

## **Fees and Charges 2020/21: Annual Review**

**Meeting:** Kaipara District Council  
**Date of meeting:** 29 April 2020  
**Reporting officer:** Sue Davidson, General Manager Sustainability Growth & Investment

### **Purpose/Ngā whāinga**

To advise Council of the outcome of the review of the Fees and Charges and to recommend some minor adjustments to ensure the fees are appropriate, fair and cover expenses.

### **Executive summary/Whakarāpopototanga**

This report advises Council of the annual review of the Fees and Charges and ensures they align with the Annual Plan (AP) budget and revenue and financing policy. This prediction is based on an analysis of actual, forecast and budgeted fee income and costs.

It is recommended that Council approves the draft schedule of Fees and Charges 2020/2021 circulated with Council's Agenda for 29 April 2020 (**Attachment A**) to be included in the budgeting and planning process so that the community may comment and make submissions.

### **Recommendation/Ngā tūtohunga**

That Kaipara District Council:

- a) Approves the proposed draft Fees and Charges 2020/2021 (Attachment A of this report) for community consultation prior to formal adoption.

### **Context/Horopaki**

Most fees were last increased at the beginning of the current financial year 2019/2020. Fees are normally assessed and adjusted each year, with implementation dates of any changes in fees ideally being 01 July. This would allow the fees to be advertised as part of the annual planning process and feedback evaluated before budgets are set.

The revenue in the Annual Plan 202/21 is based on these fees. This report brings the results of the Fees and Charges analysis to the attention of Council as early as possible for its consideration. Council's revenue and financing policy is based on a user-pays approach for most of the regulatory activities although sale of alcohol fees and parking infringements are currently set by legislation.

### **Discussion/Ngā kōrerorero**

Previously, it was suggested most Fees and Charges increase by approximately 3-5%.

As an economic recovery response to the community being impacted by the COVID-19 pandemic, proposed fees and charges have been reviewed. This has resulted in no annual inflationary increases except for some minor changes explained below.

This summary of the suggested changes has resulted in a review of wording or changes in process. See attached schedule.

#### ***Health Licence Fees***

No significant changes to the Fees and Charges for the next financial year. However, some clarity on definitions has been added.

Certificate of Inspection for Community Kitchens has been removed as this is no longer required under the Food Act.

### ***Sale of Alcohol***

Fees are set by statute under the Sale and Supply of Alcohol (Fees) Regulations 2013 and exclude GST. In line with all other Fees and Charges (and other Councils) it is proposed published fees now include GST.

### ***Building***

No increases to fees. The MBIE levy has reduced from \$2.01 to \$1.75 per \$1,000 of building work.

### ***Resource Management***

No increases to fees.

However, through our continuous improvement policy a review of the Pre-Application process has resulted in a proposed pre-paid Package of \$250. The Package includes up to two experts (e.g. Planner and an engineer) for a meeting up to an hour with minutes from the meeting being provided within two working days thereby improving the customer experience. General enquiries are still free of charge and covered by the rostered Duty Planners.

A proposed change from Application fee to Instalment Fee. This gives the applicant an indication that additional charges may apply where the instalment fee does not cover the actual and reasonable costs associated with processing the application. This to manage the cost expectation and reduce the number of objections over fees. This is in line with Far North District Council and Whangarei District Council's fees for Resource Consent fees.

### ***Dogs***

It is recommended no changes to Dog registration fees. Now that Animal management is in-house we are able to offer additional services such as microchipping of animals which has resulted in a new fee. We are also now offering hireage of dog training collars.

### ***Dargaville Library Charges and General Fees***

The fee for borrowers living outside the Kaipara District has been removed as it is prohibitive to community members living on the District fringes.

### ***Parking Fees***

These fees are set by government legislation. As we do not have metered parking in Kaipara it is recommended to remove the hourly fees. Any parking infringement would then be covered by "All parking offences" \$40.

### ***Cemeteries***

The contractor has increased their charges and it is recommended to pass these increases on to the user rather than Council to absorb the shortfall.

## **Factor to consider**

### ***Community views***

The community will be engaged for feedback. Due to the economic impacts of COVID-19, the District is facing greater economic hardship.

### ***Policy implications***

There are no obvious policy implications however the adoption of the Annual Plan has a consequence on the Fees and Charges required to recover enough revenue to operate the user pays sections of the Council business.

### ***Financial implications***

Sufficient revenue must be obtained through the Fees and Charges to recover a certain percentage of the costs to operate that part of the business as proposed in the revenue and financing policies and budgets being set by the new Long Term Plan, changes to legislations; additional requirements on Council by central government; increasing customer demands for service; changes in technology; as well as general inflation, all put pressure on the organisations provision of service.

## Options

There are two options provided below to assist Council's decision making on 29 April 2020. Even if Council does not want to increase the Fees and Charges, there is still the need to adopt the current fees for the 2020/2021 financial year as the current charges cease in 2020.

- Option A** Status quo. Do not increase the Fees and Charges, apart from minor alterations in the discussion above.
- Option B** Make changes to the amounts/percentage increases to some or all of the Fees and Charges in the circulated schedule for Fees and Charges 2020/2021 and approve the changes for consultation.

Option A would require the Annual Plan to be altered to raise the required budgeted revenue.

Option B would allow for small increments made. However, because of COVID-19 Council has indicated they do not want to increase costs to our community at this time.

**The recommended option is Option A.**

Council may have additional valuable information at the meeting requiring changes to the schedule, in which case Option B would be more appropriate.

## Significance and engagement/Hirahira me ngā whakapāpā

Fees and charges are normally consulted under section 150 of the Local Government Act 2002. If Council decides on minimal changes (recommend Option A), staff may accordingly look at a reduced method of engagement this year.

For reference, fees and charges which are subject to the Special Consultative Procedure process under the Local Government Act 2002 is listed in Table A below.

**Table A: Fees and Charges subject to the Special Consultative Procedure**

	Refer to draft schedule of Fees & Charges
Bylaw Enforcement	Pg. 23
Drainage (Wastewater and Trade Waste)	Pg. 28
Food Act	Pg. 2
Health Act Registered Premises	Pg. 1
Public Places Bylaw	Pg. 23
Resource Management Act	Pg. 11
Rubbish Disposal	Pg. 28
Water Supply	Pg. 30

## Next steps/E whaiake nei

If the Fees and Charges schedule is approved, then the revenues can be included in the Annual Plan 2020/2021.

## Attachments/Ngā tapiritanga

	Title
A	The draft Schedule for Fees and Charges 2020/2021.