**4.6 Dividends Policy**

Until 30 June 2027

The council is a local authority and does not have shareholders. It does not pay dividends.

From 1 July 2027

The council transfers its asset, liabilities and operations to Coast Waters Limited. The council becomes a shareholder in Coast Waters and is the water services provider. The constitution of Coast Waters does not allow distributions (being dividends or any other distribution) to shareholders unless firstly approved unanimously by all shareholders.

**4.7 Policy for funding growth**

Until 30 June 2027

The council currently uses the financial contributions provisions of its district plan to collect contributions for water services.

The council is working with the other two territorial councils and the regional council to create a combined district plan (the proposed Te Tai o Poutini Plan or TTPP) for the region. This plan will align the financial contributions objectives & rules across the West Coast.

With the government announcement that they would be introducing a development levy approach, the councils have limited any work on a common development contribution policy for the West Coast. There will be a requirement as an outcome of the RMA Reform to develop a regional special plan – this plan will help guide the introduction of Development Levies.

Where development occurs which cannot be accommodated by existing network capacity, specific developer agreements will be entered into by the council and a developer.

From 1 July 2027

Coast Waters will enter into specific developer agreements where existing network capacity is not adequate.

Coast Waters expects that its future funding requirements for growth will be meet by a combination of:
the provisions of the governments proposed Development Levies, and
specific developer agreements entered where required.