

Consultation Document – Proposal to amend the Utu Whakawhanake Development Contributions Policy 2025

Introduction

The Far North District Council (**Council**) is proposing some changes to its Utu Whakawhanake Development Contributions Policy 2025 (**Policy**). These changes are about how the Policy will work in practice by tidying up wording, fixing minor errors, and adjusting some processes. This consultation document explains the proposed changes and asks for your views before Council makes a final decision.

Scope of consultation

This consultation is only about a specific set of technical amendments to the Policy. These include the start date for the Policy, how requests for reconsideration are handled, how development contribution credits are described, and some minor wording and formatting corrections. Council is interested in whether you think these changes are easy to understand, practical to apply, fair, and whether they could have any unintended impacts.

The consultation does not revisit Council's earlier decision to use development contributions as a way of funding growth-related infrastructure, or the core approach and levels of development contribution charges. Feedback received that is not directly related to the proposed amendments may still be noted, but it will be treated as 'out of scope' for the formal analysis of submissions and reporting back to Council.

This consultation document has been prepared in accordance with section 82 of the Local Government Act 2002 (**LGA**) to inform the community about the proposed amendments and invite feedback before Council makes its final decision.

What is Council proposing?

Council proposes to amend parts of the Policy to ensure it is workable, fair, and internally consistent with the decision of Council to change the commencement date.

The proposed amendments would:

- Replace the current reconsideration process with a delegated Officer panel process that can meet the statutory 15 working day decision timeframe.
- Clarify how historical credits apply to residential and non-residential allotments, including where a section 224(c) Resource Management Act 1991 certificate has been issued before the commencement date, but title registration is delayed.

- Correct minor typographical, grammar, and cross-reference errors so the Policy reads as one coherent framework.

Benefits of the Amendment

- **Clarity:** Makes the policy easier for developers, landowners, and Council staff to understand and apply
- **Statutory compliance:** Helps ensure reconsideration requests can be determined within the timeframe required by the LGA
- **Administrative efficiency:** Reduces avoidable interpretation issues, rework, and post-implementation disputes
- **Fairness:** Improves the treatment of credits where subdivision approval has been completed but title registration is delayed for reasons outside an applicant’s control
- **Implementation readiness:** Allows more time for system testing, process confirmation, and alignment with the start of the rating and financial year
- **Transparency:** Improves cross-referencing and consistency across the Policy.

Disadvantages

- **Perception of change:** Even if intended as clarification, some developers or public may perceive the amendments as a policy shift.

What decision does Council need to make?

After considering submissions, Council will decide whether to:

- adopt the proposed amendments to the Policy, as presented; or
- adopt the proposed amendment with modifications in response to submissions; or
- not proceed with some or all the proposed amendment.

Council’s Decision-making Process

Table 2: Council’s decision-making process for the Utu Whakawhanake Development Contributions Policy 2024 Amendment

Date	Decision
7 October 2025	Council adopts the Policy, with commencement delayed to 29 May 2026 (Resolution 2025/136) ¹ .
24 November 2025	The implementation programme for Policy began.
1 April 2026	Council determines to delay the commencement of the Utu Whakawhanake Development Contributions Policy 2025 from 29 May 2026 to 1 July 2026.
13 May 2026	Council resolution made under delegation by the Te Kūkupa Committee for Strategy, Policy and Regulation (Te Kūkupa) to adopt public consultation material and endorse public consultation process
Current stage	Public consultation on the proposed amendments to the Policy using a section 82 LGA process
Following consultation	Council will consider submissions and make final decision on whether to amend the Policy.
8 July 2026	Recommendation to Council
22 July 2026	Council determines whether to amend the or not.

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27 July 2026	If the amendment is adopted, the amended policy will come into effect on the 27 July 2026
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Context and Situation

Background

The Policy was adopted following public consultation and was intended to provide a fair and transparent mechanism for funding growth-related infrastructure in the Far North District.

During implementation planning, operational testing, public enquiries and internal feedback, areas where the Policy would benefit from amendment were identified.

The key issues related to commencement timing, the practicality of the reconsideration process, the clarity and equity of credit provisions, and minor technical corrections. The proposed amendments are limited to non-material drafting changes, grammatical corrections, and wording updates. They do not alter the intent, charging methodology, schedule of development contributions fee, or underlying right to seek reconsideration or objection of the Policy.

This proposal is the result of Te Kūkupa resolution made the Te Kūkupa meeting held on 13 May 2026, where Te Kūkupa chose **Option 1 (Table 1)**. This option best achieves fairness, financial stability, and compliance with legislative requirements.

Reasonably practicable options

Table 1: Reasonably practicable options considered

Option	Benefits	Cost
<p>1. Endorse the proposed amendments to the Policy (Attachment 2) and adopt the consultation plan and material to consult on the draft Policy (Attachment 4) using the section 82 LGA public consultation process.</p>	<ul style="list-style-type: none"> Improves clarity for Policy users Supports statutory compliance Addresses identified fairness issues in the credit provisions 	<ul style="list-style-type: none"> None identified
<p>2. Status quo. Do not endorse the proposed amendment to the RFP.</p>	<ul style="list-style-type: none"> None identified 	<ul style="list-style-type: none"> Ambiguity will remain around credit entitlements and exceptions Will increase the number of extraordinary Council meetings to decide all reconsideration applications due to the statutory timeframe of 15 working days to remain compliant with the LGA Does not reflect prudent use of Council resources.

Why is the amendment necessary?

Reconsideration Process

Clause 28.3 currently requires “reconsideration requests” to be reported to and decided by Council at a public meeting. Staff have identified that this is not workable within the statutory 15 working day timeframe for “reconsiderations” under the LGA, because Council meetings are generally held monthly and required agenda lead in times.

Council therefore proposes (**Table 2**) to replace the current clause 28.3 process with a delegated officer panel process.

Table 2: Proposed Changes to “Reconsideration’ Process

Affected clause	Current wording	Proposed amendment
28.3	<p>Council will take the following steps:</p> <ul style="list-style-type: none"> a. Council will review the original assessment and prepare a report that will include, but is not limited to, consideration of the following matters: <ul style="list-style-type: none"> i. the grounds on which the request for reconsideration was made, including any new information provided; ii. the purpose and principles of development contributions under ss197AA and 197AB LGA; iii. the provisions of the Policy; iv. any other relevant matters. b. the reconsideration request and report will be provided as part of an agenda report for a public meeting of the Council with the relevant delegations and Terms of Reference to consider the request. c. Council will consider the information provided and will make a decision. d. the Council will, in accordance with s199B LGA, notify the person of the outcome of the reconsideration within 15 working days after the day it receives all required information in relation to the request. 	<p>Where a person requests a reconsideration under clause 28.1:</p> <ul style="list-style-type: none"> a. Council will review the development contribution requirement in accordance with clause 28.2; b. the reconsideration request will be determined by a panel of 3 suitably delegated officers that may or may not include the Chief Executive in accordance with Council’s Delegations Register; c. In making a determination under clause 28.3.b, the panel will have regard to the information provided by the requester, the original assessment, the requirements of this Policy, and any relevant technical or legal advice; d. Council will notify the person who requested the review in writing of its decision within 15 working days of receiving the request, unless clause (e) applies, including reasons for the decision and information on the right to object under clause 29; and e. The panel may, at its discretion, refer any reconsideration to a commissioner, for determination if the matter raises significant policy interpretation, precedent, or public interest issues.

This amendment is intended to preserve the right to seek reconsideration while making the process practical, timely, and legally robust.

Credits and equity

Council is proposing amendments (**Table 3**) to improve the wording and operation of historical credit provisions in clauses 17.8 and 18.

These changes would use consistent terminology, remove duplication, and recognise situations where a certificate under section 224(c) of the Resource Management Act 1991 has been issued before commencement but title registration is delayed by Land Information New Zealand.

Table 3: Proposed Changes to Address Equity and Implementation Issues

Affected clause	Current wording	Proposed amendment
17.8.a.iv	iv. The first single dwelling unit built on a vacant lot with a registered title in existence prior to 29 May 2026 will be assessed as having a credit of one HUE.	iv. The first single dwelling unit built on an allotment with a registered title, or for which a certificate under section 224(c) of the RMA was issued prior to 1 July 2026, development contributions will be calculated in accordance with the credit provisions in clause 18.8.a.i, which provides one HUE credit per Activity for undeveloped lots.
18.1.b	b. historical credits of one HUE per Activity on vacant land with a registered title at 29 May 2026	b. historical credits of one HUE per Activity on undeveloped allotments with a registered title, or for which a certificate under section 224(c) of the RMA was issued prior to 1 July 2026, as detailed in clauses 18.8.a.i and 18.8.b.i.
18.8	<p>a. Residential</p> <p>i. Any undeveloped existing lot with a registered title as at 29 May 2026 is deemed to have one HUE credit per Activity for which a development contribution would otherwise be required, except for:</p> <ul style="list-style-type: none"> • small road severances; or • titles that are unable to be built on. <p>ii. Where a cross lease or unit title is converted into 'Fee Simple' title, no additional development contributions will be required if the conversion does not increase demand for Council infrastructure.</p>	<p>a. Residential</p> <p>i. Any undeveloped allotment with a registered title, or for which a certificate under section 224(c) RMA was issued prior to 1 July 2026, is deemed to have one HUE credit per Activity for which a development contribution would otherwise be required, except for:</p> <ul style="list-style-type: none"> • small road severances that are not intended for development; or • allotments that cannot be lawfully be built on due to physical constraints, legal restrictions, or planning provisions. <p>ii. Where a cross lease or unit title is converted into 'Fee Simple' title, no additional development contributions are required provided the conversion does not create additional residential capacity beyond what was lawfully established prior to 1 July 2026.</p>
18.8.b	<p>b. Non-residential</p> <p>i. Any undeveloped lot with a registered title as at 29 May 2026 is deemed to have one HUE credit per Activity for</p>	<p>b. Non-residential</p> <p>i. Any undeveloped allotment with a registered title, or for which a certificate under section 224(c) RMA was issued prior</p>

	<p>which a development contribution would otherwise have been required, except for:</p> <ul style="list-style-type: none"> • small road severances; or • titles that are unable to be built on. <p>ii. For developments involving extensions or demolition and rebuilding at the same or higher intensity, credits will be assessed based on the pre-existing development 25 26</p> <p>iii. Sites where buildings were demolished or destroyed prior to 29 May 2026 will be treated as vacant lots for the purpose of credit allocation.</p>	<p>to 1 July 2026, is deemed to have one HUE credit per Activity for which a development contribution would otherwise have been required, except for:</p> <ul style="list-style-type: none"> • small road severances that are not intended for development; or • allotments that cannot lawfully be built on due to physical constraints, legal restrictions, or planning provisions. <p>ii. For the purpose of clause 18.8.b.i “undeveloped allotment” means an allotment with no existing non-residential buildings or lawfully established non-residential activity prior to 1 July 2026.</p> <p>iii. Credits for non-residential development are calculated based on GFA of existing lawful non-residential buildings on the allotment as at 1 July 2026, using the demand factors in Tables 1-4 (clause 20). Sites where buildings were demolished or destroyed prior to 29 May 2026 will be treated as vacant lots for the purpose of credit allocation.</p>
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These amendments are intended to improve fairness, reduce ambiguity, and support more consistent assessments.

Technical Corrections

A few technical corrections are also proposed (**Table 4**) to address grammar, typographical errors, spelling mistakes, duplicated wording, and incorrect cross-references.

These corrections do not change the underlying intent or effect of the Policy, but they would improve clarity, legal readability, and consistency across the document.

Table 4: Proposed Technical Changes

Affected clause / location	Current wording	Proposed amendment	Effect
14.1 Heading text	“Activities for which a development contributions fees are charged”	Activities for which a development contribution fee is charged	Corrects grammar. No change in meaning
19 Heading	Development Contributions Fees Schedule	Development Contributions Fee Schedule	Aligns heading with usage. No operative effect
Definition – Capital Expenditure	...constriction costs of eligible infrastructure	construction costs of eligible infrastructure’	Corrects spelling. No change to scope of capex.
Definition – Dwelling unit	A Dwelling Unity may be part of a larger building...	A Dwelling Unit may be part of a larger building...	Typo only
Definition – Retail activity	...ancillary activity to the retain activity...	...ancillary activity to the retail activity...	Typo only
17.8.b.iii	...as per clause 17.8.b.ii17.8.b.ii above.	...as per clause 17.8.b.ii above.	Fixes duplicated cross-reference
17.8.c.i	...charges for non-residential land use (clause 17.8.d.i18.8.b).	...charges for non-residential land use (clauses 17.8.e and 18.8.b).	Correct cross-reference to the actual non-residential clauses. No change to intent

Consultation Procedure (Section 82 LGA)

Council is required to consult on any amendment to its development contributions policy using a process that gives effect to section 82 of the LGA.

The Amendment Supporting Report assesses the proposed changes as limited in scope, primarily procedural or technical, and not significant under Council’s Significance and Engagement Policy. On that basis, a time-bound consultation process is considered appropriate and proportionate.

A three-week consultation period was determined as justified because it provides affected parties with a reasonable opportunity to understand the changes and make submissions, while also ensuring efficient use of Council resources.

The Council encourages any person or organisation affected by or having an interest in the proposed amendments to send their views to the Council by making a submission between **18 May 2026** and **8 June 2026**.

How to give your views on the proposal

You can make a submission by using any of the following methods:

1. online at the Council's website www.fndc.govt.nz/have-your-say
2. email your submission to submissions@fndc.govt.nz
3. drop-off your submission at any Council service centre or library, details of their locations and opening times are listed at <https://www.fndc.govt.nz/Council/Contact-council> or you can get that information by phoning the Council on 0800 920 029
4. post your submission to: Communications and Engagement Team, Far North District Council, Private Bag 752, Kaikohe 0440

Please include your full name and email address or postal address in your submission if you want:

1. the Council to acknowledge receipt of your submission
2. to make a verbal submission – you will be contacted to confirm your attendance and speaking time closer to the date.

Any submissions that are out of scope, offensive, inappropriate, or late may not be accepted by the Council. You will be notified if your submission is not accepted and, where appropriate, invited to resubmit.

Privacy statement – Please be aware, any submissions that are made on the proposed amendment to the Utu Whakawhanake Development Contributions Policy 2025, become part of the public consultation process. As such, all submissions, any summaries of submissions, and any documents provided with your submission, are copied and made available to the Council's governing body as well as the public. Any personal information included with a submission such as your name is treated as part of the submission and will also be released publicly. Your submission and any personal information that you supply such as your name will not be treated as confidential unless you specifically request it in your submission.