



## Supreme Court of New Zealand

19 December 2006

### **MEDIA RELEASE – FOR IMMEDIATE PUBLICATION**

**WAITAKERE CITY COUNCIL v ESTATE HOMES LTD  
(SC 73/2005) [2006] NZSC 112**

### **PRESS SUMMARY**

**This summary is provided to assist in the understanding of the Court's judgment. It does not comprise part of the reasons for that judgment. The judgment with reasons is the only authoritative document. The full text of the judgment and reasons can be found at [www.courtsofnz.govt.nz](http://www.courtsofnz.govt.nz).**

The Supreme Court has allowed an appeal by the Waitakere City Council against a Court of Appeal decision concerning the basis on which local authorities can require property developers to provide additional infrastructure (which will serve wider community needs) when giving planning consent to land subdivision.

Waitakere City Council had required Estate Homes Ltd, as a condition of consent to a subdivision of land at Ranui, to construct a road forming part of the subdivision to arterial road standards. The road, which will eventually be an extension of Marinich Drive, is the subject of a long-standing Council designation.

The Court of Appeal decided that the City Council should compensate Estate Homes for Council requirements concerning the road by paying the developer the full costs of construction of the road and a sum covering the value of all land required as road reserve.

The Supreme Court has decided that compensation should be restricted to what was necessary to cover road construction costs, and land value, over and above that that would have been required for the lesser standard of road which would have been necessary solely to serve the subdivision. The Supreme Court also referred the question of the appropriate standard of the road, which will be the basis for assessing compensation, to the Environment Court for decision.

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