



Waitaki

DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

Notice of Meeting

and

AGENDA

Ordinary Council Meeting (Additional)

Tuesday 10 April 2018

10.15am – 12.00pm

Public Forum: 10.15am – 10.25am

If you wish to speak during the (short) Public Forum, please call the
Governance and Policy Advisor at Waitaki District Council
by 12.00pm on Friday 6 April 2018
to register your interest.

**Council Chamber, Third Floor
Waitaki District Council Headquarters
20 Thames Street, Oamaru**

www.waitaki.govt.nz

Waitaki District Council Meeting (Additional)

Council Chamber, Third Floor,
Waitaki District Council Headquarters, 20 Thames Street, Oamaru

Tuesday 10 April 2018
10.15am – 12.00pm

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1.	Apologies	-
2.	Declarations of Interest	-
3.	Public Forum (10.15am – 10.25am)	-
4.	Adoption of Draft Revenue and Financing Policy 2018 for Consultation	
	• Decision Report and Recommendations	3 – 9
	• Draft Revenue and Financing Policy 2018 – Statement of Proposal	10 – 13
	• Report Attachments (all circulated separately as PDF documents):	
	○ Draft Revenue and Financing Policy 2018	
	○ Draft Funding Needs Analysis	
	○ Draft Rating Policy	
5.	Proposed Fee Changes for Environmental Health 2018/19	
	• Decision Report and Recommendation	14 – 16
6.	Draft 2018 Development Contributions Policy – Approval for Consultation	
	• Decision Report and Recommendations	17 – 19
	• Draft 2018 Development Contributions Policy – Statement of Proposal	20 – 23
	• Report Attachment (circulated separately as a PDF document):	
	○ Draft 2018 Policy on Development Contributions and Financial Contributions	
7.	Council Controlled Organisation Half-Yearly Report – Waitaki District Health Services Limited	24
	• Decision Report and Recommendation	

(SPECIAL NOTE: WDHSL's CCO Half-Yearly Report will be circulated and uploaded to Council's website separately, as an addendum to the Final Agenda Papers for this meeting, on Friday 6 April 2018)

Waitaki District Council Report

From Finance and Corporate Development Group Manager **Date** 10 April 2018

Adoption of the Draft Revenue and Financing Policy 2018 for Consultation

Recommendations

That Council:

- 1 Approves the proposed amendments to funding arrangements for the following activities:
 - a. Roding – Forestry Differential
 - b. Roding – Electrical Generation
 - c. Roding – Mineral Extraction
 - d. Roding – Funding Sources Mix
 - e. Public Toilets
 - f. Civil Defence
 - g. Waitaki District Libraries
 - h. Waitaki Lakes Camping
 - i. Waste Management.
- 2 Adopts, with any amendments, the Draft Revenue and Financing Policy 2018 for consultation and adopts the supporting Draft Rating Policy 2018 and Draft Funding Needs Analysis 2018.
- 3 Consults on these changes in a manner that gives effect to section 82 of the Local Government Act 2002 and allows the policy to be adopted prior to setting the rates for the 2018-19 year.

Summary

Council is required to develop and adopt a revenue and financing policy. This needs to be adopted prior to the setting of rates for the year. This is a key part of the revenue and rate setting process. A number of non-significant amendments to this Policy have been developed and are now ready to be consulted on.

Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Moderate	Environmental Considerations	No
Legal	Moderate	Cultural Considerations	No
Significance & Outcomes	No	Social Considerations	No
Financial Criteria	Moderate	Economic Considerations	No
Community Views	Moderate	Community Board Views	No
Consultation	Moderate	Publicity and Communication	No

The recommendations within this report are within the scope of the purpose of the Local Government Act 2002 to enable democratic local decision-making and action by, and on behalf of, communities; and to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Background

Council is required to have a number of funding and financial policies. These are specified in section 102 of the Local Government Act 2002. The specified policies are:

- Revenue and financing
- Liability management
- Investment
- Development contributions
- Remission and postponement of rates on Maori freehold land

Councils may have the following policies:

- Rates remission
- Rates postponement

As part of the previous Long Term Plan, Council changed its approach to what was included in the Revenue and Financing Policy. This change meant that only the statutory requirements are included in the Policy and that there were a number of other supporting documents and schedules that helped explain the content and scope of the decisions made. This approach was adopted to make the funding and rate setting process simpler and more robust.

Council has reviewed and considered changes to a number of Funding Needs Analysis (FNA) during the Long Term Plan (LTP) development process. Having considered a number of alternatives, primarily in workshop settings, Council is now at the point of needing to finalise the positions they want to consult on.

Current Position

The proposed changes are set out in table 2.

This table, along with introductory comments, will form the basis of the proposal document.

Summary of Options Considered

Option One (Preferred Option)

Council considers the draft amendments to the 2018 Draft Revenue and Financing Policy and adopts it with any minor amendments considered necessary. This will then be consulted on as required under the LGA.

Option Two

Council decides to select and consult on only some of the changes.

Option Three

Council rejects the proposed changes as it considers the current Finance and Revenue Policy as fit for purpose.

Implementation of Preferred Option (Option One)

Option one is the preferred option. Under option one, officers can make any necessary amendments and have an adopted draft available to start the consultation process. This option recognises that it is a draft and must be consulted on following the requirements of s82 of the LGA.

The proposed consultation process is as follows:

Action	Date	Notes
Draft to FAR Committee	11 February	Completed
Agreement to consult at Council meeting	10 April	
Consultation	12 April – 30 April	LTP consultation starts 29 March Easter is 30 March – 2 April
Hearings	14 – 18 May	Part of LTP Submission Hearing (people likely to submit on both)
Deliberations	22 May	LTP Deliberations Day
Adoption	26 June	LTP decision making day

This process is required to be conducted separately from the LTP consultation process.

Option 2 is a reasonable alternative to Option1. It should be primarily selected if Council is not comfortable with the cumulative effect of the changes.

Option 3 is a continuation of the status quo. The removal of redundant items (rural fire) can occur as no one is affected as set out in the LGA so no consultation is required.



Paul Hope
Finance and Corporate Development Group Manager

Attachments

Additional Decision Making Criteria
Table of Proposed Changes and Impacts
Draft Revenue and Financing Policy 2018
Draft Rating Policy 2018
Draft Funding Needs Analysis 2018
Statement of Proposal

Additional Decision Making Criteria

Options Considered

As indicated in the report, under section 102 of the Local Government Act, Council must at all times have various funding and financial policies. The options set out in this report represent a series of possible amendments and adjustments that are being considered because they will make the policy more fit for purpose.

Policy and Plan Considerations

The matters set out in this report will inform the completion of a new Long Term Plan.

Community Views

Community views and involvement in the revenue and financing policy is important. However, as the changes from the existing policy are minor, limited consultation will take place. The ratepayers on whom the proposed changes may have a significant impact will be contacted directly.

Financial and Legal Considerations

The following table summarises the financial and legal considerations which have been considered in the preparation of the Revenue and Financing Policy 2018.

Local Government Act 2002	Consideration
Section 101 (A)	1. The long term plan must be supported by a revenue and financing policy.

Publicity and Communication Considerations

The proposed changes will be available on the website, and limited newspaper advertising will take place. The focus of the consultation will be direct engagement with the most affected parties particularly forest owners, OGL, and Meridian.

Table 2 – Proposed Changes and Impacts

Activity	Current Position	Proposed Change	Reason	Impact on Funding Needs Analysis	Impact on Rating Policy	Impact on Revenue and Financing Policy	Funding Impacted by Proposal (2018/19)	Estimated Rate Impact
District Libraries	Funded through Oamaru Business Rate and a Ward Services Rate allocation formula: <ul style="list-style-type: none"> Oamaru Corriedale Ahuriri Waihemo 	Align to other the other cultural facilities: <ul style="list-style-type: none"> Oamaru Corriedale Ahuriri Waihemo Oamaru Business Area 	Change alignment to match the other community services.	None. The change is only a move between targeted rates. This is disclosed in the Rating Funding Impact Statement in the LTP and Annual Plans	Minor. The change in allocation method to align it to others similar activities will be disclosed.	None. The proposed change is a move between existing targeted rates.	\$110,000	\$2.90 Average residential
Public Toilets	UAGC 90%, Oamaru Business Rate 10%	Move to 100% UAGC and therefore eliminate the additional contribution from Oamaru Business Rate.	The service level differences that prompted the additional Oamaru Business contribution no longer exist.	Minor. It will remove the "minimal" amount of targeted rate from the funding mix. This moves it to "all" General Rate.	Minor. The change in allocation method will be disclosed.	Minor. It removes the small portion from a targeted rate to the general rate that is already in use for this activity.	\$70,000	\$5.50 per SUIP
Civil Defence	UAGC 50%, CD Rate 50%	Look to move to 100% UAGC	To reflect the changed scope and contribution to this activity. The activity is now response only which is the part specified to be funded through the UAGC	Minor. This change is consistent with the current policy in that the recovery based services were to be funded by the UAGC.	Moderate. This will remove part of a targeted rate from the policy.	Moderate. A current differential would be removed and the name of the rate changed. The financial impact is minor.	\$50,000	\$3.90 Per SUIP

Lakes Camping	Separate Rate and fees	Maximise fee revenue and aligning rate portion to other district wide recreation activities being greenspaces and playgrounds (100% general rate).	The change reflects the current understanding of use and demand i.e. most user are from outside the Ahuriri Ward.	Minor. This will only remove some commentary.	Moderate. This will remove a targeted rate from the policy. The rate to be used is an existing rate which funds very similar activities.	Moderate. A targeted rate will be removed and minor change made to the funding table.	\$150,000	\$10.00 Average residential
Rural Fire	Rates	No FNA required, to be removed.	No longer required to deliver or fund this activity	Minor. The current analysis will be removed	Minor	Minor. A change in legislation means that no further funding is required.	N/A	N/A
Waste Management	Relatively even mix of user charges and rates, both at "moderate" (40% to 60%) funding	Move to "low" funding for fees and "high" for rates	To reflect the current operational model post Oamaru Landfill closure.	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	None	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	\$Nil	N/A
Roading – Funding Mix	Relatively even mix of user charges and rates, both at "moderate" (40% to 60%) funding	Move to "low" funding for "subsidy / external" and "high" for rates	To reflect what can actually be achieved for the total roading activity based on expected NZTA co-investment levels.	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	None	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	\$Nil	N/A
Roading – Forestry Differential	None at present	Create a new roading differential category with a 4x factor over the "other" category	To create a reserve to respond to forestry generated roading issues.	Minor. The FNA is set at the targeted rate level, detail in other areas	Moderate. A new differential category will be added.	Moderate. A new differential category is added to an existing targeted rate	\$120,000	

Roading – Electrical Generation	5% contributions from power generation and from mineral extraction.	Move up by 1% per year for each to get to an undifferentiated rate.	The original reasons for the differential have diminished over time due to changes in value and activity.	None.	Minor. A small change to the underlying calculation	Minor. The actual differential level is set out in the annual Funding Impact Statement	\$70,000 per year	
Roading – Mineral Extraction	5% contributions from power generation and from mineral extraction.	Move down by 1% per year for each of the next three years to get closer to undifferentiated rates	The original reasons for the differential have diminished over time due to changes in value and activity.	None	Minor. A small change to the underlying calculation	Minor. The actual differential level is set out in the annual Funding Impact Statement	(\$70,000) Per year	



Waitaki

DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

Draft Revenue and Financing Policy Statement of Proposal

Waitaki District Council is proposing to make some changes to our Revenue and Financing Policy and we would like your feedback.

Purpose

The purpose of the Revenue and Financing Policy is to set out how Council proposes to fund the operating and capital expenditure of the activities it undertakes. The policy also demonstrates how Council has complied with section 101(3) of the Local Government Act. Council's current approach is to review this policy every three years.

What we want you to do

This is your opportunity to have a say on the proposed changes to the Revenue and Financing Policy.

You can make a submission by completing the submission form (found in this document) or you can go to www.waitaki.govt.nz and complete an online submission.

Submissions close on Monday 30 April 2018.

Submissions can be posted to:

Corporate Planner
Waitaki District Council
Revenue and Financing Policy Consultation
Private Bag 50058
Oamaru 9444

Alternatively you can email your submission to consult@waitaki.govt.nz

Some more important information

Over the page you will see some information on how the policy was developed and an overview of the proposed changes.

When you are completing your submission feel free to add extra pages if you wish.

Please also clearly indicate on the submission form if you wish to speak to your submission. Hearings take place the week beginning Monday 14 May.

Finding information

To view a copy of the draft policy go to www.waitaki.govt.nz.

You can also get this information from:

- Our offices in Oamaru and Palmerston
- Libraries in Oamaru and throughout the Waitaki District

If you have any questions about this policy review please call 03 433 0300 or email consult@waitaki.govt.nz.

Key dates

Consultation opens	Friday 13 April
Consultation closes	Monday 30 April
Council hears submissions ¹	Week beginning 14 May
Amendments, if any, made to policy	Tuesday 22 May
Council adopts amended Revenue and Financing Policy	Tuesday 26 June

¹ If you have elected to speak to your submission we will contact you to arrange a suitable time.

We want to hear from you! Make your submission by Monday 30 April.

Changes to the policy

The Revenue and Financing Policy is the centre of Council's funding decision and is supported by a number of policies and statements. To support the consultation on the Revenue and Financing Policy, an amended Rating Policy and an amended Funding Needs Analysis will also be made available. The final decisions on any amendments to the Revenue and Financing Policy will then be reflected in the Funding Impact Statement in the Long Term Plan and Annual Plans.

Council is consulting on a number of changes to the funding mix and rating tools used to fund some of the activities it undertakes. What is proposed has been assessed as having a minor impact on Council's overall funding mix. The activities under review include Waitaki Lakes Camping, Public Toilets, Roading differentials, Residual Waste Disposal and Civil Defence. Rural Fire will be removed as it is no longer a Council responsibility. Details on the proposed changes will be available through Council's website (www.waitaki.govt.nz).

A summary of the proposed changes is set out in the table below. This sets out the proposed change, the areas including rates types it would impact and the likely general financial consequence where this is practically estimated. As the proposed changes are relatively minor, the practical options are the changes as proposed or a continuation of the status quo.

Although the overall impact of the proposed changes is minor, it will have a larger impact on some ratepayers. Council will contact these ratepayers directly so that they are aware of the proposed changes. The group to be contacted will include forest owners and the properties in the mineral extraction and electricity generation categories. However, as these will have an impact on every ratepayer we welcome feedback from everyone.

Summary of proposed changes

Activity	Current funding being reviewed	Proposed change	Reason	Impact on Funding Needs Analysis	Impact on Rating Policy	Impact on Revenue and Financing Policy	Funding impacted by proposal (2018/19)	Estimated rate impact
District Libraries	Funded through Oamaru Business Rate and a Ward Services Rate allocation formula: • Oamaru • Corriedale • Ahuriri • Waihemo	Align to other the other cultural facilities: • Oamaru • Corriedale • Ahuriri • Waihemo • Oamaru Business Area	Change alignment to match the other community services.	None. The change is only a move between targeted rates. This is disclosed in the Rating Funding Impact Statement in the LTP and Annual Plans	Minor. The change in allocation method to align it to others similar activities will be disclosed.	None. The proposed change is a move between existing targeted rates.	\$110,000	\$2.90 Average residential
Public Toilets	UAGC 90%, Oamaru Business Rate 10%	Move to 100% UAGC and therefore eliminate the additional contribution from Oamaru Business Rate.	The service level differences that prompted the additional Oamaru Business contribution no longer exist.	Minor. It will remove the "minimal" amount of targeted rate from the funding mix. This moves it to "all" General Rate.	Minor. The change in allocation method will be disclosed.	Minor. It removes the small portion from a targeted rate to the general rate that is already in use for this activity.	\$70,000	\$5.50 per SUIP
Civil Defence	UAGC 50%, CD Rate 50%	Move to 100% UAGC	To reflect the changed scope and contribution to this activity. The activity is now response only which is the part specified to be funded through the UAGC	Minor. This change is consistent with the current policy in that the response based services were to be funded by the UAGC.	Moderate. This will remove part of a targeted rate from the policy.	Moderate. A current differential would be removed and the name of the rate changed. The financial impact is minor.	\$50,000	\$3.90 per SUIP

Activity	Current funding being reviewed	Proposed change	Reason	Impact on Funding Needs Analysis	Impact on Rating Policy	Impact on Revenue and Financing Policy	Funding impacted by proposal (2018/19)	Estimated rate impact
Lakes Camping	Separate Rate and fees	Maximise fee revenue and aligning rate portion to other district-wide recreation activities being greenspaces and playgrounds (100% general rate).	The change reflects the current understanding of use and demand ie most users are from outside the Ahuriri Ward.	Minor. This will only remove some commentary.	Moderate. This will remove a targeted rate from the policy. The rate to be used is an existing rate which funds very similar activities.	Moderate. A targeted rate will be removed and a minor change made to the funding table.	\$150,000	\$10.00 Average residential
Rural Fire	Rates	No FNA required, to be removed.	No longer required to deliver or fund this activity.	Minor. The current analysis will be removed.	Minor	Minor. A change in legislation means that no further funding is required.	N/A	N/A
Waste Management	Relatively even mix of user charges and rates, both at "moderate" (40% to 60%) funding.	Move to "low" funding for fees and "high" for rates	To reflect the current operational model post Oamaru Landfill closure.	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	None	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	\$Nil	N/A
Roading – Funding Mix	Relatively even mix of user charges and rates, both at "moderate" (40% to 60%) funding.	Move to "low" funding for "subsidy / external" and "high" for rates.	To reflect what can actually be achieved for the total roading activity based on expected NZTA co-investment levels.	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	None	Minor. A change in activity means the current funding mix cannot be achieved and therefore requires amendment.	\$Nil	N/A
Roading – Forestry	None at present	Create a new roading differential category with a 4x factor over the "Other" category.	To create a reserve to respond to roading issues mainly generated by forestry activities.	Minor. The FNA is set at the targeted rate level, detail in other areas.	Moderate. A new differential category will be added.	Moderate. A new differential category is added to an existing targeted rate	\$120,000	
Roading – Electrical Generation	5% contributions from power generation and from mineral extraction.	Move up by 1% per year for each to get to an undifferentiated rate.	The original reasons for the differential have diminished over time due to changes in value and activity.	None.	Minor. A small change to the underlying calculation	Minor. The actual differential level is set out in the annual Funding Impact Statement	\$70,000 per year	
Roading – Mineral Extraction	5% contributions from power generation and from mineral extraction.	Move down by 1% per year for each of the next three years to get closer to undifferentiated rates.	The original reasons for the differential have diminished over time due to changes in value and	None	Minor. A small change to the underlying calculation	Minor. The actual differential level is set out in the annual Funding Impact Statement	(\$70,000) per year	

(Please add further pages if required)

Waitaki District Council Report

From Environmental Services Manager

Date 10 April 2018

Proposed Fee Changes for Environmental Health 2018/19

Recommendation

That Council approves the retention of the current fee model for food premises, and increases the hourly rate by 10%.

Objective of the Decision

To gain approval from Council to increase the hourly rate charges for food registration/renewals and verification/compliance under the Food Act 2014.

Summary

It is proposed that Council approve the continuance of the hourly rate fee model with a 10% increase for food premises.

Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	Moderate	Social Considerations	No
Financial Criteria	Yes	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	Yes	Publicity and Communication	Moderate

Background

The Transition from the Food Hygiene Regulations 1974 to the Food Act 2014 will be completed by 28 February 2019.

A new fee model was introduced for the 2017/18 financial year in which an hourly rate of \$155 was applied to registrations and renewals and of \$205 for verification and compliance monitoring.

Year-to-date 40% of costs are being met through fees. This is a slight improvement on the previous three-year average of 37.1%, and meets the funding criteria of 40-60%. However, the generated revenue is below forecast.

Food Licensing

The Ministry of Primary Industry (MPI) has signalled potential changes may occur in the future. Officers believe Council's current model is fit for purpose, but an increase is required to the hourly rate.

Summary of Options Considered

Option 1 – Retain current fee model at current rate (Status Quo)

Remaining at the current rate will mean cost recovery will reduce below 40%.

This is not the preferred option.

Option 2 – Retain current fee model at an increased hourly rate by 10%

Increasing the rate is expected to bring cost recovery closer to 50%.

This is the preferred option.

Option 3 – New fee model

A new fee model could be considered. Officers believe the hourly rate charge reflects favourably on costs for businesses that are well established and have sound processes. If a new model was proposed, it would be best to consider that when MPI has completed its review. This is not the preferred option.

Assessment of Preferred Option

Option 2 is the preferred option. Although 10% is a reasonably high percentage increase for most premises, this would mean an additional \$15 for renewal and \$30-\$45 for each verification.

Having considered the options summarised above, the following conclusions have been reached:

1. The hourly rate model reflects both officers' time and best business practice.
2. Any change to the fee model would be best considered after the MPI review.

Conclusion

A change is required to move closer to the approved cost recovery expectations. The recommended approach in this report is expected to achieve this.

Jason Evered
Environmental Services Manager



Lichelle Guyan
**Heritage, Environment and Regulatory
Group Manager**

Attachments

Additional decision making considerations

Additional Decision Making Considerations

The following matters have been considered in making the decisions.

Outcomes

This proposal relates to the following outcomes:

- We keep our district affordable – Fee is affordable for businesses and not subsidised above the approved funding policy
- We maintain the safest community we can – Officers continue to perform their duties and businesses pay for charges at a rate that reflects their approach to good practice.

Financial Considerations

The proposed changes aim for balance in costs to businesses and reduction of rates contribution to this activity.

Publicity and Communication Considerations

It is recommended a letter be sent to all food premises to inform them of the changes and offering the opportunity to submit feedback as part of the Long Term Plan process.

Waitaki District Council Report

From Finance and Corporate Development Group Manager **Date** 10 April 2018

Draft 2018 Development Contributions Policy - Approval for Consultation

Recommendations:

That Council:

1. Adopts the draft 2018 Development Contributions Policy.
2. Agrees to consult publicly on proposed changes to the Development Contributions Policy to demonstrate compliance with the Local Government Act 2002.

Objective of the Decision

The purpose of this report is to inform Council of the changes made to the proposed 2018 Development Contributions Policy and confirm agreement to consult on the Policy.

Summary

The report identifies key changes proposed in the draft 2018 Development Contributions Policy.

Through the review a Local Government Consultant was engaged, Philip Jones, who interviewed a number of our community stakeholders to get their feedback on the Policy. This feedback has resulted in changes to the Policy to ensure clarity, simplicity, and fairness.

Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance & Outcomes	Key	Social Considerations	No
Financial Criteria	Moderate	Economic Considerations	Moderate
Community Views	Key	Community Board Views	No
Consultation	Moderate	Publicity and Communication	Moderate

Background

Waitaki District Council opted to adapt a Development Contributions Policy in 2006. The Policy is required to be reviewed at least every 3 years. Since the review in 2009, adjustments have been relatively minor.

After engaging community stakeholders and a Local Government Advisor, some key areas for review were identified.

The areas for review that have the most significant impact on the Policy are:

- 1 Simplifying the Policy Language
- 2 Rooding Trip Rates
- 3 Primary Industrial – Dairy Dwellings
- 4 Timing of Payment
- 5 Updated schedule of 2018 Development Contributions

Simplifying the Policy Language

This is to make the policy more customer focused and give more clarity to the key questions: Why do I pay? How much do I pay? When do I pay? What happens if I don't pay?

The language has been simplified through the policy to make it easier for the developer and potential developers to understand. This also ensures consistency in application of the policy across developments.

A flow chart has been introduced to the policy to assist in process clarification.

Roading Trip Rates

An alternative model has been proposed that uses 2015 data produced by traffic engineers on behalf of QLDC. Previously our Policy used data that was produced in 2008. This model lowers the expected demand for commercial and industrial land use developments, the model results in a very similar contribution sought to the amount calculated under special assessment.

This model simplifies the Roothing development assessment process and incorporates all levels of intensity from warehouse developments through to high intensity production under the commercial and industrial land uses. In short, we are assessing the building based on Gross Floor Area, not the initial business.

Primary Industrial - Dairy

Under the Primary Industrial – Dairy, one Household Equivalent Unit (HEU) has been removed from the roading model for consistency across dairy developments.

In future, all residential developments will be assessed for roading development contributions, irrelevant whether these are dairy accommodation or otherwise, as triggered by an application for building consent, resource consent, connection to services or certificate of acceptance.

Timing of Payment

For residential subdivision, it is proposed to take payment for all contributions up front at issue of s224C. Currently Roothing is paid separately on Building Consent.

For Commercial subdivision, it is proposed to take 0% development contributions at subdivision, and 100% development contributions on development. This simplifies the process by assessing on confirmed development.

Updated schedule of 2018 Development Contributions

With updated LTP capital budgets, this has had some impact on Water and Wastewater Development Contribution levels across the district.

For most large schemes there is an increase in the standard contribution. This is due to an increase in the planned capital works required to ensure the schemes comply with drinking water standards and wastewater disposal requirements.

Two new land uses have been introduced – Retirement Village and Camping Ground. These areas see ongoing development within our district, so it is appropriate to introduce these as independent categories to provide clarity to the developers.

Other minor changes have been made throughout the Policy to make it easier to understand, and improve clarity.

It has been agreed to defer the change of Financial Contributions for Reserves and Community Infrastructure to the 2021 Policy Review.

Options Considered

Option One (preferred)

Accept all changes and adopt the draft 2018 Development Contribution Policy. This will enable the policy to go to consultation from 13 April 2018 through to 30 April 2018 in line with the Long Term Plan.

Option Two (not preferred)

Accept some of the changes, and make further amendment to the 2018 Development Contribution Policy before this goes to consultation.

Implementation of the preferred option

Subject to Council's agreement to adopt the draft 2018 Development Contribution Policy (and any legal feedback and editorial corrections) officers will arrange letters to community stakeholders, printing and distributing with the statement of proposal for 13 April 2018.

Electronic copies of the statement of proposal and Development Contribution Policy will be available on the Council website from 13 April 2018.



Paul Hope

Finance and Corporate Development Group Manager

Attachments:

Draft 2018 Development Contribution Policy
Statement of Proposal



Waitaki

DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

Draft Development Contributions Policy

Waitaki District Council is making some changes to our Development Contributions Policy and we would like your feedback.

Purpose

The purpose of the Development Contribution Policy is to set out how Council proposes to calculate and levy development contributions. Under current legislation (Local Government Act 2002) Council is required to review this policy at least every 3 years.

What we want you to do

This is your opportunity to have a say on the proposed changes to the Development Contributions Policy.

You can make a submission by completing the submission form (found in this document) or you can go to www.waitaki.govt.nz and complete an online submission.

Submissions close on Monday 30 April 2018.

Submissions can be posted to:

Corporate Planner
Waitaki District Council
Development Contributions Policy Consultation
Private Bag 50058
Oamaru 9444

Alternatively you can email you submissions to consult@waitaki.govt.nz.

Some more important information

Over the page you will see some information on how the policy was developed and an overview of the proposed changes.

When you are completing your submission feel free to add extra pages should you wish.

Please also clearly indicate on the submission form if you wish to speak to your submission. Hearings take place the week beginning Monday 14 May.

Finding information

To view a copy of the draft policy go to www.waitaki.govt.nz.

You can also get this information from:

- Our offices in Oamaru and Palmerston
- Libraries in Oamaru and throughout the Waitaki District

If you have any questions about this policy review please call 03 433 0300 or email consult@waitaki.govt.nz.

Key dates

Consultation opens	Friday 13 April
Consultation closes	Monday 30 April
Council hears submissions ¹	Week beginning 14 May
Amendments, if any, made to policy	Tuesday 22 May
Council adopts amended Development Contributions Policy	Tuesday 26 June

¹ If you have elected to speak to your submission we will contact you to arrange a suitable time.

We want to hear from you! Make your submission by Monday 30 April.

Changes to the policy

The key changes to the 2018 Development Contributions Policy are:

- **Simplifying the Policy language.** This is to make the policy easier for everyone to understand.
- **Road Trip Rates.** These have been reduced based on 2015 traffic data which impacts the number of Household Equivalent Units (HEUs) that will apply to the Roding Development Contributions for different land uses. The main impact is the reduced demand for Commercial and Industrial land uses.

This model takes into account all types of developments under Commercial and Industrial land uses – whether the development is a warehouse or a high-intensity production factory, as the development is assessed on Gross Floor Area (GFA).
- **Primary Industrial – Dairy.** One HEU has been removed from the Roding Development Contributions model for Primary Industry - Dairy. In future, each new dwelling will be assessed for roading development contributions, whether this is part of a dairy development or normal residential development. This ensures consistency and simplicity in the application of the policy.
- **Timing of Payment for subdivision.** Development contributions for water, wastewater and roading on residential subdivision development will be sought at issue of s224C. For commercial subdivision, payment of development contributions will be sought from the developer of the site rather than the developer of the subdivision. This eliminates speculation on what portion of land on each site will be developed and gives clarity through the process.
- **Schedule of 2018 Development Contributions.** Due to increased project costings with our water and wastewater infrastructure with significant projects planned, this has resulted in an increase across all land uses for water and wastewater development contributions.

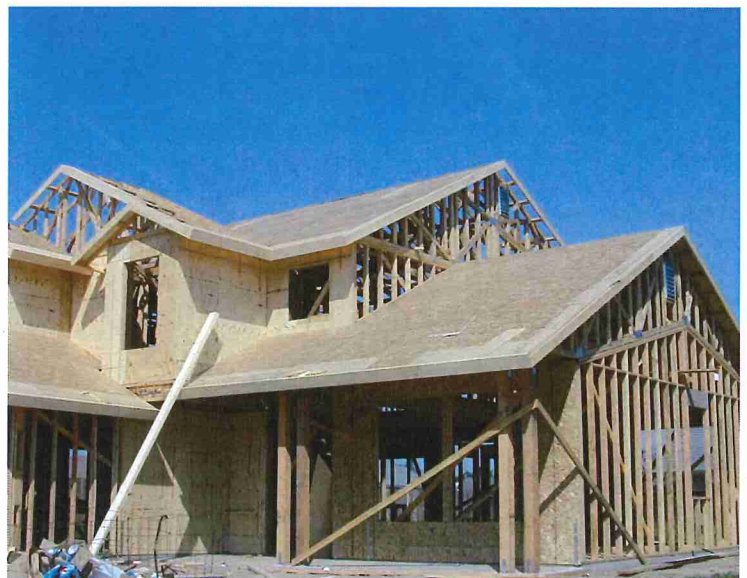
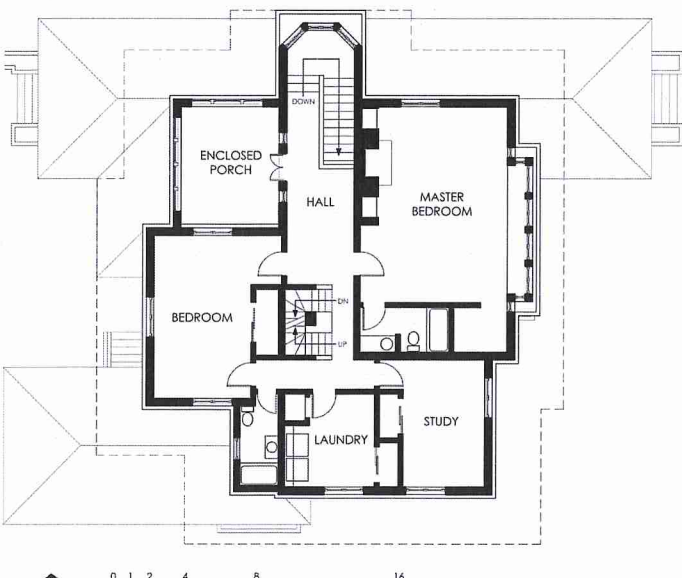
Overview of the policy

The Waitaki district continues to experience growth in the population and economic activity. This growth is provided for by development and subdivision activity which places an increased demand on council infrastructure and reserves network.

Council believe development and financial contributions are the most appropriate funding tools to fund the additional costs they incur to provide for this growth. Development Contributions are levied against developers to fund for the increased costs associated with growth. They are an integral part of economic development and are used to fund new or additional infrastructure, or to increase the capacity of existing infrastructure, and contribute to the costs of additional demand placed on the district's infrastructure such as roads, water supply and wastewater disposal. The projects are outlined in Council's Long Term Plan.

Ratepayers in general should not be burdened unnecessarily with the cost of increasing capacity for new developments if they are not receiving any of the benefit.

Assessment of the increased demand is calculated in the fairest way possible. It is a complex model based on individual developments and classes of development.





Waitaki

DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

Draft Development Contributions Policy Submission Form

Thank you for taking this opportunity to comment on the draft Development Contributions Policy.

When making your submission

- Please print clearly so it is easy to read.
- Please provide appropriate contact details so that we can respond to your submission.
- All submissions are considered public under the Local Government Official Information and Meetings Act, and may be published and made available to elected members and the public.
- Your submission will not be returned to you once it is lodged with Council. Please keep a copy for your reference.

When you have completed your submission

Mail to: Corporate Planner
Waitaki District Council
Development Contributions Policy Consultation
Private Bag 50058
Oamaru 9444

Email to: consult@waitaki.govt.nz

Drop to: Council offices in either Oamaru
or Palmerston

Please enter your details below:

Name Mr/Mrs/Ms/Dr (circle as appropriate)

Name of Organisation (if applicable)

Postal Address.....

Telephone(day) Telephone(evening) Telephone(mobile)

Email Address (if applicable)

Do you wish to present your comments to Council?

☐

Yes

☐

No

Please write your comments below.

Submissions close Monday 30 April

Waitaki District Council

Memorandum

From Finance and Corporate Development Group Manager

Date 10 April 2018

Council-Controlled Organisation Half Yearly Report – Waitaki District Health Services Limited

Recommendations

That Council receives and notes the information.

Purpose and Summary

To provide Council with the Waitaki District Health Services Limited (WDHSL) half-yearly report for the period ending 31 December 2017. WDHSL managers will be in attendance at the meeting to present the report and answer questions.

A copy of the half-yearly report is attached.



Paul Hope

Finance and Corporate Development Group Manager

Attachment

CCO Half Yearly Report – Waitaki District Health Services Limited (WDHSL)
(to be circulated and uploaded as an addended report to the agenda on 6 April 2018)