**Statement of Proposal – draft Financial contributions policy**

**Purpose**

The purpose of this document is to inform the public and seek comments on changes to council's draft Financial contributions policy.

**Background**

Council proposes to adopt a Financial contributions policy that will meet the legislative requirements of sections 102 and 106 of the Local Government Act 2002 (LGA).

Regional councils can charge a financial contribution[[1]](#footnote-2) as a condition of a resource consent under section 108 of the Resource Management Act 1991 (RMA) if this is provided for in the relevant regional plan.

Previously, council’s regional plans provided for financial contributions that could be applied under specific circumstances. These were set out in the:

* Regional Air Quality Plan
* Regional Coastal Plan
* Regional Water and Soil Plan

These three plans will be superseded by the Regional Plan for Northland when it is adopted later in 2024. This plan does not provide for financial contributions and therefore the regional council will not be able to impose financial contributions. However, there is a possibility the regional council may in the future decide to change the Regional Plan for Northland to include the ability to impose financial contributions.

**Proposal**

Council proposes to adopt a brief Financial contributions policy for inclusion in its Long Term Plan 2024-2034, largely as per that included in the Long Term Plan 2021-2031.

This comprises a short statement of council’s position on financial contributions, and makes clear that:

* Development contributions will not be sought as they are the domain of territorial authorities;
* The existing regional plans will shortly be replaced by the new Regional Plan for Northland, which does not include financial contributions provisions.
* No financial contributions will be levied unless provisions are included in a regional plan in the future.

**Assessment of options**

The reasonably practicable options are:

* That council adopts an updated Financial contributions policy with a short statement largely as per the previous Long Term Plan 2021-2031.
* That council retains its current Financial contributions policy without amendments.

The advantage of making the proposed changes is that the policy is kept up to date with legislation and councils current position, and is clear and concise to the reader.

Given that there are currently no provisions for financial contributions included in council’s proposed regional plan under the RMA, and that the policy is required under the LGA, it is considered adopting the updated policy largely as per the previous Long Term Plan 2021-2031 is appropriate.

**Submission process**

A full copy of the draft Financial contributions policy, and information on how to make a submission, are available from the council website at [www.nrc.govt.nz/futureplan](http://www.nrc.govt.nz/futureplan)

The draft Financial contributions policy also forms part of the supporting information to the council consultation on the Long Term Plan 2024-2034. Information on the Long Term Plan consultation and submission process can also be found on the above website and will be undertaken concurrently with consultation on this policy.

1. The term ‘financial contribution’ is defined in section 108(9) of the RMA to mean: ‘… a contribution of:

   (a) Money; or

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

   (c) A combination of money and land.’ [↑](#footnote-ref-2)