

3. SUBMISSION ON VARIATION 30 – FINANCIAL CONTRIBUTIONS TO THE PROPOSED SELWYN DISTRICT PLAN (RURAL AND TOWNSHIPS VOLUMES)

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PURPOSE OF REPORT

1. The purpose of this report is to recommend that the Christchurch City Council (CCC):
 - retrospectively adopts the attached submission on Variation 30 – Financial Contributions to the Proposed Selwyn District Plan (Rural and Townships Volumes); and
 - withdraws those parts of a previous submission on the Proposed Selwyn District Plan (Rural Volume) now redundant.
2. Submissions on Variation 30 closed on 22 February 2008. Preparation and presentation of this report to the Regulatory and Planning Committee's February meeting was not possible given the date of receipt of notice of Variation 30 and its necessary consideration. The attached submission was accordingly lodged, along with a covering letter stating that the SDC will be advised of the submission's retrospective adoption or withdrawal following the CCC's Regulatory and Planning Committee and Council meetings on 6 and 27 March 2008 respectively.

EXECUTIVE SUMMARY

New Submission on Variation 30 – Financial Contributions

3. Financial contributions are contributions of cash or land, or a combination of these, provided for under the Resource Management Act 1991 (RMA) to avoid, remedy or mitigate any adverse on-site and localised off-site effects on the natural and physical environment (including from infrastructure) of subdivision and/or development.
4. The Selwyn District Council (SDC) notified Variation 30 – Financial Contributions to the Proposed Selwyn District Plan (Rural and Townships Volumes) on 12 January 2008. The variation removes from the Proposed Selwyn District Plan (Rural and Townships Volumes) unnecessary provisions and references relating to the taking of financial contributions. The major amendments include:
 - amendments to the objectives and policies in the Plan to clarify SDC's decision to require development contributions for reserves, network infrastructure and community infrastructure under the Local Government Act 2002 (LGA);
 - deletion of all rules and references to rules in the Plan which require financial contributions for reserves, network infrastructure and community infrastructure; and
 - introduction of new policies relating to environmental compensation.
5. Environmental compensation is a contribution of land (usually offered by subdividers and/or developers and accepted by councils at their discretion) in addition to development contributions for reserves, resulting in a net environmental benefit for the purpose of allowing a development to proceed where it might not otherwise achieve sustainable management of resources and be declined.
6. The attached submission supports those provisions which:
 - remove all financial contribution provisions from the Proposed Selwyn District Plan in favour of the development contribution provisions within SDC's Development Contribution Policy (DCP); and
 - provide a new environmental compensation policy.

7. It does so for the following reasons:
- (1) By removing all financial contribution provisions from the Proposed Selwyn District Plan in favour of the development contribution provisions within SDC's Development Contribution Policy, Variation 30 is consistent with:
 - the CCC's approach to financial contributions under the RMA and development contributions under the LGA; and
 - the direction anticipated by the Greater Christchurch Urban Development Strategy (UDS), particularly:
 - Settlement pattern key action and approach, pg 37 - Align development contributions and other development charges using, wherever practicable, consistent growth assumptions and formulas; and
 - Integrated Land Use, Infrastructure and Funding action, pg 104 - Ensure that development contributions as far as practical fund the infrastructure costs arising from growth in accordance with the sub-regional settlement pattern.
 - (2) By providing a new environmental compensation policy, Variation 30 is consistent with the Christchurch City Council's approach to environmental compensation.
8. Submissions on Variation 30 closed on 22 February 2008. Preparation and presentation of this report to the Regulatory and Planning Committee's February meeting was not possible given the date of receipt of notice of Variation 30 and its necessary consideration. SDC staff did not consider an extension of its closing date warranted considering the nature of the variation. The attached submission was accordingly lodged, along with a covering letter stating that the SDC will be advised of the submission's retrospective adoption or withdrawal following the CCC's Regulatory and Planning Committee and Council meetings on 6 and 27 March 2008 respectively.

Previous Submission on Proposed Selwyn District Plan (Rural Volume)

9. In addition to being an adjacent local authority, the CCC has received notice of Variation 30 because it previously submitted to the SDC as follows:
- The Proposed Selwyn District Plan was publicly notified in December 2000 (Township Volume) and September 2001 (Rural Volume). Both volumes contained financial contribution provisions, albeit different ones.
 - Among other things, the CCC submitted on the financial contribution provisions of the Proposed Selwyn District Plan (Rural Volume), ie provisions 18 and 28 on pages 20 and 30 in its submission dated 7/12/01 attached.
 - Variation 1 - Financial Contributions to the Proposed Selwyn District Plan (Township Volume) was publicly notified in September 2001, its purpose being to make the financial contribution provisions of the Township Volume the same as those in the Rural Volume. The CCC did not submit on this variation.
 - The submissions in respect of the original financial contribution provisions of the Proposed Selwyn District Plan (Rural Volume) were never heard by virtue of the LGA being enacted and the SDC deciding to take contributions towards the cost of the provision of growth-related infrastructure via development contributions under the LGA, rather than via financial contributions under the RMA.
 - Insofar as the previous submissions in respect of the original financial contribution provisions of the Proposed Selwyn District Plan (Rural Volume) are still relevant, they will be heard along with those submissions in respect of Variation 30, unless they are withdrawn.
10. The notice of Variation 30 has accordingly asked the CCC to advise whether it wishes to 'rollover' its previous submission on the original financial contribution provisions of the Proposed Selwyn District Plan (Rural Volume) so that it can be considered as part of Variation 30, or withdraw it, in addition to lodging any new submission on Variation 30.

11. Variation 30 seeks to delete all of the original financial contribution provisions of the Proposed Selwyn District Plan (Rural Volume), including the aforementioned provisions which the CCC previously submitted on. It is consistent with the unchallenged approach taken by the CCC and other councils to financial contributions under the RMA and development contributions under the LGA and, as such, is supported by the CCC. It is therefore recommended that the aforementioned provisions of the CCC's previous submission be withdrawn.

FINANCIAL IMPLICATIONS

12. The financial implications in terms of the CCC's capital works (eg the CCC has a number of reserves on the Port Hills within SDC jurisdiction), just like any other developer, relate to:
 - those works requiring resource consent will no longer be subject to any financial contributions (as distinct from works and services on subdivision and development) for the purpose of mitigating adverse effects on the environment; and
 - those works which cause the SDC to incur capital expenditure to construct new or increase the capacity of additional assets will be subject to development contributions, as applicable. The quantum of development contributions is not up for review through this district plan variation process, however.
13. Furthermore, SDC's Development Contributions Policy already provides for the development contributions payable on connection to the CCC's sewerage systems in Lincoln, Prebbleton, Springston and Tai Tapu to be paid to the CCC at the same dollar value it requests, in addition to any development contributions payable to the SDC.
14. Any land bounding CCC-managed reserve accepted by the SDC as environmental compensation is likely to have complementary purposes to that managed by the CCC, potentially making management (including joint management and partnerships with private landowners) more efficient and therefore less expensive over the total area protected.
15. As such, there are no financial implications to lodging the submission to Variation 30, nor are there any in withdrawing the aforementioned provisions of the CCC's previous submission.

LEGAL CONSIDERATIONS

16. Section 6 in Part 1 of the First Schedule of the RMA allows the CCC to make submissions on variations to an adjacent council's district plan.
17. Implicit in the above section is the ability for the CCC to withdraw its submissions at any time.

Have you considered the legal implications of the issue under consideration?

18. A legal review of the submission to Variation 30 has been carried out.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

19. The submission to Variation 30 and withdrawal of the aforementioned provisions of the CCC's previous submission is consistent with the CCC's approach to financial contributions under the RMA and development contributions under the LGA as documented in the CCC's Development Contributions Policy, being part of the LTCCP.

ALIGNMENT WITH STRATEGIES

20. The submission to Variation 30 and withdrawal of the aforementioned provisions of the CCC's previous submission supports the direction anticipated by the UDS regarding:
 - aligning respective council approaches to development contributions and other development charges; and
 - ensuring that development contributions as far as practical fund the infrastructure costs arising from growth.

CONSULTATION FULFILMENT

21. Not applicable.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Retrospectively adopt the attached submission on Variation 30 – Financial Contributions to the Proposed Selwyn District Plan (Rural and Townships Volumes).
- (b) Withdraw provisions 18 and 28 on pages 20 of its previous submission, dated 7/12/01, on the financial contribution provisions of the Proposed Selwyn District Plan (Rural Volume), which are now redundant.