
ORDINARY MEETING
OF
PŪRORO TAHUA - FINANCE AND PERFORMANCE
COMMITTEE
AGENDA

Time: 9:30am
Date: Thursday, 21 October 2021
Venue: **Virtual meeting**

MEMBERSHIP

Mayor Foster
Deputy Mayor Free
Councillor Calvert (Chair)
Councillor Condie
Councillor Day
Councillor Fitzsimons
Councillor Foon (Deputy Chair)
Liz Kelly
Councillor Matthews
Councillor O'Neill
Councillor Pannett
Councillor Paul
Councillor Rush
Councillor Woolf
Councillor Young

Have your say!

You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-803-8334, emailing public.participation@wcc.govt.nz or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.

AREA OF FOCUS

The Pūroro Tahua | Finance and Performance Committee has the following responsibilities:

- Financial oversight
- Procurement policy
- Financial and non-financial performance oversight in relation to the Long-term Plan and Annual Plan
- Health and Safety
- Non-strategic asset investment and divestment as provided for through the LongTerm Plan and recommending to Council for matters not provided for in the LongTerm Plan.
- Council Controlled Organisation oversight and performance, with the exception of Wellington Water Limited which sits with the Infrastructure Committee
- Council Controlled Organisation director review and appointments
- WellingtonNZ oversight and performance

The Committee has the responsibility to discuss and approve a forward agenda.

To read the full delegations of this committee, please visit wellington.govt.nz/meetings.

Quorum: 9 members

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1. Meeting Conduct

1.1 Karakia

The Chairperson will open the meeting with a karakia.

Whakataka te hau ki te uru, Whakataka te hau ki te tonga. Kia mākinakina ki uta, Kia mātaratara ki tai. E hī ake ana te atākura. He tio, he huka, he hauhū. Tihei Mauri Ora!	Cease oh winds of the west and of the south Let the bracing breezes flow, over the land and the sea. Let the red-tipped dawn come with a sharpened edge, a touch of frost, a promise of a glorious day
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At the appropriate time, the following karakia will be read to close the meeting.

Unuhia, unuhia, unuhia ki te uru tapu nui Kia wātea, kia māmā, te ngākau, te tinana, te wairua I te ara takatū Koia rā e Rongo, whakairia ake ki runga Kia wātea, kia wātea Āe rā, kua wātea!	Draw on, draw on Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind Oh Rongo, above (symbol of peace) Let this all be done in unity
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1.2 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

1.3 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.4 Confirmation of Minutes

The minutes of the meeting held on 16 September 2021 will be put to the Pūroro Tahua | Finance and Performance Committee for confirmation.

1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows.

Matters Requiring Urgent Attention as Determined by Resolution of the Pūroro Tahua | Finance and Performance Committee.

The Chairperson shall state to the meeting:

-
1. The reason why the item is not on the agenda; and
 2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Pūroro Tahua | Finance and Performance Committee.

Minor Matters relating to the General Business of the Pūroro Tahua | Finance and Performance Committee.

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Pūroro Tahua | Finance and Performance Committee for further discussion.

1.6 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to public.participation@wcc.govt.nz, by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 803 8334, giving the requester's name, phone number and the issue to be raised.

2. General Business

**BRIEFING FROM WELLINGTON INTERNATIONAL AIRPORT
LIMITED**

Kōrero taunaki

Summary of considerations

Purpose

1. This report enables representatives from Wellington International Airport Limited (WIAL) to provide a briefing to Pūroro Tahua - Finance and Performance Committee on topics of mutual interest and to provide an overview of WIAL's performance over the past year.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
- People friendly, compact, safe and accessible capital city
- Innovative, inclusive and creative city
- Dynamic and sustainable economy

**Strategic alignment
with priority
objective areas from
Long-term Plan
2021–2031**

- Functioning, resilient and reliable three waters infrastructure
- Affordable, resilient and safe place to live
- Safe, resilient and reliable core transport infrastructure network
- Fit-for-purpose community, creative and cultural spaces
- Accelerating zero-carbon and waste-free transition
- Strong partnerships with mana whenua

**Relevant Previous
decisions**

None

Financial considerations

- Nil Budgetary provision in Annual Plan / Long-term Plan Unbudgeted \$X

2.

Risk

- Low Medium High Extreme

Author	Martin Read, Manager Financial Strategy & Treasury
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the public briefing from WIAL on:
 - a. An update on current airport expansion plans
 - b. Information regarding transport links
 - c. Seawall renewals
 - d. Sustainability activities and opportunities
2. Receive the public excluded briefing on WIAL's financial performance over the past year.

Whakarāpopoto

Executive Summary

4. Wellington City Council has a strategic and multi-faceted relationship with WIAL:
 - a. WCC is a 34% shareholder of WIAL with Infratil as the majority shareholder of 66%. WCC appoints two members to the WIAL Board;
 - b. The airport is an important link to both Wellington City and the region;
 - c. WIAL is a supporter of economic, cultural and community events in Wellington;
 - d. WCC has a regulatory role with regards to the airport - this includes setting the District Plan and through enforcement of noise issues.
5. Given this relationship, it is appropriate for WIAL to provide both their perspective on matters of common interest with Council and report on their performance.
6. In addition to WIAL's financial performance, Councillors have requested a briefing on:
 - a. An update on current airport expansion plans
 - b. Information regarding transport links
 - c. Seawall renewals
 - d. Sustainability activities and opportunities

Takenga mai

Background

7. The ongoing effects of COVID-19 have impacted WIAL's ability to operate at full capacity and therefore their financial performance and capital plans. As a shareholder, WCC played a role in supporting WIAL through these issues.
8. During development of the 2021-31 long-term plan, Council considered the provision of a \$76m loan to WIAL for seawall strengthening post FY26. It was ultimately resolved to not provide the funding in the LTP however Council requested further updates from WIAL on the issues above.

Kōrerorero

Discussion

9. During the briefing, Councillors will have the opportunity to both receive information from, and ask questions of, WIAL.

Ngā mahinga e whai ake nei

Next actions

10. None.

Attachments

Nil

DEVELOPMENT CONTRIBUTIONS POLICY REVIEW

Purpose

1. This report to the Pūroro Tahua - Finance and Performance Committee is to seek approval to consult on the proposed amended Development Contributions Policy (the policy) under the Local Government Act 2002 (LGA02).

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|--|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input checked="" type="checkbox"/> Sustainable, natural eco city |
| | <input checked="" type="checkbox"/> People friendly, compact, safe and accessible capital city |
| | <input checked="" type="checkbox"/> Innovative, inclusive and creative city |
| | <input checked="" type="checkbox"/> Dynamic and sustainable economy |
| | <input checked="" type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| | <input checked="" type="checkbox"/> Affordable, resilient and safe place to live |
| | <input checked="" type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| | <input checked="" type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| | <input checked="" type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| | <input type="checkbox"/> Strong partnerships with mana whenua |

Relevant Previous decisions

This review is to align the policy with Long-term Plan 2021-31 (LTP) growth expenditure, community outcomes and population growth estimates. The policy was adopted in 2005 and was most recently reviewed in 2015. The policy should be reviewed regularly under the LGA02 [section 106(3) refers].

Significance

The review of the policy is a “strong logical step from a prior decision” being the agreement of the LTP and therefore has “low” significance [Significance and Engagement Policy refers]. LGA02 section 82 applies to amendments of the policy [LGA02 section 106(3) refers].

Consultation is proposed that is informative, and that seeks feedback on the analysis in the draft amended policy. Consultation will be open to the public and there will be targeting to ensure developers are aware of the consultation.

Financial considerations

- | | | |
|------------------------------|---|---|
| <input type="checkbox"/> Nil | <input checked="" type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|------------------------------|---|---|

2. The policy is a funding tool under the LTP and the charges collected through the policy are estimated in the LTP to be around \$3.5 million per annum of the LTP. Charges need to be current and clear, and the review has sought to support both these objectives.

Risk

3. The policy has many components and there are principles and specifications in the LGA02 that must be met. If the policy is not robust, development charges may be gamed or be subject to legal challenges. The Council has worked with a recognised subject matter expert consultant on the review and used a new Department of Internal Affairs issued template to present the proposed amended policy.

| Low | Medium | High | Extreme

Authors	Leila Martley, Senior Policy Advisor Geoff Lawson, Team Leader Policy Martin Read, Manager Financial Strategy & Treasury Elizabeth Steel, Funding Analyst
Authoriser	Baz Kaufman, Manager Strategy and Research Stephen McArthur, Chief Strategy & Governance Officer Sara Hay, Chief Financial Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That Pūroro Tahua - Finance and Performance Committee:

- 1) Receive the information
- 2) Agree to public consultation on the proposed amended Development Contributions Policy using the attached:
 - a. Statement of Proposal (Attachment 1),
 - b. draft proposed amended Development Contributions Policy (Attachment 2),
and
 - c. policy maps (Attachments 3 and 4)
- 3) Note that the policy review is required under the Local Government Act 2002 [section 106(3) refers] and must use consultation processes in the Local Government Act 2002 section 82.
- 4) Agree to delegate to the Chair of the Committee and the Chief Executive to sign off on any amendments discussed and agreed at Committee and identified in further editorial and quality review before documents are published for consultation.

Whakarāpopoto

Executive Summary

4. Development contributions are charges that help the Council pay for upgrades to existing and new community facilities to accommodate the City's growing population. Community facilities are reserves, network infrastructure (including for water supply, wastewater, stormwater and transport) and community infrastructure. The policy enables the collection of these charges.

5. The review of the policy now has been to achieve alignment with new expenditure agreed in the LTP. As a result of the review, there is a proposed increase in the charges. The charges in the current policy are \$3,261 to \$10,944 for a unit of residential development. In the proposed amended policy, based on new expenditure in the LTP, the proposed charges are from \$4,647 to \$17,451 for a unit of residential development. There are methods of charging less for small residences, and methods of charging for commercial property.
6. The charges remain reasonable as a proportion of building costs and are relatively lower than in neighbouring territorial local authority jurisdictions. This reflects the fact that Wellington City has relatively fewer Greenfields developments - which require higher investment in community facilities.
7. Consultation will to be of interest to developers as they may expect to see amended charges following the agreement of increased capital expenditure in the LTP.
8. The proposed amended policy is attached (Attachment 2). The policy and the changes are described in the Statement of Proposal (Attachment 1).

Takenga mai

Background

9. Development contributions are a Council charge to help pay for the impact that new developments have on community facilities, such as water supply, wastewater, transport and reserves. Projects that may require a development contribution include new residences and commercial space.
10. The policy is about how these charges are administered and calculated. The policy was first adopted in June 2005 was last amended in 2015.
11. Under the LGA02 the Council may collect development contributions on capital expenditure for community facilities, but only on the growth component. There are the three components of capital expenditure:
 - a. Renewal: maintaining services, improving the physical integrity and remaining life of assets with no change to the asset base
 - b. Level of service: improving standards of quality, reliability, responsiveness, safety, comfort, flexibility, regulatory requirements or similar, and
 - c. Growth: increased availability and capacity to cater for more people, either increasing the number of assets, the total area or length. Development contributions can only be collected on this component.
12. Each LTP project is assessed to ensure an appropriate proportion is assigned to growth for the purposes of the policy. This varies by project, for example, from around six percent for a citywide benefit like the Botanic Gardens, to 70 or 100 percent for a road to a specific new development area.
13. Growth identified in the LTP and growth that development contributions are collected for do not line up exactly for a few reasons, mainly:
 - a. Long-term Plan projects are classified by the greatest component out of renewal, level or service or growth, so not all projects identified as growth will have their full cost reflected in the policy.
 - b. Some growth projects don't fit the policy criteria under the LGA02.

-
14. The annual amount collected by the Council, projected at around \$3.5 million per year, will also not line up with the LTP expenditure directly because development contributions are collected on a project for as long as it takes for the growth to occur. This is explained in examples in the policy (refer proposed amended policy sections 17.1 and section 18 schedules 1 and 2).
 15. Some charges may be collected in a short period (for example, a Greenfields development with infrastructure serving new builds that are all constructed in a few years), and other infrastructure will meet growth requirements (and potentially collect from new developments) for up to 30 years. Longer time periods are more typical for infrastructure built with additional capacity to meet future growth needs (like water supply reservoirs and wastewater facilities).
 16. The policy is based on a principle of equity between current residents and future residents. Development contributions fund additional capacity in community facilities. The benefits of this additional capacity mainly accrue to new households and businesses generating demand for that capacity. Development contributions paid by developers are likely to be passed on through section and building prices to the residents of new households and businesses.
 17. Existing residents and businesses, however, gain a much reduced benefit from the infrastructure and resulting growth in the City and therefore they should not be required to fund the majority of the costs through rates. This context is presented in the current policy and in the proposed amended policy.
 18. The policy is generally well understood and accepted by developers and the existence of development contributions has not been considered a barrier to construction. The charges for Wellington City have been relatively low because growth is taking place through intensification in areas like the City Centre and Te Aro. Greenfields developments tend to have higher costs for community facilities and Wellington City has some, but relatively few of these. Development contributions in Wellington are lower than in Porirua (around \$16,000 to \$42,000), and Hutt City (around \$15,000 to \$26,000) and lower than in Auckland, where development contributions of up to \$100,000 or more are being considered.

Kōrerorero

Discussion

19. Reviews of the policy generally follow approval of the LTP because the LTP has key information and decisions that should underpin the policy; including population growth estimates and capital growth expenditure. This information has been incorporated into the proposed amended policy.
20. Alongside alignment with the new LTP officers have taken the opportunity to move the policy into a new template developed by the Department of Internal Affairs and have conducted work with a consultant expert on development contributions to achieve general improvements and better alignment with best practice for development contributions.

Charges

21. Currently development contribution charges per equivalent housing unit¹ (EHU) range from \$3,261 in Tawa to \$10,944 in Grenada-Lincolnshire. The proposed new charges range from \$4,647 (again in Tawa), to \$17,451 (again in Grenada-Lincolnshire). In both the current policy and proposed amended policy the charges are highest in new development areas where there is relatively more growth infrastructure planned.
22. The citywide component of charges for an EHU are now proposed at \$3,925 up \$1,220 from the current citywide charge, \$2,539. Around half of the increase is from the re-introduction of charges for community infrastructure². The citywide charge for non-residential units of development is lower, \$2,216, as community infrastructure and reserves charges do not apply. The remainder of increases are spread across different catchments relevant to projects in those areas.
23. Transport charges citywide are now proposed at \$1,589, up from \$1,312 in the current policy, a \$277 increase. This charge may be expected to increase when programmes and related expenditure for Let's Get Wellington Moving are confirmed.
24. A summary of charges is in the Statement of Proposal (Attachment 1 Table 1) and full details are in the proposed amended policy (Attachment 2 Part 4 and Schedule 2).

Presentation in a new template

25. The proposed amended policy is presented in a new template developed the Department of Internal Affairs in February this year. The template has not changed the content but has rather aligned it more clearly to the provisions of the LGA02. Definitions are now aligned more closely to the definitions in the LGA02 and in the National Planning Standards 2019. The new definitions are intended to be clearer on some aspects of the policy, for example, what is a dwelling for the purposes of the policy.

Maps

26. Maps have been brought up to a modern presentation standard, and some new areas of development added at the margins of maps for the policy zones of Newlands, Grenada-Lincolnshire, Mapuia, Johnsonville-Onslow and Maldive (in the Ngauranga Gorge area). (Attachments 3 and 4).

Kōwhiringa

Options

27. The Council could choose not to update the policy. This is not advised as the current charges do not reflect the investment the Council is making to bring community facilities up to modern standards, prepare for growth, and meet newly articulated community outcomes in the LTP.
28. The Council could choose not to have a development contributions policy and choose to meet all development costs through rates or other mechanisms. This would likely need to be considered as part of the overall funding approach set out in the LTP. In this case all growth would need to be funded from alternative sources, mainly general rates. This would negate the principle of the policy, to fund growth from those generating the need

¹ EHUs are explained in the Statement of Proposal and in the policy, this is a measure based on the demand for infrastructure created by the average household. There are measures for smaller households, charged at 0.7 of an EHU, and a non-residential EHU is based on a measure of 1 EHU / 42m².

² Charges for community infrastructure were provided for in the LGA02 in 2005, the ability to collect these charges was removed in 2014 and re-introduced in 2019.

for additional community facilities and who will benefit the most – rather than from existing ratepayers, who experience a reduced benefit from capital expenditure for growth.

29. The policy is generally well understood by the sector and there is little evidence that these charges have been a barrier to development. The sector values consistency and transparency, and the revised policy and new charges will be expected given the significant increase in capital expenditure for growth in the LTP. There may be a level of uncertainty given the relationship between the growth in the LTP and in the policy is not direct (refer paragraphs 15 and 16 above).
30. The Council could delay the review to expand the scope. However, these proposed amendments will make the policy much easier to maintain and amend in future, and a delay would mean continued under-collection of revenue to fund growth.

Whai whakaaro ki ngā whakataunga

Considerations for decision-making

Alignment with Council's strategies and policies

31. The review and proposed amendments bring the charges in the policy in line with the capital growth expenditure in the LTP. The policy is part of the Council's approach to funding set out in finance and expenditure policies.

Engagement and Consultation

32. Consultation is required under the LGA02 section 82 and is identified as "low" under the Significance and Engagement Policy because it a "strong logical step from a prior decision". There are no specific policy decisions that are being consulted on, it is primarily an update to align with the LTP.
33. Consultation will be taking place alongside several other consultations, including preliminary consultation on the District Plan, and there is potential for the perception of consultation overload. The statement of proposal is therefore designed to be concise and able to be read alone as a mitigation. The role of this consultation is mainly to inform, although it will still be of value to understand how the charges are perceived through the consultation and identify further improvements.

Implications for Māori

34. There has not yet been the opportunity to consult with mana whenua and Māori specifically during the review. There may be implications for Māori in the context of development that may be conducted by mana whenua and Māori organisations subject to consultation.

Financial implications

35. There are no financial implications arising from the policy amendment. Not amending the policy or discounting the policy will mean funding needs to be met from other sources.
36. The total growth component to be funded from development contributions is identified in the proposed amended policy at \$300 million of circa \$2.8 billion total capital expenditure over the period of the policy, or around 11 percent. This is spread over up to 30 years, as noted [refer Background] related to being collected as growth takes

place. The current LTP budget is \$3.5 million per year of DC collections - this budget will need to be revisited now that the policy has been updated.

Legal considerations

37. The policy has specific requirements in the LGA02. Officers have worked with a development contributions expert consultant on the review and they have adapted the Council's existing policy into the new template provided by the Department of Internal Affairs to ensure the requirements of the LGA02 are met to a high standard.
38. The financial model used to calculate charges has also been checked and quality assessed to ensure calculations are transparent and accurate. The financial model has been updated and improved to ensure growth costs and growth assumptions, and therefore charges, are transparent and aligned.

Risks and mitigations

39. Development contributions policies are complex by nature with many components. Charges and legislative requirements have been carefully checked so as to avoid legal challenges under the policy.
40. The policy is also kept on the conservative side of charging, there is more of a risk of undercharging than overcharging, as overcharges would need to be repaid and would be costly to administer. The policy does not attribute interest costs (which can be charged under the LGA02) due to administrative complexity for the marginal nature of these costs.

Disability and accessibility impact

41. There is no disability and accessibility impact.

Climate Change impact and considerations (and other development-related objectives)

42. The policy includes a Green Building Remission, introduced in 2014, which provides a 50 percent remission to standard assessment of development contributions for buildings meeting 5 Star Green Star Certified Rating or higher. Developers are generally aware of the provision and the Council has received eight applications. Four have been finalised and resulted in a combined remission of \$1,154 million. If the other four are finalised the total remitted could be around \$3 million from 2014 till now.
43. It has been noted that the Council will consider developing a suite of proposals to support sustainability, and if this happens, the Green Building Remission could sit outside the policy, but only if there is a better place for it. At this review, the remission is unchanged.
44. Any further remissions for any purposes could add complexity to the policy and would transfer development growth costs from developers to ratepayers. Any remissions would also not be transparent, if not being considered alongside explicit rates changes.
45. Officers can explore the options to encourage specific objectives like green building or expanding third party provision of social housing as a distinct project and to approach it by assessing problems, barriers and a full suite of options to address them. The objectives need to be clear and should consider all of the Council instruments as there may be better ways to meet any objectives and with a broader reach.

46. Operational decisions can also make a difference, for example, regarding the policy, there may be ways of considering collective living that lead to lower charges (for example, a retirement home or visitor accommodation are charged at 0.7 per unit of development with commercial charges on shared areas).

Communications Plan

47. The consultation will be open to the public and will be promoted to known developers.
48. Consultation will be conducted through the LetsTalk Wellington Council platform, using the Statement of Proposal and draft policy, with print copies available on request, and via the central libraries.
49. There will be concurrent consultation on the District Plan and other key planning documents over the proposed consultation period of 1 – 30 November. This is both a risk (potential perception of consultation overload) and benefit (potential to note the consultation in other engagement channels that will be open at the same time).

Health and Safety Impact considered

50. There are no health and safety impacts.

Ngā mahinga e whai ake nei





Next actions

51. Subject to approval to consult, Lets Talk pages will be prepared. Consultation is proposed from 1 November to 30 November.
52. Subject to requests to present, oral hearings will be scheduled for December.
53. A report back on consultation and updated policy will be returned to the Committee in February next year.
54. Officers will be prepared for implementation and for new charges to take effect as soon as Councillors approve an amended policy. A surge of applications may be expected prior to new charges coming into effect and operations will prepare for this.

Ongoing review

55. This review has had a limited scope and there are additional matters that officers will continue to consider, ready to review and update the policy at the next significant update to planned capital growth expenditure. Officers will also monitor how effective the new definitions are, for example, that they are clearer for developers as intended, and reassess the annual collection estimates now that the policy has been updated.

Attachments

- Attachment 1. Statement of Proposal Development Contributions Policy Review 
- Attachment 2. Proposed Amended Development Contributions Policy 
- Attachment 3. Development Contributions Policy Catchment Maps Overview 
- Attachment 4. Development Contributions Policy Catchment Maps A to T 

Statement of Proposal

Development Contributions Policy Review

Introduction

Development contributions are charges that help Wellington City Council (the Council) pay for upgrades to existing and new community facilities, to accommodate the City's growing population. Community facilities are reserves, network infrastructure (including for water supply, wastewater, stormwater and transport) and community infrastructure. The charges are allocated to new residential and commercial developments that enable more people to live and work in Wellington.

The Development Contributions Policy (the policy) covers what the charges are and how they are administered and calculated.

The Council is reviewing the policy to bring it up to date with planned costs, as a result of growth, for community facilities in the new Long-term Plan 2021-31 (the LTP). Council officers have reviewed the content for alignment with the LTP and for general improvements, and propose to replace the current policy with an amended policy, subject to public consultation and processes outlined in this Statement of Proposal.

This Statement of Proposal provides information about the policy and the proposed changes. A copy of the proposed amended policy is attached. The current policy can be viewed on the Council website. <https://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies/development-contributions-policy>

Have your say

Please let us know what you think about the review and proposed amended policy. To have your say about the proposed amended policy you can:

- make a submission online at:
www.wellington.govt.nz/haveyoursay/consultations
- download a submission form from the website and email it to policy.submission@wcc.govt.nz
- fill in the submission form and send it to:
Freepost 2199
Development Contributions Policy Review
Policy Team 259
PO Box 2199
Wellington 6140
- drop off a completed submission form to Arapaki Service Centre at 12 Manners Street.

Printed copies of this Statement of Proposal are available from:

Arapaki Service Centre
by emailing policy.submission@wcc.govt.nz
phoning 04 499 4444 to request a copy.

If you wish to make an oral submission to Councillors, please indicate this on the submission form and ensure that you have included your contact details. We will contact you to arrange a time for you to speak.

Written submissions open on Monday 1 November 2021 and close at 5pm on Tuesday 30 November 2021.

Reasons for review

1. The policy came into effect in 2005 when the Local Government Act 2002 (LGA02) was amended to enable Councils to charge development contributions, and has been updated several times, most recently in 2015. The policy needs to be reviewed regularly using LGA02 section 82 consultation processes [LGA02 section 106(3) refers].
2. The policy is usually reviewed after the approval of an LTP or an LTP amendment. This is because it needs to reflect costs (planned capital expenditure) provided in the LTP with the assumptions and context that support it (for example population growth estimates). The Council approved the new LTP on 30 June 2021 and this milestone has been the main trigger for the review.

Summary of proposed changes

3. Officers have reviewed the policy and have proposed the attached amended policy with these changes:
 - presentation in a new template provided by the Department of Internal Affairs
 - updated charges based on planned capital expenditure for growth in the LTP
 - policy catchment map boundary adjustments to reflect new development areas.
4. Detail on these proposed changes is provided in the discussion below. Some context and general information about the policy is provided first.

Context

5. Development contributions help the Council pay for upgrades to existing and new community facilities to accommodate the City's growing population. Community facilities are reserves, network infrastructure (including for water supply, wastewater, stormwater and transport) and community infrastructure.

6. The charges are allocated to new residential and commercial developments that enable more people to live and work in Wellington. Projects that might require a development contribution include:
 - new houses, flats or apartments
 - subdivision of land
 - adding a new unit/dwelling, including an extra kitchen or kitchenette to an existing dwelling
 - adding to the gross floor area of a commercial building
 - converting some or all of an existing residential dwelling into commercial space, or vice versa
 - new retail, commercial or office space or warehouse buildings.
7. Council staff will work out how much a developer needs to pay when the development is assessed for its building consent, resource consent or service connection. Development contributions must not be required if the Council has imposed a condition for a financial contribution under the Resource Management Act 1991 on a resource consent for the same purpose, or if the Council has received funding from a third party, for example from central government.
8. The Council must have a development contributions policy in order to be able to collect development contributions.
9. The policy is structured in three parts:
 - **Part 1: Policy operation**
This covers what the charges are, who is liable for them and when, how they are assessed for each development, review rights, and other operational matters.
 - **Part 2: Policy background and supporting information**
This covers information about how the charges are determined, why the Council uses development contributions to fund growth, key information from the LTP. Schedules to Part 2 set out more detail on capital growth total costs, projects and activities they apply to, the proportions that are subject to development contribution charges.
 - **Part 3: Policy catchment maps**
Geographic maps that show the different zones for charges. These relate to catchments for different infrastructure (discussed below).

Key concepts in the development contributions policy

Growth

Equivalent Housing Units (EHUs)

Citywide and catchment charges

Growth

10. Under the LGA02 the Council may collect development contributions on capital expenditure on community facilities. The Council may not collect development contributions on any operating expenditure - only on capital expenditure. The LGA02 further sets out that development contributions may only be collected on capital spending for "growth", which is one of three components of capital expenditure defined in the LGA02:
 - **Renewal**
Maintaining services, improving the physical integrity and remaining life of assets with no change to the asset base. It is about the improvement of condition or a direct replacement.
 - **Level of service**
Improving standards of quality, reliability, responsiveness, safety, comfort, flexibility, regulatory requirements or similar. Level of service investments may or may not result in new or additional assets
 - **Growth**
Increased availability and capacity to cater for more people. It is about an increase in the asset base - either increasing the capacity, number of assets, the total area or length.
11. Costs associated with renewal and level of service must not be included in any development contribution charges. When updating the policy, Council officers check each new project that development contributions may be collected for, and ensure an appropriate proportion is assigned to growth for the purposes of the policy. This proportion varies by project from around six percent for a citywide benefit like the Botanic Gardens up to 100 percent for a road to a specific new development area.
12. Growth identified in the LTP and the value of development contributions do not line up exactly for a few reasons, mainly because:
 - Long-term Plan projects are classified by the greatest component out of renewal, level or service or growth. Only growth is eligible so needs to be separated and identified for each project
 - Some growth projects don't fit the policy criteria under the LGA02.
13. The annual amount collected by the Council, projected at around \$3.5 million per year, will also not line up with the LTP expenditure directly because development contributions are collected for as long as it takes for the growth to occur. This is explained in examples in the policy (sections 17.1 and section 18 schedules 1 and 2 refer). Some charges may be collected in a short period (for example, a Greenfields development with new builds concentrated over a few years), but citywide charges tend to be collected over a longer time period related to growth

projected over 30 years (for example, wastewater treatment facilities were built to cater for much bigger populations than at the time they were built).

Equivalent Household Units (EHUs)

14. Development contribution charges are calculated based the number of equivalent household units (EHUs) created by the development. Developers pay one EHU for each:
 - residential development with more than one bedroom, for example, a house, an apartment or a self-contained unit
 - allotment of land within a fee-simple subdivision
 - 42m² of gross floor area in a non-residential development.
15. The EHU is associated with assumptions about household water and wastewater use, the need for reserve land, and transport use. If a residential development only has one bedroom or is a studio the fee will be 0.7 of the EHU charge.
16. If a commercial development expects to generate very low demand on resources (for example a large warehouse with few staff) they may choose to apply for a special assessment (section 7.11 refers).
17. The fees per EHU are set out in the proposed amended policy (section 4 refers) and grouped policy map zones related to catchments (explained below).

Citywide and catchment charges

18. The policy provides for the collection of "citywide" development contributions. These are for community facilities that people may benefit from no matter where they live in the city. The Council has citywide development contributions for network infrastructure (transport, water supply, wastewater, stormwater), reserves, and community infrastructure. These charges are the same no matter where a development, measured in EHU, is located.
19. Development contributions also apply by "catchment", which means a geographic area served by particular infrastructure. There are:
 - Three wastewater catchments
 - 13 water supply catchments (based on reservoir and other key infrastructure locations)
 - five transport catchments, and
 - two reserves catchments.
20. Stormwater and community infrastructure are only charged in the "citywide" catchment.
21. Catchments are grouped across 20 map areas labelled as policy map zones A to T. As an example, the three wastewater catchments related to wastewater plants at Moa Point, Karori, and Porirua (which is shared with Porirua City Council):

- Moa Point wastewater plant contributions apply in most of the map zones, A, C, D, E, F, G, H, K, N, Q and S
- Porirua plant contributions apply in map zones I, J, L, P and R, and
- Karori plant contributions apply in map zones B and M.

22. In each policy map zone, the total EHU charge is the sum of the citywide charge and catchment charges for water supply, wastewater, transport and reserves.

Discussion of changes

23. The proposed amended policy has the same methodology for the charges and operational systems as the current policy and as specified in the LGA02. The main changes in the proposed amended policy are:

- **Presentation**
Use a new template developed by the Department of Internal Affairs
- **New charges**
Based on planned capital expenditure for growth identified in the LTP 2021-31
- **Policy maps**
Adjust policy map zone boundaries to reflect new development areas.

Presentation

24. The Department of Internal Affairs issued a new template for development contribution policies in February 2021 to help councils meet the requirements of the LGA02 in a clear and concise way. The Council has adopted and adapted the new template at this review.

25. The proposed amended policy contains the same information as the current policy, but some parts are condensed through the use of the new template, and others are presented differently. Some sections of note:

- New section 6 "When development contributions are levied" sets out the process for levying development contributions through four steps: trigger, notice, invoice and payment. The presentation of this information has been streamlined and more clearly aligned with the specifications of the LGA02.
- New section 7 "Determining infrastructure impact" has the approach to determining equivalent housing units (EHUs) for residential and non-residential development, and includes the section on special assessments for non-residential development. This content is presented differently.

26. Parts of the policy covering "reconsiderations" and "objections" in new section 8 are now more clearly aligned with the LGA02. The Council rarely receives applications for "postponements" at new section 9.14, but the content has been expanded and more closely aligned with the LGA02 for cases that do come up.

27. Provisions for a “green building remission” now at section 9.27 are unchanged. This is about a discount on charges for non-residential buildings meeting the green star building rating criteria.
28. The definitions in the policy have been aligned with the terms from the LGA02 and the National Planning Standards 2019.
29. Some exclusions and clarification notes have been moved into the policy that were previously in the definitions. Provisions about the way gross floor area is measured for non-residential buildings is at new section 7.11, previously this information was in the definition. Stairways and lift spaces are no longer excluded from the measures, but uncovered stairways, floor spaces, plant rooms and areas used for vehicles may be excluded, as in the current policy. Clarifications about what will be considered a residential unit are provided at new section 7.6.
30. Part 2 of the proposed amended policy has been updated to align with expenditure, community outcomes and population projections in the new LTP.

New charges

31. As outlined in the context section (above), development contribution charges are:
- based on a proportion of capital expenditure related to growth
 - charged per EHU of expected growth, and
 - differ by policy map zones depending on catchment infrastructure and related charges.
32. The range of development contribution charges in the current policy is from \$3,261 in Tawa to \$10,944 in Grenada-Lincolnshire.
33. The proposed charges range from \$4,647 in Tawa to \$17,451 in Grenada-Lincolnshire for residential EHUs, with increases in all map zones. Both the current and proposed new charges are highest in newer suburban areas where there are relatively more growth-related community facilities needed and planned.
34. Table 1 (below) presents the new charges alongside current charges and the differences. The components of each charge are listed in new section 4 of the proposed amended policy.
35. Charges change depending on actual projects and do not increase by a specific proportion. For this reason, proportional changes are not presented. The charge for a unit of non-residential development is lower because charges for reserves and community infrastructure do not apply.

Table 1: Charges compared between the current and proposed amended policy

Map zone	Amended residential	Current residential	Amended non-residential	Current non-residential
A Roseneath	\$8,377	\$6,991	\$7,157	\$6,387
B Karori	\$8,089	\$6,703	\$6,869	\$6,099
C Beacon Hill	\$5,110	\$3,724	\$3,890	\$3,120
D Brooklyn-Frobisher	\$6,685	\$5,299	\$5,464	\$4,695
E Kelburn	\$5,110	\$3,724	\$3,890	\$3,120
F Johnsonville-Onslow	\$6,693	\$5,307	\$5,473	\$4,703
G Ngaio	\$5,110	\$3,724	\$3,890	\$3,120
H Maldive-	\$5,110	\$3,724	\$3,890	\$3,120
I Churton-Stebbins	\$13,058	\$9,930	\$11,838	\$9,326
J Grenada-Lincolnshire	\$17,451	\$10,944	\$14,133	\$10,045
K Maupuia	\$5,110	\$3,724	\$3,890	\$3,120
L Newlands	\$5,593	\$3,261	\$4,373	\$2,657
M Melrose	\$8,140	\$6,754	\$6,920	\$6,150
N Central & Coastal	\$8,348	\$4,722	\$7,128	\$4,118
O Tawa	\$4,647	\$3,261	\$3,427	\$2,657
P Wadestown	\$7,135	\$5,748	\$5,915	\$5,144
Rural	\$2,809	\$1,916	\$1,589	\$1,312
Q Inner city Residential	\$10,270	\$6,137	\$7,128	\$4,118
R Johnsonville Town Centre	\$9,165	\$7,510	\$7,945	\$6,906
S Adelaide Road	\$9,623	\$8,578	\$8,403	\$7,974
T Pipitea Precinct - Residential	\$12,283	\$8,604	\$9,141	\$4,118

36. The following table has the breakdowns for the citywide charges.

Table 2: Citywide charges breakdown and comparison

Community facilities	Amended residential	Current residential	Amended non-residential	Current non-residential
Parks and reserves	\$644	\$604	N/A	\$0
Transport	\$1,589	\$1,312	\$1,589	\$1,312
Stormwater	\$347	\$165	\$347	\$165
Wastewater	\$173	\$121	\$173	\$121
Water supply	\$596	\$337	\$596	\$337
Community infrastructure	\$576	N/A	N/A	\$0
Total	\$3,925	\$2,539	\$2,705	\$1,935

37. The citywide increase accounts for \$1,220 of the residential per EHU increase, and \$770 of the non-residential. The remainder of increases are spread across different catchments relevant to project in those areas. Transport charges may be expected to increase again depending on the outcomes of the Let's Get Wellington Moving programme. Non-residential charges do not include reserves and community infrastructure so are lower.
38. Community infrastructure charges are not in the current policy as the ability to collect these was re-introduced into the LGA02 by amendment in 2019. These new charges come from planned development of community infrastructure, including libraries, cemeteries and aquatic facilities.
39. Part 2 of the policy outlines how the Council has considered the impact of liability for development on the community under the LGA02 section 101(3)(b).
40. The Council continues to consider it is appropriate the development contributions fund additional capacity in community facilities. The benefits of this additional capacity mainly accrue to new households (EHUs) and businesses generating demand for that capacity. Development contributions paid by developers are likely to be passed on through section and building prices to the residents of new households and businesses.
41. Existing residents and businesses gain a much reduced benefit from the community facilities and resulting growth in the city and therefore they should not be required to fund the majority of the costs (where the benefit accrues to new developments) through rates.
42. The Council considers the proposed charges in the proposed amended policy are proportionate to the LTP. They also reflect that the Council is taking a much more proactive approach to investment in community facilities to support the community outcomes set out in the LTP. This approach includes funding and investment to:
- lift the resilience of the three waters systems including the construction of Omāromo reservoir to serve a larger population, and infrastructure to lift water quality
 - ensure the transport system provides efficient and reliable access across the City to support growth, and
 - continue investment in parks in the context of a growing population.
43. The Council has examined other development contributions in the region and found the Wellington proposals are lower. Development contribution charges are between \$16,000 and \$42,000 in Porirua, and between \$15,000 and \$26,000 in Hutt City. Development contributions tend to be much higher in areas where completely new community facilities of all types is needed to open up new

geographic areas. This is more common in Tauranga and Auckland, where proposed development contributions in some parts are more than \$100,000.

44. Supporting information for the charges in Part 2 of the policy. The relationship between total capital expenditure and development contributions is described in the proposed amended policy (Part 2, Table 9, and Schedules 1 and 2).
45. The LTP notes a return through the policy of around \$3.5 million per year over the 10 year period of the LTP and the charges align with this estimate. Some \$300 million is estimated to be collected from development contributions, this will be spread over a longer time period as the growth that is being prepared for, and funded in the LTP, takes place. Some infrastructure will meet growth requirements (and potentially collect from new developments) for up to 30 years.

Policy maps

46. Maps A to T and an overview of the areas are provided in Part 3 Policy Catchment Maps of the proposed amended policy. Additions are proposed to these maps:
- **Map F – Johnsonville – Onslow**
Additions in the north-east at the top of Homebush Road
 - **Map H – Maldive**
Inclusion of the top of Glover Street, a mainly industrial zone
 - **Map J – Lincolnshire – Grenada**
Additions for new residential development on the western part of the zone, known as Hyde Farm and additions in the south-west, known as Lincolnshire Farm
 - **Map K – Maupuia**
Additions along Shelly Bay Road. These are marginal additions along the roadside closer to the southern end (near Miramar cutting) that were not previously in a map zone
 - **Map L – Newlands**
Additions at the south-western part (located above Glover Street in Map H) but connecting to Newlands for transport and water).
47. Maps are also provided in a more legible and modern format, and may also be available in future online on the Wellington City Council maps page, <https://gis.wcc.govt.nz/LocalMaps/Gallery/>.

END

Proposed amended
WELLINGTON CITY COUNCIL
Development Contributions Policy
(2022)

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INTRODUCTION

1 Purpose of the Policy

- 1.1 Population and business growth create the need for new subdivisions and developments, and these place increasing demands on the assets and services provided by Wellington City Council (Council). As a result, significant investment in new or upgraded assets and services is required to meet the demands of growth.
- 1.2 The purpose of the Development Contributions Policy (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) to help fund growth-related capital expenditure on water, wastewater, stormwater, transport, reserves and community infrastructure in the city; and
 - financial contributions under the Resource Management Act 1991 (RMA) for works and services for new use and development that are not covered by development contributions.

2 Adoption, application and review of the policy

- 2.1 The Policy was adopted by Wellington Council (Council) on [date TBC February / March 2022] with effect from [TBC]. The Policy was first adopted in June 2005 and been amended in 2006, 2007, 2009, 2014 and 2015.
- 2.2 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 wellington.govt.nz for further information.

3 Navigating this document

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

Part 1: Policy Operation

3.2 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. 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

3.3 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.

3.4 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 Assets and programmes funded by development contributions

Part 3: Policy Catchment Maps

3.5 Part 3 provides the maps that show where the development contributions in the Policy apply based on network infrastructure and reserve catchments.

PART 1: POLICY OPERATION

Development contributions

4 The charges

- 4.1 The Council takes both catchment-specific and city-wide development contribution: taking catchment specific development contributions for water supply, wastewater, transport and reserves, and city-wide development contributions for city-wide services. The catchments where development contributions apply for each infrastructure activity are mapped in Part 3 of the Policy.
- 4.2 The related charges per Equivalent Household Units (EHU) for each activity in each catchment are in Table 1. This table refers to areas A to P (general catchment zones) and Q to T (specific inner city parks and reserves and roading catchments zones that are additional to the general zones). See Section 7 Determining infrastructure impact for an explanation of an EHU.
- 4.3 Development contributions are taken for the following activities:
 - a. Water
 - b. Wastewater
 - c. Stormwater
 - d. Transport
 - e. Reserves
 - f. Community infrastructure.
- 4.4 For each infrastructure activity for which development contributions are required, the development contribution payable is calculated by multiplying the number of EHUs generated through the development by the charge for that activity. This is then aggregated for all activities to give the total charge.
- 4.5 For example, subject to any credits that may apply for the original lot, a three-lot residential development in Roseneath will pay three times the water, wastewater, transport, community infrastructure, and reserves charges, totalling \$25,131¹.
- 4.6 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 wellington.govt.nz.

¹ Refer Table 1 for Policy Map Zone A Rosenheath, \$8,377 per EHU x 3 = \$25,131

Table 1: Charge per equivalent EHU	City Wide (\$ per EHU)		Catchment Specific Infrastructure (\$ per EHU)				Draft Total Levies	
	Residential	Non-Residential	Water Supply	Waste Water	Transport	Parks and Reserves	Residential	Non-Residential
A Roseneath	\$3,925	\$2,705	\$3,267	\$1,185	\$-	\$-	\$8,377	\$7,157
B Karori	\$3,925	\$2,705	\$1,724	\$2,440	\$-	\$-	\$8,089	\$6,869
C Beacon Hill	\$3,925	\$2,705	\$-	\$1,185	\$-	\$-	\$5,110	\$3,890
D Brooklyn -Frobisher	\$3,925	\$2,705	\$1,575	\$1,185	\$-	\$-	\$6,685	\$5,464
E Kelburn	\$3,925	\$2,705	\$-	\$1,185	\$-	\$-	\$5,110	\$3,890
F Johnsonville-Onslow	\$3,925	\$2,705	\$1,583	\$1,185	\$-	\$-	\$6,693	\$5,473
G Ngaio	\$3,925	\$2,705	\$-	\$1,185	\$-	\$-	\$5,110	\$3,890
H Maldive	\$3,925	\$2,705	\$-	\$1,185	\$-	\$-	\$5,110	\$3,890
I Churton-Stebbings	\$3,330	\$2,110	\$2,939	\$722	\$6,067	\$-	\$13,058	\$11,838
J Grenada-Lincolnshire	\$3,330	\$2,110	\$4,082	\$722	\$7,219	\$2,098	\$17,451	\$14,133
K Maupuia	\$3,925	\$2,705	\$-	\$1,185	\$-	\$-	\$5,110	\$3,890
L Newlands	\$3,925	\$2,705	\$945	\$722	\$-	\$-	\$5,593	\$4,373
M Melrose	\$3,925	\$2,705	\$1,775	\$2,440	\$-	\$-	\$8,140	\$6,920
N Central & Coastal	\$3,925	\$2,705	\$3,238	\$1,185	\$-	\$-	\$8,348	\$7,128
O Tawa	\$3,925	\$2,705	\$-	\$722	\$-	\$-	\$4,647	\$3,427
P Wadestown	\$3,925	\$2,705	\$2,487	\$722	\$-	\$-	\$7,135	\$5,915
Rural	\$2,809	\$1,589	\$-	\$-	\$-	\$-	\$2,809	\$1,589
Q Inner city Residential	\$3,925	N/A	\$3,238	\$1,185	\$-	\$1,922	\$10,270	N/A
Q Inner city Non-Residential	N/A	\$2,705	\$3,238	\$1,185	\$-	\$-	N/A	\$7,128
R Johnsonville Town Centre	\$3,925	\$2,705	\$1,583	\$1,185	\$2,472	\$-	\$9,165	\$7,945
S Adelaide Road	\$3,925	\$2,705	\$3,238	\$1,185	\$1,275	\$-	\$9,623	\$8,403
T Pipitea Precinct - Residential	\$3,925	N/A	\$3,238	\$1,185	\$2,013	\$1,922	\$12,283	N/A
T Pipitea Precinct - Non Residential	N/A	\$2,705	\$3,238	\$1,185	\$2,013	\$-	N/A	\$9,141

4.7 Table 2 below sets out the components of the Residential and Non-residential City-Wide Contributions.

Table 2: Components of City-wide Contributions Charge per EHU

Community facilities	Residential	Non-Residential	Rural Residential	Rural non-residential
Parks and Reserves	\$644	\$0	\$644	-
Transport	\$1,589	\$1,589	\$1,589	\$1,589
Storm Water	\$347	\$347	-	-
Wastewater	\$173	\$173	-	-
Water Supply	\$596	\$596	-	-
Community Infrastructure	\$576	\$0	\$576	-
Total	\$3,925	\$2,705	\$2,809	\$1,589

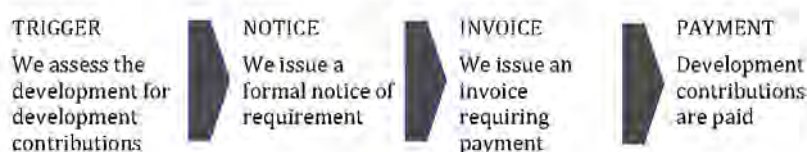
- 4.8 The stormwater component of the citywide fee (\$347 per EHU) is only applicable to the greatest number of EHUs on any floor in non-residential or multi-unit residential developments. For example, a four storey residential development with three two bedroom units on each floor would be liable for \$1,041 for stormwater (1 EHU for each residential unit on one floor).
- 4.9 Only city-wide roading and reserve contributions are payable in the Rural catchment and any areas outside of the catchments set out in Part 3 of this Policy. However if a development connects to the Council's water, stormwater or wastewater services in these catchments, the Council will apply the relevant contributions for the catchment from which supply is provided from or flow is directed to.
- 4.10 Where a development falls within one or more catchments the units of demand will be assessed separately for each catchment. The development contribution payable will then be calculated using the appropriate development contribution per unit of demand for each development contribution area. The total development contribution is the sum of the development contribution for both areas.
- 4.11 Where a development crosses Council boundaries into another District, the Council will only assess that part of the development which is within the Wellington City District.

5 Liability for development contributions

- 5.1 Developers who are subdividing, building, connecting to Council's services or otherwise undertaking development in Wellington City may need to pay development contributions. Development contributions apply to developments within the areas shown in the Development Contribution Catchment Maps in Part 3.
- 5.2 In some circumstances, development contributions may not apply or may be reduced. Refer section 6 When development contributions are levied, section 7 Determining infrastructure impact - credits, and Section 9 Other operational matters - Limitations on imposing development contributions.
- 5.3 Financial contributions may also be required in some cases. Refer section 10.
- 5.4 Development of new community facilities sometimes means that areas not previously subject to the 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.
- 5.5 Council officers will be available to help resolve any uncertainty about development contribution liabilities.

6 When development contributions are levied

- 6.1 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:



- 6.2 These steps are explained in more detail below.

Trigger for requiring Development Contributions

- 6.3 Subject to the 3-step initial assessment outlined in paragraph 6.6 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.
- 6.4 Council will generally require development contributions at the most appropriate 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).
- 6.5 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

- 6.6 On receiving an application for resource consent, building consent, certificate of acceptance, or service connection, Council will check that:
- a. the development (subdivision, building, land use, or work) generates a demand for reserves, community infrastructure or network infrastructure; and
 - b. 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
- c. 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.
- 6.7 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.
- 6.8 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 section 9 Other operational matters - Limitations on imposing development contributions applies; or
 - credits apply as outlined in section 7 Determining infrastructure impact - Credits.
- 6.9 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 the time of the new application. Any increase or decrease in the number of EHUs, relative to the original assessment, will be calculated and the contributions adjusted to reflect this.
- 6.10 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.
- 6.11 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 residential unit, but the residential unit built is larger or is subsequently extended.

- 6.12 The nature of use has changed, for example from a low infrastructure demand commercial use to a high infrastructure demand commercial use.

Notice

- 6.13 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 EHUs 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 (refer *section 8 Review rights*).
- 6.14 If multiple consents or authorisations are being issued for a development, a development contribution notice may be issued for each. However, where payments are made in relation to one of the notices, actual credits will be recognised for the remaining notices.
- 6.15 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

- 6.16 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 3).

Table 3: Invoice timing

	Invoice timing
Building consent	At the time of applying for a certificate for a code of compliance
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
Service connection	At the time of applying for a service connection for water, wastewater or stormwater services

- 6.17 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

- 6.18 Development contributions must be paid by the due dates in Table 4.

Table 4: Payment due date

	Payment due date
Building consent	Prior to the issue of the code compliance certificate
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, unless Council agrees to different payment timing for large-scale multi-stage developments
Service connection	At issue of the connection approval

- 6.19 On time payment is important because, until the development contributions have been paid in full, Council may:
- 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.
- 6.20 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.

7 Determining infrastructure impact

- 7.1 In order to have a consistent method of charging for development contributions, the Policy is centred around the concept of an Equivalent Household Units or “EHU” for infrastructure. In other words, an average household in a standard residential unit and the demands they typically place on community facilities.
- 7.2 For residential units, the unit of demand for each activity will be an additional residential unit as defined in the District Plan. In a subdivision development, the identifiable unit of demand is an allotment.
- 7.3 For non-residential development, the Council has assumed that an employee requires approximately 16m² GFA and that 2.6 employees, being the equivalent average residential unit occupancy, would require 42m².
- 7.4 Table 5 summarises the approach to determining the EHU payable.

Table 5: EHU payable per type of development.

Type of development:	EHU assessment based on:
Residential development	1 EHU per household unit 0.7 EHU per one-bedroom household unit
Fee simple subdivision	1 EHU per allotment
Non-residential development	1 EHU for every 42m ² of gfa

Residential development

- 7.5 In general, the number of EHUs charged is one per new allotment or residential unit created, although lower assessments can apply in some cases for small residential units.
- 7.6 When determining how many residential units are being created, the Council will deem a residential unit to be any area that:
- Is capable of being self-contained;
 - includes kitchen and bathroom facilities of any nature; and
 - is physically separated, or capable of being separated, from any other residential unit.
- 7.7 When calculating the number of EHUs for a residential subdivision, Council will adjust the assessment to account for any:
- Credits relating to the site (refer section 7.17).
 - 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.

Small residential units

- 7.8 Council will permit lower assessments for 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 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 small residential unit assessment and bind the applicant to any conditions that accompany the assessment.
- 7.9 A small residential unit will be discounted by 30% for all services, with a 0.7 EHU payable per small residential unit. Should a second (or more) bedroom be added to a small bedroom unit then a top up development contribution will be payable of 0.3 EHU.

Non-Residential development

- 7.10 Non-residential subdivisions or building developments are more complicated as they do not usually conform with typical household demands for each service.
- 7.11 Council applies 1 EHU per 42m² GFA for non-residential development for the reasons set out in 7.3 above. For the purpose of calculating development contributions payable, the calculation excludes:
- uncovered stairways
 - floor space in terraces (open or roofed), external balconies, breezeways and porches
 - areas used for vehicle parking and vehicle circulation
 - switchboard areas/plant room

Special assessments

- 7.12 Developments sometimes require a special level of service or are of a type or scale which is not readily assessed in terms of EHUs – such as large-scale primary sector processors or service stations. In these cases, Council may decide to make a special assessment of the EHUs applicable to the development. In general, special assessments of residential developments will not be considered.
- 7.13 Without limiting the Council's discretion, when determining an application for a special assessment or a special assessment is initiated by the Council, the demand measures set out in Table 6 below will be used to guide a special assessment.

Table 6: Demand measures

Type of community facility and network	Usage Measure per EHU
Water supply	Water loading units calculated using the number and type of proposed water fixtures and based on reservoir storage requirement of 780 litre per household
Wastewater	Half the water supply input (<i>Conservation systems are not considered</i>)
Stormwater	Runoff co-efficient not exceeding 0.7 (<i>Retention systems are not considered</i>)
Traffic and roading	4 trips per person (Assessment of combined trips by all modes per person plus servicing)
Reserves	600m ² of allotment area (rounded up to nearest EHU) (Nil if legislation doesn't allow)

- 7.14 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.
- 7.15 Any application for a special assessment must be accompanied by the fee payable to recover the Council's actual and reasonable costs of determining the application. The fee will be assessed at the time of the application. Council may levy additional fees to meet Council's actual costs, should the actual costs be materially higher than the initial assessment.

7.16 If a special assessment is undertaken, 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

7.17 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.

7.18 Council gives a credit for the number of EHUs paid previously or assessed for the existing or most recent prior use of the site. This is to recognised situations where the incremental demand increase on infrastructure is not as high as the assessed number of units demand implied.

7.19 Council will calculate the number of EHU credits available by applying the criteria in the above paragraph except where what is being considered is residential allotments existing as at 1 July 2005 – these are deemed to have a credit of one EHU.

7.20 Credits given will be determined in accordance with Table 7.

Table 7: Standard credits

	Credit for each service for which a development contribution has been paid	Credit for urban lots that existed before xx February 2022	Credit for lawfully connected service as at xx February 2022	Rural Residential lots that existed BEFORE xx February 2022	Rural lots that existed BEFORE * xx February 2022
Residential units or lots	The number of EHUs	1 EHU for all services	1 EHU for the service(s) connected	1 EHU	1 EHU for any residential units on a lot as at [effective date]
Non-residential		A 'before and after' assessment of demand, using a special assessment or the conversion factors set out			

buildings or lots		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.
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*Roading, community infrastructure, and reserves only.

7.21 Examples where credits will arise are set out in Table 8:

Table 8: Examples of credits

Type of existing original development:	Nature of credit:
Infill residential fee simple subdivision of existing allotment into three fee simple allotments	1 EHU credit for the original allotment - development contributions payable on 2 EHUs
Residential development of a CBD site with an existing 420m ² gfa commercial building into 10 unit title apartments	10 EHU credit (ie 420m ² /42m ² gfa) unless an assessment is undertaken
Additional bedroom added to a small residential unit	0.7 EHU credit – development contribution payable on 0.3 EHU
Additional household unit on an existing allotment with one existing house (with or without subdivision)	1 EHU credit for the existing household unit - development contribution payable for the additional household unit
Development of four fee simple lots in the Northern Growth area for a 10,000m ² gfa commercial storage facility	4 EHU credits for the existing allotments – development contributions payable for the balance of the facility (10,000 / 42 m ² gfa)

8 Review rights

8.1 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

8.2 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.

- 8.3 To seek a reconsideration, the developer must Lodge the reconsideration request within 10 working days of receiving the development contribution notice by emailing it to developmentcontributions@wcc.govt.nz
- 8.4 Applications with insufficient information or without payment of fee will be returned to the applicant, with a request for additional information or payment.
- 8.5 Once Council has received all required information, the request will be considered by the development contributions advisor and the Council's infrastructure advisors. Before reaching their decision, they will consider all of the information supplied by the applicant and will consider and apply the requirements of the policy, along with any other information that the advisors consider relevant. The result of the reconsideration decision may confirm the original assessment of increase or decrease the amount required.
- 8.6 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.
- 8.7 If the applicant objects to the decision of the development contributions advisor, then they may request that the decision is considered by the Wellington City Councils Regulatory Process Committee for a final decision.
- 8.8 Council will not accept any reconsideration request received after the 10 working day period, or where an objection has already been lodged under section 199C of the LGA02.
- 8.9 Council reserves the right to reconsider an assessment if it believes an error has been made.

Objections

- 8.10 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.
- 8.11 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.
- 8.12 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
 - lodge the request by email to: developmentcontributions@wcc.govt.nz and in the email note the grounds for the objection and provide any supporting information, and
 - pay a deposit.
- 8.13 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.

9 Other operational matters

Refunds

- 9.1 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.
- 9.2 Council will also provide refunds where overpayment has been made (for whatever reason).

- 9.3 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.
- 9.4 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.
- 9.5 Development contributions for reserves are taken to support a 10-year programme. Consequently, a 10-year period shall apply for the purposes of section 210(1)(a) of the LGA02.

Limitations on Imposing Development Contributions

- 9.6 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) of the RMA, imposed a condition requiring a financial contribution 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
- 9.7 In summary, development contributions will only be imposed where the same reserve, network infrastructure or community infrastructure is not being funded by any other revenue or funding sources, or in-kind or vested assets.
- 9.8 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. However, the Council may require another development contribution to be made for the same purpose if the further development contribution is required to reflect an increase in the scale or intensity of the development since the original contribution was required.
- 9.9 In addition, Council will not require a development contribution in any of the following cases:
- Where, except in the case of a new dwelling, building work for which a building consent has a GFA of less than 10m², 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.
- The development is being undertaken by Council. This exemption does not apply to developments undertaken by or on behalf of Council organisations, Council-controlled organisations or Council-controlled trading organisations, as defined in section 6 of the LGA02.
- The conversion of an existing unit developments into unit titles. This does not apply to any building consents required as part of any changes to existing units, which the Council will still assess to determine if development contributions are applicable.
- 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.
- In rural areas for stormwater development contributions, where no Council stormwater systems are provided.
- For water and/or wastewater development contributions if a development does not connect to Council's water supply and/or wastewater reticulation systems.

Works and services conditions under the RMA

9.10 The Council may impose a condition under s108(2)(c) of the RMA requiring works or services, in the form of isolated and localised infrastructure, to be undertaken to mitigate potential adverse effects arising from a proposed development. For instance, the Council may impose a condition of consent requiring retention tanks for delayed discharge of waste or storm water where there would otherwise be an adverse effect on the waste or storm water network if it was not provided. Where this occurs, it does not offset the payment of a development contribution or financial contribution, which fund planned Council infrastructure.

Maximum development contributions for reserves

9.11 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.

- 9.12 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.
- 9.1 For example, the development contributions for reserves Grenada-Lincolnshire is \$2,098 (GST inc) per EHU, which translates to 7.5% of an allotment value of approximately \$27,973. If the lot is valued at less than \$27,973, the reserves development contribution will be capped at 7.5% of the valuation of the lot.
- 9.2 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

- 9.3 Postponement of development contribution payment will only be permitted at Council's discretion and usually only:
- for development contributions over \$50,000; and
 - where a bond or guarantee equal in value to the payment owed is provided.
- 9.4 The request for postponement must be made before a payment becomes due.
- 9.5 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.

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- 9.6 At the end of the term of the guarantee, the development contribution (together with interest) is payable immediately to Council.
- 9.7 If the discretion to allow a bond is exercised, all costs for preparation of the bond documents will be met by the applicant.
- 9.8 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.
- 9.9 If the discretion to allow a bond is exercised, all costs of preparation of the bond documents will be met by the developer.
- 9.10 When considering a request for postponement, 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

9.11 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.

Remissions

9.12 Council may remit all or part of a development contribution at its complete discretion. Council will only consider exercising its discretion in exceptional circumstances. Applications made under this part will be considered on their own merits and any previous decisions of Council will not be regarded as binding precedent.

9.13 Any request for remission must be made in writing and set out the reasons for the request. The request must be made:

- within 15 working days after Council has issued a notice for the development contribution payable; and
- before the development contribution payment is made to Council.

9.14 Council will not allow retrospective remissions of development contributions.

9.15 Council delegates to the chief executive officer, in conjunction with the Chair of the Regulatory Processes Committee, with authority to delegate to officers, the authority to make a decision on a request for remission.

9.16 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 matters that Council considers relevant.

Green Building Remission

- 9.17 To encourage economic development and recognise the strategic importance of green star rated buildings a standard remission equating to 50% of the total standard assessed charge can be applied for developments that meet the criteria outlined below.
- 9.18 Conditions and criteria for 50% remission to standard assessment of development contributions.
- 9.19 A remission of the standard development contributions calculated may apply under the following conditions and criteria:
- If the building is a commercial or mixed development of greater than 10 equivalent household units it must have received a 5 Star Green Star Certified Rating or equivalent or higher.
 - Remission application timeframes:
 - For Green Star Certified Rating, the remission must be applied for within 12 months of registration for certification with the New Zealand Green Building Council, or
 - For equivalent rating, the remission must be applied for within 12 months of the Development Contributions being assessed by Wellington City Council
 - The remission will only apply to the standard DC assessment (hereinafter referred to as "the charge") made on the property.
 - The remission will not be available retrospectively once the Council has invoiced the Development Contributions charge.
- 9.20 The granting of green building remissions is delegated to the Chief Executive Officer.

Financial Contributions

10 Summary of financial contributions under the district plan

- 10.1 Council may charge financial contributions under the RMA in the District for stormwater, sewer (wastewater), water, traffic and reserves.
- 10.2 Section 3.4 of the Operative Wellington City District Plan (District Plan) sets out the policies and rules for the imposition of conditions requiring financial contributions for land use and subdivision consents. These are distinct from and in addition to development contributions taken under this Policy.
- 10.3 Financial contributions may be imposed where individual developments give rise to capital expenditure that is not planned and recovered via development contributions. If this is the case, Council may impose a financial contribution as a condition of a land use or subdivision consent, in accordance with sections 3.4 to 3.4.6 of the Financial Contributions section in the District Plan.
- 10.4 Further information on financial contributions can be found in the District Plan. The District Plan can be found on Council's website www.wellington.govt.nz.

11 Definitions

- 11.1 In the Policy, unless the context otherwise requires, the following applies:

Actual increased demand means the demand created by the most intensive residential and non-residential use(s) likely to become established in the development within 10 years from the date of the application

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 EHUs.

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

Commercial activity means any activity trading in goods, equipment or services. It includes any ancillary activity to the commercial activity (for example administrative or head offices). [See the National Planning Standards 2019.](#)

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 Wellington City 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 Wellington District.

Greenfield development means a proposal that creates new residential or rural residential areas, and without limiting this definition in any way, includes residential or rural residential on land that is or was zoned rural or open space.

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](#). See the exclusions for calculating development contributions under section 7.10 of this policy.

Equivalent Household Units (EHU) 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.

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, car parks, 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](#).

Residential activity means the use of land and building(s) for people's living accommodation. [See the National Planning Standards 2019](#).

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

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).

Small residential unit means a residential unit which only has one bedroom and includes a studio unit/apartment that does not have a separate bedroom.

PART 2: POLICY DETAILS

12 Requirement to have a policy

12.1 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.

13 Funding summary

13.1 Council plans to incur around \$2.8 billion on community facilities partially or wholly needed to meet the increased demand for community facilities resulting from the asset investment that has a growth component. This includes works undertaken in anticipation of growth, and future planned works. The total amount to be funded by development contributions is nearly \$300 million.

13.2 Table 9 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 9. Total cost of capital expenditure for growth and funding sources

Community Facilities	Total Cost of Capital Works (\$000)	Total Growth Component to be funded by Development Contributions (\$000)
Parks and Reserves - Catchment	22,145	16,153
Parks and Reserves -City Wide	298,364	19,500
Transport - Catchment	65,934	38,083
Transport - City Wide	909,150	48,136
Storm Water - City Wide	172,569	10,517
Wastewater - City Wide	466,949	5,240
Wastewater - Catchment	155,750	59,904
Water Supply - Catchment	144,592	65,873
Water Supply - City Wide	400,039	18,043
Community Infrastructure -City Wide	167,113	17,450
Total	2,802,618	298,894

14 Funding policy summary

Funding growth expenditure

- 14.1 The Long Term Plan sets out that the long-term population forecast for the City is growth of between 50,000 to 80,000 over the next 30 years.
- 14.2 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.
- 14.3 Council has decided to fund these costs from:
- Development contributions under the LGA02 for:
 - Water
 - Wastewater
 - Stormwater
 - Transport
 - Reserves
 - Community infrastructure
 - Financial contributions under the RMA where individual developments give rise to capital expenditure that is not covered by development contributions, for:
 - Stormwater
 - Sewer (wastewater)
 - Water
 - Traffic
 - Reserves
- 14.4 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.
- 14.5 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.

14.6 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.

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

14.7 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 four community outcomes to help achieve its vision of an inclusive, sustainable and creative capital for people to live, work and play:

- **Environmental** - a sustainable, climate friendly eco capital: A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations
- **Social** - A people friendly, compact, safe, and accessible capital city: An inclusive, liveable, and resilient city where people and communities can learn, are connected, well housed, safe, and healthy
- **Cultural** - An innovative, inclusive, and creative city: Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities, and openly express, preserve, and enjoy arts, culture, and heritage.
- **Economic** - A dynamic and sustainable economy: The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while working towards an environmentally sustainable future.

14.8 Charging new development for the additional infrastructure ensures a fair contribution to the planned work to support the community outcomes, including funding and investment to (for example):

- lift the resilience of the three waters system, including the construction of the Omāroro reservoir to serve a larger population, and infrastructure to lift water quality
- ensure the transport system provides efficient and reliable access across the City to support growth
- continue investment in parks in the context of a growing population.

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

14.9 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.

14.10 A summary of this assessment is below.

Table 10: Other funding decision factors

Who Benefits / whose act creates the need	<p>A significant portion of Council's work programme over the next 10 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, and how much it serves and benefits existing ratepayers, is determined for each asset or programme.</p> <p>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.</p> <p>The Catchment determination section below outlines how Council determined the catchments for development contributions in the Policy.</p>
Period of benefit	<p>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.</p> <p>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.</p> <p>Financial contributions are used for works and services for new use and development not covered by development contributions.</p>
Funding sources & rationale including rationale for separate funding	<p>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.</p> <p>The benefits to the community are significantly greater than the cost of policy making, calculations, collection, accounting and distribution of funding for development contributions.</p>

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

- 14.11 The Council considers it is appropriate that development contributions fund additional capacity in water supply, wastewater, stormwater, transport, reserves and community infrastructure. The benefits of this additional capacity mainly accrue to new households (EHUs) and businesses generating demand for that capacity. Development contributions paid by developers are likely to be passed on through section and building prices to the residents of new households and businesses. Existing residents and businesses, however, gain a much reduced benefit from the infrastructure and resulting growth in the City, and therefore they should not be required to fund the majority of the costs (where the benefit accrues to new developments) through rates.
- 14.12 Conversely, the cost of maintaining or improving levels of service provided by the City's infrastructure to the existing population cannot be included in capital expenditure to be funded out of development contributions, as this expenditure does not exclusively benefit developers or new households.
- 14.13 Ensuring adequate levels and balance between the various sources of funding to provide appropriate infrastructure is central to promoting the purpose of local government. Funding the cost of providing increased capacity in the city's infrastructure through development contributions rather than rates serviced debt promotes equity between existing residents and newcomers.

15 Catchment determination

- 15.1 When setting development contributions, Council must consider how it sets its catchments for grouping charges by geographic area.
- 15.2 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.
- 15.3 Council has determined that there will be:
- Five transport catchments
 - Thirteen specific water supply catchments
 - Three wastewater catchments
 - An inner city catchment and greenfield catchments for reserves
 - City-wide catchments for:

- network infrastructure for transport and the water supply, stormwater and wastewater reticulation networks;
- reserves that are destination amenities; and
- community infrastructure.

15.4 Council considers that this strikes the right balance between practical and administrative efficiency, and considerations of fairness and equity for the following reasons:

- Keeping the policy as simple as practicable
- Providing flexibility to deliver growth infrastructure where it is most needed
- Reconciling the contributions as closely as practicable to the areas where developments have generated the need for capital expenditure on new assets, or assets of increased capacity.

15.5 More specific catchments and their boundaries are based on communities of interest, the geography of the district, the characteristics of the infrastructure and service it provides, and the common benefits received across the geographical area supplied by the infrastructure being funded by development contributions. Projects or programmes that provide capacity and benefits for more than one catchment are attributed to all relevant catchments, and growth costs are shared among those catchments.

15.6 Specific catchments have been defined as follows:

- Transport – there are five catchments related to three new roading areas and two significant upgrade areas
- Water supply – these are based on the 13 specific water supply catchments where identified water reservoirs and pumping station upgrades are required to provide for growth, as these are the most numerous type of catchment, they are listed first, and other catchments will be allocated to one of these
- Wastewater – these are based on the service areas of the three wastewater treatment plants at Moa Point, Western (Karori) and Porirua (Northern Suburbs). The Moa Point and Western plants were built to provide significant capacity for growth over a long period of time.
- Reserves – an inner city catchment (including Pipitea) and for Greenfield development.
- Stormwater – stormwater is only allocated citywide and is incorporated into the citywide contribution.

15.7 The citywide catchment is used where it is not practical to break down a project or programme into individual catchments. In particular, a citywide catchment is applied to:

- Network infrastructure where the systems are characterised by interdependent components where development growth

adversely impacts other areas of the network if action is not taken to mitigate those effects. The network infrastructure attracting citywide development contributions will comprise transport and the water supply, stormwater and wastewater reticulation networks.

- Reserves that are destination amenities used by groups from across the city such as the Botanic Gardens.
- Community infrastructure used by groups from across the city such as the library and sportfields.

15.8 The catchments with project capital expenditure for growth and related EHU charges are listed in Schedule 1.

15.9 The citywide catchment for water excludes catchments I and J, as water is supplied directly from the bulk water main and does not rely on the wider city network. The water supply distribution network in these catchments will be provided by developers at their cost as they develop within the catchments.

16 Significant assumptions of the policy

Methodology

16.1 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

16.2 A 10year 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

16.3 As set out earlier, the Long Term Plan sets out that the long-term population forecast for the City is growth of between 50,000 to 80,000 over the next 30 years. The District has experienced steady population and economic growth, and this growth is forecast to increase further. Figures provided by Informed Decisions, commissioned by Wellington City Council, indicate steady population growth in the District, with the number of residents increasing by 0.7% per annum since 2013 (as forecast to 2043). This equates to 13,894 households. The suburbs with the predicted greatest increase in population between 2021 and 2041 are the City Centre, Te Aro, and Newtown as a result of intensification. There is also high growth in the Grenada Village-Paparangi-Woodridge-Horokiwi areas as a result of greenfield developments.

16.4 The average household size is projected to reduce slightly from 2.62 persons in 2013 to 2.52 by 2043.

16.5 In terms of business growth, the majority of business growth in Wellington City will be in the commercial and government sectors. The CBD has the most capacity for redevelopment for commercial and retail activities and remains attractive for a mix of business uses. It is likely that the commercial and government growth will be met by redevelopment of the CBD rather than other business areas. The CBD is the main supplier of retail floorspace at present and there is minimal growth projected in retail in the next 20 years.

16.6 Using Informed Decisions (2020) 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 0.7% (or around 1,571 people) per annum.
 - Residential unit growth in the District of around 0.9% (or around 761 households) per annum.

- Development of around 8,905m² GFA annually for business space, primarily through redevelopment of existing business land.
 - Years 2031-2041:
 - Population growth in the District of around 0.57% (or around 1,332 people) per annum.
 - Residential unit growth in the District of around 0.7% (or around 627 households) per annum.
 - Development of around 14,780m² GFA annually for business space primarily through redevelopment of existing business land.
- 16.7 Council forecasts demand of approximately 5,639 EHUs for business development over the next 20 years to accommodate:
- Population growth with related business land; and
 - Government and commercial sectors demanding business space.
- 16.8 Lincolnshire Farm will provide around 45 hectares for business activities. An area known as Hyde Farm, next to the Grenada North industrial area, is proposed to be rezoned for general industrial. However, demand for industrial land is projected to drop as a result of a number of factors, ranging from changes in the nature of industrial activity, the impacts of natural hazards, the availability of transport infrastructure and land prices.
- 16.9 The combined demand forecast is approximately 19,533 EHUs over 20 years – 13,894 EHUs for households and 5,639 EHUs for business. Further information about these forecasts can be found in Council's 2021-2031 Long-term Plan and on Council's website wellington.govt.nz. EHU growth catered for in each project, and the areas it relates to, are set out in Schedule 2.

Best available knowledge

16.10 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

16.11 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

16.12 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 and engineering standards.

Funding model

16.13 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 may be recovered via development contributions and shared equally over all forecast EHUs over a 20-year period for each activity/catchment. At this stage the methodology in this Policy does not provide for the collection of interest expenses.

Cost allocation

16.14 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.
- If a project provides for growth, renewals and LOS, the Council will remove any renewal share of the costs and will split the cost between growth and LOS. This split is decided on a project-by-project basis, identified when the activity is set up, and will be based on the proportion that:
 - Will benefit the existing community (in EHUs); and
 - Will provide for growth (in EHUs).

16.15 For particularly large and expensive projects, Council may undertake a specific cost apportionment assessment that differs from the general approach outlined above

17 Calculating the development contributions

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

Process

17.2 The steps needed to determine growth, growth projects, cost allocations, and to calculate the development contributions charges are summarised in Table 11.

Table 11: Summary of development contribution calculation methodology

Step	Description / comment	Examples and References
1. Forecast growth	Council estimates potential land supply and likely take up of that land. The estimates help provide household	Refer Section 16.3, projecting growth.

Step	Description / comment	Examples and References
	and business growth forecasts for up to 30 years.	
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 10 years – however some projects will be in the schedule until their capacity life is used up.	Refer Schedules 1 and 2 Examples: <ul style="list-style-type: none"> • Moa Point which serves most parts of the city was constructed to accommodate an additional 44,379 EHU more than were in the city at the time of construction, and will continue to incur development contributions until all these 44,379 EHUs have been collected. • New roads in Grenada-Lincolnshire are expected to serve 7,219 EHUS and costs are apportioned for these – these are likely to be collected in the next 10 years.
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 outlined in the Cost allocation section 16.13 above. Schedules 1 and 2 of the Policy outline the amount required to fund growth from development contributions for each of these assets or programmes.	Refer Schedules 1 and 2. Example of a project (made up for indicative purposes): Replacing a playground built in 1970 at Capital Cost \$120,000 Renewal: \$60,000 LOS/backlog: \$40,000 covers requirements for new health and safety regulations and more people who may already in the neighbourhood Growth: \$20,000 spend to make it bigger for an additional 300 families expected in the neighbourhood.
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.	In the example, the \$20,000 could be fully funded from DCs. If there were a central government fund for some make safe features, for example, \$5,000 to replace dangerous equipment, this reduces to \$15,000 from development contributions.
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 EHUs) to provide a charge per EHU for each future and past asset and programme.	Divide the remaining \$15,000 capital by, an estimated 300 new households (300 EHUs) expected in the next 10 years, this will be \$50 per new residential development in the area.
6. Sum all per asset charges	For each catchment and activity, add up the per EHU asset or programme charges to provide a total. For each activity and catchment, development	Schedules 1 and 2 provide all the assets and costs to be met from development. Some examples from Schedule 2 are noted below.

Step	Description / comment	Examples and References
	contributions fund the programme on an aggregated basis.	For each EHU the components are all added, as per Part 1, Table 1.

17.3 Some actual examples to further illustrate the process in Table 11.

- Example 1 presents a citywide charge: Schedule 2 Project CX507 for synthetic turf sportsfields costing \$14,339 million. Around 23% of the need has been attributed to growth, \$3,332 million. The fields are expected to service growth over the next 30 years, estimated at 30,286 EHU. The charge per EHU is therefore \$110 (\$3,332m divided by 30,286). This EHU will be collected until there has been growth of 30,286 EHU. Maintenance and renewal will likely accrue in that time, and will be funded from other sources.
- Example 2 presents a transport catchment charge: There are roading projects in Grenada – Lincolnshire costing \$25,309m. Around 70% of the need for the new roads has been attributed to growth, \$17,969m. An estimated 1,360 EHU are expected in the area, so costs per EHU will be \$6,067 (\$17,969m divided by 1,360).

Summary of calculations

17.4 Part 1 Table 1 summarises the calculation of the charge per EHU for each activity and catchment added up at step 6. Part 2 Schedules 1 and 2 provide information on each asset or programme including the information in steps 2 - 5.

18 Schedule 1 – Development contribution calculations

Schedule 1 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. All charges are provided in Part 1, Tables 1 and 2 of this policy. This Schedule has additional information about the total capital expenditure.

Schedule 1.A Capital expenditure prior to 1 July 2005

They were introduced in 2005 in anticipation of development to be funded by development contributions and are still ongoing.

Activities	Total Capital expenditure incurred prior to 1 July 2005 in anticipation of development to be funded by development contributions (\$000)
Water Supply	5,933
Wastewater	61,662
Stormwater	0
Roading	0
Parks and Reserves	0
Community Infrastructure	-
Total	67,595

Schedule 1.B Citywide Infrastructure Contributions

Charges identified as being citywide for projects with a citywide benefit, which are not attributable to specific catchments. Development contributions for community infrastructure were added in 2022 in accordance with the LGA02. These are all identified as citywide charges. Some could be considered under "Parks and Reserves" and may be reclassified in future. The classification in "Parks and Reserves" or "Community Infrastructure" does not change the part liable for development contribution or total development contributions.

Activity	Total Cost of Capital Works (\$000)	Total Growth Component to be funded by DCs (\$000)	Citywide DCs \$ per EHU
Community Infrastructure	167,125	17,450	\$576
Parks and Reserves -City Wide	298,364	19,500	\$644
Transport - City Wide	909,150	48,133	\$1,589
Storm Water - City Wide	172,569	10,517	\$347
Wastewater - City Wide	466,949	5,240	\$173
Water Supply - City Wide	400,039	18,043	\$596
Total	2,402,196	118,883	\$3,925

Schedule 1.C Water supply (by catchment)

Water Supply Catchment	Total Cost of Capital Works (\$000)	Total Growth Component to be funded by DCs (\$000)	Development Contributions per EHU (\$)
Roseneath	2,550	834	3,267
Karori	6,000	4,595	1,724
Beacon Hill	0	0	-
Brooklyn Frobisher	4,300	2,456	1,575
Kelburn	0	0	-
Johnsonville Onslow	6,800	6,344	1,583
Ngaio	0	0	-
Maldive	0	0	-
Churton - Stebbing	15,307	12,895	2,939
Grenada - Lincolnshire	34,145	22,810	4,082
Maupuia	0	0	-
Newlands	590	93	945
Melrose	2,500	1,806	1,775
Central and Coastal	66,900	9,958	3,238
Tawa	0	0	-
Wadestown	5,500	4,081	2,487
Total	144,592	65,873	

Schedule 1.D Wastewater

These charges relate to the three wastewater treatment plants which were built with capacity for population growth.

Catchment	Total Cost of Capital Works (\$000)	Total Growth Component to be funded by DCs (\$000)	Development Contributions per EHU (\$)
Central (Moa Point)	136,700	52,577	1,185
Western (Karori)	12,200	4,692	2,440
Northern (Porirua)	6,850	2,635	722

Schedule 1.E Transport

Three traffic and roading catchments apply to new roads, two as part of the Northern Growth Management Plan, the third recognises growth around the port and rail yards land at the northern gateway to the city. The other two transport catchments are Adelaide Road where some costs are attributed in part to citywide at Schedule 1.B and some to the local area due to a combination of citywide and local growth, and Johnsonville Town Centre where costs are attributed to increased demand from the Northern Growth areas.

Catchment	Total Cost of Capital Works (\$000)	Total Growth Component to be funded by DCs (\$000)	Development Contributions per EHU (\$)
Churton - Stebbings	15,307	8,251	6,067
Grenada - Lincolnshire	25,309	17,969	7,219
Pipitea Precinct	11,409	7,741	2,013
Johnsonville Town Centre	12,684	3,040	2,472
Adelaide Road	1,226	1,081	1,275

Schedule 1.F Reserves

There are no charges for non-residential development. Reserves charges are made citywide and by Inner City Parks Pipitea Precinct and Grenada-Lincolnshire in view of new purchases.

Catchment	Total Cost of Capital Works (\$000)	Total Growth Component to be funded by DCs (\$000)	Development Contributions per EHU
Inner City Parks (includes Pipitea)	13,309	8,084	1,922
Grenada-Lincolnshire	8,836	8,069	2,098

PŪRORO TAHUA - FINANCE AND PERFORMANCE COMMITTEE

21 OCTOBER 2021

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19 Schedule 2: Assets and programmes funded by development contributions

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 LGAD. All figures exclude GST.

Development Contribution Category	Project Description	Sub-Project Description	Map Zone/Citywide Category	Project	Total Cost of Capital Works (\$'000)	Total Growth Component to be funded by DCs (\$'000)	Total Cost of Capital Works to be funded from other sources (\$'000)	Growth EHU	Residential DC Amount	Non-Residential DC Amount
Community Infrastructure - City Wide	Aquatic Facility	Aquatic Facility	Community Infrastructure	(CW) (I) Pools	89,109,745	10,555,265	78,554,480	30,286	349	0
	Branch Library	Branch Library	Community Infrastructure	CX358	21,895,947	2,360,265	19,535,681	30,286	78	0
	Public Convenience	Public Convenience	Community Infrastructure	CX366	26,602,158	305,610	26,296,548	30,286	10	0
	Burial & Cremation	Burial & Cremation	Community Infrastructure	CX369	15,165,235	896,184	14,269,050	30,286	30	0
	Synthetic Turf Sportsfields	Synthetic Turf Sportsfields	Community Infrastructure	CX507	14,339,582	3,332,762	11,006,820	30,286	110	0
Community Infrastructure - City Wide Total					167,125,173	17,450,087	149,675,087	30,286	576	0
Reserves - Catchment	Grenada - Lincolnshire	Community park (Lincolnshire) (30m land development)	J	(c) Parks and Reserves	8,836	8,069	767	3,046	2,090	0
	Inner City Parks	Cobblestone Park	Q (formerly road) (KS)		1,122	1,122	0	6,923	162	0
	Inner City Parks	Glover Park	Q		1,711	1,711	0	6,923	247	0
	Inner City Parks	Hannaks Courtyard	Q		7	7	0	6,923	1	0
	Inner City Parks	Midland Park	Q		870	870	0	6,923	126	0
	Inner City Parks	Tarauaki/Courtenay Park	Q		1,056	1,056	0	6,923	153	0
	Inner City Parks	Te Aro Park	Q		33	33	0	6,923	5	0
	Inner City Parks	Victoria/Manners Park	Q		39	39	0	6,923	6	0
	Inner City - Wallangi Park	Wallangi Park	Q		5,225	0	5,225	6,923	755	0
	Other Inner City Parks	Inner City Park	Q		3,246	3,236	0	6,923	449	0
	Total Inner City Parks				13,309	8,894	5,225		1,922	0
	Parks and Reserves - Catchment Total				22,145	16,153	5,992		4,021	0
	Reserves - City Wide	Central City Framework		Reserves	CX406	39,026	522	38,504	30,286	17
Central City Lighting and Greening			Reserves	CX410	2,477	236	2,241	30,286	8	
Clyde Quay/Oriental Bay			Reserves	CX454	249	35	214	30,286	1	
Coham Drive beach			Reserves	CX453	774	70	704	30,286	2	
Evans Bay peninsula			Reserves	CX451	1,155	12	1,143	30,286	0	
Parks and Gardens			Reserves	CX290	1,289	121	1,178	30,286	4	
Property Purchases - Reserves			Reserves	CX033	17,795	6,525	11,271	30,286	215	
Suburban greening initiatives			Reserves	CX044	305	31	275	30,286	1	
Wgtn Waterfront Development			Reserves	CX131	64,900	4,161	60,739	30,286	137	
Skateboard facilities			Reserves	CX065	111	11	100	30,286	0	
Oriental Bay beach		Reserves	CX156	1,821	182	1,639	30,286	6		
Playgrounds		Reserves	CX181	27,121	1,829	25,293	30,286	60		
Park Structures		Reserves	CX284	15,206	376	14,830	30,286	12		
Coastal		Reserves	CX290	12,496	656	11,840	30,286	22		
Artificial Surfaces		Reserves	CX344	564	28	536	30,286	1		
Sportsfields		Reserves	CX345	31,104	1,288	29,816	30,286	43		
Botanic Garden		Reserves	CX348	33,478	1,578	31,899	30,286	52		
Walkways		Reserves	CX435	14,638	637	14,002	30,286	21		
Parks Infrastructure		Reserves	CX436	10,611	416	10,195	30,286	14		
Town Bell & Reserves		Reserves	CX437	12,657	628	12,029	30,286	21		
Cog Park		Reserves	CX455	1,713	171	1,542	30,286	6		
Parks and Reserves - City Wide Total				298,364	19,500	278,864		644	0	
Storm Water - City Wide	Stormwater Flood Protection		Storm water	CX031	5,791	145	5,646	30,286	5	5
	Stormwater - Network		Storm water	CX031	166,779	10,372	156,407	30,286	342	342
Storm Water - City Wide Total				172,569	10,517	162,053		347	347	
Transport - Catchment	Adelaide Road		S	(c) Transport	1,226	1,081	145	848	1,275	1,275
	Total Adelaide Road				1,226	1,081	145	848	1,275	1,275
	Churton - Stebbings	Cortina to Ohariu	I	(c) Transport	1,428	586	843	1,360	431	431
	Churton - Stebbings	Ohariu to Westchester	I	(c) Transport	3,348	3,348	0	1,360	2,462	2,462
	Churton - Stebbings	Westchester to Glenside	I	(c) Transport	10,531	4,318	6,213	1,360	3,175	3,175
	Total Churton - Stebbings				15,307	8,251	7,056	0	6,067	6,067
	Grenada - Lincolnshire	Mark Ave Extension	J	(c) Transport	2,839	2,016	823	2,489	810	810
	Grenada - Lincolnshire	Mark Ave to Grenada North	J	(c) Transport	11,313	8,032	3,281	2,489	3,227	3,227
	Grenada - Lincolnshire	Mark Ave to Lincolnshire	J	(c) Transport	5,648	4,010	1,638	2,489	1,611	1,611
	Grenada - Lincolnshire	Grenada to Gracefield	J	(c) Transport	1,070	759	310	2,489	305	305
Grenada - Lincolnshire	Woodridge to Lincolnshire	J	(c) Transport	4,439	3,152	1,287	2,489	1,266	1,266	
Total Grenada - Lincolnshire				25,309	17,969	7,340	0	7,219	7,219	
Johnsonville Town Centre		R	(c) Transport	12,684	3,040	9,644	1,230	2,472	2,472	

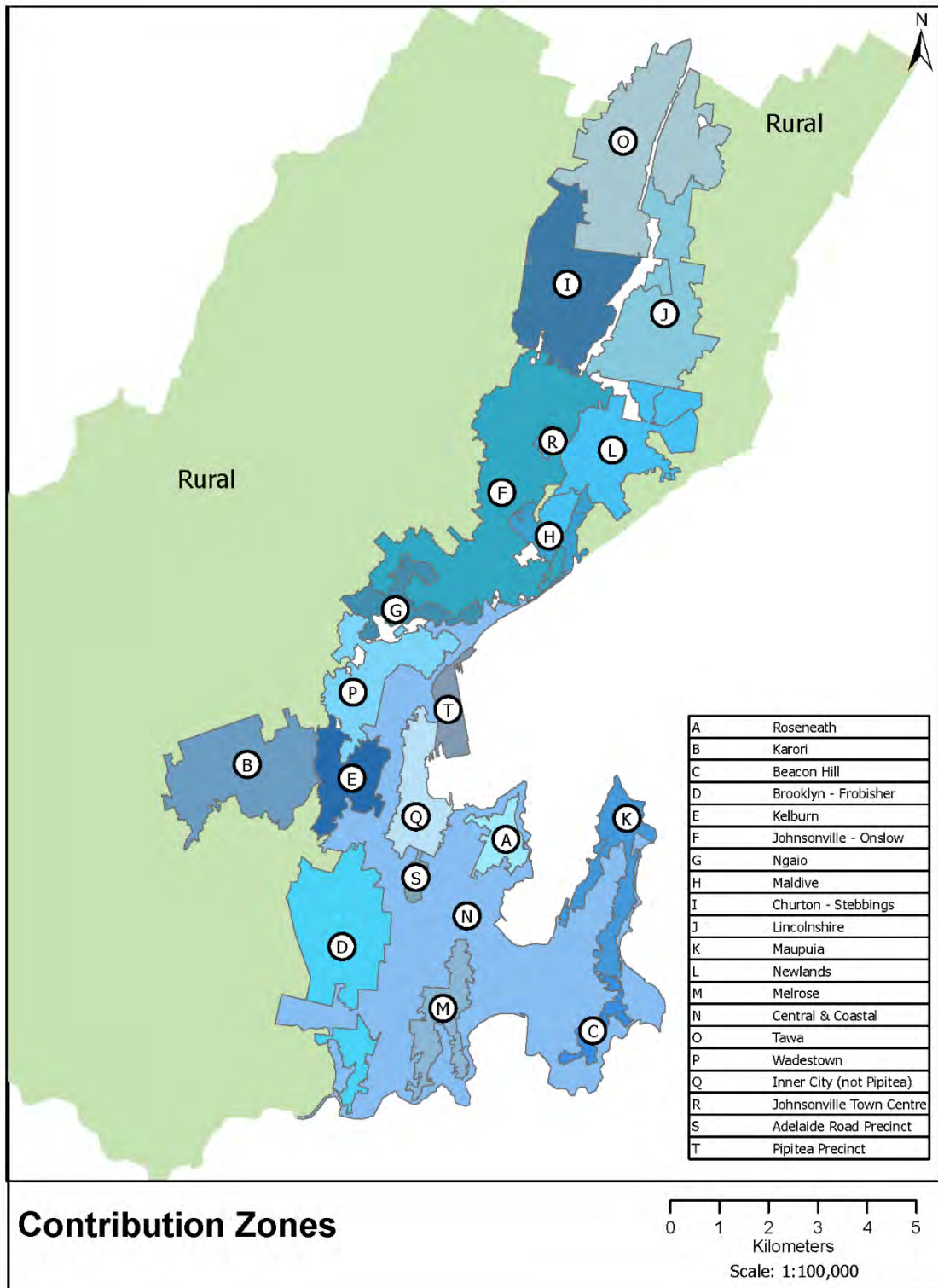
PŪRORO TAHUA - FINANCE AND PERFORMANCE COMMITTEE
21 OCTOBER 2021

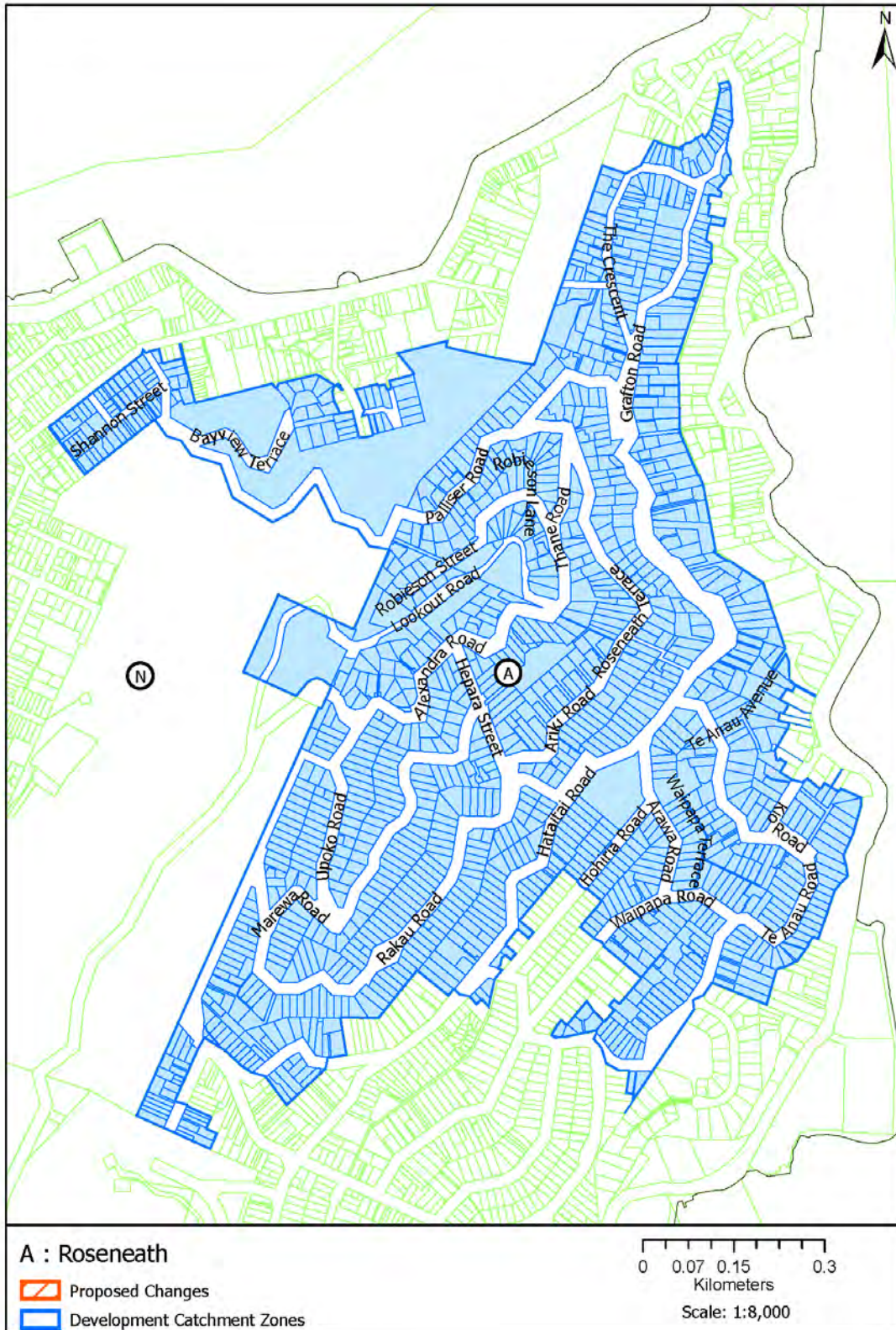
Pipitea Precinct		T (formerly coded KN)	(c) Transport	11,409	7,741	3,668	3,846	2,013	2,013
Transport - Catchment Total				68,630	38,551	30,080		19,598	19,598
Transport - City Wide									
Bus Priority Planning		Transport	CX492	10,950	473	10,477	30,286	16	16
Vehicle Network New Roads		Transport	CX311	45,471	8,258	37,213	30,286	273	273
Pedestrian Network Accessways		Transport	CX109	6,326	334	6,492	30,286	11	11
Pedestrian Network Structures		Transport	CX091	8,661	424	8,236	30,286	14	14
Residential street lighting		Transport	CX351	113	6	107	30,286	0	0
Road Corridor New Walls		Transport	CX098	40,988	2,008	38,980	30,286	66	66
Road Risk Mitigation		Transport	CX350	29,014	1,422	27,592	30,286	47	47
Shape & Camber Correction		Transport	CX092	64,297	3,151	61,146	30,286	104	104
Special pavement surfaces		Transport	CX402	386	19	367	30,286	1	1
Northern Growth Management Framework		Transport	CX447	(43)	0	(43)	30,286	0	0
Roading Capacity		Transport	CX377	31,918	805	31,113	30,286	27	27
Safety Street Lighting		Transport	CX096	35,798	128	35,660	30,286	4	4
Walking		Transport	CX099	49,179	2,410	46,770	30,286	80	80
Footpath extensions		Transport	CX099	0	0	0	30,286	0	0
Roadside Parking		Transport	CX319	6,004	294	5,710	30,286	10	10
Thin Asphalt Road Surface		Transport	CX088	27,398	1,342	26,055	30,286	44	44
Reseals		Transport	CX089	84,767	4,154	80,613	30,286	137	137
Preseal Preparation		Transport	CX090	70,769	3,468	67,301	30,286	114	114
Roading and city centre		Transport	CX444	165	8	157	30,286	0	0
Accident reduction		Transport	CX019	94	5	89	30,286	0	0
Sumps Flood Mitigation		Transport	CX093	8,217	403	7,814	30,286	13	13
Traffic and street signs		Transport	CX095	29,620	1,851	28,168	30,286	48	48
Rural road		Transport	CX097	1,835	90	1,745	30,286	3	3
Service Lane		Transport	CX101	2,487	122	2,365	30,286	4	4
Research and development		Transport	CX104	30	1	29	30,286	0	0
Cycling		Transport	CX112	253,100	12,406	240,774	30,286	410	410
Passenger transport network		Transport	CX135	281	14	267	30,286	0	0
Tunnel and bridge		Transport	CX165	24,500	1,200	23,299	30,286	40	40
Minor Safety		Transport	CX171	56,409	2,768	53,721	30,286	91	91
Traffic calming		Transport	CX232	278	14	264	30,286	0	0
Tawa road		Transport	CX379	74	4	71	30,286	0	0
Bus shelter		Transport	CX431	343	17	326	30,286	1	1
Safer Roads		Transport	CX445	19,073	935	18,138	30,286	31	31
Transport - City Wide Total				909,150	48,133	861,017		1,589	1,589
Wastewater - Catchment									
Central (Moa Point)	Central (Moa Point) Treatment Plant	A,C,D,E,F,G,H,K,N,Q,S	(c) Waste Water	136,700	52,577	84,123	44,379	1,185	1,185
Northern (Porirua)	Northern (Porirua) Treatment Plant	I,J,L,P,R	(c) Waste Water	6,850	2,635	4,215	3,648	722	722
Western (Karori)	Western (Karori) Treatment Plant	B,M	(c) Waste Water	12,200	4,692	7,508	1,923	2,440	2,440
Wastewater - Catchment Total				155,750	59,904	95,846		4,347	4,347
Wastewater - City Wide									
Wastewater - Network		Waste water	CX334	466,949	5,240	461,709	30,286	173	173
Wastewater - City Wide Total				466,949	5,240	461,709		173	173
Water Supply - Catchment									
Beacon Hill	Water - Network	C	(c) Water Supply	0	0	0	0	0	0
Brooklyn Frohisher	Water - Network	D	(c) Water Supply	4,300	2,456	1,844	195	1,575	1,575
Central and Coastal	Water - Network	N	(c) Water Supply	66,900	9,958	56,942	18,642	3,238	3,238
Churton - Stebbings	Water - Network	I	(c) Water Supply	15,307	12,895	2,412	1,580	2,939	2,939
Grenada - Lincolnshire	Water - Network	J	(c) Water Supply	34,145	22,810	11,335	1,590	4,082	4,082
Johnsonville Onslow	Water - Network	F	(c) Water Supply	6,800	6,344	456	1,183	1,583	1,583
Karori	Water - Network	B	(c) Water Supply	6,000	4,595	1,405	858	1,724	1,724
Kelburn	Water - Network	E	(c) Water Supply	0	0	0	0	0	0
Maldive	Water - Network	H	(c) Water Supply	0	0	0	0	0	0
Maupuia	Water - Network	K	(c) Water Supply	0	0	0	0	0	0
Melrose	Water - Network	M	(c) Water Supply	2,500	1,806	694	429	1,775	1,775
Newlands	Water - Network	L	(c) Water Supply	590	93	497	1,388	945	945
Ngalo	Water - Network	G	(c) Water Supply	0	0	0	142	0	0
Roseneath	Water - Network	A	(c) Water Supply	2,550	834	1,716	198	3,267	3,267
Tawa	Water - Network	O	(c) Water Supply	0	0	0	0	0	0
Wadestown	Water - Network	P	(c) Water Supply	5,500	4,081	1,419	888	2,487	2,487
Water Supply - Catchment Total				144,592	65,873	78,720		23,615	23,615
Water Supply - City Wide									
Water - Network /Reservoir/Pump Station		Water Supply	CX126/127	400,039	18,043	381,997	30,286	596	596
Water Supply - City Wide Total				400,039	18,043	381,997		596	596

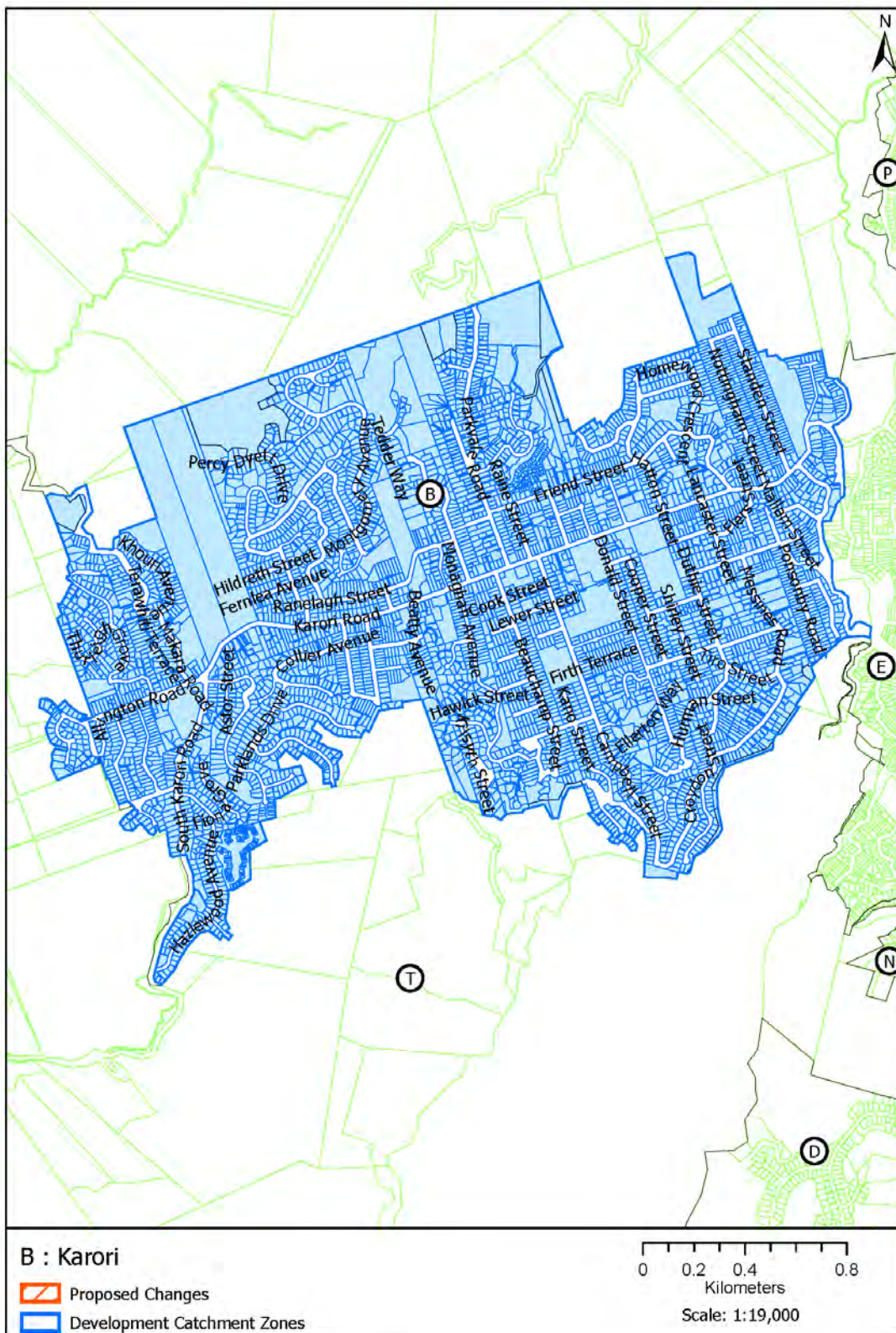
PART 3 POLICY CATCHMENT MAPS

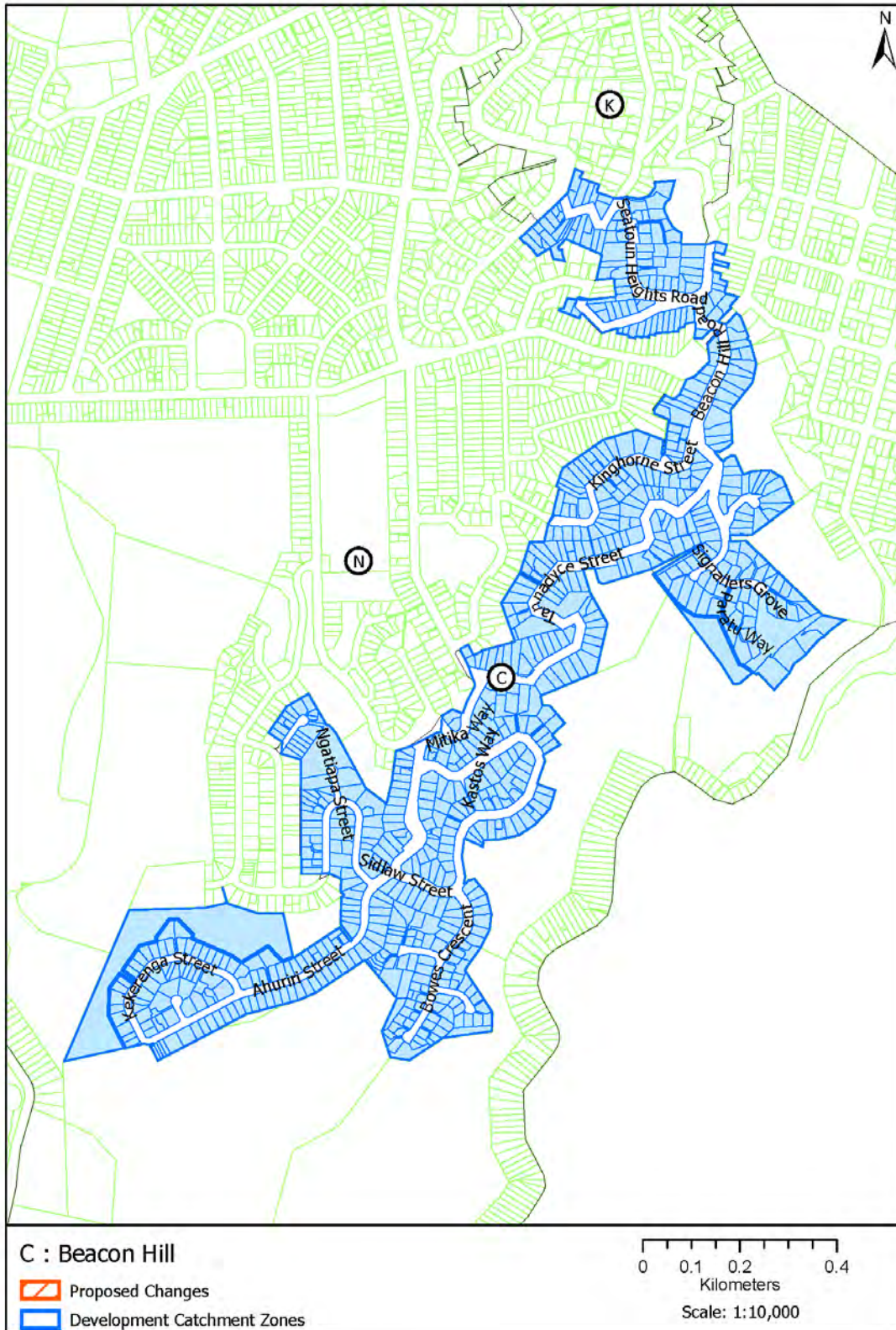
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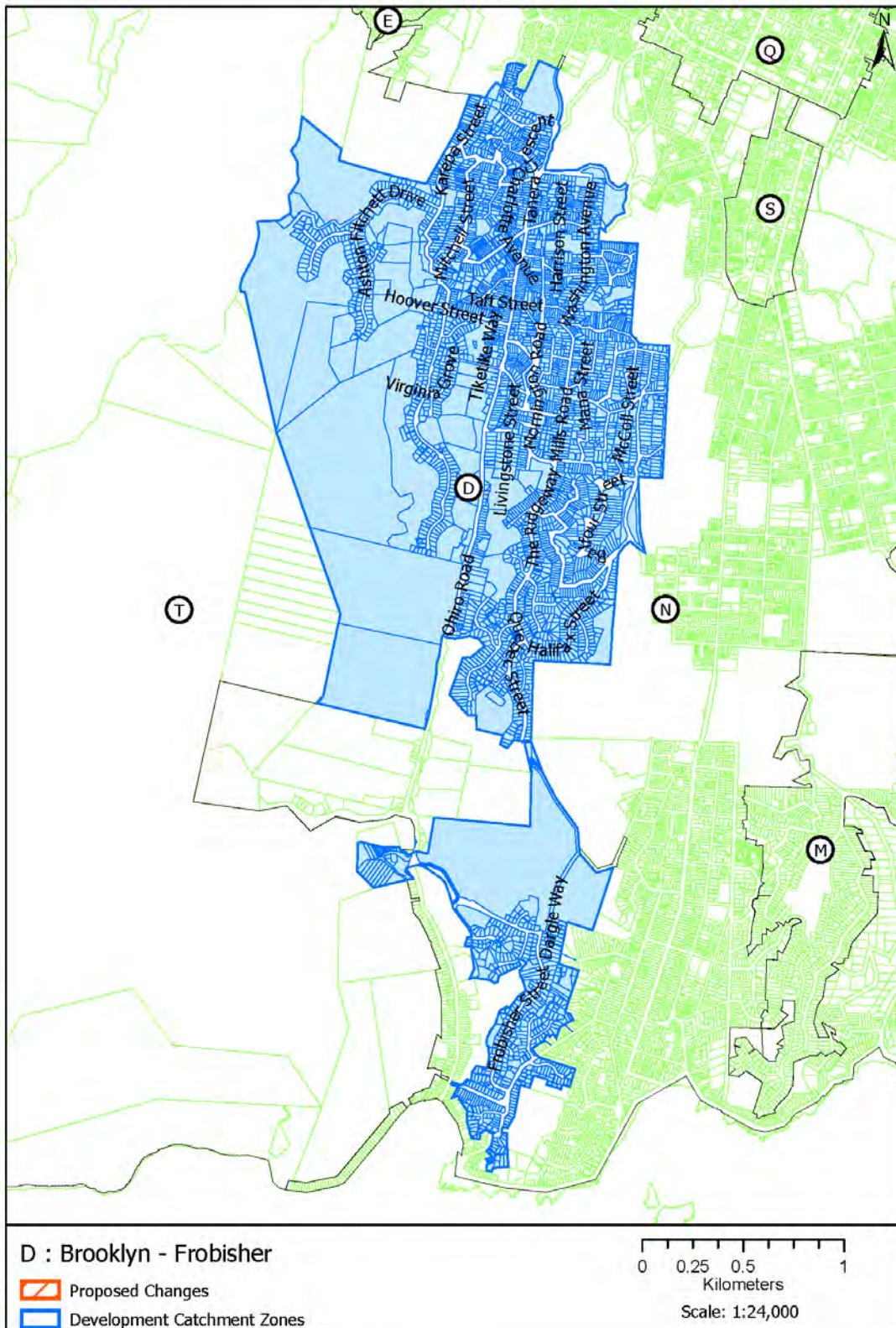
Part 3 Catchment Maps

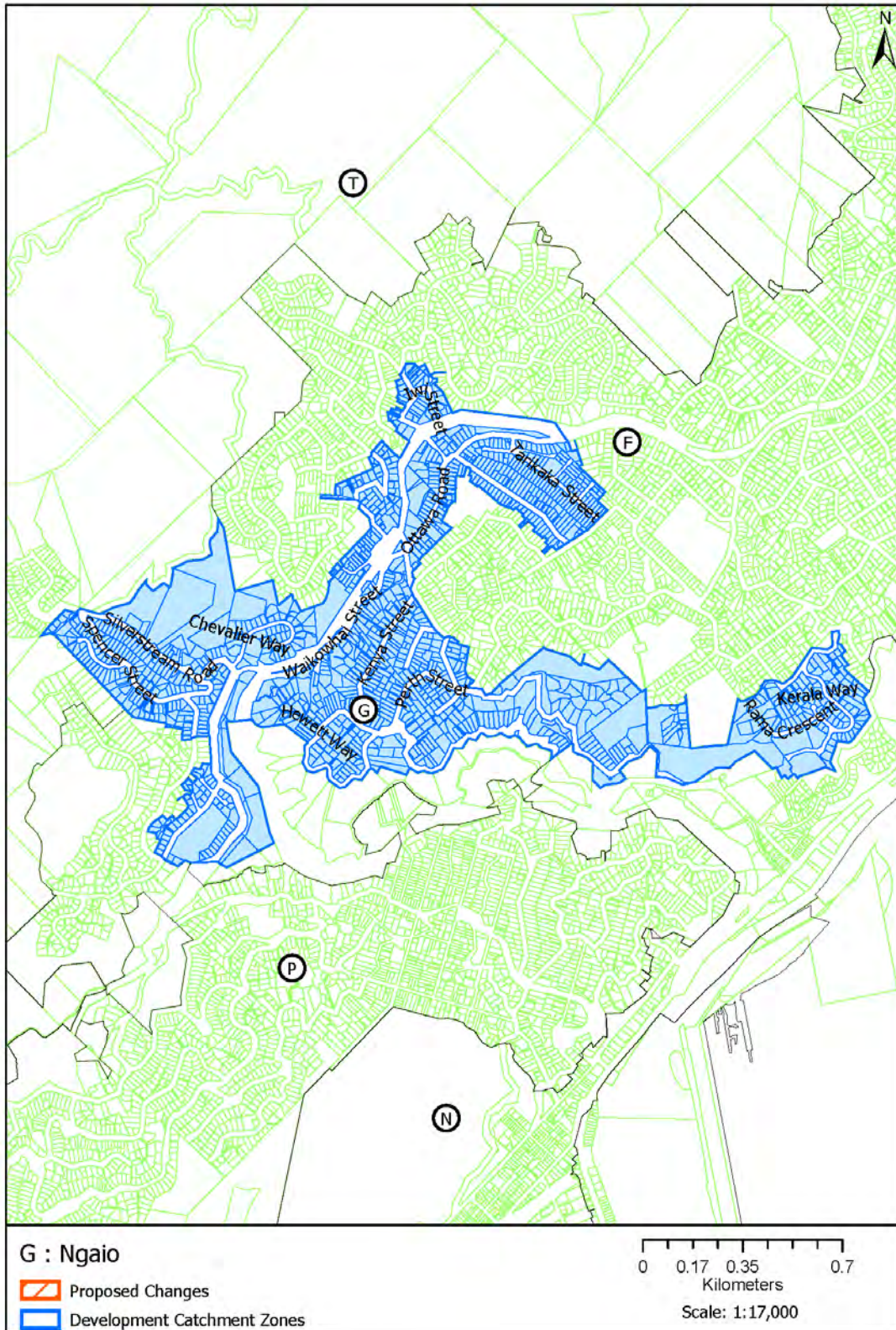


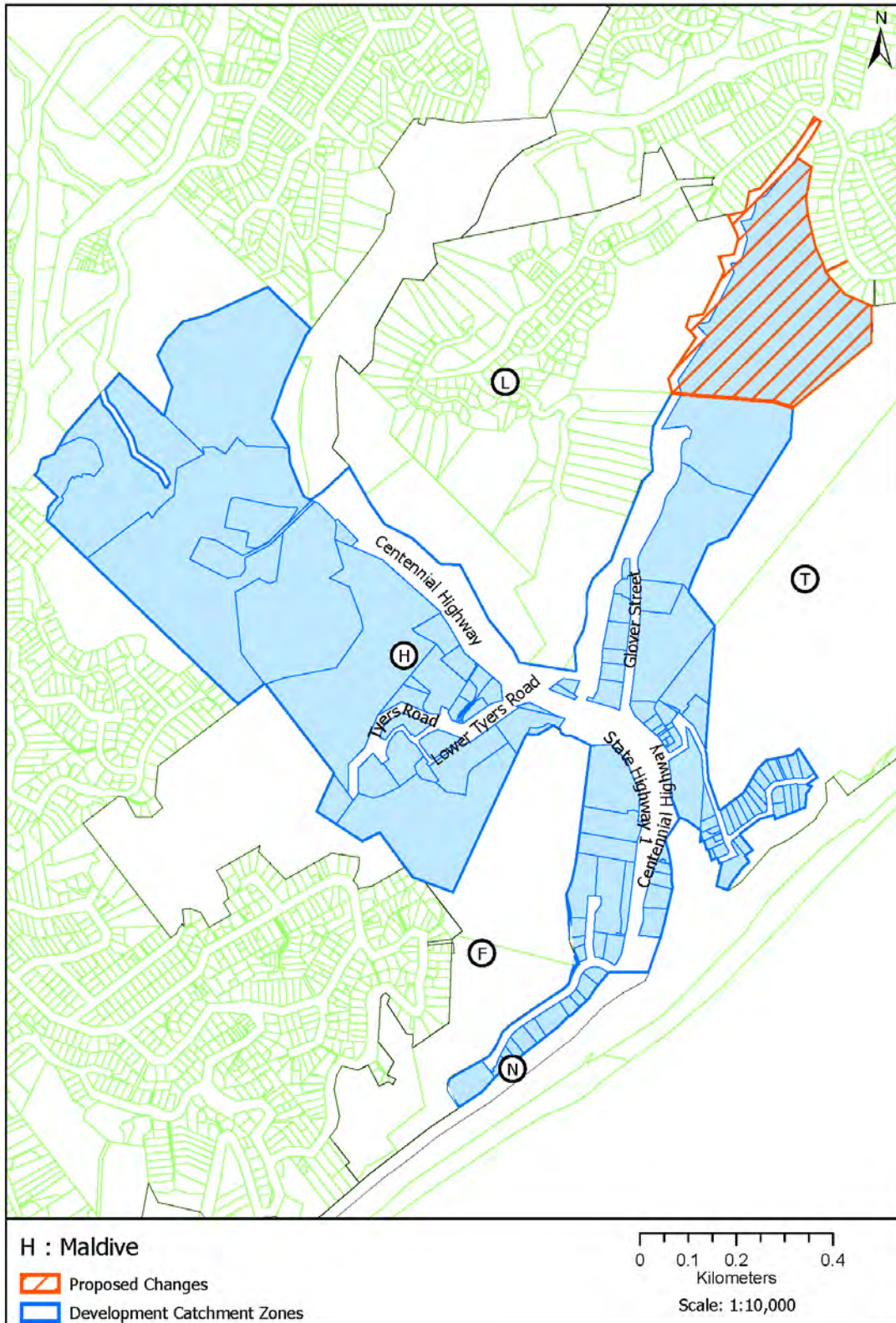


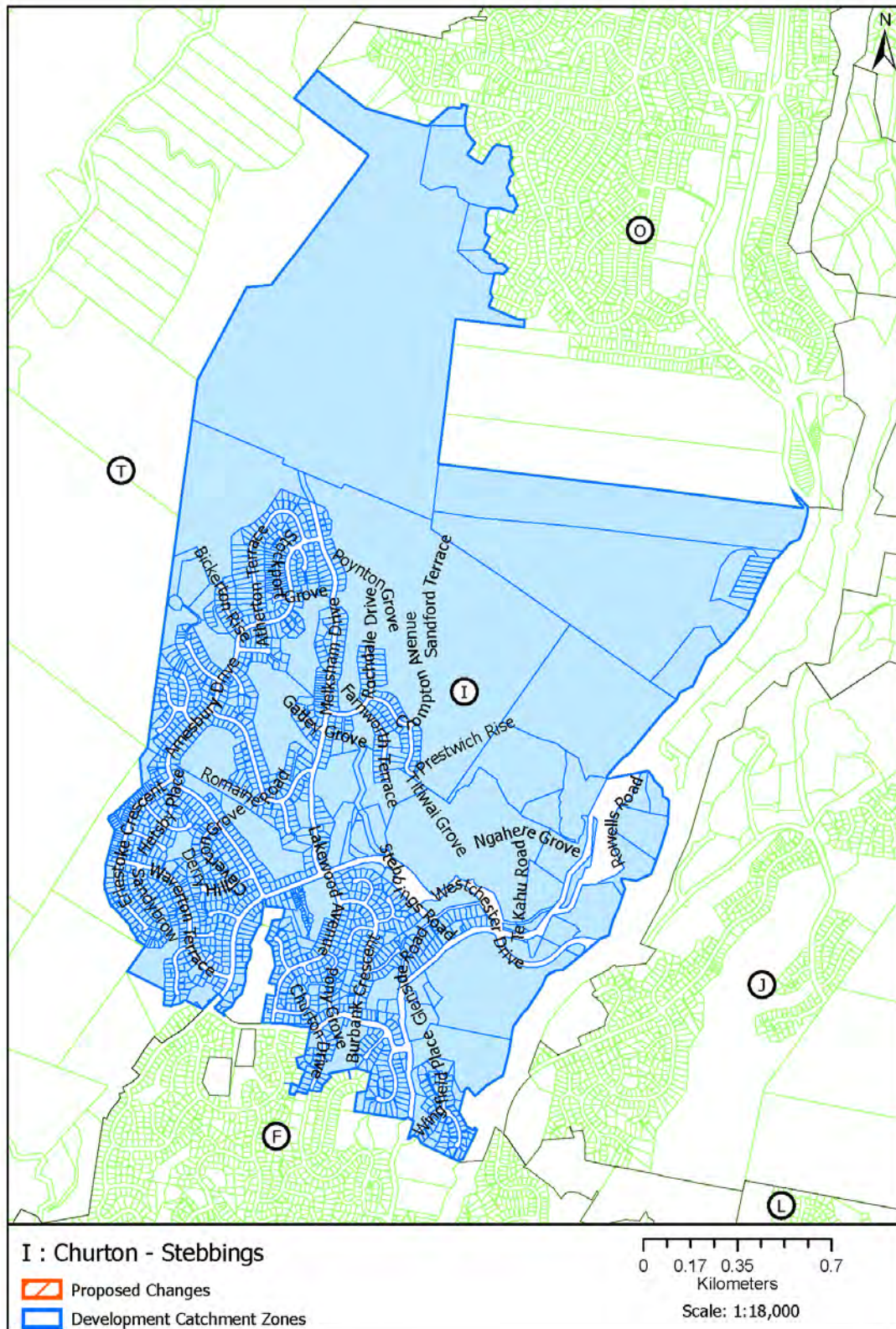


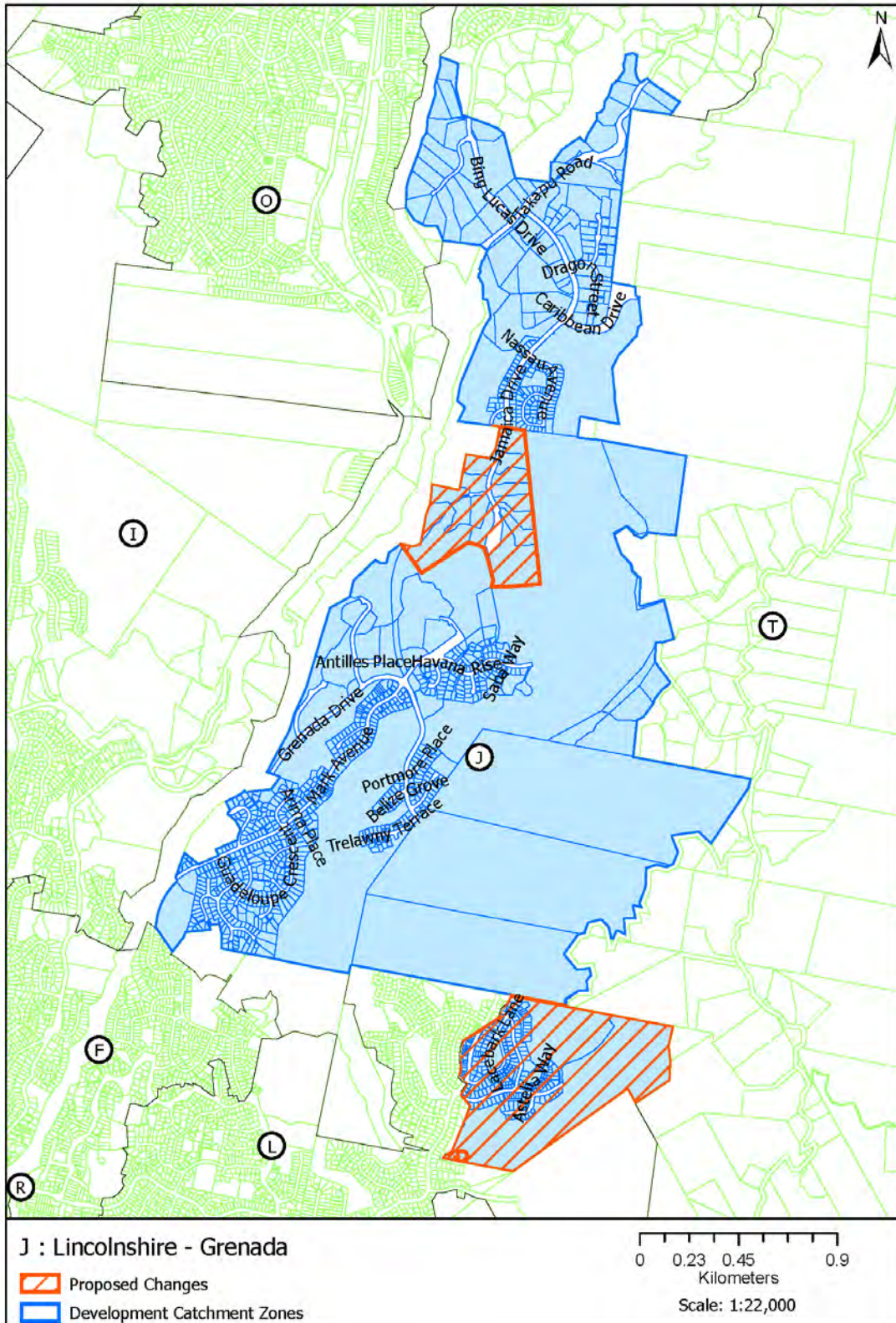


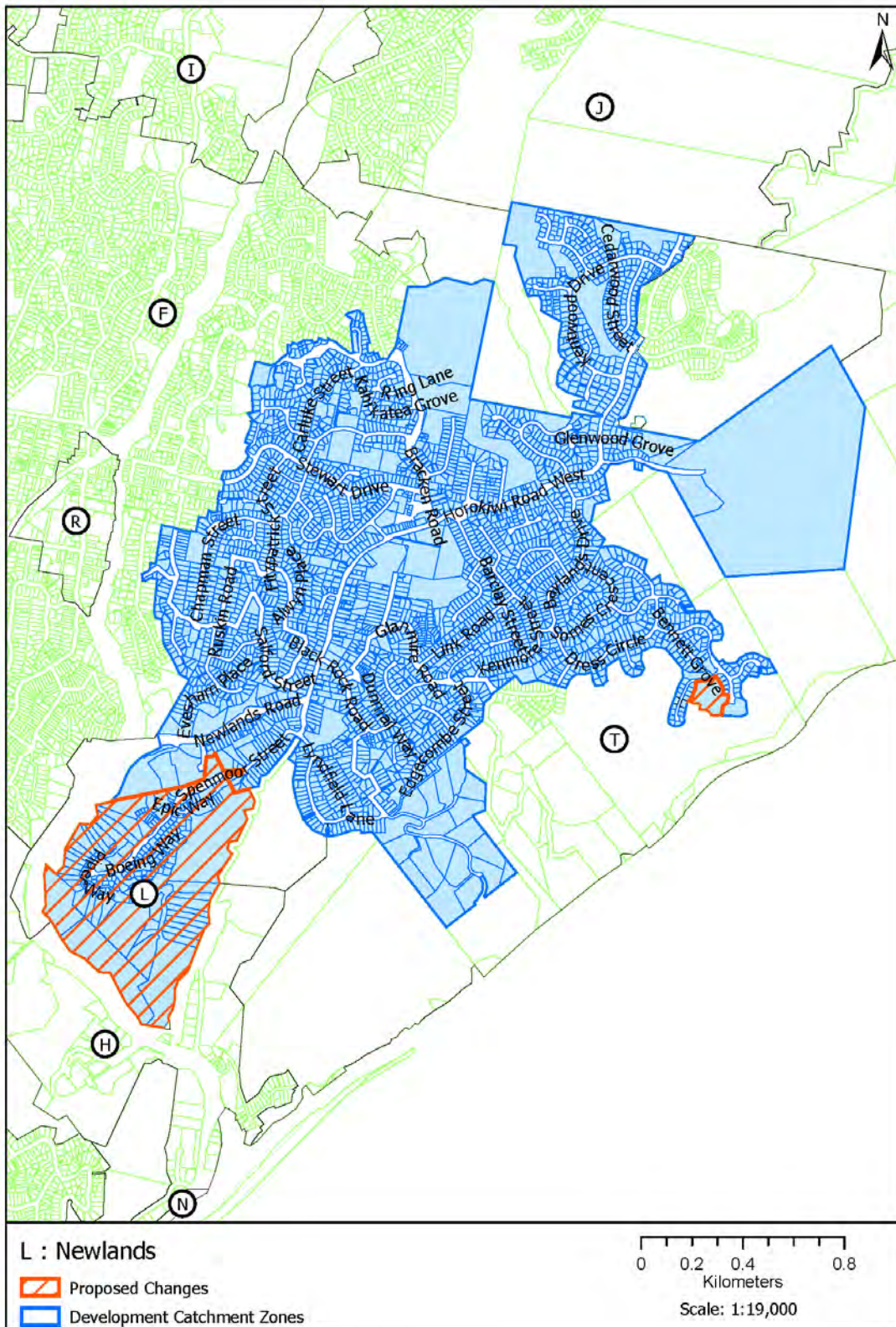


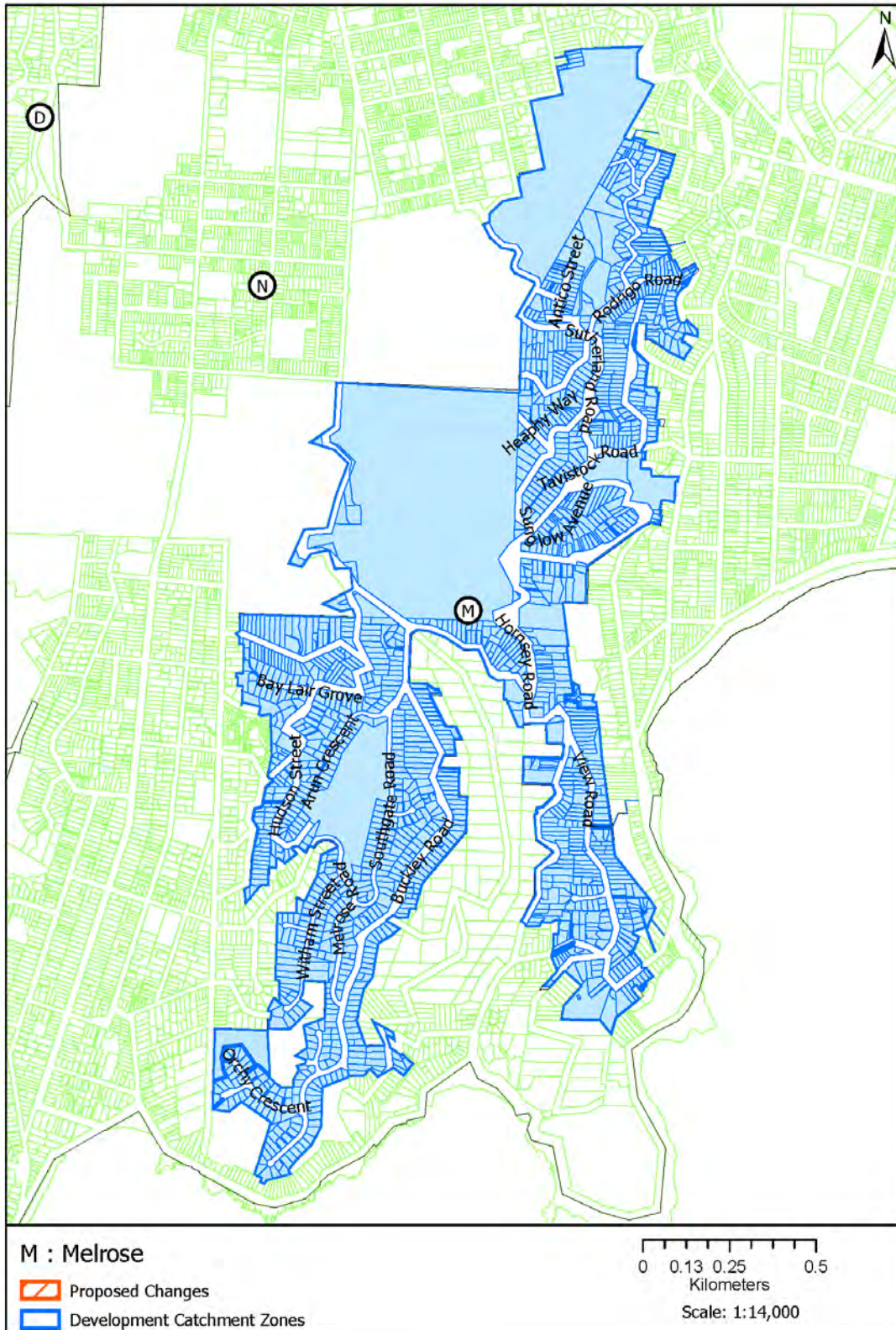


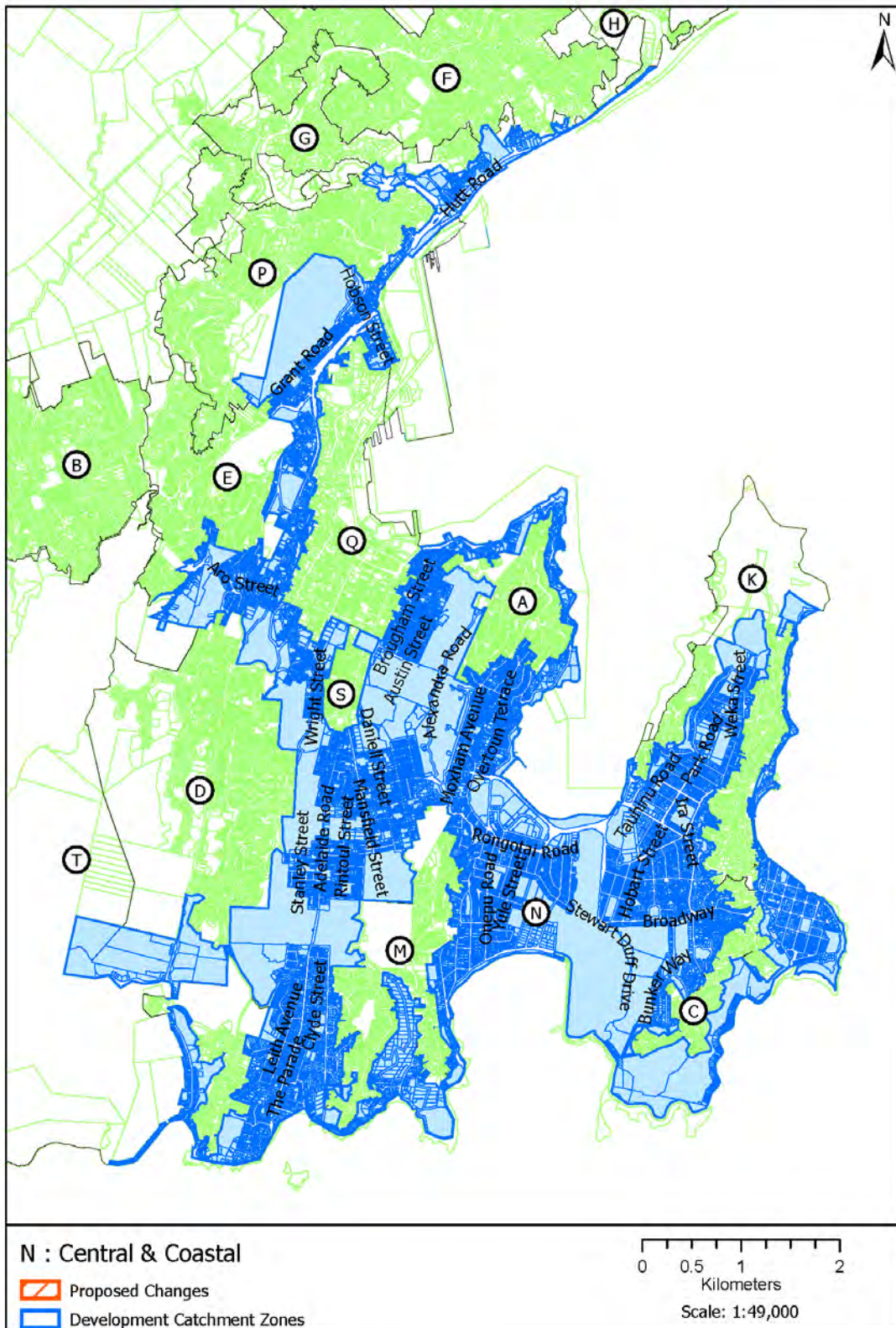


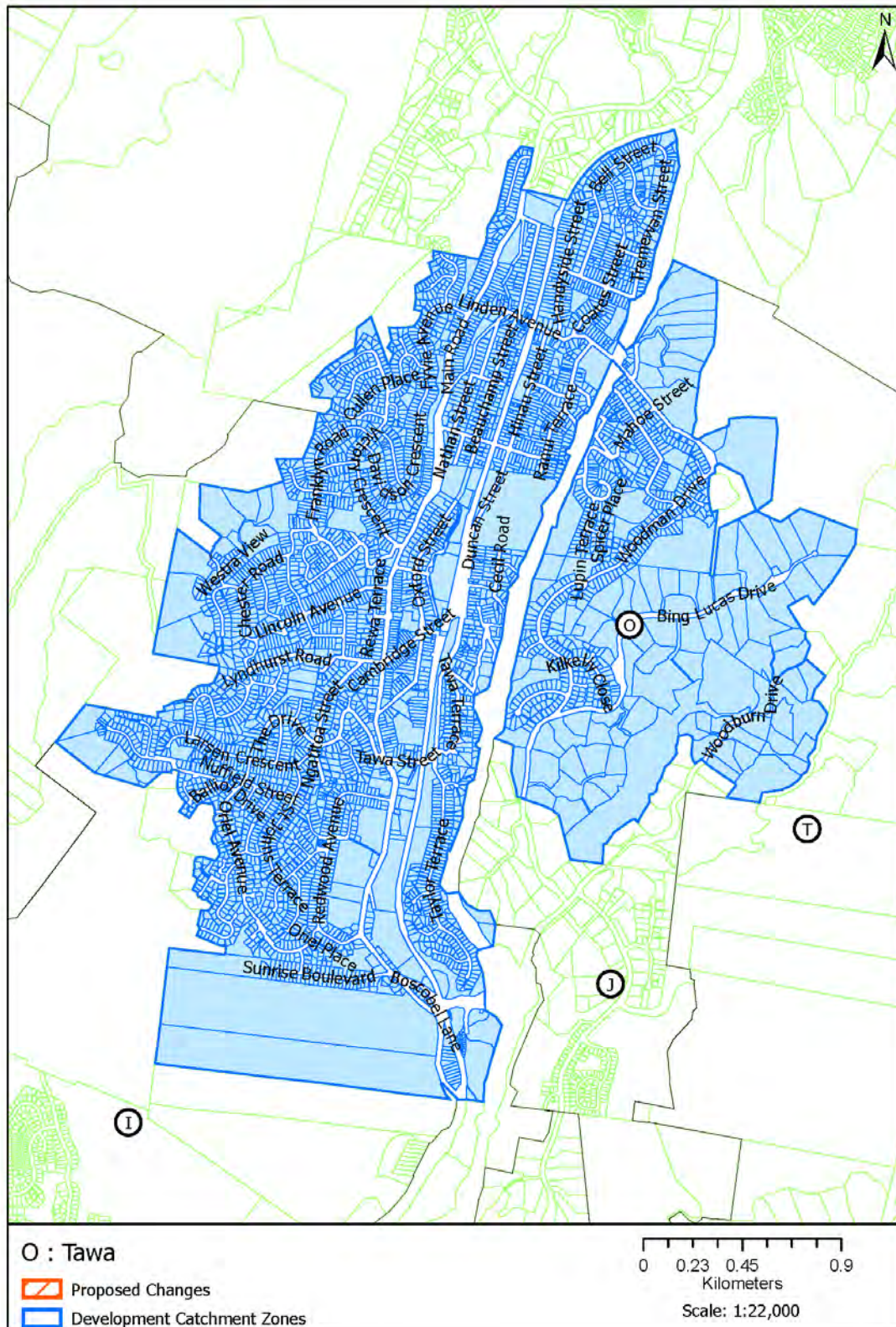


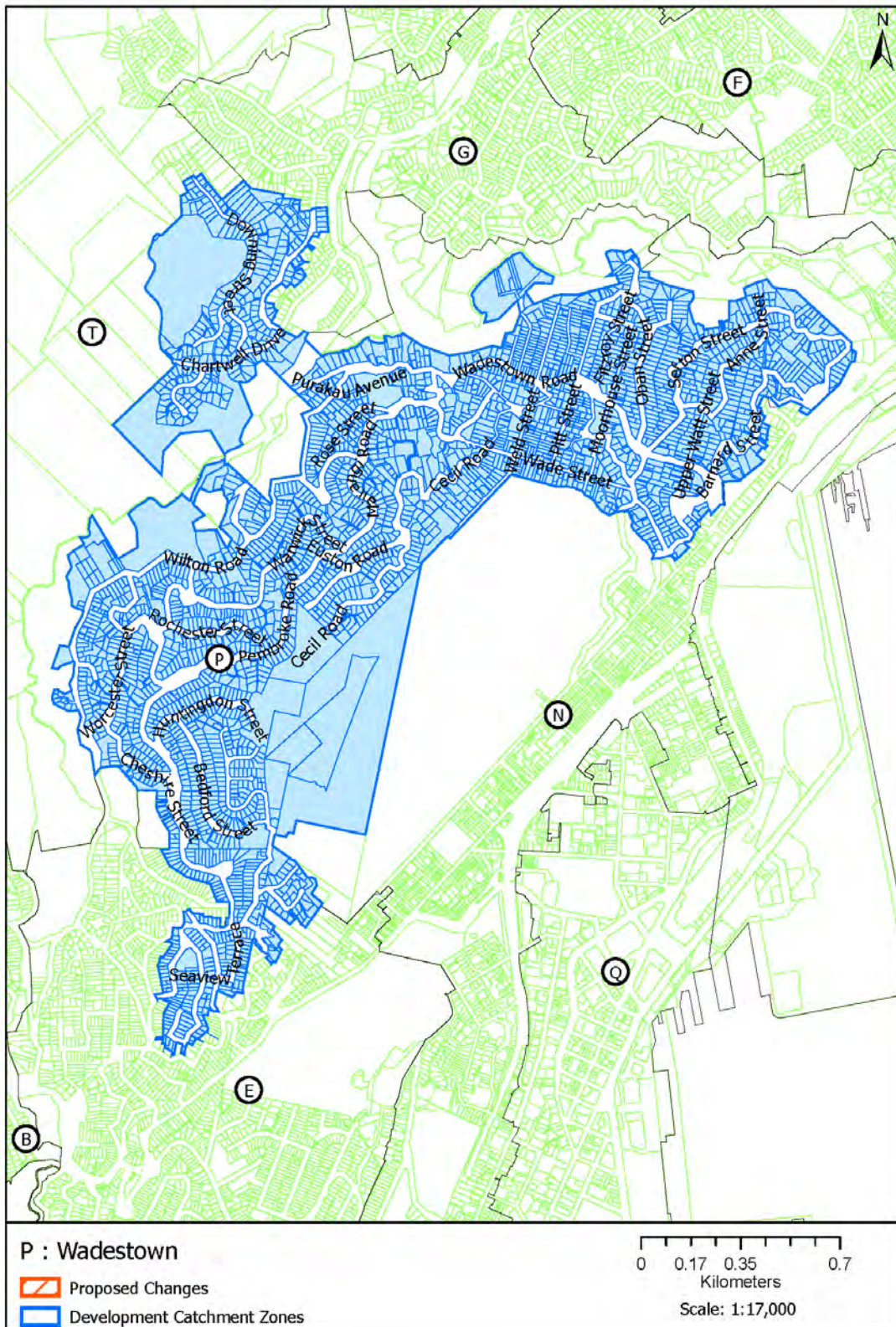


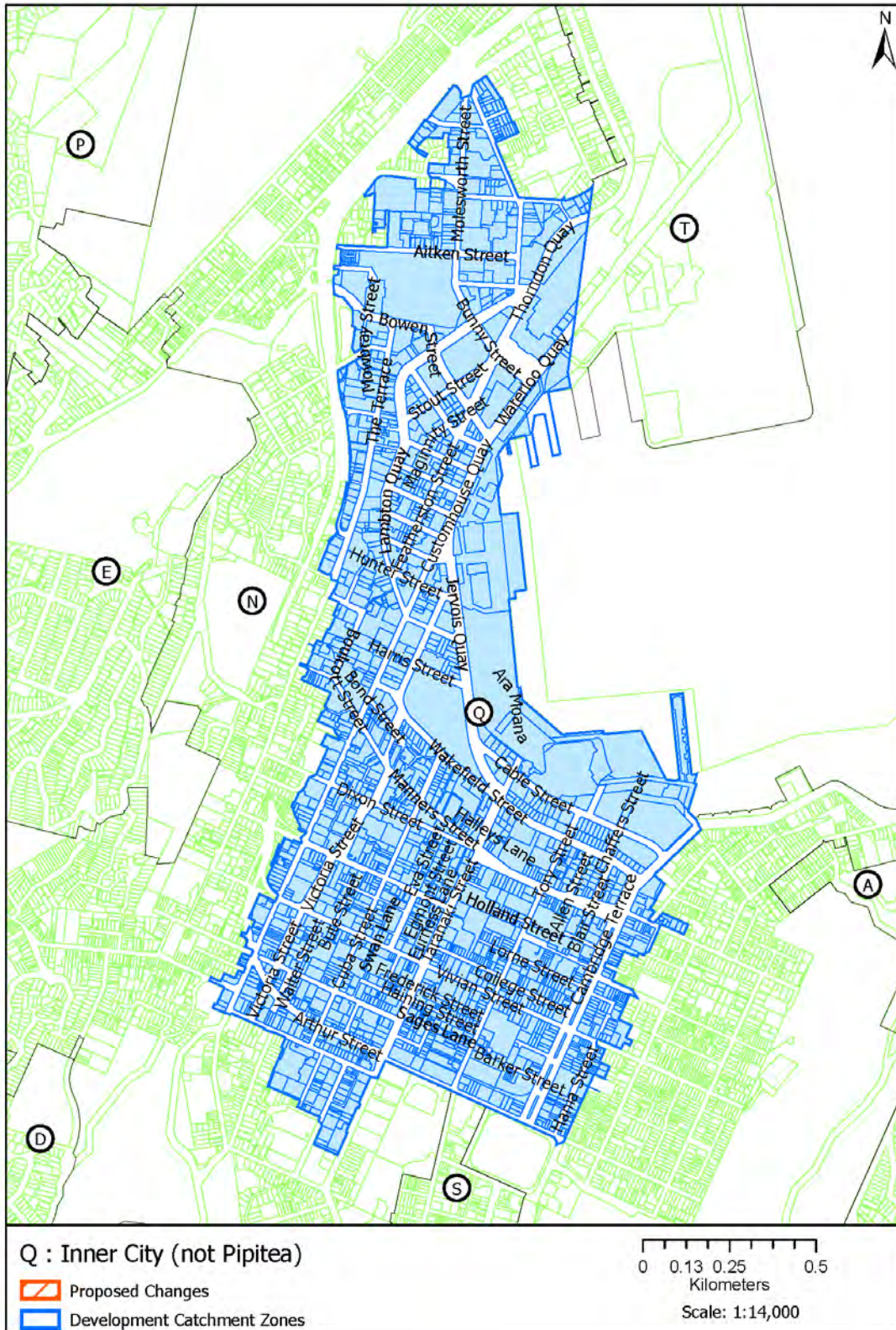


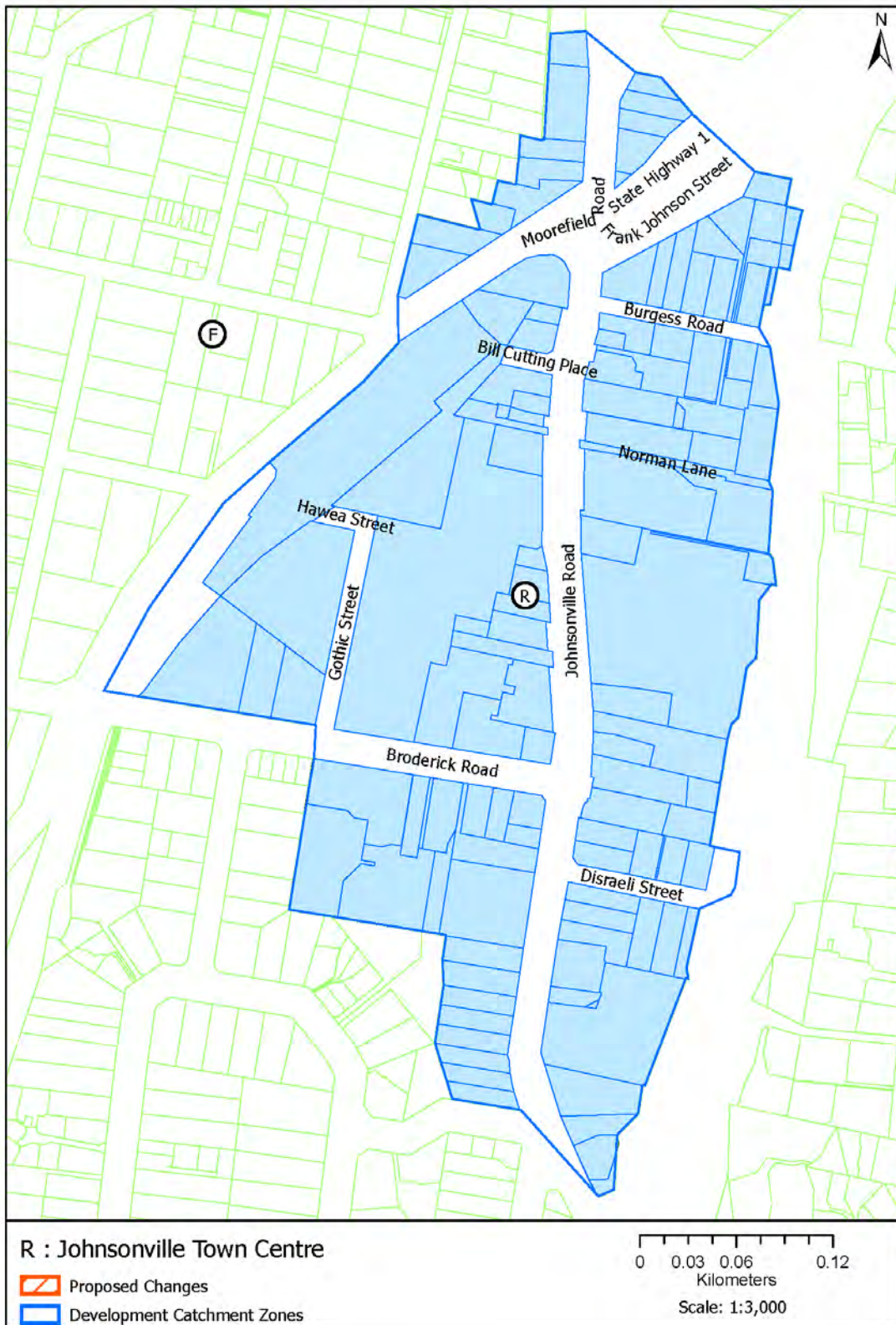


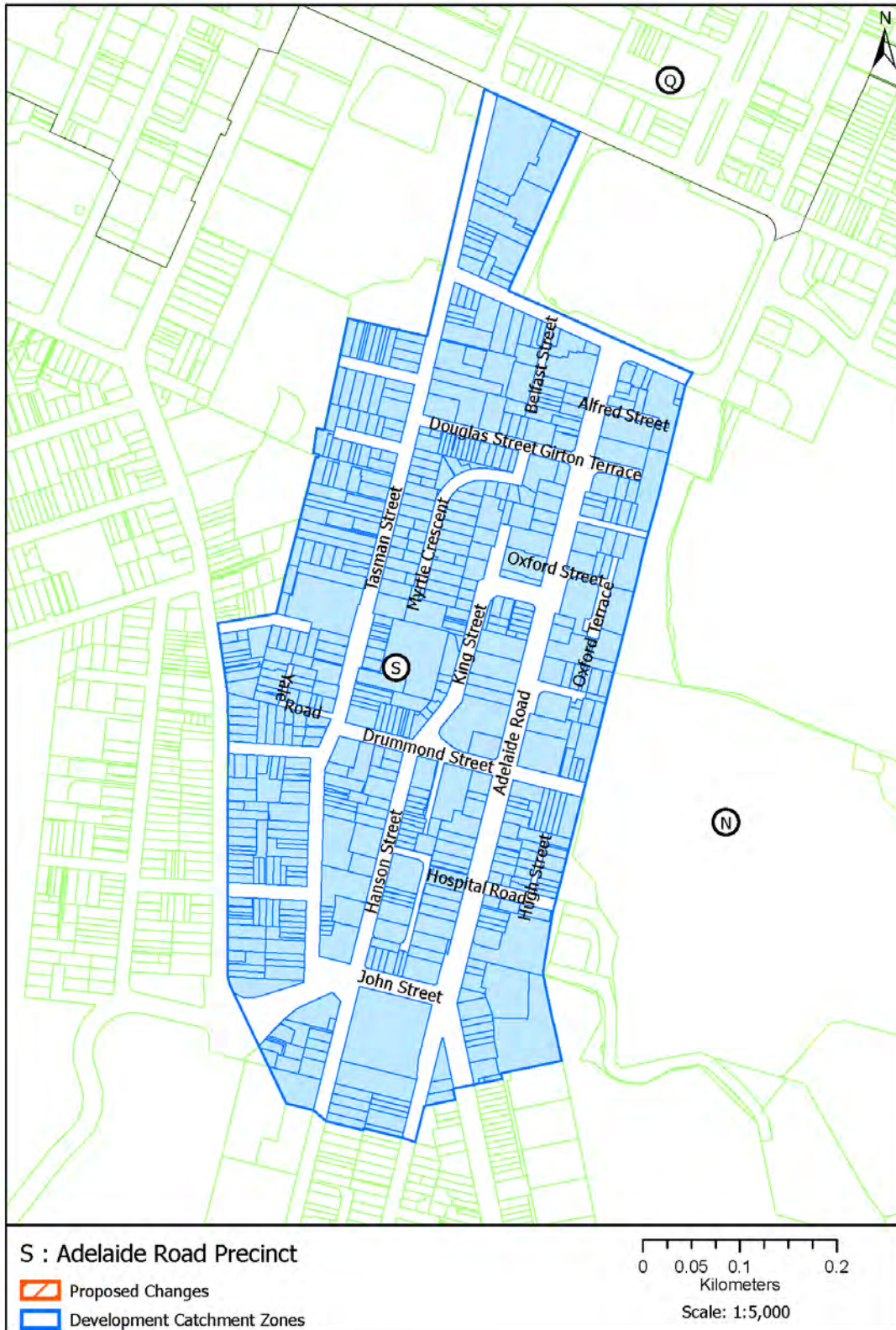


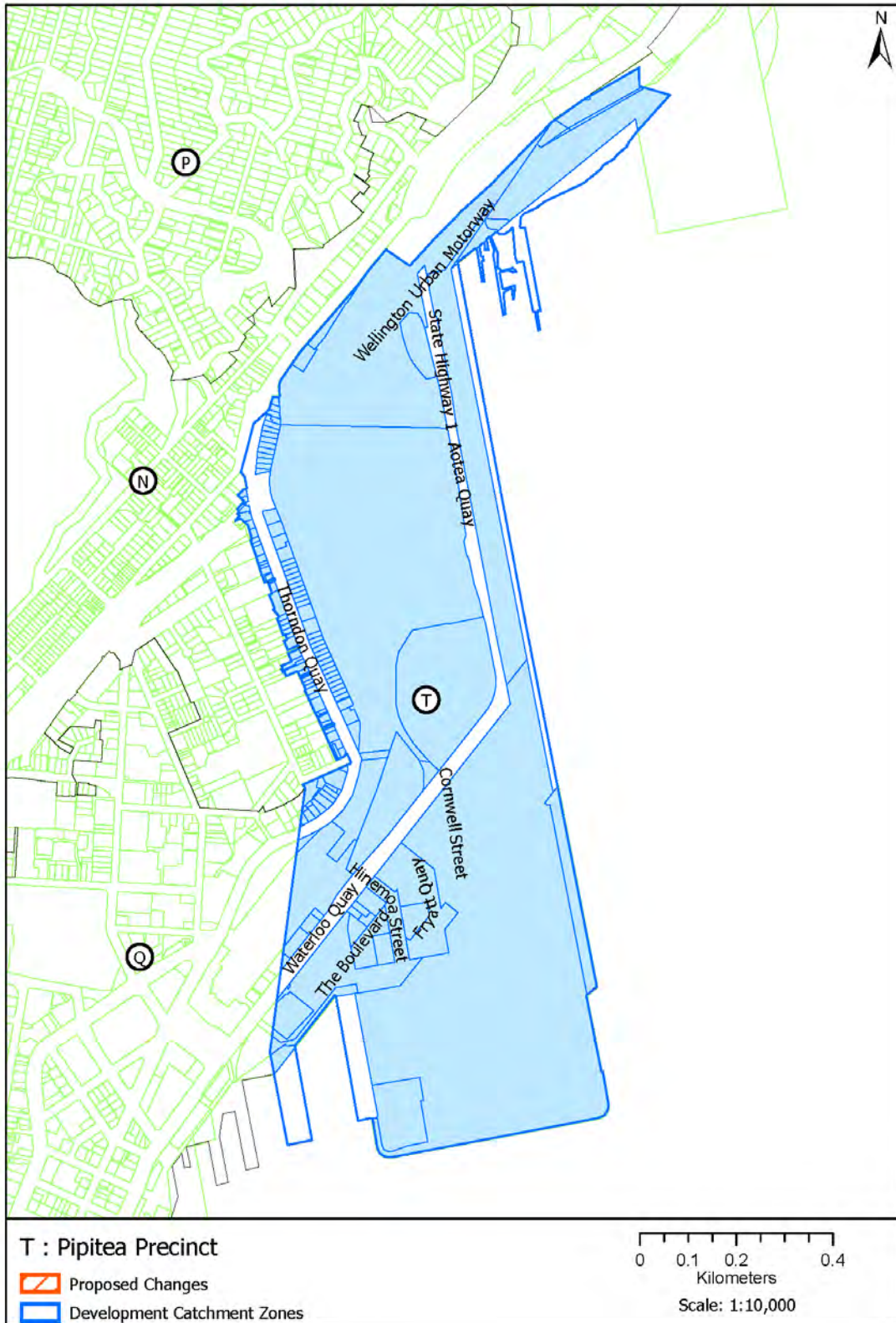












ACTIONS TRACKING

Kōrero taunaki

Summary of considerations

Purpose

1. This report provides an update on the past actions agreed by the Pūroro Tahua - Finance and Performance Committee at its previous meetings.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
 - People friendly, compact, safe and accessible capital city
 - Innovative, inclusive and creative city
 - Dynamic and sustainable economy
- Strategic alignment with priority objective areas from Long-term Plan 2021–2031**
- Functioning, resilient and reliable three waters infrastructure
 - Affordable, resilient and safe place to live
 - Safe, resilient and reliable core transport infrastructure network
 - Fit-for-purpose community, creative and cultural spaces
 - Accelerating zero-carbon and waste-free transition
 - Strong partnerships with mana whenua

Relevant Previous decisions

Not applicable.

Financial considerations

- Nil Budgetary provision in Annual Plan / Long-term Plan Unbudgeted \$X

Risk

- Low Medium High Extreme

Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. This report lists the dates of previous committee meetings and the items discussed at those meetings.
3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
 - No action required: Usually for clauses to receive information or note information, or actions for committee members rather than council officers.
 - In progress: Resolutions with this status are currently being implemented.
 - Complete: Clauses which have been completed.
4. All actions will be included in the subsequent monthly updates, but completed actions and those that require no action will only appear once.

Takenga mai

Background

5. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.
6. The Review Report recommended an increased focus on monitoring the implementation of Council resolutions and delivery of the work programme. As part of the implementation of this recommendation, each committee will be provided with an update on its previous decisions at every meeting.
7. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The committee could resolve to receive a full update report on an item if it wishes.

Kōrerorero

Discussion

8. Of the 21 resolutions of the Pūroro Tahua | Finance and Performance Committee in September 2021:
 - 15 require no action from staff
 - 3 are in progress.
 - 3 are complete.
9. 1 in progress actions were carried forward from the last action tracking report. Of these:
 - 1 is still in progress.
10. Further detail is provided in Attachment One.

Attachments

Attachment 1. Action Tracking 

PŪRORO TAHUA - FINANCE AND PERFORMANCE COMMITTEE

21 OCTOBER 2021

Date	Meeting	Item	Clause	Status	
Thursday, 17 June 2021	Pūroro Tahua Committee	Finance and Performance	4.1: Choppers Marina Limited Options	all clauses	In progress
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.1 Financial Impact of Covid-19 2021/22	1. Receive the information.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.1 Financial Impact of Covid-19 2021/22	2. Note the forecast impact on Council's 2021/22 financial performance, being in excess of \$7m operating result mainly consisting of a reduction in operating revenues, and reduced capital programme of \$13m. These combined with other factors noted in the report are expected to result in a Debt:Revenue ratio of 237% compared to 225% budgeted (including insurance headroom)	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.1 Financial Impact of Covid-19 2021/22	3. Agree that officers collate recommendations for Council financial support to Council's commercial leaseholders, license-holders, CCOs and partners to mitigate the impacts of alert level 3 & 4 lockdown on their finances, particularly if they were unable to operate during this.	In progress
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.1 Financial Impact of Covid-19 2021/22	4. Note that the first instalment of rates payment due date (penalty deferral) has been extended by one month to the 1st of October 2021.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	7.7 2020/21 Capital Carry-forward Approval	1. Receive the information.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2 2020/21 Capital Carry-forward Approval	2. Note that the approved capital budget for 2020/21 was \$360m (including 2019/20 carry-forward) and that the 2020/21 actual capital spend was \$267m.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2.2020/21 Capital Carry-forward Approval	3. Note that this has resulted in a recorded net underspend of \$93.8m for 2020/21.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2.2020/21 Capital Carry-forward Approval	4. Agree, and recommend to Te Kaunihera o Pōneke Council, a capital carry-forward from 2020/21 into future years of \$94.1m.	Complete
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.3 2020/21 Capital Carry-forward Approval	5. Note the detail of the activities that drive this \$94.1m in Attachment 1.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2 2020/21 Capital Carry-forward Approval	6. Note that \$77.3m of this \$94.1m is requested to be carried forward to the current year, as many of the projects are already in progress, and that this results in a revised capital budget for 2021/22 of \$430m.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2 2020/21 Capital Carry-forward Approval	7. Note that a paper is being prepared for Pūroro Waihangā Infrastructure Committee on the 14th October that will consider the impact of construction sector price pressures and supply chain constraints.	In progress
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2 2020/21 Capital Carry-forward Approval	8. Request that, following consideration of that information, Officers review the capital programme and report on the timeline for expected delivery, highlighting any anticipated delays, to the Committee with relevant oversight.	In progress
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2 2020/21 Capital Carry-forward Approval	9. Agree, and recommend to Te Kaunihera o Pōneke Council, to reinstate \$1.7m of Parking Asset renewals budget that was part of the Long-term Plan (LTP) until the final version was prepared.	Complete
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.2 2020/21 Capital Carry-forward Approval	10. Agree, and recommend to Te Kaunihera o Pōneke Council, to increase the whole-of-life project budget for the Town Hall by \$12.3m through use of the previously reserved Town Hall contingency.	Complete
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.3 Sludge Minimisation Facility - Infrastructure Fu	1. Receive the information.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.3 Sludge Minimisation Facility - Infrastructure Fu	2. Note the engagement to date with the Crown regarding the Infrastructure Funding and Financing Act as a tool to fund the Sludge Minimisation Facility Project.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.3 Sludge Minimisation Facility - Infrastructure Fu	3. Note the next milestone for the project will be consideration by the Pūroro Waihangā Infrastructure Committee of the preferred technology solution and procurement strategy.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.4 Performance Reporting Framework - Progress	1. Receive the information in this background report and slide presentation on the day.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.5 Action Tracking	1. Receive the information.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	2.6 Forward Programme	1. Receive the information.	No action required
Thursday, 16 September 2021	Pūroro Tahua Committee	Finance and Performance	3.1 Report of the Kawai Māhira Audit and Risk	1. Receive the information.	No action required

FORWARD PROGRAMME

Kōrero taunaki

Summary of considerations

Purpose

1. This report provides the Forward Programme for the Pūroro Tahua | Finance and Performance Committee for the next two months.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
 - People friendly, compact, safe and accessible capital city
 - Innovative, inclusive and creative city
 - Dynamic and sustainable economy
- Strategic alignment with priority objective areas from Long-term Plan 2021–2031**
- Functioning, resilient and reliable three waters infrastructure
 - Affordable, resilient and safe place to live
 - Safe, resilient and reliable core transport infrastructure network
 - Fit-for-purpose community, creative and cultural spaces
 - Accelerating zero-carbon and waste-free transition
 - Strong partnerships with mana whenua

Relevant Previous decisions

Not applicable.

Financial considerations

- Nil Budgetary provision in Annual Plan / Long-term Plan Unbudgeted \$X

Risk

- Low Medium High Extreme

Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. The Forward Programme sets out the reports planned for Pūroro Waihanga meetings in the next two months that require committee consideration.
3. The Forward Programme is a working document and is subject to change on a regular basis.

Kōrerorero

Discussion

4. Tuesday 18 November 2021:
 - Council-controlled Organisations Quarter 1 Report (Chief Strategy and Governance Officer)
 - 2020/2021 Council-controlled Organisations Annual Reviews (Chief Strategy and Governance Officer)
 - 2021/2022 Statement of Expectations for Council Controlled organisations (Chief Strategy and Governance Officer)
 - Quarterly Performance Report Q1 2021/22 (Chief Strategy and Governance Officer)
 - Construction Industry Context (Chief Infrastructure Officer)
 - 2021-2031 LTP Capital Programme scheduling (Chief Financial Officer)
 - Health and Safety Update (Chief People and Culture Officer)
5. Thursday 17 February 2022
 - Procurement Strategy Update (Chief Financial Officer)
 - Development Contributions Policy Approval (Chief Strategy and Governance Officer)

Attachments

Nil

3. Committee Reports

**REPORT OF THE KĀWAI MĀHIRAHIRA | AUDIT AND RISK
SUBCOMMITTEE MEETING OF 12 OCTOBER 2021**

Members: Mayor Foster (absent at time of voting), Councillor Condie (Deputy Chair), Liz Kelly, Councillor Pannett, Councillor Paul (absent), Linda Rieper (External), Bruce Robertson (Chair), Councillor Rush, Roy Tiffin (External).

The Subcommittee recommends:

DRAFT 2020/21 ANNUAL REPORT AND AUDIT PROCESS

Recommendation/s

That Pūroro Tahua | Finance and Performance Committee:

1. Recommend that the Council confirm the Accounting Policies contained in the draft financial statements (Attachment 2, Public Excluded) for adoption for the financial statements for the year ended 30 June 2021.
2. Recommend that the Council adopt the draft Financial Statements and Statements of Service Provision for Wellington City Council and Group within the draft Annual Report for the year ended 30 June 2021, subject to the resolution of any matters identified during the meeting and receiving final audit clearance from Audit New Zealand.
3. Recommend that the Council adopt the Annual Report for Wellington City Council and Group for the year ended 30 June 2021 (Attachment 1 and 2, Public Excluded).

Website link to the Kāwai Māhirahira | Audit and Risk Subcommittee agenda and minutes:
<https://wellington.govt.nz/your-council/meetings/committees/audit-and-risk-subcommittee/2021/10/12>

Attachments

- Attachment 1. Draft Annual Report Volume 1 - **Confidential**
- Attachment 2. Draft Annual Report Volume 2 - **Confidential**
- Attachment 3. Draft Audit Opinion - **Confidential**
- Attachment 4. Draft Representation Letter - **Confidential**

4. Public Excluded

Recommendation

That the Pūroro Tahua | Finance and Performance Committee:

1. Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
4.1 Balance Sheet Review - Investments	7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.
Attachment to 2.1 - Briefing from Wellington International Airport Limited - Attachment 1 WIAL Public Excluded Briefing	7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.
Attachments to 3.1 Report of the Kāwai Māhirahira Audit and Risk Subcommittee meeting of 12 October 2021: Attachment 1 Draft Annual Report Volume 1 Attachment 2 Draft Annual Report Volume 2 Attachment 3 Draft Audit Opinion Attachment 4 Draft Representation Letter	Section s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.	Section 7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Section 7(2)(g) The withholding of the information is necessary to maintain legal professional privilege.

Section 7(2)(j)

The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.
