

# Community Initiated Infrastructure – Roding Contribution Policy (#4112)

Adopted: 2013  
Amended: August 2022

## Background

Council can assist the community to develop and provide their own facilities and services, which in turn helps to deliver Community outcomes.

From time to time, Council will be approached by a Community of place, use, or interest to extend, renew, or develop new roading infrastructure that has not been planned for by Council. This policy is developed to ensure that the percentage of contribution by both Council and Community is known and that those that are directly affected or are in the area of benefit are consulted and agree to fund the community share.

## Objectives

1. To support communities to develop community infrastructure which fulfils a demonstrated community need and aligns with Council's strategic priorities.
2. To enhance access and use by the general public of community infrastructure
3. To enhance services that align with Council's strategic priorities
4. To enhance community and Council capability for the development, renewal or replacement of Council owned roading infrastructure
5. To ensure that the community and Council are aware of the obligations of each party prior to entering into a partnership to fund community infrastructure

## Policy Statements

1. The decision to develop infrastructure; whether extensions or improvements to existing roading, is the Council's alone. It must align with Council's strategic priorities and will be assessed against the following criteria:
  - a. Whether the Council determines it is affordable to fund its share of the cost.
  - b. Whether the works proposed are appropriate, taking into account maintenance and other ongoing costs.
  - c. The traffic count on the road concerned
  - d. Whether dust nuisance is a major issue where the sealing of a metal road is proposed
  - e. Whether the works complete the sealing or other improvements to a road so it is all to one standard
  - f. Whether, if a cost / benefit analysis was carried out, the quotient would be greater than 1.
2. The Community must contribute the equivalent of the current Waka Kotahi/New Zealand Transport Agency subsidy (Funding Assistance Rate) and Council shall fund the balance of all costs.

3. Where a targeted rate is used, funding for ongoing maintenance, including depreciation, over a defined timeframe (dependent on expected life of the asset) may be incorporated into the project cost.
4. The Council will undertake or commission an appropriate consultation process with affected parties.
5. Appropriate funding arrangements will be entered into with local property owners and/ or ratepayers where:
  - a. Council has approved the project via a Long Term Plan or Annual Plan or via Council Resolution;
  - b. 75% of the affected persons or those in the defined area of benefit, agree with such funding arrangements (in cases other than a targeted rate, if some owners refuse to contribute to the scheme it can still proceed provided the remaining owners agree to meet the total contribution between them);
  - c. For the purpose of this proposal, Community group members, affected persons or those in an area of benefit are all defined as affected property owners for targeted rating.
6. The total cost calculation for the scheme and the calculation of the Community contribution are to be documented and will include quotations from suppliers, including professional services. If Council Staff are to manage the scheme, an allowance of at least 5% will be included in the total cost.
7. Funding arrangements options will include:
  - a. The full and final payment from the Community Group; or
  - b. The full and final lump sum payment for the project pro-rated to affected property owners; or
  - c. A targeted rate over a fixed number of years, incorporating all financial charges (loans, interest etc.).
8. If the funding agreement allows for all or part of the Community contribution to be received after the work has been completed an interest charge will be included as per Clause 6.
9. Where the funding arrangement is as per Item 7 a. or b., legally binding agreements covering the total Community contribution must be received from property owners prior to the scheme proceeding. These documents will be prepared and finalised by the Council's Legal Department.
10. Where the works are to be funded by a targeted rate, Council will then, pursuant to the Local Government Act 2002 and Local Government (Rating) Act 2002, consult on the proposed new rate in its next available Long Term Plan or Annual Plan. (Note any new rate has to be introduced as part of the Annual or Long Term Plan process).
11. The Community must be made aware of the time frames required to fulfil the Annual or Long Term Plan process.
12. Where the agreement is with one party (e.g. a forestry company) the arrangement must be documented in the same way as set out in Item 9.
13. Annual budgets for this activity need to be approved through either the Long Term Plan or the Annual Plan processes. Unspent budgets will not normally be carried forward to the next financial unless the Council decides otherwise.