

Summary of Statement of Proposal

DRAFT FEES AND CHARGES RESOURCE CONSENTS ACTIVITY 2015/2016

This statement is made for the purposes of section 83 of the Local Government Act 2002.

Each financial year the Council reviews the fees and charges proposed for various activities undertaken by the Resource Consents Business Unit. The purpose of the review is to:

1. Ensure that those who benefit from the services of the resource consent activity pay a fair and reasonable share of the costs of these services;
2. Ensure fees and charges reflect any changes in the cost of providing these services;
3. Check that Nelson City Council fees and charges for the resource consents activity are measured against equivalent costs for Tasman and Marlborough District Councils.

Section 36(2) of the Resource Management Act 1991 requires the Council to seek public feedback on its proposed fees and charges through the Special Consultative Procedure under section 87 of the Local Government Act 2002.

The proposed change to the current fees and charges is to increase the staff hourly charge out rate from \$145 per hour to \$148 per hour. The increase reflects a 1.9% increase in costs for 2014/15.

The Council welcomes feedback on the fees and charges. Council, in making its decision, will be taking account of all submissions made.

Copies of the Statement of Proposal which includes a more detailed assessment of the proposal are available free of charge from Civic House or on request.

Submissions

Any interested person or body is welcome to make submissions or comments on the Council's Draft Fees and Charges Resource Consents Activity 2015/2016.

Submissions are to be made in writing and forwarded to:

Fees and Charges Resource Consents Activity 2015/2016
Nelson City Council
PO Box 645
Nelson 7040
OR emailed to submissions@ncc.govt.nz

Submissions must be received no later than 4.30pm on Friday 24 April 2015.

Any person who wishes to speak to the Council in support of their submission will be given the opportunity to address a Hearing Panel consisting of three Nelson City Council Councillors at a hearing which will occur in May 2015, the specific date to be advised to all submitters.

All enquiries should be directed to Mandy Bishop on phone 545 8740 or email mandy.bishop@ncc.govt.nz.

Draft Schedule



Draft Fees and Charges 2015-2016

**Resource Consent Fees
and
Resource Management Act Planning
Documents Fees
under the Resource Management Act 1991**

Attachment 11

Resource Consent Processing and Monitoring, Designations, Plan Changes and all other activity under the Resource Management Act 1991 (RMA) will attract an initial charge (deposit) payable at the time of lodging an application as per Section 1 below.

Where the cost of processing the consent is not fully covered by the initial charge, additional charges will be applied (under Section 36 of the RMA).

Section 2 below lists the various costs that may be charged to consent. Changes to current charges are shown as strikethrough and new charges shown as bold.

All charges listed in this Schedule are GST inclusive

	Activity	Initial Charge
1.1	All activities (other than listed below)	\$1,300
1.2	Subdivision 1-3 lots	\$1,300
	Subdivision 4 plus lots	\$2,000
1.3	Bore permits; Certificate of Compliance; Change of consent conditions or consent notice; Culverts, weirs and other minor structures on the bed of watercourses; Existing Use Certificate; Extension of lapsing period; Fences; Flats Plan update and check; Gravel extraction; Outline Plan approvals; Relocate building; Removal of trees listed in the Nelson Resource Management Plan; Replacement Permits; Right of Way approval; Signs; Simple consent process; Transfer/part transfer of Permits	\$500
1.4	NOTIFIED APPLICATIONS: Additional charges for applications requiring notification/ limited notification. (This charge must be paid prior to notifying the application and is in addition to the initial charge paid when the application is lodged).	\$7,000
1.5	Removal of trees listed in the Nelson Resource Management Plan that are confirmed in writing by a qualified arborist as diseased or a threat to public safety.	No charge
1.6	Heritage Buildings: Non-notified application to conserve and restore heritage building, place or object listed in the Nelson Resource Management Plan.	No Charge
1.7	Private Plan changes (Note: Council's policy is to recover 95% of the costs involved for the whole process from the applicant).	\$10,000
1.8	Heritage Orders	\$3,500

1.9 Where an application involves multiple consents the initial charge is payable at the higher rate plus \$250.00 for each accompanying application.

1.10 Where all or part of any initial charge (deposit) is not paid at

application time, the Council reserves the right to not process that application.

2. Costs Charged to a Consent

	Details	Charge
2.1	Council Staff – all staff time inclusive of overhead component associated with processing and assessing applications.	\$145 \$148 per hour
2.2	Hearings Panel Charges:	
	- per Councillor as Commissioner (rate set by Remuneration Authority)	\$80 per hour
	- Councillor as Chairperson (rate set by Remuneration Authority)	\$100 per hour
	- Independent Commissioner (requested by applicant)	Cost
	- Independent Commissioner (requested by submitter)	Cost less Councillor rate (applicant pays the Councillor rate)
	- Independent Commissioner(s) required for expertise or due to conflict of interest issues	Cost
2.3	Legal advisors and consultants engaged by Council, or reports commissioned, after discussion with the applicant, to provide expertise not available in-house under s.92(2) RMA.	Cost plus administration charges
2.4	Experts and consultants engaged by Council to undertake assessment of an application where the complexity of the application necessitates external expertise, or where resource consent processing is required to be outsourced due to conflict of interest issues (this is not a s92(2) RMA commissioning).	Cost plus administration charges
2.5	All disbursements, such as telephone calls, courier delivery services, all public notification costs, postage for notified applications and document copying charges.	Cost plus administration charges
2.6	Consultants engaged by the Council where skills are normally able to be provided by in-house staff or when Council staff workloads are unusually high.	\$145 \$148 per hour
2.7	Urban Design Panel reviews a proposal before a resource consent application is lodged	No charge
2.8	The applicant agrees (as per 2.3 above) to the Urban Design Panel reviewing the proposal after a resource consent application is lodged	Cost plus administration charges

2.9 Photocopying Charges

- A4 \$0.20 per page;
- A3 \$0.50 per page;
- Large copies \$3.00 per page or actual cost from Copy Service plus staff time.

2.10 Monitoring Charges

- 2.10.1 If monitoring is required, a one-off charge of \$100.00 will be invoiced as part of the consent cost. Any extra work that is required to monitor compliance with the consent conditions will be charged at the appropriate hourly rate for Council staff and separately invoiced.
- 2.10.2 Monitoring charges associated with review of information required to be provided by a condition of resource consent will be charged for at the appropriate hourly rate for Council staff or actual cost for specialist consultant.
- 2.10.3 Where the applicant is required or authorised to monitor the activity, the Council's costs in receiving and assessing the monitoring information will be charged directly to the consent holder at the appropriate hourly rate for Council staff or actual cost of the specialist involved.

2.11 Administration Charges

	Item/Details	Charge
2.11.1	Insurance levy – for each resource consent.	\$30
2.11.2	Street naming and numbering (costs of reporting to Hearings Panel and advising all statutory agencies).	Council staff hourly rate in 2.1 above
2.11.3	Street numbering – application for alteration.	\$125
2.11.4	Documents for execution – removal of building line restrictions; easement documents, caveats, covenants and other documents to be registered with LINZ presented after subdivision processed or where not associated with a subdivision application.	\$175 for each document
2.11.5	Certificate under Overseas Investment Act.	\$385
2.11.6	Confirmation of compliance with the Nelson Resource Management Plan for NZ Qualifications Authority.	\$385
2.11.7	Confirmation of compliance with the Nelson Resource Management Plan for liquor licence applications.	\$70
2.11.8	Section 357 Administration charge.	\$255
2.11.9	Private right-of-way – review against existing names and advising all statutory agencies where appropriate.	\$225
2.11.10	Authentication report for small-scale solid-fuel burning appliance or open fire.	\$70
2.11.11	Removal of designation.	\$305
2.11.12	Swing Mooring annual charge (monitoring costs are additional, refer 2.10.3 above).	\$75
2.11.13	Transfer of Consents to new owner (S.135(1)(a), S.136(1), S.136(2)(a), or S.137(2)(a) Resource Management Act)	\$150
2.11.14	Claiming a swing mooring the Council removed from the Coastal Marine Area that did not have a coastal permit	\$300
2.11.15	Claiming a vessel that was towed and hauled out of the Coastal Marine Area as it was tied to a non consented mooring that was uplifted	Cost for tow and haul out

2.12 Discount for Late Consents

2.12.1 Where statutory processing timeframes have not been met and this is the fault of the Council, a discount of 1% of the total processing costs per each day the consent is late, up to a maximum of 50%, will be credited.

3. Invoicing

3.1 Where processing costs exceed the level of the initial charge (deposit), monthly invoices for any additional charges may be sent to the applicant.

3.2 Annual swing mooring charges shall be due on 1 December. The initial payment is due within 30 days of the mooring being installed. Moorings installed 1 December to 1 June will incur the full annual charge. Moorings installed from 1 June to 30 November will be charged half of the annual charge. The Council reserves the right to agree to other arrangements in writing.

3.3 The Council has no obligation to perform any action on any application until the charges for the action have been paid in full; such payment will be required by the 20th of the month following invoice.

3.4 Where any interim invoice is disputed, work on processing the application will be stopped until the matter is resolved at the discretion of the Manager Resource Consents.

3.5 The option of monthly invoices only, in lieu of initial charges, may be available on strict credit conditions as follows:

- a) The consent process, or Council involvement in the project, is likely to extend over a period in excess of 6 months; and
- b) The total amount for invoices is likely to exceed \$5,000; and
- c) The applicant is in good financial standing with a satisfactory credit record and agrees to abide by the Council’s usual credit terms or
- d) The applicant is a regular customer of the Council’s Resource Consents Business Unit, is in good financial standing with no record of unpaid invoices, who agrees to pay each and every invoiced charge by the 20th of the month following the date of issue of the invoice.

Any disputes relating to an invoiced charge must be resolved after the invoice has been paid. Failure to meet these criteria will result in the option of monthly invoices, in lieu of initial charges plus monthly invoices being withdrawn. The decision on whether to waive the required charge and institute a system of monthly invoicing shall be made by the Manager Consents and Compliance or Group Manager Strategy and Environment, having regard to the above criteria.

4. Pre-Application Charges

Detail	Charge
Pre-application discussion with staff on feasibility of a proposal that may not proceed to resource consent.	First half hour – no charge. Additional time charged on an hourly basis at the Council staff charge out rate as per 2.1.

Attachment 11

5. Resource Management Planning Documents

Copies of Plans	Cost
Nelson Resource Management Plan - Text (hard copy)	\$150
Nelson Resource Management Plan - Maps (hard copy)	\$150
CD ROM – combined Nelson Resource Management Plan and Nelson Air Quality Plan – updated annually in Spring	\$15 annually
Nelson Resource Management Plan - hard copy updates issued as required	\$25 annually for text \$25 annually for maps
Nelson Air Quality Plan	\$50
Land Development Manual	\$100



Nelson City Council
te kaunihera o whakatū

STATEMENT OF PROPOSAL

**DRAFT FEES AND CHARGES RESOURCE
CONSENT ACTIVITY 2015-2016**

March 2015

1. Introduction

The Resource Consents activity has a variety of functions that have an element of cost recovery. While some charges are set by statute, other statutes give local authorities the power to set charges. This proposal considers fees and charges for:

- a) Resource consents: processing, monitoring and enforcing, administration; and
- b) Resource Management Act planning documents.

Each financial year the Council reviews the fees and charges to:

- a) Ensure that those who benefit from the services of the resource consent activity pay a fair and reasonable share of the costs of these services; and
- b) Ensure fees and charges reflect any changes in the cost of providing these services; and
- c) Check that Nelson City Council fees and charges for resource consents activity are measured against equivalent costs for Tasman and Marlborough District Councils.

Funding is achieved by Council through a mix of general rates, fees and charges, and infringement fees and fines. The level of cost recovery from applicants affects the level of ratepayer funding that is required.

Section 101(3) of the Local Government Act 2002 and Section 36 (4) of the Resource Management Act 1991 provide that charges for regulatory functions are to be cost-effective, with the purpose of recovering the reasonable costs incurred by the Council in respect of the activity to which the charge relates, with those gaining the benefit from the regulatory service paying the reasonable cost for that service.

Section 36(2) of the Resource Management Act 1991 requires the Council to seek public feedback on its proposed fees and charges through the Special Consultative Procedure under section 83 of the Local Government Act 2002.

2. The Approach to Charges

2.1 Council's current charging structure set out in its Fees and Charges Schedule for Resource Consents (see Appendix One) is based on applicants lodging an initial sum of money determined by the nature or category of consent. This is credited to the applicant's consent account. As the consent is processed those processing costs are debited against the applicant's account.

2.2 The cost of the consent processing is based on:

- a) The time spent by Council staff and any specialist advisers assessing and reporting on the application; and
- b) The staff hourly charge (consultants are charged out at this rate if staff would normally process the consent), or the consultant charges (if there is a lack of expertise or conflict for staff); and
- c) Administrative costs; and

- d) A \$100 charge incorporating the first hour of monitoring if monitoring is required. Subsequent monitoring is charged at the staff hourly rate.
- 2.3 When the decision on the consent is made, and processing is completed, the costs are calculated and a refund is made if the cost is less than the initial charge, or an account for further payment is sent if the costs exceed the amount of the initial charge.
- 2.4 The 2009 Amendments to the Resource Management Act 1991 included the introduction of a Discount Policy should the consent:
- a) Be processed outside the statutory timeframes; and
- b) It was the fault of the Council.
- 2.5 The discount came into effect on 31 July 2010. The default discount is 1% of the consent processing costs per day the consent was late, up to a maximum of 50% of the costs of the consent. Councils can choose to give a more generous discount than the default.

3. The Proposal

- 3.1 The staff hourly charge out rate is to increase from \$145 per hour to \$148 per hour.

4. Reasons

- 4.1 The overall costs associated with resource consent processing increased by 1.9% for the 2014/2015 financial year. A 1.9% increase of \$145 is \$148.
- 4.2 The proposed staff charge out rate is aligned with Tasman and Marlborough District Councils' hourly rates.
- 4.3 The initial charges (deposits) required when applying for consent reasonably reflect the average cost of processing consents.

5. The Alternative

- 5.1 To keep the current staff charge out rate at \$145. This is not the preferred option as increasingly those who benefit from the services of the resource consent activity only pay a disproportionate share of the costs of these services as the fees and charges will not reflect any changes in the cost of providing these services.

6. Special Consultative Procedure

In adopting the Statement of Proposal for public consultation, including a draft declaration indicating the proposed option, the Council is required to consider whether the Statement of Proposal meets the requirements of section 83 of the Local Government Act 2002. A statement of proposal must include:

- A statement of the reasons for the proposal; and
- An analysis of the reasonably practicable options, including the proposal; and
- Any other information that the local authority identifies as relevant.

The Council considers the Statement of Proposal meets these requirements.

7. Submissions

- 7.1 Any interested person or body is welcome to make submissions or comments on the Council's Draft Fees and Charges Resource Consents Activity 2015-2016.
- 7.2 Council in making its decision will be taking account of all submissions made.

Submissions are to be made in writing and forwarded to:

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Copies of the Statement of Proposal, including the complete draft Schedule for Resource Consent Fees and Resource Management Act Planning Documents Fees are available free of charge from Civic House or on request.

All enquiries should be directed to Mandy Bishop on 545 8740 or email mandy.bishop@ncc.govt.nz