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30 May 2013

Memo To:

Mayor and Councillors

Memo From:

Administration Advisers

Subject:

**COUNCIL - GOVERNANCE AND POLICY AND PLANNING** 

4 JUNE 2013 LATE ITEM 2

#### 1. Draft Statement of Proposal – Gambling Policy Review 3-15

**Document 1477879** 

A report titled Draft Statement of Proposal – Gambling Policy Review is attached to be considered as a major late item at this meeting.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and Standing Order 3.7.5, a procedural resolution is required before a major item that is not on the agenda for the meeting may be dealt with.

In accordance with section 46A(7)(b)(i) the reason why the item was not on the agenda is because of an administrative error.

In accordance with section 46A(7)(b)(ii) the reason why discussion of this item cannot be delayed until a subsequent meeting is because a resolution on the matter is required before the next scheduled meeting to enable consultation in accordance with section 83 of the Local Government Act 2002 to be undertaken on this matter prior to the end of this Council term.

#### Recommendation

THAT the item regarding Draft Statement of Proposal – Gambling Policy Review be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable consultation in accordance with section 83 of the Local Government Act 2002 to be undertaken on this matter prior to the end of this Council term.

## 2. Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14 16-28

Document 1517014

A report titled Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14 is attached to be considered as a major late item at this meeting.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and Standing Order 3.7.5, a procedural resolution is required before a major item that is not on the agenda for the meeting may be dealt with.

In accordance with section 46A(7)(b)(i) the reason why the item was not on the agenda is because it was deferred from the Council meeting to Deliberate on Submissions to the draft Annual Plan 2013/14 and draft Fees and Charges: Resource Consents Business Unit 2013/14 held on 29-30 May 2013.

In accordance with section 46A(7)(b)(ii) the reason why discussion of this item cannot be delayed until a subsequent meeting is because a resolution on the matter is required before the next scheduled meeting to enable a report regarding Fees and Charges: Resource Consents Business Unit 2013/14 to be brought back to Council prior to the end of the financial year.

#### Recommendation

THAT the item regarding Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14 be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable a report regarding fees and Charges: Resource Consents Business Unit 2013/14 to be brought back to Council prior to the end of the financial year.



14 May 2013

**REPORT 1477879** 

#### **Draft Statement of Proposal - Gambling Policy Review**

#### 1. Purpose of Report

1.1 To approve the release of the revised Statement of Proposal, Gambling Policy Review (Attachment1) for public consultation using the Special Consultative Procedure. The Statement of Proposal was revised following a Council resolution on 11 October 2012.

#### 2. Recommendation

<u>THAT</u> the attached Statement of Proposal (1326758) be approved and advertised for consultation in accordance with section 83 of the Local Government Act 2002;

<u>AND THAT</u> the consultation period runs from 6 June 2013 to 8 July 2013;

<u>AND THAT</u> Council hear, deliberate and make decisions on all submissions made.

#### 3. Background

3.1 At the Policy and Planning meeting on 11 October 2012 (Public Excluded), Council resolved:

<u>THAT</u> Council withdraw the Statement of Proposal Draft Class 4 Gaming Venue Policy 2012, Draft Racing Board Venue Policy 2012 in document number 1326758;

<u>AND THAT</u> the decision to withdraw the Statement of Proposal Draft Class 4 Gaming Venue Policy 2012, Draft Racing Board Venue Policy 2012 be made public;

<u>AND THAT</u> Council staff draft a new Statement of Proposal taking into account the legal advice it has received.

3.2 The Statement of Proposal had been released for public consultation on 25 September 2012 and was withdrawn on 11 October 2012, in accordance with the Council resolution. The decision to discontinue the consultation was made in response to concerns raised that Council may be following a process for adopting a new policy when it should be

- following a process for amending a policy in accordance with section 87(2)(b) and 87(3) of the Local Government Act 2002.
- 3.3 In a media statement advising of the decision to withdraw the proposal, the Acting Chief Executive advised that Council was of the view that the Statement of Proposal created sufficient uncertainty over the extent of the proposed amendments that it could again expose Council to the risk of legal challenge. He also advised that Council wanted to ensure that it was clear what was being consulted upon and that the Statement of Proposal was in accordance with the requirements of the Local Government Act 2002, as stated in the 2011 High Court decision in relation to Council's 2010 review of its Gambling Policy.
- 3.4 In his High Court judgment, Justice France paraphrased his view of section 87(3) of the Local Government Act as follows:

"What is being said is that when you first do it, give people a copy of the whole policy so they can see it. It is a first policy so there is a blank canvas, and there is no established position being altered. However, thereafter, what matters to people is what you are proposing to change and so a detailed statement of proposal focussing on the changes is required. Consistent with the fact that there is an existing policy, whether amending or replacing it, the requirement is to give notice of:

- (a) the proposed changes;
- (b) the reasons for the changes;
- (c) what alternatives to the changes are reasonably available."

#### 4. Discussion

#### Proposal

- 4.1 The wording in the previous Statement of Proposal and attaching draft policies containing the proposed changes to that Statement of Proposal could have given submitters the impression that Council was seeking feedback on the entire Gambling Policy rather than only on the proposed changes to the policy in accordance with the High Court judgment (refer 3.4 above).
- 4.2 The Statement of Proposal has been redrafted to cover only those matters required under section 87(2)(b) and 87(3) of the Local Government Act and to make it clear that what is being consulted on are the particular provisions of the Gambling Policy that the Council is proposing to change (Attachment 1). The proposed changes themselves, i.e. a sinking lid on pokie venues, with an exception for class 4 club venue mergers, and separating out the class 4 gambling venue policy and New Zealand Racing Board venue (also known as "TABs") policy, remain the same as previously agreed by Council. The previous

Statement of Proposal also included an exception to the sinking lid for class 4 club venues that wish to relocate. However, this has been removed from the revised Statement of Proposal following information from Auckland City Council that a strict interpretation of the Gambling Act 2003 does not allow the Council to provide an exception for relocation in the policy.

- 4.3 A sinking lid would mean that as pokie licences are surrendered and the number of venues and/or pokie machines fall there would be no more consents issued for new venues or increases in the number of machines within the Nelson City area. It would also mean that if businesses or clubs wish to relocate they would not be able to obtain consent to operate pokie machines at the new site. It should be noted that if a venue closes or is sold, the 'existing use' of the venue as a gambling site only expires after six months. This means that if another operator takes over the site and obtains a license to operate pokies from the Department of Internal Affairs within the first six months after closure or sale then no further consent is required. However, if the new operator fails to obtain a license or chooses not to apply for a license within that period then the consent for the venue will expire and they will be unable to operate pokies at that venue.
- The attached revised draft Statement of Proposal has been reviewed by Council's legal advisor, who has discussed the Statement of Proposal with the solicitors who previously acted for the Nelson Gambling Taskforce in respect of the High Court proceedings, as a matter of courtesy.

#### Consultation

- 4.5 It is proposed that the submissions period for the Council's Statement of Proposal commence on 16 May 2013 and close on 17 June 2013. The proposal and consultation will be advertised via a public notice and the Statement of Proposal will be available for public inspection at Civic House and public libraries.
- 4.6 A summary of the information contained in the Statement of Proposal has been prepared in accordance with section 89 of the Local Government Act 2002 (Attachment 2). This will be distributed to a wide range of stakeholders, including those stakeholders Council must consult with under section 102(1) of the Gambling Act 2003, and to the wider community through the Council website and Live Nelson.
- 4.7 A date of 9 July 2013 is proposed to hear oral submissions and a date of 30 July 2013 to deliberate on the submissions. It is proposed that Council make a final decision on changes to the Gambling Policy at the Policy and Planning meeting on 29 August 2013.

#### 5. Conclusion

5.1 It is recommended that the Council approve the release of the attached Statement of Proposal - Gambling Policy Review and make it available for public consultation in accordance with the Special Consultative Procedure (Section 83 Local Government Act 2002).

Jenny Hawes

#### **Principal Adviser Community**

#### **Attachments**

Attachment 1: Draft Statement of Proposal, Gambling Policy Review 2013

1326758

Attachment 2: Draft Summary of the Statement of Proposal <u>1486824</u>

#### **Supporting Information**

#### 1. Fit with Purpose of Local Government

Council is required by the Gambling Act 2003 and Racing Act 2003 to have gambling venue policies and therefore it fits with the purpose of performing regulatory functions. The policy must be reviewed every three years. Councils must consult with the community on any amendments to the policy, via the Special Consultative Procedure before finalising any changes.

#### 2. Fit with Community Outcomes and Council Priorities

Controlling the number of gambling venues and machines contributes to the 'People-Friendly Places' and 'Kind Healthy People' community outcomes.

#### 3. Fit with Strategic Documents

The draft Gambling Policy takes into account the impact of gambling on social and community wellbeing, consistent with the Council's Social Wellbeing Policy 2011.

#### 4. Sustainability

The Council's Gambling Policy supports the Nelson 2060 vision of strong, healthy, resilient communities.

#### 5. Consistency with other Council policies

No consequential inconsistencies with other Council policies.

# 6. Long Term Plan/Annual Plan reference and financial impact Not applicable.

#### 7. Decision-making significance

This is not a significant decision in terms of the Council's Significance Policy.

#### 8. Consultation

Early input was sought from key stakeholders and previous submitters. Formal consultation will occur via a Special Consultative Procedure under section 83 of the Local Government Act. Section 102(2) of the Gambling Act 2003 requires Council to use a special consultative procedure when adopting, amending or replacing its Gambling Policy.

#### 9. Inclusion of Māori in the decision making process

Iwi were invited to provide input as part of the pre-consultation phase. Council is also required by the Gambling Act 2003 to give notice to organisations representing Māori.

#### 10. Delegation register reference

Decision of Council.



# STATEMENT OF PROPOSAL GAMBLING POLICY REVIEW

#### 1. Introduction

The Gambling Act 2003 requires councils to adopt a Class 4 Gambling Venue Policy to regulate the location and number of class 4 gambling (pokie) venues in their area. The policy may also specify restrictions on the number of class 4 gambling (pokie) machines. The Racing Act 2003 requires councils to adopt a New Zealand Racing Board (TAB) Venue Policy. The policy must specify whether new TAB venues may be established and if so, where they may be located.

The legislation requires that the policies are reviewed every three years. Nelson City Council adopted a Gambling Policy in 2004, which covered both class 4 gambling venues and TAB venues. The policy was reviewed in 2007 and 2010 and is due for review again.

The Racing and the Gambling Acts both require councils to undertake a special consultative procedure when amending or replacing their gambling venue policies. This Statement of Proposal relates to proposed amendments to the current Nelson City Council Gambling Policy and has been prepared to fulfil the requirements of the special consultative procedure as outlined in section 83 and 87 of the Local Government Act 2002. The amendments are being proposed as a result of a review of the policy.

The special consultative procedure requires Council to seek feedback from the public, as well as community groups and organisations that have a stake in, or are affected by, any proposed changes to its Gambling Policy.

Nelson City Council's original Gambling Policy placed a cap on the number of pokie machines in Nelson at 328. The cap reduced to 301 in 2007 and 285 in 2010. The number of pokie machines with consent to operate in Nelson is currently below the cap of 285. As at 12 March 2013, there were 257 pokie machines operating throughout the city, although under current consents, the numbers could increase to 275 machines.

#### 2. Options Considered By Council as Part of Review

In reviewing the current policies, Council considered a number of options as follows:

| Numb<br>Options   | ers of Class 4 Gamblin<br>Advantages  | g Machines and Venues Disadvantages   |
|---|---|---|
| Maintain the current cap of 285 pokie machines permitted to operate in the city at any one time (current policy). | Reduces the potential for problem gambling by limiting the growth of opportunities to gamble, while still enabling existing class 4 gambling venues to continue to operate. | Given that pokie machine numbers have already fallen below the cap, maintaining the current cap would allow machine numbers to increase, subject to consents. |

| Numbers of Class 4 Gambling Machines and Venues   |   |  |  |
|---|---|--|--|
| Options   | Advantages  | Disadvantages  |  |
| Lower the Cap   | Further reduces the potential for problem gambling by minimising the proliferation of opportunities to gamble, while still enabling existing gambling venues to continue to operate.  | May discourage new hospitality businesses, if they need gambling machines to be financially viable.  May reduce the return of funding from charitable trusts operating gambling machines in Nelson to the community.  May lead to some job losses in the hospitality industry.   |  |
| Sinking lid on class 4 gambling (pokie) venues.  A sinking lid policy means no new licenses for pokie venues and/or machines can be issued, and pokie machines cannot be transferred to a new pub or owner if the venue closes. | Further reduces the potential for problem gambling by reducing total pokie venue and machine numbers over time, while still enabling existing gambling venues to continue to operate. | A sinking lid is likely to have little effect on the availability of gambling in the short term. Its impact is likely to be felt over the longer term.  May discourage hospitality businesses from establishing in Nelson if they are financially reliant on pokie machines.  May reduce over time the return of funding to the community from charitable trusts operating pokie machines in Nelson, however, it is unlikely to have a significant impact in the short term.  May lead to some job losses in the hospitality industry. |  |
| Increase the cap  | May allow for new hospitality businesses to be established if they can host pokie machines and if the hosting of pokie machines enables the business to be financially viable.        | An increase in the number of pokie machines may increase the potential for problem gambling.   |  |

Note: Some councils have previously permitted existing venues to "relocate" under certain conditions, or in specific circumstances. A strict interpretation of the Gambling Act 2003 does not allow for this, so it is not included as a valid option.

| Location of Class Options   | 4 Gambling Machine Ve<br>Advantages                    | nues and Numbers<br>Disadvantages             |
|---|--|---|
| Remove or reduce some or all of the current restrictions relating to location contained in the current policy, such as proximity to early childhood centres, schools or community facilities or | May encourage new hospitality businesses to establish. | Increases the potential for problem gambling. |

| Location of Class   | 4 Gambling Machine V                                  | enues and Numbers   |
|---|---|---|
| Automatic Teller Machines.  |   |   |
| Increase restrictions relating to location. This could include increasing the permitted distance of a gambling venue to residential areas, early childhood centres and schools and specifying how close one class 4 gambling venue can be to another. | Further minimises the potential for problem gambling. | Likely to discourage new hospitality businesses if they need pokie machines to be viable.  May reduce the return of funding to the community from charitable trusts operating pokie machines in Nelson.  May lead to some job losses in the hospitality industry. |

| New Zealand Racing Board Venue Policy   |  |   |  |
|---|--|---|--|
| <b>Options</b>  | Advantages   | Disadvantages   |  |
| Combined policy for class 4 gambling (pokie) venues and New Zealand Racing Board (TAB) venues (current policy). | Makes it simpler for readers to find Council's policy on gambling venues.                              | Potential for class 4<br>gambling venue policy to<br>dominate New Zealand<br>Racing Board policy. |  |
| Separate policies for class<br>4 gambling (pokie) venues<br>and New Zealand Racing                              | Would be more precise in terms of legislative requirements.  | Potential for policies to develop contrary aims.  |  |
| Board (TAB) venues.   | Would allow for more specific consideration of the issues relevant to the different forms of gambling. |   |  |

#### 3. The Proposal

Having considered the options available, Council's proposal in respect of which it now seeks submissions is as follows:

- (i) To amend the current policy on class 4 gambling venues by introducing a 'sinking lid' on venues, whereby no new consents for gambling venues will be issued by Nelson City Council, with an exception for the merger of class 4 club venues (e.g. RSAs, sports clubs and working men's clubs). Where class 4 club venues merge the number of pokie machines permitted will be considered on a case-by-case basis and will not exceed a maximum of 18 machines for the merged venue. This is a change from the current policy where the maximum allowable number of machines per merged club venue is 30.
- (ii) To separate the current Gambling Policy into two separate policies. The first policy will cover the criteria for granting or withholding consent for the establishment of Class 4 gambling venues. The second policy will cover the criteria for granting or withholding

consent for the establishment of New Zealand Racing Board (TAB) venues.

Other than the proposed amendments in (i) and (ii) above, Council's intention is to retain the existing policy in its current form.

#### 4. Reasons for the Proposal

The reason for replacing the existing cap on machine numbers with a sinking lid is to minimise the potential for problem gambling by reducing over time the opportunities for gambling on pokie machines in Nelson. This is in line with the overall objective of Council's Gambling Policy which is:

"To support and promote harm minimisation principles for gambling activities within the Nelson City area."

The current policy allows for clubs to merge, with the number of machines permitted in the merged venue to be considered on a case by case basis and not to exceed 30 machines. The ability for clubs to merge remains unchanged, as there is good evidence that club venues produce lower rates of gambling harm than pub venues. However, it is proposed that the maximum number of machines permitted following a club merger be reduced from the current maximum of 30 to a maximum of 18 to ensure consistency with the proposed sinking lid policy. This will continue to require territorial consent and Ministerial approval.

The reasons for separating the current policy into two separate policies, one for gambling venues and one for TAB venues, are:

- The Racing Act 2003 and the Gambling Act 2003 are separate pieces of legislation, and separately require a policy relating to the different forms of gambling.
- The Racing Act 2003 does not share the purpose of the Gambling Act 2003 to "control the growth of gambling" therefore, the policies should be separate to allow for the different considerations to be made when reviewing the policy.
- Combining the different policies into a single document can result in the issues associated with class 4 gambling venues overshadowing the appropriate consideration of the issues associated with New Zealand Racing Board venues.

#### 5. Submissions

Anyone can make a submission about any aspect of Council's proposal (outlined in section 3). We encourage you to give us your views. Council in making its decision will take account of all the submissions made.

Submissions are to be made in writing and forwarded to:

Gambling Policy Review Nelson City Council PO Box 645 Nelson 7040

Or emailed to <a href="mailed-to-submissions@ncc.govt.nz">submissions@ncc.govt.nz</a>

Submissions must be received no later than 4pm on 8 July 2013. Any person who wishes to speak to the Council in support of their submission will be given the opportunity to address Council at a hearing on 23 July 2013.

1326758



#### Summary of Statement of Proposal GAMBLING POLICY REVIEW

This statement is made for the purposes of section 89 of the Local Government Act 2002.

#### Introduction

The Gambling Act 2003 requires councils to adopt a Class 4 Gambling Venue Policy to regulate the location and number of class 4 gambling venues in their area. The policy may also specify restrictions on the number of class 4 gambling machines ("pokies"). The Racing Act 2003 requires councils to adopt a New Zealand Racing Board ("TAB") Venue Policy. The policy must specify whether new TAB venues may be established and if so, where they may be located.

The legislation requires that the policies are reviewed every three years. Nelson City Council adopted a Gambling Policy in 2004, which covered both class 4 gambling (pokie) venues and TAB venues. The policy was reviewed in 2007 and 2010 and is due for review again.

The Council is proposing some amendments to its Gambling Policy as a result of its latest review.

#### The Proposal

Having considered the options available, Council's proposal in respect of which it now seeks submissions is as follows:

- (i) To amend the current policy on class 4 gambling (pokie) venues by introducing a 'sinking lid'. A sinking lid means that no new consents for pokie venues will be issued by Nelson City Council, with an exception for the merger of class 4 club venues (e.g. RSAs, working men's clubs, sports clubs). Where class 4 club venues merge the number of pokie machines permitted will be considered on a case-by-case basis and will not exceed a maximum of 18 machines for the merged venue. This is a change from the current policy where the maximum allowable number of machines per merged club venue is 30.
- (ii) To separate the current Gambling Policy into two separate policies. The first policy will cover the criteria for granting or withholding consent for the establishment of pokie venues. The second policy will cover the

criteria for granting or withholding consent for the establishment of TAB venues.

Other than the proposed amendments in (i) and (ii) above, Council's intention is to retain the existing policy in its current form.

The reason for replacing the existing cap on machine numbers with a sinking lid is to minimise the potential for problem gambling by reducing over time the number of pokie venues and machines in Nelson. The reason for reducing the maximum number of machines permitted following a club merger is to ensure consistency with the proposed sinking lid policy. The reason for separating out the pokie venue and TAB venue policies is that they are governed by different legislation and have different issues, which are more easily managed through separate policies.

A Statement of Proposal as been prepared in accordance with sections 83 and 87 of the Local Government Act 2002. Copies of the Statement of Proposal, which includes a more detailed assessment of the proposal and of other options considered as part of the review of the Council's Gambling Policy, are available free of charge from Civic House or on request.

#### **Submissions**

Anyone can make a submission about any aspect of Council's proposal. We encourage you to give us your views. Council in making its decision will take account of all the submissions made.

Submissions are to be made in writing and forwarded to:

Gambling Policy Review Nelson City Council PO Box 645 Nelson 7040

Or emailed to <a href="mailto:submissions@ncc.govt.nz">submissions@ncc.govt.nz</a>

Submissions must be received no later than 4pm on 8 July 2013. Any person who wishes to speak to the Council in support of their submission will be given the opportunity to address Council at a hearing on 23 July 2013.



#### Council – Deliberation on submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14

29 and 30 May 2013

**REPORT 1517014** 

# Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14

#### 1. Purpose of Report

1.1 To present officer comments and recommendations on submissions received during public consultations on the draft Fees and Charges: Resource Consents Business Unit 2013/14, in order to assist Council deliberations.

#### 2. Background

- 2.1 Council undertook a special consultative procedure for the draft Fees and Charges: Resource Consents Business Unit 2013/14 from 25 March 2013 to 26 April 2013 as required by s36(2) of the Resource Management Act 1991 (RMA). A copy of the Draft Fees and Charges: Resource Consents and RMA Planning Documents 2013-2014 (document 1452697) is included as Attachment 1.
- Two submissions were received. Neither submitter requested to be heard. The submissions are included as Attachment 2.
- 2.3 In accordance with section 82(1)(f) of the Local Government Act 2002, Council must now deliberate on submissions, and give reasons for any decisions.
- 2.4 Council Officers' comments and recommendations on the two submissions are provided as Attachment 3.

#### 3. Key Issues

- 3.1 Submission 1 from Tony Alley of Davis Olgilvie & Partners Ltd states it is unnecessary to increase the initial deposit.
- 3.2 Submission 2 from Debbie Baxter states concerns over the higher hourly rate and potential increase to liquor licence fees.

#### 4. Recommendation

<u>THAT</u> Council considers and deliberates on the submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14;

AND THAT the draft Fees and Charges 2013/14: Resource Consent Fees and Resource Management Act Planning Documents Fees (document 1452697) reflect the Council decisions on submissions.

#### 5. Discussion

- 5.1 Section 36 (4) of the RMA requires that when fixing charges a local authority shall have regard to a number of criteria.
- 5.2 The sole purpose of the charge is to recover the reasonable costs incurred by the local authority in respect to the activity to which the charge relates.
- 5.3 A person should only be required to pay a charge to the extent that the person benefits as distinct to any benefit to the community.
- 5.4 The costs incurred by the local authority arise from the actions of the person; and monitoring costs arise from the activities of individuals and are for the benefit of the individual rather than the community as a whole.
- 5.5 Submission1: The proposed charges are supported by Council records detailing the actual average costs for processing the varying categories of consents. The initial deposit should more closely align to the expected average processing costs for a consent. The aim is not to have too many categories but also present a more realistic cost to applicants. As a result, Council Officers recommend no change to the draft Fees and Charges: Resource Consents Business Unit 2013/14.
- Submission 2: The increase in the hourly rate enables a fairer proportion of recovery of costs from applicants who benefit from our services and who gain what is mostly a private benefit from holding the licence. The proposed hourly rate is comparable to neighbouring Council rates. Liquor Licence fees for applicants are set by Government Regulation and are not increasing by this proposal. As a result, Council Officers recommend no change to the draft Fees and Charges: Resource Consents Business Unit 2013/14.

# Officer Report on submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14

# Mandy Bishop Manager Resource Consents

#### **Attachments**

Attachment 1: Draft Fees and Charges 2013-2014: Resource Consent Fees and Resource Management Act Planning Documents Fees under the

Resource Management Act 1991 1452697

Attachment 2: Resource Consents Fees and Charges submissions 1518798

Attachment 3: Resource Consents Fees and Charges submissions - staff

comments <u>1515370</u>

No supporting information follows



# Draft Fees and Charges 2013-2014

Resource Consent Fees and

Resource Management Act Planning
Documents Fees
under the Resource Management Act 1991

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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 a consent.

NOTE: Amended charges are shown as **bold**.

All charges listed in this Schedule are GST inclusive

#### 1. Initial Charges (Deposit)

|     | Activity  Activi | Initial<br>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; 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<br>Plan that are confirmed in writing by a qualified arborist as<br>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           |

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- 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

|     | <b>Details</b>   | Actual Charge  |
|-----|--|--|
| 2.1 | Council Staff – all staff time inclusive of overhead component associated with processing and assessing applications.  | \$140 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   |
|     | <ul> <li>Independent Commissioner (requested by applicant)</li> </ul>  | Cost   |
|     | - Independent Commissioner (requested by submitter)  | Cost less Councillor rate (applicant pays the Councillor rate) |
|     | <ul> <li>Independent Commissioner(s) required for<br/>expertise or due to conflict of interest issues</li> </ul>   | 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<br>administration<br>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<br>administration<br>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<br>administration<br>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.   | \$140 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 2.1.3 above) to the Urban Design Panel reviewing the proposal after a resource consent application is lodged  | Cost plus<br>administration<br>charges                         |

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#### 2.9 Photocopying Charges

Α4

\$0.20 per page;

Α3

\$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 2.1.1 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<br>document               |
| 2.11.5  | Certificate under Overseas Investment Act.   | \$385                                    |
| 2.11.6  | Confirmation of compliance with the Nelson<br>Resource Management Plan for NZ Qualifications<br>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                                     |

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| 2.11.11 | Removal of designation.  | \$305                     |
|---------|--|---------------------------|
| 2.11.12 | Swing Mooring annual charge (monitoring costs are additional, refer 2.3 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)                               | \$75                      |
| 2.11.14 | Claiming a swing mooring the Council removed from<br>the Coastal Marine Area that did not have a coastal<br>permit                           | \$300                     |
| 2.11.15 | Claiming a vessel that was towed and hauled out of<br>the Coastal Marine Area as it was tied to a non<br>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 charges shall be due on 1 December or 30 days from the date of invoicing, whichever is the later, unless otherwise agreed in writing by the Council.
- 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.
- 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.

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The decision on whether to waive the required charge and institute a system of monthly invoicing shall be made by the Manager Resource Consents or Executive Manager Regulatory, 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 a resource consent.    | hourly basis at the Council staff |
|                                       | charge out rate as per 2.1.       |

#### 5. Resource Management Planning Documents

| Copies of Plans   | Cost GST Incl          |
|---|------------------------|
| Nelson Resource Management Plan - Text (hard copy)  | \$150                  |
| Nelson Resource Management Plan - Maps (hard copy)  | \$150                  |
| CD ROM – combined Nelson Resource Management Plan<br>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                  |

#### 1507805 Ruth Killman

From:

Submissions

Sent:

Tuesday, 23 April 2013 9:20 a.m.

To:

**Administration Support** 

Subject: Attachments: FW: Submission on draft Annual Plan Submission-onf-Fees-and-Charges.pdf

From: website@ncc.govt.nz[SMTP:WEBSITE@NCC.GOVT.NZ]

Sent: Tuesday, April 23, 2013 9:20:16 AM

To: Submissions

Subject: Submission on draft Annual Plan

Auto forwarded by a Rule

#### Submission on draft Annual Plan

Your name

Tony Alley

Organisation represented (if applicable)

Davis Ogilvie & Partners Ltd

Your address

277 Hardy Street

Nelson

Your phone number

548 4425

Your email address

nelson@do.co.nz

Do you wish to speak at the hearing?

No

Would an evening hearing suit you better?

Share your thoughts about the draft 2013/14 Annual Plan

Please see attached letter

Optional demographic information

Age

Gender

Have you made a submission before?

Yes

Would you like to attach a file in support of your submission?

Submission-onf-Fees-and-Charges.pdf - Download File

22 April 2013

Resource Consent Business Unit Nelson City Council P O Box 645 Nelson 7040



### SUBMISSION ON FEES AND CHARGES - RESOURCE CONSENT BUSINESS UNIT

This is a submission in opposition to some of the proposed increases in fees for resource consent

it seems unnecessary to increase the Initial fee deposit for most of the routine consent applications for land use above the \$900 fee already charged. It must be remembered that these are deposits only subject to adjustment when consent are concluded.

In some cases subdivision applications are also routine including boundary relocations or converting cross lease to freehold subdivision and these should be added to the \$900 category.

Although it is not stated it is assumed that charges for multiple consents will retain the present provision of \$250 for each application after the first application with the highest deposit payable.

in terms of the purpose of the review we understand application fees do recover the full cost of processing applications for resource consent.

Also there seems to be an error in the proposed increase to \$1300 for resource consents 'excluding those applications that are in the \$500 initial charge category and subdivision for 4 or more lots\*

There is no provision in the fees that currently exist for a special category of subdivisions for 4 or more lots. Perhaps these should remain in the \$1300 fee category and subdivision of less than 4 lots should be incorporated into the \$900 category.

However, most subdivision that are in the controlled use category or discretionary subdivision only because of the services overlay are generally routine and should be included in the \$900 fee category.

Retention of the \$900 fee category provides a reasonable transition from \$500 to \$1300 rather than the proposed fee structure that will jump from \$500 to \$1300.

Also any land use applications which involve relatively minor exceptions to plan rules with the consent of any 'affected" persons do not warrant consent deposits of \$1300 because the Council cannot take into account the effects on persons who have given their consents and deposits should not exceed \$900.

Yours faithfully

DAVIS OGILVIE AND PARTNERS LTD

**TONY ALLEY** Senior Associate

Email: nelson@do.co.nZ

## **Draft Annual Plan submission form**



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| i<br>:<br>: | Hearings will be held for those who v<br>20 and 21 May 2013.<br>Do you wish to speak at the hearing<br>Would an evening hearing suit you t<br>Public Information<br>Submissions to Council consultations   | vish to speak in support of  ? OYes ONE If you do petter? OYes ONE | their submission. Hearing date                                   | es are proposed to be 16, 17, VE Vou do not wish to be heard.  0 5 APR 2013                         | I.  |
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| O           | To avoids on rusion, please and series of the series of th | Visit Council's website malsononyconnoll.co.nz and full            | Drop year submission form and/<br>or any written comments to the | Mail your subraission form antifor any written comments to:   |     |
| · · ·       | assparate form for each topic  We will promptly acknowledge  It has been received:   | out the online submission form<br>(you can send attachments too)   | Chric House Gustomer Service<br>Centre, 110 Trafalgar Strent     | Braft Annual Plan, Nelson City Conned<br>Freepost Authority Number 76919,<br>PC Box 855 Nelson 7040 |     |

#### Resource Consents Fees and Charges submissions – Staff Comments

| on No.    |  | First<br>Name | Surname | Organisation:                |  | Officer<br>Recommendation   | Council Reason for decision   |   |
|-----------|--|---------------|---------|------------------------------|--|---|---|---|
| FC 1      | Resource<br>Consent Fees<br>and Charges              | Tony          | Alley   | Davis Ogilvie & Partners Ltd | the proposed changes better<br>reflect the actual average<br>cost  | Council approve the draft Fees and Charges 2013-2014: Resource Consents and RMA Planning Documents (document 1452697) | The proposed changes set out in the draft Fees and Charges 2013-2014 (document 1452697) are supported by Council records detailing the actual average costs for processing the varying categories of consents. The aim is not to have too many categories but also present a more realistic cost to applicants. | In response to your opposition to the proposed increases in resource consent application fees, Council notes that these initial deposits have not been altered for some time. Some of the initial deposits are now out of step by some margin with the actual average costs for consents. The changes proposed seek to align the majority of application costs with the appropriate intial charge. These changes have been approved.  |
| FC 2 (12) | Resource<br>Consent Fees<br>and Charges (9 -<br>COR) | Debbie        | Baxter  |                              | the increase in the hourly rate enables a fairer proportion of recovery of costs from applicants who gain from our services. Liquor licence costs for applicants are set by National regulation. The charge proposed to increase is an internal checking process that is not oncharged to applicants at present. | 2013-2014: Resource<br>Consents and RMA<br>Planning Documents<br>(document 1452697)                                   | out in the draft Fees and Charges 2013-2014 (document 1452697) are supported by Council records detailing the proposed hourly rate enables a fairer proportion of recovery of costs from applicants who gain from our services. The hourly rate is  | In response to your submission, Council is mindful of keeping costs to a minimum and ensuring those who gain the most from our services pay their fair share of the costs. The proposed increase in the hourly rate is considered fair and reasonable and is comparable to rates for our neighbouring Councils. The Liquor Licence fees will not increase as these fees are set by National Regulations at a fixed rate. The proposal included an increase in internal costs only. With changes to the Sale and Supply of Alcohol Act the fixed charges for licences may change to a cost recovery basis which will increase the cost for licences. This is to be confirmed before December 2013. |
| 515370    |  |               |         |                              |  |   |   |   |