# 7. *Adoption of Revenue & Financing Policy Amendment and Development & Financial Contributions Policy 2026*

| | |
|---|---|
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## Summary


- This report presents the Development & Financial Contributions (DFC) Policy and amendment to the Revenue & Financing Policy (R&FP) for adoption after consultation and deliberations.
- The R&FP amendment (attached as Appendix 1) is presented without changes after consultation and deliberations. The DFC Policy (attached as Appendix 2) contains amendments made at deliberations. There are two matters still to be resolved, namely:
  - The extent of capping, if any, for Mount Somers water supply. Four options are presented.
  - The scope of the differential for non-consented small stand-alone dwellings. Officers intended this to apply to all DCs on these dwellings but the policy reads that they apply only to roading DCs.
- The reasons for recommended actions are described in the body of the report.


**Recommendation**

1. **That** Council adopt the Revenue & Financing Policy amendment (attached as Appendix 1).
2. **That** Council select its preferred option for the Mount Somers Water Supply development contribution.
3. **That** Council confirm that the 0.5 HUE roading land use differential for non-consented small stand-alone dwellings applies to water supply, wastewater and community infrastructure development contributions where applicable.
4. **That** Council confirm clause 2.10 as amended, stating that postponement of development contributions payments will not be allowed.
5. **That** Council adopt the Development & Financial Contributions Policy (attached as Appendix 2 and as amended).
6. **That** Officers convey Council's decisions on these policies to submitters in accord with the Summary of Feedback.

## Attachments

**Appendix 1** Amendment – Roads activity – Revenue & Financing Policy
**Appendix 2** Development & Financial Contributions Policy

## Background

1. Councils must have a DFC policy that explains when and why developers need to help pay for new infrastructure caused by growth. It is one of Council's funding and financial policies. New developments mean more people using roads, water, wastewater systems, and community infrastructure.

2. The policy aims to make sure developers pay their fair share under the principle that growth pays for growth. This means that other sources, typically ratepayers, pay for the CAPEX driven by asset renewal and improved level of service. The policy explains how the charges are worked out, what the money pays for, and who benefits from the new infrastructure.

### The current situation

3. Officers prepared a proposal to improve how Council prepares and applies its DFC Policy. This was needed because Council must:

    a. help fund the Second Ashburton Bridge connecting road;
    b. continue investing in water and wastewater under *Local Water Done Well*;
    c. respond to upcoming Government changes to infrastructure funding; and
    d. meet increased oversight of three-waters expenditure and proposed development levies.

4. The 2026 draft DFC Policy was the first step of a proposed three-year programme. The three key issues in the 2026 work were to:
    a. create a roading development contribution;
    b. start to charge DCs at subdivision from 1 July 2027; and
    c. make overall changes in the quantum of DCs.

5. A new roading development contribution also requires an amendment to Council's revenue and financing policy to list development contributions amongst the sources of funds that can be used to fund roading capital expenditure. This was consulted on in parallel.

### Consultation

6. Public consultation opened on 13 April and submissions closed on 10 May. A public workshop was held on 4 May with members of the development community. Council received 26 submissions on the policy and three people appeared in support of their submissions at hearings on 19 May. Deliberations were held on 3 June.

7. Key outcomes from the deliberations were:

    a. Council supported methodological changes in the draft policy, and confirmed the explicit addition of the Mount Somers water supply DC methodology
    b. Council considered, but did not support, proposals to introduce an affordable housing discount and a discount from small-scale builders
    c. Council corrected an error in the Mount Somers water supply DC calculation, lowering the DC/HUE by $350 including GST

d. Council supported the introduction of a new district roading DC, based on a whole of network catchment
e. Council amended proposed roading land use differentials
f. Council confirmed its intention to require DCs at subdivision resource consent, invoiced at application for s.224(c), for residential subdivisions.
g. For non-residential subdivisions, Council will invoice 1HUE/activity/additional lot at application for s.224(c) and calculate any additional/refund at application for building consent
h. Council adjusted some DCs for known amended contract prices, lowering the proposed roading DC by $115 including GST, and increasing the Ashburton Water Supply DC by $76 including GST.
i. Council asked officers to present more information on capping options for the Mount Somers water supply DC/HUE, including the corrected status quo ($20,503), and caps for the Water Supply DC at $9,469, $12,500 or $15,000 including GST.

During deliberations, Council considered whether to continue to allow the postponement of DC payments. Clause 2.10 of the current DFC policy enables postponements for substantial developments at the discretion of Council. Officers provided options for allowing postponement in exceptional circumstances, but believe that Council concluded that it did not support this proposal to enable postponement of DCs. Officers have amended clause 2.10 of the DFC Policy to reflect that Council will no longer consider postponements. Recommendation 4 is included to confirm Council's intention.

Council was provided with substantial information on the administrative risks in postponement of DC payment, for example, postponing payment to settlement. It was also noted that subdividers can apply for s.224(c)in "blocks" and can use that mechanism to manage their cashflow. The alternative would be administratively cumbersome.

## Options analysis – Issue One

### Issue One – Mount Somers Water Supply development contribution

8. Council asked for officers to present capping options for the Mount Somers Water supply development contribution. The range reflects guidance given at the deliberations. Officers note that this is essentially a political judgement, and have not recommended a preferred cap option. The following facts are noted:

    a. Caps are reviewed whenever a DFC policy is reviewed. If a cap is applied in this 2026 review it can be reviewed in the next review in 2027.
    b. The Government has released an exposure draft of the Development Levies Bill. An exposure draft is a near-final version of a proposed law (bill or regulations) that is released for consultation before it is formally introduced into Parliament.It is not expected to be introduced into Parliament before the November General Election.
    c. It contains mechanisms that would allow future councils to create a "group" DC across localities with common activities (e.g. a water group for Ashburton, Hinds, Methven, Mount Somers & Rakaia). Our understanding of the timeline is that this may be a policy option for Council in 2028, at the earliest, but not at present.

9. This table summarises the aggregate DC at Mount Somers under the four options and the ballpark impact on group water rates. The following assumptions were made:

a. 80 HUEs over 25-30 year equals 3-4 HUEs per annum. We have used 4 HUEs in the table. There have been zero HUEs since 2024.
b. Assumption of 12,800 connected properties. This is conservative so impact per ratepayer in the water group in the table is overstated.

| Option | Water DC/HUE (incl. GST) | Revenue/costs per annum | | | |
|---|---|---|---|---|---|
| | | Revenue based on 4 HUE (incl.GST) | Revenue reduction from cap on 4 HUE (incl GST) | Cost to water group per connected property (4 HUE) (incl GST) | Cost to water group per connected property per HUE (incl GST) |
| Status quo (No cap) | $20,503 | $82,012 | $0 | $0 | $0 |
| Cap at $9,459/HUE | $9,459 | $37,836 | $44,176 | $3.45 | $0.86 |
| Cap at $12,500/HUE | $12,500 | $50,000 | $32,012 | $2.50 | $0.63 |
| Cap at $15,000/HUE | $15,000 | $60,000 | $22,012 | $1.72 | $0.43 |

12. Officers have provided these figures to indicate the approximate costs and impacts based on some reasonable yet conservative assumptions. As Council will adopt the Annual Plan and set rates later in the meeting, Officers note there is no realistic opportunity to recalculate water rates for 2026/27 "on the fly" to account for any capping decision. Given the small impact per connected property and the uncertainty over the likely number of HUEs, Officers do not recommend changing the water UAC in the rating resolution.

### Issue One, Option one – Status quo

13. Under this option, Council confirms the Mount Somers water supply development contribution at the quantum of $20,503 incl GST. This is the amount after the DC was discounted to correct an error in the number of connected/future HUEs.

14. The aggregate DC/HUE at Mount Somers, under this option, is 69% higher than the next highest aggregate DC (Methven) and 123% higher than the average aggregate DC across all other townships.

| ***Advantages:*** | ***Disadvantages:*** |
|---|---|
| • This maximises the revenue recovered per DC, and supports the principle of growth paying for growth. | • This sets the DC at a level which is much higher than other townships in the district. This may result in community resistance to paying the DC and lower levels of revenue received.<br>• The DC may under-recover growth CAPEX as forecast levels of future development may not be achieved. |
| ***Risks:*** | |

There is always a risk that DC revenue will fluctuate over time due to economic conditions. This can be managed over time to reduce risks that DCs under-recover. In a smaller township, these risks are harder to manage and the high level of forecast growth compounds this risk. Overall, the risk of under-recovery seems MODERATE. It is difficult to predict whether, and to what extent, any or no cap will offset that risk.

### Issue One, Option two – Cap the Mount Somers water supply DC at $9,459 incl GST.

15. Under this option, Council caps the Mount Somers water supply development contribution at $9,459 incl GST. This brings the aggregated DC/HUE at Mount Somers to $16,120 incl. GST, the same as the next highest aggregate DC (Methven).

16. The aggregate DC/HUE at Mount Somers, under this option, is 32% higher than the average aggregate DC across all other townships.

| ***Advantages:*** | ***Disadvantages:*** |
|---|---|
| • This sets the DC at a level which is closer to other townships in the district. This may lower community resistance to paying the DC and improve levels of revenue received | • This lowers the revenue recovered per DC, and weakens support for the principle of growth paying for growth.<br>• It may encourage other communities to seek a cap on their DCs. |

***Risks:***

As per Option one, the risk of under-recovery appears MODERATE and it is difficult to predict whether, and to what extent, any or no cap will offset that risk. This option introduces another risk, which is a governance risk that Council, having agreed to cap this DC, comes under political pressure to so again in other localities. This risk is considered LOW.

### Issue One, Option three – Cap the Mount Somers water supply DC at $12,500 incl GST.

17. Under this option, Council caps the Mount Somers water supply development contribution at $12,500 incl GST. This brings the aggregated DC/HUE at Mount Somers to $19,161 incl. GST.

18. The aggregate DC/HUE at Mount Somers, under this option, is 19% higher than the next highest aggregate DC (Methven) and 57% higher than the average aggregate DC across all other townships.

| *Advantages:* | *Disadvantages:* |
|---|---|
| • This sets the DC at a level which is between the status quo and option two. This may lower community resistance to paying the DC and improve levels of revenue received compared with the status quo. | • This lowers the revenue recovered per DC, and weakens support for the principle of growth paying for growth.<br>• It may encourage other communities to seek a cap on their DCs. |
| *Risks:*<br>As per Option two. Note that the risk weakening of support for the principle of growth paying for growth is arguably less than for Option two as the reduction in the DC/HUE is smaller. By the same argument, the encouragement to other communities to seek a cap may be lesser. | |

**Issue One, Option four – Cap the Mount Somers water supply DC at $15,000 incl GST.**

19. Under this option, Council caps the Mount Somers water supply development contribution at $15,000 incl GST. This brings the aggregated DC/HUE at Mount Somers to $21,661 incl. GST.

20. The aggregate DC/HUE at Mount Somers, under this option, is 34% higher than the next highest aggregate DC (Methven) and 77% higher than the average aggregate DC across all other townships.

| *Advantages:* | *Disadvantages:* |
|---|---|
| • This sets the DC at a level which is between the status quo and Option three. This may lower community resistance to paying the DC and improve levels of revenue received compared with the status quo. | • This lowers the revenue recovered per DC, and weakens support for the principle of growth paying for growth.<br>• It may encourage other communities to seek a cap on their DCs. |
| *Risks:*<br>As per Options two and three. Note that the risk of weakening of support for the principle of growth paying for growth is arguably less than for Options two and three as the reduction in the DC/HUE is smaller. By the same argument, the encouragement to other communities to seek a cap may be lesser. | |

## Options analysis – Issue Two

**Issue Two – Differentials for non-consented small stand-alone dwellings**

21. Officers intended that the 0.5 HUE for non-consented small stand-alone dwellings would apply to water, wastewater and community infrastructure DCs (where applicable). On reviewing the revised Policy draft after the deliberations, we noted that the policy only specifically refers to the differential applying to the Roading DC.

22. Officers note that the rationale for a discounted roading DC applies equally to a water, wastewater or community infrastructure DC – the dwelling is most likely to house fewer people who will generate less demand on the infrastructure than a standard dwelling.

23. There is always risk making a decision that is not clearly in the scope of the original proposal. In this case, the risk is low as most of those who are affected by the decision would pay less, not more, than under the original proposal. Ultimately ratepayers would pay more. The quantum, based on up-to-20 non-consented small stand-alone dwellings per annum is in the order of $120K. Officers note that six such dwellings have been applied for in six months, and that more are planned or under construction.

### Issue Two, Option one – Status quo

24. Under this option, Council confirms that the 0.5 HUE differential for non-consented stand-alone dwellings applies only to roading DCs.

| ***Advantages:*** | ***Disadvantages:*** |
|---|---|
| • This minimises the revenue lost from the differential.<br>• Council can consult more transparently on discounting the other DCs in 2026/27. | • This will reduce DC revenue from all such dwellings in 2026/27 by up to $14,880.<br>• This will attract feedback from those who apply for a PIM in 2026/27 about why the roading DC is discounted but not the others. |
| ***Risks:***<br>There is a revenue impact of up to $14,880 incl GST. There is a reputational risk that the policy is not consistent in how it applies the differential for non-consented stand-alone dwellings. This risk is LOW-to MODERATE. | |

### Issue Two, Option two – Apply the 0.5 HUE differential for non-consented stand-alone dwellings across all activities (Recommended Option)

25. Under this option, Council extends the 0.5 HUE differential for non-consented small stand-alone dwellings to all DCs attracted by those developments.

26. This means that all such dwellings would pay 0.5 HUE for roading and community infrastructure; those dwellings in Ashburton, Hinds, Methven, Mount Somers and Rakaia would pay 0.5 HUE for water; and those dwellings in Ashburton, Methven and Rakaia would pay 0.5 HUE for wastewater.

| ***Advantages:*** | ***Disadvantages:*** |
|---|---|
| • This applies the 0.5 HUE differential consistently, reflecting the logic that non-consented small stand-alone dwellings place lower demand on all asset classes. | • This lowers the revenue recovered from DCs in 2026/27 from all such dwellings by up to $120,000. |
| ***Risks:*** Compared with Option one, the loss of revenue increases from up to $14,880 to up to $120,000. The reputational risk from an inconsistent policy is LOW. | |

## Options analysis – Issue Three

### Issue Three– Adopt the DFC & R&F policies

27. Having addressed issues one and two, the remaining issue is to adopt the policies (together with any amendments as determined by Council). The Options are:

    a. To adopt both policies
    b. To adopt the revenue and financing policy only
    c. To decline to adopt both policies

28. For the reasons set out at the adoption of the policies for consultation, and in the consultation materials, Officers have recommended that both policies be adopted with any amendments determined by Council.

## Legal/policy implications

### Legal Implications

29. The policy is compliant with the relevant provisions of the Local Government Act 2002 (LGA) in terms of the principles, content and other requirements of the LGA. It has been consulted upon using a process that meets statutory requirements.

### Climate change

30. The proposed 2026 Development Contributions Policy has implications for how Ashburton District prepares for climate change. By funding growth-related upgrades to water and wastewater infrastructure—including treatment improvements, trunk main renewals and sewer capacity expansions—the policy strengthens the district's ability to cope with climate-driven pressures such as drought, extreme rainfall and network overflows.

31. The introduction of a roading infrastructure DC opens the door for funding growth-related upgrades to the roading network, strengthening the roading network's ability to cope with climate pressures.

32. The policy also supports resilient community assets such as Te Whare Whakatere and the EA Networks Centre, which can function as hubs during climate-related emergencies.

33. However, the policy does not include stormwater infrastructure, as this was outside the three-year work programme. As stormwater systems are highly exposed to increased rainfall intensity and flooding risk under climate change, and some townships have minimal stormwater infrastructure, this is an adaptation gap on our radar but not yet inour policy work programme. This is at best a 2028 policy consideration.

| Review of legal / policy implications | |
|---|---|
| Reviewed by In-house Counsel | *Tania Paddock; GM Legal & Democracy* |

## Strategic alignment

34. The recommendation relates to Council's community outcomes of *"Residents are well represented, included and have a voice"* (which focuses on community participation, inclusion and engagement) and *"A prosperous economy based on innovation and opportunity"* (as the Policy supports funding of infrastructure that enables economic growth, resilience and future-focused development.)

| Wellbeing | | Reasons why the recommended outcome has an effect on this wellbeing |
|---|---|---|
| Economic | ✓ | The DFC Policy generates revenue to fund capital expenditure on network infrastructure, including water, wastewater and roading. This infrastructure supports economic activity. |
| Environmental | × | |
| Cultural | ✓ | The DFC Policy generates revenue to fund capital expenditure on community infrastructure, including EA Networks Centre, Rokowhiria and Te Whare Whakatere. This infrastructure supports cultural and recreational activity. |
| Social | × | |

## Financial implications

| Requirement | Explanation |
|---|---|
| What is the cost? | The costs of the Policy are the indirect costs of administration. The Policy also enables Council to receive income. The long-run average has been over $1.3M per annum. |
| Is there budget available in LTP / AP? | Costs and income are budgeted in the long-term plan. |
| Where is the funding coming from? | Administration costs are funded primarily in the building costs centre, from building consent fees and rates. Some Assets and Strategy and policy staff time is also budgeted for and funded from overheads and rates. |
| Are there any future | Income forecasts are dependent on levels of development activity, |

| | |
|---|---|
| budget implications? | and these may exceed or fall short of budget expectations. Capping proposals and the 0.5HUE differential for non-consented small stand-alone dwellings are discussed in the report and options contain some financial estimates. |
| Reviewed by Finance | Erin Register; Finance Manager. |

## Significance and engagement assessment

| Requirement | Explanation |
|---|---|
| Is the matter considered significant? | No |
| Level of significance | Medium |
| Rationale for selecting level of significance | N/A |
| Level of engagement selected | Consult – formal two-way communication. |
| Rationale for selecting level of engagement | Consultation using section 82 of the Local Government Act 2002 is required unless Council considers that the policy matters are significant and a special consultative procedure is needed. |
| Reviewed by Strategy & Policy | Toni Durham: GM Community & Open Spaces |

35. Officers developed a communications plan for this consultation including these key measures;

    a. A sufficient volume of submissions is received to provide Council with a range of views, including from those most directly affected.
    b. At least one workshop successfully delivered with key stakeholders.
    c. Digital and direct communications demonstrate strong engagement, including healthy email open rates and consistent traffic to itsourplace.nz during the consultation period
    d. Advertising achieves meaningful reach within the district, supporting community understanding of the consultation and key dates

36. Council received 26 submissions, which is significantly higher than the volumes of submissions received in 2024 (4) and 2021 (5). Submissions reflected a range of views across all issues – including views from the development community and opposing views from people who are likely to be outside that community. Neither Group was uniform in its views.

37. A workshop was delivered with key stakeholders on 4 May. It attracted 18 attendees from the development community and enabled a useful exchange of views.

38. From our email list we initially sent an email to 3,138 recipients, which had an open rate of 51.8%. We sent another email to 58 recipients inviting them to the public workshop, which enjoyed a 76.8% open rate and a 51.8% click rate. We reissued an email to 3,128 recipients in the last week of consultation which had an open rate of 49.4%. Overall these figures showed healthy levels of interest in the consultation.

# Appendix 1– proposed 2026 amendment to revenue and financing policy

## 5. Transportation – Roads

Council provides and maintains a district wide road network and associated infrastructure (excluding state highways). Much of this work attracts subsidy, from Waka Kotahi NZ Transport Agency at a financial assistance rate of 51%, currently applicable for the Ashburton District. The policy sets at how council funds its share of subsidized and unsubsidized work. The roading activity and network enables efficient travel throughout the district to support economic and social interaction.

The roading activity primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

### Who benefits

| **Community wide benefit 100%** |
|---|

**Who creates a need:** All residents and visitors travelling through the district create a need for a reliable roading network.

**When benefits occur:** The benefits of operational expenditure are enjoyed for short-term once the funds are expended. The benefits of capital expenditure on roading assets are enjoyed over the life of the assets.

### Reasons for funding arrangement

- Benefits are primarily district wide as it is a shared network therefore, a targeted rate for roading applicable across the district is appropriate and transparent.

### Funding sources of operating expenditure:

| **Targeted Rate CV 90-100%** | **Fees & Charges 0-10%** |
|---|---|

- Targeted Rate on the CV of each SUIP of a rating unit in the district (90-100%).
- Fees and Charges 0-10%.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.

### Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates

- Fees & Charges
- Borrowing - The Council may decide to loan fund specific roads projects on a case by case basis. Projects will be assessed on the following criteria:
    - Expected useful life of the asset – must be over 25 years, and
    - Cost – the impact on rates is such that funding the project in the year it is undertaken would increase rates unreasonably if funded only from that year.
- Development contributions – levied under Council's Development and Financial Contributions Policy
- Financial contributions – levied under the Ashburton District Plan
- Private contribution - Council may agree to undertake specified work (additional to planned work programme) at the request of a resident if the resident pays for the work.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying capital projects. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.
- Grants and Subsidies (Excluding Waka Kotahi (NZTA subsidy).
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

Appendix 2

# Policy

## POLICY ON DEVELOPMENT & FINANCIAL CONTRIBUTIONS 2026

| | |
|---|---|
| **TEAMS:** | Building Services, Financial Performance, Planning, Roading, Strategy and Policy, & Water Services |
| **RESPONSIBILITY:** | Group Manager, Community & Open Spaces |
| **ADOPTED:** | 30 June 2026 (effective 1 July 2026) |
| **REVIEW:** | Every three years or as required |
| **CONSULTATION:** | Council must give effect to Section 82, Local Government Act 2002 |
| **RELATED DOCUMENTS:** | Ashburton District Council Long-Term Plan 2024-34, Building Act 2004, Local Government Act 2002, Local Government (Rating) Act 2002, and Resource Management Act 1991. |


1. Introduction ..... 2
   - 1.1 Background ..... 2
   - 1.2 Policy Objectives ..... 2
   - 1.3 Legislative context ..... 3
   - 1.4 Financial management policies ..... 3
   - 1.5 Compliance with Section 102(3A) of the Local Government Act 2002. ..... 4
   - 1.6 Funding to provide for growth ..... 4
2. Policy on Development Contributions ..... 4
   - 2.1 Requirement for a development contribution ..... 4
   - 2.2 Activities ..... 5
   - 2.3 Catchments ..... 6
   - 2.4 Units of demand ..... 6
   - 2.5 Capacity Credit ..... 8
   - 2.6 Calculation of development contribution ..... 8
   - 2.7 Limits on Development Contributions ..... 8
   - 2.8 Reconsideration of requirement for development contribution ..... 9
   - 2.9 Objection to assessed amount of development contribution ..... 9
   - 2.10 Postponement of development contribution payment ..... 10
   - 2.11 Refund of development contribution ..... 10
   - 2.12 Payment of development contribution ..... 10

2.13 Development contribution for Council development ..... 11
2.14 Private development agreements ..... 11
2.15 Financial Contributions ..... 11
2.16 Limitations applying to requirement for development contribution ..... 12
2.17 Public inspection of development contributions policy information ..... 13
2.18 Policy Review ..... 13
Appendix 1. Definitions ..... 14
Appendix 2. Key assumptions ..... 17
Appendix 3. Calculation methodology and special assessments ..... 18
Appendix 4. Development contributions by location ..... 26
Appendix 5. Development contribution by activity and location ..... 27
Appendix 6. Water consumption of properties by functional use ..... 37

# 1. Introduction

## 1.1 Background

The population of Ashburton District is growing and is expected to continue to grow in the future. Council must plan for this growth by investing in infrastructure that will enable new homes and businesses to connect to Council roading, water and wastewater infrastructure, and provide the opportunity for new residents to use community facilities.

Development contributions enable Council to charge developers of residential and business developments a fair and proportionate share of the cost of providing capacity to cater for growth.

This policy sets out the development contributions payable; how and when these are calculated and paid, and describes the methodology used to calculate contributions.

## 1.2 Policy Objectives

This policy is intended to assist Council to achieve the following objectives:

1.2.1. enable Council to plan for and fund infrastructure and facilities provision that meets the anticipated growth requirements of the district,

1.2.2. provide predictability and certainty regarding the infrastructure required to cater for growth,

1.2.3. enable a share of the costs Council incurs to provide infrastructure to cater for growth to be fairly and equitably recovered from those directly benefiting from Council infrastructure – i.e. developers,

1.2.4. provide for the wider ratepayer base to contribute to funding infrastructure provision that raises service standards, and

1.2.5. to promote understanding and awareness of what Council intends to fund and how this applies to a particular development.

## 1.3 Legislative context

Local authorities are required, under section 102 of the Local Government Act 2002, ("the Act") to adopt funding and financial policies as part of their financial management obligations. As part of the requirements for funding and financial policies, section 102(4)(d) of the Act requires a policy on development contributions or financial contributions.

The purpose of the development contributions provisions in the Act is to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

The Act requires any development contributions policy to be prepared taking into account principles detailed in section 197AB. In summary these are:

- development contributions should only be required if the effects or cumulative effects of developments will create or have created a requirement for provision of new or additional assets, or assets of increased capacity,
- development contributions should be determined in a manner that is generally consistent with the capacity life of the assets for which they are intended,
- cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets,
- development contributions must be used for or towards the purpose of the activity or the group of activities for which the contributions were required, and for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required, and
- territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why they are being used, and
- development contributions should be predictable and be consistent with the methodology and schedules of the policy under sections 106, 201, and 202, and
- when calculating and requiring development contributions, territorial authorities may group together certain developments by geographic area or categories of land use, provided that—
    - the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
    - grouping by geographic area avoids grouping across an entire district wherever practical.

## 1.4 Financial management policies

This policy has been prepared within the wider context of the Council's overall financial management policies.

This policy is consistent with the provisions of Council's Revenue and Financing Policy and provides for development contributions and financial contributions to be used as part of Council's overall approach to funding capital expenditure.

### 1.5 Compliance with Section 102(3A) of the Local Government Act 2002.

Section 102(3A) of the Local Government Act 2002 states that the Policy on development contributions and financial contributions must also support the principles set out in the Preamble of Te Ture Whenua Maori Act 1993.

The English text of the Preamble states:

*"Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles."*

In support of the principles stated in the Preamble, Council will consider full or partial remissions of development contributions for developments on Māori freehold land.

### 1.6 Funding to provide for growth

Development contributions and financial contributions are used by Council to fund some of the costs associated with providing infrastructure that caters for demand from growth. Council aims to take a balanced and fair approach to how it raises funding required for new developments.

Other sources of funding of capital expenditure may include:

- outside sources such as New Zealand Transport Agency (NZTA) subsidies, grants, regional council or central government funding; and
- borrowing, rates, reserves and sale of assets.

## 2. Policy on Development Contributions

### 2.1 Requirement for a development contribution

Under section 198 of the Act, Council may require a development contribution to be made when:

- Subdivision or land use resource consent is granted under the Resource Management Act 1991 for a development in Ashburton District,
- building consent is granted under the Building Act 2004 for building work situated in Ashburton District,
- a PIM is sought for an exempted small stand-alone dwelling under the Building Act 2004
- authorisation for a service connection is granted without a building consent being issued[1], and
- a change in use of a business unit.

For the avoidance of doubt, Council will require a development contribution to be made when subdivision resource consent is granted, effective from 1 July 2027. See also clauses 2.6.1 and 2.12

[1] An example of this is where a tap is connected to the piped water system for watering or a temporary connection to the sewer system is made. In both cases the connection can be used without a building consent but requires a development contribution to be made.

a) of this policy.

Development contributions can only be required where a development as defined by section 197 of the Act is to occur. Under section 197, development means:

- any subdivision, building (as defined in section 8 of the Building Act 2004), 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.

On receiving an application for subdivision consent accompanied by all required information on or after 1 July 2027, or land use resource consent, building consent or service connection accompanied by all required information[2], Council will first:

- test that the application represents a development under section 197; and
- determine whether alone or in combination with other developments the application under consideration will have the effect of requiring new or additional assets or assets of increased capacity and, as a consequence, the council will incur capital expenditure to provide appropriately for this; and
- ensure that any development contribution that may be required, is provided for in this policy.

If Council is satisfied that the application meets the legal requirements above, it will assess contributions following the process set out in the Assessment section.

#### 2.1.1 Exceptions

For clarity, development contributions are not required for:

- an addition or alteration to a residential unit that does not result in any additional unit or units
- an addition or alteration to an accommodation unit or non-residential unit that does not result in any additional unit or units and the development does not result in an increase in demand on the water or wastewater schemes servicing the property
- change of use for an accommodation unit or non-residential unit that does not result in an increase in demand on the water or wastewater schemes servicing the property
- a new or replacement out-building or ancillary building servicing an accommodation unit or non-residential unit that does not result in any additional unit or units and the development does not result in an increase in demand on the water or wastewater schemes servicing the property.
- a new residential unit, accommodation unit or non-residential unit that is replacing like with like.
- a Crown development - the Crown is exempt from the provisions of this policy by virtue of section 8 of the Local Government Act 2002.

## 2.2 Activities

Council requires a development contribution for the following infrastructure services:

[2] Service connection is defined in clause 2.6 of this policy as "service connection for an existing residential or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network"

- **Drinking water** – applies to Council drinking water supplies where Council has incurred or plans to incur capital expenditure to cater for growth.
- **Wastewater**– applies to Council wastewater schemes where Council has incurred or plans to incur capital expenditure to cater for growth.
- **Community infrastructure -** applies to Council community infrastructure projects where Council has incurred or plans to incur capital expenditure to cater for growth – Rokowhiria/Ashburton Art Gallery and Heritage Centre, Te Whare Whakatere/Te Kete Tuhinga Ashburton Library and Civic Centre and EA Networks Centre
- **Roading –** applies to Council roading infrastructure where Council has incurred or plans to incur capital expenditure to cater for growth. In 2026/27 Council is introducing a roading development contribution for the first time, and it applies solely to the Second ashburton Bridge connecting road project. In future years, Council will consider including growth elements of future roading programmes.

## 2.3 Catchments

A catchment is the area served by the network infrastructure or community infrastructure asset where common benefits are received. The following are treated as catchments for the purposes of assessing development contributions:

- **Drinking Water** – each of the Council's drinking water supplies is a separate catchment.
- **Wastewater** – each of the Council's wastewater schemes is a separate catchment.
- **Community Infrastructure** – the district as a whole is treated as a single catchment.
- **Roading** – the district as a whole is treated as a single catchment.

## 2.4 Units of demand

### 2.4.1 Drinking water and wastewater

The calculation of the development contribution required for water and wastewater is based on the average demand of a single residential housing unit using the average household size of 2.5 residents (based on 2023 Census data for Ashburton District). This unit of demand is referred to as a "Household Unit Equivalent" or HUE.

**Residential**

Each single residential unit (regardless of size or number of occupants) is treated as being 1 HUE for assessing drinking water, and wastewater development contributions.

**Accommodation Units**

Each accommodation unit will be assessed for the demand it is expected to place on the water and wastewater networks based on the type of accommodation. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment. The assessment uses the information in the Water Consumption Non-residential Properties table in Appendix 6 of this policy as the base line demand for various uses.

**Non-residential**

Each single non-residential unit will be assessed for the demand it is expected to place on the water and wastewater networks based on the type of business. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment. The assessment uses the

information in the Water Consumption Non-residential Properties table in Appendix 6 of this policy as the base line demand for various uses.

### 2.4.2 Community Infrastructure

**Residential and Accommodation Units**

For assessing the community infrastructure development contribution each household unit is treated as being 1 HUE. Accommodation units and other forms of residential development will be assessed for the demand they are expected to place on the community infrastructure based on the type of business. This assessment will determine demand relative to a household unit and a HUE derived from that assessment.

Non-residential development attracts no HUE for community infrastructure.

### 2.4.3 Roading

The calculation of the development contribution required for roading is based on the average demand of a single residential housing unit using the average household size of 2.5 residents (based on 2023 Census data for Ashburton District). This unit of demand is referred to as a "Household Unit Equivalent" or HUE. It is equivalent to 8 vehicles per day (VPD).

**Residential**

Each single residential unit (other than a small stand-alone dwelling) is treated as being 1 HUE for assessing roading contributions. A small stand-alone dwelling is treated as being 0.5 HUE for assessing roading contributions.

**Accommodation Units**

Each accommodation unit will be assessed for the demand it is expected to place on the roading network based on the type of accommodation, and factors such as the number of rooms, beds and occupancy rates. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment.

**Non-residential**

Each single non-residential unit will be assessed for the demand it is expected to place on the roading network based on the type of business. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment. The assessment applies the differentials set out in the following table as the base line demand for various uses.

**Table 1 – Roading land use differentials**

| Land Use | Roading Differential |
|---|---|
| Residential | 1.0 HUE |
| Small stand-alone dwelling | 0.5 HUE |
| Industrial | 0.6 HUE/100m$^2$ gross floor area |
| Commercial | 1.7 HUE/100m$^2$ gross floor area |
| Retail | 2.5 HUE/100m$^2$ gross floor area |

## 2.5 Capacity Credit

Where a new development is replacing an existing residential, accommodation unit or non-residential unit the demand on infrastructure generated by the previous use will be recognised in any assessment of development contributions with units of demand from existing development deducted from the total units of demand assessed to be generated by the new development.

This credit applies to:

- a building which has been inhabited or used for the stated purpose within the last five years, or
- a building which has been used as a place of business within the last five years; or
- a vacant site from which a building meeting either of the above descriptions has been removed or demolished

A credit can be transferred from one property title to another as long as the two properties are regarded as contiguous (effectively operating as a single property) as described in section 20 of the Local Government (Rating) Act 2002.

Requests to extend a capacity credit beyond five years will be considered by Council or a standing committee with appropriate delegated authority.

## 2.6 Calculation of development contribution

An assessment of requirement to pay a development contribution will be made at the time Council receives an application, accompanied by all required information, for:

2.6.1. subdivision resource consent, provided that clause 2.6.1 shall be effective from 1 July 2027.

2.6.2. building consent for a new residential, accommodation unit or non-residential unit;

2.6.3. building consent or resource consent for an addition, alteration, or change of use for a business unit;

2.6.4. a project information memorandum for a small stand-alone dwelling under the Building Act 2004

2.6.5. Service connection for an existing residential, accommodation unit or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network; or

2.6.6. Service connection for a new residential, accommodation unit or non-residential unit where the building consent for the development has been issued by a building consent authority other than the Ashburton District Building Consent Authority

If a development meets the requirement for a development contribution detailed in section 2.1 of this policy, Council will undertake a development contribution calculation using the calculations detailed in Appendix 3 of the Policy.

## 2.7 Limits on Development Contributions

As part of seeking a balanced and fair approach to funding capital expenditure required to cater for growth, Council may decide to limit the level of development contributions for a particular contribution. Any such limit will be detailed in the section of the Policy regarding calculation of development contributions. Where a limit is in place the funding that would normally come from development contributions is instead funded by rates collected under Council's revenue and financing policy.

## 2.8 Reconsideration of requirement for development contribution

An applicant may request Council to reconsider a requirement to make a development contribution if the applicant has grounds to believe that:

a) the development contribution was incorrectly calculated or assessed under this policy,

b) Council incorrectly applied provisions of this policy, or

c) the information used to assess the applicant's development, or the way Council has recorded or used information when requiring the development contribution, was incomplete or contained errors.

A request for reconsideration must be made within 10 working days after the date on which the applicant receives notice from Council (invoice) of the level of development contribution required.

A reconsideration cannot be requested if an objection under section 199C and Schedule 13A of the Act has already been lodged.

A request for reconsideration must be made in writing to the Chief Executive and identify the basis on which the reconsideration is sought together with, as appropriate, the legal and evidential grounds supporting the application.

Council may, within 10 working days of receiving the request for reconsideration, request further information from the requester to support the grounds stated in the reconsideration.

Council will proceed to determine the request for reconsideration if:

a) it has, in its view, received all required information relating to the request; or

b) the requester refuses to provide any further information requested by Council (as set out above).

In considering the request for reconsideration, Council will make its decision without convening a hearing.

In all cases, Council will give written notice of the outcome of its reconsideration to the applicant within 15 working days after:

a) the date the application for reconsideration is received, if all required information is provided in that application; or

b) the date the application for reconsideration is received, if the applicant refuses to provide further information; or

c) the date the further information is received from the applicant.

An applicant requesting a reconsideration may object to the outcome of that reconsideration by lodging an objection under section 199C of the Act.

## 2.9 Objection to assessed amount of development contribution

An applicant may object to the assessed amount of development contribution required.

An objection may be made only on the following grounds:

a) 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 network infrastructure and/or community facilities in the district or parts of the district; or

b) Council has required a development contribution for network infrastructure and/or community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or

c) Council has required a development contribution in breach of section 200 of the Act; or

d) Council has incorrectly applied its development contributions policy to the objector's development.

An objection may be lodged irrespective of whether a reconsideration of the requirement for a development contribution has been requested.

The right of objection does not apply to challenges to the content of this policy.

Schedule 13A of the Act details the procedure relating to development contribution objections.

Council may (under section 252 of the Act) recover actual and reasonable costs from an applicant lodging an objection that relate to the following costs it incurs:

a) the selection, engagement, and employment of the development contributions commissioners; and

b) the secretarial and administrative support of the objection process; and

c) preparing for, organising, and holding the hearing

## 2.10 Postponement of development contribution payment

Postponements of development contribution payments will not be allowed.

## 2.11 Refund of development contribution

A development contribution will be refunded if:

a) the building consent or resource consent that triggered the requirement for a development contribution lapses or is surrendered

b) the development does not proceed

c) Council does not provide infrastructure for which a development contribution was required.

An administration fee of $150 will be charged in the case of a) and b) above.

## 2.12 Payment of development contribution

Following assessment of the requirement for a development contribution and a calculation of applicable development contribution required an invoice will be issued at one of the following points:

a) Resource consent (subdivision) – prior to the release of a section 224(c) certificate, provided that clause 2.12 a) shall apply to applications submitted, with all accompanying information, on or after 1 July 2027.

b) Resource consent (land use) – prior to commencement of the development.

c) Building consent – prior to building consent being uplifted or for building work where no consent was obtained, prior to issue of the certificate of acceptance. In the event of a staged development, prior to the release of the code compliance certificate for each stage.

d) Service connection – prior to authorisation for connection being granted.

e) Small stand-alone dwelling – prior to completion of the build.

f) At any time prior to the above triggers if requested by the developer or at the Council's discretion.

"Prior to" in the above situations means any time between the consent or service connection being granted and the final approval step.

Payment is treated as for any Council charge and is due by the 20th of the following month.

Non-payment of development contributions will be treated the same as other Council debt and will result in penalties, debt collection fees and court costs as applicable.

In addition, in situations of non-payment Council may take the following actions:

a) Section 224(c) certificate may be withheld, provided that this shall apply only where the application for subdivision resource consent was lodged, accompanied by all required information, on or after 1 July 2027.

b) Code of Compliance Certificate (section 95 of the Building Act 2004) will not be issued

c) Network connections will not be completed

d) Statutory Land Charge may be lodged against the property.

## 2.13 Development contribution for Council development

Development carried out by Council will be subject to any applicable development contribution except for any required for the same activity as the development.

## 2.14 Private development agreements

Council may enter into private development agreements in circumstances where there is a need to allocate responsibility between developers and Council for the construction and funding of public works associated with a development.

This policy is a funding policy for planned capital expenditure on community facilities. Private development agreements will not be used to reduce the amount of any contribution charge calculated under this policy.

Any private development agreement entered into must show how costs payable to a developer for public works will be funded.

## 2.15 Financial Contributions

The Resource Management Act 1991 authorises Councils to require financial contributions from developers in certain situations. Under the District Plan, developments are assessed for financial contributions at the resource consent stage.

As residential land is subdivided and developed, new households increase the need for neighbourhood parks, play areas, landscaping, and pedestrian/cycle linkages. Council may require cash or land for open space and recreation to address the effects of subdivision.

These provisions apply mainly to residential subdivision, with some infrastructure related contributions applying across all zones.

All policy and rule references in clause 2.15 relate to the Ashburton District Plan.

### 2.15.1 Open Space & Recreation Contributions

These contributions provide, enhance, and maintain neighbourhood parks, open space, landscaping, and pedestrian/cycle linkages arising from additional residential demand.

*When Contributions Are Required*

All residential subdivision (including in Business Zones when creating residential activity) must provide land or cash contributions based on the effects of additional household units.

*How Contributions Are Calculated (Rule 9.9.10)*

Developers must provide either:

- 5% of market value of each additional lot (cash), or
- 30m² of land per new lot, or
- a combination of land and cash.

The contribution is based on the average lot value; GST applies. Utility or stormwater lots cannot be counted as open space.

*Land Requirements (Policy 9.3B)*

Land must be well located, adequately sized, address open space shortages, support walking/cycling links, enhance amenity or natural values, and/or support access and ecological values along water bodies.

*Permitted Uses of Cash (Policy 9.3C)*

Cash may be used only for:

- purchasing neighbourhood park land,
- developing or upgrading neighbourhood/district parks,
- developing walking and cycling links.

*Administration*

If unpaid at Section 224, contributions may be secured by a bond, with indexing and staged payments.

**2.15.2 General Provisions Supporting Financial Contributions**

Controlled activity consents may include financial contributions, bonds, or guarantees. The Plan seeks to avoid acquiring land that creates long term maintenance liabilities where cash is more efficient. Contributions apply uniformly regardless of land tenure.

**Council cannot require a development contribution to fund an asset for which a financial contribution has already been paid.**

*Further information*

The District Plan is available at www.ashburtondc.govt.nz or at Council's offices, 2 Baring Square East, Ashburton.

## 2.16 Limitations applying to requirement for development contribution

Council must not require a development contribution for a reserve, network infrastructure, or community infrastructure if:

- it has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose;
- the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure;
- 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; or

- a third party has funded or provided, or undertaken to fund or provide, the same reserve, network infrastructure, or community infrastructure.

## 2.17 Public inspection of development contributions policy information

This policy and any supporting information is available on Council's website www.ashburtondc.govt.nz or on request from the Council offices.

## 2.18 Policy Review

The policy must be reviewed at least every three years and may be amended at any time if required. Any review of the policy must be undertaken using a consultation process that gives effect to the requirements of section 82 of the Act.

This policy has been prepared to comply with relevant legislation including the requirements of the Local Government Act 2002 and all subsequent amendments.

## Appendix 1. Definitions

**Accommodation unit:** means units, apartments, rooms in one or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation. Accommodation unit includes boarding houses, home stays, recreation lodges and visitor accommodation. It also includes units, apartments, rooms in one or more buildings or hospital beds in lifestyle resorts, retirement villages, rest homes, care homes and associated hospitals.

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

**Activity:** means a good or service provided by Council (as per section 5 of the Local Government Act 2002), and for which development contributions are collected.

**Allotment:** has the meaning given to it in section 218(2) of the Resource Management Act.

**Authorised Officer:** is an officer authorised in accordance with Council's delegations register to carry out functions under this policy.

**Catchment:** is a defined area of the district that receives a discrete service subject to development contributions as detailed in this policy.

**Business property:** a non-residential development using land or buildings for the provision of services in the course of a trade or business.

**Commercial development**: means any development involving the use of premises (land and buildings) for administration or professional activities, leisure and recreation activities, community centres, places of worship, and all other activities not covered by the definitions of residential, retail, and industrial development.

**Community facilities:** reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199 of the LGA.

**Community infrastructure:** means land, or development assets on land, owned or controlled by the Council for the purpose of providing public amenities; and includes land that the Council will acquire for that purpose.

**Development:** means any subdivision, building (as defined in section 8 of the Building Act 2004), 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

**Development agreement:** is a voluntary contractual agreement made (under sections 207A to 207F of the LGA) between one or more developers and one or more territorial authorities for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in one or more districts or a part of a district.

**Development contribution:** a contribution—

a) provided for in a development contribution policy of a territorial authority; and

b) calculated in accordance with the methodology; and

c) comprising—

i. money; or

ii. land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or

iii. both.

**Development contribution objection:** an objection lodged under clause 1 of Schedule 13A of the LGA against a requirement to make a development contribution.

**Development contributions commissioner:** a person appointed under section 199F of the LGA.

**District Plan:** means the Operative Ashburton District Plan including any proposed plan change or variation.

**Gross floor area (GFA)** means the sum of the area of all floors of all buildings on a site measured from the exterior faces of the exterior walls or from the centrelines of walls separating two buildings.

The measurement of gross floor area shall include:

a) elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies

b) the floor area beneath permanent outdoor covered structures and canopies, including where existing floor area is covered for the first time; and

c) covered and uncovered areas of a site that provide carparking on a commercial basis.

The measurement of gross floor area shall exclude:

d) building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants

e) the area that provides for carparking to directly service the development

f) buildings and structures authorised by a relevant building consent or resource consent for the first time, which have a duration of two years or less; and

g) building eaves and overhangs which extend up to 1.0m from exterior walls.

**Household unit:** is a building or part of a building capable of being used as an independent residence and includes apartments, semi-detached or detached houses, units, town houses, ~~granny flats (or similar)~~, and caravans (where used as a place of residence or occupied for a period of time exceeding six months in a calendar year). For the avoidance of doubt, this definition does not include accommodation within the definition of **Accommodation Units.**

**Household Unit Equivalent (HUE):** is a unit of demand representing one average household unit.

**Industrial development** means any development involving the use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing and repair activities, or if the use of premises is unknown, any development permitted or authorised by resource consent in an industrial zone.

**Methodology:** is the methodology for calculating development contributions set out in Schedule 13 of the LGA.

**Network infrastructure:** means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

**Network utility operator:** has the meaning given to it by section 166 of the Resource Management Act 1991.

**Non-residential development:** any development that is not for residential or accommodation purposes. This includes:

- all buildings for the provision of sport, recreation or entertainment
- all buildings for the provision of social or cultural pursuits.

**Objector:** means a person who lodges a development contribution objection.

**Residential development** means use of land and buildings by people for the purpose of permanent living accommodation in a household unit where the majority of occupiers intend to live at the site for a period of one month or more of continuous occupation per annum and will generally refer to the site as their home and permanent address. Residential development includes household units~~,~~ and worker accommodation.

It includes accessory buildings and leisure activities associated with needs generated principally from living on the site.

**Resource consent:** has the meaning given to it in section 2(1) of the Resource Management Act 1991 and includes a change to a condition of a resource consent under section 127 of that Act.

**Retail development** means any development involving the use of land or buildings where goods and services are offered or exposed to the general public for sale, hire or utilisation. For the purposes of this Policy, this definition shall include restaurants, licensed premises and food and refreshment facilities.

**Service connection:** means a physical connection to a service provided by, or on behalf of, Council.

**Small stand-alone dwelling:** has the meaning given to it in section 7 and schedule 1A of the Building Act 2004. This generally means a building that has all of the following characteristics:

(a) it is stand-alone:

(b) it is new (that is, it is wholly new and not an addition or alteration to existing building work or an existing building):

(c) it has a floor area that is equal to or less than 70 square metres:

(d) it has a single storey only.

A small stand-alone dwelling must be constructed in accordance with the requirements in clause 2, schedule 1A of the Building Act 2004.

## Appendix 2. Key assumptions

The following assumptions have been used in the preparation of this policy:

**Capital expenditure**

Future capital expenditure costs are based on the best available knowledge at the time of preparation. These take into account known or likely construction costs and assumed inflation rates.

**Population growth**

Due to the timing of release of the 2023 data from Statistics New Zealand, Council has applied a mix of population growth forecasts at district level (based on 2023 census data) and at township level based on 2018 data. Our analysis has indicated that a medium-high projection in usually resident population most accurately predicts population growth in the District. Data at a township level is expected to be released before the policy is adopted and the final policy will take this into account where practicable. Information such as historical trends, building consent numbers and factors that affect population change such as suburb life cycle were incorporated into the modelling for the projections.

**Inflation**

All project costs in the Development Contributions Policy are based on current estimates of infrastructure construction prices in 2025/26 dollars with inflation of all capital costs over the period using local government cost adjusters supplied by BERL and Infometrics.

**Cost of capital**

No cost of capital (including interest) is included in the cost of providing for growth and therefore is not included in development contribution calculations. The cost of capital is carried by the relevant set of ratepayers who fund the rates for that activity under Council's revenue and financing policy.

**Residential household size and household demand**

Each residential unit is assumed to have the same number of residents living at the property. This is the average household size in Ashburton District from the 2023 Census ≈2.5 residents (1 HUE).

Each household is assumed to place the same demand on Council infrastructure.

## Appendix 3. Calculation methodology and special assessments

For the avoidance of doubt, the calculation methodologies described in Appendix 3 apply only to developments that meet the requirements for a development contribution as set out in clause 2.1 of this policy and all calculations should take into account any capacity credits applying to a development as set out in clause 2.5 of this Policy.

**A. Calculation methodology to determine development contribution for water and wastewater – per HUE (excluding Mt Somers water)**

1. Determine the overall growth capacity of the applicable scheme

   Future HUE – Current HUE = Growth HUE

2. Identify capital projects (and the cost of those projects) that include a cost to provide capacity for future growth = Capital Expenditure

   The projects identified will be:

   - completed capital projects with identified residual growth capacity and which are not fully paid for – i.e. have an outstanding loan
   - current capital projects with identified cost component to provide growth capacity
   - planned capital projects with identified cost component to provide growth capacity and that will be given effect to within the next 10 years

~~3.~~ Identify the proportion of capital expenditure for each project that is provided to cater for growth to get a Growth portion (%)

4. Where the project attracts a third-party contribution (such as Government contribution of shovel ready funding to the Ashburton relief sewer project in 2021), subtract that third party contribution from the capital expenditure identified in step 3.

5. Multiply capital expenditure identified in step 2 (less any third-party contribution) by the growth portion % = Cost of providing for growth

6. Divide Cost of providing for growth ($) by the Growth HUE = Development Contribution to be levied per household equivalent ($DC/HUE)

   The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

   Capital Expenditure ($) x Growth portion(%)/ Growth HUE = $DC/HUE

**B. Calculation methodology to determine water development contribution payable for Mount Somers water supply.**

In this calculation, Council has departed from the standard methodology because the Mount Somers Water Treatment Plan is an asset with components of very high growth capacity that should be funded over a longer period of time than the assets of shorter growth capacity.

1. Determine which assets are short-to-medium term assets and which are long-term assets. In this case, the short-to-medium term assets include assets with a useful life around 15-25 years. These are generally treatment and electro-mechanical equipment: sensors, pumps, membranes, and control systems. Other assets will have a useful life of 50 years and higher. These are generally civil assets, such as buildings, concrete pads and other structures. Earthworks such as the settling basins and soakage field, and the PE pipework, have lives up to 100 years.

2. Determine the overall growth capacity of the applicable scheme

Future HUE – Current HUE = Growth HUE

2. Identify capital projects (and the cost of those projects) that include a cost to provide capacity for future growth = Capital Expenditure

The projects identified will be:

- completed capital projects with identified residual growth capacity and which are not fully paid for – i.e. have an outstanding loan
- current capital projects with identified cost component to provide growth capacity
- planned capital projects with identified cost component to provide growth capacity and that will be given effect to within the next 10 years

~~3.~~ Identify the proportion of capital expenditure for each project that is provided to cater for growth to get a Growth portion (%)

4. Where the project attracts a third-party contribution (such as Government contribution of shovel ready funding to the Ashburton relief sewer project in 2021), subtract that third party contribution from the capital expenditure identified in step 3.

5. Multiply capital expenditure identified in step 2 (less any third-party contribution) by the growth portion % = Cost of providing for growth

6. Divide Cost of providing for growth ($) by the Growth HUE = Development Contribution to be levied per household equivalent ($DC/HUE)

The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

Capital Expenditure ($) x Growth portion(%)/ Growth HUE = $DC/HUE

**C. Calculation methodology to determine water and wastewater development contributions payable for accommodation units and non-residential developments**

The demand impact of a non-residential unit for both water and wastewater is determined by assessed water consumption.

1. Determine water consumption per person per day based on the use of the property.

Water consumption is determined by typical water consumption based on the property uses listed in Appendix 6. Council will also consider other relevant evidence such as historic consumption figures from metered accommodation units and non-residential developments of comparable types. Council will also consider data supplied by developers, including but not limited to occupancy rates and typical annual consumption.

If there is no suitable property use listed in Appendix 6 on which to make a fair assessment, the developer will be requested to provide an assessment of water consumption.

If this assessment is not deemed appropriate the assessment will be determined by a Council officer with delegated authority.

2. Determine the expected peak occupancy of the property (persons)

This assessment is based on information and design drawings submitted as part of the development approval process i.e. management plans, bed or seating plans or other such plan as agreed by Council. Where that information is not available, fire service occupancy rates may be used.

3. Determine total water consumption

Total Water Consumption (litres per day) =

water consumption per person(litres per day)

X

peak occupancy (persons)

*e.g. So a 16 unit motel development has an peak occupancy of 19 persons. 220 litres per day x 19 persons is 4,180 litres per day.*

4. Convert to household unit equivalent (HUEs)

Demand Impact (HUEs) =

Total Water Consumption (litres per day)/

HUE consumption

Household Unit Equivalent water consumption is 550 litres per day

- Assumed water demand of 1 person =220 litres per day
- Assumed household of 2.5 persons

*e.g. So for the 16 unit motel development, 4,180 litres per day divided by 550 litres per day equals 7.6 HUE.*

Normal rounding protocols shall be applied to the result to yield a whole number. (0.50 and above → round up; 0.49 and below → round down) *In the 16 unit motel example, 7.6 HUE rounds up to 8 HUE.*

5. Determine non-residential development contribution for applicant development

Non-residential development contribution =

(HUEs) X Development Contribution (per HUE)

*e.g. Assuming the 16 unit motel development is in Ashburton that development would attract water and wastewater DCs of:*

| *Activity* | *HUEs* | *$/HUE incl GST* | *Total DC* |
|---|---|---|---|
| *Water* | *8.0* | *$3,876* | *$31,008* |
| *Wastewater* | *8.0* | *$2,952* | *$23,616* |
| ***TOTAL*** | | | *$54,624* |

**D. Calculation methodology to determine development contribution for community infrastructure – per HUE**

The development contribution for community infrastructure is levied on all new residential and accommodation developments within the district.

**Methodology**

1. Determine the overall growth capacity of the community infrastructure. District population for which the asset has been designed minus current district population = Excess Capacity. This is converted to household unit equivalents by dividing the Excess Capacity by average household size (2.5 persons).
2. Identify capital projects for community infrastructure (and the cost of those projects) that include a cost to provide capacity for future growth = Capital Expenditure
3. The projects identified will be:
   - completed capital projects with identified residual growth capacity and which are not fully paid for – i.e. have an outstanding loan
   - current capital projects with identified cost component to provide growth capacity
   - planned capital projects with identified cost component to provide growth capacity and that will be given effect to within the next 10 years
4. Identify the proportion of capital expenditure for each project that is provided to cater for growth to get a Growth portion (%)
5. Where the project attracts a third-party contribution (such as Government contribution of $20M to Te Whare Whakatere in 2021), subtract that third party contribution from the capital expenditure identified in step 4.
6. Multiply capital expenditure identified in step 2 (less any third-party contribution) by the growth portion % = Cost of providing for growth ($)
7. Divide Cost of providing for growth ($) by the Excess Capacity (HUE) = Development Contribution to be levied per household equivalent ($DC/HUE)
8. The cost of maintaining or increasing capacity for each community infrastructure asset for development growth is shared equally among the household equivalents which are able to benefit from the asset.
9. Each residential unit will be levied 1 HUE.

**E. Calculation methodology to determine community infrastructure development contributions payable for accommodation units**

1. Accommodation units will be assessed based on the peak occupancy of the development. This assessment is based on information and design drawings submitted as part of the development approval process i.e. management plans, bed or seating plans or other such plan as agreed by Council. Where this information is not available, fire service occupancy rates may be used. Convert the maximum total occupancy to household unit equivalents.

   *e.g. A household is 2.5 persons. So, for example, a 16 unit motel development that has peak total occupancy of 23 persons attracts a DC of 32/2.5 = 9.2 HUE which rounds to the nearest full HUE i.e. 9 HUE.*

   *9 HUE X proposed 2026 community infrastructure DC of $5,918 = $53,262*

**F. Calculation methodology to determine development contribution for roading – per HUE**

1. Determine the overall growth capacity of the applicable scheme. Due to the potential for non-residential developments to generate high traffic demand, Council has analysed population data and historic non-residential development activity to assess the relative level of residential to non-residential development activity.

   Future (residential & non-residential) HUE minus Current (residential & non-residential) HUE = Growth (residential & non-residential) HUE

2. Identify capital projects (and the cost of those projects) that include a cost to provide capacity for future growth = Capital Expenditure (CAPEX)

   The projects identified will be:

   - completed capital projects with identified residual growth capacity and which are not fully paid for – i.e. have an outstanding loan
   - current capital projects with identified cost component to provide growth capacity
   - planned capital projects included in the Council's Long Term Plan with identified cost component to provide growth capacity and that will be given effect to within the next 10 years

~~3.~~ Identify the proportion of capital expenditure for each project that is provided to cater for growth to get a Growth portion (%)

4. Where the project attracts a third-party contribution (such as subsidy from NZ Transport Agency Waka Kotahi), subtract that third party contribution from the capital expenditure identified in step 3.

5. Multiply capital expenditure identified in step 2 (less any third-party contribution) by the growth portion % = Cost of providing for growth ($)

6. Divide Cost of providing for growth ($) by the Growth HUE = Development Contribution to be levied per household equivalent ($DC/HUE)

   The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

   Capital Expenditure ($) x Growth portion(%)/ Growth HUE = $DC/HUE

## G. Calculation methodology to determine roading development contributions payable for accommodation units and non-residential developments

### Accommodation units

1. Accommodation units will be assessed based on the peak occupancy of the development. This assessment is based on information and design drawings submitted as part of the development approval process i.e. management plans, bed or seating plans or other such plan as agreed by Council. Where this information is not available, fire service occupancy rates may be used. Convert the maximum total occupancy to household unit equivalents.

*e.g. A household is 2.5 persons. So, for example, a 16 unit motel development that has peak total occupancy of 23 persons attracts a DC of 23/2.5 = 9.2 HUE which rounds to the nearest full HUE i.e. 9 HUE.*

*9 HUE X proposed 2026 roading DC of $5,918 = $53,262*

### Non-residential units

2. HUEs for retail, commercial and industrial roading developments are calculated on the average daily number of vehicles per day in relation to the eight vehicles per day per day assumed to be produced by a typical household.

3. The following table sets out the baseline demand for various uses.

Table 1 – reproduced from clause 2.4

| Land Use | Roading Differential |
|---|---|
| Residential | 1.0 HUE |
| Small stand-alone dwelling | 0.5 HUE |
| Industrial | 0.6 HUE/100m$^2$ gross floor area |
| Commercial | 1.7 HUE/100m$^2$ gross floor area |
| Retail | 2.5 HUE/100m$^2$ gross floor area |

4. To calculate the roading development contribution payable for non-residential developments Council will assess the gross floor area of the development applying the definition of gross floor area in Appendix 1.

5. The gross floor area would then be multiplied by the appropriate roading differential. *For example a retail building with a gross floor area of 400m$^2$ will attract 400m$^2$/100m$^2$ = 4 X 2.5 HUE = 10 HUE.*

## G. Special Assessment

1. Council may, at its discretion, choose to make a special assessment where there is:

   a. no suitable land use listed in Table 1 on which to make a fair assessment, or

   b. where Council considers that gross floor area cannot adequately be used as a proxy for non-residential demand; or

- where Council considers in its discretion that the development exhibits a demand profile such that a conventional assessment of development contributions would not represent a fair, equitable and proportionate contribution to the total cost of servicing growth.

2. There are two categories of special assessment, being a Council initiated or developer initiated special assessment.

**Council initiated special assessment**

3. Council may initiate a special assessment of a development in the following circumstances:

   a) where Council considers that gross floor area cannot adequately be used as a proxy for non-residential demand; or

   b) where Council considers in its discretion that the development exhibits a demand profile such that a conventional assessment of development contributions would not represent a fair, equitable and proportionate contribution to the total cost of servicing growth.

4. In undertaking the special assessment, Council will:

   a) use metrics from an appropriately qualified professional, referencing relevant Policy and statutory provisions; and

   b) consider the nature and extent of the additional demand placed on Council's infrastructure network having regard to the nature of the development, its location, and implications for Council's infrastructure programme.

**Developer initiated special assessment**

5. A developer initiated application for special assessment must be made to Council in writing.

6. A developer initiated special assessment will be undertaken only where, as a threshold for consideration, the development is of a size greater than 20 HUEs (residential) or 2,000m$^2$ GFA (non-residential).

7. All actual and reasonable costs incurred by Council in undertaking a developer initiated special assessment, including staff time as set out in Council's schedule of fees and charges published on Council's website, its consultant and legal costs, and administration costs, shall be paid by the applicant whether or not a remission is ultimately granted in respect of the special assessment. If external costs are to be incurred by Council in its assessment of a special assessment Council may at its discretion require those costs to be met by the applicant in advance.

8. In support of an application for special assessment, the applicant must supply, for each activity, all relevant evidence of reduced demand on Council's infrastructure. This information is to be in the form of metrics provided by an appropriately qualified professional, referencing relevant policy provisions.

9. Special assessment applications are to be lodged with Council before the statutory deadline for lodging an objection to an assessed amount of a development contribution under clause 2.9 of this policy. Where an application contains incomplete or insufficient information that is not provided prior to that deadline, development contributions will be required in accordance with Appendix 3 (parts A, B, C, D, E and/or F as applicable) and Appendix 5 of this Policy.

10. The amount of any special assessment will be assessed on a case-by-case basis having regard to the extent to which the special assessment criteria is met.

11. An application for special assessment, regardless of the outcome, will not affect the applicant's right to apply for a reconsideration of requirement for a development contribution under clause 2.8 of this

Policy or an objection to assessed amount of a development contribution under clause 2.9 of this policy.

12. Decisions on individual requests will not alter the basis of the Policy itself.
13. For further details relating to lodging a special assessment please refer to Council's website or contact Council at 2 Baring Square East.

# Appendix 4. Development contributions by location

## 1. Development contributions by location

Table 2 shows the development contributions by location under the proposed policy. Figures shown are inclusive of GST.

**Table 2 – Development contributions by location under the proposed policy**

| Catchment | Water ($/HUE) | Waste Water ($/HUE) | Community Infrastructure ($/HUE) | Roading ($/HUE) | Total ($/HUE) Draft 2026-27 Policy |
|---|---|---|---|---|---|
| **Ashburton** | $2,655 | $2,952 | $5,918 | $744 | $12,268 |
| **Fairton** | $2,655 | | $5,918 | $744 | $9,316 |
| **Lake Hood** | $2,655 | $2,952 | $5,918 | $744 | $12,268 |
| **Hinds** | $6,806 | | $5,918 | $744 | $13,467 |
| **Methven** | $8,012 | $1,446 | $5,918 | $744 | $16,120 |
| **Methven-Springfield** | $8,012 | | $5,918 | $744 | $14,674 |
| **Mount Somers** | $20,503 | | $5,918 | $744 | $27,165 |
| **Rakaia** | $5,793 | $489 | $5,918 | $744 | $12,943 |
| **Rest of District** | | | $5,918 | $744 | $6,661 |

## 2. Schedule of assets for which a development contribution is required

Details of the network infrastructure and community facility assets for which development contributions are required are included in Appendix 5 of this policy.

## Appendix 5. Development contribution by activity and location

**Development Contribution - Ashburton water supply (includes Fairton & Lake Hood)**

| HUE Calculation | |
|---|---|
| Future HUE | 12,189 |
| Current HUE | 9,969 |
| Growth HUE | 2,220 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| Historic | Filtration & UV disinfection installation | 2022-23 | $2,000,000 | 22% | $1,554,631 | $445,360 | $201 |
| | UV Disinfection | 2023-24 | $2,086,000 | 22% | $1,621,481 | $464,510 | $209 |
| | UV Treatment upgrade | 2024-25 | $7,000,000 | 22% | $5,441,210 | $1,558,760 | $702 |
| Future | 2nd Bridge watermain | 2026-27 | $3,023,757 | 22% | $2,350,427 | $673,330 | $303 |
| | Watermain on new road to Tinwald | 2027-28 | $876,243 | 100% | $0 | $876,243 | $395 |
| | Additional source | 2027-28 | $1,106,186 | 100% | $0 | $1,106,186 | $498 |
| | | | | | | | |
| | | | | | | Ashburton water supply development contribution (excluding GST) | $2,308 |
| | | | | | | (plus GST) | $346 |
| | | | | | | Ashburton water supply development contribution (including GST) | $2,655 |

**Development Contribution - Hinds water supply**

| HUE Calculation | |
|---|---|
| Future HUE | 215 |
| Current HUE | 160 |
| Growth HUE | 55 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| Historic | Filtration & UV disinfection installation | 2022-23 | $945,744 | 34% | $620,249 | $325,495 | $5,918 |
| | | | | | | | |
| | | | | | | Hinds water supply development contribution (excluding GST) | $5,918 |
| | | | | | | (plus GST) | $888 |
| | | | | | | Hinds water supplydevelopment contribution (including GST) | $6,806 |

**Development Contribution - Methven & Methven-Springfield water supply**

| HUE Calculation | |
|---|---|
| Future HUE | 1,895 |
| Current HUE | 1,452 |
| Growth HUE | 443 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| **Historic** | Membrane Treatment Plant | 2023-24 | $8,253,482 | 30% | $5,736,595 | $2,516,887 | $5,681 |
| | Reservoir Upgrade | 2024-25 | $1,867,776 | 30% | $1,298,201 | $569,575 | $1,286 |
| | | | | | | | |
| | | | | | | Methven & Methven-Springfield water supply development contribution (excluding GST) | $6,967 |
| | | | | | | (plus GST) | $1,045 |
| | | | | | | Methven & Methven-Springfield water supplydevelopment contribution (including GST) | $8,012 |

**Development Contribution - Mount Somers water supply**

| HUE Calculation | |
|---|---|
| Future HUE | 461 |
| Current HUE | 146 |
| Short-medium term growth HUE | 80 |
| Long-term growth HUE | 315 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| Historic | Membrane Treatment Plant- Short-medium term (25%) | 2022-23 | $1,754,892 | 34% | $1,157,482 | $597,410 | $7,468 |
| | Membrane Treatment Plant- Long term (75%) | 2022-23 | $4,916,982 | 66% | $1,653,215 | $3,263,767 | $10,361 |
| | | | | | | | |
| | | | | | | Mount Somers water supply development contribution (excluding GST) | $17,829 |
| | | | | | | (plus GST) | $2,674 |
| | | | | | | Mount Somers water supplydevelopment contribution (including GST) | $20,503 |

**Development Contribution - Rakaia water supply**

| HUE Calculation | |
|---|---|
| Future HUE | 783 |
| Current HUE | 666 |
| Growth HUE | 117 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| Historic | Second bore installation | 2021-22 | $23,000 | 18% | $18,949 | $4,051 | $35 |
| | Filtration & UV treatment equipment | 2022-23 | $315,000 | 18% | $259,519 | $55,481 | $474 |
| | Second bore installation | 2022-23 | $661,580 | 18% | $545,056 | $116,524 | $996 |
| | UV disinfection | 2023-24 | $15,000 | 18% | $12,358 | $2,642 | $23 |
| | UV Upgrade | 2024-25 | $1,349,000 | 18% | $1,111,401 | $237,599 | $2,031 |
| Future | New reservoir | 2027-28 | $982,575 | 18% | $809,514 | $173,061 | $1,479 |
| | | | | | | | |
| | | | | | | Rakaia water supply development contribution (excluding GST) | $5,037 |
| | | | | | | (plus GST) | $756 |
| | | | | | | Rakaia water supplydevelopment contribution (including GST) | $5,793 |

**Development Contribution - Ashburton wastewater (includes Lake Hood)**

| HUE Calculation | |
|---|---|
| Future HUE | 11,322 |
| Current HUE | 9,260 |
| Growth HUE | 2,062 |

| Period of CAPEX | Project description | Year incurred / proposed | Amount ($) | Growth portion (%) | Funding from third parties | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|---|
| **Historic** | River crossing and pump station | 2020-21 | $8,242,621 | 22% | 0 | $6,407,121 | $1,835,500 | $890 |
| | Ashburton relief sewer main | 2021-22 | $10,368,348 | 22% | 7,980,000 | $1,856,501 | $531,847 | $258 |
| | North west Ashburton wastewater servicing | 2022-23 | $4,346,290 | 22% | 0 | $3,378,441 | $967,849 | $469 |
| | Ashburton Grit Chamber | 2024-25 | $7,000,000 | 22% | 0 | $5,441,212 | $1,558,788 | $756 |
| **Future** | Tuarangi Road Block - Residential C Zone Servicing | 2027-28 | $1,795,974 | 22% | 0 | $1,396,039 | $399,935 | $194 |
| | | | | | | | | |
| | | | | | | | Ashburton wastewater development contribution (excluding GST) | $2,567 |
| | | | | | | | (plus GST) | $385 |
| | | | | | | | Ashburton wastewaterdevelopment contribution (including GST) | $2,952 |

**Development Contribution - Methven wastewater**

| HUE Calculation | |
|---|---|
| Future HUE | 1,485 |
| Current HUE | 1,138 |
| Growth HUE | 347 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| **Future** | WWTP Sludge Management | 2027-28 | $1,431,047 | 30% | $994,651 | $436,396 | $1,258 |
| | | | | | | | |
| | | | | | | Methven wastewater development contribution (excluding GST) | $1,258 |
| | | | | | | (plus GST) | $189 |
| | | | | | | Methven wastewaterdevelopment contribution (including GST) | $1,446 |

## Development Contribution - Rakaia wastewater

| HUE Calculation | |
|---|---|
| Future HUE | 729 |
| Current HUE | 620 |
| Growth HUE | 109 |

| Period of CAPEX | Project description | Year incurred / proposed | Capital Expenditure ($) | Growth portion (%) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|
| **Historic** | WWTP Sludge disposal area extension | 2022-23 | $263,000 | 18% | $216,677 | $46,323 | $425 |
| | | | | | | | |
| | | | | | | Rakaia wastewater development contribution (excluding GST) | $425 |
| | | | | | | (plus GST) | $64 |
| | | | | | | Rakaia wastewaterdevelopment contribution (including GST) | $489 |

**Development Contribution - Ashburton District community infrastructure**

| | | HUE Calculation | | |
|---|---|---|---|---|
| Asset | Year opened | Design Pop'n | Design Pop'n | Excess capacity (HUE) |
| Art Gallery & Heritage Centre | 2015 | 40,060 | 36,980 | 1,232 |
| EA Networks Centre | 2015 | 40,060 | 36,980 | 1,232 |
| Te Whare Whakatere | 2024 | 41,560 | 36,980 | 1,832 |

| Period of CAPEX | Project description | Year incurred/ proposed | Capital expenditure ($) | Growth portion (%) | Funding from third parties ($) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE |
|---|---|---|---|---|---|---|---|---|
| **Historic** | Ashburton Gallery and Heritage Centre | 2015-25 | $1,758,737 | 11.50% | $0 | $1,556,482 | $202,255 | $164 |
| | EA Networks Centre | 2015 | $13,961,031 | 11.50% | $0 | $12,355,512 | $1,605,519 | $1,303 |
| | Te Whare Whakatere | 2021/24 | $63,971,000 | 14.16% | $20,000,000 | $37,744,706 | $6,226,294 | $3,399 |
| **Future** | Ashburton Gallery and Heritage Centre | 2026-27 | $3,000,000 | 11.50% | $0 | $2,655,000 | $345,000 | $280 |
| **Ashburton District community infrastructure - development contribution (excl. GST)** | | | | | | | | $5,146 |
| **GST** | | | | | | | | $772 |
| **Ashburton District community infrastructure - development contribution (incl. GST)** | | | | | | | | $5,918 |

**Development Contribution - District Roading**

| | HUE Calculation | | |
|---|---|---|---|
| | Current HUE | Future HUE | Growth HUE |
| Residential | 20,782 | 26,450 | 5,668 |
| Non-Residential | 17,003 | 21,537 | 4,534 |
| **TOTAL** | **37,785** | **47,987** | **10,202** |

| Period of CAPEX | Project description | Year incurred/ proposed | Capital Expenditure $ | Growth portion (%) | Funding from third parties ($) | Funding from other ADC sources ($) | Cost of providing for growth ($) | Development contribution per HUE ($) |
|---|---|---|---|---|---|---|---|---|
| **Historic** | A2B Connecting Road - Historic Costs | 2013/14 to 2024/25 | $2,828,329 | 27% | $0 | $2,051,223 | $777,106 | $76 |
| | A2B Connecting Road – Enabling Costs | 2025/26 | $1,480,000 | 27% | $0 | $1,073,358 | $406,642 | $40 |
| **Future** | A2B Connecting Road | 2026/27 to 2028/29 | $19,700,000 | 27% | $0 | $14,287,267 | $5,412,733 | $531 |
| | | | | | | | | |
| | Ashburton District roading development contribution (excluding GST) | | | | | | | $647 |
| | (plus GST) | | | | | | | $97 |
| | Ashburton District roading development contribution (including GST) | | | | | | | $744 |

NB: Readers of the Policy should note that the overall project for the construction of the Second Ashburton bridge is being delivered by contractors under the management of NZTA Waka Kotahi. NZTA is funding the bridge and bridge approaches, and Ashburton District Council is funding the road running from Carters Terrace to Grahams Road. Funds raised by development contributions cover the growth share of the road, with the balance funded by loans serviced by rates.

## Appendix 6. Water consumption of properties by functional use

| Property Use | Water Consumption (Litres / Person / Day) | Property Use | Water Consumption (Litres / Person / Day) |
|---|---|---|---|
| **Household (per person)** | 220 | **Offices, Shops or Dry Industries** | |
| **Boarding Houses / Homestays** | | • Per staff member | 40 |
| • Per bed | 220 | **Public Toilets (incl. hand wash)** | |
| **Camping Grounds (Per guest)** | | • Per person | 20 |
| • Fully serviced | 130 | **Restaurants/ Bars/ Cafes (per customer)** | |
| • Recreation areas | 65 | • Dinner | 30 |
| **Community Halls (Per person)** | | • Lunch | 25 |
| • With banquet facilities | 30 | • Bar | 20 |
| • Meetings | 15 | **Rest Home (Per bed + per staff member)** | |
| **Hospitals (Per bed + per staff member)** | | • Per bed | 250 |
| • Per bed | 250 | • Per staff member | 60 |
| • Per staff member | 60 | **Retirement Home (self-contained units)** | |
| **Lunch Bars (Per customer + per staff member)** | | • Resident | 220 |
| • With restroom facilities | 25 | • Staff | 50 |
| • Without restroom facilities | 15 | **School (per pupil + per staff member)** | |
| • Per staff member | 40 | • No gym, showers or cafeteria | 20 |
| **Motels / Hotels** | | • Gym, showers and cafeteria | 100 |
| • Guests, resident staff | 220 | • Boarding | 250 |
| • Reception rooms | 30 | **Shopping Centre** | |
| • Restaurant (per customer) | 30 | • Per customer | 25 |
| • Bar (per customer) | 20 | | |

Note: Typical water consumption figures based on examples contained in “On-site Wastewater Systems: Design and Management Manual”, Auckland Regional Council technical publication No.58, third edition, August 2004.