

QLDC Council
28 September 2017

Report for Agenda Item: 4

Department: Planning & Development

Amendments to the fees and charges schedule used for resource consents, building consents, resource management engineering and other matters

Purpose

To update the fees and charges schedules following the Resource Law Amendment Act 2017 and to adjust the Resource Management Engineers hourly charge out rate.

Recommendation

That Council:

1. **Note** the contents of this report and in particular the Statement of Proposal and proposed changes to the fees and charges schedule used for resource consents, building consents, resource management engineering and other matters;
2. **Adopt** the Statement of Proposal including amendments to the fee schedules used for resource consents, building consents, resource management engineering and other matters [contained in **Attachment A**] as part of a special consultative procedure; and
3. **Appoint** the Planning and Strategy Committee to hear the submissions and report back to full Council.

Prepared by:



Blair Devlin
Manager, Planning Practice
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Reviewed and Authorised by:



Tony Avery
General Manager, Planning &
Development

Background

- 1 Section 36 of the Resource Management Act (RMA) enables the Queenstown Lakes District Council to set fees and charges payable by applicants for resource consent, by holders of resource consents, and for other matters set out in section 36 that relate to the Council's administration of its functions under the RMA.

- 2 Section 150 of the Local Government Act allows a local authority to prescribe fees or charges payable for a certificate, approval, permit or consent from, or inspection by, the local authority in respect of a matter set out in a bylaw or any other enactment.
- 3 Following the Resource Law Amendment Act 2017 (RLAA 2017), officers consider that Council needs to amend the present fees and charges, which were last reviewed as part of the 2017/18 Annual Plan. The Council is proposing to amend its fees schedule to reflect the changes brought about by the RLAA 2017 and the increases in cost of securing engineers and engineering services in the Queenstown Lakes District.

Comment

- 4 The Resource Law Amendment Act 2017 (RLAA 2017) introduces some new matters that Council can recover its reasonable costs of performing. The key changes are:
 - a. New section “87BA Boundary activities approved by neighbours on infringed boundaries are permitted activities.” This section established a new class of permitted activity, where when in a residential zone a side yard or height plane breach is permitted, if the affected neighbour provides affected party approval. A person can make an application to the Council. It is proposed to charge a fixed fee of \$320 for the processing and issuing of these notices. These applications should be relatively straight forward so the fee is based on processing time of the planner with a brief review by a Senior Planner, plus the administration fee for setting up and recording the application in the system.
 - b. New section “87BB Activities meeting certain requirements are permitted activities.” This section provides the discretion for a consent authority to make marginal or temporary breaches a permitted activity. For example a temporary breach of a noise standard. It is proposed to charge an initial fee of \$390 for these activities. An initial fee is required as there is assessment of environmental effects, and effects on people, under these provisions. The initial fee is based on an assessment of the required processing planner time, a review by a Senior Planner plus an administration fee for setting up the application in the system.
 - c. New sub-section 36(1)(af) where a person making an objection under section 357A(1)(f) or (g) (relating to decisions on resource consents) can request an independent commissioner. The cost of using an independent commissioner can then be recovered. It is proposed that the cost of the hearings commissioners be recovered at their hourly rate for the time spent considering the objection.
- 5 Due to increases in cost of securing engineers and engineering services in the Queenstown Lakes District the hourly rate for RM Engineering services is proposed to increase from \$165 to \$185 (\$160.86 ex GST). This is to ensure that ratepayers are not burdened with increased costs due to recognised national and local shortages in engineers driving up the cost of engineering related services.

- 6 **Attachment A** is the Statement of Proposal and sets out the proposed changes to the fee schedule that covers Resource Consent and Engineering Fees and Other Charges.
- 7 Section 36(3) of the RMA does require the use of a special consultative procedure to amend the Council's fees and charges. The documents required to undertake the special consultative procedure are attached.

Options

8 Option 1 – Do not amend the current fee schedule

Advantages:

- 9 Does not increase costs to the industry
- 10 Retains the fees structure that many are familiar with
- 11 Does not require a separate Special Consultative Procedure as no change is proposed

Disadvantages:

- 12 Council could not recover its reasonable costs for dealing with boundary activity notices and deemed permitted temporary and marginal consents.
- 13 Will not cover the reasonable costs of providing engineering comment.
- 14 Would not assist in meeting the revenue targets or achieve the funding policy for the Planning and Development activities as contained in the draft 2017/18 annual plan.

15 Option 2 – Amend the fee schedule as Shown in **Attachment A**

Advantages:

- 16 Would recover the reasonable costs of providing the services required by the RLAA 2017.
- 17 Will cover the reasonable costs of providing engineering comment.
- 18 Will assist Council in meeting its budgets.

Disadvantages:

- 19 New costs to the applicants in some areas (although these are typically less than a normal resource consent process).

- 20 This report recommends **Option 2** for addressing the matter because it will improve the administration of regulatory functions.

Significance and Engagement

21 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy because it affects every user of the regulatory services performed by Planning & Development.

Risk

22 This matter relates to the strategic risk SR1 'Current and future development needs of the community (including environmental protection)', as documented in the Council's risk register. The risk is classed as moderate.

23 This matter relates to this risk because the regulatory process around environmental management is central to the current and future development needs of the community. Amending the fee schedule works towards mitigating the risk identified above by treating the risk.

Financial Implications

24 The proposed amendments will ensure Council recovers its reasonable costs for performing the services listed.

Council Policies, Strategies and Bylaws

25 The following Council policies, strategies and bylaws were considered:

- Annual Plan 2016/17

26 The recommended option is consistent with the principles set out in the named policy as the changes are generally considered to be fine tuning / amendments to the existing fee schedule.

Local Government Act 2002 Purpose Provisions

27 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by refining and improving the existing fee schedule.
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

28 The proposed changes will be subject to a special consultative procedure process.

Attachments

A Statement of Proposal including Appendix A, proposed amendments to Fee Schedules