and Loburn Lea - and while the policies and methodology for calculating development contributions are the same for each scheme, the actual level of contribution varies because of different growth and the level of planned expenditure.

Appendix 3 details the different amounts applicable to developments within each area.

#### **4.4.3.2 Basis for assessment for treatment and disposal costs and reticulation costs**

Current users and future users benefit equally from the maximum capacity of a sewerage system. Based on the assumption that one current user will consume the same amount of system capacity as a future user, they should equally share the cost of providing that maximum capacity.

##### *Residential Zones:*

The unit of demand relating to the sewerage system is the volume of sewage to be treated and disposed of off the site from which it is generated. Each additional residential household adds approximately 1,380 litres of sewage per day. Growth in sewage volumes and the system's maximum capacity has been translated into the equivalent demand for the typical household.

Each new residential lot established will be charged one sewerage development contribution as per the attached schedule. Any additional dwellinghouse, or multi-unit development established on the same lot, will be subsequently charged additional sewerage development contributions as per the attached schedule depending on the number of additional dwelling units involved.

##### *Rural Zones:*

The contribution is assessed on the same basis as for residential zones.

##### *Business Zones (excluding Southbrook):*

For these lots the contribution is payable in two parts:

- (i) When each new lot is created, a contribution according to the formula for residential zone contribution will be charged.
- (ii) If a larger water inflow pipe is requested then a further contribution will be sought for sewage disposal. This contribution will be in direct relation to the size of the water inflow pipe – see attached schedule for the formula.

##### *Southbrook:*

For these lots, the contribution is assessed based on the area of the block being subdivided or developed less the area of land used for roading and stormwater utilities.

In calculating the area of lots being subdivided or developed, the total block being subdivided or developed shall be counted.

The funding costs associated with the Southbrook DCA sewer scheme development are met from drainage rates.

#### **4.4.3.3 Circumstances for refunds or reductions for sewer contributions**

In the case of the Southbrook DCA development, where a subdivision results in a substantial balance block which is expected to be developed at a later date, the Council may defer charging sewer development contributions in respect of the balance block until such time as further subdivision or building or connection occurs in respect of the balance block (whichever is the earlier).

This discretion will only be available where the area of the balance block is at least 50% of the area of the original block as at 1 July 2007. Other than as detailed above, there will be no postponements of payments, reductions or remissions of payments.

#### **4.4.4 Drainage**

##### **4.4.4.1 Introduction**

The Council provides drainage systems to achieve high quality public health and to minimise adverse effects on the receiving environment. Effective drainage systems and networks remove a constraint on land development.

There is an expectation from tangata whenua and the community for high environmental standards to be met.

The Council operates five urban drainage areas and eight rural drainage areas. The methodology for calculating development contributions are the same for each scheme, but the actual level of contribution varies depending on the growth component. Appendix 3 details the different amounts applicable to developments within each area.

##### **4.4.4.2 Basis for assessment**

Current users and future users benefit equally from the maximum capacity of a drainage system. Based on the assumption that one current user will need the same amount of system capacity as a future user, they should equally share the cost of providing that maximum capacity.

###### *Residential 1, 2, 3, 5, 6 and 6A Zones:*

The unit of demand relating to drainage systems is the peak run off, measured in m<sup>3</sup>/s, needed to cope with a 1-in-5 year storm. Each additional household increases the potential run off into the reticulated drainage network by approximately 8L/s.

Growth in the system's maximum capacity has been translated into a 'per lot' equivalent for the purposes of planning and calculating development contributions. Each new lot established will be charged one HUE as per the accompanying schedule.

###### *Rural and Residential 4 Zones:*

No development contribution for drainage is being sought from new subdivisions in these zones on the basis that development will not significantly affect the level of run-off from the land.

###### *Business Zones (excluding Southbrook DCA):*

For these lots, the contribution is payable when each new lot is created, a contribution equal to the residential zone contribution will be charged.

###### *Southbrook DCA:*

For these lots, the contribution is calculated based on the area of the block being subdivided or developed, but excludes that part of a block that is assessed as having been developed.

#### **4.4.4.3 Circumstances for refunds or reductions for drainage contributions**

In the event that planned system upgrades, or alternative upgrades, are not undertaken within a reasonable timeframe, development contributions will be refunded, after allowing for the costs of investigating the upgrade options and associated administrative costs.

Other than as detailed above, there will be no postponements of payments, reductions or remissions of payments.

#### **4.4.5 Rooding**

##### **4.4.5.1 Introduction**

The Council provides for growth of the District rooding network to ensure people have access, and to contribute to a healthy community.

The growth-related component of projected expenditure on strategic and arterial roads as set out in the Council's Long-Term Plan will provide the basis for calculating the general rooding contribution.

##### **4.4.5.2 Basis for assessment**

There are two types of rooding developments identified which will be funded by development contributions. These are for the general contribution and developments in DCAs.

In recognition of the fact that some of these works will assist in remedying some existing deficiencies in the rooding network and that there is a renewal component to some of these works, the Council has apportioned only part of the costs of each project to growth.

Appendix 3 details the different amounts applicable to developments within each DCA.

##### *Business Zones (excluding Southbrook DCA):*

For these lots, the contribution is payable when each new lot is created, a contribution equal to the residential zone contribution will be charged.

##### *Circumstances for refunds or reductions for rooding contributions:*

In the event that planned transport network upgrades, or alternative upgrades, are not undertaken within a reasonable timeframe, Development contributions will be refunded, after allowing for the costs of investigating the upgrade options and associated administrative costs.

Other than as detailed above, there will be no postponement of payments, reductions or remission of payments.

## **4.5 Community Infrastructure Development Contributions**

### **4.5.1 Introduction**

Community infrastructure is essential to the ongoing economic, social, cultural and environmental wellbeing of the community. This infrastructure provides opportunities for members of the community and visitors to the District to participate in activities and recreation, to provide service to others and to participate in life-long learning experiences.

Community infrastructure for which development contributions may be levied is defined in LGA2002 Section 197 (2) as:

- (a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and
- (b) includes land that the territorial authority will acquire for that purpose.

Community infrastructure is those services under the control and management of the Waimakariri District Council, however, the levying of development contributions includes but is not limited to:

- community centres and halls
- play equipment on neighbourhood reserves; public toilets.

#### **4.5.2 Basis for assessment**

Community Infrastructure provides benefits for future residents and the existing community. It is therefore equitable to share these between the owners of future and existing properties and the costs will be allocated on a per household basis.

Each project has been assessed to ascertain the amount attributable to growth and the amount attributed to current dwellinghouses.

##### **4.5.2.1 Circumstances for refunds or reductions**

In the event that planned community infrastructure upgrades are not undertaken, or alternative upgrades are not completed, then development contributions will be refunded, after allowing for the costs of investigating the upgrade options and associated administrative costs. Other than as detailed above, there will be no postponements of payments or remissions of payments.

Where the Council and a developer agree to the transfer of community infrastructure assets to the Council (which will have benefits to the community and which would have otherwise been provided for by way of community infrastructure development contributions), the Council may agree to a reduction in the community infrastructure contribution to acknowledge the benefit.

## **4.6 Administration**

### **4.6.1 Basis for assessment**

The detailed basis for assessment for development contributions is explained in the formula for each contribution (refer to Appendices 2, 3 and 4). There are two broad groups of formula:

- Those that apply to services and facilities for which benefit will accrue to the occupants of new allotments and/or new household units anywhere in the District. Costs are then apportioned across the whole district including roading and reserves.
- The second group has benefits for a defined group of users, for which the costs are apportioned to the direct beneficiary and includes sewer, water and drainage. These are set out in the respective schedules accompanying this Policy.

#### **4.6.2 The application of household equivalent units**

All new allotments irrespective of zone will attract development contributions payable for one household equivalent unit (HUE) at the time that the subdivision occurs. Assessments will be made of all development proposals either at the time that a resource consent or building consent is granted or a new or enlarged connection to an infrastructure service is approved.

This will ascertain if further development contributions are payable to take account of the additional demand that the development will place on one or more of the Council's infrastructure services. The basis for these assessments for water, sewer, drainage, roading and community infrastructure is set out in the respective schedules to this Policy.

Each new lot created, irrespective of zone and proposed activity, will attract the district-wide development contributions payable at the time of creation. Each lot in a DCA will attract the development contributions payable for the DCA in which it is located. New lots in an area serviced by water, sewerage and/or drainage systems will attract the development contributions or connection charges payable for each of these systems.

Any additional dwelling on an allotment that does not comply with the definition of a secondary dwelling will attract development contributions, as will any secondary dwelling that is subsequently subdivided off from its original allotment.

Any allotment, which is created as the result of a boundary adjustment involving an allotment the size of which is below the threshold to qualify for the construction of a dwellinghouse will attract development contributions. Specifically, the creation of such an allotment of a size that allows the construction of a dwellinghouse as a permitted activity under the District Plan will attract development contributions.

#### **4.6.3 Reductions in Development Contributions**

The developers of multi-unit residential developments may apply to the Council to seek a reduction in payment of roading and reserves development contributions. The matters that the Council will take into account when making its decision as to whether any reduction relief will be granted, will include (but are not limited to) the:

- number of units;
- size of the units;
- purpose of the development; and
- future ownership arrangements proposed for the development.

No reduction relief will be granted that reduces the amount of development contributions payable for roading below the level equivalent of 0.5 HUE for each of these development contributions at the time that the application seeking a reduction is received by the Council.

No reduction relief will be granted for water, sewer and stormwater development contributions. An assessment for the liability for stormwater development contribution will be made based on the anticipated proportion run-off from the site.

#### **4.6.4 Remissions of Development Contributions**

No remission relief will normally be granted for development contributions, however, elected members have delegated authority to grant a DC remission in appropriate

circumstances. While Council staff currently have delegation to reduce a roading and reserves DC to 0.5 HUE, they do not have delegation to offer a wider remission without formal Council resolution.

Application for remission should be made by the Applicant, including justification as to why the remission is warranted, irrespective of zone. This will be followed by a formal deputation where the Applicant can present to Elected Members; a staff report will also be prepared.

#### **4.6.5 Timing of payment of contributions**

Development contributions are levied on subdivision, resource consents, building consents and on requests for connection to infrastructure services.

Development contribution charges are invoiced in the following cases:

- a) A Section 224(c) application is received for a subdivision consent.
- b) When a building consent for a new residential or non-residential unit is uplifted.
- c) An application to connect to a Council network service is made.
- d) Council deems a change of property use has occurred resulting in an increased demand for network services.

Development contribution charges are payable by the earlier of:

- a) The 20th of the month following the invoice date; or
- b) Prior to the issuance of the Section 224(c) Certificate, Code Compliance Certificate, or approved connection application.

If an invoice remains unpaid outside of the terms of the invoice, Council will undertake normal legal action to enforce payment. In addition, if development contributions have not been paid, Council is able to withhold the following:

- a) A Code of Compliance Certificate;
- b) A connection to a Council network;
- c) A certificate issued under Section 224 (c) of the RMA;
- d) Commencement of a resource consent under the RMA.

Development contributions assessed and advised on a subdivision consent shall have a lapsing period of 5 years to give effect to the consent [i.e. Section 223 certificate] and then 3 years to plan deposit [i.e. Section 224(c) certificate].

If a consent holder is granted an extension or a lapse period of greater than 5 years to give effect to the consent, the development contributions shall be re-assessed at the time a Section 224(c) certificate application is made if this occurs outside of the timeframes as stated above.

#### **4.6.6 Price indexation**

For work that is forecast to be undertaken in the period of the LTP, the Council may apply indexation to the development contribution calculations based on the Producers Price Index Outputs for Construction as provided in LGA2002 Sections 106 (2B) and (2C). These provisions, however, exclude interest and financing costs from the adjustments for increases in this producer price index.

#### **4.6.7 Holding costs**

The Council will apply holding costs for growth-related expenditure that has been incurred prior to the commencement of the current financial year.

- (a) For past capital expenditure, other than for roading, where that expenditure contains a growth component, the Council will annually increase the relevant development contributions by the Council's cost of funding.
- (b) For past capital expenditure on roading, where the expenditure was incurred for the purposes of allowing development, the Council allocates the full interest cost and recovers the associated holding cost from the developers.
- (c) For past capital expenditure, where the expenditure is incurred for the purposes of allowing development in DCAs, the Council allocates the full interest cost to the development area and recovers the associated holding cost from the developers. The development contribution reflects both the capital cost and the holding cost.
- (d) Where funding costs are added to development contributions for historical expenditure in accordance with this clause, the Council will review the level of development contributions at least once every three years with regard to the impact that the inclusion of holding costs may be having on the development of the DCA. On completion of this review, if it is considered in the best interests of the Council and the district to do so, then the Council may exclude some or all of the funding costs from the calculation of a contribution.
- (e) There are a small number of capital works for the purposes of enabling development in defined areas for which the Council has decided that the funding costs should not be funded by development contributions, for example Southbrook DCA drainage, where it is considered that there is district wide benefit arising from the works.

#### **4.6.8 Historical capital expenditure**

Where provided for in this Policy, development contributions may be charged in respect of historical capital expenditure, as well as for projected capital expenditure. This includes the calculation of development contributions incurred for capital expenditure beyond the term of the LTP as allowed for under Schedule 13 of the LGA2002.

In determining when development contributions will no longer be charged for historical capital expenditure, a distinction is made between various types of historical expenditure with a growth-related component:

1. DCA-related expenditure;
2. General growth-related expenditure;
3. Very large projects where the denominator used for calculating development contributions in the LTP reflects growth which is likely to occur beyond the LTP period.

With DCA expenditure, it is possible to identify when historical costs have been fully funded. Development contributions will no longer be charged where the costs have been fully recovered or the asset has come to the end of its useful life (whichever is the earlier).

With general growth-related expenditure, development contributions will be collected for future expenditure within the period of the LTP and for historical expenditure incurred in the previous 10-12 years. The number of years of historical expenditure to be included will be

20 years less the number of years covered by the LTP.

Accordingly, in Year 1 of the LTP, development contributions will be charged for growth-related expenditure for both the next 10 years and the past 10 years. In Year 2, development contributions will be charged for growth-related expenditure for the next 9 years and the past 11 years, and so on.

The growth that has occurred in the DCA may also be considered to estimate costs, and may include historical expenditure and adjusted life expediency to differing collection.

The third category of expenditure identified above will continue to be part of the development contributions charge until the growth provided for in the development contributions denominator has eventuated, e.g. a certain number of dwellinghouses have been developed. However, contributions will not be charged beyond the useful life of the asset.

#### **4.6.9 Developer agreements**

Section 207A(1) of the LGA2002 provides that territorial authorities may enter into a developer agreement if formally requested by a developer or the Council itself.

When a DCA is established the Council will work with the developer or developers of the area concerned to establish which party or parties will undertake various works. The Council will only charge development contributions for that DCA for infrastructure work that is undertaken and funded by the Council. The extent of the infrastructure work undertaken by the Council in each DCA will vary according to the nature of the development and the type of work involved.

It is the responsibility of the developer to provide infrastructure solutions for the area of the proposed development. In the event that the Council requires the provision of additional capacity in the infrastructure to be provided or improvements to existing infrastructure affected by the development, Council will fund the extra-over portion of the work.

If a developer desires to enter into a developer agreement with Council, the developer shall make an application to Council in writing. This application shall include the following information for consideration by Council:

1. Scale of the development. Typically, a development greater than 75 lots or with the value of infrastructure works exceeding \$250,000 will be considered for an agreement. Developments with fewer lots or lower value of infrastructure may be considered at Council's discretion;
2. Ownership of the development (i.e. joint venture partners);
3. Timeframe for development to be completed (all stages);
4. Works to be included in the agreement; and
5. Timeframe for the infrastructure works to be completed;

In considering an application for a developer agreement, the Council will consider the following:

1. The value of the works to be completed by the developer that have

- a wider Council benefit;
2. The degree of benefit to the wider community;
  3. Options for completing the work;
  4. Consideration of any increase in resilience to a Council infrastructure network;
  5. Alignment of works with Council's level of service requirements;
  6. Alignment of works with the Regional Policy Statement, Council's District Plan and strategic directions;
  7. Risk to Council of development not proceeding as intended by the Developer;
  8. Developer's credit worthiness; and
  9. Council's intended funding of the infrastructure works to be included in the agreement.

If, as a result of these discussions, a decision is made to establish a formal development agreement under *LGA2002*, this agreement shall set out the following as relating to shared works:

1. Methodology for determining the share of costs that are the responsibility of the Council;
2. Methodology for valuing land;
3. Effects of the completion of the proposed works on the Development Contributions payable under this Policy. Any departure(s) from the Council's Development Contributions Policy shall be explicitly stated within the agreement; and
4. Timeframe for validity of agreement.

Unless explicitly stated, developer agreements shall not alter the applications of development contributions under this Policy. Development contributions may be locked in for a period of 8 years from agreement to the issuance of the Section 224(c) certificate at the discretion of Council.

#### **4.6.10 Requests for reconsideration of Development Contributions**

Section 199A in the *LGA2002* establishes the right for developers on whom the Council is proposing to levy Development Contributions to request a reconsideration of the amounts involved. The bases on which such requests can be based are that:

- *The amount was incorrectly calculated or assessed under the Council's Development Contributions Policy;*
- *The Council has incorrectly applied its Development Contributions Policy; or*
- *The information used to assess the development contributions payable by the person seeking reconsideration was incorrect, has been recorded or used incorrectly, or was incomplete or contained errors.*

*LGA2002* Section 202A (2) requires the Council's Development Contributions Policy to establish a process for addressing requests for reconsideration, which must indicate how these are to be lodged, and the steps that the Council will take in making its determination regarding the request for reconsideration.

The reconsideration process established under this policy will involve the delegation of responsibility for the determination of the outcome of the reconsideration to the Chief Executive. The process to be used to reach this determination is set out in Appendix A to this Policy.

#### **5. *LINKS to OTHER POLICIES and COMMUNITY OBJECTIVES***

The Development Contributions Policy links to the following outcomes:

- There is a safe environment for all;
- Transport is accessible, convenient, reliable affordable and sustainable;
- There is sufficient clean water to meet the needs of communities and ecosystems;
- Businesses in the District are diverse, adaptable, and growing;
- Core utility services are provided in a timely, sustainable and affordable manner; and
- Public spaces and facilities are plentiful, accessible and high quality.

#### **6. *POLICY ADOPTION***

The Development Contributions Policy was adopted by Waimakariri District Council on 1 December 2020.

#### **7. *REVIEW***

A review is made every year in preparation for the Annual Plan or Long Term Plan. A full review is undertaken every three years.

## 2020/21 DEVELOPMENT CONTRIBUTIONS POLICY - APPENDICES

### **APPENDIX A: RECONSIDERATION PROCESS**

1. Requests for reconsideration of the development contribution which the Council requires must follow within 10 working days of the formal receipt of a notice of the sums involved from the Council. The Council will give formal notice of the development contributions payable as soon as it is practicable after:
  - the decisions have been made with respect to the servicing of a new subdivision, for contributions payable prior to the release of RMA Section.224(c) certificates;
  - the decision have been released with respect to the impact on Council infrastructure assets for contributions triggered by a land use consent; or
  - the plans for a new building have been assessed for a Project Information Memorandum (PIM).
2. Applications for reconsideration must be lodged on the prescribed form attached to this schedule, and must state which ground(s) for requests for reconsideration set out in LGA2002 S199A apply to the application.
3. The Council will only accept applications for reconsideration that provide sufficient information to allow Council officers to fully evaluate the basis on which the reconsideration is sought, and the concerns of the applicant with respect to the Council's original process in assessing the contributions payable.
4. The Council reserves the right to suspend the time of 15 working days required to provide determination of its response to a request for a reconsideration set out in LGA2002 Section 199B (1) if, in order to ensure natural justice, further information is required from the applicant regarding the basis for the request for reconsideration.
5. The Council will make its determination of the application for reconsideration based on the information provided by the applicant and the original Council documentation setting out the basis for the original decision regarding the development contributions applicable and the sums to be levied.
6. The reconsideration decision will be made by the Chief Executive on advice from staff.
7. The Council's reconsideration process will not involve formal hearings or other representations in person for the applicant or parties representing the applicant.

**2020/21 DEVELOPMENT CONTRIBUTIONS POLICY**

**Waimakariri District Council  
Notice of request for a reconsideration of Development Contributions  
Under S199A Local Government Act 2002**

Name of person/company requesting reconsideration.....

Address.....

Phone.....

E-mail.....

Development contribution(s) for which reconsideration is sought .....

.....

Please quote the relevant notice number .....

Reasons for request for reconsideration (please tick the appropriate statutory reason(s))

*(a) Incorrect calculation or assessment*

*(b) Development Contributions Policy incorrectly applied*

*(c) Information used incomplete or contains errors*

Please provide further information relevant to your request for reconsideration:

.....

.....

.....

..... (use additional paper if necessary)

Relief sought .....

.....

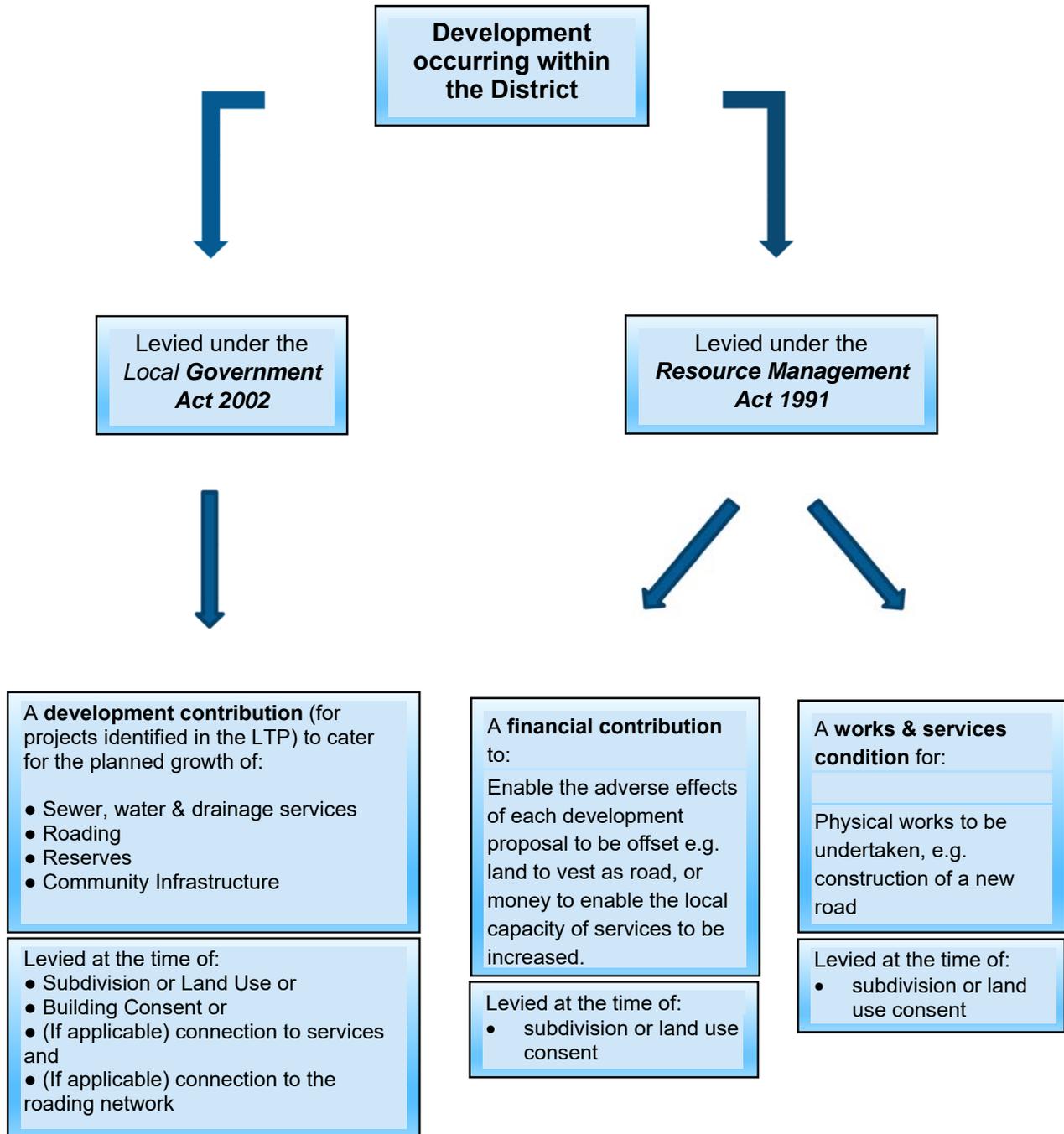
*(To be signed by or on behalf of person/company making the request)*

• *Signature* ..... *Date:*.....

• *Name of signatory* .....*(Please print)*

• *Status of signatory* .....*(Please print)*

**APPENDIX 1: FRAMEWORK FOR RECOVERING FINANCIAL AND DEVELOPMENT CONTRIBUTIONS**



## APPENDIX 2: RESERVES DEVELOPMENT CONTRIBUTIONS

### 2.1 Calculation of contributions

There are two reserves contributions – one for District-wide reserves applicable to all residential developments and the other for neighbourhood reserves, which is only applicable to residential zoned subdivisions.

The capital expenditure is divided into two categories:

1. Growth-related development: this applies to new developments that are needed to cater for the growth of the District.
2. Development of reserves: this category covers development of existing reserves to cater for future residents and for the changing needs of the community. It is therefore equitable to share these costs between future property owners and existing owners.

District and neighbourhood reserve contributions are levied at the lesser of either the maximum allowable contribution or the per lot contribution calculated on the cost of the capital expenditure associated with the development of reserves. The maximum allowable contribution is the greater of:

- 7.5% of the values of the additional lots created by a subdivision; or
- The market value equivalent of 20m<sup>2</sup> of land for each additional household unit or accommodation unit created the development.

#### 2.1.1 Charges are levied

A charge is levied either:

- On each new residential allotment, or
- On each second or subsequent dwelling, or
- On each residential resource consent or building consent.

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

#### 2.1.2 Rural and Residential 4 Zoned – subdivisions and second and subsequent dwellinghouses

Where:

- cg = capital expenditure relating to growth for district-wide reserves  
 cd = capital expenditure relating to the development of existing reserves and facilities  
 s = subsidies, if any  
 h = total estimated number of additional dwellinghouses in the District at the end of the LTP period  
 th = total estimated dwellinghouses at the end of the LTP period  
 r<sub>t-a</sub> = funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals the lesser of:

- i. the greater of 7.5% of the land value of the additional lot or notional lot or the value equivalent of 20m<sup>2</sup> of land **or**

ii. *For future expenditure:*

$$((cg - s) \times (1 / h)) + ((cd - s) \times (1 / th))$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((cg - s) \times (1 / h)) + ((cd - s) \times (1 / th)) \times (\text{a multiplier reflecting funding costs})$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots \times (1 + r_{t-x})$$

### **2.1.3 Residential 1, 2, 3, 5, 6 and 6A Zoned Subdivisions**

Where:

- cg = capital expenditure relating to growth for district-wide reserves
- cn = capital expenditure relating to growth for neighbourhood reserves
- cd = capital expenditure relating to the development of existing reserves and facilities
- s = subsidies, if any
- h = total estimated number of additional dwellinghouses in the District at the end of the LTP period
- hi = total estimated number of additional residential zone dwellinghouses in the District at the end of the LTP period
- th = total estimated households at the end of the LTP period
- r<sub>t-a</sub> = funding rate applied in respect of each year from the time of the works being carried out

Contributions per lot equals the lesser of:

- i. The greater of 7.5% of the land value of the additional lot or the value equivalent of 20m<sup>2</sup> of land created by the development **or**

ii. *For future expenditure:*

$$((cg - s) \times (1 / h)) + ((cn - s) \times (1 / hi)) + ((cd - s) \times (1 / th))$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((cg - s) \times (1 / h)) + ((cn - s) \times (1 / hi)) + ((cd - s) \times (1 / th)) \times (\text{a multiplier reflecting funding costs})$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots \times (1 + r_{t-x})$$

### **2.1.4 Increased densities and multi-unit residential developments**

Where:

vm = the value of 20m<sup>2</sup> of land

h = total dwellinghouse unit equivalents created by the development.

Contribution = vm x h

Multi-unit residential includes, but is not limited to, flats, town houses, retirement villages and traveller accommodation. As set out in Section 203 of the LGA2002, the formula may be applied at the discretion of the Council.

The formula is based upon the value equivalent of 20m<sup>2</sup> of land for each additional residential unit or accommodation unit created by the development, instead of 7.5% of the total land value.

## **APPENDIX 3: NETWORK INFRASTRUCTURE DEVELOPMENT CONTRIBUTIONS**

### **3.1 Water**

#### **3.1.1 Calculation of contributions**

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the system, subtracting:

- Any subsidies
- The total of the replacement cost of the existing asset (if any)
- The depreciation cost of the existing asset, then dividing by the number of dwellinghouses that the area is capable of servicing, or the number of units of water that the scheme can deliver.

The schemes that the latter applies to are Summerhill, Poyntz Road, Oxford Rural 1 and 2 and West Eyreton.

#### **3.1.2 Charges are levied**

A charge is levied either:

- On each new lot and/or connection granted, or
- On each second or subsequent dwelling or connection on a pre-existing lot
- Or resource consent, building consent or application for a larger service which will lead to additional demand on the water network, or
- On each second or subsequent connection or application for consent which will lead to additional demand on the water network.

*Note: Developments in DCAs incur development contributions for the particular DCA area they are in, and in addition, incur development contributions for the large scheme area.*

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

### 3.1.3 Calculation of contribution for water scheme projects other than new source projects:

Where:

- c = capital expenditure that includes a growth component
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of dwellinghouses in the area planned to be serviced as at the end of the LTP period.
- W = water connection size factor (for calculating water development contributions)
- $r_{t-a}$  = funding rate applied in respect of each year from the time of the works being carried out.

Contribution per lot equals:

*In respect of future expenditure:*

$$((c - s) - (r - d)) \times (1 / n) \times w$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times ((1 / n) \times w) \times a \text{ multiplier reflecting funding costs}$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

The significance of the adjustment for replacement cost and depreciated replacement cost is that some assets have years of useful life left but are only being replaced to cope with the demand for extra capacity resulting from new subdivisions.

The effect of this adjustment is that if a new asset is to be replaced, those causing the growth should pay for the cost of upgrading the asset as the existing asset would provide many years of future benefit and it is only being replaced because of the growth.

### 3.1.4 The water scheme development contribution (100% growth projects)

#### 3.1.4.1 Developments outside DCAs:

Where:

- c = growth component of capital
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- h = total estimated number of additional dwellinghouses in the area planned to be serviced by the end of the LTP period.
- W = water connection size factor (for calculating water development contributions)
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the

works being carried out.

Contribution per lot equals:

*In respect of future expenditure:*

$$((c - s) - (r - d)) \times (1 / h) \times w$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times (1 / h) \times w \times a \text{ multiplier reflecting funding costs}$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots \times (1 + r_{t-x})$$

### 3.1.5 The Water Scheme Development Contribution

#### 3.1.5.1 Water scheme new source projects

These include any water supply scheme with a water supply source upgrade and shall be levied over 35 years as below.

Where:

c = capital expenditure that includes a growth component

s = subsidies, if any

r = replacement cost of any infrastructure replaced

d = depreciated replacement cost of any infrastructure replaced

n = total estimated number of dwellinghouses in the area planned to be serviced as at the end of a period of 35 years from the date of completion of the project.

w = water connection size factor (for calculating water development contributions)

$r_{t-a}$  = funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

*In respect of future expenditure:*

$$((c - s) - (r - d)) \times ((1 / n) \times w)$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times ((1 / n) \times w) \times (a \text{ multiplier reflecting funding costs})$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

For an existing asset, which is at the end of its useful life and due for replacement, people who connect in the future will only pay for the cost of increasing the system's size, not the full cost of replacing the existing asset.

### 3.1.6 Outline Development Areas

In addition to the above water scheme development contribution calculation, the DCAs have an additional contribution, for Outline Development Areas ODA), which recognises the costs of the development of infrastructural services that are unique to that particular development.

#### 3.1.6.1 The ODA Water Scheme Development Contribution (except Southbrook)

Where:

- co = capital expenditure relating to growth in the DCA
- f = funding costs in respect of historical expenditure, if any
- s = subsidies, if any
- pc = development contributions previously received, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- dca = estimated number of additional lots planned to be serviced in the development contribution area
- w = water connection size factor (for calculating water development contributions)

Contribution per lot equals:

$$((co + f - s - pc) - (r - d)) \times (1 / dca) \times w$$

The schedule details the actual costs relating to each DCA.

#### 3.1.6.2 The Southbrook DCA Water Scheme Development Contribution

Where:

- co = capital expenditure that includes a growth component
- f = funding costs in respect of historical expenditure, if any
- s = subsidies or income received from other sources, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- m = area (m<sup>2</sup>) of lot(s) being subdivided or developed
- a = total area of the Southbrook DCA area (m<sup>2</sup>) less the area dedicated to the stormwater retention pond less a 15% allowance for roading and reserves
- w = water connection size factor (for calculating water development contributions)

Contribution per lot equals:

$$((co + f - s) - (r - d)) \times (1 / a) \times m \times w$$

The schedule details the actual costs relating to this Scheme.

### 3.1.7 Water Connection Size Factor (for calculating Water Development Contributions)

Water Connection Size (mm)	Development contribution multiplication factor
15mm	1.0 x Standard D.C.
20mm	1.5 x Standard D.C.
25mm	2.1 x Standard D.C.
32mm	3.2 x Standard D.C.
40mm	4.9 x Standard D.C.
50mm	7.8 x Standard D.C.

The connection rate may be negotiated where the applicant can show larger pipe size is required for fire-fighting or fire prevention.

### 3.1.8 Restricted Connections Supplied from On-demand Networks

Restricted connections supplied from on demand networks will pay a reduced development contribution in accordance with the following table.

Restricted connection demand	Development contribution reduction factor
1 Unit (1 m <sup>3</sup> per day)	0.4 x Standard D.C.
2 Units (2 m <sup>3</sup> per day)	0.8 x Standard D.C.

## 3.2 Sewer

### 3.2.1 Calculation of Contribution

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the system, less any subsidies, less the difference between the total of the replacement cost of the existing asset (if any), the depreciated cost of the existing asset, with the total then divided by the number of lots that are planned to be serviced by the scheme. For historical costs, an adjustment is made to reflect funding costs. The result is the cost that will apply to each new lot.

For the purposes of calculating the sewer development contribution the volume flows are calculated on the size of the water inflow pipe as the outflow of sewage from a property is proportional to the inflow of water.

### 3.2.2 Charges are levied

A charge is levied either on each:

- New lot and/or connection granted, or
- Second or subsequent dwelling or connection on a pre-existing lot, or
- Resource consent or application for a larger service which will lead to additional demand on the sewer network, or
- Second or subsequent connection or application for consent that will lead to additional demand on the sewer network.

*Note: Developments in DCAs incur development contributions for the particular DCA area they are in, and in addition, incur development contributions for the large scheme area.*

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

### **3.2.2.1 Sewer Scheme Development Contributions other than the Ocean Outfall Project (Partial Growth)**

Where:

- c = capital expenditure that includes a growth component
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of lots in the area planned to be serviced as at the end of the LTP period
- w = water connection size factor (for developing sewer development contributions)
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

*In respect of future expenditure:*

$$((c - s) - (r - d)) \times (1 / n) \times w$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times (1 / n) \times w \times (\text{a multiplier reflecting funding costs})$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots \times (1 + r_{t-x})$$

### **3.2.3 The Sewer Scheme Development Contribution (100% growth projects)**

#### **3.2.3.1 Sewer Scheme Development Contributions**

Where:

- c = growth component of capital
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- h = total estimated number of additional lots in the area planned to be serviced by the end of the LTP period
- w = water connection size factor (for calculating sewer development contributions)
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

*For future expenditure:*

$$((c - s) - (r - d)) \times (1 / h) \times w$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times (1 / h) \times w \times a \text{ multiplier reflecting funding costs}$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

### **3.2.3.2 Ocean Outfall Project**

Where:

- c = loan outstanding amount that includes the growth component relating to capital expenditure
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of dwellinghouses in the area planned to be serviced as at the end of a period of 35 years from the date of completion of the project.
- w = water connection size factor (for calculating water development contributions)
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

$$((c - s) - (r - d)) \times (1 / n) \times w$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times (1 / n) \times (w) \times (a \text{ multiplier reflecting funding costs})$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

The significance of the adjustment for replacement cost and depreciated replacement cost

is that some assets have years of useful life left but are only being replaced to cope with the demand for extra capacity resulting from new subdivisions.

The effect of this adjustment is that if a new asset is to be replaced those causing the growth should pay for the cost of upgrading the asset as the existing asset would provide many years of future benefit and it is only being replaced because of the growth.

Conversely, for an existing asset, which is at the end of its useful life and due for replacement, people who connect in the future will only pay for the cost of increasing the system's size, not the full cost of replacing the existing asset.

### 3.2.4 Outline Development Areas

In addition to the above sewer scheme development contribution calculation, the DCAs have an additional contribution, for ODAs, which recognises the costs of the development of infrastructural services that are unique to that particular development.

There are two formulae – one for Southbrook and the other for all other DCAs.

#### 3.2.4.1 The ODA Sewer Scheme Development Contribution (except Southbrook):

Where:

- co = capital expenditure relating to growth in DCA
- f = funding costs in respect of historical expenditure, if any
- s = subsidies, if any
- pc = development contributions previously received, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- dca = estimated number of additional lots planned to be serviced in the development contribution area
- w = water connection size factor (for calculating sewer development contributions)

Contribution per lot equals

$$((co + f - s - pc) - (r - d)) \times (1 / dca) \times w$$

The schedule details the actual costs relating to each Scheme.

#### 3.2.4.2 The Southbrook DCA Sewer Scheme Development Contribution:

Where:

- co = capital expenditure which includes a growth component
- f = funding costs in respect of historical expenditure, if any (Council's current policy is to fund these from rates rather than development contributions)
- s = subsidies or income received from other sources, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- m = area (m<sup>2</sup>) of lot(s) being subdivided or developed
- a = [total area of the Southbrook DCA area (m<sup>2</sup>) less the area dedicated to the

stormwater retention pond] less a 15% allowance for roading and reserves  
 w = water connection size factor (for calculating sewer development contributions)

Contribution per lot equals:

$$((co + f - s) - (r - d)) \times (1 / a) \times (m) \times (w)$$

### 3.2.5 Water Connection Size Factor (for calculating Sewer Development Contributions)

Water Connection Size (mm)	Development Contribution Multiplication Factor
15mm	1.0 x Standard D.C.
20mm	1.2 x Standard D.C.
25mm	1.6 x Standard D.C.
32mm	2.1 x Standard D.C.
40mm	2.9 x Standard D.C.
50mm	4.4 x Standard D.C.

The connection rate may be negotiated where the applicant can show larger pipe size is required for fire-fighting or fire prevention.

## 3.3 Drainage

### 3.3.1 Calculation of Contribution

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the system, less any subsidies, less the total of: the replacement cost of the existing asset (if any) less the depreciated cost of the existing asset and then divided by the number of properties that the area is capable of servicing. For historical costs, an adjustment is made for funding costs. The result is the cost that will apply to each new lot.

### 3.3.2 Charges are levied

(Exemptions: Utility Lots and Boundary Adjustments):

#### Residential Zones

On subdivision creating additional allotment/s and subsequently for each additional dwellinghouse on the same lot (when either resource consent or building consent is granted).

#### Business Zones

For business properties, on subdivision creating additional allotment/s or on additional connection or network load on the same lot (when either a resource consent or a building consent is granted or at the time of connection).

*Note: developments in DCAs incur development contributions for the particular DCA area they are in, and in addition, incur development contributions for the large scheme area.*

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

### 3.3.3 Drainage Contribution

Where:

- c = capital expenditure including a growth component
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of lots in the area planned to be serviced as at the end of LTP period
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

*For future expenditure:*

$$((c - s) - (r - d)) \times (1 / n)$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$$((c - s) - (r - d)) \times (1 / n) \times \text{a multiplier reflecting funding costs}$$

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

### 3.3.4 The Drainage Scheme Development Contribution

#### 3.3.4.1 Drainage Scheme Development Contributions:

Where:

- c = growth component of capital
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- h = total estimated number of additional lots in the area planned to be serviced at the end of the LTP period
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

*For future expenditure:*

$$((c - s) - (r - d)) \times (1 / h)$$

*Plus in respect of historical expenditure, for each year in which capital expenditure*

including a growth component has been incurred:

$((c - s) - (r - d)) \times (1 / h) \times$  a multiplier reflecting funding costs

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$(1 + r_{t-1}) \times (1 + r_{t-2}) \times (1 + r_{t-x})$

The significance of the adjustment for replacement cost and depreciated replacement cost is that some assets have years of useful life left but are only being replaced to cope with the demand for extra capacity resulting from new subdivisions.

The effect of this adjustment is that if a new asset is to be replaced those causing the growth should pay for the cost of upgrading the asset as the existing asset would provide many years of future benefit and it is only being replaced because of the growth.

Conversely, for an existing asset, which is at the end of its useful life and due for replacement, people who connect in the future will only pay for the cost of increasing the system's size, not the full cost of replacing the existing asset.

### 3.3.5 Outline Development Areas

In addition to the above drainage scheme development contribution calculation, the DCAs have an additional contribution, for ODAs, which recognises the costs of the development of infrastructural services that are unique to that particular development.

#### 3.3.5.1 The ODA Drainage Scheme Development Contribution (except Southbrook)

Where:

co = capital expenditure relating to growth in the DCA  
 f = funding costs in respect of historical expenditure, if any  
 s = subsidies, if any  
 pc = development contributions previously received, if any  
 r = replacement cost of any infrastructure replaced  
 d = depreciated replacement cost of any infrastructure replaced  
 dca = estimated number of additional lots planned to be serviced in the development contribution area

Contribution per lot equals:

$((co + f - s - pc) - (r - d)) \times (1 / dca)$

The schedule details the actual costs relating to each DCA.

#### 3.3.5.2 Rangiora / Southbrook Stormwater DCS Drainage Scheme Development Contribution

Where:

co = capital expenditure due to growth  
 m = area (m<sup>2</sup>) of that part of the lot(s) to be subdivided or developed less

- the area which is assessed as having been developed as at 1 July 2007
- a =  $0.85X + 0.1 (Z - 0.85X)$
- X = area (m<sup>2</sup>) of all lots identified as Area X lots on Plan 2878, (those that are largely undeveloped) less the area of each of those lots assessed as developed at 1 July 2007
- Z = gross area (m<sup>2</sup>) of all lots within the DCA, less that area contributing to pond B shown on Plan 2878.

For **Subdivision** within the Southbrook Industrial Area, the m<sup>2</sup> development contribution rate is calculated as follows:

co x m/a

### 3.3.6 Drainage Adjustment Factor

The stormwater HUE is based on the expected runoff from impermeable surfaces. A typical Greenfields residential development on a 600m<sup>2</sup> allotment is assumed to have a run-off coefficient (or anticipated proportion of run-off) of 55 %. Runoff coefficient assessments are based on the Compliance Document for New Zealand Building Code Clause E1 Surface Water, which provides a list of typical runoff coefficients. Adjustments for drainage contributions for non-residential activity will be made on resource consent or building consent.

In the case of developments outside of DCAs and special stormwater management areas such as Southbrook, the stormwater development contribution will be calculated on the basis of the run-off coefficient. If the run-off coefficient is greater than 55%, additional development contributions will be charged for development serviced by the District's reticulated stormwater collection systems.

## 3.4 Rooding

### 3.4.1 Calculation of contribution

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the network, less any subsidies. The value of any financial contribution taken with respect to a particular development and roading project is subtracted also, so the contribution relates to extra work in the system.

This value is then divided by the number of projected new dwellinghouses in the District. For historical costs, an adjustment is made for funding costs. The result is the cost that will apply to each new lot.

The calculation of roading contributions for DCAs relates to the cost of construction of collector roads (if any) that are required to connect the DCA to the District-wide roading network. The development contribution payable for these DCAs is based on the estimated cost of the collector road divided by the number of new allotments to be created in that DCA.

### 3.4.2 Charges are levied

A charge is levied either on each:

- New residential allotment, or
- Second or subsequent dwelling, or
- Residential land use resource consent or building consent.

### 3.4.3 Outline Development Areas

In addition to the above roading development contribution calculation, the DCAs have an additional contribution, for ODAs, which apportions the costs of the development of main trunk roads that are unique to that particular development.

#### 3.4.3.1 The District Roding Development Contribution

Where:

- c = capital expenditure for that project
- f = funding costs in respect of historical expenditure, if any
- s = subsidies, if any
- pc = development contributions previously received in respect of that project
- fc = financial contribution applicable to that roading project, if any
- h = total estimated number of additional dwellinghouses in the District over the remainder of the LTP period

Contribution per lot equals:

*The sum of the following for each identified district roading project:*

$$((c + f - s - pc) - fc) \times (1 / h)$$

#### 3.4.3.2 The ODA Roding Development Contribution (excluding Southbrook)

Where:

- co = capital expenditure relating to growth in DCA
- f = funding costs in respect of historical expenditure, if any
- s = subsidies, if any
- pc = development contributions previously received in respect of that project
- fc = financial contribution applicable to roading developments
- dca = estimated number of additional lots planned to be serviced in the development contribution area

Contribution per lot equals:

$$((co + f - s - pc) - fc) \times (1 / dca)$$

#### 3.4.3.3 The Southbrook DCA Roding Scheme Development Contribution:

Where:

- co = capital expenditure which includes a growth component
- f = funding costs in respect of historical expenditure, if any (Council's current policy is to fund these from rates rather than development contributions)
- s = subsidies or income received from other sources, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- m = area (m<sup>2</sup>) of lot(s) being subdivided or developed
- a = [total area of the Southbrook DCA area (m<sup>2</sup>) less the area dedicated to

the stormwater retention pond less a 15% allowance for roading and reserves

Contribution per lot equals:

$$((co + f - s) - (r - d)) \times (1 / a) \times m$$

#### 3.4.4 *Roading adjustment factor*

The Council calculated the HUE for roading based on the typical number of vehicle movements generated by a development. A typical household is assumed to generate eight vehicle trips a day.

## APPENDIX 4: COMMUNITY INFRASTRUCTURE DEVELOPMENT CONTRIBUTIONS

### 4.1 *Calculation of contribution*

The contribution is calculated on the cost of the capital expenditure relating to the development of community infrastructure to cope with growth of the District, less:

- Any subsidies
- The total of the replacement cost of the existing asset (if any)
- The depreciated replacement cost of the existing asset, and then divided by the total estimated number of dwellinghouses in the District at the end of the LTP period.

For historical expenditure, an adjustment is made for funding costs. For 100% growth project, the calculation is based on the estimated number of additional dwellinghouses projected for the LTP period.

### 4.2. *Community Infrastructure Development Contribution:*

Where:

- c = growth component of capital expenditure
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of rating units in the District as at the end of the LTP period.
- $r_{t-a}$  = the funding rate applied in respect of each year from the time of the works being carried out.

Contribution per lot equals:

*For future expenditure:*

$$((c - s) - (r - d)) \times (1 / n)$$

*Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:*

$((c - s) - (r - d)) \times (1 / n) \times$  a multiplier reflecting funding costs

*Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:*

$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION**

**FILE NO and TRIM NO:** RGN-05-24 / 211206195018

**REPORT TO:** COUNCIL

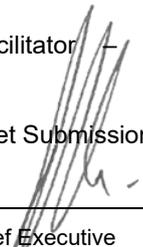
**DATE OF MEETING:** 2<sup>nd</sup> – 3<sup>rd</sup> February, 2022 - Annual Plan Budget Meeting

**AUTHOR(S):** Duncan Roxborough, Implementation Project Manager – District Regeneration  
Rachel Thornton, Community Development Facilitator – Vibrant Communities

**SUBJECT:** Kaiapoi Community Hub – 2022/23 Annual Plan Budget Submission

**ENDORSED BY:**  
(for Reports to Council, Committees or Boards)

  
Department Manager

  
Chief Executive

**1. SUMMARY**

- 1.1. The purpose of this report is to provide an update on progress and to seek additional budget allocation for the development of the Kaiapoi Community Hub. The current Council budget provision in the 2021/22 year is not sufficient to enable the development of the site based on most recent cost estimates.
- 1.2. Work completed since the last report to Council has included community consultation, updates to the site draft concept plan, preliminary engineering design and updated cost estimates, design coordination with the user groups, and preparatory works on establishment of the Kaiapoi Community Hub Trust who will govern and manage the site.

**Attachments:**

- i. Kaiapoi Community Hub –Final Concept Development Staging Plan (Trim 211217202326)
- ii. Purpose and Objectives of the Kaiapoi Hub Trust (Trim 211109180134)
- iii. Kaiapoi South Community Hub Information (Trim 200814104634)

**2. RECOMMENDATION**

**THAT** the Council:

- (a) **Receives** Report No. 211206195018.
- (b) **Notes** the progress that has been made over the last year through staff working with the key Kaiapoi Community Hub user groups; including refinement of the site concept plan, individual building plans and layouts, infrastructure design, establishment of governance models and Hub purpose, vision and objectives.
- (c) **Notes** that the key user groups have expressed a commitment to being founding user groups at the hub development and founding members of the associated Kaiapoi Community Hub Trust that is proposed.
- (d) **Approves** additional budget of \$300,000 in the 2022/23 year and \$300,000 in the 2023/24 year for the WDC-funded development of the Kaiapoi Community Hub site; loan funded from the Recreation activity budget. This is in addition to the existing total budget of \$618,000 already approved in the 2021/31 Long Term plan and/or funded through external agencies.

- (e) **Notes** that the additional budget in the above recommendation (d) has been included in the budget spreadsheet and commentary for Earthquake Recovery and Regeneration.
- (f) **Notes** that a separate report is being presented to Council meeting in February 2022 regarding the funding of Project Management resourcing costs for the Community Hub project related to the Covid Recovery Loan drawdown in the 2021/22 year; and the budget request figure in recommendation d) is based on that separate Covid recovery loan draw-down being approved.
- (g) **Notes** that a further report will be brought to Council to seek approval of the Trust Deed and terms of the lease of the site to the Trust.
- (h) **Circulates** this report to the Kaiapoi-Tuahiwi Community Board

### 3. **BACKGROUND**

- 3.1. A number of local recreation, hobby, social and community groups advised Council that they require space for the ongoing operation of their activities in Kaiapoi. Staff have been working closely with the Kaiapoi Croquet Club, Kaiapoi Menz Shed, and Satisfy food rescue to potentially co-locate at a proposed community hub in Kaiapoi. All of these groups are currently located on unsuitable sites (in the long-term) and require space to continue to operate. There are positive benefits for the groups, and the wider community, in having the proposed hub in Kaiapoi.

#### **Kaiapoi Croquet Club**

- 3.2. The Kaiapoi Croquet Club has been at Murphy Park since 1905. The Club owns the site it currently occupies at 8C and 10C Revell Street. Club amenities suffered significant damage in the Canterbury earthquakes, and given its location on the immediate bank of the Kaiapoi River, the lawn and clubrooms are affected by persistent flooding. It is not considered feasible by staff for the club to remain at Murphy Park in the long-term.

#### **Kaiapoi Menz Shed**

- 3.3. The Kaiapoi Menz Shed provides a community space for mostly retired men to work on practical tasks, share skills, and socialise with others. The Menz Shed is currently located at the rear of the Sutton Tools site in Dale Street. The current facility is now at capacity (with no potential for expansion) and a larger facility is required to enable them to grow their membership and expand the trades they offer.

#### **Food Secure North Canterbury**

- 3.4. In the current 'Covid' environment, food security has been highlighted as having significant potential to empower locals affected by unemployment and social deprivation through the provision of sustainable food supply, skill development and wrap around support.
- 3.5. Working with the Food Bank and Budgeting Collaborative and Social Services Waimakariri, the Community Team applied to the Ministry of Social Development (MSD) Food Secure Communities fund and were granted \$690,000, including GST, over two years, toward the establishment of a more food secure, educated and empowered Waimakariri District.
- 3.6. As a result of this funding, Food Secure North Canterbury was created, and as an MSD accredited provider, the Satisfy Food Rescue Trust will act as fund holder (they are a member of Food Secure North Canterbury). Part of the MSD funding (approximately \$250,000) is for the establishment of a food security base, community hub and education centre.

- 3.7. As the establishment of a community hub is a key aspect of food security it is considered that this activity is a good fit with the proposed Kaiapoi Community Hub, and the two projects were combined. Staff undertook a space and site assessment to see if there were other spaces or sites suitable for the food security base in Kaiapoi. The space assessment showed that most of the existing community spaces in Kaiapoi were at capacity and were spread out which would not enable a collaborative, cohesive and common base. The site assessment looked at four sites around Kaiapoi (in the mixed-use business area in the Kaiapoi East Regeneration Area (on Cass Street), in the Kaiapoi West Regeneration Area (on Hilton Street), in Norman Kirk Park and in the Kaiapoi South Regeneration Area (on Courtenay Drive)). Based on a number of criteria, the Kaiapoi South site was identified as the preferred option.
- 3.8. Alongside this work development and embedding of key COVID-19 Social Recovery projects is a priority through to at least 2024.

Additionally, it is important to note that alongside recovery, sustained response to the 'new normal' in the face of the ever-evolving COVID-19 climate is an ongoing challenge. Where the social recovery role initially involved the development of medium to longer term projects, the need for sustained response is increasingly evident. Given the emergence of new strains of the virus, this is unlikely to be a short term issue.

Having space for the Kaiapoi Community to connect and engage is going to be an essential part of the long-term recovery. National research supports the development of projects such as community hubs in considering the long-term recovery of our communities.

*“Social cohesion and mental health are intimately linked. Social cohesion will be threatened in coming **months and years** by the economic and social aftermath of the pandemic.”*

Protecting and promoting wellbeing: Beyond COVID 19 released by the Koi Tu – the centre for informed futures.

This is Waimakariri's opportunity to be proactive and preventative. In attachment iii. You can see that The Kaiapoi community hub will:

- Provide a centralised place where people come to together to connect, learn, share and be empowered.
- Help the district to become food secure; particularly supporting those affected by unemployment and deprivation - important in the current Covid climate.
- Enable local groups to continue to make a difference in the Kaiapoi community and wider district.
- Help our community age well – to retain independence, connections and purpose; reduce social isolation and loneliness.
- Provide important recreation and leisure opportunities, across the community
- Give effect to the Covid 19 response: 'Waimakariri: Better than Before' - Ensure the wellbeing of all residents through an increased programme of community development and support.
- Give effect to the various strategies that frame planning to ensure a safe, healthy, happy Waimakariri District.

- 3.9. Community hubs create opportunity for social cohesion. Individually, through the clubs and through the opportunity to give back to the community. The report from Koi Tu also identifies the grassroots empowerment that is critical to this process as well as the fact it is going to take courage to navigate the aftermath of this pandemic and the long-term consequences for our communities.

*“There needs to be a broader focus on preventive actions and measures designed to keep individuals, families and communities well. First, there is an urgent need for central government to address critical upstream structural drivers of socioeconomic determinants of mental health and wellbeing. This should be complemented by **grassroots research, action and empowerment to better understand and meet communities’ needs and aspirations.**”*

Protecting and promoting wellbeing: Beyond COVID 19 released by the Koi Tu – the centre for informed futures.

**That “People needs for mental and physical health and social services are met”** - is one of our community outcomes. The hub project is a critical element of our districts recovery and the commitment to this in the community more now than ever with COVID and its affects on the isolated in the community. Most of our wider community is going to experience isolation in the coming months, in one form or another.

### **The Kaiapoi Community Hub Proposal**

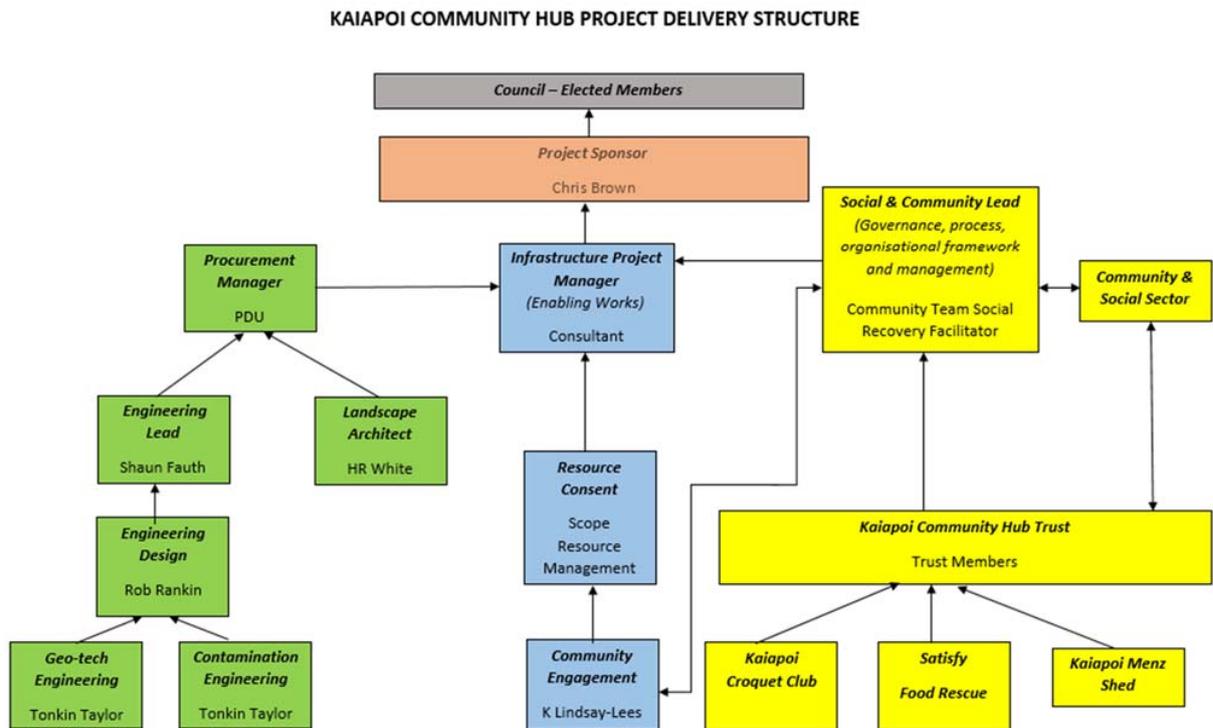
- 3.10. It is proposed to locate the Kaiapoi Community Hub (the ‘Hub’) in the Kaiapoi South Regeneration Area at 38 Charters Street. This site is to the west of Courtenay Drive and south of Charters Street. This site is included in the Waimakariri Residential Red Zone Recovery Plan (Recovery Plan) for rural land uses. Part of the site was included in the Kaiapoi Reserves Master Plan as a community studio, and the activity was consulted on through the 2020/2021 Annual Plan.
- 3.11. Council approved a budget of \$485,000 (initially spread over two years) for the WDC-funded elements of the project within the 2019/20 Annual Plan; and re-confirmed this commitment within the 2021/31 Long Term Plan. This budget provision was to cover the general site development works, shared areas, and establishment of new Croquet lawns and associated facility (but excluding buildings); although the report at the time noted that this would be unlikely to cover the full site development costs.
- 3.12. Staff have undertaken community consultation with local residents via a number of means since November 2020; these have been reported on in previous reports, and the most recent activities are covered further in section 5.
- 3.13. The three key user groups have been meeting monthly alongside council staff to finalise the concept design and work to address some of the community’s concerns. It has been a huge journey for these groups - developing working relationships and considering the bigger picture whilst holding to their individual requirement.
- 3.14. Significant work was undertaken by staff, who worked alongside the groups, as they considered different governance options. Following conversations with key external funders, all three groups have subsequently agreed to the establishment of a Trust to manage the Kaiapoi Community Hub. A key consideration was the long-term sustainability and future-proofing of the project. It has implications for building ownership for the user groups, in that in all likelihood, the Trust will own all buildings on the site. However, all agree that a shared and uniform approach will address many of the community’s concerns, maximise funding opportunities and enable them to get on with their core business.
- 3.15. Staff reported to the Kaiapoi-Tuahwi Community Board in November 2021 regarding the above Trust model, and the proposed Community Consultation on the final draft concept plan.
- 3.16. The Trust Deed is currently being finalised after completion of a workshop with the key user groups to work on the purpose, values and vision. Having such diverse groups working together now on this common vision and purpose for the benefit of the community is evidence of what the Kaiapoi Community Hub will become. The purpose and objectives for the community hub as established by the groups and staff is included as attachment ii.

- 3.17. It is foreseen that the Trust will be representative of the three initial hub user groups and have other members of the Kaiapoi community as Trustees. The Trust is settled by the community, for the community. Membership and make-up of the Trust may change as new groups locate at the Hub in future, or other groups leave.
- 3.18. The Trust will be supported by community development staff to establish key documents and processes such as terms of reference and code of conduct, alongside other key policies and procedures that will ensure the organisation's long-term sustainability.
- 3.19. A summary of the works undertaken over the last 6 months on the project include:
- a) Geotechnical desktop study and report
  - b) Site topographic survey
  - c) Briefing and engagement of Planning advice
  - d) Preliminary Engineering design of civil and utility works – services, carparks, earthworks, drainage
  - e) Refinement of concept plan
  - f) Regular monthly meeting with user groups
  - g) Trust establishment underway
  - h) Hub Vision and values established
  - i) Funding agency meetings
  - j) Updated cost estimates and timeline
  - k) Further community consultation
- 3.20. Next steps currently being worked on include:
- a) Further site-specific geotechnical advice and foundation solutions
  - b) Developed design of civil and infrastructure works
  - c) Reporting on recent community consultation outcomes
  - d) Addition of new playground to the Community Hub site (effectively relocation of NCF Park) – separately funded project
  - e) Resource consent application preparation
  - f) Whole-of-project cost estimate updates (including building details)
  - g) Updates to User Guidelines and 'Charter'
  - h) Case-for-Support Document (for external funding applications preparation)
  - i) Completion of the Trust Deed and formation of the Trust
  - j) Engagement of Project Management services
  - k) Briefing of design-and-construct contractor for Croquet lawns development.
- 3.21. At the time of project initiation the scope was based conceptually around potentially relocating basic second-hand buildings onto the site, on shallow piles foundations, with minimal development of the general site area. The project is now proposing to construct purpose-designed new buildings on site rather than using relocated second-hand buildings. Design and construction of the buildings will be the responsibly of the Trust (including funding). Certain users like Satisfy Food Rescue and the Menz shed require buildings with concrete slab floors to suit their operations. The proposed Kaiapoi Community hub Trust model enables the user groups to potentially access or obtain more funding for an improved building outcome. Community views regarding building structure form are discussed further in section 5.

## 4. ISSUES AND OPTIONS

### Project Resourcing and Organisation

- 4.1. The organisation chart below shows the proposed general structure for the project for the ongoing stages.
- 4.2. The project does not currently have a dedicated project manager assigned – due to current resource constraints within the WDC teams. It is proposed to seek external project management services in order to successfully deliver the project (assuming the budget is approved). A separate report to Council seeks the confirmation of budget for this from the drawdown of the Covid Recovery loan.



- 4.3. A separate application/report has been submitted to Council to consider the draw-down of \$100k originally proposed for Project Management services for the Community Hub project from the Covid recovery loan

### Budget Update

- 4.4. The cost estimates for the Kaiapoi Community Hub project development as a whole can be generally divided into two main elements:
- WDC-funded general site development works (incl Croquet Lawns)
  - Clubs Buildings Establishment

Operational costs are considered separately, and covered in the Recreation activity budget.

- 4.5. Staff have developed high-level concept stage cost estimates based on the updated concept plan and the preliminary engineering designs for the general site infrastructure and development works which are funded by WDC.
- 4.6. These WDC-funded general site development and infrastructure works include:
- Master-planning and Design works
  - Technical advice (external) – geotechnical, survey
  - Site clearances
  - Bulk earthworks
  - Carparks, driveways and crossings
  - Paths
  - Basic general landscaping of shared areas, and site perimeter fencing
  - Utility services to the boundary of the site (for continuation by user groups) – including sewer, water, stormwater, and power.
  - Design and construction of new Croquet Lawns, including fences and irrigation
- 4.7. The construction of the buildings on the Hub site is the responsibility of the proposed Community Hub Trust. There will likely be a high degree of ongoing staff support to the Trust and the individual clubs; with coordination of their building designs, conformance with the user guidelines, obtaining of consents and the like. There will be ongoing staff operational time input into liaison with the Trust on an ongoing basis, including with any new clubs who wish to locate at the Hub.
- 4.8. The overall project funding strategy is to divide the overall project into approximate thirds and generally fund as follows:
- 1/3 WDC-funded Site Development & Infrastructure Work
  - 1/3 Lotteries funded contribution to Trust (for buildings establishment)
  - 1/3 Other funding agencies, sponsorship and in-kind support to Trust (for buildings establishment)
- Meetings have been had with key funders and significant support for the project has been identified.
- 4.9. There will also be a reasonable degree of crossover and coordination required between the general site development works and the preparatory works for the proposed clubs buildings. The foundations for the buildings are likely to require an element of deep excavation and gravel raft foundations. These would need to be coordinated with the excavations for adjacent pavement constructions, to save on rework, and to realise construction cost efficiencies for the project overall. The same will likely apply to the construction of service laterals within the site to serve the individual buildings. A cost sharing model between the Trust and the Council will need to be agreed in order to give effect to this methodology. This has not yet been worked on.
- 4.10. Further Clarifications and exclusions regarding the Community Hub budget are:
- a) Any WDC contributions to clearance or reinstatement of the current Croquet site at Murphy Park is allowed for within the separate Murphy Park landscaping project budget.
  - b) The development of the recreation and ecological linkage to the west of the Community Hub site, which acts as a crucial buffer strip, has a separate budget originally established through the 2018 LTP. This existing budget (of \$78,000) has been retained for the development of the linkage which is critical to the success of the Hub on the chosen site.
  - c) The proposed playground inclusion is funded entirely from a separate playground renewals budget (originally set aside for NCF Park playground renewal).

- 4.11. The current budget is shown in Table 1 below, following carryover and reallocation of other regeneration budgets earmarked for 'rural and private lease areas' design and development

<b>Kaiapoi Community Hub budget source</b>	<b>2021/22 Budget</b>	<b>Notes</b>
Original council-approved LTP	\$485,000	Including carryover from 2020/21 year
Late carryovers – Rural and private lease areas	\$33,000	Regeneration Late carryovers reallocated to Hub
MSD Funding	\$100,000	Share of the overall \$250k MSD funding allocated to Food Security Hub – agreed to contribute to infrastructure works
<b>Subtotal</b>	<b>\$618,000</b>	
<i>PLUS:</i> Covid Recovery Loan Funding – Project Management <b>NOT YET APPROVED</b>	\$100,000	<i>Proposed Drawdown of Covid Recovery Loan per separate reports to Council, to include in 2021/22 year</i>
<b>Total</b>	<b>\$718,000</b>	

Table 1: Current WDC Budget

- 4.12. Expenditure to date (as of 31 November 2021) is approximately \$64,000, with outstanding further commitments of approximately \$16,000.

### Cost Estimates

- 4.13. Updated cost estimates prepared by Project Delivery Unit indicate that the WDC-funded elements of the work are likely to cost approximately \$1.3m. The high level breakdown is shown in Table 2.

<b>Item</b>	<b>Estimate</b>
<b>Construction Works</b>	
Site Clearances & Earthworks	\$ 270,000
Carparks, paths and entrances	\$ 137,000
Utilities (to boundary only, incl DC's)	\$ 83,000
Croquet lawns (D&C basis)	\$ 160,000
General Landscaping and fences	\$ 92,000
Preliminaries & General (12%)	\$ 89,000
<b>Subtotal</b>	<b>\$ 831,000</b>
Construction Contingency (5%)	\$ 42,000
<b>Construction Subtotal</b>	<b>\$ 873,000</b>
Prof Fees and Staff Labour (incl \$100k PM)	\$ 225,000
<b>Subtotal</b>	<b>\$ 1,098,000</b>
Project Contingency (20%)	\$ 220,000
<b>Total</b>	<b>\$ 1,318,000</b>

Table 2: Current Cost estimate for Site Development and Infrastructure (WDC-funded elements)

- 4.14. This breakdown excludes any of the building works or associated foundation works. The estimates also only allow for services to the boundary of the site.

The estimate to extend services to the proposed building sites is in the order of \$100k (excluding overhead and contingencies). This is not included in the estimate above and is proposed to be funded by the Trust.

The estimate to dig out and construct nominal 1200mm deep raft for the building platforms is in the rough order of \$530k (excl. overheads and contingencies). This is not included in the estimate above and is proposed to be funded by the Trust.

- 4.15. The current budget situation for the WDC-funded site development and infrastructure works is therefore:

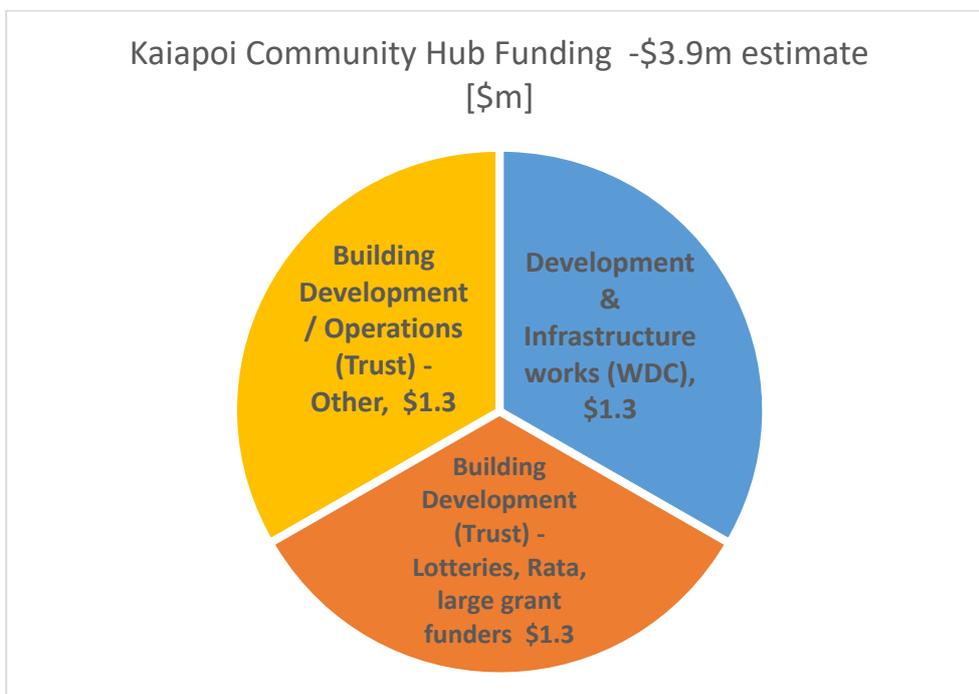
Current Budget	\$618,000
Current Estimate	\$1,318,000
<b>Shortfall</b>	<b>(\$700,000)</b>
Covid PM funding (separate report)	\$100,000
<b>Remaining budget shortfall</b>	<b>(\$600,000)</b>

*Table 3: Budget shortfall breakdown*

This indicates an overall budget shortfall of \$600,000; on the assumption that the separate Covid recovery-loan funded provision for project management is approved.

- 4.16. Reasons why the cost estimate has increased from the previous high-level estimate from 2019:
- a) Larger area of hardstanding required/included – and now includes car parking and circulation area – noting that parking will be a specific planning/consent requirement.
  - b) Increased volume of earthworks required and allowed for within the estimates
  - c) Some construction cost escalation – previous estimate was done in 2019.
  - d) Increased project contingency provision – given the early phase of project lifecycle
  - e) Higher allowance for professional fees – including external geotechnical and foundation advice, and additional project management resource (external)
  - f) Allowed for full end to end development up-front – but spread this over more years to allow for a more staged development approach.
  - g) Additional allowance for labour time in community consultation to date
- 4.17. There is limited parking on adjacent residential streets. The earthquake recovery rebuild of Courtenay Drive and Charters Street was done prior to the Kaiapoi Community Hub concept and does not provide specific on-street car-parking. It would be feasible to park on Courtenay Drive in the event that the proposed Community Hub carpark is full (e.g. if concurrent events or a large event was being held). It is noted however that lack of on-site car-parking was one of the largest concerns raised by adjacent residents and the participating clubs at the Hub. The current concept provides 55 carparks on site and this is considered a reasonable provision, and has been designed to allow extension in future as further funds allow. The current provision of parks on-site is below the District Plan requirement; and a resource consent will be applied for.
- 4.18. The current proposed building approach, earthworks, and carparks and hardstand areas also allow for a more 'accessible' Community Hub, making it easier for users to approach and use the site and the buildings within. By way of example – the Northbrook Studios development has compromised on accessibility in the past, and this is now proposed to be rectified through upcoming improvement works.
- 4.19. The project contingency allowance of 20% is at the low end of typical values for the early phase of the project but is considered reasonable.

- 4.20. Based on the overall project funding strategy (based on funding build-up by thirds as noted in 4.8), and subject to approval of the additional budget requested in this report; this would suggest an overall project development budget of approximately \$3.9m including the building costs, subject to receiving all of the external funding and support.



- 4.21. Based on the above cost estimate for the WDC-funded elements, this suggests approximately \$2.6m allocated for the construction of the 4 initial buildings (including foundations), funded by the Trust.

Assuming a cost of approx. \$600k total for the enhanced raft foundations and for the services from the boundary to the buildings, this leaves approx. \$2.0m for the construction of the buildings themselves. At a current clubs total proposed built floor area of 1,058m<sup>2</sup>, this will require a building constructed rate of less than \$2,000 per m<sup>2</sup> floor area. This is considered achievable given the types of building and compared to recent similar construction (e.g. Woodend/Pegasus Menz Shed).

- 4.22. Staff are working with the design engineers and the clubs to seek cost savings; some items being done in order to save costs are:
- a) Working with clubs to reduce size of individual buildings, and to adopt shared facilities where feasible (e.g. central amenities areas and shared tearooms)
  - b) Staging of the works over a number of years - e.g. some paths, landscaping and fencing upgrades will be deferred to later years
  - c) Seeking out opportunities for in-kind contributions from the clubs – e.g. undertaking their own fitouts, landscaping around their buildings, contributions to general site-wide landscape development.
  - d) Supporting clubs with discussions with funding agencies, and strategies for clubs approaching building contractors or corporate sponsors.
  - e) Establishment of the trust and development of funding strategy. The Trust model is very appealing to the external funding agencies who have already indicated in-principle support and are aware of the overall project budget.

- 4.23. Further opportunities for cost savings for both WDC-funded and Trust-funded works could include:
- a) Seek waiver of development contributions for service connections (~\$53k cost)
  - b) Possible reduce level of service (even if just initially) to a gravel carpark areas (~\$24k)
  - c) Ongoing seeking of sponsorship or in-kind support.
- 4.24. The site development and infrastructure works by WDC are proposed to be staged; to spread the budget over a number of years and undertaking the more critical works first. The general bulk earthworks do allow for the whole site development – including the area of future croquet lawns. However the proposed staging includes:
- a) Development of 2 croquet lawns only; with space allowance for 2 more in future (future lawns not budgeted for)
  - b) Development of paths only around the immediate building area initially; extending into the wider hub area in future years
  - c) Site perimeter fencing delivered in stages – utilising parts of the existing 5 wire ‘rural’ fencing in the meantime.
  - d) No development or specific foundation provisioning for future general-purpose shared hub building (not budgeted for)
  - e) Potential deferment of the chip-sealing of the car-parking and hardstand areas (although this could affect ongoing maintenance cost)

#### **Geotechnical and Structural Considerations**

- 4.25. With regard to construction of buildings and associated foundations; discussions with the Building Unit have shown that there is no opportunity for a ‘waiver’ of structural and durability requirements for the buildings, given the site constraints, even if the clubs and WDC were willing to accept a higher risk of property damage from future earthquakes. Building foundations will need to be specifically engineer-designed to meet full Building Code requirements, based on site specific geotechnical conditions.
- 4.26. New or relocated buildings on the site will be unable to use shallow piled foundations. Advice from the geotechnical engineers Tonkin & Taylor suggest the general issue is not about foundation settlement – but more the lateral spread and lateral stretch that is likely to occur on site in earthquake events (as evidenced in September 2010 event). The Community Hub site is part of the Courtenay Downs subdivisions, and includes part the old Kaiapoi Freezing works site. Part of the site includes former river terraces from the old south branch of the Waimakariri River. The area was extensively filled in the 1990’s with sands and silts pumped from the borrow pit formed on site (now the Courtenay Lake), which now conceal part of the former river terrace under the site.
- 4.27. Staff are currently working with the geotechnical engineers to try to develop cost-effective ‘template’ foundation design concepts; to aid the clubs building developments and avoid the need for multiple engineering designs while remaining pragmatic given the limited budget and the proposed usage of the buildings.

#### **WDC Budget Options**

- 4.28. Options to consider include:
1. Increase the budget for the WDC-funded element of the project by \$600,000
  2. Do not change WDC budget but seek further external funding to cover the new \$600,000 shortfall in the site development and infrastructure costs, or more likely pass this on the Trust (whether the clubs fundraise and contribute more, or seek other external funding themselves)
  3. Change the concept significantly – e.g. seek relocated second hand buildings, and delete the formed carparks and landscaping.
  4. Do nothing

4.29. Moving the proposed hub to another site (to save on foundation costs for the overall project) is not considered a viable option. Staff undertook a space and site assessment to see if there were other spaces or sites suitable for the food security base in Kaiapoi. The space assessment showed that most of the existing community spaces in Kaiapoi were at capacity and were spread out which would not enable a collaborative, cohesive and common base. The site assessment looked at four sites around Kaiapoi (in the mixed-use business area in the Kaiapoi East Regeneration Area (on Cass Street), in the Kaiapoi West Regeneration Area (on Hilton Street), in Norman Kirk Park and in the Kaiapoi South Regeneration Area (on Courtenay Drive)). Based on a number of criteria, the Kaiapoi South site was identified as the preferred option.

4.30. The staff recommendation is option 1 – increase the budget by a further \$600,000 to enable the full site development and infrastructure works. This will give effect to the objectives as outlined in the Background section of this report.

4.31. Each of the clubs (and the Trust) already need to seek a large amount of funding for the development of their buildings (on the basis of new buildings). A requirement for the Trust and clubs contribute further to the general site development and infrastructure ‘enabling’ works is likely to be unachievable, and could result in the obtaining of funding for the overall project (including the buildings) being unlikely and compromising the whole Hub project.

External funders typically need to see a high level of contribution from the other project partners/funders before they will commit their own funds. The community groups seeking to locate at the hub currently do not have significant reserves of their own funds, so the infrastructure development costs fall to WDC (the main exceptions being the Croquet Club land divestment to WDC, and the current MSD funding already granted to Satisfy Food Rescue contributing to infrastructure works and the Trust building works).

Therefore option 2 is not recommended.

4.32. Considerable work has been put in by staff and the participating clubs to get the concept design, governance model and outline funding strategy to the current point.

Option 3 would be akin to going back to the provision of less than the very initial concept; which the local community already had numerous concerns about (e.g. state of buildings, lack of car-parking, appearance of site, concerns about longevity and sustainability of the hub itself). This will likely result in local community opposition and would not deliver on the vision that was communicated at the workshops held in early 2021.

Adoption of option 3 (revise the concept), is not preferred.

4.33. The ‘do nothing’ option 4 (i.e. do not augment budget) is not recommended. This option will effectively curtail the project, resulting in a detrimental effect on the goodwill and support of major funders who have championed the project to date. This could potentially result in the loss of a significant part of the \$670K in central government funding already applied to the food security project. It would also likely see a loss of community impetus, given that that local schools, foodbanks and community and recreation groups have expressed a keenness to be involved in this project.

Should the Council chose not to provide the required additional funding it is likely that the proposed community hub would not proceed. This could have the following impacts:

- All the groups (the Kaiapoi Croquet Club, Kaiapoi Menz Shed and Food Secure North Canterbury) would still need to find sites for their activities. Given that these groups are all not-for-profit, the purchase or lease of private land is likely to be unaffordable.

- Food Secure North Canterbury would not be able to give effect to the funding received from the MSD or achieve the goal of food security in the Waimakariri District. Given that foodbanks are experiencing increased demand, and are expecting this to reach unsustainable levels in the future, the loss of the hub has negative implications for the community.
- The sites at the Kaiapoi South Regeneration Area are unlikely to be used for any alternative useful purpose. They are unsuitable for rural land uses given their small size and close proximity to neighbours and the town centre. Should the proposed community hub not develop, it is likely these sites would become de facto reserve.
- The economic and social aftermath of the pandemic, for our community, is likely to be more adverse than if the hub were to proceed.

### Project Timeline

4.34. The project timeline milestones are shown in Table 4.

<b>Kaiapoi Community Hub</b>	<b>Start</b>	<b>End</b>
<b>Concept Design</b>	<b>Mon 4/10/21</b>	<b>Fri 3/12/21</b>
<b>Developed Design</b>	<b>Mon 6/12/21</b>	<b>Fri 17/12/21</b>
<b>Detailed Design</b>	<b>Mon 20/12/21</b>	<b>Tue 18/01/22</b>
<b>Construction Issue</b>	<b>Mon 20/12/21</b>	<b>Mon 4/04/22</b>
<b>Community Engagement</b>	<b>Mon 22/11/21</b>	<b>Mon 21/02/22</b>
Processing Period	Mon 22/11/21	Fri 17/12/21
Reporting Period	Tue 11/01/22	Mon 24/01/22
KTCB report deadline	Thu 10/02/22	Thu 10/02/22
KTCB Community Board meeting	Mon 21/02/22	Mon 21/02/22
<b>Resource Consent</b>	<b>Mon 17/01/22</b>	<b>Mon 21/03/22</b>
Processing Period	Mon 17/01/22	Fri 25/02/22
KTCB report deadline	Thu 10/03/22	Thu 10/03/22
KTCB Community Board meeting	Mon 21/03/22	Mon 21/03/22
<b>Funding Applications</b>	<b>Early 2022</b>	<b>Decisions mid 2022</b>
<b>Execution</b>	<b>Tue 5/04/22</b>	<b>Fri 22/09/23</b>
Procurement	Tue 5/04/22	Mon 30/05/22
Council report deadline	Fri 3/06/22	Fri 3/06/22
Council meeting	Tue 21/06/22	Tue 21/06/22
<b>Construction Period</b>	<b>Tue 21/06/22</b>	<b>Fri 22/09/23</b>
Stage 1	Tue 21/06/22	Mon 12/09/22
Stage 2	Tue 13/09/22	Mon 5/12/22
Stage 3	Mon 3/07/23	Fri 22/09/23

Table 4: Project indicative milestones

The overall construction works are proposed to be phased. Stage 1 will include the initial 'enabling' works which are the first elements of the WDC-funded site development and infrastructure works. Stage 2 would involve construction of clubs buildings, and stage 3 will be completion of outstanding or deferred items.

### Other Matters

4.35. WDC will be funding the maintenance of the general shared areas of the Community Hub site. The Trust will be responsible for the maintenance of the buildings (and appurtenances) on site; with individual clubs having additional responsibilities for their own specific buildings and features as well (e.g. croquet lawns).

4.36. More detailed construction estimates for buildings re being worked on presently – with the clubs.

### **Implications for Community Wellbeing**

There are implications on community wellbeing by the issues and options that are the subject matter of this report. These are summarised within Section 3 of this report and covered in previous reports to Council.

4.37. The Management Team has reviewed this report and support the recommendations.

## **5. COMMUNITY VIEWS**

### **5.1. Mana whenua**

5.1.1. Te Ngāi Tūāhuriri hapū are likely to be affected by, or have an interest in the subject matter of this report. This likely relates principally to the overall viability of the hub project going ahead.

5.1.2. Staff contacted Mahaanui Kurataiao Ltd (MKT) on the 4 November 2020 seeking guidance on how Te Ngāi Tūāhuriri Rūnanga would like to engage (on the Hub project in general rather than the specific matters in this report), and the level of involvement they would like to have in the planning and design of the hub. At the time of writing this report, staff were still awaiting guidance from MKT. Staff will need to re-initiate this enquiry.

### **5.2. Groups and Organisations**

5.2.1. There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report.

5.2.2. This includes the present key user groups who will be founding members of the Hub (and associated Trust), as well as other potential future visitors and casual users of Hub facilities, or groups who wish to establish their own base on the hub site. This could include local hobby or interest groups, local community groups, schools and education providers.

### **5.3. Wider Community**

5.3.1. The wider community is likely to be affected by, or to have an interest in the subject matter of this report. The additional budget request will likely be of interest as there could be rates implications.

5.3.2. As identified in the background section of this report, the wider community has been consulted on multiple occasions to date, including but not limited to:

- Regeneration Reserve Master Plan consultation
- Annual Plan consultation (the Hub was a specific consultation matter)
- A consultation flyer inviting resident feedback,
- A public meeting on the proposed site,
- Outreach engagement at the Kaiapoi Christmas Carnival
- Long Term Plan consultation
- Further consultation flyer and a Community drop-in session in December 2021

5.3.3. The session in December 2021 was to present the revised concept plan to local residents, update on progress, and be available to answer any questions. The proposed playground options for the site were also consulted on at the same time. The site was marked out with pegs and string lines to show the respective building areas on site, and the user groups were present to talk about their club activities and demonstrate their proposed buildings concepts. The event was relatively poorly attended with only a few local residents turning up despite the good notification of the activity. This could possibly be interpreted as satisfaction with the process to date and the updated final concept plan.

## 6. **OTHER IMPLICATIONS AND RISK MANAGEMENT**

### 6.1. **Financial Implications**

- 6.1.1. There are financial implications of the decisions sought by this report. The additional budget requested within this report could possibly be sourced from other budgets already included within the Long Term Plan that are now possibly no longer required.
- 6.1.2. It is possible that the budget requested within this report could possibly be funded by reallocation of un-needed budget from other Recreation Activity areas (such as the Pegasus land purchase). This will have a bearing on whether there are rates impacts arising from adoption of the recommendations within this report, and will need to be considered alongside.

### 6.2. **Sustainability and Climate Change Impacts**

The recommendations in this report have sustainability and climate change impacts. One of the primary purposes of the Hub is education – specifically around long-term sustainability in regards to food and therefore environmental well-being.

### 6.3. **Risk Management**

There are risks arising from the adoption/implementation of the recommendations in this report.

#### 6.3.1. Redundant facility

Should Council fund the development of the community hub, there is a risk that the groups cannot raise sufficient funding to locate a building on site, or later chose to not to locate on site. This could potentially leave a redundant facility, make the facility not viable, or see a delay in the uptake/use of the site. The following mitigations have been considered in relation to this:

- a) All current user groups have confirmed their commitment to the hub. In addition staff are working on a draft funding strategy and will support groups in seeking funding for their buildings.
- b) The user groups have agreed to the establishment of a Trust to manage and run the Kaiapoi Community Hub. This will both assist in the procurement of third party funding and ensure sustainability of the project, long term.
- c) It is getting more and more difficult for clubs to acquire land. Should existing users move on, the Trust model will future-proof the project and ensure it continues with its purpose for the wider community long-term.

#### 6.3.2. Community opposition

Neighbouring residents and the local community have, to date, had multiple opportunities to provide feedback on the proposed community hub project. The upcoming community consultation, partnered with the resource consent opportunity will complete the engagement on the hub.

At consultation meetings earlier this year, some residents had indicated that had not received a copy of the initial consultation flyer. Staff have given an undertaking to place information in all the residential letterboxes in an addressed envelope. At the workshop, the participants advised this was an appropriate way of sharing information. There are implications of adopting options other than the recommendations in this report; e.g. if the hub is developed to a lower level of service or amenity there would likely be increased opposition, or ongoing complaints from (and effect on) the local community.

### 6.3.3. Poor amenity outcomes

There is the potential that the buildings proposed would be either relocatable, or of a large barn/farm style.

As the project has progressed, the decision has been made to establish a Trust to manage the hub. The Trust will prepare user guidelines that will set out how the group/club could use and develop their site. The Trust will also have a lease agreement with Council that will mitigate some of this risk. Staff have been working with the groups on conceptual building design, size and layout. The current proposal is to construct new buildings on site, subject to obtaining sufficient overall funding.

### 6.3.4. Site Constraints

The proposed Community Hub site is former red-zone land and uncertainties around ground conditions and the relative vulnerability of the land to future earthquake events does present some risks, including:

- a) Specific engineer designed foundations will be required. Geotechnical and foundation solutions (and associated costs) are not yet confirmed.
- b) Cost escalation/implications due to unforeseen ground conditions, or conditions worse than already anticipated.
- c) Contamination risk – former freezing works site, former residential area and possible poor demolition practices and uncertain provenance of imported fill post-demolition by CERA contractors.
- d) Insurability of Trust-owned buildings not yet resolved
- e) Risk of earthquake damage to WDC-owned elements (e.g. carparks, croquet lawns), necessitating future repair

### 6.3.5. Overall Project funding

As discussed in preceding sections; the overall project budget is in the order of \$3.9m. Assuming the Council approves additional budget to take the WDC-funded component of the site development works up to approx. \$1.3m, this leaves a further \$2.6m of external funding yet to source. While discussions and meetings with large external funding agencies to date have shown a high level of support for the project and good prospect/likelihood of funding; this is not assured until funding application rounds are complete later in 2022. The funding agencies will also want to see the level of contribution from Council (and the Trust) before committing their own funding. The funding 'model of thirds' mentioned in this report is based on discussions with external funding agencies.

### 6.3.6. Croquet Land acquisition

The cost estimates in this report also assume that the Kaiapoi Croquet Club will transfer ownership of their current site to WDC at no cost, in exchange for WDC constructing the new croquet lawns at the new Hub site. The Club indicated to staff and to the Community & Recreation Committee (via deputation in November 2020) that this was their intent; however a full agreement or Memorandum of Understanding has not yet been reached. No provision is currently made for additional costs to purchase the land at Murphy Park – if this arises. This is considered relatively low risk.

6.3.7. An overall project contingency has been included in the cost estimates for the site development and infrastructure elements of the project as discussed in this report.

## 6.3 Health and Safety

There are not health and safety risks arising from the adoption/implementation of the recommendations in this report.

## 7. **CONTEXT**

### 7.1. **Consistency with Policy**

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

### 7.2. **Authorising Legislation**

7.2.1. Local Government Act 2002

7.2.2. Resource Management Act

### 7.3. **Consistency with Community Outcomes**

The Council's community outcomes are relevant to the actions arising from recommendations in this report.

- **The community's cultures, arts and heritage are conserved and celebrated.**  
There are wide-ranging opportunities to participate in arts and cultural activities. Public places and spaces provide opportunities for cultural expression and integrated arts.
- **Public spaces and facilities are plentiful, accessible and high quality.**  
The accessibility of community and recreation facilities meets the changing needs of our community.  
There is a wide variety of public places and spaces to meet people's needs.
- **People's needs for mental and physical health and social services are met**  
There are wide ranging opportunities to support people's physical health, social and cultural wellbeing
- **There is a strong sense of community in our District**  
There are wide-ranging opportunities for people of different ages, abilities and cultures to participate in community life, and recreational and cultural activities.

### 7.4. **Authorising Delegations**

Approval of additional budget sits within the Council's delegation, as part of the Annual Plan process.



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**KAIAPO COMMUNITY HUB  
DRAFT DEVELOPMENT STAGING  
DECEMBER 2021**



## PURPOSE AND OBJECTIVES OF THE KAIAPOI COMMUNITY HUB TRUST

### 1. OBJECTIVES/VALUES

The objectives/values of the Organisation are to carry out the following charitable purposes within New Zealand:

**Vision:** To be a thriving hub of activity, learning and connection for Kaiapoi

**Mission Statement:** By the community, for the community.

**Values:**

- a. *Connection:* The hub is a place that is welcoming and encourages rich diverse community connection.
- b. *Resourcefulness:* The hub is a space that is thriving, embraces sustainability and operates in a manner that encourages growth for the future of our community.
- c. *Accessibility:* The hub is accessible to everyone, professionally run without losing its vision of being a collective, community-focused resource for the community.
- d. *Service:* The hub focusses on participation, education and particularly inter-generational skill and knowledge sharing.
- e. *Making a difference*

### 2. PURPOSES

The purposes of the Trust are as follows:

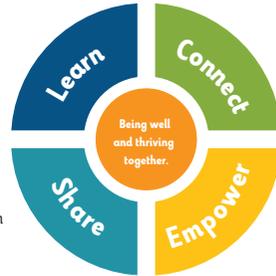
1. To undertake the management and control of the Kaiapoi Community Hub Trust.
2. To have due regard for Te Tiriti o Waitangi in carrying out or undertaking any activity of the Trust.
3. To provide leadership and direction that encourages engagement of the Hub and its facilities within the community.
4. To liaise with statutory, community and other organisations within the district to ensure the hub has maximum benefit for the wellbeing of the local community.
5. To gather information about the provision of education and learning services in the neighbouring area and to make that information available to the relevant stakeholders.
6. To promote a charitable purpose to advance the wellbeing of the local area.
7. The objects of the Organisation are intended to be charitable in accordance with New Zealand law and are deemed not to include or extend to any matter or thing which is not charitable. The powers of the Board are restricted accordingly.

# Kaiapoi Community Hub

A proposed Community Team, Regeneration Team, Greenspace Team joint project.

## WHAT

A community hub where social, cultural, leisure and recreation groups collaborate and co-locate.



## WHERE

Haiapoi South Regeneration Area – corner of Charters Street and Courtenay Drive



## KEY DRIVERS

The Community Team worked with Social Services Waimakariri to obtain \$690,000 in central government funding to establish a 'food secure' district through the Satisfy Food Rescue Trust. Some of this funding is for the establishment of a food security base, community hub and education centre.

The Regeneration Team are working on a community hub in Haiapoi South to accommodate the Haiapoi Menz Shed and Haiapoi Croquet Club. Both clubs are currently located on unsuitable sites affecting their ability to operate.

It is proposed to combine both projects into a community hub in Haiapoi South Regeneration Area.

## WHY

Local community, hobby, and recreation groups require adequate space in Kaiapoi to operate.

These groups contribute to a well community - one where the social, economic, environmental, and cultural conditions enable people to thrive and fulfill their potential, together.

The Haiapoi community hub will:

- Provide a centralised place where people come to together to connect, learn, share and be empowered.
- Help the district to become food secure; particularly supporting those affected by unemployment and deprivation - important in the current Covid climate.
- Enable local groups to continue to make a difference in the Haiapoi community and wider district.
- Help our community age well - to retain independence, connections and purpose; reduce social isolation and loneliness.
- Provide important recreation and leisure opportunities, across the community
- Give effect to the Covid 19 response: 'Waimakariri: Better than Before' - Ensure the wellbeing of all residents through an increased programme of community development and support.
- Give effect to the various strategies that frame planning to ensure a safe, healthy, happy Waimakariri District.

A lack of social connection can be as damaging as smoking 15 cigarettes or drinking six units of alcohol a day

Due to Covid - 20% of families at Haiapoi Borough School have had both parents lose a job. 50% of homes have had reduced income.

Covid-19 has seen a significant increase in food bank demand.

## WHO

### Food Satisfy Trust:

A local charity that works collaboratively with local food retailers and community organisations to re-direct perishable food to those in the community who most need it. Main focus is the Waimakariri and Hurunui Districts.

Over 10 tonnes of food rescued and 28,000 meals distributed per month.

### Kaiapoi Menz Shed

Provides a community space for (mostly) retired men to work on practical tasks, share skills, and socialise. The shed have outgrown their current site.

About 60 members with over 30 attending on a Tuesday & Thursday.

### Kaiapoi Croquet Club

A local sports club that suffered significant damage to its facilities as a result of the earthquakes. Needs to relocate from Murphy Park to continue.

Part of Haiapoi since 1905. An important recreation opportunity for our older community members.

An Expression of Interest process is proposed to identify other local groups that may be interested.

## HOW

Council could make available land in the Haiapoi Regeneration Area for the hub. This could include:

- Establishment site works (e.g. site clearance, earthworks)
- Provision of infrastructure services (to site boundary)
- Shared car parking
- Site fencing, landscaping, and development of public spaces; and
- Technical support to assist the groups to locate a building on site (e.g. some engineering support, assistance with building and resource consent applications etc).

The Council would **not** provide buildings for the groups to use. The groups would be required to source funding themselves through members, fundraising or third-party funding providers.

Staff would also provide assistance to the groups to establish on site including planning, funding advice, governance advice, and consenting.

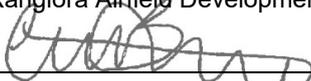
As part of relocating the Croquet Club from Murphy Park, Council could construct two croquet lawns in exchange for ownership of the club site at Murphy Park.

## FUNDING

- \$50,000 currently in the 20/21 Annual Plan for the planning and design of a community hub, with a further \$430,000 earmarked in 21/22 (subject to the LTP).
- Ministry of Social Development funding for food surety. Includes some funding towards a multi-use building.
- LTP funding to be sought to enable the development of the community hub site in Kaiapoi South.
- Assist clubs/groups in seeking funding from third-party providers for their buildings.
- Staff will prepare a funding strategy to ensure a coordinated approach to funding.

## NEXT STEPS

- An Expression of Interest process is proposed to identify other groups that may be interested in locating at the community hub.
- Continue to work with Food Satisfy Trust, Menz Shed and Croquet Club on planning for the site and buildings.
- Project governance and control to be set up.
- Report to C & R.
- Submission to the LTP seeking funding to establish the site ready for community buildings.

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION****FILE NO and TRIM NO:** RES-08 / 211208196015**REPORT TO:** COUNCIL**DATE OF MEETING:** 2 February 2022**AUTHOR(S):** Grant MacLeod, Greenspace Manager  
Ryan O'Loughlin, Greenspace Asset and Capital Project Advisor**SUBJECT:** Rangiora Airfield Development**ENDORSED BY:**  
(for Reports to Council,  
Committees or Boards)  
Department Manager  
Chief Executive**1. SUMMARY**

- 1.1. This report provides the background to the budgets that staff are seeking approval for in the 2022/23 Annual Plan.
- 1.2. Following the designation of the Rangiora Airfield under the District Plan, both staff and the Airfield Advisory Group have begun the planning for future development of this space to ensure that the Airfield remains viable and meets health and safety standards as an Airfield. .
- 1.3. The following items have been included in the 2022/23 Annual Plan Budget for consideration by Council relating to the development of the Rangiora Airfield:
  - Provide waste water services to the Airfield
  - Provide water services to the Airfield
  - Install security gates at the Airfield
  - Reseed critical areas of the runway
- 1.4. A budget for a new electronic gate has been allowed for to ensure the security of the Airfield is maintained. This is to replace the existing electric gate at the entrance to the airfield and will ensure that appropriate access is provided to users. This is part of the improvements around security that staff have been implementing over the last several years.
- 1.5. Following issues with the existing runway and the grass surface being damaged a trial of a new type of grass to be used to ensure coverage is currently underway. The outcome of the trial is expected to provide an appropriate upgrade to the existing runway surface to ensure both the safety of users landing at the airfield and reduced maintenance costs.
- 1.6. Staff are underway with the Master Plan development of the Airfield. As part of the Annual Plan staff are requesting additional funding to be provided to continue this process and finalise the proposed Master Plan.
- 1.7. The neighbouring landowner has submitted to the Proposed District Plan (PDP) seeking a zone change to allow the development of the surrounding properties and wants to integrate this with the overall development of the Rangiora Airfield. The proposed development by

DM and AD Smith Investments Ltd (D Smith) involves the properties that surround the Airfield and it is proposed that a public private partnership is entered into to ensure that this is developed in conjunction with the Council's vision of the Airfield.

- 1.8. It should be noted that the zone change will need to go through consideration a part of the PDP process, and that the outcome of this process is as yet unknown.
- 1.9. At this stage the Council staff have been working with the developer to understand the opportunity to achieve mutual benefit if the zone change were to be approved. Discussions to date have included cost sharing of water and sewerage servicing, road realignment, and a land swap. It is intended that the agreed outcome of these discussions will be captured in a Private Developer Agreement (PDA), which will be put to the Council for its consideration and approval at a later date. The PDA will be prepared on a 'subject to approval of the zone change' basis.
- 1.10. This partnership will ensure that any development that D Smith undertakes will be able to be integrated into the overall development of the Airfield space including access, services and other airfield activities. The proposed development includes the provision of water and wastewater services to the properties and an opportunity exists for Council to take advantage of this process to provide these services to the existing Airfield.

In addition to the above items that are proposed to be included in the Annual Plan, staff have identified that the overall development of the Airfield will require additional Council investment in the coming years dependant on what is identified in the Master Plan.

Attachments:

NIL

**2. RECOMMENDATION**

**THAT** the Council:

- (a) **Receives** Report No. 211208196015.
- (b) **Notes** the work being completed in relation to future development of the Rangiora Airfield and further information will be provided as this progresses;
- (c) **Approves** capital budget (loan funded) of \$74,000 for water services in 2022/23, and \$640,000 in 2023/24
- (d) **Approves** capital budget (loan funded) of \$32,500 for wastewater services in 2022/23, and \$565,000 in 2023/24
- (e) **Notes** that the water and wastewater budgets are dependent on successfully rezoning in accordance with the developers proposal, and if this is unsuccessful, then the budget will need reconsideration.
- (f) **Approves** capital budget (loan funded) for runway reseeding of \$60,000 in 2022/23
- (g) **Approves** capital budget (loan funded) for installation of electronic gates of \$60,000 in 2022/23
- (h) **Notes** that all of the budgets within this report have been included in the draft annual plan commentaries.

**3. BACKGROUND**

- 3.1. Rangiora Airfield is considered as one of New Zealand's largest general aviation aerodromes. As such in 2019 – 2020 the Council sought to have the Airfield designated under its District Plan.
- 3.2. Compliance standards with Airfields have changed considerably during the operational life span of the Airfield, to this regard now it is designated there are a number of compliance

works that the Council is required to do to meet its responsibilities as the administrator and operator of the Airfield. The work noted above will allow for safety compliance measures to be met along with addressing the opportunity that is now presented with neighbouring land development.

- 3.3. In 2020 the Council allocated resource in the LTP for staff to work on a Master Plan for the Airfield with the intention that this would address development requirements and set a plan of works for inclusion in the 2024 LTP. This time frame has been placed under pressure as the acceleration of development on the neighbouring land has meant staff are working with the landowner to capitalise on an opportunity that had not previously existed. This includes the development of services to the area and greater collaboration through a public private partnership on this project.
- 3.4. In particular, the work to date has noted several elements of the existing situation that require addressing in the near future:
  - 3.4.1. Compliance with drinking water standards have accelerated the need for Council as the Airfield administrator to consider servicing to the asset. Noting that compliance is due to change with requirements coming into effect with the Airfield water being classed as a public supply. The requirements under the Water Services Act will necessitate that this supply is registered under the Drinking Water Standards NZ (DWSNZ) and appropriate measures put in place to ensure compliance. In order to meet this compliance standard it will require the installation of a protozoa barrier, preparation of a water safety plan and increased sampling and monitoring.
  - 3.4.2. In addition, the users of the airport currently discharge their waste into a number of old-type septic tanks. This situation is likely to become untenable in terms of acceptable discharges to the groundwater, and will become a significant constraint to growth.
  - 3.4.3. The Council currently provides 22 gates at the Airfield for security purposes. It has become increasingly important for safety compliance that these gates move from being padlock and key to a swipe electric system that automatically shuts after a user has driven through. A number of breaches has meant the gates are sometimes left open and the operational area is left exposed. Working with the Advisory Group has not lead to a change in behaviour and greater compliance; hence the proposal to install gates that remove the human error element of this asset and place greater safety measures to ensure Council meets its requirements as administrator.
  - 3.4.4. The runway has been the subject of adverse comments due to the riverbed nature of it. When the Airfield was established, the aircraft that used the area were vastly different to the types we are now seeing in both power, design and material. This has meant the riverbed nature of the runway can at times be a hazard to users of the aerodrome. Throughout 2021, a local turf expert has been working with staff to look at how we might address this concern and has run a trial, which has seen positive results. This would see an area of the runway composition changed to help better meet the needs of current and future users.
- 3.5. With the developments and interest at the Airfield it has accelerated the work program for many of the above mentioned works, albeit the runway reseeding and proposed gates have been worked on over the past year. Originally staff had not factored that the services development would be required and this has arisen due the compliance standards for water supplies being more clearly apparent as a result of statutory changes, and a new focus on wastewater discharges, as noted above.
- 3.6. Storm water provision is not anticipated or identified as required through this phase of development at the Airfield as the above projects do not require additional measures. The land itself is former river bed with excellent drainage levels, it ends up being more difficult to retain water than to drain. If in the future storm water is required through development

of the Airfield itself we anticipate that this would be done through the proposed unitary authority that Central Government has mooted.

#### **4. ISSUES AND OPTIONS**

4.1. The Council has several options to consider for this report:

- Provide waste water services to the Airfield
- Provide water services to the Airfield
- Install security gates at the Airfield
- Reseed critical areas of the runway
- No change, continue with the Master Plan development of the Airfield to inform the 2024 LTP.

#### **4.2. Airfield Services (includes providing waste water services and water services)**

As noted above, D Smith has submitted an application to the PD seeking to rezone land which would allow developing the properties surrounding the Airfield. As part of this development the provision of water and wastewater services to the new properties has been discussed.

Discussions have been underway between D Smith and Council staff (Greenspace, 3 Waters and Planning) around the development of these properties and what will be required.

One of the servicing options available to the developer is to connect to the Rangiora water supply and the Rangiora sewer scheme. If this option is considered, there is an opportunity to size the infrastructure to service the airport as well, and so resolve the upcoming issues that the airport will be facing in the short to medium term. The developer has been very interested in further investigation this option.

Staff in 3 Waters have completed an investigation into the provision of these services to the new property and have identified 3 possible options. These options are based on servicing the new development, the airport and all existing properties along the route, the new development plus the airport, and the new development alone, and were considered for the purposes of assessing pipe sizes and costs, and how these could be allocated.

The option that was considered the most appropriate by both the staff and the developer was sizing to service long term usage, but sharing installation costs on a 'expected usage' basis, only between the airport and the developer.

This option will utilise the services that are being run to the D Smith development with a connection off to minimise the cost to Council to provide water and wastewater to the existing side of the Airfield. The compliance requirements identified earlier in this report will need to be implemented within the timeframes set out by the Water Services Act. The timeframes associated with this does give Council a period of years to register as a public supply and then implement the required compliance measures (protozoa barrier, preparation of a water safety plan and increased sampling and monitoring), however the opportunity exists with the D Smith investment to provide a future proofed solution to this by connection to the main Rangiora water supply rather than a standalone management option onsite at the Airfield.

The shared costs to both the airport and the developer of sharing the costs of the infrastructure are less than the costs of 'stand-alone servicing' for both parties, and so this is effectively a win-win.

The developer has confirmed their satisfaction with the costs in writing, although this is yet to be tidied up in a PDA (which will also cover all other matters of mutual interest). The Council will have a later opportunity to consider and approve this PDA.

The proposed layout of this option is shown below for both water and wastewater

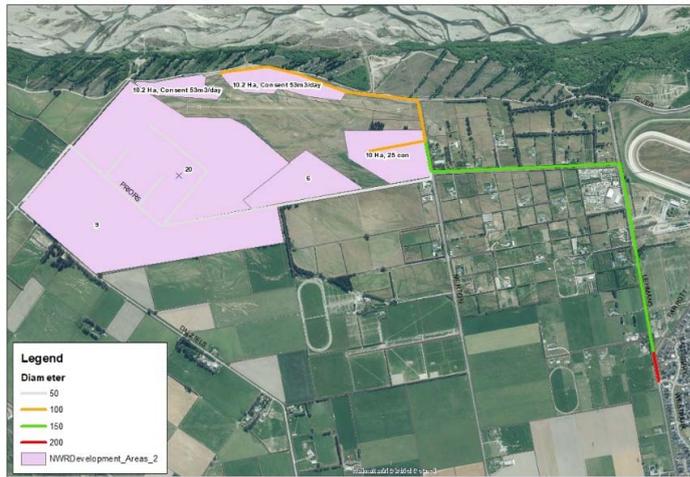


Figure 1 Option 2 - Proposed Water Services

The above section shows what Council would be required to fund in relation to water services as part of the existing Airfield development (the orange line north along Merton Rd, excluding the section into the new development area on Merton Rd which would be funded by the developer). This work would terminate at the existing pump shed and include the upgrade of this to allow for the improved water provision.

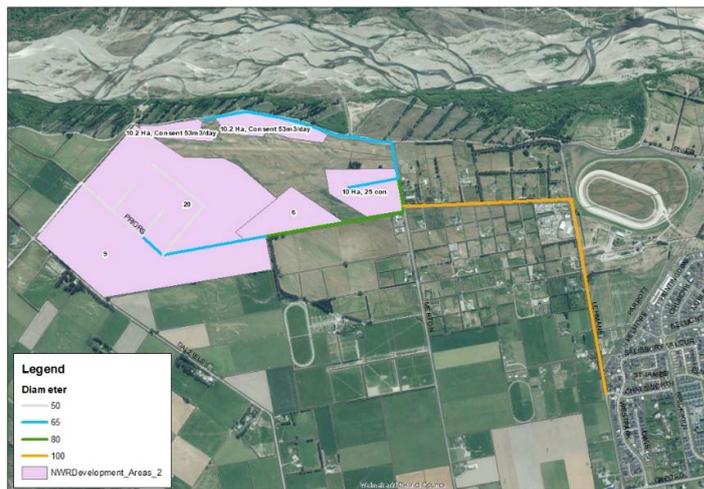


Figure 2 Option 2 - Proposed Wastewater Services

The above shows the proposed wastewater services under option 2 to service the existing Airfield development with the Council contribution being the blue section along Merton Rd into the existing Airfield excluding the section into the new Merton Rd development funded by the developer.

The proposed Option 2 has the following costs associated with it:

TOTAL COSTS AND CONTRIBUTORS	Total	DS contribution	Road Subdiv account	Airport contribution	Rga West DC
<b>Roading</b>	1.212	0.731	0.481		
<b>Water</b>	1.938	1.077		0.713	0.148
<b>Wastewater</b>	1.847	1.249		0.598	

<b>TOTAL</b>	4.997	3.057	0.481	1.311	0.148
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The following budgets have been allowed for in the draft Annual Plan, to spread the work over financial years.

<b>TOTAL COSTS OVER FINANCIAL YEARS</b>	Total	22/23	23/24
Roading	1,212	200	1,012
Water	1,938	200	1,738
Wastewater	1,847	100	1,747
<b>TOTAL</b>	<b>4,997</b>	<b>500</b>	<b>4,497</b>

Note if the rezoning is not approved as part of the PDP deliberations, then these budgets will need revising. Note also that if the drivers from either the development or the airport indicate a faster or slower timeframe this will be accommodated by either requesting the Council approve bringing the funding forward, or carrying the budget over.

The options available to Council are the following:

Decline to include budget to provide water and wastewater services to the existing Airfield development at this stage. This is not the recommended option as it is likely that with the overall development of the Airfield these services will be required to be provided to ensure continuity for users in this space, and at that stage the opportunity to share costs will have passed.

Approve the budget to provide water and wastewater service to the existing Airfield development to tie in with the D Smith development and take advantage of the work being completed to service his development.

*Staff support the recommendation to include the budget for both provision of waste water and provision of water supply. This will ensure compliance standards are met and lead to a more cost effective process by working with the neighbouring land owner.*

#### 4.3. Installation of additional gates at the Airfield

This option would see the provision of funding in the annual plan to allow for two new gates to be installed that would remove the need for 22 gates. This is seen as the most straightforward way to negate the current issues of the gates being left or cut open. The Council has a responsibility to mitigate the general public from being able to access the operational areas of the aerodrome and the gates play a vital part of this. Discussions with the Advisory Group over the past 18 months has seen no traction on this issue with no change in behaviour around the locking and closing of the gates. This action would see a much more compliant use of the Airfield and access to the operational areas of the aerodrome.

*Staff support this recommendation as it will ensure compliance and mitigate the current risk for Council in how it operates the operational areas of the Airfield.*

#### 4.4. Reseed critical areas of the runway

The runway as noted is former river bed and requires regular checks and maintenance to ensure it is as safe as possible. During 2020 staff and the Advisory Group were approached by a turf specialist to see if we could trial some plots that would see this issue mitigated. The trial plots have shown positive results that would help to alleviate some of the issues with the river bed materials. The change in aircraft type, power and materials

since the Airfield began its operation has also contributed to a need to look at the landing surface. Whilst this does not address the longer term question of those who want to see the runway sealed, it might show that a grass surface could be operationally better than what we are currently providing at the Airfield.

*Staff support this recommendation as it provides an opportunity to mitigate risk and future operational cost at the Airfield.*

4.5. **No change, continue with the Master Plan development of the Airfield to inform the 2024 LTP.**

This would see no further development at the Airfield whilst the Master Plan is undertaken and agreed through to Council for the 2024 LTP. This would not meet any further compliance requirements as outlined above nor would it allow Council to work alongside the neighbouring landowner. What it will provide though is that Council works to the timeline it had originally set through the 2021 LTP. Council may decide that given this is what was originally agreed to, that it forgoes the opportunity currently offered through the proposed development and staff continue to operate the Airfield as it has done to this point.

*Staff do not support this recommendation, as it does not provide compliance measures that will assist in both health and safety and risk mitigation. This will also forgo the opportunity to work with the neighbouring land owner and make longer term savings through shared development.*

**Implications for Community Wellbeing**

There are implications on community wellbeing by the issues and options that are the subject matter of this report.

The main community that stands to benefit from the development of the Airfield is the users of the asset. The immediate proposals above will benefit this community and also enable Council to operate the asset with minimised risk.

4.6. The Management Team has reviewed this report and support the recommendations.

**5. COMMUNITY VIEWS**

5.1. **Mana whenua**

Te Ngāi Tūāhuriri hapū are not likely to be affected by, or have an interest in the subject matter of this report.

5.2. **Groups and Organisations**

There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report.

The users of the Rangiora Airfield are impacted by the proposed development of the Rangiora Airfield and will be engaged throughout the process to ensure that feedback from the existing users is considered alongside the proposed overall plan for development of this area.

5.3. **Wider Community**

The wider community is likely to be affected by, or to have an interest in the subject matter of this report.

The overall development of the airfield does not directly affect the wider community however the investment made by Council will have an impact on the overall rates.

**6. OTHER IMPLICATIONS AND RISK MANAGEMENT**

6.1. **Financial Implications**

There are financial implications of the decisions sought by this report.

This budget is included in the Annual Plan/Long Term Plan.

## 6.2. **Sustainability and Climate Change Impacts**

The recommendations in this report do have sustainability and/or climate change impacts. If the services are provided by connection to the existing Rangiora schemes, (as opposed to individual wells, and individual septic tanks) then the long term effects and sustainability of servicing will be reduced.

Also, if the airport is able to develop to its potential, then it is likely to be a more efficient hub for aircraft services than a more diverse operation.

## 6.3 **Risk Management**

There are risks arising from the adoption/implementation of the recommendations in this report.

As an operational Airfield the asset will continue to hold some element of risk, however the proposed recommendations will assist in the mitigation of this risk.

## 6.3 **Health and Safety**

There are health and safety risks arising from the adoption/implementation of the recommendations in this report.

The items proposed to be included in the Annual Plan budget all have health and safety implications for management of the airfield as well as the users of this space:

### *Services*

The current setup for water and wastewater services at the airfield is the following:

- A pump and water tank system currently operating under a resource consent limiting the amount water able to be taken. Depending on the usage at the airfield this can run dry or breach the amount able to be taken from this consent.
- A septic tank system for the current public toilets provided by Council. There are also a number of individual septic tanks at the airfield servicing individual hangers.

If this services were included within the budget and completed at the same as the services connection for the D A Smith development this will ensure that these services for the existing development at the airfield continue to be serviced

### *Runway Reseeding*

*As discussed above this proposed project is about mitigating risk on the runway as well as the current degradation. The trial plots have indicated positive results of which improved safety is part of that as well as performance. Longer term this will save operational funding and ensure runway checks are more accurate.*

### *Electric Gates*

*The gates that are proposed for installation are relating to safe operation of the Airfield by limiting access to the operational aerodrome area. As education of users has not succeeded this step is now seen as a viable option that is required to adequately manage access at the Airfield. Not doing this work carries a greater risk for Council should an incident occur at the Airfield.*

## 7. **CONTEXT**

### 7.1. **Consistency with Policy**

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

### 7.2. **Authorising Legislation**

Local Government Act

Civil Aviation Act

Reserves Act

### 7.3. **Consistency with Community Outcomes**

The Council's community outcomes are relevant to the actions arising from recommendations in this report. The following Community Outcomes are relevant to this report:

Public spaces and facilities are plentiful, accessible and high quality

- There is a wide variety of public places and spaces to meet peoples needs
- There are wide ranging opportunities for people to enjoy the outdoors

Core utility services are sustainable, resilient, affordable; and provided in a timely manner

- Council sewerage and water supply schemes and drainage and waste collection services are provided to a high standard.

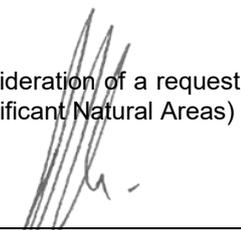
There are wide ranging opportunities for people to contribute to the decision making that affects out district

- Opportunities for collaboration and partnerships are actively pursued.

### 7.4. **Authorising Delegations**

The Council has the appropriate delegation to approve the recommendations in this report.

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION****FILE NO and TRIM NO:** DDS-06-10-02-05-17 / 211116182704**REPORT TO:** COUNCIL**DATE OF MEETING:** 2-3 February 2022**AUTHOR(S):** Shelley Milosavljevic (Senior Policy Planner)**SUBJECT:** Report to Council Annual Plan Deliberations – Consideration of a request to increase rates grant for landowners of SNAs (Significant Natural Areas)**ENDORSED BY:**  
(for Reports to Council,  
Committees or Boards)
  
 \_\_\_\_\_  
 Department Manager

  
 \_\_\_\_\_  
 Chief Executive
**1. SUMMARY**

- 1.1. The purpose of this report is to outline the need for the existing rates grant of \$100 per rateable unit with a Significant Natural Area (SNA) as per Council Policy S-CP 1907 (Attachment i) be amended to improve its value and equity. The report recommends that this rates grant is amended to \$155 per rateable unit plus \$30/ha of SNA requiring a total budget of \$50,050pa. This amendment would more adequately acknowledge the contribution landowners make to the District's indigenous biodiversity.

Attachments:

- i. Council Policy S-CP 1907 Grants in support of indigenous biodiversity initiatives

**2. RECOMMENDATION****THAT** the Council:

- (a) **Receives** Report No. 211116182704
- (b) **Approves** additional \$50,050 pa budget for Option 2 in Table 1 below which increases the rates grant for landowners of Significant Natural Areas to \$155 flat rate plus \$30 per hectare of Significant Natural Areas in order to acknowledge the contribution landowners of Significant Natural Areas make to the District's indigenous biodiversity.
- (c) **Notes** that the funding requested has been included into the Draft Greenspace budget for consideration.

**3. BACKGROUND**

- 3.1. Council policy S-CP 1907 'Grants in support of indigenous biodiversity initiatives' (Attachment i) provides an annual fixed rates grant of \$100 to ratepayers that have a SNA on their rateable unit.
- 3.2. In the July 2021 rates round, this grant was applied to 102 rateable units (based on SNAs listed in the Operative District Plan) which equated to a total of \$10,200. It was paid from GL code 10.102.100.2462 (WDC General Account Operations Expenditure Refunds) thus was not associated with any Council department. Greenspace is the most appropriate department for this budget as it is responsible for biodiversity implementation.
- 3.3. Under the recently notified Proposed District Plan, there are 92 mapped SNAs located on 86 rateable units. This equates to an annual cost of \$8,600 under the current rates grant of \$100 per rateable unit.

- 3.4. Notes from the 25 February 2020 District Planning & Regulation Committee briefing show there was some support for increasing this rates grant to \$1,000/year. In November 2021, Simon Markham (Manager - Strategic Projects) briefly discussed increasing this rates grant with Council.

#### 4. **ISSUES AND OPTIONS**

- 4.1. The current fixed rates structure of the rates grant results in inequitable outcomes as a landowner of a 20ha SNA would receive the same amount as a landowner with 0.2ha of SNA. This issue could be addressed by altering the structure of the rates grant to either a combination of a fixed rate and variable rate per hectare of SNA, or a variable rate per hectare of SNA only.
- 4.2. The low value of the rates grant is also an issue. Landowners expressed disappointment when made aware of the existing grant, emphasising the opportunity cost they face by retaining the SNA. The rates grant should be increased to a more reasonable amount in order to adequately acknowledge the contribution landowners make to the District's indigenous biodiversity. Landowners often state that they should be better compensated for the loss of the use of this land. Some also consider this land should be purchased by Council.
- 4.3. **Table 1** below provides a list of options for the rates grant, including the status quo. This is based on the current total rateable area of 1,224ha of mapped SNA in the Proposed District Plan (which equates to 0.55% of the district), upon 86 rateable units (excludes non-rateable land owned by public entities).

**Table 1: Rates grant for SNAs – Status quo and options**

Option	Fixed rate per rateable unit	Rate per ha of SNA	Total annual rates grant cost	Rates grant for landowner with 0.2ha SNA	Rates grant for landowner with 2ha SNA	Rates grant for landowner with 10ha SNA	Rates grant for landowner with 20ha SNA
Status quo - Fixed rate only	\$100	Nil	<b>\$8,600</b>	\$100	\$100	\$100	\$100
Option 1 - Fixed rate only (\$50k total)	\$590	Nil	<b>\$50,740</b>	\$590	\$590	\$590	\$590
Option 2 - Fixed & variable rate (\$50k total) <i>*Preferred option*</i>	\$155	\$30	<b>\$50,050</b>	\$161	\$215	\$455	\$755
Option 3 - Variable rate only (\$50k total)	Nil	\$41	<b>\$50,184</b>	\$8	\$82	\$410	\$820
Option 4 - Fixed rate only (\$100k total)	\$1,170	Nil	<b>\$100,620</b>	\$1,170	\$1,170	\$1,170	\$1,170
Option 4 - Fixed and variable rate (\$100k total)	\$100	\$75	<b>\$100,400</b>	\$115	\$250	\$850	\$1,600
Option 5 - Variable rate only (\$100k total)	Nil	\$82	<b>\$100,368</b>	\$16	\$164	\$820	\$1,640

- 4.4. Option 2 (Fixed rate \$155 plus variable rate of \$30/ha of SNA; adjusted annually by changes in the Consumers Price Index/CPI) in Table 1 above is preferred as it provides landowners with a reasonable contribution towards their rates, while ensuring that landowners with larger areas of SNA get a higher contribution than landowners with smaller area of SNA. While an annual total \$100k rates grant (Option 4 or Option 5) would be desirable, it is acknowledged that since this rate grant will be rates funded, the amount it would increase rates by makes it less reasonable. Option 2 (\$50k) is therefore the most reasonable option in terms of its financial implications and its improvement in terms of value and equity.
- 4.5. Council Policy S-CP 1907 will need to be updated to reflect any changes resulting from above, along with adding reference to mapped SNAs in the Proposed District Plan. It is important to ensure landowners are aware of any grant provided automatically on their rates invoice and this could be managed through additional communications material appended to their rates invoice (noting that rates invoices can only show a rates grant as 'Payment received' which meant many landowners were unaware of the grant being applied). A media release would also be recommended to promote Council's commitment to biodiversity and widely acknowledge the contribution made by landowners.

#### **Implications for Community Wellbeing**

- 4.6. There are implications on community wellbeing by the issues and options that are the subject matter of this report. Primarily there will be a positive impact on environmental wellbeing from the added incentive for landowners of SNAs to protect indigenous biodiversity. In addition, there will be a positive impact on SNA landowners' wellbeing by more reasonably and fairly acknowledging their contribution to the District's biodiversity.
- 4.7. The Management Team has reviewed this report and support the recommendations.

### **5. COMMUNITY VIEWS**

#### **5.1. Mana whenua**

Te Ngāi Tūāhuriri hapū are not likely to be affected by, or have an interest in the subject matter of this report as there are no mapped SNAs on Maori Land in the Proposed District Plan.

#### **5.2. Groups and Organisations**

There are groups and organisations likely to be affected by, or to have an interest in the subject matter of this report. The landowners of mapped SNAs, primarily rural landowners, would benefit from this proposed rates grant. Rural sector groups such as Federated Farmers may also have an interest.

While we have not surveyed the approaches of other District Councils with rates grants/relief for landowners of SNAs, it is widely accepted to be used as a non-regulatory tool for encouraging protection of biodiversity. As mentioned in Section 4.5 above, many landowners were not aware of this rates grant being applied and when made aware of this many noted the current \$100 value was insignificant, and inequitable given it is not applied in a pro-rata way.

#### **5.3. Wider Community**

The wider community is not likely to be directly affected by, or to have an interest in the subject matter of this report. However, support for protection and restoration of indigenous biodiversity has been raised as an important matter during numerous community consultation over recent years.

### **6. OTHER IMPLICATIONS AND RISK MANAGEMENT**

#### **6.1. Financial Implications**

There are financial implications of the decisions sought by this report. A budget of \$50k is required for this recommended rates grant (Option 2 in Table 1 above) and has been included

on the Greenspace departmental budget in the Annual Plan, which would be rates funded and would equate to a rates increase of approximately 0.1%.

#### 6.2. **Sustainability and Climate Change Impacts**

The recommendations in this report have sustainability and climate change impacts as promoting the protection of indigenous biodiversity supports both ecosystem sustainability and ecosystem resilience to climate change.

SNAs provide important ecosystem services, shape our local and cultural identity, and have considerable intrinsic value. They are remnants of indigenous vegetation and habitats of indigenous fauna which were once widespread, but over time have been destroyed, fragmented and degraded by land use and pests. They therefore have significant biodiversity value and protecting them is critical for preventing the extinction of rare species and loss of ecosystems.

#### 6.3 **Risk Management**

There are not risks arising from the implementation of the recommendations in this report.

#### 6.3 **Health and Safety**

There are not health and safety risks arising from the implementation of the recommendations in this report.

### 7. **CONTEXT**

#### 7.1. **Consistency with Policy**

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

#### 7.2. **Authorising Legislation**

- The Resource Management Act 1991
  - If the Proposed National Policy Statement for Indigenous Biodiversity (NPS-IB) is gazetted, once implemented this will likely increase the amount of mapped SNAs in the District Plan and therefore the rates grant budget would increase accordingly.

#### 7.3. **Consistency with Community Outcomes**

The Council's community outcomes are relevant to the actions arising from recommendations in this report. The following community outcome is relevant:

- *There are areas of significant indigenous vegetation and habitats for indigenous fauna. Conservation and restoration of significant areas of vegetation and/or habitats is encouraged.*

#### 7.4. **Authorising Delegations**

This is a matter for Council to decide as it relates to the budget for the Annual Plan.

**Attachment i.**

S-CP	1907
Issue:	1
Adopted:	draft
Page:	1 of 1

**POLICY***Grants*


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**GRANTS IN SUPPORT OF INDIGENOUS  
BIODIVERSITY INITIATIVES**

**1. OBJECTIVE**

- 1.1 To recognise the importance of preserving the indigenous heritage of the District. This policy acknowledges the contribution made by ratepayers that have indigenous vegetation sites designated in the District Plan by not having these areas available for production.

**2. POLICY**

- 2.1 An annual grant of up to \$100 (including GST) will be made toward the rates on properties that contain designated indigenous vegetation sites in the Waimakariri District Council District Plan.
- 2.2 Where the annual rates on a property are less than \$100, the grant will be equal to the amount of the total rates (less any discount).
- 2.3 No grant will be made to a property that has a designated indigenous vegetation site if the status of that property is "Non-rateable" in terms of the Local Government (Rating) Act.
- 2.4 Where a separately rateable unit has more than one indigenous vegetation site designated, a single grant of \$100 will be made.
- 2.5 Grants will be paid directly into the rates account of each property prior to the issue of the first instalment rates assessment.
- 2.6 Grants are funded from general rates through the Grants budget.
- 2.7 Grants may be declined for sites which have been degraded.
- 2.8 This policy will take effect from 1 July 2009.

**WAIMAKARIRI DISTRICT COUNCIL****REPORT FOR DECISION**

**FILE NO and TRIM NO:** RAT-03-01/220113003258

**REPORT TO:** COUNCIL

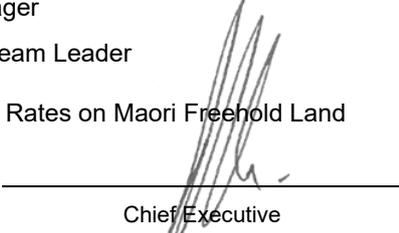
**DATE OF MEETING:** 2 February 2022

**AUTHOR(S):** Maree Harris, Customer Services Manager  
Judith Schumacher, Rates & Debtors Team Leader

**SUBJECT:** Review of Rating Policy – Remission of Rates on Maori Freehold Land

**ENDORSED BY:**  
(for Reports to Council,  
Committees or Boards)

  
Department Manager

  
Chief Executive

**1. SUMMARY**

- 1.1. This report requests Council approval of a review of the Rating Policy – Remission of Rates on Maori Freehold Land.
- 1.2. The review is required by the enactment of the Local Government (Rating of Whenua Maori) Amendment Act 2021.
- 1.3. Briefly the changes include removal of remission on un-used land as this becomes non-rateable under the new Act; inclusion of the ability to remit rates where there may be occupation, but no benefit to the owners; clarification of criteria for remission on land used for conservation purposes as some land with conservation covenants becomes non-rateable; and the inclusion of a specific reference to rates remissions on land being developed.

**Attachments:**

- i. Draft Policy for Remission of Rates on Maori Freehold Land for consideration (with and without tracked changes) TRIM 220118005276
- ii. Section 114A Local Government (Rating) Act 2002 – Remission of rates for Maori freehold land under development.

**2. RECOMMENDATION**

**THAT** the Council:

- (a) **Receives** Report No. 220113003258.
- (b) **Authorises** the inclusion of the draft policy for Remission of Rates on Maori Freehold Land in the 2022/2023 Draft Annual Plan for consultation, subject to recommendation (c).
- (c) **Authorises** the Mayor and Chief Executive to approve any wording adjustments after discussion of the Draft Revised Policy at the 8 February 2022 Mahi Tahī Joint Development Committee meeting.

**3. BACKGROUND**

- 3.1. The Local Government (Rating of Whenua Maori) Amendment Act 2021 became law during 2021. Changes required by the new Act are being phased in between the implementation date, 12 April 2021, and the adoption of the Long Term Plan 2024-2034.

- 3.2. A change to S 102 of the Local Government Act 2002 required that the following funding and financing policies support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993.

The revenue and financing policy, the policy on development contributions or financial contributions, the policy on the remission and postponement of rates on Maori freehold land adopted under subsection (1) and any rates remission policy or rates postponement policy adopted under subsection (3).

- 3.3. The effective date for updating policies is being phased in, with the changes required at the earlier of the first review of each policy and 1 July 2024. The exception is the review of the policy for remission and postponement of rates on Maori freehold land which is required by 1 July 2022.
- 3.4. Other changes introduced by the Amendment Act made un-used Maori freehold land, and land that is subject to a Nga Whenua Rahui Kawenata (conservation covenant) non-rateable; and provided for the creation of separate rating areas where individual owners can choose to have their house rated separately to the balance of the land as if it were a separate rating unit.
- 3.5. The Local Government (Rating) Act now includes a statutory remission process for Maori freehold land under development. This gives land owners the right to apply for a rates remission when land is under development, without having to rely on an individual local authority developing its own policy for this. Councils are required to consider any written application received.

An extract from the Act that outlines the principles and process around this new statutory remission process is attached.

- 3.6. Councils now have the power (delegated to the Chief Executive) to write-off rates arrears on all land if it considers the rates are uncollectable, and on Maori freehold land where successors to interests in a block of land find themselves liable for rates debts of deceased owners.

#### **4. ISSUES AND OPTIONS**

- 4.1. The Council's current policy for remission of rates on Maori freehold land provides for a rates remission on land
- (a) in multiple ownership, unoccupied and not suitable for productive or practical use;
  - (b) land formally set aside for preservation or conservation purposes;
  - (c) in other circumstances where the Council considered it fair and equitable to do so.

Most of the remissions granted to date have been under item (a) above. Due to the multiple ownership, Council staff have initiated many of the existing applications for remission raising the option with owners where they can be identified. Under the new policy, it is likely that there will be more applications received from owners, particularly for land under development.

- 4.2. Changes resulting from the new legislation have made some of the existing policy irrelevant as all of the land that previously had rates remitted under the policy is now non-rateable.
- 4.3. The introduction and context sections of the policy have been extended to include the impacts of the new legislation. This is important to provide some background information for the reader.
- 4.4. Policy objective has been updated to include the Preamble to Te Ture Whenua Maori Act as required by the new legislation. This has been quoted directly from the Act. A reference to development has also been included in the objective.

4.5. The policy statement extends applications for remission to a Separate Rating Area which is a division of a rating unit. This means that if there is a dwelling on a rating unit of multiple owned land, the owners of the balance of the land could apply for a rates remission.

4.6. As un-used land is non-rateable, paragraph 4.1 has been changed to cover situations where there is no formal occupation, but the land may be being used informally.

In situations where an occupier can be identified, that person is responsible for payment of the rates regardless of whether there is an agreement in place.

4.7. Paragraph 4.6 in the policy now refers to preservation or conservation purposes where there is not a Nga Whenua Rahui Kawenata in place. (If the covenants exist, the land is non-rateable.)

4.8. A new paragraph 4.7 has been added to reference rates remissions on land under development. Section 114A of the Local Government Rating Act 2002 applies to these applications so it is not necessary to repeat the details in this policy. An application form is being developed for applications.

#### **Implications for Community Wellbeing**

There are implications on community wellbeing by the issues and options that are the subject matter of this report. The revised policy, together with the new legislation clarifies rating processes on Maori freehold land and should make it easier for owners to utilise their land. There is potential for a positive impact on each of the four Wellbeings.

4.7. The Management Team has reviewed this report and support the recommendations.

### **5. COMMUNITY VIEWS**

#### **5.1. Mana whenua**

Te Ngāi Tūāhuriri hapū are likely to be affected by, or have an interest in the subject matter of this report.

The draft Revised Policy has been referred to Racheal Evans, Advisor to Mahi Tahi Ngai Tuahuriri representatives for comment/advice to those representatives, for discussion at the 8 February Mahi Tahi Committee meeting.

#### **5.2. Groups and Organisations**

Environment Canterbury have an interest in this matter as it will impact their rates. A copy of the draft will be provided to ECan staff for their information.

There are no other groups and organisations likely to be affected by, or to have an interest in the subject matter of this report.

#### **5.3. Wider Community**

The wider community is not likely to be affected by, or to have an interest in the subject matter of this report.

### **6. OTHER IMPLICATIONS AND RISK MANAGEMENT**

#### **6.1. Financial Implications**

There are financial implications of the decisions sought by this report. Rates remissions reduce the income received by the Council for the period the remission is granted. For this reason the draft policy delegates the approval of rates remissions for land under development to the Audit & Risk Committee.

This budget is not included in the Annual Plan/Long Term Plan. At the moment there are no rates remissions on Maori freehold land. In previous years, annual remissions were in the vicinity of \$11,000.

6.2. **Sustainability and Climate Change Impacts**

The recommendations in this report do have sustainability and/or climate change impacts. The revised policy will assist owners to consider more productive uses of their land by providing the option of a rates remission to land that is being developed.

6.3 **Risk Management**

There are not risks arising from the adoption/implementation of the recommendations in this report.

6.3 **Health and Safety**

There are not health and safety risks arising from the adoption/implementation of the recommendations in this report.

7. **CONTEXT**

7.1. **Consistency with Policy**

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

7.2. **Authorising Legislation**

**Local Government (Rating) Act 2002**

**Local Government Act 2002**

**Local Government (Rating of Whenua Maori) Amendment Act 2021**

**Te Ture Whenua Maori Act 1993**

7.3. **Consistency with Community Outcomes**

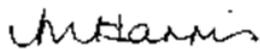
The Council's community outcomes are relevant to the actions arising from recommendations in this report.

Effect is given to the principles of the Treaty of Waitangi

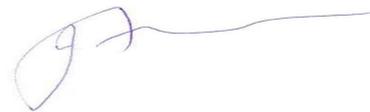
Indigenous flora and fauna, and their habitats, especially Significant Natural Areas are protected and enhanced.

7.4. **Authorising Delegations**

The power to adopt policies required to be adopted and consulted on under this Act in association with the long-term council community plan are the responsibility of Council.



Maree Harris  
Customer Services Manager



Judith Schumacher  
Rates & Debtors Team Leader

**POLICY****TRIM (REVIEW DRAFT) 220118005276****RATES****Remission and Postponement of Rates on Maori Freehold Land****1 Introduction**

Section 102(2)(e) of the *Local Government Act 2002* requires the Council to have a policy for the remission and postponement of rates on Maori Freehold Land.

Section 102(3A) inserted by the Local Government (Rating of Whenua Maori) Amendment Act 2021 requires that the Policy for remission and postponement of rates on Maori Freehold Land must support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993.

Maori Freehold land is defined in *Te Ture Whenua Maori Act 1993*, Section 129(2)(b) – “Land, the beneficial ownership of which has been determined by the Maori Land Court by freehold order shall have the status of Maori freehold land.”

The Waimakariri District Council has small areas of Multiple Owned Maori Freehold land. In some cases this land is leased by the owners or their agents and rates are being paid by the occupier.

There has historically been a problem securing the payment of rates on some residential sections in the Tuahiwi village which are in multiple ownership. The small size of the sections, township location and lack of adequate fencing precludes a farming use, and the complex ownership structure and number of owners limits its current and future potential for use as residential land.

Since its adoption, this Policy provided for the remission of rates on Maori Freehold Land that was in multiple ownership, unused, and not suitable for practical or productive use. A more recent update also provided for remission of rates where land was formally set aside for preservation or conservation purposes.

The enactment of the Local Government (Rating of Whenua Maori) Amendment Act brought into law provisions that impacted on Council policy.

- An unused rating unit of Maori Freehold Land became non-rateable;
- Land that is subject to a Nga Whenua Rahui Kawenata under Section 77A of the Reserves Act 1977 or Section 27A of the Conservation Act 1987 became non-rateable;
- The Chief Executive of a local authority is required to write off any outstanding rates that, in the Chief Executive's opinion, cannot reasonably be recovered;
- The Chief Executive may write-off rates of deceased owners of Maori Freehold Land.
- A rating unit on Maori Freehold Land may be divided into separate rating areas
- Council must consider written applications for remission of rates on Maori Freehold land under development.

The *Te Ture Whenua Maori Act 1993* restricts the alienation of Maori Freehold Land and requires the Maori Land Court's approval to any proposal to change the status to General land.

**2 Policy Context**

The collection and recovery provisions of the *Local Government (Rating) Act 2002* do not apply to Maori Freehold land, and the options available for recovery hinge on obtaining an agreement to pay or a charging order, appointing a trustee and establishing an economic use to secure payment of rates.

**POLICY****TRIM (REVIEW DRAFT) 220118005276****RATES****Remission and Postponement of Rates on Maori Freehold Land**

Continuing to set and assess rates on these properties results in substantial arrears owing with little prospect of payment. The arrears penalty regime which sees 10% applied 6 monthly on the account balance creates levels of rates owing on these properties that would provide a major deterrent to future use.

The enactment of the Local Government (Rating of Whenua Maori) Amendment Act, addressed this issue by making unused Maori Freehold Land non-rateable. There may, however be occasions where the Council considers it is fair to apply rates relief to land that has a current use or occupation, and this Policy would enable such a remission.

The Council also considers the protection of the character and natural features of land is important, and rates remission as a useful tool in encouraging conservation.

While land that is subject to a Nga Whenua Rahui Kawenata becomes non-rateable, there is likely to be land in the District that is set aside for conservation purposes that has no formal covenant in place.

The Council's other rating policies apply to Maori Freehold Land to the same extent that they apply to all other land in the District.

**3 Policy Objective****3.1 Support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993**

"Whereas the [Treaty of Waitangi](#) established the special relationship between the Maori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Maori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Maori people to achieve the implementation of these principles."

**3.2 Meet the objectives of the Revenue and Financing Policy for fairness, consistency and equity by recognising that the collection of rates on Maori Freehold Land can be complicated by the following unique features:**

- statutory restrictions on alienation
- ownership structures restrict the use and potential for use of the land by individual owners and others
- owners often have only a spiritual and cultural involvement with the land rather than any physical attachment to it
- the presence of waahi tapu (sacred place) may affect the use of the land for productive purposes
- exemption from the collection provisions of the *Local Government (Rating) Act 2002*
- multiple ownership does not encourage individual owners to take responsibility for rates
- owners who live locally are paying rates on their own residential properties and absentee owners receive no benefit from Council services as they are not able to realise the value of their asset
- the numbers of owners and small size of many individual shares makes collection of rates from individuals uneconomic

**POLICY****TRIM (REVIEW DRAFT) 220118005276****RATES****Remission and Postponement of Rates on Maori Freehold Land**

- once land is occupied, there may be a development period before the land becomes productive and income earning
- ownership records are often out of date as succession is not always registered
- ownership results from ancestral inheritance or transfer rather than purchase
- to support conservation initiatives that preserve the character of Maori Freehold Land
- to set aside land that is better set aside for non-use because of its natural features (whenua rahui) to recognise and take into account the importance of the land for community goals relating to the preservation of the natural character of coastal environment and the protection of outstanding natural features.

**3.3** That the Council's rates debtors asset is maintained at a realistic level.

**4 Policy Statement**

4.1 The Council may on its own motion or on the application of any owner or group of owners remit up to 100% of the rates on any rating unit containing Maori Freehold Land or Separate Rating Area created under Section 98A of the Local Government (Rating) Act 2002 where:

- (a) the land is in multiple ownership and there is no formal occupation or lease agreement; and
- (b) any use of the land is informal and unauthorised and provides no benefit to the owners; and
- (c) the size, location, lack of fencing or other features preclude the productive or practical use of the land.

4.2 Applications for remission shall be supported by:

- (a) a schedule of owners
- (b) certificate of title (where applicable)
- (c) confirmation of land status
- (d) plan of property and aerial photograph (if available)
- (e) details of any use or occupation and reasons why relief is sought.

4.3 Rates remissions shall continue until the use of the land changes so that the provisions of clause 1 of this policy no longer apply.

4.4 Work completed by an adjoining property owner to keep the property in a tidy or manageable condition is not considered to be occupation in terms of this policy unless the land is fenced off for the exclusive use and benefit of that person.

4.5 The taking of plant material for traditional or medicinal purposes is not considered to be occupation in terms of this policy.

Conservation

4.6 Where land has been formally set aside for preservation or conservation purposes and there is not a Ngā Whenua Rāhui kawenata under [section 77A](#) of the Reserves Act 1977 or [section 27A](#) of the Conservation Act 1987, a rates remission of up to 100% may be granted. The amount of the remission will depend on:

- (a) The proportion of the property that is being used for conservation purposes; and
- (b) The desirability of preserving particular natural, historic or cultural features within the district; and

**POLICY****TRIM (REVIEW DRAFT) 220118005276****RATES****Remission and Postponement of Rates on Maori Freehold Land**

- (c) Whether, and to what extent, the preservation of particular natural or historic or cultural features might be prejudicially affected if rates remission is not granted in respect of the land on which they are situated; and
- (d) Whether and to what extent preservation of particular natural or historic or cultural features are likely to be encouraged by the granting of a rates remission.

Land Under Development

- 4.7 Section 114A of the Local Government (Rating) Act requires the Council to consider any application by a ratepayer for a remission of rates on Maori freehold land in the event that the ratepayer or another person is developing, or intends to develop the land. Applications must be in writing and address the matters raised in Section 114A (3) (a) – (e).
- 4.8 Details of any rating unit that receives a rates remission under this policy shall be recorded in a Register. Land shall be inspected at least annually to ensure that there is no occupation of the land or person receiving benefit from it.
- 4.9. The Council will not postpone the requirement to pay rates on Maori Freehold land, other than in terms of any policy adopted under Section 102(3)(b) of the *Local Government Act 2002*.
- 4.10. The Council may remit rates arrears including penalty charges on any rating unit containing Maori Freehold Land in any circumstances where it believes it would be fair and equitable to do so.

**5 Links to legislation, other policies and community outcomes***Local Government Act 2002**Local Government (Rating) Act 2002**Local Government (Rating of Whenua Maori) Amendment Act 2021**Te Ture Whenua Maori Act 1993*

Waimakariri District Council Rating Policies

**Community Outcomes***Effect is given to the principles of the Treaty of Waitangi*

- The Council in partnership with Te Ngai Tuahuriri Runanga, continue to build our relationship through mutual understanding and shared responsibilities.
- Maori cultural identify, values and aspirations are reflected in built and natural environments..

*Indigenous flora and fauna and their habitats, especially Significant Natural Areas are protected and enhanced.*

- Conservation, restoration and development of significant areas of indigenous vegetation and/or habitats is actively promoted.

**6 Adopted by and date**

Adopted by Council on XX June 2022 through the 2022-2023 Annual Plan.

The following Delegations apply:

Manager, Finance & Business Support – to approve inclusion in the Maori Freehold Land Remission Register of any property that meets all of the requirements of Clause 1 of this Policy.

**POLICY****TRIM (REVIEW DRAFT) 220118005276****RATES****Remission and Postponement of Rates on Maori Freehold Land**

Audit Committee – to approve an application for rates remission on land that is under development. To hear and make a final decision on any appeal on an application for remission that has been declined.

**7 Review**

Next review at 2024 Long Term Plan.

**DRAFT**

## Remission and Postponement of Rates on Maori Freehold Land

### 1 Introduction

Section 102(2)(e) of the *Local Government Act 2002* requires the Council to have a policy for the remission and postponement of rates on Maori Freehold Land.

Section 102(3A) inserted by the Local Government (Rating of Whenua Maori) Amendment Act 2021 requires that the Policy for remission and postponement of rates on Maori Freehold Land must support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993.

Maori Freehold land is defined in *Te Ture Whenua Maori Act 1993*, Section 129(2)(b) – “Land, the beneficial ownership of which has been determined by the Maori Land Court by freehold order shall have the status of Maori freehold land.”

The Waimakariri District Council has small areas of Multiple Owned Maori Freehold land. In some many cases this land is leased by the owners or their agents and rates are being paid by the occupier.

There has historically been a problem securing the payment of rates on some residential sections in the Tuahiwi village which are in multiple ownership. The small size of the sections, township location and lack of adequate fencing precludes a farming use, and the complex ownership structure and number of owners limits its current and future potential for use as residential land.

Since its adoption, this Policy provided for the remission of rates on Maori Freehold Land that was in multiple ownership, unused, and not suitable for practical or productive use. A more recent update also provided for remission of rates where land was formally set aside for preservation or conservation purposes.

The enactment of the Local Government (Rating of Whenua Maori) Amendment Act brought into law provisions that impacted on Council policy.

- An unused rating unit of Maori Freehold Land became non-rateable;
- Land that is subject to a Nga Whenua Rahui Kawenata under Section 77A of the Reserves Act 1977 or Section 27A of the Conservation Act 1987 became non-rateable;
- The Chief Executive of a local authority is required to write off any outstanding rates that, in the Chief Executive's opinion, cannot reasonably be recovered;
- The Chief Executive may write-off rates of deceased owners of Maori Freehold Land.
- A rating unit on Maori Freehold Land may be divided into separate rating areas
- Council must consider written applications for remission of rates on Maori Freehold land under development.

The *Te Ture Whenua Maori Act 1993* restricts the alienation of Maori Freehold Land and requires the Maori Land Court's approval to any proposal to change the status to General land.

### 2 Policy Context

The collection and recovery provisions of the *Local Government (Rating) Act 2002* do not apply to Maori Freehold land, and the options available for recovery hinge on obtaining an agreement to pay or a charging order, appointing a trustee and establishing an economic use to secure payment of rates.

### Remission and Postponement of Rates on Maori Freehold Land

Continuing to set and assess rates on these properties results in substantial arrears owing with little prospect of payment. The arrears penalty regime which sees 10% applied 6 monthly on the account balance creates levels of rates owing on these properties that would provide a major deterrent to future use.

The enactment of the Local Government (Rating of Whenua Maori) Amendment Act, addressed this issue by making unused Maori Freehold Land non-rateable. There may, however be occasions where the Council considers it is fair to apply rates relief to land that has a current use or occupation, and this Policy would enable such a remission.

The Council also considers the protection of the character and natural features of the land is important, and rates remission as a useful tool in encouraging conservation.

While land that is subject to a Nga Whenua Rahui Kawenata becomes non-rateable, there is likely to be land in the District that is set aside for conservation purposes that has no formal covenant in place.

The Council's other rating policies apply to Maori Freehold Land to the same extent that they apply to all other land in the District.

### **3 Policy Objective**

#### **3.1 Support the principles set out in the Preamble to Te Ture Whenua Maori Act 1993**

"Whereas the Treaty of Waitangi established the special relationship between the Maori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Maori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Maori people to achieve the implementation of these principles."

**3.2** Meet the objectives of the Revenue and Financing Policy for fairness, consistency and equity by recognising that the collection of rates on Maori Freehold Land can be complicated by the following unique features:

- statutory restrictions on alienation
- ownership structures restrict the use and potential for use of the land by individual owners and others
- owners often have only a spiritual and cultural involvement with the land rather than any physical attachment to it
- the presence of waahi tapu (sacred place) may affect the use of the land for productive purposes
- exemption from the collection provisions of the *Local Government (Rating) Act 2002*
- multiple ownership does not encourage individual owners to take responsibility for rates
- owners who live locally are paying rates on their own residential properties and absentee owners receive no benefit from Council services as they are not able to realise the value of their asset
- the numbers of owners and small size of many individual shares makes collection of rates from individuals uneconomic

### Remission and Postponement of Rates on Maori Freehold Land

- [once land is occupied, there may be a development period before the land becomes productive and income earning](#)
- ownership records are often out of date as succession is not always registered
- ownership results from ancestral inheritance or transfer rather than purchase
- to support conservation initiatives that preserve the character of Maori Freehold Land
- to set aside land that is better set aside for non-use because of its natural features (whenua rahui) to recognise and take into account the importance of the land for community goals relating to the preservation of the natural character of coastal environment and the protection of outstanding natural features.

3.3 That the Council's rates debtors asset is maintained at a realistic level.

## 4 Policy Statement

~~4.14-~~ The Council may on its own motion or on the application of any owner or group of owners remit up to 100% of the rates on any rating unit [containing Maori Freehold Land or Separate Rating Area created under Section 98A of the Local Government \(Rating\) Act 2002 containing Maori Freehold Land](#) where:

- the land is in multiple ownership and [there is no formal occupation or lease agreement unoccupied](#); and
- ~~there is no person actually using the land or receiving any economic or financial benefit from the land~~ [any use of the land is informal and unauthorised and provides no benefit to the owners](#); and
- the size, location, lack of fencing or other features preclude the productive or practical use of the land.

~~4.22-~~ Applications for remission shall be supported by:

- a schedule of owners
- certificate of title (where applicable)
- confirmation of land status
- plan of property and aerial photograph (if available)
- [details of any use or occupation and](#) reasons why relief is sought.

~~4.33-~~ Rates remissions shall continue until the use of the land changes so that the provisions of clause ~~\_\_\_\_\_~~-1 of this policy no longer apply.

~~4.4-~~ Work completed by an adjoining property owner to keep the property in a tidy or manageable condition is not considered to be occupation in terms of this policy unless the land is fenced off for the exclusive use and benefit of that person.

~~4.55-~~ The taking of plant material for traditional or medicinal purposes is not considered to be occupation in terms of this policy.

### Conservation

~~4.66-~~ Where land has been formally set aside for preservation or conservation purposes [and there is not a Ngā Whenua Rāhui kawenata under section 77A of the Reserves Act 1977 or section 27A of the Conservation Act 1987](#), a rates remission of up to 100% may be granted. The amount of the remission will depend on:

### Remission and Postponement of Rates on Maori Freehold Land

- (a) The proportion of the property that is being used for conservation purposes; and
- (b) The desirability of preserving particular natural, historic or cultural features within the district; and
- (c) Whether, and to what extent, the preservation of particular natural or historic or cultural features might be prejudicially affected if rates remission is not granted in respect of the land on which they are situated; and
- (d) Whether and to what extent preservation of particular natural or historic or cultural features are likely to be encouraged by the granting of a rates remission.

#### Land Under Development

4.7 Section 114A of the Local Government (Rating) Act requires the Council to consider any application by a ratepayer for a remission of rates on Maori freehold land in the event that the ratepayer or another person is developing, or intends to develop the land. Applications must be in writing and address the matters raised in Section 114A (3) (a) – (e).

4.87. Details of any rating unit that receives a rates remission under this policy shall be recorded in a Register. Land shall be inspected at least annually to ensure that there is no occupation of the land or person receiving benefit from it.

4.98. The Council will not postpone the requirement to pay rates on Maori Freehold land, other than in terms of any policy adopted under Section 102(3)(b) of the *Local Government Act 2002*.

4.109. The Council may remit rates arrears including penalty charges on any rating unit containing Maori Freehold Land in any circumstances where it believes it would be fair and equitable to do so.

### **5 Links to legislation, other policies and community outcomes**

*Local Government Act 2002*

*Local Government (Rating) Act 2002*

*Local Government (Rating of Whenua Maori) Amendment Act 2021*

*Te Ture Whenua Maori Act 1993*

Waimakariri District Council Rating Policies

#### **Community Outcomes**

~~Public effect is given to the spirit of the Treaty of Waitangi~~Effect is given to the principles of the Treaty of Waitangi

- ~~The Council in partnership with Te Ngai Tuahuriri Runanga, continue to build our relationship through mutual understanding and shared responsibilities~~The Council in partnership with Te Ngai Tuahuriri Runanga, continue to build our relationship through mutual understanding and shared responsibilities.
- Maori cultural identify, values and aspirations are reflected in built and natural environments..

~~The community's cultures, arts and heritage are conserved and celebrated~~Indigenours flora and fauna and their habitats, especially Significant Natural Areas are protected and enhanced.

- All cultures are acknowledged, respected and welcomed in the District. Conservation, restoration and development of significant areas of indigenous vegetation and/or habitats is actively promoted.

### Remission and Postponement of Rates on Maori Freehold Land

#### 6 Adopted by and date

Adopted by Council on ~~19 XX~~ June ~~2022~~2018 through the ~~2018-28~~2022-2023 ~~Long Annual~~Term Plan.

The following Delegations apply:

Manager, Finance & Business Support – to approve inclusion in the Maori Freehold Land Remission Register of any property that meets all of the requirements of Clause 1 of this Policy.

Audit Committee — to approve an application for rates remission on land that is under development. Tto hear and make a final decision on any appeal on an application for remission that has been declined.

#### 7 Review

Next review at 2024 Long Term Plan.

DRAFT



## New Zealand Legislation

## Local Government (Rating) Act 2002

**114A Remission of rates for Māori freehold land under development**

- (1) The purpose of this section is to facilitate the occupation, development, and utilisation of Māori freehold land for the benefit of its owners.
- (2) A local authority must consider an application by a ratepayer for a remission of rates on Māori freehold land if—
  - (a) the ratepayer has applied in writing for a remission on the land; and
  - (b) the ratepayer or another person is developing, or intends to develop, the land.
- (3) The local authority may, for the purpose of this section, remit all or part of the rates (including penalties for unpaid rates) on Māori freehold land if the local authority is satisfied that the development is likely to have any or all of the following benefits:
  - (a) benefits to the district by creating new employment opportunities:
  - (b) benefits to the district by creating new homes:
  - (c) benefits to the council by increasing the council's rating base in the long term:
  - (d) benefits to Māori in the district by providing support for marae in the district:
  - (e) benefits to the owners by facilitating the occupation, development, and utilisation of the land.
- (4) The local authority may remit all or part of the rates—
  - (a) for the duration of a development; and
  - (b) differently during different stages of a development; and
  - (c) subject to any conditions specified by the local authority, including conditions relating to—
    - (i) the commencement of the development; or
    - (ii) the completion of the development or any stage of the development.
- (5) In determining what proportion of the rates to remit during the development or any stage of the development, the local authority must take into account—
  - (a) the expected duration of the development or any stage of the development; and
  - (b) if the land is being developed for a commercial purpose, when the ratepayer or ratepayers are likely to generate income from the development; and
  - (c) if the development involves the building of 1 or more dwellings, when the ratepayer or any other persons are likely to be able to reside in the dwellings.
- (6) [Sections 85\(2\)](#) and [86](#) apply to a remission made under subsection (3).
- (7) This section does not limit the application of [section 85](#) or [114](#) to Māori freehold land.

Section 114A: inserted, on 13 April 2021, by [section 50](#) of the Local Government (Rating of Whenua Māori) Amendment Act 2021 (2021 No 12).