

Adoption of Fees and Charges 2021-2022 Annual Review

Meeting: Kaipara District Council
Date of meeting: 26 May 2021
Reporting officer: Joy Hewlett, Planning & Quality Services Team Leader

Purpose | Ngā whāinga

To adopt the Fees and Charges for financial year 2021/2022.

Executive summary | Whakarāpopototanga

Council needs to approve Fees and Charges annually for the ensuing year. The Fees and Charges 2021/22 have been published. Council received two submissions during the consultation period to 03 April 2021. (Attachment A)

Recommendation | Ngā tūtohunga

That the Kaipara District Council:

- a) Approves the proposed Fees and Charges for 2021/2022 as outlined in the draft schedule, appended to the report as Attachment C.
- b) Delegates the Mayor and Chief Executive the authority to approve minor editorial changes to the Fees and Charges 2021/2022.

Context | Horopaki

Council received two submissions during the consultation period to 3 April 2021, and changes have been made as a result. The original Statement of Proposal with proposed changes has been included for your reference, Attachment B. Attachment C is the final document annotated with the one new proposed change. Officers recommend the adoption for these fees and charges.

Discussion | Ngā kōrerorero

Each year fees are assessed and adjusted with implementation dates of any changes in fees being 01 July of the ensuing financial year.

Resource Consent fees: This year the Council received two submissions on proposed Resource Consent fees.

Submission #1	
Issue:	<p>Pre-Application meetings.</p> <p>The submitter suggested we have no fee at all for this service.</p>
Current situation:	<p>The current fee \$250, adopted last financial year, is not covering the costs of staff involved. The revised fee of \$450, covers half an hour of administration, and 1 hour each of a principal planner and a principal engineer which is the likely minimum cost.</p> <p>There are on average 2 pre-application meetings per week and this is growing. There are currently 7-8 resource consent applications a week. Staff have reviewed other adjacent council's fees and found Whangarei have no charge, with Auckland charging \$505 as a deposit.</p> <p>Advantages of no fee for Pre-Application meetings:</p> <ul style="list-style-type: none"> ▪ better quality of Resource Consent applications ▪ better start to relationships with the Resource Consent Team <p>Disadvantages:</p> <ul style="list-style-type: none"> ▪ may not have staff resources if pre-application is free to all. ▪ we would not meet the Revenue & Financial Policy. This is at Council's discretion.
Proposed outcome:	<p>It is felt the general rate payer should not be expected to subsidise the cost of large-scale development. This is in line with the Revenue & Financing Policy. The service provided in a pre-application meeting ensures a quality application is submitted reducing processing costs. Small scale enquiries will continue to be supported by the Resource Consent Help Desk free of charge.</p>
Issue:	<p>Limited Notification fee - \$5,000.</p> <p>The submitter suggests this is significant for simple 1-2 party notifications.</p>
Current situation:	<p>\$5,000 has the been the current fee for the past 2 years.</p>
Proposed outcome:	<p>Very rarely would a small land use activity result in notification with written approvals being sought prior to application. Processing fees often exceed application and notification fees. It is felt the proposed fee should remain.</p> <p>Advantages of reduction of current fee:</p> <ul style="list-style-type: none"> ▪ None identified as most limited notifications cost more than \$5000 <p>Disadvantages:</p> <ul style="list-style-type: none"> ▪ Customers must pay the full processing cost and if you reduce the upfront fee then the customer's expectations are set at the lower fee ▪ Analysis has shown that the instalment fee in the current fees and charges was insufficient to cover processing costs resulting in "unexpected" additional charges to the applicant.

Submission #2	
Issue:	Proposed no fee for NES Forestry Permitted Activity.
Current situation:	The fee has been \$475 for the last two years and no increase was proposed.
Proposed outcome:	It is recommended the fee be removed. On investigation when the 2017 Resource Management (National Environmental Standards for Plantation Forestry) regulations came into force there is no allowance for such a charge.

Discussion on overall changes proposed:

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.

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.

Factors to consider

Community views

The community has had the opportunity to provide feedback.

Policy Implications

There are no obvious policy implications however the adoption of the Annual Plan has a consequence on the Fees & 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. These fees have taken into account of changes to legislations; additional requirements on Council by central government; increasing customer demands for service; changes in technology; as well as general inflation which all put pressure on the organisation's provision of service.

Options

There are two options provided below to assist Council's decision making on 26th May 2021. Even if Council does not want to increase the Fees & 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 and approve the 20/21 fees for the 2021/2022 year.

Option B: Approve the increased fees and charges circulated in the Statement of Proposal for Fees and Charges 2021/2022 which was consulted on.

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 and therefore recommended with the amendments proposed for NES forestry permitted activity.

Should Council not agree with Council proposals then the resolution can be added to, to reflect this

Significance and engagement | Hirahira me ngā whakapāpā

Fees and Charges were consulted on under section 82 of the Local Government Act 2002.

Many of these were required to be consulted on annually as they are prescribed by bylaws (section 150).

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 of Fees & Charges 2021/2022
Bylaw Enforcement	Page 20
Drainage (Wastewater and Trade Waste)	Page 24
Food Act	Page 2
Health Act Registered Premises	Page 1
Public Places Bylaw	Page 20
Resource Management Act	Page 9
Rubbish Disposal	Page 23
Water Supply	Page 24

Next steps | E whaiake nei

Implementation of the new fees and charges by 01 July 2021.

Attachments | Ngā tapiritanga

	Title
A	Submissions
B	Statement of Proposal Fees and Charges 2021-2022 altered since previous year
C	* Fees & Charges with changes made since the Statement of Proposal

**NB Submission 1 is regarding Limited Notification fee Page 9, no change
 Pre-Application Fee Page 8, no change
 Submission 2 NES Forestry Permitted Activity Fee Page 9, fee removed*