# development and financial contributions policy Template

## using this template

This document provides a template for use by councils to develop their development contributions policies, where they are intending to use development contributions as a funding source under the Local Government Act 2002 (LGA02). It also includes sections related to financial contributions under the Resource Management Act 1991 (RMA), if applicable, as required by section 106 of the LGA02.

This template is intended to be a general guide to best practice. Its use is not mandatory, and councils are free to adapt this template according to their unique circumstances. In addition to the template text provided, there are three types of fields marked in the template:

[text] is for you to provide information specifically relevant to your community, council or Development Contributions Policy.

[text] indicates an example to help you understand the content required. Please adapt or delete this text.

[text] relates to financial contributions, and only needs to be retained where your council uses RMA financial contributions to help fund growth-related infrastructure. If your council does not use financial contributions for this purpose, this text can be deleted.

[text] instructions for a particular section. Delete this text.

While the template has been prepared with due care, it is expected you will seek appropriate advice when developing your council’s Development Contributions Policy.

# [COUNCIL] development [and financial] contributions policy [period]

## Adoption, application and review of the policy

This Development [and Financial] Contributions Policy (the Policy) was adopted by [X] Council (Council) on [date] with effect from [date]. The Policy will be reviewed on a three-yearly basis but may be updated at shorter intervals if Council considers it necessary. See the Council website [website address] for further information.

# INTRODUCTION

## Purpose of the Policy

1. Population and business growth create the need for new subdivisions and developments, and these place increasing demands on the assets and services provided by [X] Council (Council). As a result, significant investment in new or upgraded assets and services is required to meet the demands of growth.
2. The purpose of the Policy is to ensure that a fair, equitable, and proportionate share of the cost of that infrastructure is funded by development. Council intends to achieve this by using:
* development contributions under the Local Government Act 2002 (LGA02) for [list activities and locations][; and

financial contributions under the Resource Management Act 1991 (RMA) for (list activities and locations)].

## Navigating this document

1. The Policy outlines Council’s approach to funding development infrastructure via development contributions under the LGA02 and financial contributions under the RMA.
2. The Policy has three main parts:
* Part 1: Policy operation
* Part 2: Policy background and supporting information
* Part 3: Catchment maps for the development contributions

### Part 1: Policy Operation

1. Part 1 provides information needed to understand if, when, and how development contributions [and financial contributions] will apply to developments. It also explains peoples’ rights and the steps required to properly operate the Policy.
2. The key sections of Part 1 are:
* The charges
* Liability for development contributions
* When development contributions are levied
* Determining infrastructure impact
* Review rights
* Other operational matters
* [Summary of financial contributions]
* Definitions

### Part 2: Background and SUPPORTING INFORMATION

1. Part 2 provides the information needed to meet the accountability and transparency requirements of the LGA02 for the Policy, including explaining Council’s policy decisions, how the development contributions were calculated, and what assets the development contributions are intended to be used towards.
2. The key sections of part 2 are:
* Requirement to have the Policy
* Funding summary
* Funding policy summary
* Catchment determination
* Significant assumptions of the Policy
* Cost allocation
* Calculating the development contributions
* Schedule 1 Development contribution calculations
* Schedule 2 Future assets and programmes funded by development contributions
* Schedule 3 Past assets and programmes funded by development contributions

### Part 3: CATCHMENT Maps

1. Part 3 provides the catchment maps that show where the development contributions in the Policy apply.

# Part 1: Policy OPERATION

# Development contributions

## The charges

1. There are [X] areas (catchments) within the [Council’s] district (the District) where development contributions apply. The catchments where development contributions apply for each infrastructure activity are mapped in Part 3 of the Policy.
2. The related charges per Household Unit Equivalent (HUE) for each activity are in Table 1. See the *Determining infrastructure impact* section below for an explanation of a HUE.
3. For each infrastructure activity for which development contributions are required, the development contribution payable is calculated by multiplying the number of HUEs generated through the development by the charge for that activity. This is then aggregated for all activities to give the total charge.
4. For example, subject to any credits that may apply for the original lot, a three-lot residential development in [town, suburb or catchment] will pay three times the water, wastewater, transport, community infrastructure, and reserves charges, totalling $[X] (GST inc).
5. These charges may be adjusted for inflation annually in line with the Producers Price Index Outputs for Construction, as permitted by sections 106 (2B) and (2C) of the LGA02. The latest charges will be published on Council’s website [website address].

Table 1: Charge per HUE at [policy effective date] (GST inclusive)[[1]](#footnote-1) [complete for each activity that DCs are being used to fund]

|  |  |
| --- | --- |
| Activity | charge per HUE |
| **Water**  |  |
| **Catchment W1 name** | $X |
| **Catchment W2 name etc** | $X |
| **Wastewater**  |  |
| **Catchment WW1 name** | $X |
| **Catchment WW2 name etc** | $X |
| **Stormwater**  |  |
| **Catchment SW1 name** | $X |
| **Catchment SW2 name etc** | $X |
| **Reserves** |  |
| **Catchment R1 name** | $X |
| **Catchment R2 name etc** | $X |
| **Transport**  |  |
| **Catchment T1 name** | $X |
| **Catchment T2 name etc** | $X |
| **Community infrastructure** |  |
| **Catchment CI1 name** | $X |
| **Catchment CI2 name etc** | $X |

## Liability for development contributions

1. If subdividing, building, connecting to Council’s services, or otherwise undertaking development in the District, development contributions may need to be paid. Development contributions apply to developments within the areas shown in the Development Contribution Catchment Maps in Part 3.
2. In some circumstances, development contributions may not apply or may be reduced. Further information on these circumstances can be found in the sections *When development contributions are levied*, *Credits*, and *Limitations on imposing development contributions*.
3. [Financial contributions may also be required in some cases. This is discussed later in the Policy.]
4. Development of new infrastructure sometimes means that areas not previously subject to the development contributions policy development contribution become so. For example, a bare section in a subdivision may be liable for development contributions whereas previously constructed houses on the same subdivision were not.
5. Council officers will be available to help resolve any uncertainty about development contribution liabilities.

## When development contributions are levied

1. Once an application for a resource consent, building consent, certificate of acceptance, or service connection has been made with all the required information, the normal steps for assessing and requiring payment of development contributions are:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Trigger**We assess the development for development contributions |  | **NOTICE**We issue a formal notice of requirement  |  | **INVOICE**We issue an invoice requiring payment  |  | **pAYMENT**Development contributions are paid  |

1. These steps are explained in more detail below.

### Trigger for requiring Development Contributions

1. Subject to the 3-step initial assessment outlined in paragraph 25 below, Council can require development contributions for a development upon the granting of:
* A resource consent.
* A building consent or certificate of acceptance.
* An authorisation for a service connection.
1. Council will generally require development contributions at the earliest possible point (i.e. whichever consent, certificate, or authorisation listed above is granted first). For new developments, the resource consent is often the first step in the process and therefore the first opportunity to levy development contributions. Where development contributions were not assessed (or only part assessed) on the first consent, certificate or authorisation for a development, this does not prevent the Council assessing contributions on a subsequent consent, certificate or authorisation for the same development (for the reasons set out in the following paragraphs).
2. Development contributions will be assessed under the Policy in force at the time the application for resource consent, building consent, certificate of acceptance, or service connection was submitted with all required information.

#### Initial Assessment

1. On receiving an application for resource consent, building consent, certificate of acceptance, or service connection, Council will check that:
2. the development (subdivision, building, land use, or work) generates a demand for reserves, community infrastructure or network infrastructure; and
3. the effect of that development (together with other developments) is to require new or additional assets or assets of increased capacity in terms of reserves, community infrastructure or network infrastructure; and
4. Council has incurred or will incur capital expenditure to provide appropriately for those assets. This includes capital expenditure already incurred by Council in anticipation of development.
5. Council has identified the assets and areas that are likely to meet the requirements of (B) and (C), and these are outlined in Schedules 2 and 3 (Past and future assets funded by development contributions) and Part 3 (Development contribution catchment maps). In general, if a development is within one of the areas covered by the catchment maps it is likely that development contributions will be required.

Development contributions may be waived or reduced if:

* a resource consent or building consent does not generate additional demand for any community facilities (such as a minor boundary adjustment); or
* one of the circumstances outlined in the section *Limitations on imposing development contributions* apply; or
* credits apply as outlined in the *Credits* section.
1. If a subsequent resource consent (including a change to a condition of a resource consent), building consent, certificate of acceptance, or service connection is sought, a new assessment may be undertaken using the Policy in force at that time. Any increase or decrease in the number of HUEs, relative to the original assessment, will be calculated and the contributions adjusted to reflect this.
2. This means Council will require additional development contributions where additional units of demand are created, and development contributions for those additional units of demand have not already been required.
3. Examples of where additional development contributions may apply after a subsequent trigger event include:
* Minimal development contributions have been levied on a commercial development at subdivision or land use consent stage as the type of development that will happen will only be known at building consent stage.
* [Development contributions levied at the subdivision or land use consent stage were for a small home, but the home built is larger or is subsequently extended.] [This example assumes that there is more than one category of residential unit in the DCP]
* The nature of use has changed, for example from a low infrastructure demand commercial use to a high infrastructure demand commercial use.

### Notice

1. A development contribution notice will normally be issued when a resource consent, building consent, certificate of acceptance, or service connection authorisation is granted. In some cases, the notice may be issued or re-issued later. The notice is an important step in the process as it outlines the activities and the number of HUEs assessed for development contributions, as well as the charges that will apply to the development. It also triggers rights to request a development contributions reconsideration or to lodge an objection (see the section on *Review rights* below).
2. If multiple consents or authorisations are being issued for a development, a development contribution notice may be issued for each.
3. Development contribution notices do not constitute an invoice or an obligation to pay for the purposes of the Goods and Services Tax Act 1985.

### Invoice

1. An invoice for development contributions will be issued to provide an accounting record and to initiate the payment process. The timing of the invoice is different for different types of consents or authorisations (see Table 2).

Table 2: Invoice timing

|  |  |
| --- | --- |
|  | Invoice timing |
| **Building consent** | At granting of the building consent  |
| **Certificate of acceptance**  | At issue of the certificate of acceptance |
| **Resource consent for subdivision**  | At the time of application for a certificate under section 224(c) of the RMA (the 224(c) certificate). An invoice will be issued for each stage of a development for which 224(c) certificates are sought, even where separate stages are part of the same consent |
| **Resource consent (other)**  | At granting of the resource consent |
| **Service connection**  | At granting of the service connection  |

1. Despite the provisions set out above, if a development contribution required by Council is not invoiced at the specified time as a result of an error or omission on the part of Council, the invoice will be issued when the error or omission is identified. The development contributions remain payable.

### Payment

1. Development contributions must be paid by the due dates in Table 3.

Table 3: Payment due date

|  |  |
| --- | --- |
|  | Payment due date |
| **Building consent** | 20th of the month following the issue of the invoice  |
| **Certificate of acceptance**  | At issue of the certificate of acceptance  |
| **Resource consent for subdivision**  | Prior to release of the certificate under section 224(c) of the RMA  |
| **Resource consent (other)**  | 20th of the month following the issue of the invoice  |
| **Service connection**  | At issue of the connection approval  |

1. On time payment is important because, until the development contributions have been paid in full, Council may:
* Prevent the commencement of a resource consent.
* Withhold a certificate under section 224(c) of the RMA.
* Withhold a code compliance certificate under section 95 of the Building Act 2004.
* Withhold a service connection to the development.
* Withhold a certificate of acceptance under section 99 of the Building Act 2004.
1. Where invoices remain unpaid beyond the payment terms set out in the Policy, Council will start debt collection proceedings, which may involve the use of a credit recovery agent. Council may also register the development contribution under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.

## Determining infrastructure impact

1. In order to have a consistent method of charging for development contributions, the Policy is centred around the concept of a household unit equivalent or “HUE” for infrastructure. In other words, an average household in a standard residential unit and the demands they typically place on community facilities. Table 4 summarises the demand characteristics of each HUE.

Table 4: HUE demand measures **[complete for each activity that DCs are being used to fund, these are examples and the demand per HUE will need to be accurate for your specific district]**

|  |  |  |
| --- | --- | --- |
| Activity | Unit of measurement  | demand per HUE |
| **Water** | Litres per day | 600 litres per day |
| **Wastewater** | Litres per day  | 540 litres per day  |
| **Stormwater** | Impervious surface area | 300m2 |
| **Transport** | Trips per day | 10 trips per day |
| **Reserves**  | Occupancy  | 2.5 people |
| **Community infrastructure** | Occupancy | 2.5 people |

### Residential development

1. In general, the number of HUEs charged is one per new allotment or residential unit created, [although lower assessments can apply in some cases for minor and small residential units.]
2. When calculating the number of HUEs for a residential subdivision, Council will adjust the assessment to account for any:
* Credits relating to the site (refer to the *Credits* section below).
* Allotment which, by agreement, is to be vested in Council for a public purpose.
* Allotment required as a condition of consent to be amalgamated with another allotment.
1. [A retirement unit or visitor accommodation unit will be assessed as generating 0.5 HUEs for each activity.]

#### [Minor and small residential units

1. Council will permit lower assessments for minor or small residential units in relation to:
* Building consents or certificates of acceptance.
* Subdivision, land use consents, or connection authorisations where information is provided by the applicant that demonstrates that a minor or small residential unit(s) will be provided, to the satisfaction of Council. Council may enter into agreements with developers or landowners to give effect to a minor or small residential unit assessment and bind the applicant to any conditions that accompany the assessment.
1. Such assessments are guided by the parameters outlined in Table 5.]

Table 5: Small residential unit (RU) assessment guidance

|  |  |  |  |
| --- | --- | --- | --- |
|  | Minor RU | Small RU | Standard RU |
| **No. of bedrooms\*** | 1 | 2 |  3 or more |
| **HUE Discount (all services)** | 50% | 25% | Nil |
| **Proportion of HUE Payable for all charges** | 0.5 | 0.75 | 1 |

\* A definition of bedroom is provided in the glossary

1. [Alternatively, for subdivisions, Council will assess each allotment as 1 HUE and may agree to postpone payment by the person undertaking the subdivision until a building consent is issued for an allotment. At that time, Council will adjust the assessment and the payment required accordingly. See the section on *Postponement*.
2. Should additional bedrooms be proposed to a minor or small residential unit that has been assessed under this section, Council will require additional development contributions in line with Table 6.]

Table 6: Small residential unit (RU) extension assessment guidance (HUEs)

|  |  |  |
| --- | --- | --- |
| Type of Extension | Top Up Proportion Payable | Total Proportion Paid |
| **Extend minor RU to a small RU** | 0.25 | 0.75 |
| **Extend minor RU to a standard RU** | 0.5 | 1 |
| **Extend small RU to a standard RU** | 0.25 | 1 |

### Non-Residential development

1. Non-residential subdivisions, land uses, or building developments are more complicated as they do not usually conform with typical household demands for each service.
2. In these cases, Council makes a HUE “equivalent” assessment based on the characteristics of the development and demand loadings likely to be placed on the services. To provide consistency, the demand measures in Table 4 have been converted for assessing non-residential developments based on gross floor area, or GFA (Table 7). Council will use these rates for determining HUEs for non-residential developments for water and wastewater unless it seeks or accepts a special assessment.

Table 7: HUE per 100 m2 GFA (\*except stormwater, which is based on total impervious surface area) **[complete for each activity and development type that DCs are being used to fund]**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Development TYpe | Water | Wastewater | Storm water\* | Transport  | Community Infrastructure  | Reserves |
| Industrial | 0.4 | 0.4 | 0.33 | 0.4 | 0 | 0.4 |
| Commercial | 0.4 | 0.4 | 0.33 | 0.4 | 0 | 3.0 |
| Retail | 0.4 | 0.4 | 0.33 | 3.0 | 0 | 1.0 |
| Places of assembly  | 1.0 | 1.0 | 0.33 | 1.0 | 0 | 1.0 |
| Other non-residential | Special assessment | Special assessment | 0.33 | Special assessment | Special assessment | Special assessment |

1. [If no proper assessment of the likely demand for activities is able to be carried out at the subdivision consent stage, a development contribution based on one HUE will be charged for each new allotment created and Council will require an assessment to be carried out at the building consent stage. This later assessment will credit any development contributions paid at the subdivision consent stage.]

### special assessments

1. Developments sometimes require a special level of service or are of a type or scale which is not readily assessed in terms of HUEs – such as large-scale primary sector processors or service stations. In these cases, Council may decide to make a special assessment of the HUEs applicable to the development. In general, Council will evaluate the need for a special assessment for one or more activities where it considers that:
* [the development is of relatively large scale or uses; or
* The development is likely to have less than half or more than twice the demand for an activity listed in Table 5 for that development type; or
* a non-residential development does not fit into an industrial, retail or commercial land use and must be considered under the other category in Table 5; or
* a non-residential development may use more than 5m3 of water per day.]
1. The demand measures in Table 4 will be used to help guide special assessments.
2. If a special assessment is sought, Council may require the developer to provide information on the demand for community facilities generated by the development. Council may also carry out its own assessment for any development and may determine the applicable development contributions based on its estimates.

### Credits

1. Credits are a way of acknowledging that the lot, home or business may already be connected to, or lawfully entitled to use, one or more Council services, or a development contribution has been paid previously. Credits can reduce or even eliminate the need for a development contribution. Credits cannot be refunded and can only be used for development on the same site and for the same service for which they were created.
2. Credits will be given for properties when:
* a development contribution for a lot has already been paid (at least in part). For example, most new subdivision lots will already have had development contributions levied and paid for at least one HUE; or
* [the lot existed before [effective date] and was within an urban zoning at that time under the District Plan (i.e. urban residential or urban industrial, commercial, or retail zoning). This excludes rural or rural residential properties; or
* the property was otherwise lawfully connected to a service as at [effective date]; or
* a rural or rural residential lot existed before [effective date] (roading, community infrastructure and reserves only)].
1. Credits given will be determined in accordance with Table 8.

Table 8: Standard credits

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Credit for each service for which a development contribution has been paid | Credit for urban LOTS that existed before [effective date] | CreDit for lawfully connected service as at [effective date] | rural RESIDENTIAL LOTS that existed BEFORE \* [effective date] | rural LOTS that existed BEFORE \* [effective date] |
| **Residential units or lots** | The number of HUEs | 1 HUE for all services | 1 HUE for the service(s) connected | 1 HUE  | 1 HUE for any residential units on a lot as at [effective date] |
| **Non-residential buildings or lots** | A ‘before and after’ assessment of demand, using a special assessment or the conversion factors set out in Table 4, will be undertaken to determine credits and any increase in demand on services. Council will be guided by actual use over the period [date – date] when making this assessment.  |

\* Roading, community infrastructure, and reserves only.

## Review rights

1. Developers are entitled under the LGA02 to request a reconsideration or lodge a formal objection if they believe Council has made a mistake in assessing the level of development contributions for their development.

### Reconsideration

1. Reconsideration requests are a process that formally requires Council to reconsider its assessment of development contributions for a development. Reconsideration requests can be made where the developer has grounds to believe that:
* the development contribution levied was incorrectly calculated or assessed under the Policy; or
* Council has incorrectly applied the Policy; or
* the information Council used to assess the development against the Policy, or the way that Council has recorded or used that information when requiring a development contribution, was incomplete or contained errors.
1. To seek a reconsideration, the developer must:
* Lodge the reconsideration request within 10 working days of receiving the development contribution notice.
* Use the reconsideration form (found on [website]) and supply any supporting information with the form.
* Pay the reconsideration fee at the time of application, as set out in Council’s Schedule of Fees and Charges.
1. Applications with insufficient information or without payment of fee will be returned to the applicant, with a request for additional information or payment.
2. Once Council has received all required information and the reconsideration fee, the request will be considered by [a panel of a minimum of two, and a maximum of three, staff. The panel will comprise staff that were not involved in the original assessment]. Notice of Council’s decision will be given to the applicant within 15 working days from the date on which Council receives all required relevant information relating to the request.

### Objections

1. Objections are a more formal process that allow developers to seek a review of Council’s decision. Developers have the right to pursue an objection regardless of if a reconsideration request has been made. A panel of up to three independent commissioners will consider the objection. The decision of the commissioners is binding on the developer and Council, although either party may seek a judicial review of the decision.
2. Objections may only be made on the grounds that Council has:
* failed to properly take into account features of the development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the District or parts of the District; or
* required a development contribution for community facilities not required by, or related to, the development, whether on its own or cumulatively with other developments; or
* required a development contribution in breach of section 200 of the LGA02; or
* incorrectly applied the Policy to the development.
1. Schedule 13A of the LGA02 sets out the objection process. To pursue an objection, the developer must:
* lodge the request for an objection within 15 working days of receiving notice to pay a development contribution, or within 15 working days of receiving the outcome of any request for a reconsideration; and
* use the objection form (found on [website]) and supply any supporting information with the form; and
* pay a deposit.
1. Objectors are liable for Council’s actual and reasonable costs incurred in the objection process including staff arranging and administering the process, commissioner’s time, and other costs incurred by Council associated with any hearings such as room hire and associated expenses, as provided by section 150A of LGA02. However, objectors are not liable for the fees and allowances costs associated with any Council witnesses.

## other OPERATIONAL matters

### Refunds

1. Sections 209 and 210 of the LGA02 state the circumstances where development contributions must be refunded, or land returned. In summary, Council will refund development contributions paid if:
* the resource consent:
* lapses under section 125 of the RMA; or
* is surrendered under section 138 of the RMA; or
* the building consent lapses under section 52 of the Building Act 2004; or
* the development or building in respect of which the resource consent or building consent was granted does not proceed; or
* Council does not provide the reserve or network infrastructure for which the development contributions were required.
1. Council may retain any portion of a development contribution referred to above of a value equivalent to the costs incurred by Council in relation to the development or building and its discontinuance.
2. Council may retain a portion of a development contribution (or land) refunded of a value equivalent to:
* Any administrative and legal costs it has incurred in assessing, imposing, and refunding a development contribution or returning land for network infrastructure or community infrastructure development contributions.
* Any administrative and legal costs it has incurred in refunding a development contribution or returning land for reserve development contributions.
1. Development contributions for reserves are taken to support a [20-year programme.] Consequently, a [20-year period] shall apply for the purposes of section 210(1)(a) of the LGA02.

### Limitations on Imposing Development Contributions

1. Council is unable to require a development contribution in certain circumstances, as outlined in section 200 of the LGA02, if, and to the extent that:
* it has, under [section 108(2)﻿(a)](http://www.legislation.govt.nz/act/public/2002/0084/latest/link.aspx?id=DLM234810" \l "DLM234810) of the RMA, imposed a condition on a resource consent in relation to the same development for the same purpose; or
* the developer will fund or otherwise provide for the same reserve, network infrastructure or community infrastructure; or
* a third party has funded or provided, or undertaken to fund or provide, the same reserve, network infrastructure or community infrastructure; or
* Council has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance.
1. In addition, Council will not require a development contribution in any of the following cases:
* [Where, except in the case of a new dwelling, the value of any building work for which a building consent is required is [less than $20,000] exclusive of GST, unless the building consent is for a change of use.]
* Where, in relation to any dwelling, replacement development, repair or renovation work generates no additional demand for reserve or network infrastructure.
* [Where a building consent is for a bridge, dam (confined to the dam structure and any tail race) or other public utility.]
* The application for a resource or building consent, authorisation, or certificate of acceptance is made by the Crown.

### Maximum development contributions for reserves

1. Section 203 of the LGA02 prohibits Council from charging development contributions for reserves that exceed the greater of:
* 7.5% of the value of the additional lots created by a subdivision; and
* the value equivalent of 20m2 of land for each additional household unit or accommodation unit created by the development.
1. If the reserves development contribution would be more than 7.5% of the market value of a lot, as evidenced by a valuation supplied by a registered valuer, the reserves development contributions are capped at 7.5% of the valuation.
2. For example, the development contributions for reserves in [catchment X] is [$7,500] (GST inc) per HUE, which translates to 7.5% of an allotment value of approximately [$100,000]. If the lot is valued at less than [$100,000], the reserves development contribution will be capped at 7.5% of the valuation of the lot.
3. Council reserves the right to seek a second valuation from another registered valuer. If there is a material difference between valuations, Council and the developer can agree to either:
* [use the average of the two valuations; or
* refer the matter to a third registered valuer to arbitrate an agreement between valuers.]

### Postponement and remissions

1. Postponement of development contribution payment will only be permitted at Council’s discretion and only:
* [for development contributions over $50,000; and
* where a bond or guarantee equal in value to the payment owed is provided.]
1. The request for postponement must be made at the time a resource consent, building consent or service connection is granted. Bonds or guarantees:
* [Will only be accepted from a registered trading bank.]
* [Shall be for a maximum period of 24 months beyond the normal payment date set out in the Policy, subject to later extension as agreed by Council.]
* [Will have an interest component added, at an interest rate of 2 percent per annum above the Reserve Bank 90-day bank bill rate on the day the bond document is prepared. The bonded sum will include interest, calculated using the maximum term set out in the bond document. If Council agrees to an extension of the term of the guarantee beyond 24 months, the applicable interest rate will be reassessed from the date of Council's decision and the guaranteed sum will be amended accordingly.]
* [Shall be based on the GST inclusive amount of the contribution.]
1. At the end of the term of the guarantee, the development contribution (together with interest) is payable immediately to Council.
2. If the discretion to allow a bond is exercised, all costs for preparation of the bond documents will be met by the applicant.
3. Bonds:
* Will only be accepted where the bond is guaranteed by a registered trading bank.
* [Shall be for a maximum period of 24 months, subject to later extension as agreed by an authorised officer.]
* [Will have an interest component added, at an interest rate of 2 percent per annum above the Reserve Bank 90-day bank bill rate on the day the bond document is prepared. The bonded sum will include interest, calculated using the maximum term set out in the bond document.]
* Shall be based on the GST inclusive amount of the contribution.
1. If the discretion to allow a bond is exercised, all costs of preparation of the bond documents will be met by the developer.
2. When considering a request for remission, Council will take into account:
* [The purpose of development contributions, Council’s financial modelling, and Council’s funding and financial policies.]
* [The extent to which the value and nature of the works proposed by the applicant reduces the need for works proposed by Council in its capital works programme.]
* Any other matter(s) that Council considers relevant.

### Development Agreements

1. Council may enter into specific arrangements with a developer for the provision and funding of particular infrastructure under a development agreement, including the development contributions payable, as provided for under sections 207A-207F of the LGA02. For activities covered by a development agreement, the agreement overrides the development contributions normally assessed as payable under the Policy.

# [financial contributions]

## Summary of financial contributions under the district plan

1. [Council charges financial contributions under the RMA in the District [or parts of District] for [name or list activities]].
2. [General summary introduction to financial contributions provisions in District Plan.]
3. [These charges are adjusted annually using the Special Consultative Procedure under section 83 of the LGA02 - so the Council’s Schedule of Fees and Charges should be reviewed to see the current charges. These changes need to maintain compliance with section 108 of the RMA.] Further information on financial contributions can be found in the District Plan. Both the Schedule of Fees and Charges, and the District Plan can be found on Council’s website [website address].

Table 10: Financial contribution charges at 1 July [20xx] (GST inclusive at 15%).

|  |  |  |
| --- | --- | --- |
| Financial Contribution | Financial Contribution Charge | comment  |
| FC 1 | Charge or method of calculating charge |  |
| FC 2 | Charge or method of calculating charge |  |
| FC 3 | Charge or method of calculating charge |  |

### Financial Contributions for [FC1]

1. [Provide summary of specific financial contribution.]

### Financial Contributions for [FC2]

1. [Provide summary of specific financial contribution.]

### Financial Contributions for [FC3]

1. [Provide summary of specific financial contribution.]

# Definitions

1. In the Policy, unless the context otherwise requires, the following applies:

**Accommodation unit** has the meaning given in section 197 of the LGA02.

**Activity** means the provision of facilities and amenities within the meaning of network infrastructure, reserves, or community infrastructure for which a development contribution exists under the Policy.

**Allotment (or lot)** has the meaning given to allotment in section 218(2) of the RMA.

**Asset Management Plan** means Council plan for the management of assets within an activity that applies technical and financial management techniques to ensure that specified levels of service are provided in the most cost-effective manner over the life-cycle of the asset.

**Bedroom** means any habitable space within a residential unit capable of being used for sleeping purposes and can be partitioned or closed for privacy including spaces such as a “games”, “family”, “recreation”, “study”, “office”, “sewing”, “den”, or “works room” but excludes:

any kitchen or pantry;

bathroom or toilet;

laundry or clothes-drying room;

walk-in wardrobe;

corridor, hallway, or lobby;

garage; and

any other room smaller than 6m2.

Where a residential unit has any *living* or *dining* rooms that can be partitioned or closed for privacy, all such rooms except one shall be considered a bedroom.

**Capacity life** means the number of years that the infrastructure will provide capacity for and associated HUEs.

**Catchment** means the areas within which development contributions charges are determined and charged.

**Commercial activity** means any activity associated with (but not limited to): communication services, financial services, insurance, services to finance and investment, real estate, business services, central government administration, public order and safety services, tertiary education provision, local government administration services and civil defence, and commercial offices.

**Community facilities** means reserves, network infrastructure, or community infrastructure as defined by the LGA02, for which development contributions may be required.

**Community infrastructure** means:

land, or development assets on land, owned or controlled by Council for the purpose of providing public amenities; and

includes land that Council will acquire for that purpose.

**Council** means [name of Council].

**Development** means any subdivision, building, land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure (but does not include the pipes or lines of a network utility operator).

**District** means the [name of District].

**Gross floor area (GFA)** means the sum of the total area of all floors of a building or buildings (including any void area in each of those floors, such as service shafts, liftwells or stairwells) measured:

where there are exterior walls, from the exterior faces of those exterior walls;

where there are walls separating two buildings, from the centre lines of the walls separating the two buildings;

where a wall or walls are lacking (for example, a mezzanine floor) and the edge of the floor is discernible, from the edge of the floor.

[See the National Planning Standards 2019.](https://www.mfe.govt.nz/sites/default/files/media/RMA/national-planning-standards-november-2019.pdf)

**Household unit equivalent (HUE)** means demand for Council services equivalent to that produced by a nominal household in a standard residential unit.

**Industrial activity** means an activity that manufactures, fabricates, processes, packages, distributes, repairs, stores, or disposes of materials (including raw, processed, or partly processed materials) or goods. It includes any ancillary activity to the industrial activity.

**LGA02** means the Local Government Act 2002.

**Network infrastructure** means the provision of transportation (roading), water, wastewater and stormwater infrastructure.

**Place of assembly** means Marae, community centres or facilities, halls, places of worship, indoor cultural, recreation, or sporting facilities, clubrooms, cinemas, theatres, and conference facilities.

**Policy** means this Development [and Financial] Contributions Policy.

**Reserve** means land for public open space and improvements to that land needed for it to function as an area of usable green open space. This land is used for recreation, sporting activities and the physical welfare and enjoyment of the public, as well as for the protection of the natural environment and beauty of the countryside (including landscaping, sports and play equipment, walkways and cycleways, carparks, and toilets). In the Policy, reserve 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].

**Residential unit** means building(s) or part of a building that is used for a residential activity exclusively by one household, and must include sleeping, cooking, bathing and toilet facilities. [See the National Planning Standards 2019.](https://www.mfe.govt.nz/sites/default/files/media/RMA/national-planning-standards-november-2019.pdf)

**Retail activity** means any activity trading in goods, equipment or services that is not an industrial activity or commercial activity.

**Retirement unit** means any dwelling unit in a retirement village but does not include aged care rooms in a hospital or similar facility.

**Retirement village** has the meaning given in section 6 of the Retirement Villages Act 2003.

**RMA** means the Resource Management Act 1991.

**Service connection** means a physical connection to an activity provided by, or on behalf of, Council (such as water, wastewater or stormwater services).

# Part 2: Policy Details

## Requirement to have a policy

Council is required to have a policy on development contributions and financial contributions as a component of its funding and financial policies in its Long-term Plan (LTP) under section 102(2)(d) of the LGA02. The Policy meets this requirement.

## Funding summary

1. Council plans to incur [$X] (before interest costs) on infrastructure partially or wholly needed to meet the increased demand for community facilities resulting from growth. This includes works undertaken in anticipation of growth, and future planned works. Of this cost, [X] percent will be funded from development contributions. Including interest costs, the total amount to be funded is [$X].
2. Table 10 provides a summary of the total costs of growth-related capital expenditure and the funding sought by development contributions for all activities and catchments.

Table 11. Total cost of capital expenditure for growth and funding sources [complete for each activity and catchment that DCs are being used to fund]

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Activity**  | **Total cAPEX**  | **GROWTH CAPEX** | **Development contribution funded capex** | **Total CAPEX Proportion funded by development contributions** | **CAPex Proportion funded from other sources** | **development contribution INTEREST**  | **Total amount to be funded by development contributions**  |
| Calculations | A | B | C | C/A\*100 | ((A-C)/A)\*100 | D | C+D |
| Total water supply |  |  |  |  |  |  |  |
| Catchment W1 |  |  |  |  |  |  |  |
| Catchment W2 |  |  |  |  |  |  |  |
| Total Wastewater |  |  |  |  |  |  |  |
| Catchment WW1 |  |  |  |  |  |  |  |
| Catchment WW2 |  |  |  |  |  |  |  |
| **etc** |  |  |  |  |  |  |  |
| **Grand Total** |  |  |  |  |  |  |  |

## funding policy SUMMARY

### Funding growth expenditure

1. [Statement about growth in the District – high level summary of intro].
2. Population and business growth create the need for new subdivisions and development, and these place increasing demands on the assets and services provided by Council. Accordingly, significant investment in new or upgraded assets and services are required to meet the demands of growth.
3. Council has decided to fund these costs from:
* Development contributions under the LGA02 for:
* [list activities funded by DCs]; and
* [list activities funded by DCs; etc.]
* [Financial contributions under the RMA for:
* list activities funded by FCs; and
* list activities funded by FCs; etc.]
1. In forming this view, Council has considered the matters set out in section 101(3) of the LGA02 within its Revenue and Financing Policy, and within the Policy.
2. The Revenue and Financing Policy is Council’s primary and over-arching statement on its approach to funding its activities. It outlines how all activities will be funded, and the rationale for Council’s preferred funding approach.
3. In addition, Council is required under section 106(2)(c) of the LGA02 to explain within the Policy why it has decided to use development contributions [and financial contributions] to fund capital expenditure relating to the cost of growth. This assessment is below.
4. [If applicable, explain why Council has chosen to use development contributions for some activities, and financial contributions for others.]

#### Community outcomes (section 101(3)(a)(i))

1. Council has considered whether development contributions [and financial contributions] are an appropriate source of funding considering each activity, the outcomes sought, and their links to growth infrastructure. Council has developed [X] outcomes to help achieve our vision of [Council vision if applicable]:
* [list and summarise community outcome]; and
* [list and summarise community outcome etc].
1. [Include comment on how these outcomes may support a decision on the use of development contributions or financial contributions.]
2. [For example… “These outcomes seek a well serviced growing community that is financially sustainable. Development contributions provide a mechanism for funding of water, wastewater, stormwater, roading, carparking, and reserves needed to achieve our growth ambitions that may not otherwise be affordable to our community. As a dedicated growth funding source, they also offer more secure funding through which we can deliver on our vision and outcomes for new communities”].

#### Other funding decision factors (sections 101(3)(a)(ii) – (v))

1. Council has considered the funding of growth-related community facilities against the following matters:
* The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals, and the extent to which the actions or inaction of particular groups or individuals contribute to the need to undertake the activity.
* The period in or over which those benefits are expected to occur.
* The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.
1. A summary of this assessment is below.

Table 12: Other funding decision factors

|  |  |
| --- | --- |
| Who Benefits / whose act creates the need | A significant portion of Council’s work programme over the next [10-30] years is driven by development or has been scoped to ensure it provides for new developments. The extent to which growth is serviced by, and benefits from, an asset or programme as well as how much it serves and benefits existing ratepayers is determined for each asset or programme. Council believes that the growth costs identified through this process should be recovered from development, as this is what creates the need for the expenditure and /or benefits principally from new assets and additional network capacity. Where and to the extent that works benefit existing residents and businesses, those costs are recovered through rates.The *Catchment determination* section below outlines how Council determined the catchments for development contributions in the Policy.  |
| Period of benefit | The assets constructed for development provide benefits and capacity for developments now and developments in the future. In many cases, the “capacity life” of such assets spans decades. Development contributions allow development related capital expenditure to be apportioned over the capacity life of assets. Developments that benefit from the assets will contribute to their cost, regardless of whether the developments happen now or in the future. [Financial contributions comment to be provided].  |
| Funding sources & rationale including rationale for separate funding | The cost of supporting development in the [District] is significant. Development contributions [and financial contributions] send clear signals to the development community about the cost of growth and the capital costs of providing infrastructure to support that growth.The benefits to the community are significantly greater than the cost of policy making, calculations, collection, accounting and distribution of funding for development contributions. |

#### Overall impact of liability on the community (section 101(3)(b))

1. [Comments on section 101(3)(b).]
2. [For example.. “Council has also considered the impact of the overall allocation of liability on the community. In this case, the liability for revenue falls directly with the development community. Council considers that the level of development [and financial] contributions is affordable and does not consider it likely that there will be an undue or unreasonable impact on the social, economic, environmental and cultural wellbeing of this section of the community.
3. Moreover, shifting development costs onto ratepayers is likely to be perceived as unfair and would significantly impact the rates revenue required from existing residents who do not cause the need for, or benefit directly from, the growth infrastructure needed to service new developments.
4. Overall, Council considers it fair and reasonable, and that the social, economic, environmental and cultural interests of the District’s communities are best advanced through using development contributions [and financial contributions] to fund the costs of growth-related capital expenditure for community facilities.”]

## Catchment determination

1. When setting development contributions, Council must consider how it sets its catchments for grouping charges by geographic area.
2. The LGA02 gives Council wide scope to determine these catchments, provided that:
* The grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
* Grouping by geographic area avoids grouping across an entire district wherever practical.
1. Council has determined that there will be:
* [List catchment approach for each activity; and
* [List catchment approach for each activity; etc]
1. Council considers that this strikes the right balance between practical and administrative efficiency, and considerations of fairness and equity for the following reasons:
* [list primary reasons for catchment approach and summarise how it is relevant; and
* list primary reasons for catchment approach and summarise how it is relevant; etc.]
1. [Note any exceptions to the general approach or catchment rationale here if needed.]

## Significant assumptions of the policy

### Methodology

1. In developing a methodology for the development contributions in the Policy, Council has taken an approach to ensure that the cumulative effect of development is considered across each catchment.

### Planning horizons

1. A [10-30]-year timeframe has been used as a basis for forecasting growth and growth-related assets and programmes. This is set out in Council’s asset management plans.

### Projecting growth

1. [Comment on growth projections and assumptions in the District or parts of the District for residential and commercial developments]. [For example…
2. The District has experienced steady population and economic growth, and this growth is forecast to increase further. Statistics New Zealand (Stats NZ) figures indicate steady population growth in the District, with the number of residents increasing by [X%] per annum since 2013.
3. Using Stats NZ’s median growth forecasts and a commercial growth study as a base, the key assumptions about future growth are:
* Years 2021-2031:
* Population growth in the District of around [X% (or around X people)] per annum.
* Residential unit growth in the District of around [Y% (or around Y units)] per annum.
* Development of around [Zm2] GFA annually for commercial space.
* Years 2031-2051:
* Population growth in the District of around [X% (or around X people)] per annum.
* Residential unit growth in the District of around [Y% (or around Y units)] per annum.
* Development of around [Zm2] GFA annually for commercial space.
1. A five-yearly breakdown of population and household forecasts are in Table 13.

Table 13: Five-yearly breakdown of population and household forecasts

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2013Census | 2021(est) | 2026 | 2031 | 2036 | 2041 | 2046 | 2051 |
| town/area A |  |  |  |  |  |  |  |  |
| **Population**  |  |  |  |  |  |  |  |  |
| **Households**  |  |  |  |  |  |  |  |  |
| Town/area B  |  |  |  |  |  |  |  |  |
| **Population**  |  |  |  |  |  |  |  |  |
| **Households** |  |  |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |  |  |
| **Population** |  |  |  |  |  |  |  |  |
| **Households**  |  |  |  |  |  |  |  |  |

1. Council forecasts demand of approximately [X] HUEs for business development over the next 30 years to accommodate:
* Population growth with related business land; and
* Specific large-scale industries that are expected for Township B associated with development of [XYZ]. These are not anticipated to be large ‘wet’ industries in this forecast.
1. The combined demand forecast is approximately [X] HUEs over 30 years – [Y] HUEs for households and [Z] HUEs for business. Further information about these forecasts can be found in Council’s 2021-2031 Long-term Plan and on Council’s website [website address].

### Best available knowledge

1. Development contributions are based on capital expenditure budgets included in Council’s asset management plans. The capital expenditure budgets and projected estimates of future asset works are based on the best available knowledge at the time of preparation. As better information becomes available the Policy will be updated, generally through the Annual Plan process.

### Key risks/effects

1. There are two key risks and resulting effects associated with administering development contributions. These are:
* That the growth predictions do not eventuate, resulting in a change to the assumed rate of development. In that event, Council will continue to monitor the rate of growth and will update assumptions in the growth and funding predictions, as required.
* That the time lag between expenditure incurred by Council and development contributions received from those undertaking developments is different from that assumed in the funding model, and that the costs of capital are greater than expected. This would result in an increase in debt servicing costs. To guard against that occurrence, Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models, as required.

### Service assumptions

1. It is assumed that methods of service delivery and levels of service will remain substantially unchanged and in accordance with Council’s Long-term Plan, asset management plans and [Technical Specifications/Land Development Manual/Engineering Standards].

### Funding model

1. A funding model has been developed to calculate development contributions under the Policy. It accounts for the activities for which contributions are sought, the assets and programmes related to growth, forecast growth and associated revenue. The funding model embodies several important assumptions, including that:
* All capital expenditure estimates are inflation adjusted and GST exclusive.
* The levels of service (LOS)/backlog, renewal and maintenance portions of each asset or programme will not be funded by development contributions. See the *Cost allocation* section below.
* The growth costs associated with an asset are spread over the capacity life of the asset and any debt incurred in relation to that asset will be fully repaid by the end of that capacity life.
* [Interest expenses incurred on debt accrued will be recovered via development contributions and shared equally over all forecast HUEs over a 20-year period for each activity/catchment.]

## Cost allocation

1. Council must consider how to allocate the cost of each asset or programme between three principal drivers – growth, LOS/backlog, and renewal. Council’s general approach to cost allocation is summarised as:
* Where a project provides for and benefits only growth, 100% of a project’s cost is attributed to growth. To qualify for this, there would have to be no renewal element (see below) or material level of service benefit or capacity provided for existing residents and businesses.
* Where a project involves renewal of existing capacity: [summarise the approach used by your council.] [For example
* 0-59% through an asset’s useful life, none of the cost will be attributed to renewal.
* 60%-90% through an asset’s useful life, Council will use a sliding scale based on the value of a stand-alone renewal project. So, if a project is 75% through its useful life, the share of the project cost attributed to renewal will be 75% of the value of a stand-alone renewal project.
* Over 90% through an asset’s useful life, the costs attributed to renewal will be based on the full cost of a stand-alone renewal project.]
* If a project provides for growth and LOS, after deducting any share of costs attributable to renewal, Council will split the cost between growth and LOS based on [summarise the approach used by your council.] [For example… “the future beneficiary split. Under this approach, the cost attributed to:
* LOS will be based on the proportion that the existing community (in HUEs) will make up of the future community (in HUEs).
* Growth will be based on the proportion that growth (in HUEs) will make up of the future community (in HUEs)”.]
1. For particularly large and expensive projects, Council may undertake a specific cost apportionment assessment that differs from the general approach outlined above.

## Calculating the development contributions

1. This section outlines how the development contributions were calculated in accordance with section 203 and Schedule 13 of the LGA02.

### Process

1. The steps needed to determine growth, growth projects, cost allocations, and to calculate the development contributions charges are summarised in Table 14.

Table 14: Summary of development contribution calculation methodology

| Step | Description / comment  | Example ($ GST Exc) |
| --- | --- | --- |
| **1. Forecast growth**  | Council estimates potential land supply and likely take up of that land. The estimates help provide household and business growth forecasts for up to 30 years. See the *Projecting growth* section above for further information.  | [provide worked example] |
| **2. Identify projects required to facilitate growth**  | Council develops the works programme needed to facilitate growth. In some cases, Council may have already undertaken the work. The programme in the Policy is for 20 years. | [provide worked example] |
| **3. Determine the cost allocation for projects** | The cost of each asset or programme is apportioned between renewal, growth, and LOS/backlog in accordance with the approach outline in the *Cost allocation* section of the Policy.Schedules 2 and 3 of the Policy outline the amount required to fund growth from development contributions for each of these assets or programmes. | [provide worked example] |
| **4. Determine growth costs to be funded by development contributions** | Council determines whether to recover all of the growth costs identified in step 3 from development contributions, or whether some of the growth costs will be funded from other sources.  | [provide worked example] |
| **5. Divide development contribution funded growth costs by capacity lives**  | The growth costs from step 4 are divided by the estimated capacity life (defined in HUEs) to provide a charge per HUE for each future and past asset and programme.  | [provide worked example] |
| **6. Sum all per asset charges**  | For each catchment and activity, add up the per HUE asset or programme charges to provide a “raw” total development contribution before interest costs are added.For each activity and catchment, development contributions fund the programme on an aggregated basis.  | [provide worked example] |
| **7. Adjust for interest costs and charge inflation adjustments**  | The raw cost requires adjustments in the funding model to ensure total revenue received over 20 years equals total costs after accounting for interest costs. These costs are shared equally among all HUEs in the relevant catchment over 20 years.These adjustments impact the final charges.  | [provide worked example] |

### Summary of calculations

1. Schedule 1 summarises the calculation of the charge per HUE for each activity/catchment (step 7). Schedules 2 and 3 provide information on each asset or programme including the information in steps 2 - 6.

## Schedule 1 – Charge per HUE calculations

This schedule summarises the calculation of the charge per HUE for each activity for each catchment. This include the components of the charge related to capital expenditure on past assets, capital expenditure on future assets, and interest costs. All figures exclude GST.

### Water

|  |  |  |  |
| --- | --- | --- | --- |
| **reference**  | **Development Contribution funded $** | **Recoverable Growth / Capacity Life (HUEs)** | **Charge per HUE (GST exc)** |
| CATCHMENT W1 |  |  |  |
| Future assets or programmes(refer schedule 2)  | **C1** (future asset/programme costs funded by DCs) | *Refer schedule 2* | **DCF**  |
| Past assets or programmes (refer schedule 3) | **C2** (past asset/programme costs funded by DCs) | *Refer schedule 3* | **DCP** |
| **Loan interest costs** | **IC** (interest costs) | **#IC** (HUEs over which interest costs are being recovered) | **DCIC = IC/#IC** |
| **Total** | **TGC** (total growth costs funded by DCs) **= C1 + C2 + IC** |  | **DCW1 = DC1+ DC2+ DCIC** |
| CATCHMENT W2 (example) |  |  |  |
| Future assets or programmes (refer schedule 2)  | **$4,720,000** | *Refer schedule 2* | **$8,400** |
| Past assets or programmes (refer schedule 3) | **$12,000,000** | *Refer schedule 3* | **$12,000** |
| **Loan interest costs** | **$800,000** | **800** | **$1,000** |
| **Total**  | **$17,520,000** |  | **$21,400** |

### WasteWater

|  |  |  |  |
| --- | --- | --- | --- |
| **reference**  | **Development Contribution funded $** | **Recoverable Growth / Capacity Life (HUE)** | **Charge per HUE (GST exc)** |
| CATCHMENT WW1 |  |  |  |
| Future assets or programmes (refer schedule 2)  |  | *Refer schedule 2* |  |
| Past assets or programmes (refer schedule 3) |  | *Refer schedule 3* |  |
| **Loan interest costs** |  |  |  |
| **Total** |  |  |  |
| CATCHMENT WW2 |  |  |  |
| Future assets or programmes (refer schedule 2)  |  | *Refer schedule 2* |  |
| Past assets or programmes (refer schedule 3) |  | *Refer schedule 3* |  |
| **Loan interest costs** |  |  |  |
| **Total**  |  |  |  |

**..etc**

## Schedule 2 – Future assets

Schedule 2 provides the forecast future capital expenditure on assets or programmes attributable to new growth in accordance with section 201A of the LGA02. All figures exclude GST.

### Water

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **ID** | **Asset or programme name** | **Description** | **Total cost $** | **% Funded by DCs** | **% Fundedfrom othersources** | **DC funded Cost $** | **Year12021/2022$** | **Year22022/2023$** | **Year32023/2024$** | **Year42024/2025$** | **Year52025/2026$** | **Year62026/2027$** | **Year72027/2028$** | **Year82028/2029$** | **Year92029/2030$** | **Year102029/2030$** | **Years 11-302031/2032-2051/2052** | **Recoverable growth / capacity Life (HUEs)** | **Charge per HUE** |
| CATCHMENT W1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| W1001 | [Asset or programme name] | [Asset or programme description] | $[X1] | [Y2]% | [100-Y]% | $Z1 = [X1 x Y1] | Y1 DC funded portion of costs  | Y2 DC funded portion of costs | Y3 etc | Y4 etc | Y5 etc | Y6 etc | Y7 etc | Y8 etc | Y9 etc | Y10 etc | Ys 11-30 DC funded portion of costs | #1 | DC1 = $Z1/#1 |
| W1002 | [Asset or programme name] | [Asset or programme description] | $[X2] | [Y2]% | [100-Y]% | $Z2 = [X2 x Y2] | Y1 DC funded portion of costs  | Y2 DC funded portion of costs | Y3 etc | Y4 etc | Y5 etc | Y6 etc | Y7 etc | Y8 etc | Y9 etc | Y10 etc | Ys 11-30 DC funded portion of costs | #2 | DC2 = $Z2/#2 |
| W1003 | [Asset or programme name] | [Asset or programme description] | $[X3] | [Y3]% | [100-Y]% | $Z3 = [X3 x Y3] | Y1 DC funded portion of costs  | Y2 DC funded portion of costs | Y3 etc | Y4 etc | Y5 etc | Y6 etc | Y7 etc | Y8 etc | Y9 etc | Y10 etc | Ys 11-30 DC funded portion of costs | #3 | DC3 = $Z3/#3 |
|  |  | **Total future growth expenditure** | **$[X1+X2+X3]** |  |  | **$[Z1+z2+Z3]** |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Future asset charge per HUE (DCF)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **$DCF = [DC1+DC2+DC3]** |
| CATCHMENT W2 (example) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| W1004 | [Dowder reservoir] | [Provide 2500m3 reservoir to link to new main and provide storage for Dowder growth area] |  $3,400,000  | 80% | 20% | $2,720,000 | $1,360,000 | $1,360,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 800 |  $3,400  |
| W1005 | [Dowder booster pump station] | [Booster pump station to provide water at required pressure to residentially zoned land above 65 metres of elevation] |  $2,000,000  | 100% | 0% |  $2,000,000  | 0  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | $2,000,000 | 0 | 0 | 400 |  $5,000  |
|  |  | **Total future growth expenditure** | **$5,400,000** | **87%** | **13%** |  **$4,720,000** |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Future asset charge per HUE (DCF)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **$8,400** |

### Wastewater

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **ID** | **Asset or programme name** | **Description** | **Total cost $** | **% Funded by DCs** | **% Fundedfrom othersources** | **DC funded Cost $** | **Year12021/2022$** | **Year22022/2023$** | **Year32023/2024$** | **Year42024/2025$** | **Year52025/2026$** | **Year62026/2027$** | **Year72027/2028$** | **Year82028/2029$** | **Year92029/2030$** | **Year102030/2031$** | **Years 11-302031/2032-2051/2052** | **Recoverable growth / capacity Life (HUEs)** | **Charge per HUE** |
| CATCHMENT WW1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Total past growth expenditure** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Past asset charge per HUE (DCF)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| CATCHMENT WW2 (example) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Total future growth expenditure** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Future asset charge per HUE (DCF)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

## Schedule 3 – Past assets

Schedule 3 provides the capital expenditure incurred on assets and programmes attributable to new growth constructed in anticipation of growth, in accordance with section 201A of the LGA02. All figures exclude GST.

### Water

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **ID** | **Asset or programme name** | **Description** | **Total cost $** | **% Funded by DCs** | **% Fundedfrom othersources** | **DC funded cost $** | **Years** | **Recoverable growth / capacity Life (HUEs)** | **Charge per HUE** |
| CATCHMENT W1 |  |  |  |  |  |  |  |  |  |
| W001 | [Asset or programme name] | [Asset or programme description] | $[X1] | [Y2]% | [100-Y]% | $Z1 = [X1 x Y1] | Year(s) expenditure incurred  | #1 | DC1 = $Z1/#1 |
| W002 | [Asset or programme name] | [Asset or programme description] | $[X2] | [Y2]% | [100-Y]% | $Z2 = [X2 x Y2] | Year(s) expenditure incurred  | #2 | DC2 = $Z2/#2 |
| W003 | [Asset or programme name] | [Asset or programme description] | $[X3] | [Y3]% | [100-Y]% | $Z3 = [X3 x Y3] | Year(s) expenditure incurred  | #3 | DC3 = $Z3/#3 |
|  |  | **Total past growth expenditure** | **$[X1+X2+X3]** |  |  | **$[Z1+Z2+Z3]** |  |  |  |
|  |  | **Past asset charge per HUE (DCP)** |  |  |  |  |  |  | **$DCP = [DC1+DC2+DC3]** |
| CATCHMENT W2 (example) |  |  |  |  |  |  |  |  |  |
| W004 | [Dowder treatment upgrade] | [Provide treatment to NZDWS for Dowder area] |  $4,000,000  | 80% | 20% | $3,200,000 | 2018/2019 | 800 |  $4,000  |
| W005 | [Bore, pump station, and trunk main for Dowder area] | [Bore water source, pump station, and trunk main for Dowder area] |  $8,000,000  | 80% | 20% |  $6,400,000  |  2016/17 to 2018/2019 | 800 |  $8,000  |
|  |  | **Total past growth expenditure** | **$12,000,000** | **80%** | **20%** |  **$9,600,000** |  |  |  |
|  |  | **Past asset charge per HUE (DCP)** |  |  |  |  |  |  | **$12,000** |

### wasteWater

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **ID** | **Asset or programme name** | **Description** | **Total cost $** | **% Funded by DCs** | **% Fundedfrom othersources** | **DC funded cost $** | **Years** | **Recoverable Growth / Capacity Life (HUEs)** | **Charge per HUE** |
| CATCHMENT WW1 |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  | **Total past growth expenditure** |  |  |  |  |  |  |  |
|  |  | **Past asset charge per HUE (DCP)** |  |  |  |  |  |  |  |
| CATCHMENT WW2 (example) |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  | **Total past growth expenditure** |  |  |  |  |  |  |  |
|  |  | **Past asset charge per HUE (DCP)** |  |  |  |  |  |  |  |

# Part 3: CATCHMENT Maps

The maps in this section outline the boundaries of the catchments within which development contributions will apply.

## Water Catchment MAps

### Catchment [w1]

**MAP**

### Catchment [w2]

**MAP**

## WasteWater Catchment MAps

### Catchment [wW1]

**MAP**

### Catchment [wW2]

**MAP**

Etc..

1. GST has been applied at the rate of GST as at [x date] (15%). Should the rate of GST change, the charges will be adjusted accordingly. The GST exclusive charge per activity can be found in Schedule 1. [↑](#footnote-ref-1)