

Waimakariri District Council

Agenda

Extraordinary Meeting

Tuesday 14 March 2023

11.45am

Council Chambers

215 High Street

Rangiora

Members:

Mayor Dan Gordon

Cr Neville Atkinson

Cr Al Blackie

Cr Robbie Brine

Cr Brent Cairns

Cr Tim Fulton

Cr Jason Goldsworthy

Cr Niki Mealings

Cr Philip Redmond

Cr Joan Ward

Cr Paul Williams

The Mayor and Councillors

WAIMAKARIRI DISTRICT COUNCIL

AN EXTRAORDINARY MEETING OF THE WAIMAKARIRI DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, RANGIORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA, ON TUESDAY 14 MARCH 2023 COMMENCING AT 11.45AM

Sarah Nichols
GOVERNANCE MANAGER

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

BUSINESS

Page No

1. APOLOGIES

2. CONFLICTS OF INTEREST

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

3. MINUTES FOR CONFIRMATION

3.1. Minutes of a meeting of the Waimakariri District Council held on Wednesday 8 February 2023

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RECOMMENDATION

THAT the Council:

- (a) **Confirms**, as a true and correct record, the circulated Minutes of the meeting of the Waimakariri District Council meeting held on Wednesday 8 February 2023.

4. REPORTS

4.1. Establishment of the Road Safety Working Group – J McBride (Roading and Transport Manager) and S Nichols (Governance Manager)

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RECOMMENDATION

THAT the Council:

- (a) **Receives** Report No. 230303029408.
- (b) **Notes** that the Waimakariri Road Safety Coordination Committee will be replaced by the Waimakariri District Road Safety Working Group (RSWG).
- (c) **Approves** the Terms of Reference for the Waimakariri District Road Safety Working Group (RSWG) as attached in Appendix 1 (Trim 221207211571).

- (d) **Appoints** Councillor Redmond as Chair, being the portfolio holder of Roothing and Councillor Cairns, being the councillor representative of the Waimakariri Access Group as the Council's representatives on the Waimakariri District Road Safety Working Group (RSWG).

4.2. **2023/24 Development Contribution Policy for Consultation with Draft Annual Plan** – K LaValley (Project Delivery Manager)

41 - 100

RECOMMENDATION

THAT the Council:

- (a) **Receives** Report No. 230215020550.
- (b) **Approves** an addition to the Draft 2023/24 Development Contributions Policy, as per attachment i, establishing a proposed rebate for the Tuahiwi Reserve MR873.
- (c) **Approves** the development contributions rebate in the Development Contributions Policy to apply to all applicable development contributions for qualifying developments of up to 20 dwellings over 5 years as infill type development.
- (d) **Approves** the rebate scheme to be retroactively applied to RC195034 and RC185168 as qualifying developments.
- (e) **Notes** that the rebate provisions of the Policy can be reviewed annually with the Policy review.
- (f) **Notes** that although the proposed rebate for the Tuahiwi Reserve MR873 in the Draft 2023/24 Development Contributions Policy is significant in terms of relationship outcomes, the financial effect is considered minimal.
- (g) **Approves** the development contribution maps including the map for the new development contribution area of Outer East Rangiora (Eastern Link Road) and amended Outer East Rangiora sewer map.
- (h) **Notes** that the proposed Draft 2023/24 Development Contributions Policy and maps will be consulted on alongside the 2023/24 Annual Plan.

5. **NEXT MEETING**

The next scheduled ordinary meeting of the Council will commence at 1pm on Tuesday 4 April 2023..

MINUTES OF A MEETING OF THE WAIMAKARIRI DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBER, 215 HIGH STREET, RANGIORA, ON TUESDAY, 8 FEBRUARY 2023, COMMENCING AT 9AM.

PRESENT

Mayor D Gordon (Chairperson), Deputy Mayor N Atkinson, Councillors A Blackie, B Cairns, J Goldsworthy, T Fulton, N Mealings, P Redmond, J Ward and P Williams.

IN ATTENDANCE

J Millward (Acting Chief Executive), G Cleary (Manager Utilities and Roading), C Brown (Manager Community and Recreation), T Tierney (Manager Planning and Regulation), S Hart (General Manager Strategy, Engagement and Economic Development), S Salthouse (General Manager Organisational Development and Human Resources), K Simpson (3 Waters Manager), J McBride (Roading and Transport Manager), K Waghorn (Solid Waste Asset Manager), C Roxburgh (Water Asset Manager), K LaValley (Project Delivery Manager), J Recker (Stormwater and Wastewater Manager), G MacLeod (Community Greenspace Manager), P Eskett (District Libraries Manager), T Sturley (Community Team Manager), M Greenwood (Aquatics Manager), R Hawthorne (Property Manager), M Bacon (Development Planning Manager), W Taylor (Manager Building Unit), W Harris (Planning Manager), B Charlton (Environmental Services Manager), S Nichols (Governance Manager), A Keiller (Chief Information Officer), H Street (Corporate Planner – Policy and Strategy), T Kunkel (Governance Team Leader), K Rabe (Governance Advisor), and E Stubbs (Governance Officer).

Meeting Adjournments:

The meeting adjourned at 10.20am for refreshments and reconvened at 10.35am.

The meeting adjourned at 1pm for lunch and reconvened at 1.42pm.

The meeting was adjourned at 3.34pm for refreshments and reconvened at 3.45pm.

The public excluded portion of the meeting occurred from 12.50pm to 12.58pm (Item 6.1).

1. APOLOGIES

Moved: Councillor Atkinson Seconded: Councillor Goldsworthy

THAT an apology for absence be received and sustained from Councillor R Brine.

CARRIED

2. CONFLICTS OF INTEREST

No conflicts of interest were declared.

3. OVERVIEW AND FINANCIAL STRATEGY

Overview - Jeff Millward (Acting Chief Executive and General Manager Finance and Business Support)

J Millward provided an introduction to the Draft Annual Plan budgets and spoke to a Powerpoint presentation.

The timetable was outlined, then assumptions and policies were touch upon. J Millward commented on other councils whom may be taking the process of an Annual Plan lightly with regard to consultation, the impacts of the changing financial environment and growing pressures on low rates, high levels of service and increased costs.

J Millward commented on the district growth and the economic growth numbers being medium to high. There was no change to the Revenue and Financing Policy which had adjustment to Depreciation, and the Rating Policy had no change other than minor adjustments to UAGC's. There are large rate movements in Pegasus and Rangiora due to the revaluations. The Treasury interest rates were spoken of with forecasts and interest rates. It was commented on the recommendations to the Council regarding on how the Depreciation will be funded over the next five years and the impacts on the Council finances.

J Millward acknowledged that this financial period is not comparable to the last 10 years with Covid induced markets and unrest around the world. The financial markets are still uncertain, along with supply chain impacts on business, inflation not under control, along with changes in local and central government creating uncertainty. The Council has no option but to absorb the inflation. Depreciation funding resulted in \$400m added on the books and the impacts of future funding was spoken of and the strategies needed to reduce the spikes. J Millward commented on savings over the last three years of 6%.

Business and Economic Research Ltd (BERL) are an economic forecaster that Councils utilise their information. Several graphs were explained showing figures set during the LTP and the realistic figures being approximately a 10.6% gap on cost adjustors. Local government inflation is slightly above CPI. This meant that the Council should have rated at 7.6%. The Council has managed to have the lowest rates in Canterbury for the last two years, with some predictions for normality in 2027.

A presentation slide of ANZ Bank data was explained showing pressure on debt rises. The low cost interest rate hedges were holding the Council in good stead currently. J Millward explained the District Revaluation, noting commercial areas were hit hard in the last LTP however this time there is a reduction for that area.

J Millward discussed the district growth provision with 4,800 new dwellings estimated over the next ten years and that is where Development Contributions are sourced. The overall estimated population for the district, based on medium to high projections is 78,400 in 2031.

J Millward summarised options available to the Council which included passing on the inflationary effects, which would be unpalatable to the community as inflation was already 7.3% making the true rate a 14.4% rate rise. Management have looked for savings, with staffing levels and training held back and expenses trimmed for the last three years, without significantly reducing levels of service. Funding strategies have been reviewed and where possible impacts have been moderated or spread over a number of years – such as the earthquake debt, stadium, capital expenditure. Fees and charges, development contributions and grants/subsidies have all been reviewed. The growth projections have also been reviewed and set to 700 but maintained the average of 480 over ten years. J Millward commented on the uncertain times and relooked at savings to cushion the effects on the community. He outlined areas where the Council had looked for savings, noting there are some risks with all assumptions. Some long term loans had been pushed out and in significant areas of expenditure the costs had been spread out to reduce the spikes. It was noted that the Library and Pools patronage have not returned to pre-covid levels, particularly in aquatic areas so adjustments in funding has occurred. Strategies have been reviewed but it will take time. Staff levels have remained low and training budgets were slashed when covid occurred and these have not increased since.

Management believe there were no other viable options to reduce the rates from 14.4% until management had a review of the Depreciation rates and deferred it by spreading over five years which has brought the average rate movement down to 6.9%. This is the rate in the budget papers currently. J Millward provided another example with electricity costs being locked in to low rates and although it had added \$800,000 to the budget, without the astute secured rate the electricity costs could have seen an increase of \$3m. J Millward commented briefly on the UAGC, recreation adjustments as unchanged and minor effects on the Rooding fund.

J Millward recapped on options and savings. Reducing the rates down from 14.4% to 6.9% was reiterated and the effects of pushing the Depreciation over the next five years amend the rates to 5.3%, 5.3%, 5% and mid 4% in future years. A slide of expenditure by activity was explained which is total cost including depreciation. Total expenditure for the year is 14.36%. Then removing depreciation and adjustments it brings the rates to 6.9%. A graphic demonstrated the smoothing of the capital expenditure over the next 10 years. In the later years library growth and roading costs are added to meet additional demands of the community.' Two slides explained that by removing \$6m depreciation now and adding it back in later it smooths the overall impact on the community.

J Millward commented that the average rates over the last 20years is 4.5%, however Councils are continuing to be hit with government changes, inflation, climate change and natural disasters. The key breakdown of the rates calculation of 6.9% was reiterated. The option round earthquake funding with suspension for one year would push out the loan repayment and it was explained that between the earthquake loan and depreciation was the only other option to reduce rates to 6%. Management were well aware of the community costs with 7.35% inflation and this proposal created a buffer. With a little bit more of a tweak the rate will come down to 5.95% but J Millward cautioned on the on-flow in the outer years of delaying loans. The matter is for the Council consideration and debate through this meeting. All rates mentioned are average for the district as rate samples of the different areas of the community where explained. Urban around 7-8% and Oxford-Pegasus is 10-14%. Pegasus were significantly higher because of the revaluation figures mentioned earlier in the meeting.

A slide explaining the total debt, new and repaid debt was spoken of. The Treasury limits and insurances for natural disaster such as Alpine Fault magatude 8 (AF8) was explained with the Council sitting under all limits and abiding by the associated Policies.

J Millward commented on the key consultation subject matters being investment to remain chlorine-free; stormwater upgrades, contracted inflation and depreciation and earthquake funding. Matters that will be included in the consultation document as information will be the government reforms, climate change and sustainability, community facilities, rubbish and recycling, There are future discussions yet to be had with regard to the Canterbury Museum and Christchurch Stadium which may have impacts on future rates.

Members questions occurred from 9.56am.

Mayor Gordon thanked J Millward for a clear explanation of the complex financial situation.

Councillor Redmond enquired, on factoring in growth what may be the impact on rates if growth is less. J Millward said that would depend on how much less growth. Currently growth at 700 is 2.5%, which is not big numbers nor significant. Staff were taking a long term approach over the 10 years of 480 homes which is lower than the current 700 homes.

Councillor Mealings sought to clarify the Depreciation smoothing, being all of depreciation or parts. J Millward commented that Depreciation spikes were removed on a carried book value of \$1.9b which had increased to \$2.3b. The inflation etc has impacted like never seen previously however the Council could get back on track in five years. The figures to be clarified however it was funding only small amount in current year. In a supplementary question Councillor Mealings enquired if the debt funding with the earthquake loan had any impact on the Standard & Poors rating. J Millward responded that it should not, if this action was only undertaken once, however if the Council continue to do that then it would impact on future Standard & Poors ratings. J Millward spoke of equating depreciation to the life of the asset value and by delaying one year it pushes matters out 2½ years. He spoke of the earthquake loan for 26 years however cautioned pushing it out to far for too long. The original loans of 2012 have been added to and it was still prudent to stay within 25years.

Councillor Blackie referred to a slide on the financial strategy and levels of service. J Millward responded that if the Council wish to maintain levels of service it would need to smooth out the rate or reduce the level of service to stay within the 6% rate range.

Councillor Cairns referred to the impact on revenue from government impacts of funding services like libraries and UV on water. J Millward commented on NZTA capped limits and Council absorbing costs of contracting increases. Salaries were subsidised for a level of time and now the government had withdrawn that source so the Council was trying to off-set costs. Managers will explain when the budgets are discussed during the day what the impacts of covid and reduced numbers of patrons mean in areas such as aquatics and libraries. There is a greater reduction of subsidies from government funding. The Shovel ready / stimulus packages are to come forward however the flip side is increased depreciation and costs.

Councillor Atkinson expressed concerned about smoothing and what effect in years to come as there is always a consequence of cutting services and budgets, enquiring what are the effects in the later years. J Millward spoke of the status quo, however there has been a change in level of service requirements, pools have changed, climate change and drainage – there is always a trade-off. Traditionally cost inputs that affect councils are higher than CPI. Outside effects such as government impacts are ongoing. The Council has to do measures such as drainage improvements to cope with climate change. There will be increases in figures shown and staff have factored in as much as possible and continue to do incremental changes to improve community assets.

Councillor Fulton referred to cost of funds and recent increase in hedging of increase of rates, and is there any potential advantage. J Millward commented on the Treasury adviser (Bancorp) that the Council use and spoke of interest rate hedges that go out 10years to try and predict future payments. This is why the increase has gone from 3.75% to 4.35%. Without hedging the Council rates would be 5-6% higher. It was acknowledged there was a complication of 3 waters, so the Council was setting new debt, within the policy thresholds and taking advantage of cheaper rates, which included \$40m maturing over the next year.

The budget introduction concluded at 10.15am with a short adjournment. The meeting resumed at 10.35am with the Mayor moving to the budget reporting section of the meeting where each unit presented reports followed by operational budgets before proceeding to the next unit. The order that operational units presented information to the Council was:

- Utilities and Rooding
- Community and Recreation
- Regulation and Planning
- Strategy, Engagement and Economic Development
- Finance and Business Support
- Management

At this time the budgets were received Proforma, subject to debate and would be confirmed at the end of the meeting.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

CARRIED

4. MEMO/ REPORTS

Utilities and Roothing Unit

4.1 2023/24 Capital Works Programme Review – G Cleary (General Manager Utilities and Roothing) and K LaValley (Project Delivery Manager)

G Cleary introduced the report as providing an overview of the Capital Works Programme, which comprised of a significant portion of the budget. He noted that there was also regular reporting throughout the year to the Audit and Risk Committee on the progress of the Capital Works Programme. An iterative process was carried out with Asset Managers to ensure careful consideration of the Council's ability to deliver the programme, including consideration of the landscape within which they were operating. In addition, there was a process of prioritisation and matching resource availability with projects.

G Cleary explained the drivers of the programme, which included:

- statutory drivers, for example the requirement to meet Drinking Water Standards
- growth, including both catchup and anticipation, and
- level of service, such as expectation from the community regarding the non-chlorination of drinking water.

Other factors included stakeholder expectations, external funding requirements, project progress, and benefits. Regarding benefits, G Cleary explained that while assessing each project against the four wellbeings had always been part of the consciousness, the assessment process was now treated more transparently.

K LaValley provided an overview of the high-level resourcing assessment which had been carried out, noting that 40% of each resource time had been allocated, and the remaining time was available for the potential impact of reform and unexpected events such as flooding. The cushion provided was 20% higher than previously allowed and reflected the uncertainty of the current climate. However, the assumption of successful recruitment and retention was a risk in aligning what resources were available with what was required to deliver the programme.

G Cleary provided an overview of the roading budget delivery methodology, including developer-driven, Project Development Unit and consultants. He explained that if staff believed developers were being too ambitious in expectation of delivery, they would push out the budget with the understanding that they could bring it back to the Council for earlier approval if necessary rather than not deliver on a project which reflected poorly on the Council.

G Cleary noted that the Council had been successful with its Walking and Cycling funding application and, as such, was gearing up resources to deliver the project. There was also work underway in east Rangiora, of which a large proportion was developer-driven. Work would also be carried out to meet Central Government mandates regarding speed limits around schools.

G Cleary further advised that the budget included \$2 million for a carpark land purchase in the 2023/24 financial year. However, as staff were no longer confident that the acquisition would proceed within the timeframe (negotiations had the potential to be prolonged), it was believed to be prudent to push it out to the 2024/25 financial year.

In summary, G Cleary commented that he believed the Capital Works Programme could be satisfactorily resourced and that the contingency had been stepped up this year due to several factors, including the uncertain environment around government reforms.

Councillor Atkinson asked what the pushing out of the potential \$2 million expenditure for car parking would have for future years. J Millward believed it would have a negligible effect to shift the impact from next year to the following year.

Councillor Blackie referred to the consultant delivery of \$3 million and asked how much of the amount was for expertise brought in and how much was peer review. G Cleary advised that the \$3.2 million was not spent on consultants. However, it referred to \$3.2 million spent on the Capital Programme that would be delivered with the assistance of consultants. It was more of a capacity issue due to the spike in programming that required extra resources.

Councillor Mealings asked for clarity on the property ownership of the car parking as she understood that the Council already owned the property. She was concerned about the price of the land escalating if that was not the case. It was agreed to discuss the car parking when the General Manager Strategy, Engagement and Economic Development, S Hart was in attendance.

Councillor Williams referred to the high bar required to remove the need for water chlorination and asked if staff should be investigating other options. G Cleary commented that a report on the proposed water treatment upgrades was included in the agenda.

Moved: Councillor Ward

Seconded: Councillor Fulton

THAT the Council:

- (a) **Receives** memo no. 230117005232 for information.

CARRIED

At this time, Item 5.1 "Roading and Transport" was taken. The Minutes have been recorded in the order of the Agenda.

4.2 **2023/24 Development Contributions Schedules and Policy for Consultation with Draft Annual Plan** - K LaValley (Project Delivery Manager)

K LaValley took the report as read, noting the significant increase in land value had caused the calculated contribution value amount to fall below the allowable cap. The calculation was as follows; 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. Accordingly, the current residential reserves contribution was capped at 7.5% of the district's average value of residential allotments, which was \$337,000 based on the 2022 valuation.

K LaValley also tabled an additional recommendation (e) which dealt with the District Roading Development Contribution.

Councillor Williams queried the variation of values shown for Rangiora between 3.4% and zero and enquired if it would not be a better approach to keep contributions consistent throughout the area. K LaValley stated that development contributions were designed specifically for each area and the services each would require, therefore for new developments the contributions would be higher.

In response to Councillor Williams inquired about contributions for new developments in rural areas, which would require road improvements to gravel roads, K LaValley noted that improvements to the roading network would fall under the financial contributions.

Councillor Mealings enquired how unplanned developments were charged. K LaValley noted that the Council calculated the contribution once the development plans were available.

Moved: Councillor Ward

Seconded: Councillor Goldsworthy

THAT the Council:

- (a) **Receives** Report No. 230119006153.
- (b) **Approves** the Draft 2023/24 Development Contribution Schedules as per Attachment i for consultation with the 2023/24 Annual Plan.
- (c) **Notes** that the recommended changes to the Development Contributions had been reflected in the draft Annual Plan for 2023/24 and beyond.
- (d) **Notes** that a separate report would be presented to the Council on the recommended changes to the Development Contribution Policy.
- (e) **Approves** the draft District Roding Development Contribution be set at \$12,055 including GST and the establishment of the Outer East Rangiora Roding (Eastern Link Road) development contribution area with the development contribution set at \$3,849 including GST for consultation with the 2023/24 Annual Plan.

CARRIED

4.3 UV Treatment Strategy and Rationale – C Roxburgh (Water Asset Manager)

C Roxburgh introduced the report, advising that the incorporation of Ultra-Violet (UV) treatment projects on all the Council's water supplies was first included in the Council budgets as part of the 2018/19 28 Long Term Plan. With the recent release of the Drinking Water Quality Assurance Rules (DWQAR), staff now had the confidence to recommend that these projects proceed.

C Roxburgh outlined the rationale for the UV projects, noting the significant challenges in gaining and maintaining compliance through other means. Even with chlorination, the alternative to UV treatment was regular monitor source water for coliform, to ensure that source water was free from all coliforms and E. coli at all times, and to construct a sanitary (raised) bore head. He commented that currently none of the Council's bore heads met the sanitary bore head requirements.

Only the Oxford Urban-Rural No.2 supply could possibly gain compliance without the UV treatment, as this scheme could potentially achieve bacterial compliance with chlorine treatment. However, due to the ongoing risk of losing protozoal compliance if coliforms were detected, this approach was not recommended.

Councillor Cairns referred to the legislation requiring the Council to have two barrier and asked if the Council even had a choice. C Roxburgh confirmed that the legislation had a multibarrier approach, then again, it could be argued that the first barrier was the source and the second was UV treatment. However, if the source was poor, then a two-treatment barrier was required.

Councillor Williams asked about future requirements and believed that the Waimakariri District's water supplies were excellent if compared to other districts. It was therefore, a viable approach to push out the installation of UV treatment to a later date. C Roxburgh confirmed that the recommended work was needed for the Council to meet the current regulations.

Councillor Williams questioned if the bores were brought up to standard previously, why were they now no longer complied with regulations. C Roxburgh explained that in 2018 the Council was required to carry out work to meet 'secure status'. However, there was now new rules that the Council had to be complied with.

Councillor Williams further asked whether the Council could defer the UV treatment since it was already considered far ahead of other councils in terms of water supply. G Cleary confirmed that the standards had changed with immediate effect, and UV treatment would bring the Council back into compliance, hence the UV treatment could not be deferred. Water supplies were required to be chlorinated, unless an exemption was granted. Staff was recommending UV treatment whether water supplies had chlorine or not. The issues raised was previously discussed with the Regulator.

Councillor Redmond enquired if the bore heads needed to be also raised. C Roxburgh advised that the UV treatment would be sufficient in terms of meeting rules. G Cleary added that in the case of a chlorine exemption, a raised bore head may be required due to the high bar set for an exemption.

Councillor Mealings sought clarity if the debt associated with UV treatment projects would be transferred if the Three Waters Reform proceeded. C Roxburgh replied yes, and as such, saving money now would not benefit local communities as the work may have a lower priority within a larger entity.

Councillor Fulton asked whether the Council had considered a plan for public communication as it was anticipated there would be negative public feedback. G Cleary advised that it was clear the majority of the public did not wish for chlorination, and it was therefore essential to bring the public on the UV journey.

Councillor Fulton asked if there was a risk that the public may think the new treatment was a precursor to the fluoridation of supplies. G Cleary advised that the need for fluoridation was not a Council decision, however, staff wished to future-proof design and equipment.

J Millward commented that Taumata Arowai was taking a risk by not enforcing chlorination on Council supplies while they worked through the exemption process. The community risk was low, both Taumata Arowai and the Council accepted the risk. G Cleary signalled that the amount of capital work required to achieve chlorine exemption was more than previously anticipated.

Councillor Atkinson enquired if bore heads were raised and chlorine was applied, did it eliminate the need for UV treatment. G Cleary did not believe that the need for UV treatment would be removed as chlorination was a requirement unless the Council had an exemption, UV treatment was required, and the bore head may need to be also raised. Councillor Atkinson asked for a rough estimate of raising bore heads and C Roxburgh replied it was in the several hundreds of thousands.

Moved: Mayor Gordon

Seconded: Councillor Redmond

THAT the Council:

- (a) **Receives** Report No. 221202209325.
- (b) **Notes** that UV was recommended to be installed on all the Council's water supplies for the following reasons:
 - i. For any scheme that did not use chlorine (i.e. those where exemptions were sought), UV was the required method to achieve bacterial compliance with the DWQAR, and;
 - ii. For schemes that did have chlorine, UV was also recommended based on the challenges in obtaining and maintaining compliance with the bacterial and protozoal requirements without it.
- (c) **Approves** the recommended approach that UV be prioritised in 2023/24 for the schemes where chlorine exemptions were sought (Rangiora, Kaiapoi, Woodend-Pegasus, Oxford Urban and Cust), as well as at McPhedrons Road on Oxford Rural No.1 due to this scheme having no storage tanks at the headworks and therefore being unable to obtain bacterial compliance without UV.

- (d) **Approves** the remaining schemes (West Eyreton-Summerhill-Poyntzs Road and Ohoka) having UV installed within the 2024/25 financial year, to bring all schemes up to compliance.
- (e) **Notes** that while there had been signals that UV would be required to meet future standards since the 2018-28 Long Term Plan was produced, it was only since July 2022 with the 2022 DWQAR being released that this need had been confirmed.
- (f) **Approves** the provision of \$360,000 of design budget in 2022/23 to be brought forward from the 2023/24 financial year from the District UV account (split proportionally between the relevant projects within this cost centre) to allow for the design and tendering to progress within the current financial year, to allow for construction to be completed in 2023/34 for the first stage.
- (g) **Notes** that as this work was a capital project, it would be loan funded, and the rating implications would take effect from the year after the capitalisation of the first stages, being July 2024 with District Water rates forecast to increase from \$35 per connection to \$70 per connection.
- (h) **Circulates** this report to the Community Boards for their information.

CARRIED

Mayor Gordon referred to the partnership arrangement with the Regulator, and part of that discussion had been UV treatment. The Council had been clear about its communities' opinion on chlorination, except where there was a known risk. The Council needed to do all it could to protect communities. The Waimakariri District Council was a benchmark Council that took advice from experts to ensure communities stayed safe and connected. He had fronted communities and Select Committees on the topic of chlorination. He was persuaded by consistent testing and the ability to 'turn on' chlorine at a moment's notice. However, he believed that a briefing on the result of the Cust exemption application was needed.

Councillor Redmond supported the comments of the Mayor and noted that the community had clear expectations around non-chlorination. UV treatment was essential for gaining exemptions. The Council was also obliged to provide safe drinking water, and UV treatment enhanced that ability. In terms of risk, it was clear Taumata Arowai did not wish to accept much risk.

5. **BUDGETS**

5.1 **Roading and Transport**

J McBride thanked J Millward and G Cleary for setting the scene for the budget report. She provided an overview of the key issues for roading.

The first was maintenance, operations and renewals with cost escalations in the Roothing Maintenance Contract of 8% in the 2021/22 financial year and 14.8% in 2022/23. While the budget could absorb smaller increases, multiple significant increases would begin to impact levels of service to the community. J McBride noted that the Waka Kotahi co-funding share was already set, and there was little opportunity for extra funding from Waka Kotahi.

J McBride outlined the three options available to help fund the shortfall. Firstly, fully funding the gap for renewals and maintenance equating to an additional \$1.28 million of funding. Secondly, to only fund maintenance, which was an additional \$665,000. Thirdly, to fund limited renewals activities and all maintenance activities, which was an additional \$1.058 million. The third option was recommended as it balanced the risk and need of the roading network.

The second key issue was from the National Land Transport Programme (NLTP) 2021-24, in the area of Low-Cost Low-Risk funding, where the Council had endorsed funding for just 50% of its requested projects. The Council had agreed to decrease spending in some areas and continue with some critical projects to the point where they would be ready for tender if funding became available. At this stage, funding seemed unlikely, it was thus recommended that the budgets for several projects be moved out to the following three-year funding period.

The third key issue was the successful application for Better Off Funding for Transport Choices. Funding needed to be brought forward to the 2023/24 financial year to allow for the provision of walking and cycling facilities. Two-thirds of the project was externally funded, with the Council required to fund a third.

Other noteworthy issues were the progress of three property sales and a Roothing Administrator position subject to the approval of Council funding.

J McBride highlighted proposed changes to the approved budget, including cost escalation for drainage maintenance to remove high shoulder, increased power costs, Waimakariri Gorge Bridge repairs, school safety improvements and walking and cycling delivery.

Looking to the future, several changes in legislation have created issues that were likely to require further consideration as part of the next Long Term Plan (LTP) process, including school safety improvements, speed management plans and emissions reduction. In addition, high-level estimates for the balustrade of the Williams Street Bridge in Kaiapoi were approximately \$750,000 to \$800,000 compared to the current available budget of \$225,000. There was also a need to construct the Eastern Link Road earlier than indicated in the LTP. J McBride also flagged the River Road upgrade, for which the current estimate was higher than the budget.

Mayor Gordon thanked J McBride for her report on a busy work programme. He noted the shortfall in funding from Waka Kotahi and asked if J McBride believed advocacy through avenues such as the Mayoral Forum would assist. J McBride commented that ongoing advocacy would help, and while it may not change this NLTP it may assist going forward.

Mayor Gordon questioned the property being prepared for sale, and J McBride advised that staff were currently looking at land requirements as part of the Mass Rapid Transit business case.

Councillor Mealings enquired if school safety improvements funding was for speed signage. J McBride replied that 25 schools would be assessed for signage and marking requirements, including a number on busy roads requiring electronic variable lights.

Councillor Ward referred to the Eastern Link Road which was deemed to be a State Highway and asked if work could continue on the project. G Cleary advised that staff had been in active conversation with the main developer and continued to work on the project.

Councillor Williams noted the increased power costs for lighting and questioned if costs should not be decreasing with Light-emitting Diode (LED) replacement. He asked if the Council were still paying for incandescent lighting rather than LED. J McBride undertook to confirm the lighting rates and provide that information to Councillors. She believed the replacement programme needed to proceed faster to see reduced lighting costs. She would bring options to the LTP regarding accelerating the replacement programme and other options, such as dimming lights after midnight.

Councillor Atkinson asked if the Council should consider deferring the Kaiapoi Bridge balustrades and amenity lighting projects considering the current inflationary environment, as they were not essential projects. J McBride agreed that could be an option, and she would need to confirm if any minor maintenance was required.

Councillor Redmond asked what the rate effect would be if the Kaiapoi balustrade projects were deferred. J Millward advised that it would be minimal at around 0.1%.

Councillor Blackie asked about the 500% increase in street cleaning budget and J McBride advised it was a longstanding agreement that had not been adjusted for a long time.

With S Hart present, Mayor Gordon asked about the impact of deferring the carpark property purchase. S Hart advised that while staff were investigating options, there was uncertainty about whether it would progress in the financial year. He noted that after Covid, there had been no increase in parking demand, so there was no immediate urgency to provide extra parking. Through the LTP staff would come back with options, including technology.

Councillor Mealings asked for clarification on land ownership in the area north of High Street, and S Hart confirmed that the Council owned some of the land but not all.

Moved: Councillor Atkinson

Seconded: Councillor Redmond

THAT the Council:

- (a) **Approves** the draft budget for the 2022 -2023 annual plan.
- (b) **Notes** that cost escalations for road maintenance were expected to be in the order of 14% for the period through to 1 November 2022 and this level of cost escalation had not been planned for in the Long Term Plan.
- (c) **Notes** that an allowance of \$1.158M has been made for the increased cost of Maintenance and for some Renewals activities to partially fund the shortfall.
- (d) **Approves** for inclusion in the Draft Annual Plan, consultation on additional unsubsidised budget of \$1,058,000 in the 2023/24 financial year to cover the shortfall in Maintenance, Operations and Renewals funding to inform a decision around future levels of service.
- (e) **Notes** that where Low Cost Low Risk funding had not been received from Waka Kotahi NZ Transport Agency, that the affected projects had been moved out to future years and would be considered as part of the next Long Term Plan process.
- (f) **Notes** that funding of \$1,240,000 had been included over 2023/24 and 2024/25 for School Speed Signage to allow for the requirements of the Setting of Speed Limits Rule May 2022 to be met.
- (g) **Notes** that further funding would be required to meet Emissions Reduction targets, which was not currently included in the Long Term Plan.
- (h) **Approves** moving the budget of \$3,000,000 for Land Purchase for Carparking in 2023/24 out to the 2024/25 year.
- (i) **Approves** inclusion of the Eastern Link Road in years 2028/29 to 2030/31 at a total budget of \$35,000,000.
- (j) **Defers** the Williams Street Balustrade project and Town Centres Amenity lighting and consider as part of the Long Term Plan.

CARRIED

Councillor Atkinson believed it was prudent to look at each project critically due to the inflationary spike.

Councillor Redmond believed there needed to be more focus on core activities rather than those that were 'nice to have'.

5.2 **Solid Waste**

K Waghorn explained that the main impact on the Solid Waste budgets had come from an expected 4.2% CPI increase, generally across-the-board, plus:

- High CPI adjustments to collections and facilities operations contracts
- High CPI increases to organics and greenwaste disposal charges.
- Landfill disposal charges had the triple impact of high CPI, ETS cost increases, the \$20/tonne increase to the landfill levy and transportation to landfill rising by 10%.
- A reduction in incoming landfill waste from a group of private bin collectors which would increase the fixed-costs per-tonne component of the gate charges.
- Introduction of a Ministry for Environment (MfE) \$10 per tonne landfill levy on all materials going into cleanfill sites plus additional monitoring and reporting requirements.
- Late advice (received yesterday) about an increase to recycling processing charges from \$185 to \$210 per tonne. It was proposed to increase the commercial recycling gate charge to \$241.50 per tonne to cover the full costs for processing commingled recycling from collection companies.

In the Kerbside Collection Account, the increases would result in increases to targeted rates for kerbside recycling by 10.6% over the 2022/23 financial year budgets but within 0.6% of Annual Plan forecasts. Rubbish bags would increase by ten cents (from \$3.60 to \$3.70), which was ten cents below forecast due to lower bag supply costs. The recycling processing charge would increase the net deficit from \$223,000 to \$114,100, which could be funded out of surplus.

In the Waste Minimisation Account, overall operating costs were projected to be as forecast in the last Annual Plan budgets, except for increased recycling costs.

In the Disposal Account, the main impacts were on gate charge income, most of which were reducing despite proposed gate charge increases, owing to lower landfill tonnages (loss of group of collectors, plus potential impact of a decrease in economic activity), lower weights in kerbside rubbish bins, lower weights/volumes of cleanfill and increase to commercial recycling gate charge as increase fee from \$212.75 to \$241.50.

The main impacts on operational costs were increased costs for hazardous wastes and recycling (higher usage, increased recycling processing charges), lower costs for landfill disposal (lower tonnages, offsetting per-tonne disposal increases), higher costs for greenwaste disposal (increase in tonnages and disposal costs), lower costs for transport (lower tonnages, offsetting higher transportation charges) and higher facilities operations costs (contract CPI adjustments, not dependent on tonnages).

Staff also proposed that the discounted general waste charge be officially disconnected from an annual tonnage, consistent with how this has been applied in recent years and that it be limited to private collectors who signed a Waste Acceptance Agreement and the Rangiora Salvation Army.

Councillor Williams asked about the move away by private contractors for greenwaste and if there was then a cheaper option. K Waghorn advised that the greenwaste went to the Living Earth plant, and she was unaware of what private contractors did.

Councillor Williams enquired if food waste was removed from the organics bins, would there be a better value option to eliminate greenwaste? K Waghorn advised that it would cost considerably more to send food waste to landfill than greenwaste. Councillor Williams requested that further information on costs be sent to Councillors.

Councillor Redmond asked how Southbrook Transfer Station charges compared to the Christchurch City transfer station charges. K Waghorn did not have the exact fees, however, commented that the Council tried to be in line with Christchurch City as to not lose customers.

Councillor Atkinson questioned if the number of Christchurch customers using Southbrook Transfer Station was tracked and K Waghorn advised it was not.

Councillor Cairns commented that during his attendance on bin audits he had observed how bad residents could be at sorting waste and asked if \$10,000 was enough for education. K Waghorn advised that there was \$80,000 available for audits which would continue for a number of years. Education could be managed with that amount and there was the potential to reassess during the LTP.

Councillor Ward asked if less food waste going down the sink was better for the sewer outlets. G Cleary commented that there were other drivers for food waste in the organics bin rather than just financial, including keeping the same service level as Christchurch, reducing confusion around waste streams. However, he agreed that kitchen waste was a considerable burden to wastewater treatment plants.

Mayor Gordon asked about the reference to the Salvation Army and K Waghorn explained that they were the only exemption to a discounted charge.

Moved: Councillor Atkinson

Seconded: Councillor Cairns

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Approves** changing the acceptance criteria for applying the Refuse Disposal discount from being tied to an annual quantity of waste disposed of at Southbrook Resource Recovery Park, to being available to private collection companies and to the Rangiora Salvation Army as long as these businesses meet specified conditions.
- (c) **Approves** an increase to commercial recycling gate charge from \$212.75/tonne to \$241.50/tonne.

CARRIED

5.3 **Water**

C Roxburgh provided a brief overview of the water budgets, noting that while the Annual Plan intended to remain as consistent with the LTP as possible, a number of factors generated the need to make changes. These included the acceleration of UV treatment budgets, increase in drinking water sampling budgets, increase in water conservation and leak detection budgets and the amendment to growth projects to cover east Rangiora. Many drivers were out of the Council's control, and staff had tried to phase in increases.

Councillor Williams if the testing laboratory would not be a valuable asset to retain in light of the increased amount of water testing required, and was there an option to increase the scope to include other councils such as the Hurunui District Council. C Roxburgh explained that the laboratory was only accredited for E Coli testing and the new rules required many different tests that the laboratory was not able to perform. Staff had investigated different options and found it was more cost efficient to use an external laboratory. In addition, resources were busy just on sample collection.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

At this time, Item 6.1 "Upgrades to Woodstock Road Part of Oxford Rural No. 1 Scheme" was taken. The Minutes have been recorded in the order of the Agenda.

5.4 Wastewater

K Simpson provided an overview of changes. Regarding rating impact, there was an increase of 0.8% to the Eastern Districts Sewer Scheme and 5.1% to the Oxford Scheme. Operation changes included increased septic tank cleaning costs in Mandeville and increased influent sampling costs on the Rangiora and Oxford Schemes. In terms of capital works, the fundamental changes were a new project for the Oxford Waste Water Treatment Upgrade and an Oxford Step Screen Replacement. The Merton/ Priors Roads project had been deferred. In addition, a budget had been brought in for servicing the Bellgrove development in East Rangiora.

K Simpson noted that changes to future year budgets included the Oxford Waste Water Treatment Plant. LTP issues included the Kaiapoi Capacity Upgrade project, Taumata Arowai signalling that they would focus on wastewater and the expiry of the Ocean Outfall Discharge Consent in 2039.

Councillor Williams referred to the Bellgrove development and asked if the contributions covered the additional sewer requirements or if ratepayers were subsidising the subdivision. K Simpson replied that all the wastewater upgrades in that area were growth funded and solely for the development in northeast Rangiora. Over the next four years, it would include installing additional pump stations and rising mains.

Councillor Williams referred to the high costs of addressing the ocean outfall water quality and questioned when the costs would be provided for in the budget. K Simpson advised that the budget provided in the LTP was to scope the scale of work required and was a crucial point in the infrastructure strategy.

Councillor Redmond asked if the Three Waters reform had accelerated the need to work on the ocean outfall, and K Simpson advised no, the current consent extended to 2039.

Councillor Fulton referred to the upgrade work planned for Oxford and enquired about growth projections for the town. K Simpson advised that there were currently around 1000 properties, and while significant growth was not expected, the treatment plant was already operating near capacity and, as such, required the upgrade.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.5 Drainage

K Simpson took the report as read and introduced J Recker, the new Stormwater and Wastewater Manager. He noted that some of the operational increase was due to seasonal fluctuations, including additional budgets for drainage improvement works identified by the Flood Team following the flood events of 2021 and 2022.

A new 3 Waters Compliance Officer role was required to manage discharges from high-risk sites into the stormwater reticulation network. This function used to be covered by Environment Canterbury (ECan) and would be transferred to the Council shortly. In addition, a district-wide drainage rating review would be undertaken as part of the 2022/23 Annual Plan process.

Councillor Blackie queried why the Clarkville Rural Drainage increase was set for 1.2%, as he was under the impression that this had been set at 10% for ten years. K Simpson concurred that the Clarkville Rural Drainage had set an increase of 10% for ten years to provide an emergency fund. That was unchanged, however, the 1.2% was an additional increase to cover maintenance costs.

Councillor Atkinson questioned the difference in the figures between Rangiora and Kaiapoi, noting that Kaiapoi's figures were proportionally higher than Rangiora's. K Simpson explained that the Council had recently constructed a significant amount of infrastructure in Kaiapoi. Also, Kaiapoi's stormwater pipes were old and required regular flushing.

Councillor Williams observed that the Government's Better off funding would cover the box drain at Tuahiwi and therefore queried why the project was included in the budget. K Simpson stated that currently, the Three Waters Reform was on hold, and there was no certainty when this fund would materialise. However, the Council could be refunded at a later stage for any work undertaken.

Councillor Williams also raised concern regarding the proposed Ashley Street pipe upgrade, as he believed that the pipework was sufficient to handle any excess water during a flooding event and believed that only the sump work should be carried out. K Simpson agreed to bring a report on the matter to the Utilities and Roading Committee meeting prior to the Council deciding on the matter.

Councillor Fulton queried why the Mandeville resurgence channel upgrade budget had increased. K Simpson advised that this project had been delayed and that there had been an increase in design work and construction costs. Councillor Fulton also queried if the project would cross private land, to which K Simpson replied that the redesign had relocated the channel within the current road reserve.

Councillor Mealings enquired if the box drain project had to be completed within a specific timeframe to receive the Government funding, and K Simpson confirmed there was a five-year deadline.

Councillor Goldsworthy enquired if savings made with specific projects could be used throughout the district rather than localised. K Simpson said this issue should be addressed with the proposed change to the rating system.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Approves** the revised wording for stormwater discharge approvals as set out in Section 5.

CARRIED

5.6 **Stock Water Races**

K Simpson took this report as read, and Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.7 **Utilities and Roading Overheads**

G Cleary spoke to the report, stating that the 12.1% increase was for increased salary costs to enable three new positions to be created and for a budget for non-chargeable development work done by the Project Delivery Unit.

Councillor Williams queried why developers were not charged for the work carried out by Council staff. G Cleary replied that some work was more administration and cost for resource consents which could not be charged to the developers. If these costs were passed on to developers, it would cost more in administration processes to recover the costs than the budget that had been requested.

Councillor Williams also queried that if the Three Waters reform continued, would the new positions be transferred to the central entity. G Cleary agreed that would be the case, however, if the Three Waters reform did not eventuate, these positions would still be required to cover the work required in the future.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.8 **Project Delivery Unit**

K Simpson took this report as read, and Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.9 **Water Unit**

K Simpson took the report as read.

Councillor Williams enquired about equipment cost increases and K Simpson stated that the corporate account managed replacement and repaired equipment.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.10 **Libraries and Local Museums**

P Eskett spoke to the report, which requested an increased budget for creating two new library assistant positions to cover weekend shifts. P Eskett noted that staffing numbers had stayed the same since 2011, however, the number of library patrons and programmes offered by the library service had increased. She stated that foot traffic on Saturdays and Wednesdays had risen by 37.8% and 44.3%, respectively. Staff on Saturdays were impacted by not being able to take breaks as required, which was a health and safety concern.

P Eskett also requested funding for new fit-for-purpose furniture and fittings, noting that due to the delay of the Library upgrade, many of the furnishings needed to be improved, and often there needed to be more chairs for patrons to use.

Councillor Williams enquired if a recession was a good time to replace furniture. P Eskett replied that the library was becoming a hub for wellbeing, especially with the older generation. However, much of the furnishings needed to be more suitable for older people who struggled to get out of low chairs.

Councillor Cairns questioned the power costs as these seemed to have dropped since the last budget. P Eskett noted that an anomaly had occurred, and the Finance Unit had rectified this, and the figures were indeed correct.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.11 Aquatic Facilities

M Greenwood spoke to this report, acknowledging the increase in fees and charges, however, noting that there had been increases in staffing and electricity costs. He advised that the Council recruited and trained staff, however, most only stayed a short time and it was a continual battle to retain staff. On average, the expenses were static but the income had decreased.

Councillor Atkinson recognised the impact of Covid on the facilities and encouraged staff to look at different options to assist with staffing shortfalls and promote patronage. J Millward believed that the facilities needed to offer more, such as hydro slides and more relevant equipment/play areas, to compete with other facilities in Christchurch. Councillor Atkinson encouraged staff to consider strategic planning for submission to the LTP.

Councillor Williams asked if the power consumption could be reduced by reducing the pool temperature by one degree. M Greenwood explained that the older demographic would not be able to tolerate colder temperatures which would negatively impact the number of people using the pools. In fact, staff were often requested to increase the temperature of the pools.

Councillor Fulton noted the competition by Christchurch facilities yet queried if there was any data to support this supposition. C Brown noted that Christchurch's QEII facility was full to capacity most weekends as they offered far more than just a pool.

Councillor Ward enquired if staff had investigated utilising Surf Lifesavers after school on weekdays as they were already trained. M Greenwood agreed that this would be a good solution, especially during the winter months, however, most surf lifesavers preferred the surf and were reluctant to work at indoor facilities.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.12 Community Development

T Sturley noted that the work fluctuated depending on what programmes were being carried out and what emergencies were being dealt with. Currently, the team had a part-time administrator, however, with the increase in population, programmes, the impact of Covid and the flooding events of 2021 and 2022 there was a need for a full-time administrator.

Councillor Williams queried the salary allocation and was told that the Unit's remuneration had been reviewed and found to be below market rate and had been adjusted accordingly.

Councillor Redmond enquired if the secretarial support offered to groups such as Waimakariri Health and Wellbeing would be impacted. T Sturley replied that secretarial support was provided for the broader network.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Notes** that any significant changes to levels of service or performance measures were to be provided within a separate report provided to the Council.

CARRIED

5.13 **Greenspace and Community Facilities**

G McLeod spoke to the report, commenting that most increases were due to compliance requirements. The Pines Beach playground was located in a regularly flooded area, which required the playground to be closed. The playground, therefore, needed to be relocated to a more suitable area.

There was no progress on the purchase for land for a community facility in Ravenswood, however, negotiations were underway to acquire land in Pegasus and a report on this matter would be submitted the Community and Recreation Committee shortly.

Councillor Williams noted the grant to the Southbrook Sports Club, and he understood it to be a one-off grant. G McLeod replied that the grant had not been paid last year and that this was just a placeholder as staff investigated the options for a partnership with the Club.

Councillor Williams held the opinion that it was unnecessary to have community facilities at both Ravenswood and Pegasus and believed that it would free up considerable funds for other uses if only one centre were developed. C Brown replied that a feasibility study had been undertaken, which indicated that the best option would be to have both facilities. He would include the study with the report to be submitted to the Community and Recreation Committee.

Councillor Redmond enquired if the water and wastewater services for the new development at the airfield would be required this financial year and if some of the cost could be offset when the new development came online. G McLeod noted that this was a compliance matter that could not wait.

Councillor Cairn noted that the income received from the airfield was not close to the expenditure and enquired if it was not time to increase fees and charges. G McLeod stated that many of the airfield users were hobbyists and did not have the financial resources to pay for increased fees. Councillor Atkinson acknowledged that the Council was scheduled to have a briefing on the airfield shortly and requested that the briefing be held at the airfield to enable newer members a chance for a site visit.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Notes** the overall increase for Operational Budget was \$46,548.
- (c) **Notes** the overall increase for Capital Budget was \$598,080.

CARRIED

5.14 Community and Recreation Overheads

C Brown took this report as read, and Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.15 Earthquake Recovery and Regeneration

C Brown took this report as read, and Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Notes** that external funding provisions for the proposed Kaiapoi Community Hub Trust's development of buildings and associated facilities on site were not included in this budget and commentary.

CARRIED

5.16 Property, Housing for the Elderly, Camping Grounds

R Hawthorn took the report as read, noting the only changes were for additional accommodation for Corporate Enterprise and seismic strengthening for the Kaiapoi Subway outlet, which would be carried out when the lease expired later in the year.

In response to a query from Mayor Gordon regarding the accommodation for Corporate Enterprise, R Hawthorne advised that the tenancy was on a month-by-month rental and that the building was not ideal for the purpose, hence staff were investigating more suitable premises.

Councillor Redmond queried the budget set aside for legal fees, and R Hawthorne replied that, at times, there were disputes and lease issues that required legal advice.

Councillor Redmond also noted the power costs. R Hawthorne confirmed the figures were correct and the power usage at the Rangiora building had, in fact, dropped since the refurbishment, however, the increase in the charge rate offset this.

Councillor Atkinson confirmed that any sale of the property would be at market rate and R Hawthorne agreed.

Councillor Williams queried the increase to the seminar and training budgets. R Hawthorne acknowledged that he had neglected to increase these budgets for several years, which had now been rectified. He noted that new staff had been hired and it was essential that they have the training opportunities for growth in their field.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.17 Planning, Regulation and Environment Management Overhead

T Tierney took this report as read, and Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.18 Planning Unit

T Tierney advised that the Planning Unit was monitoring the number of resource consent applications being processed and received to evaluate if the potential financial recession and the changes in the development level influenced the number of applications being received. She noted the change to budget for additional discounts required by the Resource Management Act, 1991 to provide for the likely event that some rural subdivision applications that were being processed when the proposed District Plan was notified. The question was whether the Council should actively budget for the possibility of discounting fees or deal with the cost as and when required. T Tierney confirmed that there was usually sufficient funding in the budget to deal with the matter.

W Harris commented that there had yet to be an indication that the number of residential resource consent applications was declining. Currently, the number of applications received by the Council was consistent with the number received last year. Therefore, the Council was budgeting for an increase in resource consent income based on the previous three to four years' trends. T Tierney further advised that the Planning Unit had reviewed its fees and charges to reflect inflation and ensure consistency. As a result, the proposed revised fees and charges would increase the Council's revenue.

Councillor Atkinson questioned if it would be better if the discounting of fees were deficit funded as and when required. J Millward confirmed that the proposed \$50,000 for the discounting of fees had not been provided for in the current budget and recommended that it not be included as the exact amount required had yet to be finalised.

Councillor Blackie enquired about what had been done to ensure that the Senior Planner vacancies were filled as soon as possible. T Tierney explained that the position description and remuneration packages had been reviewed to ensure they were more market-related. The Council was also proactively working with recruitment agencies to shoulder-tap possible interested candidates.

Councillor Williams requested that the projected Resource Consent indicated in the budget document be corrected.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

The Mayor commended the Planning Unit for the work they have been doing and the consistent positive feedback they have been receiving from members of the public.

5.18 Development Planning Unit

M Bacon pointed out the variations between the forecasted 2023/24 budget and the actual 2023/24 Annual Plan Budget. The primary reason for the deviation was that the forecasted 2023/24 budget was prepared on the assumption that hearing would commence in the second half of 2022. However, the overall District Plan Review Programme had been delayed, and hearings were only expected to commence mid-2023. He noted the new line items primarily associated with external consultants, commissioner disbursements, hearing expenses and legal advice related to the District Plan Review Programme hearings phase. Consultant costs were expected to rise as the Council has not successfully filled vacant positions in the Team and due to additional responses that the Council was expected to provide.

Councillor had no questions on this item.

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

Mayor Gordon thanked M Bacon for his leadership, noting that the Development Planning Unit would be busy during 2023 with hearings and other District Planning work.

5.20 Building Unit

T Tierney reported that the number of building consent applications for new dwellings had declined. The Council would be carefully monitoring this trend during the financial year due to the potential impact on revenue predictions for the next financial year, which was based on current numbers. She acknowledged that the nature of the building industry was cyclical, however, she believed that Councillors should take note of this downward trend. She also highlighted the Building Unit's current reliance on external consultants for processing building consents, which would hopefully be reduced in future.

W Taylor advised that the Council's bi-annual International Accreditation New Zealand (IANZ) assessment was set for May/June 2023. He noted that the Council had not met the statutory requirement to inspect pool barriers once every three years. Budget provision had therefore been made for a new full-time Compliance Officer to enable the Council to discharge its statutory duties and provide additional inspection resources for the Building Inspectors.

W Taylor highlighted that proposed increase in the fees and charges, which was consistent with the proposed fees and charges of other district councils. In addition, the possibility of charging for the inspection of pool barriers was being investigated. Currently, the cost of inspections was being borne by ratepayers, and the level of compliance was low. It was hoped that paying an inspection fee may result in a higher compliance level. In conclusion, W Taylor noted that the budget for CCC Extension should be corrected to reflect \$2,535.

Councillor Atkinson enquired about the methods to be used to communicate the proposed increases in fees and charges to the community and interested parties. He suggested that a report be submitted to Council to advise how this significant fee rise would be communicated to the public. T Tierney noted that investigation had shown that there was much work that the Building Unit was not being paid for. Hence the significant increase in fees. However, the proposed fees and charges aligned with those of neighbouring councils. She confirmed that a Communications Plan would be drafted to ensure all interested parties were advised of the proposed increase in fees and charges.

Mayor Gordon asked if a gradual increase in the fees and charges had been considered. T Tierney commented that the Building Unit carried a very high overhead which will need to be covered. So, a gradual increase could be considered, however, it would mean more ratepayer funding.

Mayor Gordon noted that there would be a public outcry about the proposed increases. He asked if the Building Unit were ready to deal with the possible backlash. W Taylor noted that the proposed hourly rate reflected the time the Building Unit spent on work. An analysis showed that the Building Unit was not recovering costs and was underfunded in some areas. In addition, it was found that commercial work was not price sensitive, but, the amount of work was extensive and time-consuming. However, the residential market was price sensitive, and some backlash was anticipated.

T Tierney suggested that the Building Unit draft a spreadsheet with a couple of scenarios of staging the proposed fees and charges increases for discussion at the Council's Fees and Charges Workshop. It was agreed that the spreadsheet should include potential changes if the number of building consent applications declined and also a comparison to other councils.

Councillor Ward enquired if most of the building consents in the Ravenswood and Bellgrove subdivisions had been approved. W Taylor advised that there was no backlog of applications in Ravenswood and applications from Bellgrove were only expected from June 2024.

Councillor Mealings questioned how many hours, on average, were spent on processing a Building Consent application. W Taylor explained that the Building Unit mainly dealt with the collation of Project Information Memorandums (PIMS) and compliance checks. Compliance checks took approximately 1.6 hours because of the complexity of the subdivisions. The compilation of PIMS usually took about 3.65 hours, and compliance with the Medium Density Residential Standards (MDRS) added ±650 hours per annum to the process. W Taylor clarified that the Administration Fee was \$169.

Councillor Redmond asked if the proposed fee for the inspection of pool barriers would cover the cost of the new full-time Compliance Officer. W Taylor confirmed that the fees were expected to cover about half the cost of employing a full-time Compliance Officer. T Tierney verified that a full-time Compliance Officer would still be needed, even if the number of building consent applications declined.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan subject to a further discussion of the proposed increase in fees and charges.

CARRIED

Mayor Gordon applauded the work being done by the Building Unit and the positive feedback received.

5.21 **Environmental Services Unit**

T Tierney advised that the growth in population in the district had increased the demands for compliance enforcement, hence the request for an additional full-time Compliance Officer. Although there would be no costs to ratepayers, it should not be misinterpreted as a revenue-gathering exercise. She also noted that the error in the income from Dog Registration Fees reflected in the budget, which was expected to be between \$743,000 to \$745,000 and was not expected to decline.

B Charlton reported that the Council had replaced the plastic dog tags with metal tags, which has increased the amount spent on dog tags. However, it was expected that the metal dog tags would save costs in the long run. Also, the Ministry of Primary Industries (MPI) inspected the Council's Dog Pound, and it was recommended that the dogs' comfort be improved. The Council, therefore, increased the maintenance spent on the dog pound by \$24,000. It was expected that the MPI would also recommend the appointment of a director for the Dog Pound. B Charlton further noted the steep increase in service requests dealing with compliance concerns. The Council would not be able to keep up in future if the increase in demand continued as projected.

T Tierney highlighted that currently, the Council was outsourcing its Environmental Health Food Services work. The Environmental Services Unit had undertaken a Section 17(a) review to establish the cost-effectiveness of outsourcing this work and was investigating the possibility of bringing this work in-house.

In response to a question from Mayor Gordon, B Charlton explained that metal dog tags were more durable and easier to scan. It was also anticipated that the metal dog tags would last for multi-years and would, therefore, not need annual replacement. This would not only save cost but would also save staff time during dog registration.

Councillor Atkinson sought clarity on the \$245 fee for camping grounds. B Charlton clarified that this was a set fee and an hourly rate would only be applicable if the campground was found to be non-compliant.

Councillor Williams inquired if the information on the dog tags could not be embedded on the microchips implanted in dogs. B Charlton advised that the Dog Control Act, 1996, required all dogs to be registered and tagged.

Councillor Blackie commented that the Council issued different colour plastic tags each year, and the colour was a visual indication if a dog had been registered. He assumed that this would not be possible with the new metal tags. B Charlton acknowledged that this was a disadvantage, however, he believed that the advantages of the metal tags still outweighed the plastic tags.

Councillor Fulton noted that the Enforcement Officers primarily dealt with disgruntled public members. He asked if sufficient provision had been made for conflict resolution training and staff wellness. B Charlton agreed that Enforcement Officers were in a risk-based business, the Council was aware that compliance enforcement could be adversarial. All staff, therefore, receive continued training in conflict avoidance. T Tierney advised that the Council was investigating the possibility of issuing Enforcement Officers with body cameras as a defence mechanism.

Mayor Gordon believed that \$65 afterhours call out fee did not reflect the costs involved in realising the dogs from the pound afterhours or over weekends. B Charlton explained that staff went to the dog pound on weekend to feed and water the dogs, owners were contacted and arrangements were made for them to collect their dogs when the dogs were being attended to.

Mayor Gordon questioned if the possibility of relocating the Dog Pound was still under consideration. T Tierney confirmed that the relocation was still an option in the future. Hence, the Council's decision not to spend too much funds on the current pound.

Councillor Mealings asked how much time was spent dealing with free-roaming animals. B Charlton advised that corralling free-roaming animals took little of the Environmental Services Unit's time. He noted that although the Council still had a stockyard, returning the animals to their owners was standard practice.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Notes** that any new levels of service / performance measures are to be provided within a separate report provided to the Council.

CARRIED

Mayor Gordon commented that the Environmental Services Unit had one of the most challenging jobs in the Council. He commended B Charlton for the manner that he dealt with the public and the unit has been doing.

5.22 Civil Defense Emergency Management

T Tierney noted that the CDEM Cadet Programme continued to struggle, and the programme review would therefore be discussed with the Council on 28 February 2023. In addition, the need for a new staff position of a full-time Emergency Management Coordinator had been identified, which would enhance the efficiency of the Emergency Management Offices with an appropriate workload distribution.

Mayor Gordon noted that provision had been made to replace the 4WD Mazda Bounty Ute held at the Council's CDEM base to deploy its CDEM volunteers rapidly. He questioned if the possibility of donating the vehicle to the NZRT-12 Response Team had been explored. T Tierney confirmed that the matter was under investigation.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.23 Strategy, Engagement and Economic Development

S Hart highlighted the following:

- The 8% percent increase in operational expenditure for 'Strategic Projects', which was largely due changes to the way in which of two existing staff positions were funded. No new staff positions had been added within the Unit.
- The large number strategies either being reviewed or developed such as the Integrated Transport Strategy, Natural Environment Strategy, Waimakariri Economic Development Strategy. It was anticipated that most of the strategies would be adopted by the Council during 2023 and the early part of 2024, which would have potential funding implications which would have to be considered in the next LTP.
- The Council had applied for the first tranche of Better off Funding, associated with the Central Government's Three Waters Reform Programme. The Council's first tranche application consisted of seven projects, and if successful, the funds must be expended by June 2027. Expenditure and income lines related to Better off Funding were included within the appropriate budget areas

Councillor Williams enquired if the \$ 1.19 million Better Off Funding expenditure for Climate Change was only for labour or if some of the funding would be spent on physically combating climate change. S Hart explained that most funds would be used to build information. The Council would produce a carbon footprint for the whole district and develop strategies to combat climate change risks. However, approximately \$200,000 of the funding would be allocated to the Integrated Transport Strategy, which included implementation actions. In addition, approximately \$250,000 was earmarked for implementing the Natural Environment Strategy. Some funding would also be spent on assisting local businesses in assessing their carbon footprints.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.24 Finance and AIM (Asset Information Management)

J Millward took the report as read, noting there were no new issues not already identified within the budget.

Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.25 Customer Services

J Millward noted the proposed increase in fees and charges. In addition, he explained the need for an additional staff member in the Customer Services Unit.

In response to a question from Councillor Williams, J Millward confirmed that the Council was bounded by law to accept cash payment.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.

CARRIED

5.26 Canterbury Museum

J Millward reported that the Canterbury Museum had indicated that there would be a \$25 million funding shortfall on the Museum's budget, and it was anticipated that the four contributed authorities may be requested to cover the shortfall. However, to date, the Council had yet to be advised how the Museum intended to recover the shortfall.

Councillor Ward sought clarity on what the \$25 million would be spent on, but J Millward noted that no information was available at this time.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2023-2024 Annual Plan.
- (b) **Notes** the commentary was based on projections from the 2022/23 budget provided by the Canterbury Museum.

CARRIED

5.27 Information and Technology Support

A Keiller advised that the Information and Technology Support Unit's main focus was replacing the Council's Enterprise Software. However, he also highlighted the following other key Information and Technology projects:

- eServices – The continued development of the Council's on-line services that were linked to the Council's website.
- Microsoft 365 – The rollout of Microsoft 365 and its associated management tools to create a suite of productivity tools for staff.

- VendorPanel – The Council was in the early stages of rolling out the procurement management system to standardise the Council's procurement of services and goods through tenders across the organisation.
- Submissions Management – The Council sought a solution to the review of governance, policy, process and the management of submissions.

A Keiller commented that the two major cost centres were the continued increase in software licensing costs and the outsourcing of the Council's data centre.

Councillor had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

CARRIED

5.28 Governance and Administration Creatives

S Nichols noted that Councillors were aware that there may be a need for a representation review, which would be conducted from March to October 2024. The budgeted funding would primarily be for the Department of Statistics mapping and public consultation. A report would be submitted to the Council in April 2023 regarding the proposed representation review. She commented briefly on the previously discussed amendments to the elected member's training budget.

S Nichols advised that the Quality and Risk Unit had been moved from the Organisational Development and Human Resources Unit to the Governance Unit, however, there would be no budgetary impact. J Millward commented that the restructuring was needed effectively to deal with the Council's business risk to ensure no negative impact on the Council's insurance.

Mayor Gordon requested that the heading of Mayoral Activities be amended as the budgets did not only pertain to the Mayor. S Nichols undertook to speak to the Finance Unit about breaking down the budget further.

In response to a question from Councillor Williams, S Nichols explained that the Mayoral Activities related primarily to hosting Community Service Awards and Citizenship Ceremonies.

Councillor Williams questioned the budgetary provision for Water Strategy Management Committee Honorarium. S Nichols advised that the Waimakariri Water Zone Committee members were paid an honorarium, which was 50% funded by the Council and 50% by ECan. J Millward further noted that the Water Strategy Management Committee Operations covered the secretarial support provided to the Waimakariri Water Zone Committee. S Nichols would confirm the budget provision for the Water Strategy Management Committee Operations.

Councillor Blackie sought clarity on the payment of Te Kōhaka meeting allowances and the Te Ngai Tūāhuriri meetings. S Nichols noted that the Te Kōhaka meeting allowances were paid to the Te Kōhaka o Tūhaitara Trust members. The Te Ngai Tūāhuriri meetings referred to regular meetings that staff had with Ngai Tūāhuriri representatives about various operational issues.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

CARRIED

5.29 District Management

J Millward noted the additional role of an Office Administrator to support the increased workload to the Mayor due to an increase of Mayoral responsibilities as the Chairperson of Zone 5. The Mayor raised various concerns about the sustainability of Zone obligations and activities and believed that the smaller Councils would struggle to keep up.

Councillors had no questions on this item.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

CARRIED

5.30 Organisational Development and Human Resources

S Salthouse noted that it had been highlighted throughout the day that the Council was struggling with recruiting qualified staff, which resulted in several critical roles in the Council being vacant for long periods. The Council's turnover had gone from 7% in the past 20% at the end of last year. This had led to a loss in productivity, some larger projects taking longer than expected, and staff's general wellbeing being low. Currently, the Human Resources Unit did not have the capacity to provide specialist recruitment services, and the Council was therefore spending large amounts on recruitment agencies. She commented that the money could be spent internally, hence the need for additional resources that specialise in recruitment to alleviate that risk moving forward.

S Salthouse advised that the challenges with recruitment had resulted in staff wellbeing being the most critical risk on the Health and Safety Risk Register. This came from the pressure of not having key roles filled, which resulted in increased workloads. Staff wellbeing would therefore be Human Resources main priority this year. Although the Council had always strive for a safe working environment, the risk in the decline in staff wellbeing had prompted the Council to enlist WorkSafe to do a full audit of its health, safety and wellbeing procedures and policies.

Mayor Gordon asked what the current turnover was, and S Salthouse reported that currently, the Council had a turnover of 15.5%, however, December and January were traditionally low turnover months.

Mayor Gordon questioned if the exit interviews had indicated any issues that the Council could address to make it a more attractive employer. S Salthouse noted that an analysis of the exit surveys indicated that people were moving for better remuneration and opportunities for growth and advancement. Some of the aspects were being addressed and the Council was now in a good place regarding remuneration. The other concerns were workplace pressures, workloads and work expectations.

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **Approves** the draft budget for the 2022 -2023 Annual Plan.

CARRIED

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

Section 48, Local Government Official Information and Meetings Act 1987

Moved: Mayor Gordon

Seconded: Councillor Ward

THAT the public be excluded from Item 6.1 of this meeting

CARRIED

THAT the public be excluded from the following parts of the proceedings of this meeting. The general subject of the matter to be considered while the public was excluded, the reason for passing this resolution in relation to the 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, were as follows:

Item No	Minutes/Report of:	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
6.1	Report of C Roxburgh (Water Asset Manager) and C Freeman (Water Engineer)	Upgrades to Woodstock Road Part of Oxford Rural No. 1 Scheme	Good reason to withhold exists under Section 7	Section 48(1)(a)

This resolution was 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:

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

CLOSED MEETING

Resolution to resume in Open Meeting at 12.58pm

6.1 Upgrades to Woodstock Road Part of Oxford Rural No 1 Scheme – C Roxburgh

Resolves that the motion and contents of the report, attachment and discussion remain Public Excluded under LGOIMA Section 7 (h) and (i) as the documents contains commercially sensitive information.

CARRIED

The Public Excluded portion of the meeting was held from 12.50pm – 12.58pm for Item 6.1.

OPEN MEETING

7. BUDGET SUMMARY

Mayor Gordon noted that the only matter still to be discussed was the possibility of extending the Earthquake Loan to ensure that the proposed rates increase remained under 6%.

Councillor Goldsworthy questioned the long-term effect on interest repayments for future Councils if the Earthquake Loan was extended. J Millward advised that the interest would effectively amount to \$1 million.

Moved: Councillor Atkinson

Seconded: Councillor Blackie

THAT the Council:

- (a) **Approves** the extension of the current Earthquake Loan in a bid to keep the proposed rates increase under six percent.

CARRIED

Mayor Gordon believed that the community would be under much pressure during the next year, and it would be difficult for people on a fixed income to keep up with the overall increase in the cost of living. He, therefore, supported the motion.

Councillor Williams agreed that the proposed rates increase should be kept as low as possible because people would struggle financially once the mortgage rates rose as predicted. He, therefore, also supported the motion. However, Councillor Williams cautioned that the Council should not be perceived as spending funds fruitlessly while the community was struggling financially.

Councillor Atkinson supported the motion, noting that the extension of the Earthquake Loan was not ideal, however, the threat of a recession would cause financial uncertainty. The Council, therefore, needed to try and alleviate some of the ratepayers' financial burdens by keeping the proposed interest rates as low as possible.

8. CONFIRM RECOMMENDATIONS

Moved: Mayor Gordon

Seconded: Councillor Atkinson

THAT the Council:

- (a) **That** all budget resolutions with reports be approved and recommended to Council for adoption on 28 February 2023.

CARRIED

Mayor Gordon took the opportunity to thank the Acting Chief Executive, the Management Team and the staff for their work in preparing the budgets. He also extended thanks to Councillors for their input and contribution.

9. NEXT MEETING

The Council would meet on Tuesday 28 February 2023 to consider a report on the consultation timeframes of the Draft Annual Plan.

The next ordinary meeting of the Council was scheduled for 1pm on Tuesday 7 March 2023 in the Council Chamber, Rangiora Service Centre, 215 High Street, Rangiora.

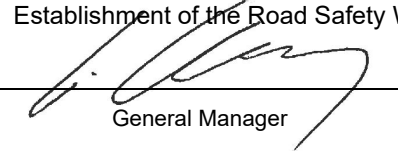
THERE BEING NO FURTHER BUSINESS, THE MEETING CLOSED AT 5.50PM.

CONFIRMED

Chairperson
Mayor Dan Gordon

Date

Unconfirmed

WAIMAKARIRI DISTRICT COUNCIL**REPORT FOR DECISION****FILE NO and TRIM NO:** Gov-32 / 230303029408**REPORT TO:** COUNCIL**DATE OF MEETING:** 14 March 2023**AUTHOR(S):** Joanne McBride, Roading and Transport Manager and Sarah Nichols, Governance Manager**SUBJECT:** Establishment of the Road Safety Working Group**ENDORSED BY:**
(for Reports to Council,
Committees or Boards)
General Manager
Acting Chief Executive**1. SUMMARY**

- 1.1. This report seeks to establish the Road Safety Working Group for the triennium. This group was previously known as the Road Safety Coordinating Committee however the governance nature of the meeting has been reviewed and determined it is more appropriate to be classed as a working group. Revised Terms of Reference have been proposed and Councillor membership is sought.

Attachments:

- i. Draft Terms of Reference (Trim 221207211571)

2. RECOMMENDATION**THAT** the Council

- (a) **Receives** Report No. 230303029408.
- (b) **Notes** that the Waimakariri Road Safety Coordination Committee will be replaced by the Waimakariri District Road Safety Working Group (RSWG).
- (c) **Approves** the Terms of Reference for the Waimakariri District Road Safety Working Group (RSWG) as attached in Appendix 1 (Trim 221207211571).
- (d) **Appoints** Councillor Redmond as Chair, being the portfolio holder of Roading and Councillor Cairns, being the councillor representative of the Waimakariri Access Group as the Council's representatives on the Waimakariri District Road Safety Working Group (RSWG).

3. BACKGROUND

- 3.1. In past years the Waimakariri Road Safety Coordination Committee has met bi-monthly with the purpose of collaboration, information sharing and providing feedback. The Committee is made up of elected members, staff, roading stakeholders and road safety partners.

- 3.2. The Coordination Committee does not have any decision making powers and has functioned more as a working group rather than a formal Committee of Council. The meetings have previously not been publicly advertised.

4. ISSUES AND OPTIONS

- 4.1. Consideration has been given to the ongoing function of the Waimakariri Road Safety Coordination Committee, the actions that they will need to undertake and the opportunities for contributing to Road Safety in the district, and as the functions of the group are more in a collaboration, information and feedback space, it is considered that this group would function better as a Working Group rather than a formal committee.
- 4.2. As such this report proposed that the Waimakariri Road Safety Coordination Committee be replaced by the "Waimakariri District Road Safety Working Group (RSWG)" and a copy of the proposed Terms of Reference are attached.
- 4.3. The Waimakariri District Road Safety Working Group (RSWG) will have the ability to consider issues around road safety and where required, provide feedback or information to the Utilities & Roading Committee, through councillors or staff.

Implications for Community Wellbeing

There are not implications on community wellbeing by the issues and options that are the subject matter of this report, however the establishment of the RSWG will enhance the road safety of the district overall.

- 4.4. 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 not 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, however the work undertaken by the group will enhance road safety within the district.

6. OTHER IMPLICATIONS AND RISK MANAGEMENT

6.1. Financial Implications

There are not financial implications of the decisions sought by this report. Budget for staff involvement is part of existing operational budgets.

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 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

Nil.

7.3. Consistency with Community Outcomes

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

7.4. Authorising Delegations

The Council has delegation to establish or disband working groups.

TERMS OF REFERENCE

Waimakariri District Road Safety Working Group (RSWG)

Introduction

The Waimakariri District Road Safety Working Group (RSWG) is a working party for the Council's Utilities and Roading Committee.

Its membership consists of Waimakariri District Councillors, Council Staff and external road safety partners.

The purpose of the Working Group is to facilitate collaboration between the agencies that have district road safety functions to promote and reinforce the vision as outlined in New Zealand's Road Safety Strategy, *Road to Zero 2020-2030 of 'A New Zealand where no one is killed or seriously injured in road crashes.'*

This includes encouraging the adoption of a safe system approach across all areas of road safety.

The Working Group provides a platform for each party to provide an update of progress in implementation of safe system activities within their organisation.

Scope

The scope of the RSWG covers all roads in the Waimakariri District including State Highways within the district and it includes all road safety activities carried out in the district including education and promotion, enforcement activities and engineering programmes. It assists to coordinate these programmes and activities with regional and national road safety programmes and initiatives.

RSWG members provide input to the annual Road Safety Action Plan through their activity updates. The Working Group oversees the plan and recommends approval of the Road Safety Action Plan to the Utilities and Roading Committee.

The RSWG will seek to give effect to the New Zealand's Road Safety Strategy 2020-2030 "Road to Zero", when determining its local focus and priorities.

The Working Groups role is essentially to encourage collaboration on local, regional and national road safety strategies, and in particular, will seek to achieve the district's road safety vision, described below.

Vision

'A District where no-one is killed or seriously injured in road crashes'. This means that no death or serious injury while travelling on our roads is acceptable.

TERMS OF REFERENCE

Road to Zero has five focus areas and is underpinned by seven principles:

Focus Areas:

- Infrastructure improvements and speed management
- System management
- Vehicle Safety
- Work-related road safety
- Road user choices

Guiding principles:

- We promote choices but plan for mistakes
- We design for human vulnerability
- We strengthen all parts of the road transport system
- We have a shared responsibility for improving road safety
- Our actions are grounded in evidence and evaluated
- Our road safety actions support health, wellbeing and liveable places
- We make safety a critical decision-making priority

As a step towards achieving the vision, a target of a 40 percent reduction in deaths and serious injuries by 2030 has been set.

District Priorities

Waimakariri District road safety priorities have been identified by road safety practitioners and stakeholders within the District using the National Communities At Risk Register and data drawn from the Crash Analysis System. The current priorities are outlined within the Operational Road Safety Action Plan.

The Operational Road Safety Action Plan uses the guiding principles as outlined in the Road to Zero Road Safety Strategy to guide and influence the actions of each party.

Role and Functions of the RSWG

The RSWG has various roles which it will undertake to achieve the districts road safety vision and to meet its priority actions. These are:

- Support the key actions of the Waimakariri District Road Safety Action Plan.
- Overview the implementation of the Road Safety Action Plan by receiving updates on progress at Working Group meetings and providing feedback and direction on progress to member agencies.
- Advocate for and raise the profile of road safety initiatives within member organisations and within the wider community.

TERMS OF REFERENCE

- Provide regular networking and information sharing opportunities, with regular reporting by member organisations to the Working Group of their projects and priorities.
- Provide member organisations with opportunities to collaborate to maximise both the actions outlined in the Road Safety Action Plan and funding opportunities for each organisation.
- The RSWG will not make decisions on the activities of individual member agencies; however, information gained from within the Working Group may influence programmes or inform decisions made by each organisation.

Membership

The membership of the RSWG consists of representatives from the following agencies/organisations. Each of the agencies/organisations will endeavour to have at least one representative on the RSWG at any one time:

- Accident Compensation Corporation (ACC) representative
- New Zealand Police representative(s)
- Fire & Emergency New Zealand (FENZ)
- Waka Kotahi, New Zealand Transport Agency (NZTA) – a State Highway area manager, safety programme advisor and/or a senior programme advisor
- Automobile Association (AA) New Zealand representative
- NZ Trucking Association representative
- Road Transport Association representative
- Students Against Dangerous Driving (SADD) representative
- Hurunui District Council Road Safety representative
- Waimakariri Youth Council representative
- Waimakariri District Council – 2 Councillors plus the Mayor (ex officio)
- Waimakariri District Council Staff – Road Safety Coordinator, Roading & Transport Manager and/or Transport Engineer, Roading Operations Team member
- Waimakariri District Council Maintenance Contractor representative

The “Waimakariri District Road Safety Working Group (RSWG)” is not limited to the above agencies and may be extended to include membership from other agencies, organisations or skilled individuals if it is considered by the Working Group that they will contribute to achieving the Working Group’s vision.

Additional members need to be approved by majority agreement by the Working Group.

TERMS OF REFERENCE

Working Group membership will continue until such time as any member wishes to resign, and in that case that member agency can nominate another person from their agency in their place.

All members must agree to support the terms of reference.

Meetings

- The Working Group will meet bi-monthly at the Waimakariri District Council offices in Rangiora.
- The Working Group will be chaired by one of the Councillor members with the other being the deputy Chair.
- In the absence of the Chair and Deputy Chair the Working Group will be chaired by the Roding and Transport Manager or suitable representative
- The Working Group will be administered by the Road Safety Coordinator who will coordinate invitations, agendas and minutes.
- Recommendations for agenda items, guest speakers, or presentations for future meetings are welcomed and invited from Working Group members.

Delegation

The Waimakariri District Road Safety Working Group (RSWG) does not have any delegated authority.

Financial Management

The Waimakariri District Road Safety Working Group (RSWG) will not be any authority for expenditure of Council funds.

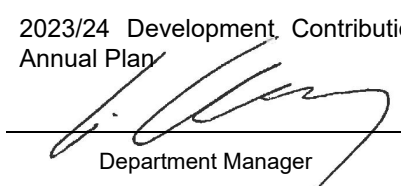
The Council will provide the meeting room, administration support, and costs of preparing for and holding the Working Group meetings.

Review of Terms of Reference

These Terms of Reference will be reviewed at least every three years.

Approved By: Council

Date: TBC

WAIMAKARIRI DISTRICT COUNCIL**REPORT FOR DECISION****FILE NO and TRIM NO:** POL-08-39 / 230215020550**REPORT TO:** COUNCIL**DATE OF MEETING:** 14 March 2023**AUTHOR(S):** Kelly LaValley, Project Delivery Manager**SUBJECT:** 2023/24 Development Contribution Policy for Consultation with Draft Annual Plan**ENDORSED BY:**
(for Reports to Council,
Committees or Boards)


Department Manager



Acting Chief Executive
1. SUMMARY

- 1.1. This report seeks Council approval of the Draft 2023/24 Development Contribution Policy for consultation as part of the 2023-24 Annual Plan (AP).
- 1.2. The Policy includes a rebate scheme that applies to Māori development in Tuahiwi Reserve MR873. The rebate will be for all applicable development contributions for qualifying developments, defined as those with decendancy based development rights and that meet district plan requirements. This rebate is based on projects that are in the 2023/24 development contribution schedules. Funding for additional infrastructure required to service specific development areas will be subject to separate consideration. This rebate is further based on cluster housing type development (approximately 20 units over 5 years) and may be revisited for developments of greater density.
- 1.3. The maps have been updated to include a new development contribution area for Outer East Rangiora (Eastern Link Road). This development contribution was included in the 2023/24 Development Contribution Schedules that will accompany the 2023-24 draft Annual Plan for consultation.
- 1.4. The Development Contribution Policy will be included with the supporting information to the Draft 2023/24 Annual Plan Consultation Document.

Attachments:

- i. 2023/24 Draft Development Contribution Policy (230215020551)
- ii. 2023/24 Draft Development Contribution Maps
- iii. Māori Reserve 873 (MR873) – Full Timeline of District Plan Changes/Provisions/Decisions to enable Kāinga Nohoanga (210115004660)

2. RECOMMENDATION**THAT** the Council:

- (a) **Receives** Report No. 230215020550.
- (b) **Approves** an addition to the Draft 2023/24 Development Contributions Policy, as per attachment i, establishing a proposed rebate for the Tuahiwi Reserve MR873.
- (c) **Approves** the development contributions rebate in the Development Contributions Policy to apply to all applicable development contributions for qualifying developments of up to 20 dwellings over 5 years as infill type development.

- (d) **Approves** the rebate scheme to be retroactively applied to RC195034 and RC185168 as qualifying developments.
- (e) **Notes** that the rebate provisions of the Policy can be reviewed annually with the Policy review.
- (f) **Notes** that although the proposed rebate for the Tuahiwi Reserve MR873 in the Draft 2023/24 Development Contributions Policy is significant in terms of relationship outcomes, the financial effect is considered minimal.
- (g) **Approves** the development contribution maps including the map for the new development contribution area of Outer East Rangiora (Eastern Link Road) and amended Outer East Rangiora sewer map.
- (h) **Notes** that the proposed Draft 2023/24 Development Contributions Policy and maps will be consulted on along side the 2023/24 Annual Plan.

3. **BACKGROUND**

3.1. General

- 3.2. 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.
- 3.3. 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.
- 3.4. 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.
- 3.5. 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.
- 3.6. 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.
- 3.7. 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.
- 3.8. 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.

- 3.9. The District's Roding 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 Roding calculation. It is considered that this approach is fair given considerations of practicality and administrative efficiency.
- 3.10. The costs of projects that are included within each development contribution are only those costs related to growth. Projects within 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.
- 3.11. Tuahiwi Reserve MR873
- 3.12. The attached Māori Reserve 873 (MR873) Full Timeline of District Plan Changes/Provisions/Decisions to enable Kāinga Nohoanga provides a detailed account of events relating to the Tuahiwi Village area. A brief summary is below.
- 3.13. The Tuahiwi Village area known as Kaiapoi Māori Reserve 873 was a Crown Grant to Ngāi Tūāhuriri people in 1848 following the Kemp's Deed purchase of the rights to most of the land and natural resources of the South Island. The purpose of the Tuahiwi Reserve MR873 area was to provide kāinga nohanga (a place of residence) and mahinga kai (cultivation and gathering of food).
- 3.14. As part of the Crown Grants Act (No. 2) of 1862, each whanau group was assigned 14 acres of the land. Today there are many thousands of descendants of the original grantees who whakapapa to this land. While the land is currently held in both Māori and freehold property titles, most of it has been alienated through the acts and omissions of government agencies over more than 150 years.
- 3.15. District planning changes in the 1960s under the Town and Country Planning Act by the then Rangiora County Council had the effect of the loss of the opportunity for development and fulfilment of the purpose of the reserve area. Planning schemes required that development within Tuahiwi Village and the land use in the wider Reserve area follow similar rules to other small settlements and rural areas, while also receiving similar low levels of Council investment in drinking water, wastewater, and community facilities infrastructure.
- 3.16. The proposed zoning in the Proposed District Plan (notified in 2021) is Special Purpose Zone (Kāinga Nohoanga) that supports development of Māori land to fulfil the purpose of the Tuahiwi Reserve MR873 and commitments made as part of the Kemp's Deed purchase of the South Island.
- 3.17. It is considered that with the loss of opportunity for development came a lack of investment in infrastructure, which now means that investment in infrastructure is required to support development enabled by the operative and proposed District Plan zoning rules. Some of this required infrastructure has been constructed and is included in the 2023/24 draft development contribution schedules.
- 3.18. The Council believes it has a role to encourage owners of Māori land to retain that land and to develop it in ways that benefits its owners, their whanau, and their hapū.

4. ISSUES AND OPTIONS

- 4.1. To support the owners of Māori land in development of that land, it is proposed that relief be given towards costs associated with development within Tuahiwi Reserve MR873 through development contributions.
- 4.2. A development contribution relief scheme would be included as a rebate in the Development Contributions Policy. This would be full relief of all development contributions applicable and would be on the basis of primarily infill type development of

approximately 20 dwellings over 5 years that meets requirements of the proposed District Plan for the Kāinga Nohoanga Special Purpose Zone and is developed by those with decandancy based development rights.

- 4.3. Any large-scale developments that require additional infrastructure to support the development will be subject to separate consideration. Agreements on cost-sharing of infrastructure could be included in Private Developer Agreements subject to Council approval.
- 4.4. The rebate scheme would be included in the 2023/24 Development Contributions Policy. No application would be required, however, in order for the rebate to apply, decandancy based development rights would need to be provided and the development must conform to the planning rules of the operative and proposed District Plan.
- 4.5. The rebate scheme would apply to all qualifying developments up to a maximum of 20 dwellings over 5 years. If interest in developing exceeds 20 qualifying developments over 5 years, specific approval from Council would be sought.
- 4.6. Options
- 4.7. Relief through a development contribution rebate scheme in the Development Contributions Policy.
 - 4.7.1. This is the recommended option and would apply to all qualifying developments up to 20 dwellings over 5 years.
 - 4.7.2. A sub-option is to grant relief retrospectively to development contributions already paid or invoiced.
 - Two developments (RC195034 and RC185168) have had specific discussions with Council staff regarding development contributions. RC195034 has progressed with the development contributions invoiced but not paid. RC185168 has not progressed. It is recommended that both of these developments (which meet requirements of a qualifying development) are offered the rebate scheme.
 - Outside of the two developments noted above, there are approximately \$189,000 (including GST) of development contributions that have been invoiced and/or paid since 2020. A majority of these were part of the Tuahiwi village pump station upgrade where property owners took advantage of the opportunity to connect. It is not known how many of these property owners have decandancy based development rights that would qualify the development for the rebate.
 - 4.7.3. A further sub-option to the development contributions relief would be to have the rebate only apply to a portion of the applicable development contributions (e.g. only water and sewer or 50% of total contributions). This option is not recommended as a partial reduction does not support the objective of enabling development of Māori land.
- 4.8. Maps associated with specific development contribution areas have also been updated based on changes to the budgets and schedules (230119006153). The two changes are to the area of the Outer East Rangiora sewer map, which has been adjusted based on the projects included in the budget, and the addition of a development contribution area for the Outer East Rangiora (Eastern Link Road).

Implications for Community Wellbeing

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

- 4.9. 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 understood that Te Ngāi Tūāhuriri hapū support the approach proposed in Option 1 with the sub-option of retroactively applying the proposed rebate to the two developments referenced above. These two specific developments have had previous discussions with the Council regarding contributions for the developments and have been made aware of a decision to be made by the Council on the matter.

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 2023/24 Development Contribution 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 2023/24 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 rebate for full development contributions in the Tuahiwi Reserve MR873 area is proposed to be loan funded by each development

contribution scheme. Each year, \$13,500 will be loan funded over 25-years. This has the effect of a 0.015% increase on rates.

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. There is a risk that there will be increased development demand in Tuahiwi Reserve MR873 that exceeds what is intended by the Policy. This has been mitigated by the specific wording in the Policy to exclude large and high-density developments and also limit the rebate to 20 dwellings over 5 years. The Council would have the option to extend this scheme each year with the review of the Policy.

6.2.2. There is also a risk that the rebate scheme will be viewed as unfair by other developers. This risk is mitigated by the specific language in the Policy tying the rebate to the purpose of the reserve area and restricting the rebate to only qualifying developments.

6.2.3. The key general 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.

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

6.2.5. 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.

6.3 **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 maps.

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

Development Contributions Policy (2023/24)

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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 2023/24 Policy is based on the District having a projected population of 77,700 by 30 June 2031, and that an estimated 31,080 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 2031.

The following table sets out the anticipated population across the District based on the population projections for 30 June 2031. The Council uses its own growth model to produce medium-to-high population projections as a balancing measure and to readjust projections as necessary.

	Estimated Resident Population 30 June 2021	Projected Resident Population 30 June 2031
Total	66,900	77,700

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.

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.”

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 75m² 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 600m² 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. 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.

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 20m² 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 m² 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. 1m³ 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 2m³ 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 m³/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 roading 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 roading contribution.

4.4.5.2 Basis for assessment

There are two types of roading 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 roading 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 roading 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 Development of Māori land within Tuahiwi Reserve MR873 (Special Purpose Zone (Kāinga Nohoanga in the Proposed District Plan))

The Tuahiwi Reserve MR873 was granted to Te Ngāi Tūāhuriri iwi during the 1840's as part of the Kemp's Deed purchase of the South Island. The purpose of the reserve was for the tangata whenua to have kāinga nohanga (a place of residence) and mahinga kai (cultivation and gathering of food). The Council believes it has a role to encourage owners of Māori land to retain that land and to develop it in ways that benefit its owners, their whanau, and their hapū.

The Council has established a development contributions rebate scheme which applies to residential development for social or cultural purposes on Māori land within the Tuahiwi Reserve MR873, which falls within the Special Purpose Zone (Kāinga Nohoanga) in the proposed District Plan. The rebate provides that qualifying developments (those with decedancy based development rights and that meet district plan requirements) do not pay development contributions.

The rebate is funded through each specific development contribution scheme (e.g., the Woodend water scheme funds the Tuahiwi water and Woodend-Tuahiwi water development contribution rebate).

This rebate is based on projects that are in the 2023/24 development contribution schedules. Funding for additional infrastructure required to service specific development areas will be subject to separate consideration. This rebate is further based on infill cluster housing type development (approximately 20 units over 5 years) and may be revisited for developments of greater scale or density.

No application is required to be made to receive this rebate other than demonstration of a qualifying development.

4.6.6 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.

4.6.6-7 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.

4.6.7-8 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.

4.6.8-9 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.

4.6.9-10 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.

4.6.10-11 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

.....

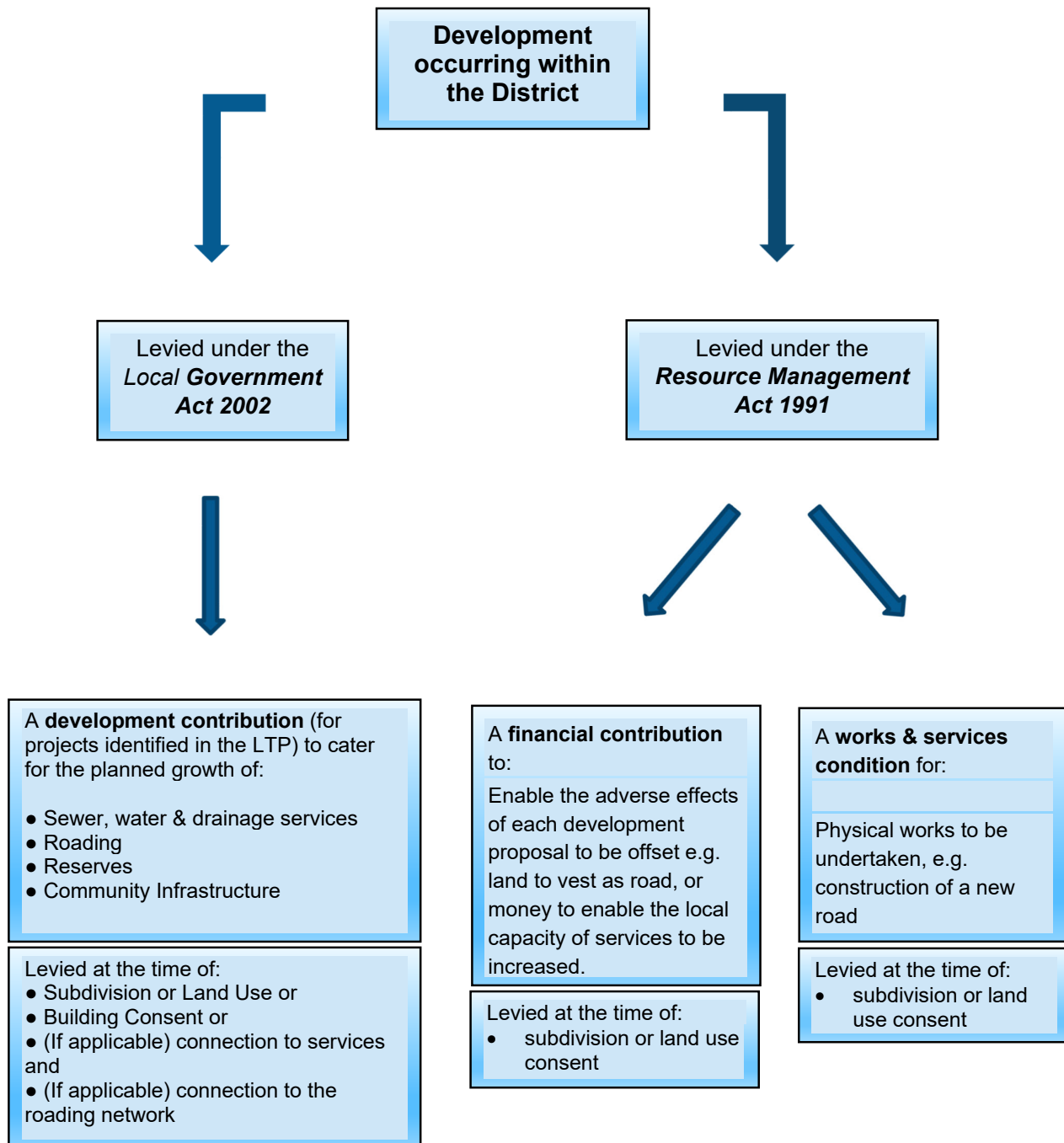
(To be signed by or on behalf of person/company making the request)

• *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 20m² 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_{t-a} = 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 20m² 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:

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

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_{t-a} = 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 20m² 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:

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

2.1.4 Increased densities and multi-unit residential developments

Where:

vm = the value of 20m² 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 20m² 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 (m²) of lot(s) being subdivided or developed
- a = total area of the Southbrook DCA area (m²) 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 ³ per day)	0.4 x Standard D.C.
2 Units (2 m ³ 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 (m²) of lot(s) being subdivided or developed
- a = [total area of the Southbrook DCA area (m²) 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:

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

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

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

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 (m²) 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 (m²) 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 (m²) 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 m² 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 600m² 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 (m²) of lot(s) being subdivided or developed
- a = [total area of the Southbrook DCA area (m²) 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:

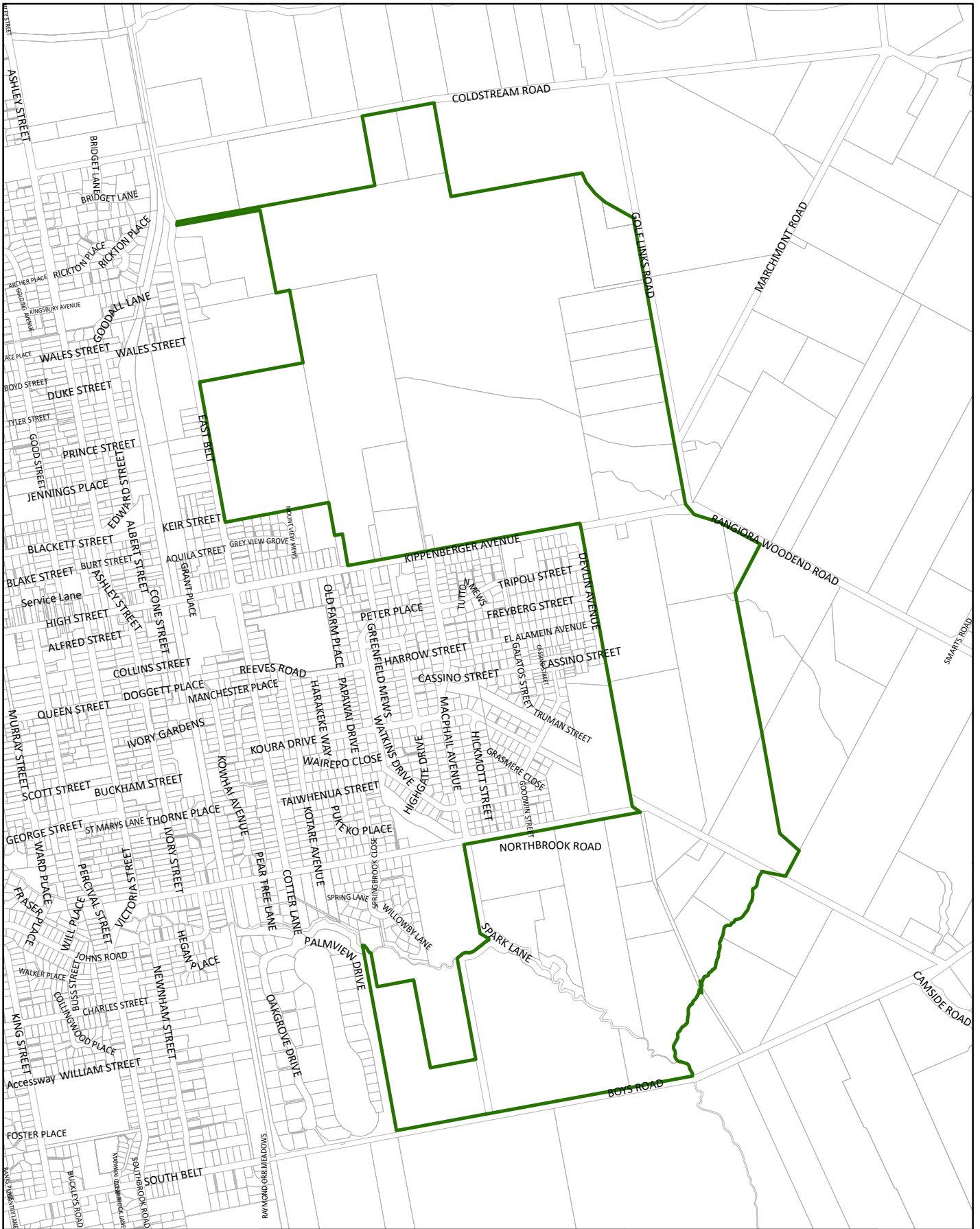
$$((c - s) - (r - d)) \times (1 / n)$$



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

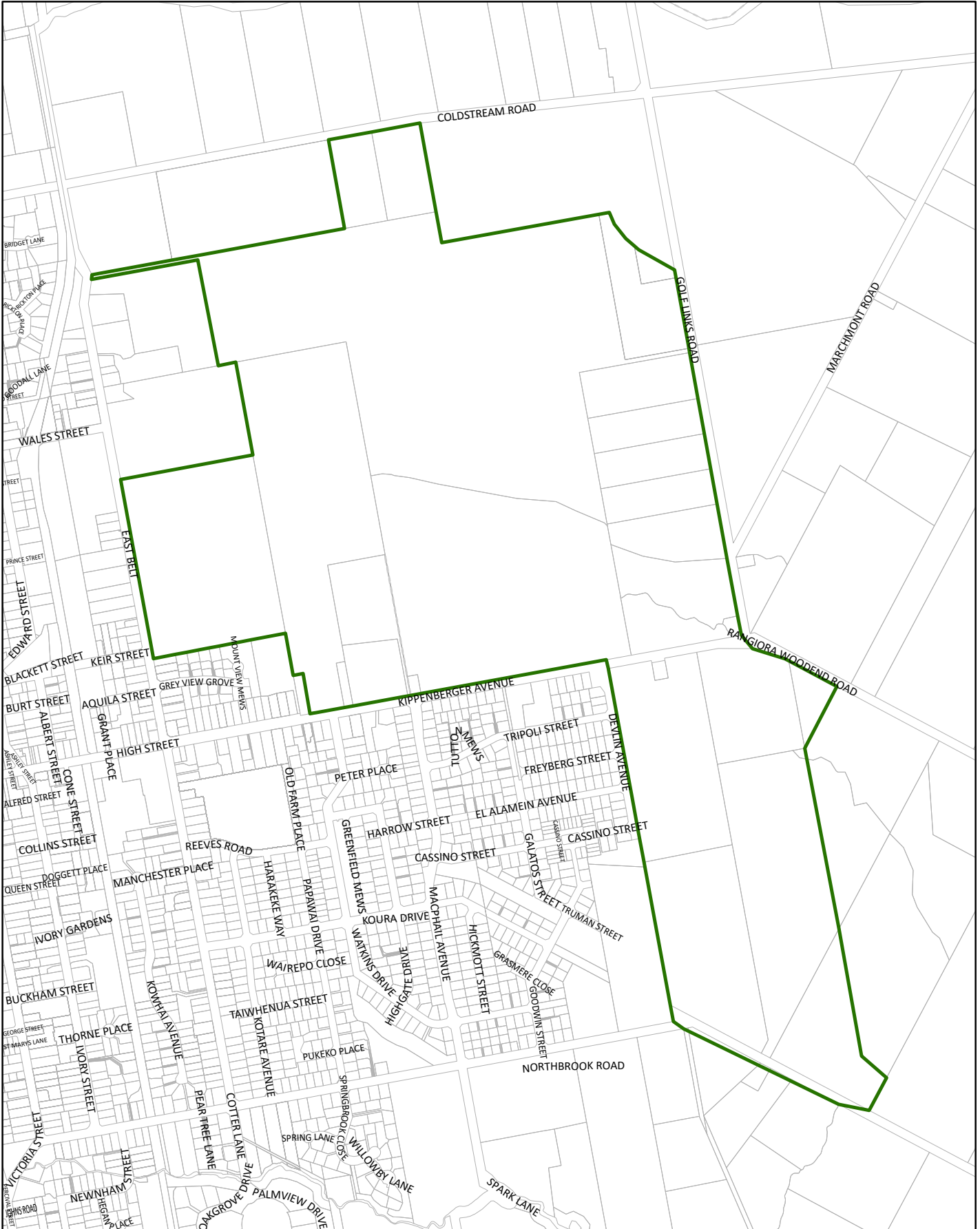
Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:



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



 WAIMAKARIRI DISTRICT COUNCIL	Development Contribution Area Water and Roding (Eastern Link Road) OUTER EAST RANGIORA		Map ID RGA 15	Scale (A4) 1:14,000	
			GIS Ref 23-002	Date 16/02/2023	

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 WAIMAKARIRI DISTRICT COUNCIL	Development Contribution Area Sewer OUTER EAST RANGIORA		Map ID RG A 17	Scale (A4) 1:11,000	
			GIS Ref 23-002	Date 16/02/2023	

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Timeline as WDC understands It

- The Tuahiwi Village area, known as Kaiapoi Maori Reserve 873 (MR873) was a Crown Grant to Ngāi Tūāhuriri people in 1848, following from the Kemps Deed purchase of rights to most, but not all, of the natural resources of the South Island.
- The purpose of the Reserve was for mana whenua to establish and retain as Kāinga Nohoanga (a place of residence) and mahinga kai (cultivation and gathering of food) area with an emphasis on fresh flowing water.
- The Crown Grants Act (No 2) of 1862 created a special status for Maori Reserve 873 and its title holders. Each whanau group was assigned 14 acres and today there are many thousands of descendants of the original grantees who whakapapa to this land
- Reserve land totals 1056ha that today is mainly farm land, with Tuahiwi village and the important Tuahiwi Marae at its centre.
- The land is held in a combination of both Māori and freehold property titles and most of it has been alienated through the acts and omissions of government agencies over more than 150 years.
- Prior to 1980 successive Government Planning Acts and Council District Plans (the land use rulebook) by default and design made it harder for whanau to remain living on their land or partition/acquire reserve land for residential purposes.
- Successive District Planning Schemes required development within Tuahiwi Village and the land use in the wider Reserve to follow similar rules to other small settlements and rural areas, while also receiving similar low levels of Council drinking and waste water infrastructure and community facilities.
- The significance of Kemps Deed had been recognised by the then Rangiora County Council from 1980. The Rangiora District Planning Scheme provided for a “Rural D Zone” the purpose of which was to recognise the special interest of the Maori people with regard to their ancestral land and to facilitate the continued occupation and use of Maori land in the zone by the descendants of the original grantees.
- The Rural D Zone enabled people who could demonstrate that they were descendants of original grantees to build houses and/or subdivide land in circumstances not available to other applicants, but subject to limiting conditions. The “Rural D” approach had a number of shortcomings, but did enable small numbers of descendants to build and live on ancestral land.
- The Waimakariri District Council was formed in October 1989, (including Rangiora District, following a prior amalgamation with the Eyre County); and in the 1990s set about preparing a wholly new District Plan under the then brand new Resource Management Act .
- When finally made operative in 2005, the first Waimakariri District Plan under the RMA, by omission did not include any tangible expression - by way of zoning or development opportunities - for the Objectives and Policies underpinning ‘Rural D’ zoning.
- In 2008 Council staff and the then Ngāi Tūāhuriri Upoko, Rik Tau agreed the Council should seek a legal opinion regarding the rights of descendant land owners. This was commissioned in 2010, after a search to find an appropriately qualified legal counsel, given the unique title situation in and history of the reserve.
- In 2011 the Council received a legal opinion that the rights of descendant land owners of the reserve should be affirmed by the Council, and should be recognised in the District Plan zoning of MR873.
- This opinion and accompanying report was considered by the Council in November 2011. The Council accepted the report recommendations and requested the Manager of Planning and Regulation to amend the District Plan to recognise the rights and duties arising from the Kemps Deed.

- At the time Councillors commented:
 - “This is an important issue for the District and a very important one for those in the reserve. This is about the right of people to settle on their own land and this is an important step in this way forward. It has been ongoing since 1860 and there have been numerous attempts through the 19th and 20th centuries to resolve these issues.” – Mayor David Ayers
 - “This will rectify the failing of central and local government over previous years.” - Councillor Peter Allen
- Officially Council accepted:

‘... that the rights of the owners of Kaiapoi Maori Reserve 873 as stemming from Kemps Deed 1848 and recognised by the Crown Grants Act (No 2) 1862 as a “Ceding in good faith” still exists and should have been affirmed by the Council, and that the ongoing right should have been recognised and accepted by the Council in zoning of Kaiapoi Maori Reserve 873, and in its administration of other legislation.’
- On March 6 2012, during the annual Hui of Te Ngāi Tūāhuriri Runanga and Waimakariri District Council, the matter was raised as an item of business. This was a significant step in addressing this issue in partnership.
- The minutes recorded Te Ngāi Tūāhuriri Upoko Rik Tau as saying:
 - *‘Justice has now been done from the three generations of waiting for this matter to be resolved. This law is an expression of hope. The Kemps Deed of Purchase was understood by former Mayor Trevor Inch and Country Clerk Hamish McKenzie. The matter was not being understood by the Canterbury United Council and Mayor Trevor Inch assisted with the discussions. The matter was taken to the Environment Court and former Mayor Ron Keating asked staff to have the matter interpreted and this has now come into being. On 1 November 2011, the Council adopted the plan which placed on the Crown the duty of a trustee and as the law of the Crown is also within local authorities, then the Waimakariri District Council was required to adopt the rights of the owners. There is now the opportunity to make tremendous progress. This Council is ahead of the Christchurch City Council following the earthquakes. Christchurch was a suburb of Kaiapoi and the area is the centre of Ngai Tahu in the Southern Island. A scope report is being developed for MR873 and the deed gives rise for dense residential development in the areas.’*
- On 20 November, 2012, the Council approved a report proposing consultation on development possibilities and District Plan Change options relating to MR873.
- During the consultation period the Land Use Recovery Plan (LURP), a statutory document prepared under the Canterbury Earthquake Recovery Act 2011 which directed Councils to make changes to their District Plans following the Canterbury Earthquakes, was tabled and came into effect in December 2013. Action 21 required Waimakariri District Council to:
 - *Provide methods to give effect to the objectives and policies for Maori Reserve 873*
- The Council was given 12 months to complete the task but sought an extension until 30 April 2015 (the due date was Dec 2014) from the Minister for Canterbury Earthquake Recovery to complete further investigations and allow for additional public consultation.
- Council’s own objectives and the objectives of the LURP were looking to solve the same issue.
- Consultation was extensive and involved Ngāi Tūāhuriri Rūnanga, Mana-Waitaha Charitable Trust, as well as the wider community and private land owners in MR873.

- On 21 April 2015 a report went to Council seeking changes be made to the District Plan which would allow more flexibility for development of/provision for Kāinga Nohoanga in line with the intentions of the Kamps Deed.
- Te Maire Tau was present at that meeting and said while the group he represented were not completely satisfied they were happy to move forward.
- The report was approved and changes made to the District Plan which updated rules for the development of land in MR873. The changes would allow Ngāi Tūāhuriri descendants to develop land in line with the outcomes proposed in Kamps Deed as well as provide clarity for development undertaken by non-descendants.
- In the District Plan this was determined as:
 - *“Policy 2.1.3.4 addresses the importance to tangata whenua of the area known as Maori Reserve 873. The area of 1056 hectares was part of Kamps Deed purchased in 1848 on behalf of the Crown. The land was surveyed and individual sites were issued by 1863. The Transitional District Plan recognised the renewed interest from some Maori owners in returning to live on ancestral land at Tuahiwi with the creation of the Rural D Zone. This facilitated the continued occupation and use of Maori land.”*
- Since approval of the LURP Action 21, provisions enabling development were directly inserted into the District Plan on decision by the then Minister for Earthquake Recovery.
- Some, but not a lot of development has occurred. The provisions have proved to be more prescriptive and less enabling than initially envisaged.
- In 2016 following extended delay as a result of the earthquakes disruption effects, the Council resolved to accelerate a full review of the District Plan, including further enabling provisions for the Reserve for both descendant and non-descendant land owners. New rules are primarily designed to address boundary to boundary and reverse sensitivity issues. There is no residential density control per se, this being as with other aspects of development feasibility and pattern, determined by the ‘utility serviceability’ of the area.
- In 2019 the new Council convened the Mahi Tahi Joint Development Committee. This committee is an expression of Council partnership with Te Ngāi Tūāhuriri Rūnanga to further develop the working together relationship between the Council and Ngāi Tūāhuriri iwi.
- It builds on a Memorandum of Understanding between the two parties first signed in 2003. Committee Membership includes the Mayor and two Councillors alongside three nominated representatives of Te Ngāi Tūāhuriri Rūnanga
- Beyond the now further agreed changes to the District Plan to be included in a notified proposed Reviewed District Plan in 2021, the Mahi Tahi Committee are proposing they work on a broader strategic plan for MR873 that seeks to progress development of Kāinga Nohoanga in a manner that addresses hapū frustrations and works towards their aspirations in the spirit of the Kamps Deed
- Currently the Council is undertaking a \$3.6M project to extend the Tuahiwi wastewater and freshwater system connections which will reduce infrastructural constraints/barriers for further development.

Questions

What does WDC understand has been the issue for local Māori trying to build within the reserve?

When the Kemps Deed was confirmed and MR873 assigned to Ngāi Tūāhuriri iwi the purpose of the Reserve was for grantees and their whanau to have an area for Kāinga Nohoanga (a place of residence) and mahinga kai (cultivation and gathering of food) on a sustainable basis.

Successive acts of omission in and observance of legislation, and, default and design in district planning made it harder for whanau to remain living on their land or partition/acquire reserve land for residential purposes. A persistent lack of infrastructure accompanied this so that for those who whakapapa from the Reserve it became impractical to stay, develop or return.

This 'microcosm' of loss of community and Māori urbanisation processes that in different ways played out for over 150 years across Aotearoa didn't affirm the intention of the Kemps Deed and many years passed until there was an understanding, acknowledgement and desire to redress this decision.

What has WDC been involved with in regards to these battles?

The history of under realisation over many decades of the potential for the Reserve to be a place of residence and community for Ngai Tūāhuriri people is now better understood by Waimakariri District Council and the community.

While efforts from 1980 began the process of redress, they were not consistently and substantially applied by successive Councils.

The more enduring and now unstoppable Council redress process began in 2008. A significant milestone was reached in 2011 with formal acknowledgement by the Council:

'... that the rights of the owners of Kaiapoi Maori Reserve 873 as stemming from Kemps Deed 1848 and recognised by the Crown Grants Act (No 2) 1862 as a "Ceding in good faith" still exists and should have been affirmed by the Council, and that the ongoing right should have been recognised and accepted by the Council in zoning of Kaiapoi Maori Reserve 873, and in its administration of other legislation.'

Two rounds of review and reform of planning provisions have been completed and now extensive opportunity for descendant land owners and their whanau to express their living rights over their land are being implemented.

This has been accompanied by increasing provision of infrastructure and services by the Waimakariri District Council to enable this aspiration to be practically realised.

That said, we as an organisation are still in our infancy in understanding the impacts over time of the acts of omission and design that have given rise to these grievances but are now moving quickly and in good faith to address issues where we can.

We believe in working in partnership with Te Ngāi Tūāhuriri Runanga and all land owners in the reserve, and have listened and learnt a lot through our ongoing engagement with them.

The Mahi Tahī Joint Development Committee is a further expression of partnership progress and working together. The Mahi Tahī Committee are considering working on a strategic plan for MR873 that seeks to progress development of Kāinga Nohoanga in a manner that addresses hapū frustrations and works towards their aspirations in the spirit of the Kēmps Deed.

Which has created the most issues, outdated local body legislation, or central government legislation?

In regards to residential building on land within the Reserve it has been local government rules through District Planning that didn't acknowledge the intention of the Kēmps Deed which has probably been the most significant barrier for Ngai Tūāhuriri people to stay, develop and return to their land.

While we have worked in partnership with the Rūnanga in recent years to address their rightful grievances and change planning to enable Kāinga Nohoanga, there is additional work underway to build on this understanding through more partnership.

However, we are making changes which will enable these aspiration to return to their land and currently significant infrastructure investment is going into the Reserve that will enable more dense development than has historically been planned for.

Does WDC believe legislation should change to allow Māori to build easier on Māori land?

The 2015 District Plan Change was a step in the right direction. But we're taking further planning steps through the District Plan Review. As well the Mahi Tahī Committee will in 2021 be working on a strategic plan for MR873 that seeks to progress development of Kāinga Nohoanga in a manner that addresses hapū frustrations and works towards their aspirations across all aspects of wellbeing.

This, coupled with enabling infrastructure investment, we believe these efforts will enable the potential for the Reserve to be a place of residence and community for Ngai Tūāhuriri people into the future, noting they have been here for 40 generations.

Any other comments on the issue.