

18 April 2019

WHAT

On 1 April 2019 we held a workshop with councils and development industry representatives to discuss:

- ▼ the inclusion of transport items in local infrastructure contributions plans (nexus), and
- ▼ the apportionment of the cost of transport items across development subject to the relevant contributions plan.

The workshop focused on the inclusion of local and collector **roads** in contributions plans.

This Fact Sheet provides a summary of the workshop discussion and explains how we intend to assess whether there is nexus for the roads in plans we are assessing, and whether the apportionment of the road costs is reasonable.



WHY

We have observed variation in the types of roads included in the contributions plans we have assessed, and the methods of apportioning costs to development.

To date, councils have provided limited information to explain why they have included specific roads or apportioned costs in a particular way.



WHO

This issue is relevant to all councils preparing contributions plans for IPART assessment, developers subject to contribution rates and other stakeholders with an interest in contributions plans.



HOW

Workshop participants generally agreed that:

- ▼ Where possible, councils should require developers to deliver local or collector roads through conditions of development consent.
- ▼ Where there are practical reasons that prevent a road from being delivered through conditions of development consent, it is reasonable for the road to be included in the contributions plan.

Stakeholders also generally agreed that the benefits of apportioning road costs across a broad catchment outweigh the costs and complexity of accurately apportioning the costs within smaller catchments. They also accepted that apportioning transport costs on a per person basis for residential development is reasonable.



WHAT NEXT

When submitting plans for IPART assessment, for each road included in a contributions plan, applicant councils should:

- ▼ explain why it is not practical or possible to require a developer to deliver a road as a condition of development consent, and
- ▼ provide information to support its position or approach.

If a council decides to create contributions sub-catchments for transport costs, it should clearly define the sub-catchments and explain the basis for creating sub-catchments.

1 Our method for assessing roads in contribution plans

Our method for assessing nexus for, and apportioning costs of, roads in contributions plans will involve consideration of the following principles:

- ▼ Councils should secure the delivery of local and collector roads through conditions of development consent, where possible.
- ▼ Where it is not possible or practical to secure the delivery of a local or collector road (or segment of road) through conditions of development consent, there may be a case for including the road in the plan. This may be the case when:
 - ▽ the road or half-road fronts public or non-developable land
 - ▽ the road serves a critical role in the transport network
 - ▽ the road is required to lead or facilitate development
 - ▽ it is not practical for an individual developer to provide the road, and/or
 - ▽ there is fragmented ownership of adjoining land.
- ▼ Fragmented land ownership of itself is not likely to be sufficient reason to include a road in a contributions plan.
- ▼ When including a road in a plan, the council should provide an explanation and supporting information, preferably in explanatory notes as part of a contributions plan, to encourage stakeholder engagement when the draft plan is exhibited.
- ▼ When considering which road costs need to be included in a plan, councils should separately consider:
 - ▽ land acquisition costs
 - ▽ works costs, and
 - ▽ design costs.
- ▼ A simple approach to the apportionment of transport costs across the plan area (on a per person basis for residential development) is preferred to a more complex – but more accurate – approach.