

Annual Review of Fees and Charges 2021-2022

Meeting: Kaipara District Council
Date of meeting: 24 February 2021
Reporting officer: Sue Davidson, General Manager Sustainable Growth & Investment

Purpose/Ngā whāinga

To advise the Council of the outcome of the review of the Fees and Charges and to recommend some adjustments to ensure the fees are appropriate, fair, and meet the Revenue and Financing Policy.

Executive summary/Whakarāpopototanga

This report advises Council of the annual review of the Fees and Charges and ensures they align with the Long Term Plan 21/22 budget and Revenue and Financing Policy. The proposed fees and charges are based on an analysis of actual and forecast fee income and costs.

It is recommended that the Council approves the draft schedule of Fees & Charges 2021/22 circulated with the Council's Agenda for 24 February 2021 (Attachment A) to be included in the budgeting and planning process so that the community may comment and make submissions.

Recommendation/Ngā tūtohunga

That the Kaipara District Council:

- a) Approves the draft Fees & Charges for 2021/2022 (Attachment A of this report) for community consultation prior to formal adoption.
- b) Delegates the authority for the Mayor, Deputy Mayor, and Chief Executive to finalise and approve the policy.

Context/Horopaki

Last year as an economic recovery response to the community being impacted by the COVID-19 pandemic no annual inflationary increases were applied. Fees are normally assessed and adjusted each year, with implementation dates and any changes in fees ideally being 1st July. This allows the fees to be advertised as part of the annual planning process and feedback evaluated.

The revenue in the Long Term Plan 2021/22 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

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

Resource Consent fees: The structure of Resource Consent application fees has been reviewed to align with other Councils in Northland and Auckland as well as some suggested inflationary increases and recommended amendments to wording to support current services offered.

Change from Instalment fee to Lodgement Deposit: This change gives the expectation that additional fees will be charged which supports customer expectations and aligns with Northlands approach. Simplification of one fee is proposed for Non-notified Land Use applications and another for Non-notified Subdivision applications rather than applying fees for multiple breaches and multiple lot subdivisions, with another fee for limited notified and publicly notified applications.

Professional fees: Recommend an increase in 3% to hourly rates to reflect LGCI and lack of increase in 20/21. An additional Post-Approval Officer rate has been included.

Pre-applications: The current fee, adopted last financial year, is not covering the costs of staff involved. The change covers half an hour of administration, and 1 hour each of a planner and an engineer which is the likely minimum cost.

Removal of amalgamation condition fee: covered by administrative time charged.

Objections: outlining hearings are charged at actual costs.

Post Approval: specific rates to reflect council professional fees for officers involved in the process.

In Accordance check: inclusion of this check for consents and any changes being 'in accordance.'

RMA hearing fees: deposit with actual and reasonable costs instead of current standalone fee.

Waiver of outline plan: no current acknowledgement of this process.

Dog Registration: No change.

Community Housing: Recommended increase for Fagan Place to \$155 and the other locations to \$135 per week based on no increase in the last two years and currently these rents are sitting at less than 50% of market rents whereas most councils are charging 65-80% of market rates.

By-Laws: Applied provision for a person to apply for a permit to keep additional animals (e.g. Poultry) in a residential area as per the recent adoption of the Consolidated General Bylaws 2020. The fee covers the cost of a monitoring inspection.

Sale of Alcohol: Removal of a Temporary Licence fee as it is covered under the Temporary Authority fee.

Roading: The Licence to Occupy annual monitoring fee has been removed as recommended by NTA as advised it is usually for the benefit of both Council and the applicant.

A CPI inflation rate of 2% has been applied to roading charges.

A single charge to cover both Urban and Rural applications for No Spray zones has been applied based on current NTA guidelines.

Information Requests: Information requests (other than LIMs) are recommended to break the fee into 15-minute increments at \$17, rather than a flat \$68 fee.

Building Services: Recommended inflationary increases to some services.

A review of the costs of inspecting private wastewater systems has resulted in an increase to include an hour inspection fee carried out by the in-house wastewater engineer.

Refuse Collection: A Waste Collection Licence application fee has been included this year. Contractors will now require a licence to operate and report data on a regular basis to Council i.e. disposal and diversion of refuse and recycling. The licence will be valid for 5 years and is less than other councils.

Water Carrier Charge: A new fee of \$21 per fill plus water metre charge at cost has been included this year.

Factors to consider

Community views

The community will be engaged for feedback.

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 section of the Council business.

Financial Implications

Sufficient revenue must be obtained through the Fees and Charges to recover a certain percentage of costs to operate that part of the business as proposed in the revenue and financing policies and budgets being set by the 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 organisation's provision of service.

Options

There are two options provided below to assist Council's decision making on 24 February 2021. Even if Council does not want to increase the Fees and Charges, there is still the need to adopt the current fees for the 2021/2022 financial year as the current charges cease on 30 June 2021.

Option A: Status quo. Do not increase the Fees & Charges, apart from minor alterations in the discussion above.

Option B: Make changes to the amounts/percentage increases to some or all the Fees and Charges in the circulated Statement of Proposal for Fees and Charges 2021/2022 and approve the changes for consultation. Delegate the Chief Executive & Mayor to make any further minor changes.

Option A would require only minor changes where statutory fees had changed and would not meet the revenue required for the first year of the Long Term Plan.

Option B would allow for the proposed amounts/percentage increases to be made.

The recommended option is Option B.

Significance and engagement/Hirahira me ngā whakapāpā

Fees and charges are normally consulted under section 150 of the Local Government Act 2002.

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 Statement of Proposal of Fees & Charges
Bylaw Enforcement	Page 24
Drainage (Wastewater and Trade Waste)	Page 27
Food Act	Page 6
Health Act Registered Premises	Page 5
Public Places Bylaw	Page 24
Resource Management Act	Page 12
Rubbish Disposal	Page 34
Water Supply	Page 28

Next steps/E whaiake nei

If the Fees and Charges schedule is approved, then the revenues can be included in the Long Term Plan for the year 2021/2022.

Attachments/Ngā tapiritanga

	Title
A	Statement of Proposal for Fees and Charges 2021-2022