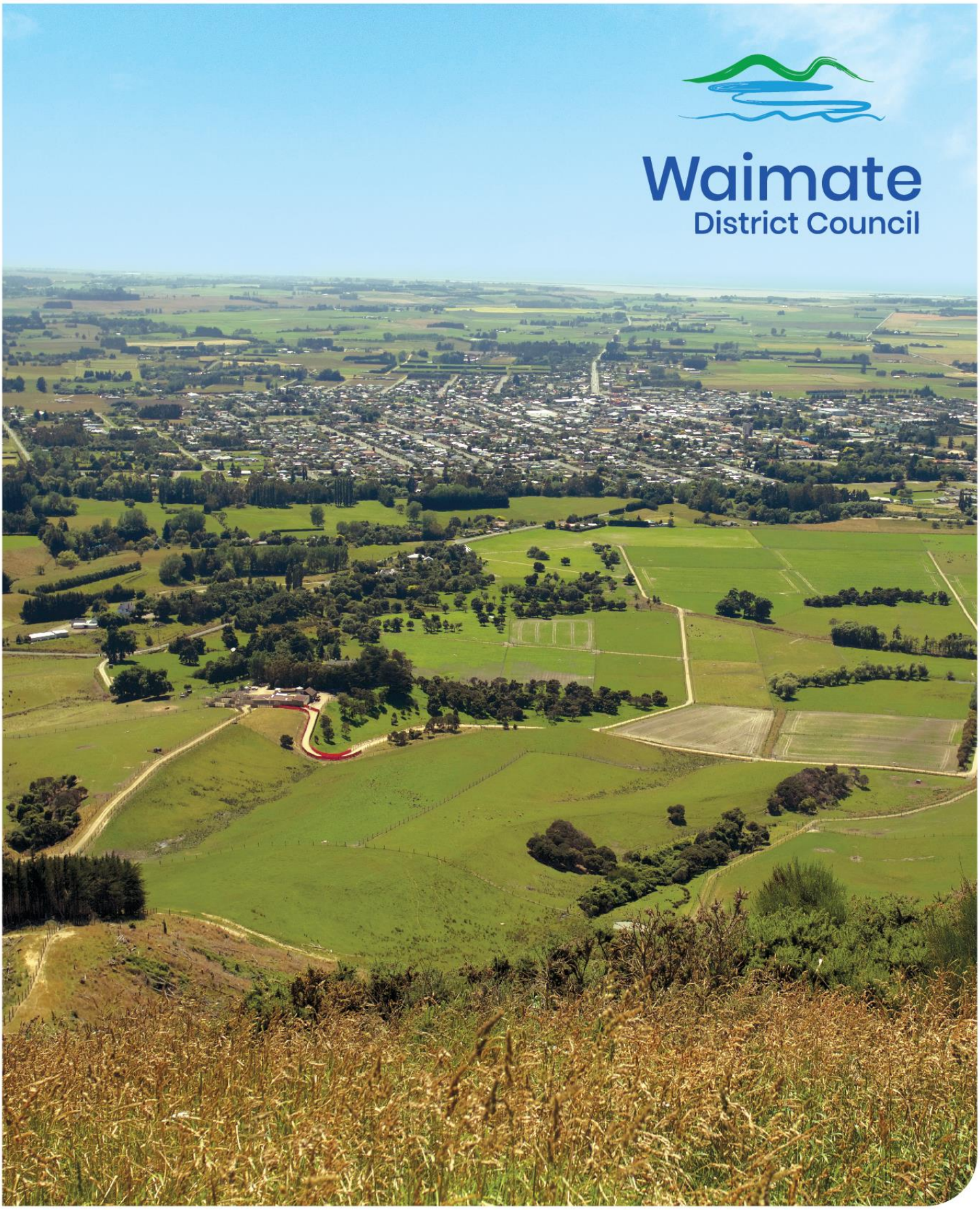
Waimate District Council



30 June 2025

404 Financial Contributions Policy

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1.0 Purpose

1.1 To determine the purpose for which financial contributions may be required by the Waimate District Council (WDC).

1.2 To provide predictability and certainty in regard to the sources and levels of funding required for meeting increased demand for infrastructure and reserves resulting from growth.

1.3 Within the framework of the Waimate District Plan, to enable the WDC to recover contributions from those parties undertaking development, as a condition of a resource consent or permitted activity, or where the development or activity may have an adverse effect on the natural or physical environment.

2.0 Relevant Legislation/Internal Policies[1]

2.1 Local Government Act 2002 (LGA)

2.2 Resource Management Act 1991 (RMA)

2.3 Waimate District Plan

2.4 WDC Revenue and Financing Policy

3.0 Applicability

3.1 This policy applies to any party undertaking development where a contribution is able to be recovered within the provision of the Waimate District Plan, as a condition of a resource consent or permitted activity, or where the development or activity may have an adverse effect on the natural or physical environment.

4.0 Definitions

4.1 For the purpose of the present policy, the following terms are defined as below:

a. **Development**:

- Any subdivision, building, land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; excluded from the scope of this definition are the pipes or lines of a network utility operator.

[1] Includes, but not limited to.

b. **Financial Contribution**:

- any contribution of money; or
- any contribution of land - including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Maori land within the meaning of Te Ture Whenua Maori Act 1993; or
- a combination of contribution of money and land.

5.0 Policy Statement

5.1 The present policy is prepared within the wider context of the WDC's financial management policies, and is consistent with the provisions of the WDC's Revenue and Financing Policy, providing for financial contributions to be used as part of the WDC's overall approach to funding capital expenditure.

5.2 Under the LGA, Section 102(1) and Section 102(2)(d) the WDC is required to adopt a policy on development or financial contributions.

5.3 Under the RMA, the WDC may require financial contributions as a condition of a resource consent.

5.4 WDC may require that a financial contribution be made to the WDC as a condition of a resource consent or permitted activity where that activity or development requires additional capacity from any of the following:

a. Public open space and recreation facilities of the District; and

b. Water, sewerage, stormwater, and roading networks.

5.5 In accordance with the RMA, Section 111, where WDC receives a cash contribution under Section 108(2)(a), the WDC shall deal with that money in reasonable accordance with the purpose for which the money was received.

5.6 In relation to capital expenditure, the LGA Section 106(2)(a) requires the Financial Contributions Policy to summarise and explain the total cost of capital expenditure identified in the Long Term Plan (LTP), or identified under clause 1(2) of Schedule 13 that the WDC expects to incur to meet the increased demand for community facilities resulting from growth.

5.7 In determining this policy, Council has considered the matters set out in schedule 11 of the Local Government Act 2002 and how it supports the principles set out in the Preamble to Te Ture Whenua Maori Act 1993.

5.8 Whilst population growth is anticipated to be low with infill subdivision being catered for by the existing networks, some extended (growth) infrastructure is programmed within the urban area. Financial contributions relating to footpaths and reserves will be collected and capital contributions towards in ground services will be levied.

5.9 Financial contributions can only be required in accordance with the purposes specified in the Waimate District Plan, including the purpose of ensuring positive effects on the environment to offset any adverse effect. The level of contribution must be determined in the manner described in the District Plan.

5.10 A summary of the existing financial contributions provisions under the Waimate District Plan is included in the following sections. The full provisions can be found in the District Plan which is available from the WDC office, or the WDC website.

6.0 Capital Expenditure for Growth Funded by Financial Contributions

6.1 The following table lists the capital expenditure for growth funded by financial contributions for each activity group. The table also shows the funding sources for these activity groups which Council has budgeted in the Long Term Plan 2025-34.

	Financial Contributions						
	Water	**Stormwater**	**Sewerage**	**Roading and Footpaths**	**District Planning and Regulatory Services**	**All Other Activities**	**Total**
Total Capex	$27,229,865	$389,427	$11,355,102	$43,105,196	$180,940	$6,300,448	$88,560,978
Growth related Capex	$1,918,000	$100,500	$1,143,100	$0	$0	$319,000	$3,480,600
Growth related capex proportion funded by financial contributions	19.2%	100%	15.0%	0.0%	0.0%	0.0%	26.5%
Growth related capex proportion funded by other sources	80.8%	0%	85.0%	0.0%	0.0%	0%	73.5%
Total amount of funding sought by financial contributions	$369,827	$169,630	$171,310	$ -	$213,308	$ -	$924,075

6.2 All financial contributions collected are placed in Reserves and are allocated by Council resolution or through a Long Term or Annual Plan.

FUNDING NEEDS ANALYSIS

6.3 These activities have been funded in accordance with Council's Revenue & Financing Policy, as contained in the Long Term Plan 2025-34.

6.4 Section 101(3) of the LGA 2002 requires that the following be considered:

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—
(a) in relation to each activity to be funded,—
(i) the community outcomes to which the activity primarily contributes; and
(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
(iii) the period in or over which those benefits are expected to occur; and
(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
(b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

6.5 Responses to these requirements in relation to the Financial Contributions Policy are:

Community outcomes

6.6 This policy contributes to:

a. A thriving community that promotes infrastructure for economic activity, encourages development, and empowers its businesses.

b. Providing a safe and healthy environment that enhances our community's quality of life.

c. Enhancing the district through sustainable and diverse development that acknowledges our heritage and values our natural beauty.

d. Supports a range of diverse leisure activities through active development of district assets.

Distribution of benefits

6.7 Council apportions all capital expenditure into the classifications of growth, renewal, and level of service, by the areas of benefit. This apportionment represents the distribution of benefit to the community as a whole, to identifiable parts of the community and to individuals.

Period over which the benefits are expected to occur

6.8 Once a financial contribution has been paid in relation to a subdivision or development,

the benefits of the asset, service, or environmental enhancement is expected to be ongoing and should occur indefinitely.

Action or inaction that contributes to the need for this activity

6.9 The provision of assets, services, or environmental standards that promote the community outcomes may not be willingly provided by the development community. In addition, Council is often the only viable supplier (often legally required to provide services) of these services and therefore Council has a moral and legal obligation to supply additional assets, services to meet the new community needs.

Costs and benefits of funding this activity

6.10 The benefits to the existing community are significantly greater than the cost of policy making, calculations, collection, accounting and distribution of funding for development and financial contributions.

Allocation of liability for revenue needs

6.11 The liability for revenue falls directly with the development community. At the effective date of this policy, Council does not perceive any impact on the social, economic, environmental and cultural well-being of this particular sector of the community. At any stage in the future where there may be impacts of this nature, Council may revisit this policy.

7.0 Provision on Open Space and Recreation

7.1 Financial contributions may be collected for the provision and maintenance of open space and recreational facilities to meet the diverse needs of residents and visitors to the District.

7.2 Financial contributions may be required as a condition of an activity, whether or not it requires a resource consent, including any subdivision or development for residential, commercial or industrial purposes - including utilities, but excluding network utilities.

8.0 Provision on Stormwater Disposal

8.1 Financial contributions may be collected to meet the costs of either upgrading stormwater services or providing mitigation(s) which are attributable to the impacts of subdivision or development.

8.2 Financial contributions may be required where an activity, whether or not it requires resource consent, will discharge stormwater to a WDC reticulated stormwater system.

9.0 Provision on Water Supply

9.1 Financial contributions may be collected to meet the costs of upgrading water supply

services which are attributable to the impacts of subdivision or development.

9.2 Financial contributions may be required where an activity, whether or not it requires a resource consent, is to be connected to a WDC reticulated water supply system.

10.0 Provision on Sewage Disposal

10.1 Financial contributions may be collected to meet the costs of upgrading sewage disposal services which are attributable to the impacts of subdivision or development.

10.2 Financial Contributions may be required where an activity, whether or not it requires a resource consent, is to be connected to a WDC reticulated sewage disposal system.

11.0 Provision on Road and Property Access

11.1 Financial contributions may be collected to meet the costs of upgrading roading and property access which are attributable to the impacts of subdivision or development.

11.2 Financial contributions may be required where an activity, whether or not it requires a resource consent, has access to a road which is not formed to the standards specified in Rule 9.2 in the Waimate District Plan Section 10, towards road widening, construction and/or formation including footpaths.

12.0 Development Contributions

12.1 WDC's policy in relation to Development Contributions is to not levy contributions under Section 106 of the LGA, but to collect Financial Contributions pursuant to Section 108 of the RMA.

13.0 Document Control

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