

Part Four – Funding and Financial Policies

POLICY ON FINANCIAL CONTRIBUTIONS

This development Contributions Policy has been prepared as an interim policy.

The Council is to consider the extent of its use of the Development Contributions under the Local Government Act 2002 during the period up to 31 December 2006. The Council does not currently take contributions and has previously adopted a cautious stance on these matters due to their perceived inhibiting effect upon much needed district development.

Under s 106 of the Local Government Act 2002, Councils have wide powers to raise revenues from property developers, which are termed as financial contributions. Amounts collected are to be used for community purposes and are intended to fund capital developments. Council must follow the special consultative process to include the community in the decision-making process.

The Council is required to identify projects from which capital contributions may be collected. To date the Council has not carried out this project identification work but is planning to do so.

The Council recognises that Development Contributions must be fair and reasonable, and derived as part of a consistent, integrated and equitable approach to planning for the district.

The Wairoa District Council has committed itself to delivering an integrated approach to achieve long-term sustainable management of resources on behalf of the community. This approach requires sound information and rigour in the description of the contributions methodology and framework. Until all these elements are in place it is not Council's intention to collect Development Contributions under the Local Government Act 2002.