

**Notice of the Ordinary meeting of**

## **Environment and Climate Committee**

### ***Te Kōmiti Taiao / Āhuarangi***

Date:	Thursday 10 June 2021
Time:	9.00a.m.
Location:	Council Chamber Civic House 110 Trafalgar Street, Nelson

## **Agenda**

### ***Rārangi take***

<b>Chairperson</b>	Cr Kate Fulton
<b>Deputy Chairperson</b>	Cr Brian McGurk Cr Mel Courtney
<b>Members</b>	Her Worship the Mayor Rachel Reese Cr Yvonne Bowater Cr Trudie Brand Cr Judene Edgar Cr Matt Lawrey Cr Gaile Noonan Cr Rohan O'Neill-Stevens Cr Pete Rainey Cr Rachel Sanson Cr Tim Skinner Ms Glenice Paine

**Quorum: 7**

**Pat Dougherty  
Chief Executive**

Nelson City Council Disclaimer

Please note that the contents of these Council and Committee agendas have yet to be considered by Council and officer recommendations may be altered or changed by the Council in the process of making the formal Council decision. For enquiries call (03) 5460436.

## ***Excerpt from Nelson City Council Delegations Register (A11833061)***

### **Environment and Climate Committee**

#### **Areas of Responsibility:**

- Building control matters, including earthquake-prone buildings and the fencing of swimming pools
- Brook Waimarama Sanctuary Trust
- Bylaws, within the areas of responsibility
- Climate Change policy, monitoring and review
- Climate change impact and strategy overview - mitigation, adaptation and resiliency
- Climate change reserve fund use
- Environmental programmes including (but not limited to) warmer, healthier homes, energy efficiency, environmental education, and eco-building advice
- Environmental regulatory and non-regulatory matters including (but not limited to) animals and dogs, amusement devices, alcohol licensing (except where delegated to the Alcohol Regulatory and Licensing Authority), food premises, gambling, sugar-sweetened beverages and smokefree environments, and other public health issues
- Environmental science monitoring and reporting including (but not limited to) air quality, water quality, water quantity, land management, biodiversity, biosecurity (marine, freshwater and terrestrial), pest and weed management, and coastal and marine science
- Environmental Science programmes including (but not limited to) Nelson Nature and Healthy Streams
- Hazardous substances and contaminated land
- Maritime and Harbour Safety and Control
- Planning documents or policies, including (but not limited to) the Land Development Manual
- Policies and strategies relating to compliance, monitoring and enforcement
- Policies and strategies related to resource management matters
- Pollution control
- Regulatory enforcement and monitoring
- The Regional Policy Statement, District and Regional Plans, including the Nelson Plan
- Urban Greening Plan

#### **Delegations:**

The committee has all of the responsibilities, powers, functions and duties of Council in relation to governance matters within its areas of responsibility, except where they have been retained by Council, or have been referred to other committees, subcommittees or subordinate decision-making bodies.

The exercise of Council's responsibilities, powers, functions and duties in relation to governance matters includes (but is not limited to):

- Monitoring Council's performance for the committee's areas of responsibility, including legislative responsibilities and compliance requirements
- Developing, monitoring and reviewing strategies, policies and plans, with final versions to be recommended to Council for approval
- Developing and approving draft Activity Management Plans in principle, for inclusion in the draft Long Term Plan
- Reviewing and determining whether a bylaw or amendment, revocation or replacement of a bylaw is appropriate
- Undertaking community engagement, including all steps relating to Special Consultative Procedures or other formal consultation processes other than final approval
- Approving submissions to external bodies or organisations, and on legislation and regulatory proposals
- Approval of increases in fees and charges over the Consumer Price Index (CPI)

#### **Powers to Recommend to Council:**

In the following situations the committee may consider matters within the areas of responsibility but make recommendations to Council only (in accordance with sections 5.1.3 - 5.1.5 of the Delegations Register):

- Matters that, under the Local Government Act 2002, the operation of law or other legislation, Council is unable to delegate
- The purchase or disposal of land or property relating to the areas of responsibility, other than in accordance with the Long Term Plan or Annual Plan
- Unbudgeted expenditure relating to the areas of responsibility, not included in the Long Term Plan or Annual Plan
- Approval of notification of any statutory resource management plan, including the Nelson Plan or any Plan Changes
- Decisions regarding significant assets
- Actions relating to climate change not otherwise included in the Annual Plan or Long Term Plan
- Approval of final versions of strategies, policies and plans

## Karakia and Mihi Timatanga

### 1. Apologies

Nil

### 2. Confirmation of Order of Business

### 3. Interests

3.1 Updates to the Interests Register

3.2 Identify any conflicts of interest in the agenda

### 4. Hearing of Submissions – Environmental Management Fees and Charges Review 2021

4.1 Clive Lewis Design (2004) Ltd - Draft Environmental Group Fees and Charges Review - Submission 27189

### 5. Public Forum

### 6. Confirmation of Minutes

6.1 13 April 2021 **7 - 12**

Document number M16556

Recommendation

***That the Environment and Climate Committee***

***1. Confirms the minutes of the meeting of the Environment and Climate Committee, held on 13 April 2021, as a true and correct record.***

**7. Chairperson's Report **13 - 26****

Document number R25917

Recommendation

***That the Environment and Climate Committee***

- 1. Receives the report Chairperson's Report (R25917) and its attachment (A2642611); and***
- 2. Approves retrospectively the attached Nelson City Council submission on the Ministry of Business, Innovation and Employment Building Code Consultation 2021 (A2642611).***

**8. Environmental Management Fees and Charges Review 2021 - Deliberations Report**

**27 - 143**

Document number R24824

Recommendation

***That the Environment and Climate Committee***

- 1. Receives the report Environmental Management Fees and Charges Review 2021 - Deliberations Report (R24824) and its attachments (A2621284, A2635824, A2635787, A2661168, A2652035 and A2669343); and***
- 2. Notes the submissions received as part of the special consultative procedure on the review of the Environmental Management fees and charges in Attachment 1 (A2621284); and***
- 3. Approves amendments to the fees and charges under the Building Act 2004 as outlined in Attachment 2 (A2635824) to commence from 1 July 2021; and***
- 4. Approves amendments to the charges under the Resource Management Act 1991 and Housing Accords and Special Housing Areas Act 2013 as outlined in Attachment 3 (A2635787) to commence from 1 July 2021; and***
- 5. Approves amendments to the Food Act 2014 fees and charges as outlined in Attachment 4 (A2661168) to commence from 1 December 2021; and***
- 6. Approves amendments to the Public Health Act 1956 fees and charges as outlined in Attachment 5 (A2652035) to commence from 1 July 2021.***



**9. Environmental Management Group Quarterly Report  
- 1 January - 31 March 2021 144 - 215**

Document number R23741

Recommendation

***That the Environment and Climate Committee***

- 1. Receives the report Environmental Management Group Quarterly Report - 1 January - 31 March 2021 (R23741) and its attachments (A2624202, A2616129, A2595956, A2611893, A2623840, A2623547, A2617445, and A2497431).***

**CONFIDENTIAL BUSINESS**

**5. Exclusion of the Public**

Recommendation

***That the Environment and Climate Committee***

- 1. Confirms, in accordance with sections 48(5) and 48(6) of the Local Government Official Information and Meetings Act 1987, that John Murray remain after the public has been excluded, for Item 2 of the Confidential agenda (Business Adviser report on Brook Waimarama Sanctuary Trust), as he has knowledge relating to the Brook Waimarama Sanctuary Trust that will assist the meeting.***

Recommendation

***That the Environment and Climate Committee***

- 1. Excludes the public from the following parts of the proceedings of this meeting.***
- 2. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:***

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Particular interests protected (where applicable)</b>
<b>1</b>	<b>Environment and Climate Committee Meeting - Confidential Minutes - 13 April 2021</b>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> <li>• Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities</li> </ul>
<b>2</b>	<b>Business Adviser report on Brook Waimarama Sanctuary Trust</b>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(c)(i) To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied</li> </ul>

## **Karakia Whakamutanga**



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## Minutes of a meeting of the Environment and Climate Committee

**Held in the Council Chamber, Civic House, 110 Trafalgar Street, Nelson**

**On Tuesday 13 April 2021, commencing at 9.03a.m.**

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Present: Councillor K Fulton (Chairperson), Her Worship the Mayor R Reese, Councillors B McGurk (Deputy Chairperson), Y Bowater, T Brand, M Courtney (Deputy Chairperson), M Lawrey, G Noonan, P Rainey, R Sanson, T Skinner and Ms G Paine

In Attendance: Group Manager Environmental Management (C Barton), Group Manager Strategy and Communications (N McDonald), Governance Adviser (J Brandt) and Governance Support (P Boutle)

Apologies : Councillors J Edgar and R O'Neill Stephens

### 1. Apologies

Resolved EC/2021/010

***That the Environment and Climate Committee***

- 1. Receives and accepts the apologies from Councillors J Edgar and R O'Neill Stevens for attendance.***

Sanson/McGurk

Carried

### 2. Confirmation of Order of Business

There was no change to the order of business.

### 3. Interests

There were no updates to the Interests Register, and no interests with items on the agenda were declared.

#### 4. Public Forum

##### 4.1 Nelson Residents Association (NRA) - the climate change emergency and its financial effect on rate payers – Bernadine Goldsmith

Bernadine Goldsmith, supported by Kiamaia Goldsmith, gave a presentation (A2616633). Ms Goldsmith said the NRA had reservations about rates rises and recommended that Council investigates alternative funding sources, does not build near the flood-prone rivers, and protects existing properties in innovative ways (e.g. in Monaco).

###### Attachments

- 1 A2616633 - Bernie Goldsmith - Nelson Residents Association - Presentation 13Apr2021

##### 4.2 Climate Action Group of the Nelson Tasman Climate Forum

Joanna Santa Barbara, David Ayre, and Louise Bleakley tabled the Regional Climate Action Plan (A2610531). Ms Santa Barbara explained the point of difference between climate actions in the Long Term Plan and the Regional Climate Action Plan (the Plan) created by the Climate Action Group, noting that it sought to cover those areas that fell outside of Council's areas of responsibility, to enable a whole-of-society approach.

Ms Santa Barbara said that the Plan was about to enter into its outreach phase, during which households, businesses, community groups and organisations would be approached.

The Committee expressed their appreciation for the work that had gone into producing the Regional Climate Action Plan.

###### Attachments

- 1 A2610531 - Regional Climate Action Plan 13Apr2021

#### 5. Confirmation of Minutes

##### 5.1 17 February 2021

Document number M15412, agenda pages 7 - 14 refer.

Recommendation

###### ***That the Environment and Climate Committee***

1. ***Confirms the minutes of the meeting of the Environment and Climate Committee, held on 17 February 2021, as a true and correct record.***

Courtney/McGurk

## 6. Chairperson's Report

Councillor Fulton gave a verbal Chairperson's Report. She spoke about her input to the submission to the Climate Change Commission's Draft Advice to Government and her attendance at the LGNZ Climate Change Symposium in February 2021.

## 7. Submission to the Climate Change Commission's Draft Advice to Government

Document number R23751, agenda pages 15 - 49 refer.

Manager Strategy, Mark Tregurtha, presented the report.

Recommendation

### ***That the Environment and Climate Committee***

- 1. Receives the report Submission to the Climate Change Commission's Draft Advice to Government (R23751) and its attachment (A2598134); and***
- 2. Approves retrospectively Council's submission to the Climate Change Commission on the Draft Advice for Consultation (A2598134 – Attachment One of report R23751).***

Fulton/Her Worship the Mayor

Attendance: Councillors T Brand and T Skinner left the meeting at 9.48a.m.

## 8. Compliance, Monitoring and Enforcement Metrics Report 2019/20

Document number R22727, agenda pages 50 - 128 refer.

Manager Consents and Compliance, Mandy Bishop, presented the report. She answered questions regarding performance measurement, Māori involvement in decision making and the strategic guidance of the Compliance Strategy.

Resolved EC/2021/011

### ***That the Environment and Climate Committee***

- 1. Receives the report Compliance, Monitoring and Enforcement Metrics Report 2019/20 (R22727) and its attachment (A2519419)***

McGurk/Bowater

Carried

## 9. Ratification of the updated Port Nelson Noise Contour Map

Document number R18192, agenda pages 129 - 172 refer.

Manager Environmental Planning, Maxine Day, presented the report. She answered questions about the ratification process, noting that details were set out in the Nelson Resource Management Plan (Section AP 29 A 1 h).

The meeting was adjourned from 10.33a.m. to 10.53p.m.

Recommendation

***That the Environment and Climate Committee***

- 1. Receives the report Ratification of the updated Port Nelson Noise Contour Map (R18192) and its attachment (A2428728); and***
- 2. Confirms ratification of the 2018 amendment of the Port Noise Contour Map (A2428728).***

Courtney/Paine

## 10. Exclusion of the Public

Chris Ward of Policy Works Ltd was in attendance for Item 2 of the Confidential agenda to answer questions and, accordingly, the following resolution was required to be passed:

Resolved EC/2021/012

***That the Environment and Climate Committee***

- 1. Confirms, in accordance with sections 48(5) and 48(6) of the Local Government Official Information and Meetings Act 1987, that Chris Ward of Policy Works remains after the public has been excluded, for Item 2 of the Confidential agenda (Options for Regulatory Services), as he has knowledge that will assist the meeting.***

McGurk/Paine

Carried

Resolved EC/2021/013

***That the Environment and Climate Committee***

- 1. Excludes the public from the following parts of the proceedings of this meeting.***

- 2. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:**

McGurk/Paine

Carried

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<b>Resource Consents team - update on actions</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
2	<b>Options for Regulatory Services</b>  <b>Discussing commercial contract for regulatory activities.</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities</li> </ul>

The meeting went into confidential session at 10.57a.m. and resumed in public session at 2.13p.m.

### **RESTATEMENTS**

It was resolved while the public was excluded:

1	<b>PUBLIC EXCLUDED: Resource Consents team - update on actions</b>
	3. <i>Agrees that Report R23719, its attachments (A2587678 and A2586771) and the decision remain confidential at this time.</i>

<b>2</b>	<b>PUBLIC EXCLUDED: Options for Regulatory Services</b>
	8. <i>Agrees that Report (R10080), Attachments (A1569827, A1696084, A2177478, A2583656 and A1696102) and the decision remain confidential at this time.</i>

There being no further business the meeting ended at 2.13p.m.

Confirmed as a correct record of proceedings:

\_\_\_\_\_ Chairperson \_\_\_\_\_ Date



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## **Chairperson's Report**

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### **1. Purpose of Report**

- 1.1 To update the Committee on various matters;
- 1.2 To retrospectively approve the Nelson City Council submission on the Ministry of Business, Innovation and Employment (MBIE) Building Code Consultation 2021.

### **2. Recommendation**

***That the Environment and Climate Committee***

- 1. Receives the report Chairperson's Report (R25917) and its attachment (A2642611); and***
- 2. Approves retrospectively the attached Nelson City Council submission on the Ministry of Business, Innovation and Employment Building Code Consultation 2021 (A2642611).***

### **3. Discussion**

- 3.1 Officers have prepared a submission on the MBIE Building Code Consultation 2021. The submission was lodged by the due date on 28 May 2021
- 3.2 The submission supports a move to change the Building Code to improve outcomes for housing, including for quality medium and higher density housing, to reduce carbon emissions and to improve the ability of buildings to withstand the future effects of climate change.

**Author: Kate Fulton, Chairperson**

### **Attachments**

Attachment 1: A2642611 - Building Code Update 2021 Submission [🔗](#)



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27 May 2021

Ministry of Business, Innovation & Employment  
PO Box 1473  
Wellington 6140  
[buildingfeedback@mbie.govt.nz](mailto:buildingfeedback@mbie.govt.nz)

Dear Sir/Madam

## **BUILDING CODE CONSULTATION 2021**

### **Introduction**

Nelson City Council (Council) thanks MBIE for the opportunity to make this submission on proposed options for further development of the Building Code.

Council supports MBIE's priorities in the building and construction sector to support the construction of quality medium and higher density housing; reduce carbon emissions in the sector; and improve the ability of buildings to withstand the future effects of climate change.

Please note that due to scheduling issues, this submission has not yet been approved by Council and should be considered as pro forma. Once Council has considered and approved or rejected, we will contact you to advise accordingly. This will likely be in early June 2021.

### **Discussion**

Council is mostly supportive of the seven proposals prepared by MBIE and identifies that implementation will likely lead to improved overall outcomes in the built, social and environmental domains. Amongst several recommendations, we have highlighted Council's preference for a staged approach when implementing proposals relating to energy efficiency, initially aligning the building code with international standards, then following that as soon as is practicable, by going above and beyond international standards.

We have listed our preferred timescales for implementation under relevant proposals. It will be important to consider upskilling for those in the building and construction sector within the timeframes proposed however.

We look forward to reviewing further refinement of the proposals when available. We also anticipate a review of further consultation documents in the near future with regards to water efficiency and life embodied carbon in our buildings and construction sector, which should align with MBIE's end goals listed in the 'Building for Climate Change' report released in July 2020.

## Questions

MBIE has asked that the following questions be addressed in submissions.

Comments and reasons explaining the choices made have been provided with the aim of contributing to further development of the Building Code.

<p><b>Proposal 1. Energy efficiency for housing and small buildings</b></p> <p>1.1 Which option do you prefer? (Please select one)</p> <p><input type="checkbox"/> Status quo</p> <p><input type="checkbox"/> Option 1. Halfway to international standards</p> <p><input type="checkbox"/> Option 2. Comparable to international standards</p> <p><input checked="" type="checkbox"/> Option 3. Going further than international standards</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p> <p>It has long been recognised that the New Zealand (NZ) Building Code current standards are well below desirable levels. Council's submission is that increasing Building Code energy efficiency requirements to a level that exceeds current international standards is required. To minimise the impact and facilitate uptake within reasonably short timeframes, this should be introduced in stages, the first being to a level comparable to current international standards.</p> <p>The first stage, building to a level comparable to current international standards, can be achieved using construction techniques and materials that are commonly used by the mainstream NZ building industry.</p> <p>In the medium to long term, the Building Code energy efficiency requirements should be reviewed regularly with the aim to increase them to higher levels, as other countries have signalled their intent to do so. However, this will likely require a change in construction methodologies/materials, so time will be required to educate, upskill and reprogramme the building industry to be able to deliver buildings to meet higher than current international standards. This is why we believe that the next step change shouldn't be higher than current international standards, rather a two-step approach should be adopted.</p> <p>Step one in the short term should be an increase in levels comparable to current international standards and signalling an intention to further increase those levels in future, while step two implements levels higher than international standards in the medium term starting approximately 2025.</p> <p>The consultation document lists benefits that would accrue from increasing the Building Code requirements, such as better building performance and lower energy bills. An additional benefit will be improved occupant health. This in turn will result in an economic benefit to the country through a reduction in health-related costs associated with poor performing cold, damp homes.</p>
<p>1.2 For your preferred option, how quickly should this change come into effect? (Please select one)</p> <p><input checked="" type="checkbox"/> 12 months      <input type="checkbox"/> 24 months      <input checked="" type="checkbox"/> 36 months or more      o/ <input type="checkbox"/> Not sure/No preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p> <p>Although building to a level comparable to current international standards can be achieved using construction techniques and materials that are commonly used by the mainstream NZ</p>

<p>building industry, this will still require training and educational programmes to upskill the relevant workforce within sector.</p> <p>Initially the focus will need to be with designers and building control officials, to ensure buildings are designed correctly to meet the new standards. The focus then needs to change to builders and suppliers to ensure they understand new requirements. This process will take time and would be difficult to achieve within a 12-month time frame. Therefore we consider an 18 to 24-month timeframe as more realistic.</p>
<p>1.3 If there are factors we should consider to progressively phase in your preferred option, please tell us below.</p> <p>These factors may include material availability or affordability, regional differences in the requirements, different building typologies or other considerations.</p> <p>As outlined in 1.2 above.</p>
<p>1.4 Do you support issuing the new editions of H1/AS1 and H1/VM1 as proposed?</p> <p>H1/AS1: <input checked="" type="checkbox"/> Yes, I support it      <input type="checkbox"/> No, I don't support it      <input type="checkbox"/> Not sure/no preference</p> <p>H1/VM1: <input checked="" type="checkbox"/> Yes, I support it      <input type="checkbox"/> No, I don't support it      <input type="checkbox"/> Not sure/no preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p> <p>We are in general agreement with proposed R-values listed for H1/AS1 Option 2 (comparable to international standards), however we do want to query the proposed R-values for floors. These appear to be lower than current international standards. We recommend that the proposed floor R-values be reconsidered and aligned with current international standards.</p> <p>Proposed clause 2.1.4.7 of H1/AS1 states '<i>Concrete slab-on-ground floors are deemed to achieve a construction R-value of 1.3...</i>'. This is a false assumption for smaller slabs. The BRANZ House Insulation Guide identifies the need for a slab with an area to perimeter ratio of greater than 2.5 to achieve R1.3.</p> <p>Thermal efficiency outcomes as well as low embodied carbon building materials is important. NCC made a submission to MBIE on these matters and this is attached.</p>
<p>1.5 What impacts would you expect on you or your business from the proposed options?</p> <p>These impacts may be economic/financial, environmental, health and wellbeing, or other areas.</p> <p>Education and training of our building control officials will be required around assessing and enforcing compliance with the proposed new standards.</p> <p>An increase in the number of building consent applications as applicants try to beat the rule change transition deadline.</p> <p>Community operational emissions will be reduced. However embodied emissions from the materials used in construction are likely to increase in the short term. For example, thicker walls and increased insulation might increase emissions up front.</p>
<p>1.6 Is there any support that you or your business would need to implement the proposed changes if introduced?</p> <p><input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No      <input type="checkbox"/> Not sure/no preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p>

Training, preferably delivered by one central agency, to ensure consistency in adoption and implementation of the new standards is achieved across the whole of NZ.
<b>Proposal 2. Energy efficiency for large buildings</b>
<p>2.1 Which option do you prefer? (Please select one)</p> <p><input type="checkbox"/> Status quo</p> <p><input type="checkbox"/> Option 1. 10% reduction in energy use for heating and cooling</p> <p><input type="checkbox"/> Option 2. 20% reduction in energy use for heating and cooling</p> <p><input checked="" type="checkbox"/> Option 3. 25% reduction in energy use for heating and cooling</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p>
<p>As for proposal 1, we suggest a two-stage approach be adopted:</p> <ul style="list-style-type: none"> <li>• Stage one: a move to Option 2, a 20% reduction in energy use for heating and cooling. This should be implemented in the short term.</li> <li>• Stage two: increasing the requirement to achieve a greater energy reduction (Option 3) implemented over a medium term.</li> </ul> <p>Option 2, a 20% reduction in energy use represents the largest reduction that can be made while still using conventional design and construction methods. This could be readily implemented in the short term. It should be noted however, that this level is still below what is required by other countries and a strong signal should be sent that this would be an interim level with an aspiration to increase this going forward.</p> <p>Adopting levels comparable to other countries, while desirable, will likely require adoption of other construction methods that are not common in NZ. This has cost implications, as well as retraining and upskilling the industry's workforce to ensure the ability to deliver buildings meeting higher standards. Taking this into consideration, we believe levels above 20% should be implemented over a longer time frame.</p>
<p>2.2 For your preferred option, how quickly should this change come into effect? (Please select one)</p> <p><input checked="" type="checkbox"/> 12 months      <input type="checkbox"/> 24 months      <input checked="" type="checkbox"/> 36 months or more      Not sure/ <input type="checkbox"/> No preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p>
<p>12-24 months for our suggested stage one, three years for stage two as outlined in 2.1 above.</p>
<p>2.3 If there are factors we should consider to progressively phase in your preferred option, please tell us below.</p> <p>These factors may include material availability or affordability, regional differences in the requirements, different building typologies or other considerations.</p>
<p>As outlined in our answers in 2.1 above.</p>
<p>2.4 Do you support issuing the new editions of H1/AS2 and H1/VM2 as proposed?</p> <p>H1/AS2: <input checked="" type="checkbox"/> Yes, I support it      <input type="checkbox"/> No, I don't support it      <input type="checkbox"/> Not sure/no preference</p>

## Item 6: Chairperson's Report: Attachment 1

<p>H1/VM2: <input checked="" type="checkbox"/> Yes, I support it      <input type="checkbox"/> No, I don't support it      <input type="checkbox"/> Not sure/no preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p> <p>No further comment</p>
<p>2.5 What impacts would you expect on you or your business from the proposed options?</p> <p>These impacts may be economic/financial, environmental, health and wellbeing, or other areas.</p> <p>Education and training of our building control officials will be required in order to assess and enforce compliance with the proposed new standards.</p>
<p>2.6 Is there any support that you or your business would need to implement the proposed changes if introduced?</p> <p><input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No      <input type="checkbox"/> Not sure/no preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p> <p>Training, preferably delivered by one central agency, to ensure consistency in adoption and implementation of the new standards is achieved across the whole of NZ.</p>
<p><b>Proposal 3.</b> Energy efficiency for heating, ventilation, and air conditioning (HVAC) systems in commercial buildings</p>
<p>3.1 Do you support issuing the new edition of H1/VM3 as proposed?</p> <p><input checked="" type="checkbox"/> Yes, I support it      <input type="checkbox"/> No, I don't support it      <input type="checkbox"/> Not sure/no preference</p> <p>Is there anything you would like to tell us about the reason(s) for your choice?</p> <p>No further comment</p>
<p>3.2 Do you think the proposed Verification Method H1/VM3 covers all important aspects of energy efficiency of HVAC systems in commercial buildings?</p> <p><input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No      <input type="checkbox"/> Not sure/no preference</p> <p>If there are aspects that you think should be included, please tell us below.</p> <p>When modelling buildings, it would be beneficial to include the identification of sources of energy and expected operational carbon footprint at the concept design – This will help designers of buildings to estimate future carbon emissions.</p> <p>How is the Code considering the Zero Carbon Act? What consideration has been given to transitioning to other heat forms and in particular passive thermal gain?</p>
<p>3.3 What impacts would you expect on you or your business from the new H1/VM3? These impacts may be economic/financial, environmental, health and wellbeing, or other areas.</p> <p>Less operational carbon footprint for new Council buildings</p> <p>Financial impact by implementing BMS to track down performance of HVAC on Council buildings</p>
<p>3.4 Do you agree with the proposed transition time of 12 months for the new Verification Method H1/VM3 to take effect?</p>



## Item 6: Chairperson's Report: Attachment 1

<input checked="" type="checkbox"/> Yes, it is about right months)	<input type="checkbox"/> No, it should be shorter (less than 12 months)
<input type="checkbox"/> No, it should be longer (24 months or more)	<input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
No further comment	
<b>Proposal 4. Natural light for higher-density housing</b>	
4.1 Do you support issuing the new G7/AS1, G7/AS2, G7/VM2 as proposed?	
G7/AS1: <input checked="" type="checkbox"/> Yes, I support it	<input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
G7/AS2: <input checked="" type="checkbox"/> Yes, I support it	<input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
G7/VM2: <input checked="" type="checkbox"/> Yes, I support it	<input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
<p>We support the provision of sufficient natural light and positioning for sunlight for occupied spaces and appropriate visual awareness of the outside for occupants.</p> <p>Care needs to be taken to balance the requirements for minimum areas of glazing required to meet G7, versus the potential compromise of thermal performance. This is particularly pertinent in limiting excessive heat loss from south glazing in winter and excessive heat gain from west glazing in summer. Passive solar gain is important.</p>	
4.2 What approach do you think we should take for G7/VM1?	
<input type="checkbox"/> It should be revoked	<input type="checkbox"/> It should remain as is
<input type="checkbox"/> It should be amended	<input checked="" type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
Council Officers are not aware of G7/VM1 being used as a compliance method in Nelson.	
4.3 What impacts would you expect on you or your business from the new editions of G7/AS1, G7/AS2, G7/VM1, and G7/VM2?	
These impacts may be economic/financial, environmental, health and wellbeing, or other areas.	
Education and training of our building control officials will be required around assessing and enforcing compliance with the proposed new standards.	
4.4 Do you agree with the proposed transition time of 12 months for the new G7/AS1, G7/AS2, G7/VM1, and G7/VM2 to take effect?	
<input checked="" type="checkbox"/> Yes, it is about right months)	<input type="checkbox"/> No, it should be shorter (less than 12 months)
<input type="checkbox"/> No, it should be longer (24 months or more)	<input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
No further comment	

<b>Proposal 5. Weathertightness testing for higher-density housing</b>	
5.1 Do you support issuing the new edition of E2/VM2 as proposed to cite BRANZ EM7 version 3?	
<input checked="" type="checkbox"/> Yes, I support it	<input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
We support the idea of there being a compliance pathway for weathertightness of higher density buildings.	
5.2 What impacts would you expect on you or your business from the new edition of E2/VM2?	
These impacts may be economic/financial, environmental, health and wellbeing, or other areas.	
Education and training of our building control officials will be required in order to assess and enforce compliance with the proposed new standards.	
5.3 Do you agree with the proposed transition time of 12 months for the new Verification Method E2/VM2 to take effect?	
<input checked="" type="checkbox"/> Yes, it is about right	<input type="checkbox"/> No, it should be shorter (less than 12 months)
<input type="checkbox"/> No, it should be longer (24 months or more)	<input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
No further comment	
<b>Proposal 6. Standards referenced in B1 Structure</b>	
6.1 Do you support the amendment of B1/AS1, B1/AS3 and B1/VM1 as proposed to include the following referenced standards and document?	
AS/NZS 4671: 2019 Steel for the reinforcement of concrete:	<input checked="" type="checkbox"/> Yes, I support it <input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
AS/NZS 5131: 2016 Structural Steelwork – Fabrication and Erection:	<input checked="" type="checkbox"/> Yes, I support it <input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
AS/NZS 2327: 2017 Composite structures – Composite steel-concrete construction in buildings Amendment 1:	<input checked="" type="checkbox"/> Yes, I support it <input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference



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Field Description of Soil and Rock – Guideline for the field descriptions of soils and rocks in engineering purposes, New Zealand Geotechnical Society Inc., December 2005:	<input checked="" type="checkbox"/> Yes, I support it <input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?	
The four documents above are all developed specifically with New Zealand conditions and interests in mind, therefore it should be expected that: <ul style="list-style-type: none"> <li>- they are fit for purpose and should be used, and</li> <li>- earlier editions are outdated and should not be used.</li> </ul> Building code compliance documents referencing superseded standards and documentation introduces opportunity for error and adds confusion to design, construction and compliance processes.	
6.2 What impacts would you expect on you or your business from the referencing of these standards and document?	
These impacts may be economic/financial, environmental, health and wellbeing, or other areas.	
Improved efficiency due to reduced opportunity for confusion.	
6.3 Do you agree with the proposed transition time of 12 months for the new Acceptable Solutions B1/AS1 and B1/AS3 and Verification Method B1/VM1 to take effect?	
<input type="checkbox"/> Yes, it is about right <input type="checkbox"/> No, it should be shorter (less than 12 months)  <input type="checkbox"/> No, it should be longer (24 months or more) <input type="checkbox"/> Not sure/no preference	
Is there anything you would like to tell us about the reason(s) for your choice?	
Standards that relate to supply of material or fabrication may require a 12 – 24 month transition period, however a shorter timeframe may be appropriate.	
The field description of soil and rock guideline should complete its transition by end of 2021.	
<b>Proposal 7. Editorial changes to Acceptable Solution B1/AS1</b>	
7.1 Do you support the amendment of B1/AS1 to address the editorial changes to geotechnical requirements as proposed?	
<input checked="" type="checkbox"/> Yes, I support it <input type="checkbox"/> No, I don't support it <input type="checkbox"/> Not sure/no preference	
Is there anything you would like to tell us about the reason(s) for your choice?	
No further comment	
<b>Building Code operating protocols</b>	
1. Do you agree with the proposed criteria for referencing a standard in the Building Code system?	
These proposed criteria include: alignment to the Building Code, in scope, clear, specific, implementable in New Zealand and available.	

## Item 6: Chairperson's Report: Attachment 1

<input checked="" type="checkbox"/> Yes, I support them <input type="checkbox"/> No, I don't support them <input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?
Nelson City Council supports the purposes and criteria set out in the consultation document.
2. Do you agree with the proposed criteria for deciding the tier status of standards? Risk severity: <input checked="" type="checkbox"/> Yes, I agree with the criteria <input type="checkbox"/> No, I don't agree <input type="checkbox"/> Not sure/no preference Contribution to the Building Code: <input checked="" type="checkbox"/> Yes, I agree with the criteria <input type="checkbox"/> No, I don't agree <input type="checkbox"/> Not sure/no preference Design focus: <input checked="" type="checkbox"/> Yes, I agree with the criteria <input type="checkbox"/> No, I don't agree <input type="checkbox"/> Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?
No further comment.
3. Which standard(s) and their proposed tier status particularly impact you and why?
All of the standards proposed for tiers 1 & 2 are particularly relevant to Councils in their building consenting and building compliance roles.
4. Is there anything else you would like to tell us about these protocols for the use of standards in the Building Code system?
Consider adding SNZ TS 3404 Durability requirements for steel structures and components to the tier 1 or 2 list of standards. Consider adding ASNZS 2327 Composite structures - Composite steel-concrete construction in buildings to the tier 1 or 2 list of standards. Consider adding NZS3109 Concrete construction to the tier 2 list of standards. Consider adding the ASNZS 1554 welding suite of standards to the tier 1 or 2 list of standards. There is currently a significant anomaly, that relates to the proposed criteria around alignment with the building code in that technical content of standards shall not extend to risk settings. To resolve this the definition of importance level (a key risk setting) for clause B1 Structure should be removed from ASNZS 1170.0, and brought into the building code. Importance level for clause B1, and other code clauses could be aligned or merged with the current clause A3 definition of importance level that currently applies only in relation to clause C Fire.
<b>New look for Building Code documents</b>
1. Is there anything you would like to tell us about the new look of acceptable solution and verification methods?

We support the inclusion of the document status, schematic showing each documents position in the building code regulatory system and summary of the main changes in the current version of the draft documents.

We support the use of icons, where used, to identify clauses that are applicable to particular classified uses of building.

If you have any questions, please contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Clare Barton', with a stylized, flowing script.

**Clare Barton**

Group Manger Environmental management

Encl:

Nelson City Council -Submission - Building for Climate Change - 5Oct20



Civic House, 110 Trafalgar Street  
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5 October 2020

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Building for Climate Change  
Building Performance  
Ministry of Business, Innovation & Employment  
PO Box 1473  
Wellington 6140  
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By email: [BfCC@mbie.govt.nz](mailto:BfCC@mbie.govt.nz)

### **Nelson City Council - Submission on Building for Climate Change**

Thank you for the opportunity to provide comment on the proposed Building for Climate Change programme.

The Council wants to applaud the Government's aim for carbon neutrality. All sectors have a role to play in achieving that goal. It is acknowledged there are aspects of the building sector that can be improved to contribute towards the Government's aim, whilst being cognisant of the financial costs of that change.

The Nelson City Council has been proactive in its work in the climate change area for both mitigation and adaptation. The following provides a brief synopsis of the work:

- a) Declaration of a Climate Emergency in May 2019.
- b) Commitment to climate change initiatives through the allocation of \$500,000 from the Port dividend.
- c) Resolved to achieve Net Zero Carbon by 2050 for Councils own emissions, in-line with government targets.
- d) Agreed a partnership with EECA for a Council-wide energy management programme.
- e) Climate change incorporated into each updated draft Activity Management Plan.
- f) Council Procurement Policy being updated to reflect preference for low-emissions products and services.
- g) Climate change incorporated more effectively into the revised draft Infrastructure Strategy.
- h) New bus card system introduced and public transport review underway.
- i) Council support for community organic waste disposal – including collection and piloting of compost production.
- j) Flights now being offset for all Council staff and governance travel.
- k) Supporting the Nelson Tasman Climate Forum.

Internal Document ID: A2482749

## Item 6: Chairperson's Report: Attachment 1

- l) Funding support provided from Council for a local business groups to help businesses measure and reduce their emissions.
- m) Improved processes for considering climate change in Council work, such as business cases and reports to committees.
- n) Council has agreed to the development of an Emissions Reduction Action Plan for reducing its own emissions.
- o) The Council has been working with counterparts in Lemvig Denmark around the concept of a Climatorium, and agreed to sharing a protocol for climate change.
- p) The Council contributes \$100,000 per annum to the Warm Healthier Homes Nelson Marlborough Tasman Project.
- q) Council provides free independent advice through the Eco Design Adviser service, on improving the health, warmth, sustainability and performance of Nelson homes. This covers existing homes, renovation and new builds.

The Council considers the proposed Building for Climate Change programme will be an effective means of achieving change towards the Zero Carbon 2050 target.

Council fully endorses the content of the submissions made by the Society of Local Government Managers (SOLGM) with the exception of Section 19 of that submission, and Wellington City Council.

The following comments build on those submissions and highlight those parts that are particularly supported.

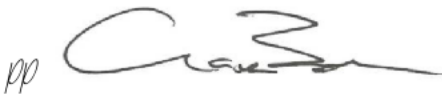
- a) The demonstration of compliance regarding carbon information should rest with the designers. Government financial support for the initial training of Building Team staff would be helpful. These staff will, as a minimum, need to verify the information provided by the designer and will need to be informed of what to assess and consider.
- b) Wellington City Council's submission includes commentary on the volume of construction and demolition material that goes to landfill annually and proposes diversion targets and regulatory support for territorial authority level intervention. Nelson City Council supports the points made by Wellington City Council.
- c) Council supports leadership in the deconstruction of buildings and where materials can be re-purposed. Council also supports leadership in development and trials of innovative environmentally sustainable low carbon and negative carbon building materials.
- d) Council supports a transition from end of life existing enclosed burners. Depending on air quality in particular areas, ultra-low emission burners, may be possible. Council recognises for some there are financial barriers to home heating using electricity and supports Government's ongoing subsidy of winter power use so everyone can live in a warm dry healthy home.
- e) On-site renewable energy generation and energy storage is a component of achieving overarching sustainability goals and low carbon construction. A point system could be developed depending on the size and intended use of the building. This would give homeowners and businesses flexibility in how they choose to achieve sustainability goals. The points could include options considered for passive heating and cooling versus electrical such as air conditioning units. Renewable

hydroelectricity is limited in dry summer months when the dams are low. We can anticipate increased temperatures and increasing periods of drought in our summer months. As such solar energy generation has potential in buildings where there is electricity used for cooling.

- f) Passive operational efficiency of buildings is seen as critical to maintaining warm homes and provide health benefits for inhabitants of those buildings. The links to the Resource Management Act need to be traversed by MBIE as to where changes are most appropriate to sit to achieve building orientation for passive solar gain.
- g) Council supports a mandatory requirement for every manufacturer or importer to disclose the embedded carbon value on a product. However, if MBIE considers the suggestion from SOLGM has merit then it behoves Government to assist any requirement for Council to assess designers' compliance statements against the statutory requirements.
- h) Water use efficiency is important. Nelson City charges urban users for the supply of potable water and meters use and charges for the actual use. This is not however, the only method for achieving behaviour change when it comes to water use. As drier weather during the summer continues, on-site storage of water in greenfield developments will be important. It is accepted this may not be reasonable for retrofitting into existing houses where there may not be space. Council agrees in supporting on-site storage it is important that standards for drinking water are retained at all times.
- i) As an additional point not contained in those submissions, the Council considers MBIE should investigate methods to prevent covenants being placed on land by developers which specify things such as requiring a double garage, size of house, building materials, preventing a second dwelling etc. These restrictive covenants can be barriers to sustainable land and housing development and can impact on housing affordability.
- j) Finally, the Council recognises there can be additional upfront costs to building sustainably however these can be off-set by building smaller and using alternative building materials. These costs can also be offset by the energy consumption savings over the life of the build. Plus they reflect the true cost of creating societies where local and global environmental restoration and protection is recognised as a priority.

If you require any clarification on any aspect of the submission, please contact Clare Barton, Group Manager Environmental Management at [clare.barton@ncc.govt.nz](mailto:clare.barton@ncc.govt.nz) or (03) 546 0343.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kate Fulton', with the initials 'pp' written to the left.

**Kate Fulton**

Chair, Environment Committee

## **Environmental Management Fees and Charges Review 2021 - Deliberations Report**

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### **1. Purpose of Report**

- 1.1 To deliberate on the Environmental Management fees and charges review 2021 and decide on the fees and charges to apply under the Resource Management Act 1991 (RMA) and Housing Accord and Special Housing Areas Act 2013 (HASHAA), Building Act 2004, Food Act 2014, and the Public Health Act 1956.

### **2. Summary**

- 2.1 Public consultation on the proposed Environmental Management fees and charges has occurred. Nine submissions were received.
- 2.2 It is recommended the Committee approve the proposed new fees and charges for all activities to commence on 1 July 2021, except charges under the Food Act. Concern was raised in submissions regarding the timing of introducing the new food fees and charges due to the COVID-19 challenges for some in the hospitality sector. It is recommended that the Committee delay the introduction of the new food fees until 1 December 2021.

### **3. Recommendation**

***That the Environment and Climate Committee***

- 1. Receives the report Environmental Management Fees and Charges Review 2021 - Deliberations Report (R24824) and its attachments (A2621284, A2635824, A2635787, A2661168, A2652035 and A2669343); and***
- 2. Notes the submissions received as part of the special consultative procedure on the review of the Environmental Management fees and charges in Attachment 1 (A2621284); and***

- 3. Approves amendments to the fees and charges under the Building Act 2004 as outlined in Attachment 2 (A2635824) to commence from 1 July 2021; and**
- 4. Approves amendments to the charges under the Resource Management Act 1991 and Housing Accords and Special Housing Areas Act 2013 as outlined in Attachment 3 (A2635787) to commence from 1 July 2021; and**
- 5. Approves amendments to the Food Act 2014 fees and charges as outlined in Attachment 4 (A2661168) to commence from 1 December 2021; and**
- 6. Approves amendments to the Public Health Act 1956 fees and charges as outlined in Attachment 5 (A2652035) to commence from 1 July 2021.**

#### **4. Background**

- 4.1 On 17 February 2021 (R21403) the Environment and Climate Committee approved four statements of proposal for a special consultative procedure (refer attachment 6 A2669343).
- 4.2 The consultation period occurred between 16 March and 16 April 2021. Nine submissions were received and are attached (Refer Attachment 1 A2621284). Targeted engagement occurred across various sectors associated with the special consultation, through various methods including mailchimp, newsletters and discussion with associations.
- 4.3 Council can decide on the level of fees and charges within the range of options provided in the statement of proposal, that is, between no change and the change proposed (but not higher).

#### **5. Discussion**

##### **Building fees and charges**

##### Submissions

- 5.1 Three submissions were received regarding the proposed building fees and charges. Submitters raised concerns with:
  - The ability of the online portal to accept large hand-drawn plans.
  - The inability to come into the Council to have plans checked.



## Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report

- The potential reliability of the portal and reduction in communication to problem solve.
- The online portal efficiency. Suggested if it has led to efficiencies why haven't the costs gone down?
- Lack of efficiencies in Council's operations and knowledge. Noted the private sector is mindful when any increases are made.
- The charge out rate being not justified. Suggested the charge out rate was commensurate with more qualified professions.
- The fees being significant and out of proportion with CPI.
- The service needs to be improved with accountability, increased accuracy, and a better break down of the costs when requested by clients.

### Comment on Submissions

- 5.2 Councils across New Zealand have been moving to electronic methods for the receiving and processing of building consents over recent years. The electronic portal is the primary way consent applications are received. Hardcopies, including for large hand-drawn plans, are the exception but can be accepted with a charge used to scan these documents into the system.
- 5.3 The use of electronic files streamlines the process for councils between the various departments e.g. planning and infrastructure. Having the files stored electronically also assists with record keeping. There have been a few issues with the portal however, these have now been resolved including training for some customers using the portal. The team has recently met and is working on a number of actions to provide an even better customer service and this includes communication with the building industry over requirements when a building consent is lodged and how to do this effectively through the portal.
- 5.4 Officers are mindful of the need to be available to discuss any issues and resolve matters as quickly and efficiently as possible. Officers are contactable by phone, face to face meetings including through the duty building officer or by email. Where a request is made for a more detailed breakdown of costs this request can be met.
- 5.5 In terms of the qualifications of officers, competency training is regularly completed to meet all legislative requirements. It is acknowledged there is a severe national shortage of qualified, competent resource in the building sector. It is therefore critical that Council retain staff, their skills and knowledge, to ensure all legislative requirements are met.
- 5.6 The proposed increase is higher than CPI but comparisons have been made with other councils and the proposed rates are consistent with similar sized councils as outlined in the 17 February 2021 Committee meeting report R21403 (refer attachment 6 A2669343).

## Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report

### Recommendation and Discussion

- 5.7 As proposed in the SCP documentation, an hourly charge out rate is recommended of \$164 (up from \$160) and \$200 (up from \$160) for commercial properties recognising the complexity of commercial builds. The proposed building fees and charges are detailed in Attachment 2 (A2635824) and are proposed to commence from 1 July 2021. The costs met by the fees and charges include consent processing, inspections, compliance and responding to public enquiries.
- 5.8 The Revenue and Financing Policy requires 60-80% of the total costs to be met by fees and charges. The proposed fees and charges will cover 71% of the costs of the activity.
- 5.9 The Committee will have noted from the Environmental Management Group's Quarterly Report, the Building income is \$649,000 greater than budget. In setting the budgets for the 2020/21 year, officers predicted a downturn in the construction sector and consequently a reduction in income. This has not occurred. Given the increased number of consents there will be an increased use of consultants to keep on top of timeframes and this will increase the cost of processing which will utilise budgets.

### **Resource Consents and HASHAA fees and charges**

#### Submissions

- 5.10 No submissions were received regarding the proposed Resource Management Act 1991 (RMA) and Housing Accords and Special Housing Areas Act 2013 (HASHAA) fees and charges.

#### Recommendation and Discussion

- 5.11 As proposed in the SCP documentation, it is recommended the Committee approve the fees and charges outlined in Attachment 3 (A2635787), based on the increased hourly charge out rate of \$162 (from \$160) and commencing from 1 July 2021. The activities include consent processing, monitoring, enforcement and responding to public enquiries.
- 5.12 The Revenue and Financing Policy requires 40-60% of resource consent activity costs to be recovered from charges. The proposed fees and charges will cover 45% of the costs of the activity and is in line with other regulatory hourly charge out rates.

## **Food Act fees and charges**

### Submissions

- 5.13 Five submissions were received regarding the proposed food fees and charges. Submitters raised concerns with:
- The timing of introducing these fee increases. They suggested the increase not become effective until the 2022-23 financial year at the earliest or staged over future years.
  - The processing of the Food Control Plans is very onerous. They suggested a streamlined digital based template be introduced such as either Business Connect (<https://businessconnect.govt.nz/help/>) or Chomp (<https://www.chomp.nz/>), and that it would reduce time and cost for all involved.
  - The financial pressures currently on the hospitality sector, including cost structure increases such as electricity (+5%), insurance (+5%), minimum wage (+21% over three years). This is cumulative across suppliers that pass these on to end users. Whilst they agreed increases are needed from time to time, this is not the time to be putting any further pressure on the hospitality industry.
  - The hourly rate of the hospitality sector workers of about \$22.00 per hour. They noted that owners earn little more than this themselves. Including employee entitlements, the true cost per hour worked for these businesses is around double this rate. They also suggest the Council charge out rate is too high.
  - The role the hospitality sector provides Nelson with its much-needed diversity and choice to the community. It highlights the inequity or severe under-valuing of the value the hospitality sector brings to our community.
  - The proposed increase of about 9% and noted CPI is currently only 1.4%.

### Comment on Submissions

- 5.14 Officers will review the proposed Business Connect and Chomp proposals suggested for digital based templates to help reduce the time and cost involved. The systems will need to be assessed for compliance with the Ministry of Primary Industries registration and reporting requirements.
- 5.15 Commentary on financial pressures in the hospitality sector is included in the discussion section below.

### Options for Food Fees and Charges

- 5.16 The advantages and disadvantages of four options are outlined below:

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<b>Option 1: Delay the increase in fees and charges as proposed (hourly rate \$162 and licence fee \$255) commencing 1 December 2021 (RECOMMENDED OPTION)</b>	
Advantages	<ul style="list-style-type: none"> <li>• Less criticism from operators for increasing fees in the current economic context.</li> <li>• Recognises the challenges faced by the sector this year.</li> <li>• More in line with other councils.</li> <li>• The rates component is reduced over time.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Rates savings are delayed for this activity for 5 months.</li> <li>• Lost income of about \$4,000 which will need to be met by the General Rate, although recovered in the following year.</li> </ul>
<b>Option 2: Retain the current fees and charges</b>	
Advantages	<ul style="list-style-type: none"> <li>• Operators do not face increased fees.</li> <li>• Would not receive criticism.</li> <li>• Recognises the challenges faced by some of the sector this year.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• The cost of the food activity is not sufficiently covered by income from fees and charges.</li> <li>• Does not meet the cost recovery requirements of the Food Act 2014.</li> <li>• Increases will be required in the future and likely to be greater.</li> <li>• The hourly rate continues to be inconsistent with other regulatory services.</li> <li>• No rates savings are realised for this activity.</li> <li>• A further special consultation procedure would be required at a later date.</li> </ul>
<b>Option 3: Increase fees and charges (hourly rate \$162 and licence fee \$255) (commencing 1 July 2021) recovering 48% of the costs</b>	
Advantages	<ul style="list-style-type: none"> <li>• The proportional cost of services is better met by users/food operators than ratepayers.</li> <li>• Better meets the cost recovery requirements of the Food Act 2014.</li> <li>• Hourly rates are more consistent with other regulatory functions.</li> </ul>

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	<ul style="list-style-type: none"> <li>• The general rates component is reduced.</li> <li>• Recognises food operators have not received an increase since the fees and charges were introduced in 2016.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Dissatisfaction and likely to receive criticism by operators for the increase in costs at a challenging time.</li> <li>• Could increase costs following non-payments requiring more staff follow up time.</li> </ul>
<b>Option 4: Phase in the proposed increase over two or more years</b>	
Advantages	<ul style="list-style-type: none"> <li>• Less criticism from operators for increasing fees in the current economic context.</li> <li>• Recognises the challenges faced by the sector.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Rates savings and recovering lost income are delayed.</li> <li>• Unlikely to reach alignment with other councils' charges as they continue to increase in the interim.</li> <li>• May not prevent a significantly larger increase later.</li> <li>• Further special consultative procedures are required.</li> </ul>

Recommendation and Discussion

- 5.17 As proposed in the SCP documentation, it is recommended that the food fees and charges be \$162 hourly rate and an initial licence fee of \$255. To recognise the hardship for some it is proposed there be a delay to the increase, to commence on 1 December 2021. The Revenue and Financing Policy requires 40-60% of food activity costs to be recovered from charges. This proposal recovers 51% from fees and charges of the costs of the activity. (Refer to Attachment 4 A2661168 for the proposed fees).
- 5.18 The hourly rate is in general accordance with Tasman's hourly rate of \$160 (licence fee \$242) and Marlborough \$145 (licence fee \$254). The hourly rate is less than similar sized councils, such as Napier City Council and New Plymouth District Council. These were included in the Committee's report R21403 (refer attachment 6 A2669343).
- 5.19 The food activities include registrations, verifications, compliance and monitoring functions, and responding to public enquiries. As previously advised the food fees and charges have not increased since 2016, when the new Food Act came into force. It was noted at the time the food fees

## Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report

and charges would not be increased until all businesses transitioned to the new regime, which has now occurred. Forecasting a downturn due to COVID-19, officers budgeted for reduced food income, but the income is still down on that estimate. Currently, income is \$40,500 under budget year to date.

- 5.20 If the Committee accepts the proposed hourly rate of \$162 a food premises will see an increase in a new registration to \$688.50 (up from \$629 and a difference of \$59.50) and thereafter \$479 annually (up from \$444 and a difference of \$35). A national programme would see an increase to \$162 (up from \$148) in the first year and thereafter a total of only \$81 annually (up from \$74).
- 5.21 Revenue of \$110,000 and costs of \$229,500 are estimated for the 2021/22 financial year based on the proposed \$162 hourly rate. If the current hourly rate of \$148 were to be used \$100,025 income is estimated and the user contribution would be 44%.
- 5.22 Officers suggest some consideration of potential hardship over the winter period could be provided with a delay of 5 months to the commencement of the increased charges (to 1 December 2021). Paymark data shows the last 12-month consumer spend (cafés, restaurants, bars, and takeaways) has not significantly changed on the same period as a year earlier. The food sector has experienced some increased costs e.g. the minimum wage has increased to \$20 per hour from 1 April 2021.
- 5.23 The potential loss of income by delaying by 5 months, will be about \$4,000 and the General Rate would need to cover this. The Committee could consider extending the period to 1 year prior to the charges increasing and this would result in a loss of income of about \$10,000.
- 5.24 The new Food Act requires Council when setting its fees to cover all reasonable costs incurred. This is a cost recovery model and must consider the matters outlined in section 198(2) of the Food Act, which are:
  - 5.24.1 *Equity* – funding for services should generally, and to the extent practicable be sourced from the users or beneficiaries of those services at a level commensurate with their use; and
  - 5.24.2 *Efficiency* – costs should generally be allocated and recovered to ensure maximum benefits are delivered at minimum cost; and
  - 5.24.3 *Justifiability* – cost should be collected only to meet the actual and reasonable costs (including indirect costs) of the service; and
  - 5.24.4 *Transparency* – costs are identified and allocated as closely as practicable to tangible service provisions.
- 5.25 The matters outlined in paragraph 5.24 above have been considered and the proposal also meets the requirements of the Revenue and Financing Policy.

## **Public Health fees and charges**

### Submissions

- 5.26 A submission was received regarding the proposed hairdresser fee. The submitter questioned the increase and the costs for the service. They suggested this was too much compared to other industries. No submissions were received regarding offensive trades. No submissions were received on the proposed new fees and charges for animal control and marine oil response.

### Comment on Submissions

- 5.27 The proposed hairdresser licensing fee hourly rate of \$162 (from \$155) is in line with similar sized Councils, New Plymouth District Council \$156, Palmerston North City Council \$167, Marlborough District Council \$178 and Tasman District Council \$183. It takes an hour to process an annual licence fee including a site visit.

### Recommendation and Discussion

- 5.28 As proposed in the SCP documentation, it is recommended the Committee:
- a) Increase the hourly charge out rate to \$162 for public health covering 45% of the costs of the activity. The Revenue and Financing Policy requires 40-60% of public health activity costs to be recovered from charges.
  - b) Increase the offensive trades fees to \$243 (from \$236).
  - c) Increase the animal control fees to \$162 (from \$125).
  - d) The marine oil response be an hourly rate at \$162, and disbursements be at cost.

Refer to Attachment 5 A2652035 for the proposed new fees and charges commencing from 1 July 2021.

- 5.29 The proposed changes are in line with other regulatory hourly rates and are considered reasonable to meet the costs of the activities.

## **6. Options**

- 6.1 The options are to:
- i. Change the fees and charges as proposed in the public consultation documents but delay the commencement date for Food Act fees and charges.
  - ii. Decide not to make any changes to fees and charges for the 2021/22 financial year and keep the current fees and charges.

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Deliberations Report

6.2 The options are outlined below with the preferred option being option 1.

<b>Option 1: Change fees and charges as proposed commencing 1 July 2021 for RMA, HASHAA, Building and Public Health and commencing 1 December for Food fees and charges (RECOMMENDED OPTION)</b>	
Advantages	<ul style="list-style-type: none"> <li>• The increase in the fees and charges will ensure those gaining the benefit from the service pay a fair proportion of the costs of the service so there is less need for ratepayer funding.</li> <li>• Is consistent with what was proposed in the consultation.</li> <li>• Minimises pressure on rates.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Dissatisfaction from customers that the increase in fees is unreasonable.</li> </ul>
<b>Option 2: Status quo – no changes to the fees and charges</b>	
Advantages	<ul style="list-style-type: none"> <li>• High level of customer satisfaction.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Ratepayers will need to contribute a higher proportion of the costs of the services.</li> <li>• Likely to require a higher increase in fees and charges at a later date.</li> <li>• The fees may no longer be at an appropriate level that meets the criteria for setting fees in the relevant legislation if the customer does not pay for the actual costs of the services they receive.</li> </ul>

## 7. Conclusion

- 7.1 The proposed changes to fees and charges are compliant with relevant legislation and will achieve a better proportionality between those receiving the benefit of that service and ratepayers.
- 7.2 The recommendations are for the amended fees and charges to come into effect from 1 July 2021 except for Food fees and charges which are proposed to commence from 1 December 2021. The proposed 5 month delay for Food fees and charges, recognises the current economic impact for some in the hospitality sector, as a result of COVID-19 restrictions on travel.



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**Author: Clare Barton, Group Manager Environmental Management**

**Attachments**

- Attachment 1: A2621284 Draft Environmental Group Fees and Charges Review 2021- TOTAL SUBMISSIONS - 19Apr2021 [↓](#)
- Attachment 2: A2635824 Building Unit Fees and Charges commencing 1 July 2021 [↓](#)
- Attachment 3: A2635787 Resource Management Act 1991 and Housing Accords and Special Housing Areas Act 2013 Fees and Charges Commencing 1 July 2021 [↓](#)
- Attachment 4: A2661168 Food-Fees-and-Charges from 1 December 2021 [↓](#)
- Attachment 5: A2652035 Public Health fees and charges from 1 July 2021 [↓](#)
- Attachment 6: A2669343 - 2021 Environmental Management Fees and Charges review - 17 February 21 [↓](#)

<b>Important considerations for decision making</b>
<b>1. Fit with Purpose of Local Government</b>  The recommendations in the report provides for the cost-effective delivery of regulatory services that protect the environmental, cultural and social well-being of the community.
<b>2. Consistency with Community Outcomes and Council Policy</b>  The recommended charges assist with achieving the stated funding outcomes in the Long Term Plan. The resourced regulatory activities also contribute to our natural environment being healthy and protected, ensuring our communities are healthy and safe and communities have access to social and recreational activities.
<b>3. Risk</b>  The do-nothing option will not be consistent with the criteria for fixing charges specified in the various legislation. It will also likely to lead to greater percentage increases in the future. Increasing fees and charges by too high a level however could result in dissatisfaction by those impacted by the increase even if that increase is potentially justified. Proposed increases minimise the risk of dissatisfaction by increasing fees at a reasonable rate compared to current fees.
<b>4. Financial impact</b>  The proposed increases in charges will better enable costs for the services to be met in the medium to long-term at an appropriate proportion between applicants/consent holders and ratepayers and meet the Revenue and Financing Policy requirements for each activity.
<b>5. Degree of significance and level of engagement</b>  This matter is of medium significance because proposed increases while justified will impact applicants and consent holders. If the Committee chooses to delay or phase in the food fees and charges this will also affect the wider community as a greater percentage of the General Rate will be required to meet the costs of the activity.
<b>6. Climate Impact</b>  The provision of regulatory and non-regulatory services directly assists Council to take appropriate action or advocate for others to take action to address the impacts of climate change.

## **7. Inclusion of Māori in the decision making process**

No specific consultation with Māori has been undertaken regarding this report.

## **8. Delegations**

The Environment and Climate Committee has the following delegation:

Areas of Responsibility:

- *Building control matters, including earthquake-prone buildings and the fencing of swimming pools*
- *Environmental regulatory and non-regulatory matters including (but not limited to) animals and dogs, amusement devices, alcohol licensing (except where delegated to the Alcohol Regulatory and Licensing Authority), food premises, gambling, sugar-sweetened beverages and smoke-free environments, and other public health issues*
- *Hazardous substances and contaminated land*
- *Maritime and Harbour Safety and Control*
- *Pollution control*
- *Regulatory enforcement and monitoring*

Delegations:

- *The committee has all of the responsibilities, powers, functions and duties of Council in relation to governance matters within its areas of responsibility, except where they have been retained by Council, or have been referred to other committees, subcommittees or subordinate decision-making bodies.*
- *Approval of increases in fees and charges over the Consumer Price Index (CPI)*

# Submissions to the Draft Environmental Group Fees and Charges Review 2021

A2621284

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Draft EG Fees & Charges Review 2021

Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #26992

[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
Nelson 7010  
[Redacted]

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Environmental Health Fees and Charges		Please see attached.

Draft EG Fees & Charges Review 2021

Bev McShea

26992-1

**From:** Administration  
**Subject:** FW: Have your say on NCC's proposed new hairdresser fee

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**From:** [REDACTED]  
**Sent:** Monday, 22 March 2021 10:57 am  
**To:** Jane Budge <[jane.budge@ncc.govt.nz](mailto:jane.budge@ncc.govt.nz)>  
**Subject:** Re: Have your say on NCC's proposed new hairdresser fee

Hi Jane

I just wanted to have my say on the proposed increase. I don't think an increase to this service is justified. You say it is to cover an hour that this takes, well I'm sorry in my opinion I think \$162 per hour is too much to pay for this service. When you compare to other hourly rates in other industries this is pretty expensive. Most trades don't even charge \$100 per hour so how can you justify \$162 per hour for printing off a licence? I understand that this takes an hour and there more to it than printing off a sheet of paper, but I hope you can see why I think this is overpriced.

[REDACTED]  
[REDACTED]  
Nelson 7010  
[REDACTED]

Sent from my iPad

On 18/03/2021, at 2:07 PM, Jane Budge <[jane.budge@ncc.govt.nz](mailto:jane.budge@ncc.govt.nz)> wrote:

[REDACTED]

## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #26999

**Mr Ian Williams**

Managing Director The Vic Public House

Nelson 7010

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Building Fees and Charges		Whilst fees need to be reviewed from time or time, this is not the time to be putting any further pressure on the hospitality industry. If fees increase the rise needs to be effective from 2022 at the earliest.

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## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27000

**Mr Ian Williams**  
Managing Director Burger Culture

Nelson 7010

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Food Fees and Charges		Whilst fees need to be reviewed from time or time, this is not the time to be putting any further pressure on the hospitality industry. If fees increase the rise needs to be effective from 2022 at the earliest.

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## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27025

**Mr David Curl**  
dbc Design

Nelson 7010

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Building Fees and Charges		<p>I am fully against any increases in the fees until Nelson City Council implement new procedures to improve efficiencies in their operation. The increase in fees to cover their inefficiencies when the community have to use the monopoly that exists is unconscionable. Private businesses have to be very mindful of any price increases which seems to be completely alien to NCC.</p> <p>The charge out rates for your personnel are not justified. The qualifications that is required for Building personnel is not recognised anywhere outside the Council environment in New Zealand .</p> <p>The charge out rates are commensurate with Chartered Professional Engineers and Architects who have a far superior qualification reflecting their It is more than twice the rate of builders and Architectural Designers who like Engineers and Architects can move anywhere in the world and gain work with their qualification.</p> <p>The knowledge displayed by your personnel lacks any justification to pay them their current rate, let alone increase them.</p> <p>these are my thoughts as you asked for. Improve your efficiencies, not your fees.</p> <p>David Curl. 25-03-2021</p>

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## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27054

**Mr Simon Hall**

Director Jerram Tocker Barron Architects

Nelson 7010

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Building Fees and Charges		<p>The fee changes proposed are significant, and out of proportion to both CPI and industry costs. Based on our clients feed back they find the costs already charged by NCC are high and sometimes exorbitant and not reflective of the service provided.</p> <p>We understand the fees charged need to be reflective of the services provided, however clients feedback is this isn't already occurring, so if increased there would need to be a marked improvement in the service.</p> <p>NCC need to provide some accountably in the process, increased accuracy, and better break down of the costs when requested by clients.</p>

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## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27189

**Mr Clive Lewis**  
Director Clive Lewis Design (2004) Ltd

Clive Lewis Design  
Stoke  
Nelson 7011

Speaker? True

Department	Subject	Opinion	Summary
NCC - Environmental Management	Building Fees and Charges		<p>I am concerned about the process used for building consents especially the Simpli Portal. I draw by hand with larger plans (1:50) and use A1 size drawings. Builders prefer larger scale plans to work from on the job. I have my drawings scanned and submitted on the portal. This means that to read the drawings the consenting officer has to blow up the drawing. Often information on the drawings is missed and I get an RFI for an item that is included on the drawing but has not been found by the consenting officer. The question is would the consenting officer prefer to have a larger hard copy of the drawing to check rather than reading a computer screen. Also we used to submit drawing to a consenting officer who would check the plans and specifications to ensure the correct information is supplied. You then paid at the counter on the same day.</p> <p>Now we have to add the owner to the portal so they can pay the invoice. One of my clients in Marlborough did not have a computer or email address so this system did not work. In Wellington you can not talk to the consenting officer about RFIs and can not find out who is the engineering consultant checking your application. Everything has to be done through the portal. This makes an us and them situation when a simple phone call could resolve a lot of the issues. The designer and consenting officer should be working as a team to get the consent issued. Communication is vital and better to discuss a problem rather than have RFIs going back and forward.</p> <p>I would be interested to hear from the council building consent officers how they feel about the</p>

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Draft EG Fees & Charges Review 2021

			portal system and if it is more efficient. If the efficiency of checking consents was improved then council would not have to increase fees to cover the costs.
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## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27199

**Kim Odendaal**

Regional Manager Hospitality New Zealand Nelson Branch

Wellington 6140

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Food Fees and Charges		Please see attached.

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Draft EG Fees & Charges Review 2021

27199-1

## Hospitality New Zealand Nelson Branch



### Submission on Amendments to the Food Act Fees and Charges March 2021

Hospitality New Zealand (HNZ) is a voluntary trade association which has operated since 1902 and currently represents over 3,000 hospitality businesses throughout New Zealand, including Taverns, Pubs, Bars, Restaurants, Cafes, Retail Liquor and Commercial Accommodation providers such as Camping Grounds, Lodges, Motels, Hotels and Backpackers.

The Nelson Branch of Hospitality New Zealand includes and represents 123 Hospitality and Commercial Accommodation businesses. This submission is made on behalf of the Nelson Branch of Hospitality New Zealand.

Hospitality New Zealand has a 115-year history of advocating on behalf of the hospitality and tourism sector and is led by Chief Executive, Julie White.

Hospitality New Zealand's Nelson Branch President is Ian Williams and the Regional Manager for the Branch is Kim Odendaal.

We appreciate the opportunity to give feedback to the Nelson City Council.

#### CONTACT DETAILS:

Kim Odendaal

Regional Manager

Hospitality New Zealand Nelson Branch

## Draft EG Fees & Charges Review 2021

1. The Nelson Branch of Hospitality NZ does not support the Nelson City Council's position to increase fees and charges relating to the Food Act.
2. Whilst we acknowledge that the Council claims that only 45% of the cost are covered by the user, we query the process, and the timing of this rate increase.
3. The process of completing the Template Food Control Plan template is extremely onerous on our members, with the template being 122 pages long. It therefore makes sense that it would take an officer an average of 1.75 hours to complete a new registration application.
4. Surely it is time to move away from the paper based 122 page template and move towards a streamlined digital based template such as what Business Connect (<https://businessconnect.govt.nz/help/>) or Chomp offers (<https://www.chomp.nz/>). This would reduce time and cost for all involved.
5. Additionally, the hospitality industry has been one of the hardest hit sectors by the world wide Covid -19 pandemic. Hospitality and commercial accommodation venues are closing throughout the region, due to the uncertainty of the situation, and the stress of trying to keep people employed, as well as cash flow concerns; we do not believe this is the right time to increase fees on a sector struggling to survive.
6. We believe any fee increases should be put off until the 21/22 financial year or at least until the borders have reopened, and businesses have had a chance to recover financially.

### Possible Solutions:

- User friendly, digitalised Food Control Plan templates to streamline the process.
- Reconsider increasing fees once the borders have reopened.



## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27410

**Mrs Dana Hanson**  
Owner The Styx Restaurant  
  
Nelson 7010

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Food Fees and Charges		<p>I am interested in submitting my recommendation that food fees should not be increased. There are many reasons why such an increase is detrimental to the success of local businesses and it is unfair to state that you are increasing fees to "ensure that business owners who benefit from this service are paying a fairer share of the costs compared to ratepayers."</p> <p>1. This statement fails to consider the fact that we too are ratepayers. In fact, every year since we opened eight years ago we have paid over \$10,000 to the Nelson City Council to cover the rates and water associated with our business. Thus, a portion of this payment should already go towards covering the costs of these food fees.</p> <p>2. We have just gone through a harrowing year - one where our business was forced to close, we were forced to continue paying staff with no revenue coming into the business and a non-existent summer season.</p> <p>3. Minimum wage has increased to \$20 an hour. This increase not only affects those workers getting paid minimum wage, but also any employee making close to minimum wage (all of our staff) now feel entitled to a raise.</p> <p>The rate at which the cost of owning and running a business in hospitality has skyrocketed over the past five years. By continuing to increase prices to our industry, you are simply making it feel like we have no support or understanding from our local</p>

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Attachment 1 – A2621284

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		<p>representatives. In a difficult economic climate, our Council should be making it easier to succeed in business, not hit us with increased fees across the board. If businesses succeed, it means more jobs for the community and greater selection for tourists who come to our region.</p> <p>Please consider supporting your local restaurant rather than harming them by raising fees. We are all working hard to just barely break even, and we are already paying a fair share of the costs associated with these services.</p> <p>Sincerely, Dana Hanson</p>
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## Draft EG Fees & Charges Review 2021

### Submission Summary

Draft Environmental Group Fees and Charges Review 2021 - Submission #27506

**Mr David Mossop**

Executive Director Dal Molo Limited

Richmond 7050

Speaker? False

Department	Subject	Opinion	Summary
NCC - Environmental Management	Food Fees and Charges		<p>Our company opposes the proposed increased fees and charges.</p> <p>The proposed increase is in excess of 9% at one point in time. Government Treasury states the annual CPI is running at 1.4%.</p> <p>The hospitality sector has incurred very significant cost structure increases in almost all business expenses across the board that are well in excess of the CPI. Notably, monopoly or near monopoly type suppliers have increased their charges the most which in our view reflect classic inefficiencies associated to these types of entities. The same is said for suppliers yielding supplier power. Some key examples are Contact Energy +5%, Insurance +5% and NCC +9%. Added to this is the current Central Government's continuous onslaught towards the business community with a substantial increase to the so-called minimum wage over the past x3 years +21% and this has happened despite MBIE's advice for smaller increases.</p> <p>However, in addition to this, is the cumulative and aggregated effects of these increases which cause all suppliers to pass these on to the end users. This leaves us questioning the true rate of inflation which we think is significantly understated by Central Government at 1.4%.</p> <p>Moreover, the hospitality sector in Nelson provides much needed vibrancy through diversity and choice to the community. We doubt very much that any shareholder or owner operators in this industry</p>

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		<p>enjoy superior incomes or returns to their investments when compared with say to the construction, health, financial and other sectors.</p> <p>The typical hourly pay rate in hospitality is around \$22.00 per hour. Few owners would earn much more than this themselves. After allowing for employee entitlements, the true cost per hour worked for these businesses is around double this rate. If hospitality businesses could charge their workers out at even \$80.00 inclusive of GST per hour would be a dream come true. The reality is with labour recovery rates around \$40.00 per hour (at cost) the reality is the effective sell price for an hour of services is around \$70-\$80.00 per hour. This is demonstrably under half the charge for one hour of service from NCC and highlights the inequity or severe under-valuing of the value the hospitality sector brings to our community.</p> <p>We think NCC needs to stage it's proposed fees increase over a x3-4 year period starting with a very small very small increase initially with slightly larger increases to the later stage (after 3-4 years).</p>
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### Building Unit Fees and Charges commencing 1 July 2021

<b>All applications are subject to the following fees:</b> <ul style="list-style-type: none"> <li>- <b>Deposit</b> as listed below – <b>to be paid upon application</b> (now includes System Fee)</li> <li>- <b>Upon Granting of building consent</b> - all additional costs will be invoiced and must be paid prior to Issue of Building Consent. These include: Specialist fees, Staff time at hourly charge out rate in excess of deposit, plus estimated inspections fees, all levies and Development/Financial contributions as applicable.</li> <li>- <b>Before CCC Issue</b> - Any further time will be invoiced at hourly charge out rates.</li> </ul>	
<b>Development and financial contributions:</b> Building consents may also incur development and/or financial contributions - see <a href="http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/">website information</a> - <a href="http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/">http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/</a>	
<b>Table 1 below, applies to all applications:</b> Commercial, Residential, New or Alteration & Additions. Costs exceeding the deposit are invoiced at hourly charge out rate prior to issue.	
Deposit now includes the application fee and is chargeable upon application:	<b>Deposit</b>
<b>Amendment to Issued Building Consent - deposit plus hourly rate.</b>	<b>\$125.00</b>
<b>Value of Work</b> - up to \$5,000	\$750.00
- \$5,001 to \$10,000	\$1000.00
- \$10,001 to \$20,000	\$1,670.00
- \$20,001 to \$50,000	\$2,430.00
- \$50,001 to \$100,000	\$2,660.00
- \$100,001 to \$200,000	\$3,100.00
- \$200,001 to \$400,000	\$4,000.00
- \$400,001 to \$600,000 – New category to even out the spread of costs.	\$5,000.00
- \$600,001 to \$800,000	\$6,000.00
- \$800,001 to \$1,200,000	\$7,000.00
- \$1,200,001 to \$4,000,000	\$7,500.00
- \$4,000,001 or more	\$9,500.00
<b>Levies - fixed and required under Building Act 2004 - fee based on value of work.</b> Note: an Amendment that adds value to the original consent may cause it to incur (additional) Levies.	
<b>BRANZ Levy - Building Research Association New Zealand Levy</b> - where estimated value is \$20,000 and over	\$1.00 per \$1,000
<b>MBIE Levy - Ministry of Business, Innovation and Employment Levy</b> where estimated value is \$20,444 and over	\$1.75 per \$1,000
<b>Insurance Levy</b> - where estimated value is \$20,000 and over and capped at \$10,000,000	\$1.50 per \$1,000
<b>QA Levy - Quality Assurance/Building Consent Authority Levy</b> - where estimated value is \$20,000 and over.	\$3.0 per \$1,000
<b>Hourly charge out rates for staff, meetings and external contractors</b>	<b>Per Hour</b>
Building Control Administrators & Residential Building (Technical) Officers	\$164.00
Commercial Building (Technical) Officers (Includes any commercial meeting with customer/project managers etc.)	\$200.00
Any other meeting with Building Unit Staff or Duty Building Officer -	\$164.00

A2635824

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Attachment 2

<b>chargeable after first 30 minutes.</b>	
External contractors or specialists engaged by Council	At Cost

<b>Minor Works</b> – includes system fee and deposit - payable upon application. Costs exceeding deposit are charged at hourly charge out rate	<b>Deposit</b>
<b>Swimming pool fencing application</b>	\$450.00
<b>Solid fuel burner/Space heater</b>	\$430.00
<b>Inbuilt burner/heater requiring extra cavity inspection</b>	\$595.00
<b>Demolition work</b>	\$630.00
<b>Marquee – Private/Residential &gt; 100m2</b>	\$380.00
<b>Marquee</b> any size in place for more than one month, commercial/ private	\$630.00
<b>Express Service For Commercial Marquees</b> (less than 20 working days notice)	\$1,320.00
<b>Swimming Pool Application</b>	\$1,050.00
<b>Bathroom Alterations</b> including wet area shower	\$1,195.00
<b>Proprietary Garage &gt;\$20k</b> – Non-refundable deposit plus hourly charge out rate	\$1,665.00
<b>Any Relocated dwelling</b>	\$2,330.00

<b>Works for which a Building Consent is Not Required</b>	<b>Deposit</b>
<b>Notification of Exempt Work - Schedule 1 (except clause 2)</b> – no assessment by Territorial Authority, application placed on Property File, one-off fixed fee.	\$255.00
<b>Application for Discretionary Exemption – Schedule 1 (2) only</b> – Requires Territorial Authority assessment and decision. Costs exceeding the deposit are charged at the hourly charge out rate	\$320.00 +
<b>Unauthorised building works report</b> ( <i>works prior to 1991</i> ) to file	\$255.00

<b>Certificate of Acceptance (COA)</b>	<b>Deposit</b>
Applicants will be charged a <b>\$1,000.00</b> application fee <b>PLUS:</b> all applicable consent fees (including processing & inspection fees) and levies that would have been required and payable, had building consent been applied for BEFORE carrying out the work. Any specialist input, where applicable, will be charged out at cost. The hourly charge out rate will be charged for all staff time. All building work completed without a Building Consent or Exemption Application, will require a COA. If a COA is not applied for, a Notice to Fix will be issued.	<b>\$1,000</b> plus all fees that would have been payable for processing & inspecting BC

<b>Notice to Fix (NTF) and Other Enforcement</b> Costs exceeding the deposit are charged at the hourly charge out rate	<b>Deposit</b>
Notice to fix (each) issue	\$520.00
Other notices (each) issued under Building Act 2004	\$175.00
Section 124 notices for Dangerous or Insanitary Buildings (except where issued as a result of a natural disaster)	\$520.00
Building Officer time and monitoring of notices issued	Hourly

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	charge out rate
<b>Registration of Documents with Land Information New Zealand</b> Costs exceeding the deposit are charged at the hourly charge out rate	<b>Proposed Deposit</b>
Section 73 Building Act 2004	\$455.00
Section 75 Building Act 2004	\$455.00
Removal of section 73 or 75 (or equivalent under the Building Act '91)	\$455.00
<b>Other Services Provided by the Building Unit</b> Costs exceeding the deposit are charged at the hourly charge out rate	<b>Proposed Deposit</b>
<b>Project Information Memorandum (PIM)</b> – charged at \$164 per hour for all staff. The deposit is only required if the PIM application is not part of a building consent application	\$305.00
<b>Compliance schedule</b> - New	\$400.00
<b>Compliance schedule</b> - Amendment	\$250.00
<b>Building Warrant of Fitness (BWof)</b> each renewal	\$180.00
<b>BWof back flow preventer only</b> - plus any additional time to review 12A forms at hourly charge out rate	\$50.00
<b>BWof Audit</b> of commercial premises plus additional time if necessary	\$180.00
<b>Swimming pool barrier audit</b> plus additional time if necessary	\$180.00
<b>Determinations; Lapsed consents; Extension of time</b> under section 52; and Section 93 decisions	Hourly charge out rate
<b>Certificate for public use (CPU)</b> fee - public buildings only	\$405.00
<b>CPU extension of time</b> will be invoiced for \$610 plus staff time at hourly charge out rate	\$610.00 + hourly rates
<b>Code Compliance Certificate</b>	Hourly rate
Application for Exemption, for an Earthquake Prone Building	\$620.00
Application for Extension of time for Heritage Earthquake Prone Building	\$620.00
Assessment of information related to a Building's EQP status	\$620.00
<b>Minor Variations</b> deposit plus hourly charge out rate	\$80.00
<b>Amendment to Issued Building Consent</b> - deposit plus hourly rate.	\$125 +
Building Code Clause modification or waivers – e.g. B2 Mod. - Durability	\$190.00
<b>Certificate of compliance (District Licensing Agency)</b> Building code compliance assessment for fire safety and sanitary facilities in a building, prior to an alcohol license application	\$160.00
Commercial report of Monthly Building Consents Issued - Annual Fee	\$260.00 per annum
Commercial report of Monthly & Mid-monthly Building Consents Issued - Annual Fee	\$550.00 per annum

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<b>Debt recovery</b> - Applicant shall be liable for all costs incurred by Council as a result of debt recovery. In making an application to Council you agree to abide by the Council Debtor Terms and Conditions: <a href="http://www.nelson.govt.nz/assets/Our-council/Downloads/working-with-council/customer-accounts/Debtor-Terms-Conditions.pdf">http://www.nelson.govt.nz/assets/Our-council/Downloads/working-with-council/customer-accounts/Debtor-Terms-Conditions.pdf</a>	Hourly charge out rate
<b>LIMS</b>	<b>Proposed</b>
Residential	\$300
Commercial	\$460
Multiple titles	Hourly rate

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## **Fees and Charges under the Resource Management Act 1991 and Housing Accords and Special Housing Areas Act 2013 Commencing 1 July 2021**

Resource Consent Processing and Monitoring, Designations, Plan Changes, all other activities under the Resource Management Act 1991 (RMA) and the Housing Accords and Special Housing Areas Act 2013 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 fixed charge (deposit), additional charges will be applied (under Section 36(5) of the RMA). Only additional charges can be objected to under Section 357B of the RMA.

Section 2 below lists the various methods of how costs may be charged to a consent.

*All charges listed in this Schedule are GST inclusive*

### **1. Initial fixed charges (deposits)**

	<b>Activity</b>	<b>Charge</b>
1.1	All activities (other than listed below)	\$1,500
1.2	Subdivision 1-3 lots	\$1,500
	Subdivision 4 plus lots	\$2,500
1.3	Bore permits; Certificate of Compliance; Change of consent notice; Culverts, weirs and other minor structures on the bed of watercourses; Existing Use Certificate; Extension of lapsing period; Fast track consents (controlled status only); Fences; Flats Plan update and check; Outline Plan approvals; Relocate building; Removal or trimming of trees listed in the Nelson Resource Management Plan (supported and carried out by a suitably qualified arborist); Right of Way approval; Signs; Simple consent process; Transfer/part transfer of Permits	\$500
1.4	Issue of a notice confirming a boundary (or a marginal or temporary) activity is a permitted activity (no additional charges or refunds apply)	\$480
1.5	NOTIFIED APPLICATIONS: Additional charges for applications requiring notification/ limited notification.	\$7,000

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	Activity	Charge
	(This charge must be paid prior to notifying the application and is in addition to the initial charge paid when the application is lodged).	
1.6	Removal of trees listed in the Nelson Resource Management Plan that are confirmed in writing by a qualified arborist (level 5 NZQA or equivalent), as diseased or a threat to public safety.	No charge
1.7	Heritage Buildings: Non-notified application to conserve and restore heritage building, place or object listed in the Nelson Resource Management Plan.	No Charge
1.8	Private Plan changes (Note: Council's policy is to recover 95% of the costs involved for the whole process from the applicant).	\$10,000
1.9	Heritage Orders	\$3,500

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

1.11 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 (less the initial fixed sum of money paid in accordance with section 1 above)**

	Details	Charge
2.1	Council Staff – all staff time inclusive of overhead component associated with processing and assessing applications.	\$162 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	Cost plus administration charges

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	Details	Charge
	due to conflict of interest issues (this is not a s92(2) RMA commissioning).	
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.	\$162 per hour
2.7	Urban Design Panel reviews a proposal before a resource consent application is lodged (except for circumstances identified in 2.8 below).	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; or The applicant is required to provide approval from the Urban Design Panel as part of the Housing Accord and Special Housing Areas Act process.	Cost plus administration charges  (an estimate of costs is available on request)
2.9	Where the applicant requests under s357AB independent commissioner(s) for an objection under s357A(1)(f) or (g), the applicant will meet the costs for that hearing.	Cost plus administration charges

## 2.10 Photocopying Charges

A4	\$0.20 per page;
A3	\$0.50 per page;
A2	\$2.00 per page
A1	\$3.00 per page

## 2.11 Monitoring Charges

- 2.11.1 If monitoring is required, a one-off charge of \$162.00 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 hourly charge out rate for Council staff in 2.1 above and separately invoiced.
- 2.11.2 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 charge out rate for Council staff or actual cost for specialist consultant.
- 2.11.3 Where the applicant is required or authorised to monitor the activity, the Council's costs in receiving and assessing the monitoring information will

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be charged directly to the consent holder at the appropriate hourly charge out rate for Council staff or actual cost of the specialist involved.

- 2.11.4 Where permitted activity monitoring is able to be charged under legislative provisions (such as the National Environmental Standards for Plantation Forestry), the time taken by Monitoring Officers will be invoiced at the hourly charge out rate for Council staff in 2.1 above.
- 2.11.5 Where annual monitoring is required up to half an hour of staff time per year, a higher initial monitoring fixed fee up front may be charged or the consent may identify regular intervals when monitoring charges will be invoiced calculated on anticipated staff time multiplied by a stated number of years for these types of consents.

## 2.12 Administration Charges

	Item/Details	Charge
2.12.1	Insurance levy – for each resource consent.	\$30
2.12.2	Street naming and numbering (costs of reporting to Hearings Panel and advising all statutory agencies).	Council hourly charge out rate in 2.1 above
2.12.3	Street numbering – application for alteration.	\$125
2.12.4	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
2.12.5	Certificate under Overseas Investment Act.	\$385
2.12.6	Confirmation of compliance with the Nelson Resource Management Plan for NZ Qualifications Authority.	\$385
2.12.7	Confirmation of compliance with the Nelson Resource Management Plan for liquor licence applications.	\$70
2.12.8	Section 357 Administration charge.	\$320
2.12.9	Private right-of-way – review against existing names and advising all statutory agencies where appropriate.	\$320
2.12.10	Authentication report for small-scale solid-fuel burning appliance or open fire.	\$120
2.12.11	Removal of designation.	\$305
2.12.12	Swing Mooring annual charge (monitoring costs are additional, refer 2.10.3 above).	\$75

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	Item/Details	Charge
2.12.13	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)	\$240
2.12.14	Claiming a swing mooring the Council removed from the Coastal Marine Area that did not have a coastal permit	\$300
2.12.15	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

### 2.13 Discount for Late Consents

- 2.13.1 Where statutory processing timeframes have not been met a discount of 1% of the total of the administrative charges imposed for every working day on which the application remains unprocessed beyond the time limit, up to a maximum of 50 working days will apply.

## 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 Consents and Compliance.
- 3.5 The option of monthly invoices only, in lieu of initial charges, may be available on strict credit conditions as follows:
- The consent process, or Council involvement in the project, is likely to extend over a period in excess of 6 months; and
  - The total amount for invoices is likely to exceed \$5,000; and
  - The applicant is in good financial standing with a satisfactory credit record and agrees to abide by the Council's usual credit terms or

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- 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 Environmental Management, 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 charge out rate as per 2.1.

#### 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

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**Attachment: Fees and Charges under the Food Act 2014**

***Commencing 1 December 2021***

<b>Food premises under the Food Act 2014</b>	<b>Charge (includes GST)</b>
<b>New Registration</b> Food control plan (based on a template issued by MPI)	<b>\$255</b> initial fee  Plus  <b>\$162</b> per hour spent on processing application after the first 1½ hours
<b>New Registration</b> National programme	<b>\$162</b> initial fee  Plus  <b>\$162</b> per hour spent on processing application after the first hour
<b>Renewal of Registration</b> Food control plan or national programme	<b>\$81</b> initial fee  Plus  <b>\$162</b> per hour spent on processing application after the first ½ hour
<b>Amendment to Registration</b> Food control plan or national programme	<b>\$81</b> initial fee  Plus  <b>\$162</b> per hour spent on processing application after the first ½ hour

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Food premises under the Food Act 2014	Charge (includes GST)
<b>Suspension</b> Voluntary suspension of food control plan or national programme	<b>\$81</b> initial fee  Plus  <b>\$162</b> per hour spent on processing the application after the first ½ hour
<b>Verification</b> Includes site visits, corrective action follow up, correspondence and documentation for food control plans.	<b>\$162</b> per hour
<b>Compliance</b> Investigation of complaint resulting in the issue of an improvement notice by food safety officer or  Application for review of improvement notice.	<b>\$162</b> per hour
<b>Monitoring</b> Monitoring for food safety and suitability.	<b>No charge</b>

Note – Time charged per hour will be measured to the nearest 15 minute interval.

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**Attachment: Proposed new Public Health fees and charges to commence 1 July 2021**

<b>Application Fees</b>	<b>Fees from 1 July 2021</b>
Hairdresser annual licence fee	<b>\$162</b>
Hairdresser annual licence fee if paid after 31 July	<b>\$194</b>
Offensive trades annual licence fee	<b>\$243</b>
Offensive trades annual licence fee if paid after 31 July	<b>\$292</b>
Animal control (other than dog control)	<b>\$162</b>
Marine oil spill response hourly rate; and disbursements at costs	<b>\$162</b>

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Item 8: 2021 Environmental Management Fees and Charges review



**Environment and Climate  
Committee**

18 February 2021

REPORT R21403

## 2021 Environmental Management Fees and Charges review

### 1. Purpose of Report

- 1.1 To seek approval for statements of proposal for proposed fees and charges for public consultation, using the Special Consultative Procedure for the following:
- 1.1.1 Resource Management including Housing Accord and Special Housing Area activities;
  - 1.1.2 Food Act activities;
  - 1.1.3 Building Unit activities; and
  - 1.1.4 Environmental health activities (other than food).

### 2. Summary

- 2.1 Current regulatory fees and charges have been reviewed and changes proposed, where required, to:
- Better achieve Council's Revenue and Financial Policy.
  - More accurately reflect staff time to provide services.
  - Ensure reasonable cost recovery goals are met and to meet increased national legislative and reporting requirements.
- 2.2 The main changes proposed are as follows:

Activity	2019/20 charge	2020/21 charge (current charge)	2021/22 proposed charge	% increase (CPI 1.4)
Resource consents - hourly rate	\$150	\$160	<b>\$162</b>	1.3

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Activity	2019/20 charge	2020/21 charge (current charge)	2021/22 proposed charge	% increase (CPI 1.4)
Food registration – national programme/ food control plan	\$148/\$222	\$148/\$222	<b>\$162/\$243</b>	9.5
Building - hourly rate (other changes see attachment 3)	\$100/\$135	\$160	<b>\$164</b>	2.5
LIMS				
-residential	\$285	\$285	<b>\$300</b>	5.3
-commercial	\$440	\$440	<b>\$460</b>	4.5
-multiple titles	N/A	N/A	<b>\$164 hourly rate</b>	
Hairdressers	\$155	\$155	<b>\$162</b>	4.5
Offensive trades	\$236	\$236	<b>\$243</b>	3.8
Camping grounds	\$270	\$270	<b>\$270 (no change)</b>	0
Funeral directors	\$170	\$170	<b>\$170 (no change)</b>	0
Animal Control (other than dogs) - hourly charge out rate	\$125	\$125	<b>\$162</b>	29.6
Processing Site Marine Contingency Plans – hourly charge out rate	Not identified	Not identified	<b>\$162</b>	
Pollution response – hourly charge out rate	Not identified	Not identified	<b>\$162</b>	
Dog control - urban registration	\$66.20/\$86	\$95.80	<b>\$97</b>	1.3
Alcohol licensing - set by statute, can use discretion to lower activity rating and fees	No change	No change	<b>No change</b>	0

Item 8: 2021 Environmental Management Fees and Charges review

**3. Recommendation**

***That the Environment and Climate Committee***

- 1. Receives the report 2021 Environmental Management Fees and Charges review (R21403) and its attachments (A2551172, A2554483, A2565321, A2563976, A2554765 and A2564096); and***
- 2. Agrees the preferred option is to increase Resource consent fees and charges to recover 45% of Council costs for these services; and***
- 3. Adopts the Statement of Proposal for the Amendments to the Charges under the Resource Management Act 1991 and the Housing Accords and Special Housing Areas Act 2013 commencing 1 July 2021 as detailed in Attachment 1 (A2551172) to Report R21403; and***
- 4. Agrees a summary of information contained in the Statement of Proposal Amendments to the Charges under the Resource Management Act 1991 and the Housing Accords and Special Housing Areas Act 2013 is not necessary to enable public understanding of the proposal; and***
- 5. Agrees the preferred option is to increase Food Act fees and charges to recover 48% of Council costs for these services; and***
- 6. Adopts the Statement of Proposal for the Proposed Food Act 2014 fees and charges as detailed in Attachment 2 (A2554483) to Report R21403; and***
- 7. Agrees a summary of information contained in the Statement of Proposal for the Proposed Food Act 2014 fees and charges is not necessary to enable public understanding of the proposal; and***
- 8. Agrees the preferred option is to increase Building Act fees and charges to recover 71% of Council costs for these services; and***

Item 8: 2021 Environmental Management Fees and Charges review

9. **Adopts the Statement of Proposal for the Building Act 2014 and Property Information fees and charges as detailed in Attachment 3 (A2565321) to Report R21403; and**
10. **Agrees a summary of information contained in the Statement of Proposal for the Building Act 2014 and Property Information fees and charges is not necessary to enable public understanding of the proposal; and**
11. **Agrees the preferred option is to increase Environmental Health fees and charges as proposed in Attachment 4; and**
12. **Adopts the Statement of Proposal for the Proposed Environmental Health fees and charges as detailed in Attachment 4 (A2563976) to Report R21403; and**
13. **Agrees a summary of information contained in the Statement of Proposal for the Proposed Environmental Health fees and charges is not necessary to enable public understanding of the proposal; and**
14. **Notes the increases for the Dog Control fees and charges, that do not require public consultation, identified in Attachment 5 of Report R21403 (A2554765) will take effect from 1 July 2021; and**
15. **Notes no change will be made to the discretion to lower the rating of particular activities under the Sale and Supply of Alcohol Act; and**
16. **Approves the consultation approach (set out in section 7 of this report) and agrees:**
  - a) **the approach includes sufficient steps to ensure the Statements of Proposal will be reasonably accessible to the public and will be publicised in a manner appropriate to its purpose and significance; and**
  - b) **the approach will result in the Statements of Proposal being as widely publicised as is reasonably practicable as a basis for consultation.**

Item 8: 2021 Environmental Management Fees and Charges review

***17. Approves commencement of the Special Consultative Procedures, with the consultation period running from 16 March to 16 April 2021.***

**4. Background**

- 4.1 The Environmental Management Group fees and charges cover:
- 4.1.1 Resource consents including Housing Accord and Special Housing Areas Act (HASHAA).
  - 4.1.2 Food businesses.
  - 4.1.3 Building unit related fees and charges.
  - 4.1.4 Environmental health licensing - including animal control, hairdressers, mortuaries and maritime activities.
  - 4.1.5 Dog control.
  - 4.1.6 Alcohol licensing.
- 4.2 Fees and charges contribute towards Council's costs and administration of its regulatory functions. Section 101(3) of the LGA requires funding to be from those sources determined to be appropriate following consideration of factors including the distribution of benefits between the community as a whole and those individuals undertaking the activity, the period of when those benefits are expected to occur and contributions to community outcomes by the activity.
- 4.3 The private benefit gained from regulatory services is often greater than the public benefit. The costs of providing the service then need to be met by individuals, owners or operators to a greater degree than the general rate.
- 4.4 The current Revenue and Financial policy requires:
- 4.4.1 40-60% of resource consent activity costs are to be recovered from charges. The activities include consent processing, monitoring, enforcement and responding to public enquiries;
  - 4.4.2 30-50% of public health costs are to be met by fees and charges. Public health includes alcohol licensing, food and health licencing activities, animal control, enforcing bylaws and navigation safety activities. There are no fees and charges associated with the enforcing of bylaws and navigation safety activities other than the fines set through the Bylaw process;
  - 4.4.3 60-80% of Building Unit costs are to be met by charges; and

Item 8: 2021 Environmental Management Fees and Charges review

- 4.4.4 Dog control activities are to recover 90-100% of costs through registration and other charges.
- 4.5 Council resolved to increase fees and charges at the Environment Committee meeting held on 28 May 2020 (R17006) for the activities under the following legislation:
  - 4.5.1 Resource Management Act 1991 and Housing Accords and Special Housing Areas Act 2013;
  - 4.5.2 Building Act 2004; and
  - 4.5.3 Dog Control Act 1996.
- 4.6 The public health fees and charges have not changed since 2016 to provide certainty while food activity businesses transitioned to the new Food Act requirements, the transition spanned a three year timeframe. In addition, the Revenue and Finance policy for the bundled public health, food, maritime and other activities was being met by existing charges due to some activities effectively subsidising others within the bundled revenue and finance category.
- 4.7 The current and proposed fees and charges are contained in the statements of proposals in attachments 1 to 4 for Resource Management, Food, Building and Environmental Health activities. The current and proposed Dog Control fees are contained in attachment 5.

## 5. Discussion

### *Resource consents*

- 5.1 This section considers proposed changes to charges for the following:
  - 5.1.1 Resource Consents: processing, monitoring and administration; and
  - 5.1.2 HASHAA: resource consents for qualifying developments in special housing areas. The process for establishing special housing areas ceased on 16 September 2019 and HASHAA will be fully repealed on 16 September 2021. Resource consent applications for developments within special housing areas that were lodged before 16 September 2019 will continue to be processed through the permissive resource consent process provided by the Act, until 16 September 2021.
- 5.2 Section 36AAA of the RMA requires that the sole purpose for charges is to recover reasonable costs incurred in respect of the activity to which the charge relates. It also requires those gaining the benefit from the regulatory service to pay a reasonable cost for that service.
- 5.3 Section 77 of HASHAA provides that an authorised agency, having regard to the criteria set out in section 36(4) of the RMA is able to fix various charges under HASHAA and that section 36(3) to (5) and (7) of the RMA

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applies to charges fixed under the section. Section 6(2) of HASHAA provides that every reference to the RMA in HASHAA is to be read as a reference to the RMA as in force on 4 September 2013. Section 36(4) of the RMA in force on 4 September 2013 provides:

- (4) *When fixing charges referred to in this section, a local authority shall have regard to the following criteria:*
- (a) *the sole purpose of a charge is to recover the reasonable costs incurred by the local authority in respect of the activity to which the charge relates:*
  - (b) *a particular person or persons should only be required to pay a charge—*
    - (i) *to the extent that the benefit of the local authority's actions to which the charge relates is obtained by those persons as distinct from the community of the local authority as a whole; or*
    - (ii) *where the need for the local authority's actions to which the charge relates is occasioned by the actions of those persons; or*
    - (iii) *in a case where the charge is in respect of the local authority's monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment), to the extent that the monitoring relates to the likely effects on the environment of those persons' activities, or to the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole,—*  
  
*and the local authority may fix different charges for different costs it incurs in the performance of its various functions, powers, and duties under this Act—*
  - (c) *in relation to different areas or different classes of applicant, consent holder, requiring authority, or heritage protection authority; or*
  - (d) *where any activity undertaken by the persons liable to pay any charge reduces the cost to the local authority of carrying out any of its functions, powers, and duties.*

5.4 In the 2017/18 financial year, resource consent charges recovered 52% of the Council's costs. In 2018/19, 46% of costs were recovered from charges and the last financial year 43%. This year it is tracking at 45% of costs being recovered. The Revenue and Financial Policy in the Long Term Plan (LTP) is to recover 40-60% of total costs.

5.5 The fees and charges increase for 2019/20 expected to recover 48% of costs. Part of the reason this was not realised was less complexity/value consents during Covid-19 and the reduction in the use of external consultants was still being transitioned.



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- 5.6 The main factors influencing the level of income received from charges are the hourly charge out rate and the number of complex resource consent applications. Consent numbers have remained the same for the last two years but income from fees and charges decreased slightly from 2018/19 to 2019/20. The income for 2020/21 is on track to be similar to last year.
- 5.7 The total expenses for the resource consent activity for the 2021/22 financial year are expected to be \$2,399,000 GST exclusive. These expenses include costs that cannot be on charged to customers such as staff time responding to public enquiries and consent holder objections and appeals. Current charges at current levels of activity will recover approximately 44% of total costs.
- 5.8 It is proposed to increase the hourly charge out rate by the Consumer Price Index (and rounded to the nearest dollar), to \$162 which will cover 45% of the costs and match the anticipated income from fees and charges in year one of the LTP.
- 5.9 To provide some comparison the hourly rates of other neighbouring councils and councils of similar sizes are included in the table below. Tasman District Council's current hourly rate is \$160 and is proposed to increase to \$164 per hour.

	Hourly rate	Cost recovery policy from fees and charges
<b>Nelson</b>	\$160 (proposed to be <b>\$162</b> )	40 – 60%
Tasman	\$160 (proposed to be <b>\$164</b> )	15 – 45% (includes other activities such as plan making and state of the environment)
Marlborough	<b>\$153</b> planner \$182 senior	60%
Napier	<b>\$160</b> planner \$180 senior	40-59%
New Plymouth	<b>\$188</b> planner	60-80%
Palmerston North	<b>\$190</b> planner \$203 senior	80-100% consent processing 0-19% public advice, monitoring and enforcement

*Options*

- 5.10 The Council must have regard to criteria listed in section 36AAA of the RMA and section 77 of HASHAA when fixing charges. The proposed changes as set out in above have met this criteria as follows:
- 5.10.1 The proposed charges recovers reasonable costs incurred by the Council to which the charge relates;

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- 5.10.2 The proposed charges are proportionally better met by the applicant compared to the community. It is fair the applicant pay the reasonable costs incurred by the Council in processing and monitoring since the applicants and consent holders receive the majority of the benefits of the consented development;
- 5.10.3 The processing and monitoring actions directly relate to, and are as a result of, the actions of the applicant;
- 5.10.4 Monitoring charges reflect the degree of compliance of consent conditions or specific permitted standards. The consent holder or person undertaking the activity is in control of the level of compliance and are therefore required to meet the costs of the associated monitoring; and
- 5.10.5 Overall, the proposed increased charges have been set at levels that will recover approximately 45% of the reasonable anticipated costs incurred by the consent authority.
- 5.11 Of the options to retain the current charges or amend the charges to recover 45% of the costs or increase the charges to recover 48% of the costs, the preferred option is option 2 – amend the charges as proposed in Attachment 1 (A2551172).

<b>Option 1: Retain the current fees and charges</b>	
Advantages	<ul style="list-style-type: none"> <li>Applicants and consent holders do not face increased charges</li> <li>Would not receive any criticism for increasing fees</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>The costs of the activity is not sufficiently covered by income from charges</li> <li>The increase to charges may need to be bigger at a later date</li> <li>There would be an additional rates burden of \$13,000</li> </ul>
<b>Option 2: Increase the charges to recover 45% of the costs as proposed in Attachment 1 – RECOMMENDED OPTION</b>	
Advantages	<ul style="list-style-type: none"> <li>The proportional cost of the services is better met by applicants and consent holders than ratepayers</li> <li>Prevents a larger increase at a later date</li> <li>Less rates requirement</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>Dissatisfaction by applicants and consent holders for the increase in charges that could</li> </ul>

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	increase the occurrence of querying about or objecting to the charges
<b>Option 3: Increase the charges to recover 48% of the costs</b>	
Advantages	<ul style="list-style-type: none"> <li>The proportional cost of the service will be met by applicants and consent holders</li> <li>Prevents a larger increase at a later date</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>Dissatisfaction by applicants and consent holders for the 5% increase in charges following last year's 7% increase that could increase the occurrence of querying or objecting to the charges</li> <li>The large increase is not considered reasonable</li> <li>Higher charges could deter developments or achieve poorer environmental outcomes</li> <li>The charges may not meet the criteria in section 36AAA of the RMA or section 77 of HASHAA</li> </ul>

**Food businesses**

- 5.12 The Food Act 2014 (the new Act) came into force on 1 March 2016 and brought with it an entirely new regime for food management. Food businesses are categorised by their risk profile depending on the type of operation. Food businesses were given a three year period commencing 1 March 2016 to transition to the new regime. All premises in Nelson transitioned within this timeframe with considerable assistance from officers.
- 5.13 Prior to the introduction of the new Act costs to administer the public health licensing activities were around \$86,000 which equated to approximately 1348 staff hours. For the 2019/20 financial year a total of 3272 staff hours was required to administer food and public health licences with the vast majority of these hours administering the Food Act. An additional 1924 hours per year have been required since the introduction of the Food Act 2014:

Health Licencing activity	Prior to 2015	Post Food Act Introduction – 2019/20
<b>Hours</b>	1348 officer hours	3272 officer hours (an additional 1924 hours)
<b>Costs for officer time</b>	\$86,000	\$172,500
<b>Income received</b>	\$101,700 2014/15	\$100,000

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*Setting Food fees*

- 5.14 Section 205 of the Food Act 2014 enables Council to set its fees to recover the direct and indirect costs of any registration, verification, compliance and monitoring functions. The territorial authority must use the special consultative procedure when setting its fees (section 205(2)) and the new fees are to take effect at the commencement of the financial year. The current fee structure was based on the estimates of officers at the time and advice received from the Ministry of Primary Industries (MPI).
- 5.15 When fixing fees Council must not provide for the recovery of more than the reasonable costs incurred by it in performing the function and it must take into account the matters outlined in section 198(2) of the Food Act, which are:
- 5.15.1 Equity – funding for services should generally, and to the extent practicable be sourced from the users or beneficiaries of those services at a level commensurate with their use; and
  - 5.15.2 Efficiency – costs should generally be allocated and recovered to ensure maximum benefits are delivered at minimum cost; and
  - 5.15.3 Justifiability – cost should be collected only to meet the actual and reasonable costs (including indirect costs) of the service; and
  - 5.15.4 Transparency – costs are identified and allocated as closely as practicable to tangible service provisions.

*Current fees*

- 5.16 The fees under the Food Act 2014 have been in place since 1 July 2016. The statement of proposal for the proposed initial fees under the new Act included a clause that the proposed fees remain without change for the period of the transition. The fees are a mixture of an initial fee for registrations and suspensions and an hourly charge for other functions.
- 5.17 The current initial fees for new and renewing registrations are based on an estimated time to undertake the activity at an hourly charge out rate of \$148. On average, the actual staff time required is more than estimated for each registration.
- 5.18 Verifications involve visiting the site, determining compliance and reporting. The time to complete this task ranges greatly depending on the complexity of the business and level of compliance. Charging at an hourly rate for verifications and compliance activities is considered a fair method to accommodate the variability.
- 5.19 The Revenue and Financial funding target for the food and public health activity for 2021/22 is 40-60% of costs recovered from fees and charges. This recognises the public benefits from healthy premises to the general community. The community is assured minimum health standards apply to food businesses through verification and enforcement.

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- 5.20 However, there is a significant private benefit arising from individual licences that certify individuals and owners of premises. These businesses create the need for inspections and enforcement activity. Ensuring businesses meet minimum standards is by user pays through fees and charges.
- 5.21 In 2018/19, 56% of costs were met by fees and charges and 45% of costs were recovered in 2019/20. Income for this financial year is tracking 14% lower than last year due to lower levels of activity as a result of Covid-19 impacts on food businesses.
- 5.22 At least a third of officers' time is not chargeable to food businesses. Much of this time is spent answering public enquiries or completing the training and reporting requirements for the Ministry of Primary Industries.
- 5.23 MPI has introduced an on-line tool to assist food operators to better understand the registration and verification requirements. In theory this could reduce the time Council officers spend assisting operators understand these requirements (and therefore reduce the costs of providing the service) but the tool itself is complex and MPI envisages officers assisting operators as they work through the tool together.
- 5.24 MPI has also introduced a compulsory Continued Professional Development (CPD) requirement for each officer to complete annually. This requires officers to develop a training plan that contains minimum hours in different categories. MPI will certify the plan and also receive reports from officers demonstrating how the learning has been applied. With the CPD requirements and assisting food operators with general enquiries or other requirements, it is expected the level of resourcing required will not reduce. There will continue to be a need to have about a third of an officer's time that is not cost recoverable through registration or verification functions.

*Food Act fee comparison*

- 5.25 The Ministry of Primary Industry (MPI) undertakes registration and verification activities at the national level and have set registration fees based on an hourly rate of \$155.25. It requires a fee based on the expected time it would take to register the various programmes or plans. There is a smaller charge for National Programme registrations compared to Food Control Plans.
- 5.26 MPI has indicated on its website that verifications for medium sized businesses (up to 50 people) can take up to six or eight hours to verify depending on the complexity and any non-compliance issues. Verifiers typically charge between \$115 and \$210 per hour.
- 5.27 The following current rates for various councils have been used to assist with the review of the registration and verification charges:

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<b>Fees and charges</b>	<b>NCC</b>	<b>Napier</b>	<b>New Plymouth</b>	<b>Tasman</b>	<b>MDC</b>
<b>New National Programme registration</b>	\$148	\$234	\$300*	\$146	\$254
<b>New Food Control Plan registration</b>	\$222	\$234	\$300*	\$242	\$254
<b>Renewals/Amendments/Suspensions</b>	\$74	\$102	\$150	\$98	\$108
<b>Hourly rate</b>	\$148	\$160	\$150	\$160	\$145
<b>Specific disbursement fees, including travel time, boat fees etc</b>				yes	yes

\*NPDC includes two hours within a new registration (all the others were an hour)

- 5.28 Although New Plymouth District Council appears to have the highest fees above it is similar to many of the Upper North Island councils which are not listed. It has also recognised that a new registration takes more than an hour to complete and have incorporated two hours into the new registration fee. Recognising the difficulties businesses have faced this year it has also implemented a Covid-19 recovery package where it has reduced its fees to \$1 for this financial year.
- 5.29 Nelson, unlike most other councils, has different new registration fees with a fee of \$148 for a new National Programmes registration and \$222 for a new Food Control Plan. There are usually fewer new National Programmes registration fees received compared to new Food Control Plan registrations. In 2019/20, 17 were received and 26 in the 2018/19 financial year, compared to 42 new Food Control Plan registrations (in 2019/20) and 70 in 2018/19.

*Proposed fees*

- 5.30 The total expenses for the food and public health activity for the 2021/22 financial year are expected to be \$229,500 GST exclusive. Current charges and level of activity will recover approximately 40% of these costs. It is proposed to increase the initial fees and the hourly charge out rate to be consistent with most other regulatory hourly charge out rates (\$162) and to meet at least 48% of the costs of providing the services.
- 5.31 The proposed charges in Option 2 in the table below result in the least increase per category and are aligned with the charge out rate for most other regulatory activities. The charges in Option 3 are more aligned with other council charging and would meet the income budget for 2021/22.

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Many fees would increase by a larger amount if they were set at the actual average time to process the application at the current hourly charge out rate (\$148, option 4). This change would be significant compared to the level of current charges and there could be some criticism received for such a significant increase in the current economic context. The options and fee changes are identified in the table below:

Food premises	Status Quo Option 1 - Current charge (40% recovery)	Proposed charge Option 2 - 48% recovery (recommended option based on increasing the hourly charge out rate)	Proposed charge Option 3 – 51% recovery (increasing charges to being similar to other councils’ charges)	Proposed charge Option 4 – 56% recovery (increasing charges to cover the actual time to process at the current charge out rate)
New Registration Food control plan	\$222 initial fee Plus \$148 per hour after the first 1½ hours	<b>\$243 initial fee Plus \$162 per hour after the first 1½ hours</b>	\$250 initial fee Plus \$162 per hour after the first 1½ hours	\$259 initial fee Plus \$148 per hour after the first 1.75 hours
New Registration National programme	\$148 initial fee Plus \$148 per hour after the first hour	<b>\$162 initial fee Plus \$162 per hour after the first hour</b>	\$250 initial fee Plus \$162 per hour after the first hour	\$259 initial fee Plus \$148 per hour after the first 1.75 hours
Renewal	\$74 initial fee Plus \$148 per hour after the first ½ hour	<b>\$81 initial fee Plus \$162 per hour after the first ½ hour</b>	\$100 initial fee Plus \$162 per hour after the first ½ hour	\$148 initial fee Plus \$148 per hour after the first hour
Amendment to Registration	\$74 initial fee Plus \$148 per hour after the first ½ hour	<b>Simple name or contact detail change \$40 or Other changes \$81 initial fee Plus</b>	Simple name or contact detail change \$40 or Other changes \$100 initial fee Plus	Simple name or contact detail change \$37 or Other changes \$148 initial fee Plus

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<b>Food premises</b>	<b>Status Quo Option 1 - Current charge (40% recovery)</b>	<b>Proposed charge Option 2 - 48% recovery (recommended option based on increasing the hourly charge out rate)</b>	<b>Proposed charge Option 3 – 51% recovery (increasing charges to being similar to other councils’ charges)</b>	<b>Proposed charge Option 4 – 56% recovery (increasing charges to cover the actual time to process at the current charge out rate)</b>
		<b>\$162 per hour after the first ½ hour</b>	\$162 per hour after the first ½ hour	\$148 per hour after the first hour
Voluntary suspension	\$74 initial fee Plus \$148 per hour after the first ½ hour	<b>\$81 initial fee Plus \$162 per hour after the first ½ hour</b>	\$100 initial fee Plus \$162 per hour after the first ½ hour	\$74 initial fee Plus \$148 per hour after the first ½ hour
Verification	\$148 per hour	<b>\$162 per hour</b>	\$162 per hour	\$148 per hour
Compliance	\$148 per hour	<b>\$162 per hour</b>	\$162 per hour	\$148 per hour
Monitoring (where there is compliance)	No charge	<b>No charge</b>	No charge	No charge

5.32 The table below identifies the percentage cost recovery from charges for various hourly rates and identifies the impacts on rates for the different level of charges increases:

<b>Option</b>	<b>Income from charges</b>	<b>% of 2021/22 costs from fees</b>	<b>Rates component</b>	<b>% increase in charges</b>
Option 1 \$148 (current)	\$92,000	40	\$129,500	0



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<b>Option 2 (preferred option, increase charge out rate)</b>	<b>\$109,500</b>	<b>48</b>	<b>\$120,000</b>	<b>9.5 – 9.9</b>
Option 3 (increase to levels similar to other Councils)	\$118,000	51	\$111,500	9.5 – 68.9
Option 4 (charge actual time at current hourly rate)	\$129,500	56	\$100,000	0 – 100

*Options*

- 5.33 The recommended option is option 2 – increase the fees and charges as proposed to recover 48% of the costs. These fees and charges will better reflect the cost recovery requirement of the Food Act than retaining the current fees.

<b>Option 1: Retain the current fees and charges</b>	
Advantages	<ul style="list-style-type: none"> <li>Operators do not face increased fees</li> <li>Would not receive criticism</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>The cost of the food registration, verification and compliance functions is not sufficiently covered by income from fees and charges</li> <li>Some fees do not reflect the actual time for the activity</li> <li>Does not meet the cost recovery requirements of the Food Act 2014</li> <li>Increases to fees and charges will be required at a later date and potentially greater.</li> <li>The hourly rate continues to be inconsistent with other regulatory services</li> <li>No rates savings are realised for these activities</li> <li>Food operators have not received an increase since the fees and charges were set in 2016</li> </ul>
<b>Option 2: Increase fees and charges to recover 48% of the costs as proposed in Attachment 2 (RECOMMENDED OPTION)</b>	
Advantages	<ul style="list-style-type: none"> <li>The proportional cost of services is better met by food operators than ratepayers</li> </ul>

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	<ul style="list-style-type: none"> <li>• Better meets the cost recovery requirements of the Food Act 2014</li> <li>• Prevents a significantly larger increase at a later date</li> <li>• Hourly rates are more consistent with other regulatory functions and are more transparent</li> <li>• The rates component is reduced</li> <li>• Recognises food operators have not received an increase since the fees and charges were introduced in 2016</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Some dissatisfaction by operators for the increase in costs</li> <li>• Could increase costs following non-payments requiring more staff follow up time</li> <li>• Could receive criticism from food businesses for increasing fees in the current economic context</li> </ul>
<b>Option 3: Increase fees and charges to recover 51% to 56% of the costs</b>	
Advantages	<ul style="list-style-type: none"> <li>• The proportional cost of the services are better met by operators than ratepayers compared to the existing rate and increases over time</li> <li>• The registration costs will better reflect the actual time taken to perform the function</li> <li>• The rates component is reduced</li> <li>• Prevents a significantly larger increase at a later date</li> <li>• Recognises food operators have not received an increase since the fees and charges were introduced in 2016</li> <li>• More in line with other councils</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Likely to receive criticism from operators (particularly those under the National programme regime) for increasing fees in the current economic context</li> <li>• Could increase costs following non-payments requiring more staff follow up time</li> </ul>

**Building consents**

- 5.34 Building consent fees and charges are based on applications and their processing costs. A comprehensive review was undertaken in early 2020 and new fees and charges set. These applied from 1 July 2020.

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- 5.35 Under section 219 of the Building Act 2004, Council is permitted to impose fees and charges for many of the services the Building Unit is responsible for as a Building Consent Authority (BCA) including issuing building consents, inspecting building work and issuing property information (e.g. project information memoranda). Under section 281A of the Building Act 2004, Council has a discretion as to how the fee or charge is set and how it may be paid or collected.
- 5.36 Council must act reasonably when imposing fees and charges under the Building Act 2004. This means that Council should generally not make a profit out of performing its functions under the Building Act 2004. Council is not required to carry out consultation before imposing fees and charges.
- 5.37 Under Council's Revenue and Financial Policy, the Building Unit is required to recover 60-80% of the total costs. For the 2018/19 financial year the recovery was 78% and in 2019/20 the recovery was 65%. This financial year is tracking at 71% to date. The level of building activity has remained steady over the last couple of years but costs to provide the service to meet audit standards are escalating.
- 5.38 It is proposed to incorporate the systems fee into the consent deposit fees to help minimise customer confusion with the layout of the fee schedule. A new deposit level is proposed for consents between \$400,001 to \$600,000 value of works, to better reflect the actual costs in processing consents in this category.
- 5.39 Increased costs for meeting audit requirements and officer costs e.g. training has resulted in a recommendation to raise the hourly rate for commercial processing and inspections to \$200 per hour, aligning with other similar sized councils around the country.
- 5.40 The hourly rate for all other building unit staff is proposed to be raised from \$160 to \$164, which aligns with Tasman District Council's proposed increase for 2021/22. A higher hourly rate compared to the other regulatory hourly charge out rate of \$162 is required to better meet the higher increase in costs. A comparison of current hourly rates with other similar sized councils is shown in the table below:

<b>Council</b>	<b>Residential</b>	<b>Commercial</b>
Tasman	164	164
New Plymouth	172	193
Napier	172	172
Hastings	205	225
Invercargill	160	160
Whangarei	219	283
Palmerston North	190	208
<i>average</i>	<b>183</b>	<b>201</b>
NCC current	160	160
<b>NCC proposed</b>	<b>164</b>	<b>200</b>

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- 5.41 An increase to the QA levy by 50c per \$1,000 over \$20,000 value of work is also proposed. This fee targets the higher value work where extra training and higher competency resource is required. These higher commercial competencies are now required due to the increase in multi-level apartment construction and larger commercial projects.
- 5.42 The Certificate of Acceptance fee is proposed to be raised to \$1000 per application from \$800 that will incorporate a new systems fee for this category. This fee is intended to help discourage illegal building works within the region. The proposed fee also aligns with Tasman District Council's fee of \$1,000.
- 5.43 Bathroom alterations, swimming pools and proprietary garage applications are proposed to be added to minor works. This ensures more consistency across projects. The swimming pool fencing consent deposit (minor works) is proposed to be raised to \$450 from \$325, which better reflects the actual costs, including hourly inspection rates and administration.
- 5.44 An express service timeframe is proposed for commercial marquees.
- 5.45 In 2020, the notification of exempt works and unauthorised building work applications were set at \$315 but this has been shown to be too high. It is proposed to reduce these fees to \$250 and this will better reflect the actual costs associated with this work. See Attachment 3 for the full proposed building fee and property information charges and Attachment 6 for differences in fees between current and proposed for a sample of activities.
- 5.46 The total expenses for the building activity for the 2021/22 financial year are estimated to be \$3,700,000 GST exclusive. Current charges will recover approximately 66% of these costs, with the proposed fee increases adopted, approximately 71% will be recovered. The increase will also meet the budgeted income for 2021/22. The table below identifies the percentage cost increases for a sample of activity types for the proposed increase in the hourly rates:

Activity	Old fee	New rate \$164 hr		New rate \$200 hr (commercial)	
		Estimated fee	Increase	Estimated fee	Increase
Residential \$100,000 value	\$4,000.00	<b>\$4,139.00</b>	<b>3.4%</b>		
Residential \$432,000 value	\$7,888.00	<b>\$8,256.50</b>	<b>4.6%</b>		
Residential \$650,000 value	\$9,640.00	<b>\$10,139.00</b>	<b>4.9%</b>		
Commercial \$190,000 value	\$5,560.00			<b>\$6,818.00</b>	<b>18.5%</b>
Commercial	\$11,280.00			<b>\$13,576.00</b>	<b>16.9%</b>

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\$900,000 value					
Commercial \$16,800,000	\$90,560.00			<b>\$104,726.00</b>	<b>13.5%</b>

*Comparison of current building consent charges with proposed charges based on the same hours spent on the consent*

**LIMs**

5.47 Land Information Memoranda (LIMs) application fees have not changed since 2016. The following rates for various councils have been used to help review the LIM application fees:

LIMs	NCC	Tasman	MDC	PNCC	New Plymouth*		Napier
<b>Residential</b>	\$285	\$272	\$322	\$455	Standard	\$280	\$305
					Urgent	\$400	
<b>Commercial/ Industrial</b>	\$440	\$409	\$557	\$455	Standard	\$380	\$455
					Urgent	\$530	
<b>Properties involving multiple titles</b>	N/A	Quote for work	N/A		\$150		\$102

\*NPDC all applications have an allowance of 2.5 hours, any additional processing time are calculated at \$120.00 per hour

- 5.48 An increase is proposed to \$300 for a residential application and \$460 for a commercial/industrial property. The new fees incorporate CPI increases over the last five years and better reflects the costs of providing the service. Generally up to four LIM applications can be processed per day, with a mixture of both residential and commercial applications.
- 5.49 There has been an increase in applications for commercial consents on multiple titles. This increases the workload associated with an application and it is recommended that an additional charge be introduced for large commercial applications.
- 5.50 An application with multiple titles can take a significant amount of time and resources and it is recommended that Council adopt an hourly rate approach charged for all time taken above the minimum fee. This aligns with the time and cost approach for all building unit activities.
- 5.51 For example an application was received last year which included one parent title and nine smaller titles within the overall title. Each individual title was required to be searched for additional information. This particular LIM application took two days to process.

**Options**

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- 5.52 The options are to retain the current fees and charges, increase the fees and charges in line with CPI at 1.4% or increase the charges at a higher rate to better cover foreseeable increase in costs. The recommended option is Option 3 to approve the fees and charges at the higher rate as proposed in Attachment 3. Building fees and charges can be reviewed at any time.

<b>Option 1: Retain the current fees and charges</b>	
Advantages	<ul style="list-style-type: none"> <li>• Applicants and consent holders do not face increased charges</li> <li>• Would not receive any criticism from increasing fees</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• The fees do not reflect the actual time taken for the activity/costs to Council</li> <li>• Fees and charges continue to not align with local and national industry levels</li> <li>• Increases to charges may need to be bigger at a later date</li> <li>• Continue to collect too much from some fees</li> </ul>
<b>Option 2: Increase the fees and charges by CPI at 1.4%</b>	
Advantages	<ul style="list-style-type: none"> <li>• The fees better reflect the actual time taken to perform functions</li> <li>• The increased charges will cover some of the costs of attaining and meeting national quality assurance requirements</li> <li>• Increases provide less dependence on rates</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Fees and charges may not meet budgeted recovery levels</li> <li>• May not sufficiently cover the costs of meeting quality assurance requirements could put the accreditation at risk</li> <li>• Fees and charges will not provide for resourcing needs identified within the recent accreditation (IANZ) and MBIE audits.</li> <li>• Fees and charges continue to be less consistent with local and national industry levels and the Council will need to fund the Building Unit more from rates income</li> <li>• A larger increase may be required at a later date</li> </ul>
<b>Option 3: Increase the fees and charges as proposed in Attachment 3 (RECOMMENDED OPTION)</b>	

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Advantages	<ul style="list-style-type: none"><li>• The fees better reflect the actual time taken to perform functions</li><li>• The increased charges will cover most of the costs of attaining and meeting national quality assurance requirements</li><li>• Increases provide less dependence on rates subsidy of the Building Unit</li><li>• Prevents a larger increase at a later date</li></ul>
Risks and Disadvantages	<ul style="list-style-type: none"><li>• May receive criticism from applicants for increasing fees in the current economic context</li><li>• Could increase cost challenges or queries requiring more officer time to follow up</li></ul>

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***Environmental health***

- 5.53 Environmental Health fees and charges for activities such as animal control, registration of hairdressers, offensive trades, and oil spill contingency plan approval costs are authorised under the Local Government Act 2002 (LGA), Health Act 1956 (and associated Regulations), Impounding Act 1955 and the Maritime Transport Act 1994. Criteria for fixing these fees and charges is not set in this legislation but the charges should be appropriate, reasonable and relate to the costs for providing the service.
- 5.54 The environmental health fees and charges have not changed since 1 July 2016. Officers have reviewed the charges in previous years but due to the bundling of a number of activities in the revenue and finance policy, the income target for the fees and charges had been met by current charges. These activities have now been separated with more appropriate revenue and finance targets identified for each activity.
- 5.55 The fees and charges have been reviewed to reflect the actual time taken for officers to complete the service. The current hourly charge out rate for animal control, which includes wandering stock, is \$125. An hourly rate is used rather than a fixed fee as the investigations (for wandering stock) and/or non-compliance follow ups can take a range of time depending on the issues.
- 5.56 The animal control services including wandering stock are seldom required. The approximate \$20,000 cost per year for providing this service is currently met by rates. It is proposed to increase the hourly charge out rate to \$162 for the situations when an owner of the stock can be charged the cost of responding to the incident. This charge out rate is consistent with most other regulatory activities hourly rates and is comparable with other council charges as identified in the table in 5.64 below.
- 5.57 The activities under the Health Act are not large in numbers, or incomes and costs. The income and costs have recently been separated from the Food Act activity with the current public health activity income recovering approximately 55% of costs. An increase of 4.5% for the hairdressers annual licence fee is proposed (from \$155 per year to \$162 per year for the 50 businesses) to cover the one hour to process the application. The hourly charge out rate of \$162 is consistent with most other proposed regulatory hourly rates.
- 5.58 The offensive trades annual licence fee is proposed to increase by 3% (from \$236 per year to \$243 per year) reflecting 1.5 hours to process at the hourly charge out rate of \$162. The proposed increases in fees will result in income levels within the Revenue and Finance policy targets and are also comparable with other councils' fees.
- 5.59 Section 33R of the Maritime Transport Act 1994 allows for regional councils to prescribe fees and charges for any function, duty, power, or service performed, exercised, or provided by Council in respect of any



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ship, maritime facility, offshore installation, pipeline, oil transfer site, navigational aid, or marine farm and any maritime-related activities it undertakes. It allows for such fees and charges on any differential basis (for example, based on the size of a ship, or on the basis of the nature, the location, and use of a facility).

- 5.60 Under the Maritime Protection Rules, Rule 130B.4, no person may operate an oil transfer site without the Director's written approval of a site marine oil spill contingency plan that complies with the requirements of the Schedule. The Council has been delegated the power to approve a site marine oil spill contingency plan by the Director pursuant to sections 270 and 444 of the Maritime Transport Act and Part 130B of the Marine Protection Rules.
- 5.61 Processing marine contingency plans and responding to pollution incidents takes a range of time depending on the complexity and nature and scale of the incident. An hourly charge out rate is appropriate plus on-charging any disbursements such as replacing materials used in an oil spill clean-up. This ensures those receiving the benefit of Council services pays the reasonable cost for that service.
- 5.62 The current hourly charge out rate is not identified in the licence and activity fees table. The charge out rate needs to be identified to transparently recover the reasonable costs of providing the services.
- 5.63 A charge out rate of \$162 per hour is proposed and is consistent with other regulatory services hourly rates. This ensures coverage of all overheads associated with providing the service. Similarly, the proposed hourly charge out rate will apply to processing Site Marine Oil Spill Contingency Plans and maritime oil spill responses. Disbursement charges will remain at cost. Other councils do not specifically list their fees for these services but their general charge out rates are often higher.
- 5.64 No changes are proposed for the campgrounds (\$270) and funeral director registrations (\$170). These sufficiently reflect the actual time to process the applications at the hourly charge out rate of \$162 and are comparable to other councils' fees. The proposed environmental health licence fees and charges compared to other councils' fees are contained in the table below:

Licence and Activity Fees	NCC current	NCC proposed	TDC	MDC	PNCC	NPDC	Napier
Hairdressers	\$155	<b>\$162</b>	\$183	\$178	\$167	\$155	\$188
Offensive trades	\$236	<b>\$243</b>	\$264	\$108	\$422	\$156	\$183-\$336
Camping grounds	\$270	<b>\$270</b>	\$285 +	\$262	\$422	\$310	\$336
Funeral directors	\$170	<b>\$170</b>	\$285	\$200	\$422	\$155	\$239
Animal Control - hourly charge out rate	\$125	<b>\$162</b>	\$164	\$100 +	\$124 +	\$167 +	\$110 +

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Processing Site Marine Contingency Plans - hourly charge out rate	Not listed	<b>\$162</b>	Not listed	Not listed	Not listed	Not listed	Not listed
Pollution response - hourly charge out rate - disbursements	Not listed	<b>\$162</b> <b>cost</b>	Not listed	Not listed	Not listed	Not listed	Not listed

*Options*

- 5.65 The recommended option is option 2 – increase the fees and charges as proposed. Fees and charges better reflect the costs incurred and can be reviewed at any time.

<b>Option 1: Retain the current fees and charges</b>	
Advantages	<ul style="list-style-type: none"> <li>• Operators do not face increased fees</li> <li>• Unlikely to receive any criticism from operators</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Some fees do not reflect the actual time for the activity</li> <li>• Increases to fees and charges will be required at a later date and potentially be greater.</li> <li>• The hourly rate continues to be inconsistent across regulatory services</li> <li>• No rates savings are realised for these activities</li> </ul>
<b>Option 2: Increase fees and charges as proposed in Attachment 4 (RECOMMENDED OPTION)</b>	
Advantages	<ul style="list-style-type: none"> <li>• The proportional cost of services is better met by operators than ratepayers</li> <li>• The registration costs will better reflect the actual time taken to perform the function</li> <li>• Restricts a larger increase at a later date</li> <li>• Hourly rates are consistent with most other regulatory functions and are more transparent</li> <li>• The rates component is reduced</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Dissatisfaction by operators</li> <li>• Could increase costs following non-payments requiring more staff follow up time</li> <li>• Could receive criticism from the business community given the effects of Covid-19</li> </ul>

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**Alcohol licensing**

- 5.66 Alcohol licensing fees and charges are set by the Sale and Supply of Alcohol (Fees) Regulations 2013. Local authorities can only use discretion to lower the rating of particular activities by one rating which will in turn lower those charges. Reductions are only applied if there has been no enforcement actions.
- 5.67 Council has applied lower ratings to specified activities since 2014. The specified activities were expanded in 2016 as income was exceeding costs at that time. In the last three financial years the costs have slightly exceeded the income therefore no change to the current list of discretions is proposed.

**Dog control**

- 5.68 Dog control fees and charges underwent a comprehensive review in 2020 in tandem with the review of the Dog Control Bylaw and Policy. Increases and changes were set from 1 July 2020 after public consultation. Council received approximately 80 complaints from dog owners after the fee increase with many not happy with the large increase and did not believe they were getting any benefit from paying this registration fee.
- 5.69 Income from current registrations and other charges are on track to recover 90% of costs. No significant changes to the dog control fees are proposed with only a CPI increase recommended for the 2021/22 financial year given there were larger increases last year. See Attachment 5 for details of the proposed changes.

**Options**

- 5.70 The recommended option is option 2 – increase the fees by CPI. Fees can be reviewed at any time but can only come into force at the commencement of the registration year.

Option 1: Retain the current fees	
Advantages	<ul style="list-style-type: none"> <li>• Dog owners do not face another increase to fees following last year's increases</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• The cost of the dog control functions may not be sufficiently covered by income from fees and charges</li> <li>• The fees do not reflect the actual time taken for the activity/costs to Council</li> <li>• The increase to fees may need to be larger at a later date</li> <li>• The dog control account stays in debt</li> </ul>

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<b>Option 2: Increase fees by CPI (1.4% at December 2020) as proposed in Attachment 5 (RECOMMENDED OPTION)</b>	
Advantages	<ul style="list-style-type: none"> <li>The proportional cost of the Dog Control services is better met by dog owners than ratepayers</li> <li>The fees better reflect the actual time taken to perform functions</li> <li>Prevents a larger increase at a later date</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>Dissatisfaction by dog owners</li> <li>Criticism levelled at Council for again increasing fees following the increase last year</li> <li>Could increase costs following non-payments requiring more staff follow up time</li> </ul>
<b>Option 3: Increase fees by a higher level</b>	
Advantages	<ul style="list-style-type: none"> <li>The cost of the services is met by dog owners and any surplus contributes to paying back the internal loan raised</li> <li>Prevents a larger increase at a later date</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>Some services have a wider public benefit so it is not reasonable to portion this to dog owners alone</li> <li>Dissatisfaction by dog owners</li> <li>Criticism levelled at Council for again increasing fees following the increase last year</li> <li>Could increase costs following non-payments requiring more staff follow up time</li> </ul>

## 6. Consultation

- 6.1 Under section 78 of the Local Government Act 2002, a local authority must, in the course of its decision-making processes give consideration to the views and preferences of persons likely to be affected by, or have an interest in, the matter. Council's Significance and Engagement Policy identifies criteria to assess proposals for their degree of significance and therefore the appropriate form of community engagement.
- 6.2 The most relevant criteria for this proposal is e) impacting a significant number of the community. Any potential changes are also likely to affect the Revenue and Financing policy and any rates contribution.
- 6.3 Section 36(3) of the RMA provides that charges may be fixed under section 36 only in the manner set out in s 150 of the LGA, using the

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special consultative procedure (SCP) set out in section 83 of the LGA, and in accordance with s 36AAA.

- 6.4 Section 205 of the Food Act 2014 gives territorial authorities the power to set fees for registration, verification and compliance and monitoring activities under this Act. The territorial authority must use the SCP when setting its fees (section 205(2)) and the new fees are to take effect at the commencement of the financial year.
- 6.5 The other Environmental Management regulatory fees and charges that can be set by Council do not require a SCP under their legislation. However the proposed changes to the fees and charges for building, food and environmental health activities are above CPI so a SCP is recommended for these activities. The dog control fee increase is recommended to increase only by CPI so a SCP is not proposed for these changes. No change is proposed for the lowering of ratings for alcohol licensing.
- 6.6 In undertaking a SCP the Local Government Act 2002 requires the territorial authority to make the statement of proposal publicly available, along with a description of how persons interested in the proposal will be provided with an opportunity to present their views and the period during which those views may be provided to the Council.
- 6.7 Under section 87(3) of the Local Government Act 2002 a Statement of Proposal must include:
- 6.7.1 the proposed changes;
  - 6.7.2 the reasons for the changes;
  - 6.7.3 what alternatives to the changes are reasonably available; and
  - 6.7.4 any other information that the local authority identifies as relevant.
- 6.8 Section 83 of the Local Government Act 2002 requires Council to consider whether a summary of the Statement of Proposal *"is necessary to enable public understanding of the proposal."* The proposed Statement of Proposal is not unduly complicated and therefore, a summary is not considered necessary to assist with the public's understanding of it.
- 6.9 The public consultation process provides an opportunity for the public and other stakeholders to engage in the process and a structured way in which Council can respond to any concerns that may be raised. The proposed timeframe is outlined below and will run alongside the LTP:

Proposed Consultation Process and Timeline	
Council approves the release of the Statement of Proposals to the public for consultation (SCP)	18 February

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Statement of Proposal publicly notified and open for submissions	16 March
Consultation closes	16 April
Environment Committee – Hearing of Submissions	11 May
Environment Committee – Deliberation of submissions and adoption of changes	10 June

- 6.10 The following are the key methods proposed to raise public awareness of the consultation process and to encourage those who may be affected or have an interest in this proposal to present their views, but these may be amended as the consultation process progresses:

- 6.10.1 Information and key dates advertised in Our Nelson and Share newsletters prior to, and near the end of the consultation period.
- 6.10.2 Nelson City Council website, web page and web app.
- 6.10.3 Media release outlining the proposal and the key issues also to be sent to relevant industry associations.
- 6.10.4 Copies of the Statement of Proposal will be available from the Customer Services Centre and Council libraries and also available on the Council website.
- 6.10.5 Copies of the Statement of Proposal will be available for Councillors to take to any community meetings that they attend during the consultation period.

## 7. Conclusion

- 7.1 The proposal is that Environmental Management fees and charges increase to better meet the actual costs of providing the services.
- 7.2 Only two activities require public consultation by legislation, Resource Management and Food Act activities. The proposed changes to the dog control fees are a CPI increase only and public consultation is not required or proposed given the minor impact of the changes on a limited number of people.
- 7.3 The building, food and environmental health activity charges are proposed to increase by more than CPI. Public consultation is considered warranted for these activities to provide transparency for the number of people potentially impacted by the proposed changes.

## 8. Next Steps

- 8.1 Proceed to public consultation on the proposed changes for the Resource Management, Building, Food Act and Environmental Health activities and

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follow a special consultative procedure. Once public comments have been received and considered then Council will confirm the changes to the fees and charges.

**Author:** Clare Barton, Group Manager Environmental Management

**Attachments**

- Attachment 1: A2551172 Proposed Resource Management fees and charges - Statement of Proposal
- Attachment 2: A2554483 Proposed Food Act charges - Statement of Proposal
- Attachment 3: A2565321 Proposed Building Unit fees and charges - Statement of Proposal
- Attachment 4: A2563976 Proposed Environmental Health charges - Statement of Proposal
- Attachment 5: A2554765 Proposed Dog Control fees
- Attachment 6: A2564096 Building activity examples comparing current and proposed fees

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<b>Important considerations for decision making</b>	
<b>1. Fit with Purpose of Local Government</b>	The recommendations in the report provides for the cost effective delivery of regulatory services that protect the environmental, cultural and social well-being of the community.
<b>2. Consistency with Community Outcomes and Council Policy</b>	The recommended charges assist with achieving the stated funding outcomes in the Long Term Plan. The fully resourced regulatory activities also contribute to our natural environment being healthy and protected, ensuring our communities are healthy and safe and communities have access to social and recreational activities.
<b>3. Risk</b>	The do nothing option will not be consistent with the criteria for fixing charges specified in the various legislation. It will also likely to lead to far greater increases in the future. Increasing fees and charges by too high a level however could result in dissatisfaction by those impacted by the increase even if that increase is potentially justified. Proposed increases minimise the risk of dissatisfaction by increasing fees at a reasonable rate compared to current fees.
<b>4. Financial impact</b>	The proposed increases in charges will better enable costs for the services to be met in the medium to long-term at an appropriate proportion between applicants/consent holders and ratepayers. The changes outlined are likely to require an amendment to the Revenue and Financing policy.
<b>5. Degree of significance and level of engagement</b>	This matter is of medium significance because proposed increases while justified will impact on a number of applicants and consent holders. The Food Act, RMA and HASHAA require a special consultative procedure to occur when fixing charges.
<b>6. Climate Impact</b>	This matter has not been considered in the preparation of this report.
<b>7. Inclusion of Māori in the decision making process</b>	No engagement with Māori has been undertaken in preparing this report.
<b>8. Delegations</b>	



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The Environment and Climate Committee has the following delegations to consider the regulatory fees and charges:

*Areas of Responsibility:*

- *Building control matters, including earthquake-prone buildings and the fencing of swimming pools*
- *Environmental regulatory and non-regulatory matters including (but not limited to) animals and dogs, amusement devices, alcohol licensing (except where delegated to the Alcohol Regulatory and Licensing Authority), food premises, gambling, sugar-sweetened beverages and smokefree environments, and other public health issues*
- *Maritime and Harbour Safety and Control*
- *Regulatory enforcement and monitoring*

*Delegations:*

- *Undertaking community engagement, including all steps relating to Special Consultative Procedures or other formal consultation processes other than final approval*
- *Approval of increases in fees and charges over the Consumer Price Index (CPI)*

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## **Statement of Proposal**

### **AMENDMENTS TO THE CHARGES under THE RESOURCE MANAGEMENT ACT 1991 and the HOUSING ACCORDS AND SPECIAL HOUSING AREAS ACT 2013**

**Commencing 1 July 2021**

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## 1. Nelson City Council's proposed amendments to the Charges under the Resource Management Act 1991 and the Housing Accords and Special Housing Areas Act 2013

Nelson City Council (**Council**) would like to know what you think of the proposed amendments to the charges relating to the Resource Management Act 1991 (RMA) and the Housing Accords and Special Housing Areas Act 2013 (HASHAA).

The current charges came into effect on 1 July 2020. The charges were set to ensure those who benefit from the service pay a fair and reasonable share of the costs of these services.

Council has reviewed these charges and is proposing some minor changes as described below. We want to know what you think of the proposed changes. In making decisions on this proposal, Council will be taking account of all submissions made.

**The proposed Resource Management Act and Housing Accord and Special Housing Area Act Charges are attached to this Statement of Proposal, with the changes underlined. Paper copies of this document are available at the Council's Customer Service Centre and in Nelson libraries.**

## 2. The Proposal

Detailed analysis of the issues and options is provided in section 4 of this proposal. The charges schedule with proposed changes is included in Attachment 1, and the proposed amendments are outlined below:

- a) Increase the hourly charge out rate from \$160 per hour to \$162 per hour
- b) To have the ability to increase the hourly charge out rate by the Consumer Price Index (CPI) annually automatically

The objective of the proposal is to review current charges under the RMA and HASHAA and make any necessary changes to ensure the costs associated with providing services are fairly met by those benefitting from that service.

### Consideration under the relevant legislation

This Statement of Proposal to amend the RMA and HASHAA charges has been prepared in accordance with the following legislation:

- RMA sections 36 and 36AAA
- HASHAA section 77
- Local Government Act 2002 (LGA), sections 83 and 150

Section 36AAA of the RMA provide that charges for regulatory functions for the purpose of recovering the reasonable costs incurred by the Council in respect of the activity to which the charge relates. Those gaining the benefit from the regulatory service paying the reasonable cost for that service and those whose actions result in the need for the Council actions to which the charge relates, paying the reasonable costs associated with that action.

Section 77 of HASHAA provides that an authorised agency, having regard to the criteria set out in section 36(4) of the RMA is able to fix various charges under HASHAA.

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Section 6(2) of HASHAA provides that every reference to the RMA in HASHAA is to be read as a reference to the RMA as in force on 4 September 2013. Section 36(4) of the RMA as in force on 4 September 2013 provides:

*"(4) When fixing charges referred to in this section, a local authority shall have regard to the following criteria:*

- (a) the sole purpose of a charge is to recover the reasonable costs incurred by the local authority in respect of the activity to which the charge relates;*
- (b) a particular person or persons should only be required to pay a charge—*
  - (i) to the extent that the benefit of the local authority's actions to which the charge relates is obtained by those persons as distinct from the community of the local authority as a whole; or*
  - (ii) where the need for the local authority's actions to which the charge relates is occasioned by the actions of those persons; or*
  - (iii) in a case where the charge is in respect of the local authority's monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment), to the extent that the monitoring relates to the likely effects on the environment of those persons' activities, or to the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole,—*
- and the local authority may fix different charges for different costs it incurs in the performance of its various functions, powers, and duties under this Act—*
- (c) in relation to different areas or different classes of applicant, consent holder, requiring authority, or heritage protection authority; or*
- (d) where any activity undertaken by the persons liable to pay any charge reduces the cost to the local authority of carrying out any of its functions, powers, and duties."*

Section 36(3) of the RMA requires that charges may be fixed under the section only in the manner set out in section 150 of the LGA, and in accordance with the criteria for fixing charges in section 36AAA (or for HASHAA, the criteria listed above). The LGA provides that the special consultative procedure must include:

- A statement of proposal (and a summary of it if required) being made as widely available as practicable as a basis for consultation (section 83(1)(c)). The statement of proposal must include a statement of the reasons for the proposal, an analysis of the reasonably practicable options and any other information the local authority identifies as relevant (section 87(3)).
- An identified consultation period of at least one month during which feedback on the proposal may be provided to Council (section 83(b)(iii)).
- An opportunity for people to present their views to the Council (section 83(d)) and a description of how Council will provide persons interested in the proposal with an opportunity to present their views (section 83(b)(ii)).

**Special Consultative Procedure**

Outcomes of this special consultative procedure could include:

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- Retaining the existing charges
- Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback
- Adopting a higher increase in charges, based on community feedback

### 3. The Approach to Charges

Council's current charging structure for resource consent processing and monitoring, designations, plan changes and all other activities under the RMA and HASHHA is to charge a fixed sum of money for the tasks where the costs relating to staff time are known or charge a fixed initial sum of money (based on the nature of the task or category of consent or application) for tasks that require a varied amount of staff time. Where an initial charge is required it is credited to the applicant's account and when the task is completed the final costs are debited against the applicant's account. A refund is made if the cost is less than the initial fixed charge, or an account for further payment is sent if the costs exceed the amount of the initial fixed charge.

The charges are based on:

- a) The time spent by Council staff and specialist advisers to undertake the task; and
- b) The hourly charge out rate or the consultant hourly charges; and
- c) Overhead costs.

The 2009 Amendments to the Resource Management Act 1991 introduced mandatory discounting on administrative charging under section 36. The Resource Management (Discount on Administrative Charges) Regulations 2010 came into force on 31 July 2010. The default discount is 1% of the total of the administrative charges the local authority imposes for every working day on which the application remains unprocessed beyond the time limit, up to a maximum of 50 working days.

### 4. Issues and Options

Since the last review of RMA and HASHAA charges there has been new national provisions to consider, monitor and report on. Organisational support costs and external expertise costs increase by CPI annually. The resource consent hourly charge out rate is proposed to increase to match the increase in costs. It is also proposed to have the ability to apply the CPI increase to the hourly charge out rate automatically on an annual basis when no other changes are required.

No changes are proposed for planning documents, plan changes, designations or other activities where the charge adequately reflects the reasonable cost.

#### **Resource consent (RMA and HASHAA), administration and monitoring hourly charge out rates**

The main factors influencing the level of income received from charges are the hourly charge out rate and the number and complexity of resource consent applications. Consent numbers have remained the same for the last two years but income from fees and charges decreased slightly from 2018/19 to 2019/20. The income for 2020/21 is on track to be similar to last year.

At least 40% of staff time is not chargeable to resource consent applicants. Much of this time is spent answering public enquiries, training, reporting or responding to objections to conditions or costs. When there is time staff review procedures, systems, templates and practices to improve quality and efficiency.

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It is reasonable therefore that at least 40% of overall resource consent costs are met by rates. The Council's Revenue and Financial Policy requires 40 to 60% of costs are met by charges. Current fees and charges are on track to recover 45% of costs. It is proposed to increase the hourly rate to \$162 to cover 46% of the anticipated costs as this is considered a reasonable increase (less than 2%), in the current economic context. The table below identifies the percentage cost recovery from charges for various hourly rates.

Hourly charge out rate	% of 2021/22 costs met by charges
\$160 (current)	45
<b>\$162 (proposed)</b>	<b>46</b>
\$168	48
\$176	50
\$185	53
\$195	55
\$205	58

**Automatic CPI increase for the hourly charge out rate**

Having the ability to increase the hourly charge out rate by CPI automatically without the need for specific consultation each year will enable this reasonable and minor change to occur efficiently when there are no other changes required. The increased hourly charge out rate will take effect from the start of the next financial year on 1 July. Details of the increase will be made public at least one month prior to the change coming into effect on the Council website and through other media forums.

**Assessment**

The Council must have regard to criteria listed in section 36AAA of the RMA when fixing charges under the RMA. Council must have regard to the criteria set out in section 36(4) of the RMA when fixing charges under HASHAA. Proposals in section 2 above have met these criteria as follows:

- The proposed hourly charge out rate ensures the applicant better meets the reasonable costs incurred by the Council in consent processing and monitoring since they receive the majority of the benefits of the consented development. Current charges cover 45% of costs yet up to 60% of overall staff time is spent on processing and monitoring resource consents. It is fair to increase the charge out rate so a better portion of the costs are met by the applicant or consent holder;
- It is considered reasonable to increase the hourly charge out rate by CPI automatically if required to cover the increasing costs of providing the service. This reduces staff time in administering the procedural costs of the change when no other changes to charges are required; and
- Overall, the proposed increased hourly charge out rate has been set at a level that will recover the reasonable anticipated costs incurred by the consent authority.

The proposed increase is similar to other councils which are currently charging hourly rates ranging from \$153 to \$203 for planning staff.

**Options Analysis**

**Option 1** — Retain the existing charges

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While applicants and consent holders would not face increased charges more of the costs of the activity will need to be covered by income from rates, rather than those directly benefitting from the Council services. If no increases are made now there may need to be larger increases in the future.

**Option 2** — Increase the hourly charge out rate to recover 46% of overall costs as proposed in Attachment 1

This option improves the recovery rate from applicants and consent holders, reduces the potential for large increases in the future and reduces the requirement on rates. Increasing charges may cause dissatisfaction or difficulty for some applicants or consent holders that could increase the occurrence of querying or objecting to the charges. However, the proposed increases are considered reasonable and commensurate with the increase in costs of providing the service. The proposed hourly charge out rate will be at a level that is comparable to the charges for similar activities in other councils.

**Option 3** — Increase the charge out rate to recover 50% of overall costs

This option ensures applicants and consent holders cover the costs of their service but results in a 10% increase in the hourly rate from \$160 to \$176. The large increase is not considered reasonable and could deter developments.

#### **Preferred Option**

**Option 2** — Increase the charge out rate to recover 46% of overall costs as proposed in Attachment 1 and outlined in section 2 above.

#### **Reasons**

The proposed amendment better covers the costs for the service than the existing charges and is a reasonable increase compared to existing charges.

#### **Submissions**

Anyone may make a submission about any aspect of the proposed amendments to the charges under the RMA and HASHAA and any other options that have been considered. Council, in making its decision, will take account of all submissions made.

All submissions, including the name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details be kept private and explain why it is necessary to protect your privacy. Council will not accept any anonymous submissions.

Submissions can be made:

- online at [nelson.govt.nz/council/consultations](https://nelson.govt.nz/council/consultations)
- by post to RMA and HASHAA Fees and Charges Amendments, PO Box 645, Nelson 7010
- by delivering your submission to Civic House, 110 Trafalgar Street, Nelson.

**Submissions must be received no later than 16 April 2021.**

Any person who wishes to speak in support of their submission will be given the opportunity to address the Council at a hearing on **11 May 2021**.



Item 8: 2021 Environmental Management Fees and Charges review: Attachment 1



## Attachment 1

### Proposed Amendments to the Charges under the Resource Management Act 1991 and Housing Accords and Special Housing Areas Act 2013

*Proposed changes to existing charges are shown in strike through and underline in this attachment.*

Resource Consent Processing and Monitoring, Designations, Plan Changes, all other activities under the Resource Management Act 1991 (RMA) and the Housing Accords and Special Housing Areas Act 2013 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 fixed charge (deposit), additional charges will be applied (under Section 36(5) of the RMA). Only additional charges can be objected to under Section 357B of the RMA.

Section 2 below lists the various methods of how costs may be charged to a consent.

*All charges listed in this Schedule are GST inclusive*

#### 1. Initial fixed charges (deposits)

	Activity	Charge
1.1	All activities (other than listed below)	\$1,500
1.2	Subdivision 1-3 lots	\$1,500
	Subdivision 4 plus lots	\$2,500
1.3	Bore permits; Certificate of Compliance; Change of consent notice; Culverts, weirs and other minor structures on the bed of watercourses; Existing Use Certificate; Extension of lapsing period; Fast track consents (controlled status only); Fences; Flats Plan update and check; Outline Plan approvals; Relocate building; Removal or trimming of trees listed in the Nelson Resource Management Plan (supported and carried out by a suitably qualified arborist); Right of Way approval; Signs; Simple consent process; Transfer/part transfer of Permits	\$500

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	Activity	Charge
1.4	Issue of a notice confirming a boundary (or a marginal or temporary) activity is a permitted activity (no additional charges or refunds apply)	\$480
1.5	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
1.6	Removal of trees listed in the Nelson Resource Management Plan that are confirmed in writing by a qualified arborist (level 5 NZQA or equivalent), as diseased or a threat to public safety.	No charge
1.7	Heritage Buildings: Non-notified application to conserve and restore heritage building, place or object listed in the Nelson Resource Management Plan.	No Charge
1.8	Private Plan changes (Note: Council's policy is to recover 95% of the costs involved for the whole process from the applicant).	\$10,000
1.9	Heritage Orders	\$3,500

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

1.11 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 (less the initial fixed sum of money paid in accordance with section 1 above)**

	Details	Charge
2.1	Council Staff – all staff time inclusive of overhead component associated with processing and assessing applications.	<del>\$160</del> <del>162</del> 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

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	Details	Charge
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.	<del>\$160-162</del> per hour
2.7	Urban Design Panel reviews a proposal before a resource consent application is lodged (except for circumstances identified in 2.8 below).	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; or The applicant is required to provide approval from the Urban Design Panel as part of the Housing Accord and Special Housing Areas Act process.	Cost plus administration charges  (an estimate of costs is available on request)
2.9	Where the applicant requests under s357AB independent commissioner(s) for an objection under s357A(1)(f) or (g), the applicant will meet the costs for that hearing.	Cost plus administration charges

**2.10 Photocopying Charges**

A4	\$0.20 per page;
A3	\$0.50 per page;
A2	\$2.00 per page
A1	\$3.00 per page

**2.11 Monitoring Charges**

- 2.11.1 If monitoring is required, a one-off charge of ~~\$160162~~.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 hourly charge out rate for Council staff in 2.1 above and separately invoiced.
- 2.11.2 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 charge out rate for Council staff or actual cost for specialist consultant.

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- 2.11.3 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 charge out rate for Council staff or actual cost of the specialist involved.
- 2.11.4 Where permitted activity monitoring is able to be charged under legislative provisions (such as the National Environmental Standards for Plantation Forestry), the time taken by Monitoring Officers will be invoiced at the hourly charge out rate for Council staff in 2.1 above.
- 2.11.5 Where annual monitoring is required up to half an hour of staff time per year, a higher initial monitoring fixed fee up front may be charged or the consent may identify regular intervals when monitoring charges will be invoiced calculated on anticipated staff time multiplied by a stated number of years for these types of consents.

## 2.12 Administration Charges

	Item/Details	Charge
2.12.1	Insurance levy – for each resource consent.	\$30
2.12.2	Street naming and numbering (costs of reporting to Hearings Panel and advising all statutory agencies).	Council hourly charge out rate in 2.1 above
2.12.3	Street numbering – application for alteration.	\$125
2.12.4	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
2.12.5	Certificate under Overseas Investment Act.	\$385
2.12.6	Confirmation of compliance with the Nelson Resource Management Plan for NZ Qualifications Authority.	\$385
2.12.7	Confirmation of compliance with the Nelson Resource Management Plan for liquor licence applications.	\$70
2.12.8	Section 357 Administration charge.	\$320
2.12.9	Private right-of-way – review against existing names and advising all statutory agencies where appropriate.	\$320
2.12.10	Authentication report for small-scale solid-fuel burning appliance or open fire.	\$120
2.12.11	Removal of designation.	\$305
2.12.12	Swing Mooring annual charge (monitoring costs are additional, refer 2.10.3 above).	\$75

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	Item/Details	Charge
2.12.13	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)	\$240
2.12.14	Claiming a swing mooring the Council removed from the Coastal Marine Area that did not have a coastal permit	\$300
2.12.15	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

### 2.13 Discount for Late Consents

- 2.13.1 Where statutory processing timeframes have not been met a discount of 1% of the total of the administrative charges imposed for every working day on which the application remains unprocessed beyond the time limit, up to a maximum of 50 working days will apply.

## 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 Consents and Compliance.
- 3.5 The option of monthly invoices only, in lieu of initial charges, may be available on strict credit conditions as follows:
- The consent process, or Council involvement in the project, is likely to extend over a period in excess of 6 months; and
  - The total amount for invoices is likely to exceed \$5,000; and
  - 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 Environmental Management, 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 charge out rate as per 2.1.

#### 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

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## **Statement of Proposal**

### **AMENDMENTS TO THE FOOD ACT FEES AND CHARGES**

**Commencing 1 July 2021**

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Item 8: 2021 Environmental Management Fees and Charges review: Attachment 2

**1. Nelson City Council's proposed amendments to the Food Act Fees and Charges**

Nelson City Council (**Council**) would like to know what you think of the proposed amendments to the fees and charges relating to registration, verification, compliance and monitoring activities for food businesses. The current fees and charges came into effect on 1 July 2016 and were set based on the expected time for staff to carry out the various services.

Council has reviewed these fees and charges and is proposing some changes as described below. We want to know what you think of the proposed changes. In making decisions on this proposal, Council will be taking account of all submissions made.

**The proposed Food Act Fees and Charges are attached to this Statement of Proposal, with the changes underlined. Paper copies of this document are available at the Council's Customer Service Centre and in Nelson libraries.**

**2. The Proposal**

Detailed analysis of the issues and options is provided in section 4 of this proposal. The fees and charges schedule with proposed changes are included in Attachment 1 and are outlined below:

- a) Increase the hourly charge out rate from \$148 per hour to \$162 per hour
- b) Increase the initial fee for new registrations of a food business using a templated food control plan from \$222 to \$243
- c) Increase the initial fee for new registrations of a food business subject to a national programme from \$148 to \$162
- d) Increase the fee for the renewal of registrations from \$74 to \$81
- e) Change the amendments to registrations to identify if the amendment is a simple change such as the name or contact details or a significant change in circumstance of the food business. Charge an initial fee of \$40 for simple changes and \$81 for the significant change in circumstance. The current amendment charge has an initial fee of \$74
- f) Increase the initial fee for a voluntary registration suspension from \$74 to \$81

**Process for consideration**

This Statement of Proposal to amend the Food Act fees and charges has been prepared in accordance with the Food Act 2014, sections 198 and 205 and the Local Government Act 2002 (LGA), sections 83 and 150. Section 205(2) of the Food Act requires Council to use the special consultative procedure when fixing fees to recover costs of registration, verification, compliance and monitoring activities.

The LGA provides that the special consultative procedure must include:

- a) A statement of proposal (and a summary of it if required) being made as widely available as practicable as a basis for consultation section 83(1)(c)). The statement of proposal must include a statement of the reasons for the proposal, an analysis of the reasonably practicable options and any other information the local authority identifies as relevant (section 87(3)).
- b) An identified consultation period of at least one month during which feedback on the proposal may be provided to Council (section 83(b)(iii)).
- c) An opportunity for people to present their views to the Council (section 83(d)) and a description of how Council will provide persons interested in the proposal with an opportunity to present their views (section 83(b)(ii)).

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### Special Consultative Procedure

Outcomes of this special consultative procedure could include:

- Retaining the existing fees and charges
- Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback
- Adopting a higher increase to Food Act fees and charges

### 3. Criteria for Fixing Fees and Charges

When fixing fees Council must not provide for the recovery of more than the reasonable costs incurred by it in performing the function and it must take into account the matters outlined in section 198(2) of the Food Act, which are:

- a) Equity – funding for services should generally, and to the extent practicable be sourced from the users or beneficiaries of those services at a level commensurate with their use; and
- b) Efficiency – costs should generally be allocated and recovered to ensure maximum benefits are delivered at minimum cost; and
- c) Justifiability – cost should be collected only to meet the actual and reasonable costs (including indirect costs) of the service; and
- d) Transparency – costs are identified and allocated as closely as practicable to tangible service provisions.

### 4. Issues and Options

#### *Equity*

The current fees covered 45% of the Council's costs in providing services for the 2019/20 financial year. Business owners receive the registration and verification services directly from the Council and should be paying a greater share of the costs to provide the service, compared to ratepayers. The proposed increases to fees would result in the business owners meeting 49% of Council's costs.

#### *Efficiency*

During the three year transition period since the introduction of the Food Act in 2016 Council processes have been established, reviewed and refined to ensure services meet legislative requirements and are fit for purpose for the business owner.

#### *Justifiability*

Fees and charges did not change during the three year transition period to allow officers and applicants' time to better understand the new Act requirements. Fees and charges were set based on expected times to perform various tasks and now actual times to complete tasks are known.

It takes officers on average 1.75 hours to process new registration applications, one hour to renew an application, 15 minutes to amend registration details such as names or contact details, one hour to amend the scope of a registration, and half an hour to suspend a registration when volunteered by the food business.

Verifications involve visiting the site, determining compliance and reporting. The time to complete this task ranges greatly depending on the complexity of the business and level of compliance. Charging at an hourly rate with no fixed initial fee is considered a fair

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Item 8: 2021 Environmental Management Fees and Charges review: Attachment 2

method to accommodate this variability.

Monitoring food businesses outside of verifications is usually triggered by Council receiving a complaint or notice of an incident. If investigations found the business was operating in accordance with all requirements it is considered the costs of this monitoring had more of a public than private benefit and the costs are not charged to the business owner. If investigations found some level of non-compliance then costs related to following up on that non-compliance would be charged to the business owner at an hourly rate.

*Transparency*

Actual costs for each service under the Food Act have been identified above. The proposed changes to fees are based on the reasonable costs for Council to provide that service.

The current initial fee for registering a new food business under the National Programme is \$148 based on the expected time to process this kind of application at one hour. It actually takes officers on average 1.75 hours to process these applications which is the same time it takes to register a templated food control plan. MPI charges for national programme registrations are based on the process taking 0.75 hours compared to templated food control plan registrations taking 1.25 hours.

If the initial fee to register national programmes is set at the actual time to process it the fee would almost double. National programmes are for lower and medium risk businesses so it is reasonable to expect these businesses would not attract the same registration costs as a higher risk business. National programmes only need to be renewed every two years so this will also provide savings compared to templated food control plans.

Similarly if the initial fee to renew registrations is set at the actual time to process it (one hour), the fee would more than double. The proposed charge is calculated at half an hour of the proposed hourly charge out rate that equates to a 10% increase of the current charge.

The hourly charge out rate for registration, verification and compliance services of \$148 was set in 2016 at the same level as other regulatory services. MPI currently charge \$155.25 per hour and a sample of other Council hourly rates range from \$145 to \$205 per hour.

*Assessment of options against criteria*

The options are to keep the current charges as they are, increase fees and charges as proposed in Attachment 1, or change the fees and charges at a higher level to better reflect the actual costs for the services.

	<b>Equity</b>	<b>Efficiency</b>	<b>Justifiability</b>	<b>Transparency</b>
<b>Option 1</b> No changes	Current charges do not fairly cover costs at a rate proportional to the private benefit gained from the services	The lower registration cost of national programmes compared to template food control plans is supported by MPI which is beneficial to business owners in this category but it does not cover the actual	Current charges do not fully reflect the actual time to carry out the various tasks The current approach to not on charge monitoring costs when the food business is compliant is justified	Current charges do not reflect the true costs of the service The current hourly rate is at the lower end when compared to MPI and other Councils.

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		cost to Council		
<b>Option 2</b> Increase fees and charges as proposed	Increasing charges better reflects the private benefit proportion of the services	Increasing charges better reflects the actual time and costs for the services	Proposed amendments are considered fair and are reasonable changes compared to current charges and actual costs of the service	Proposed amendments better reflect the true costs of the services and are open to the public for comment before decisions are made
<b>Option 3</b> Increase fees and charges at a higher level to better cover the actual costs for all services	The changes will improve the current allocation of costs between food business owners and ratepayers	The changes will best reflect the actual time and costs for the services	The changes are justifiable but the higher level of increase for some categories would not be reasonable compared to other categories and compared to current fee levels	The fees will be at the higher level when compared to fees for the same services imposed by some other Councils and higher than MPI expectations

### Options Analysis

**Option 1** — While food business owners would not face increased fees, many current initial fees do not reflect the actual time to perform that activity. In addition the food businesses are not paying a large enough proportion of the costs of the services relative to the costs covered by general rates. If no increases are made now there may need to be larger increases in the future.

**Option 2** — Amending fees as proposed in Attachment 1 improves the proportionality of food business owners covering more of the cost of services under the Food Act, better reflects the actual time taken to perform tasks and reduces the potential for large increases in the future. Increasing fees may cause dissatisfaction or difficulty for some food business owners but the proposed increases are reasonable compared to current charges and compared to fees imposed by other Councils.

**Option 3** — Increasing the fees at a higher level to best reflect the actual time for all services will ensure the business owner meets the actual Council costs for providing the service and lower the dependence on rates to provide these services. However, it is not reasonable to increase charges by this larger amount compared to current fees and the larger change is likely to cause dissatisfaction with some business owners.

### Preferred Option

**Option 2** — Increase Food Act fees as proposed in Attachment 1 and outlined in section 2 above.

### Reasons

The proposed amendments better cover the actual costs for the service and are a reasonable Increase compared to existing charges. Higher Increases could be justified (particularly for National Programme registrations), but on balance it was not considered fair or reasonable to propose this.

Item 8: 2021 Environmental Management Fees and Charges review: Attachment 2

### Submissions

Anyone may make a submission about any aspect of the proposed amendments to the Food Act fees and charges and any other operations that have been considered. Council, in making its decision, will take account of all submissions made.

All submissions, including the name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details be kept private and explain why it is necessary to protect your privacy. Council will not accept any anonymous submissions.

Submissions can be made:

- online at [nelson.govt.nz/council/consultations](https://nelson.govt.nz/council/consultations)
- by post to Food Act Fees and Charges Amendments, PO Box 645, Nelson 7010
- by delivering your submission to Civic House, 110 Trafalgar Street, Nelson.

**Submissions must be received no later than 16 April 2021.**

Any person who wishes to speak in support of their submission will be given the opportunity to address the Council at a hearing on **11 May 2021**.



## Attachment 1

### Proposed Amendments to the Fees under the Food Act 2014

Food premises under the Food Act 2014	Fee (includes GST)
<b>New Registration -</b> Food control plan (based on a template issued by MPI)	<del>\$222-243</del> initial fee Plus <del>\$148-162</del> per hour spent on processing application after the first 1½ hours
<b>New Registration -</b> National programme	<del>\$148-162</del> initial fee Plus <del>\$148-162</del> per hour spent on processing application after the first hour
<b>Renewal of Registration -</b> Food control plan or national programme	<del>\$74-81</del> initial fee Plus <del>\$148-162</del> per hour spent on processing application after the first ½ hour
<b>Amendment to Registration -</b> Food control plan or national programme	<u>Simple name or contact detail change \$40 or other changes</u> <del>\$74-81</del> initial fee Plus <del>\$148-162</del> per hour spent on processing application after the first ½ hour
<b>Suspension -</b> Voluntary suspension of food control plan or national programme	<del>\$74-81</del> initial fee Plus <del>\$148-162</del> per hour spent on processing the application after the first ½ hour
<b>Verification -</b> Includes site visits, corrective action follow up, correspondence and documentation for food control plans.	<del>\$148-162</del> per hour
<b>Compliance -</b> Investigation of complaint resulting in the issue of an improvement notice by food safety officer or Application for review of improvement notice.	<del>\$148-162</del> per hour

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<b>Monitoring -</b> Monitoring for food safety and suitability.	<b>No charge</b>
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Note – Time charged per hour will be measured to the nearest 15 minute interval.

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Item 8: 2021 Environmental Management Fees and Charges review: Attachment 3

## **Statement of Proposal**

### **AMENDMENTS TO THE FEES AND CHARGES under the BUILDING ACT 2004 and the Local Government Official Information and Meetings Act 1987**

**Commencing 1 July 2021**

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## 1. Nelson City Council's proposed amendments to fees and charges under the Building Act 2004 and the Local Government Official Information and Meetings Act 1987

Nelson City Council (**Council**) would like to know what you think of the proposed amendments to the fees and charges relating to building consent applications, inspections and other services provided by the Building Unit.

The current fees and charges for building activities came into effect on 1 July 2020. The charges for Land Information Memorandum (LIM) reports have not changed since 2016. The fees and charges were set to ensure those who benefit from the services pay a fair and reasonable share of the costs of these services.

Council has reviewed these fees and is proposing some changes as described below. We want to know what you think of the proposed changes. In making decisions on this proposal, Council will be taking account of all submissions made.

**The proposed fees and charges are attached to this Statement of Proposal as Attachment 1 along with the current fees and charges. Paper copies of this document are available at the Council's Customer Service Centre and in Nelson libraries.**

## 2. The Proposal

The analysis of the issues and options is set out in section 4 of this proposal. The fees and charges schedule with proposed changes are included in Attachment 1. A summary of the proposed amendments is outlined below:

- a) Increase the hourly charge out rate for Building Unit staff from \$160 per hour to \$164 per hour on all residential consents;
- b) Increase the hourly charge out rate for commercial technical officers from \$160 per hour to \$200 per hour;
- c) Incorporate the system fee into the deposit and apply the higher system fee per consent from \$600,000 estimated value of works, instead of \$800,000 currently;
- d) Increase the quality assurance levy from \$2.50 to \$3.00 per \$1,000 of the estimated value of work (applies when the value of work is \$20,000 and over);
- e) Raise the deposit amounts to better reflect actual costs and consequently minimise larger invoices at Code Compliance Issue;
- f) The swimming pool fencing consent deposit (minor works) is proposed Increase from \$325 to \$450;
- g) Identify that the express service for commercial marquees is for all applications received within the 20 working day statutory time frame;
- h) Increase the Certificate of Acceptance application fee from \$800 to \$1,000;
- i) Reduce fees for the notification of exempt works from \$315 to \$250;
- j) Remove the Electronic File Management charge;
- k) Increase LIM application fees from \$285 to \$300 for residential properties and commercial LIM applications from \$440 to \$460; and
- l) Introduce an hourly rate for multiple property title LIM applications.

The objective of the proposal is to review current fees relating to building consent applications, inspections and other services provided by the Building Unit, to make any necessary changes to better reflect the actual cost to Council in providing this service and to ensure reasonable cost recovery goals can be met.

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Item 8: 2021 Environmental Management Fees and Charges review: Attachment 3

### Consideration under the relevant legislation

This Statement of Proposal to amend the fees and charges has been prepared in accordance with the following legislation:

- Building Act 2004, sections 219 and 281A
- Local Government Official Information and Meetings Act 1986, section 44A
- Local Government Act 2002 (LGA), sections 83 and 101(3)

Section 101(3) of the Local Government Act 2002 provides 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 219 of the Building Act enables a territorial authority to impose fees or charges in relation to a building consent and for the performance of any other function or service under the Building Act. Section 281A of the Building Act 2004 gives a territorial authority discretion as to how fees or charges are charged or set and how they may be paid or collected.

Public consultation in the form of a special consultative procedure is not a requirement under the Building Act before fees and charges can be imposed. However, Council is running a special consultative procedure in this instance given it is also consulting on a number of other fees and charges at the same time and some of the proposed increases are higher than the December 2020 Consumer Price Index increase at 1.4%. When used section 83 of the LGA provides that the special consultative procedure must include:

- A statement of proposal (and a summary of it if required) being made as widely available as practicable as a basis for consultation (section 83(1)(c)). The statement of proposal must include a statement of the reasons for the proposal, an analysis of the reasonably practicable options and any other information the local authority identifies as relevant (section 87(3)).
- An identified consultation period of at least one month during which feedback on the proposal may be provided to Council (section 83(b)(iii)).
- An opportunity for people to present their views to the Council (section 83(d)) and a description of how Council will provide persons interested in the proposal with an opportunity to present their views (section 83(b)(ii)).

### Special Consultative Procedure

Outcomes of this special consultative procedure could include:

- Retaining the existing fees and charges
- Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback
- Increasing the fees and charges at a lower level than the proposed increases

### 3. The Approach to Fees and Charges

Council's current charging structure for building consent applications and other services is based on applicants lodging an initial sum of money determined by the nature or the estimated value of the works. This is credited to the applicant's account. As the application is processed those processing costs are debited against the applicant's account.

The cost of the processing is based on:

- a) The time spent by Council staff and any specialist advisers assessing the application; and
- b) The hourly charge out rate or the consultant charges (if external expertise is required); and
- c) Administrative costs; and
- d) Various levies if relevant.

When the processing is completed, the costs are calculated, and further payment is sent if the costs exceed the amount of the initial fixed charge. Inspections are charged at the hourly charge out rate based on each required inspection taking one hour. If additional time or additional inspections are required these will be charged separately.

LIM charges are fixed charges based on the average time it takes officers to produce the report at the hourly charge out rate.

### 4. Issues and Options

Council's Building Unit is responsible for carrying out many of Council's functions as a Building Consent Authority (BCA) including issuing building consents, inspecting building work and issuing property information (e.g. project information memoranda). Costs to recruit and retain qualified and experienced officers are increasing as are costs to engage external consultants or specialists.

The proposal is to raise the hourly charge out rates and fees to better cover the costs of providing the building and LIM services. Some of Council's current fees and charges are lower than those imposed by other territorial authorities of similar size for the same work. For example, Council's technical charge out rate (currently \$160) is below that of Hastings (\$205 residential, \$225 commercial), New Plymouth (\$172 residential, \$193 Commercial) and Palmerston North (\$190 residential, \$208 commercial) despite staff having the same levels of qualifications.

The proposed deposits have had the current system fee incorporated into the initial charge to help minimise customer confusion. The level of deposits have increased to better reflect actual costs of the service.

The swimming pool fencing consent deposit (minor works) is proposed to increase from \$325 to \$450. This increase better covers the actual cost of vetting, processing and inspection of the property.

It is proposed to increase the quality assurance levy from \$2.50 to \$3.00 per \$1,000 of the estimated value of work which applies when the value of work is \$20,000 and over. The proposed levy better covers the costs of training and maintaining the higher levels of competencies officers require.

The Certificate of Acceptance application fee is proposed to increase from \$800 to \$1,000. This application fee aligns with Tasman District Council and will now cover the system fee introduced for this activity.

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## Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report: Attachment 6

### Item 8: 2021 Environmental Management Fees and Charges review: Attachment 3

A reduction in fees for the notification of exempt works from \$315 to \$250 is proposed to better reflect the average actual costs involved with providing this service. Removing the Electronic File Management charge is also proposed as this has been incorporated within the hourly charge out rate.

LIM application fees are proposed to rise from \$285 to \$300 for residential properties and commercial applications increase from \$440 to \$460. LIM application fees have not changed since 2016 and have increased to better reflect the time taken to produce a LIM report. Additional hours spent undertaking checks for multiple titles are proposed to be charged at the hourly rate. LIM charges for other Councils of similar size to Nelson City Council range between \$272 and \$455 for residential properties and between \$380 and \$557 for commercial properties.

#### Assessment

In exercising its discretion about what fees and charges to impose, Council should ensure charges are cost-effective, with the purpose of recovering the reasonable costs incurred by the Council in respect of the activity to which the charge relates, and with those gaining the benefit from the regulatory service paying the reasonable cost for that service.

Council considers that the proposed amendments that it is seeking your feedback on achieves this balance.

#### Options Analysis

##### Option 1 — No change to current fees

Customers will not face increased fees and charges but the current fees will not reflect the increasing costs of providing the services. Council will likely need to impose a larger increase to fees in the future and an increase in funding from rates is required to meet the increasing costs.

##### Option 2 — Increase the fees by CPI at 1.4%

While customers would not face the larger proposed increased fees and charges, this level of fees and charges will not reflect the anticipated increase in costs to provide the services. If this level of increase is made to fees and charges now, Council may need to impose a larger increase in the future. In addition, there will need to be an increase in funding from rates to meet the increase in actual costs.

##### Option 3 — Increase the fees and charges as proposed

This will better ensure the cost recovery level of the Building Unit are met compared to option 2, and provide less dependence on rates. The increase could potentially cause dissatisfaction to customers.

#### Preferred Option

**Option 3** — Amend fees as proposed in Attachment 1 and outlined in sections 2 and 4 above.

#### Reasons

The reasons for this option are outlined in section 4 above. In summary:

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- Higher costs are anticipated to recruit and retain qualified and experienced officers;
- Changes are proposed to better reflect the actual cost of providing the service; and
- Proposed changes better align with other territorial authorities of similar sizes for the same work.

### Submissions

Anyone may make a submission about any aspect of the proposed amendments to the Building Unit fees and any other options that have been considered. Council, in making its decision, will take account of all submissions made.

All submissions, including the name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details be kept private and explain why it is necessary to protect your privacy. Council will not accept any anonymous submissions.

Submissions can be made:

- online at [nelson.govt.nz/council/consultations](https://nelson.govt.nz/council/consultations)
- by post to Building Unit Fees and Charges Amendments, PO Box 645, Nelson 7010
- by delivering your submission to Civic House, 110 Trafalgar Street, Nelson.

**Submissions must be received no later than 16 April 2021.**

Any person who wishes to speak in support of their submission will be given the opportunity to address the Council at a hearing on **11 May 2021**.



Item 8: 2021 Environmental Management Fees and Charges review: Attachment 3



Proposed Building Unit Fees and Charges commencing 1 July 2021

Yellow highlight are the current charges, Green highlight and far right column are the proposed changes.

<b>All applications are subject to the following fees:</b> <ul style="list-style-type: none"> <li>- <b>Deposit</b> as listed below – <b>to be paid upon application</b> (now Includes System Fee)</li> <li>- <b>Upon Granting of building consent</b> – all additional costs will be invoiced and must be paid prior to Issue of Building Consent. These include: Specialist fees, Staff time at hourly charge out rate in excess of deposit, plus estimated inspections fees, all levies and Development/Financial contributions as applicable.</li> <li>- <b>Before CCC Issue</b> – Any further time will be invoiced at hourly charge out rates.</li> </ul>		
<b>Development and financial contributions:</b> Building consents may also incur development and/or financial contributions – see <a href="http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/">website information</a> – <a href="http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/">http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/</a>		
<b>Table 1 below, applies to all applications:</b> Commercial, Residential, New or Alteration & Additions. Costs exceeding the deposit are invoiced at hourly charge out rate prior to issue.		
<b>Deposit now includes the application fee and is chargeable upon application:</b>	<b>Current Deposit</b>	<b>Proposed Deposit</b>
<b>Amendment to Issued Building Consent – deposit plus hourly rate.</b>	<b>Hourly rate</b>	<b>\$125.00</b>
<b>Value of Work</b> – up to \$5,000	\$665.00	\$750.00
– \$5,001 to \$10,000	\$910.00	\$1000.00
– \$10,001 to \$20,000	\$1,520.00	\$1,670.00
– \$20,001 to \$50,000	\$2,275.00	\$2,430.00
– \$50,001 to \$100,000	\$2,500.00	\$2,660.00
– \$100,001 to \$200,000	\$2,772.00	\$3,100.00
– \$200,001 to \$400,000	\$3,352.00	\$4,000.00
– \$400,001 to \$600,000 – New category to even out the spread of costs.		\$5,000.00
– \$600,001 to \$800,000	\$4,137.00	\$6,000.00
– \$800,001 to \$1,200,000	\$4,260.00	\$7,000.00
– \$1,200,001 to \$4,000,000	\$5,575.00	\$7,500.00
– \$4,000,001 or more	\$9,000.00	\$9,500.00
<b>Levies – fixed and required under Building Act 2004 – fee based on value of work.</b> Note: an Amendment that adds value to the original consent may cause it to incur (additional) Levies.		
<b>BRANZ Levy – Building Research Association New Zealand Levy</b>	<b>\$1.00 per \$1,000</b>	<b>No change</b>
– where estimated value is \$20,000 and over		
<b>MBIE Levy – Ministry of Business, Innovation and Employment</b>	<b>\$1.75 per \$1,000</b>	<b>No change</b>
– where estimated value is \$20,444 and over		
<b>Insurance Levy</b> – where estimated value is \$20,000 and over and capped at \$10,000,000	<b>\$1.50 per \$1,000</b>	<b>No change</b>
<b>QA Levy – Quality Assurance/Building Consent Authority Levy</b> – where estimated value is \$20,000 and over.	<b>\$2.50 per \$1,000</b>	<b>\$3.0 per \$1,000</b>
<b>Hourly charge out rates for staff, meetings and external contractors</b>	<b>Current Per Hour</b>	<b>Proposed Per Hour</b>
Building Control Administrators & Residential Building (Technical) Officers	\$160.00	\$164.00
Commercial Building (Technical) Officers (Includes any commercial meeting with customer/project managers etc.)	\$160.00	\$200.00
Any other meeting with Building Unit Staff or Duty Building Officer – chargeable after first 30 minutes.	\$160.00	\$164.00

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Attachment 6

Appendix 1

External contractors or specialists engaged by Council	At cost	At Cost
<b>Minor Works</b> – includes system fee and deposit - payable upon application. Costs exceeding deposit are charged at hourly charge out rate	<b>Current Deposit</b>	<b>Proposed Deposit</b>
<b>Swimming pool fencing application</b>	\$325	\$450.00
<b>Solid fuel burner/Space heater</b>	\$350	\$430.00
<b>Inbuilt burner/heater requiring extra cavity inspection</b>	Hourly rate	\$595.00
<b>Demolition work</b>	\$500	\$630.00
<b>Marquee – Private/Residential &gt; 100m2</b>	\$300	\$380.00
<b>Marquee</b> any size in place for more than one month, commercial/ private	\$500	\$630.00
<b>Express Service For Commercial Marquees</b> (less than 20 working days notice)	\$1,175.00	\$1,320.00
<b>Swimming Pool Application</b>	\$910.00	\$1,050.00
<b>Bathroom Alterations</b> including wet area shower	\$910.00	\$1,195.00
<b>Proprietary Garage &gt;\$20k</b> – Non-refundable deposit plus hourly charge out rate	\$1,520.00	\$1,665.00
<b>Any Relocated dwelling</b>	\$2,175.00	\$2,330.00
<b>Works for which a Building Consent is Not Required</b>	<b>Current Deposit</b>	<b>Proposed Deposit</b>
<b>Notification of Exempt Work - Schedule 1 (except clause 2)</b> – no assessment by Territorial Authority, application placed on Property File, one off fixed fee.	\$315.00	\$255.00
<b>Application for Discretionary Exemption – Schedule 1 (2) only</b> – Requires Territorial Authority assessment and decision. Costs exceeding the deposit are charged at the hourly charge out rate	\$315.00 +	\$320.00 +
<b>Unauthorised building works report</b> (works prior to 1991) to file	\$315.00	\$255.00
<b>Certificate of Acceptance (COA)</b>	<b>Current Deposit</b>	<b>Proposed Deposit</b>
Applicants will be charged a <b>\$1,000.00</b> application fee <b>PLUS:</b> all applicable consent fees (including processing & inspection fees) and levies that would have been required and payable, had building consent been applied for BEFORE carrying out the work. Any specialist input, where applicable, will be charged out at cost. The hourly charge out rate will be charged for all staff time. All building work completed without a Building Consent or Exemption Application, will require a COA. If a COA is not applied for, a Notice to Fix will be issued.	\$800 plus all fees that would have been payable for processing & inspecting BC	\$1,000 plus all fees that would have been payable for processing & inspecting BC
<b>Notice to Fix (NTF) and Other Enforcement</b> Costs exceeding the deposit are charged at the hourly charge out rate	<b>Current Deposit</b>	<b>Proposed Deposit</b>
Notice to fix (each) issue	\$370.00	\$520.00
Other notices (each) issued under Building Act 2004	\$160.00	\$175.00
Section 124 notices for Dangerous or Insanitary Buildings (except where issued as a result of a natural disaster)	\$370.00	\$520.00
Building Officer time and monitoring of notices issued	Hourly rate	Hourly charge out rate
<b>Registration of Documents with Land Information New Zealand</b> Costs exceeding the deposit are charged at the hourly charge out rate	<b>Current Deposit</b>	<b>Proposed Deposit</b>
Section 73 Building Act 2004	\$450.00	\$455.00

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# Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report: Attachment 6

## Item 8: 2021 Environmental Management Fees and Charges review: Attachment 3

Appendix 1		
Section 75 Building Act 2004	\$450.00	\$455.00
Removal of section 73 or 75 (or equivalent under the Building Act '91)	\$450.00	\$455.00
<b>Other Services Provided by the Building Unit</b>	<b>Current Deposit</b>	<b>Proposed Deposit</b>
Costs exceeding the deposit are charged at the hourly charge out rate		
<b>Project Information Memorandum (PIM)</b> – charged at \$164 per hour for all staff. The deposit is only required if the PIM application is not part of a building consent application	\$300.00	\$305.00
<b>Compliance schedule</b> - New	\$200.00	\$400.00
<b>Compliance schedule</b> - Amendment	\$160.00	\$250.00
<b>Building Warrant of Fitness (BWof)</b> each renewal	\$175.00	\$180.00
<b>BWof back flow preventer only</b> - plus any additional time to review 12A forms at hourly charge out rate	\$50.00	\$50.00
<b>BWof Audit</b> of commercial premises plus additional time if necessary	\$175.00	\$180.00
<b>Swimming pool barrier audit</b> plus additional time if necessary	\$150.00	\$180.00
<b>Determinations; Lapsed consents; Extension of time</b> under section 52; and Section 93 decisions	Hourly rate	Hourly charge out rate
<b>Certificate for public use (CPU)</b> fee – public buildings only	\$400.00	\$405.00
<b>CPU extension of time</b> will be invoiced for \$610 plus staff time at hourly charge out rate	\$600.00 + hourly rates	\$610.00 + hourly rates
<b>Code Compliance Certificate</b>	Hourly rate	Hourly rate
<b>Electronic file management charge – under \$20,000 no charge.</b>	\$50.00	
Application for Exemption, for an Earthquake Prone Building	\$610.00	\$620.00
Application for Extension of time for Heritage Earthquake Prone Building	\$610.00	\$620.00
Assessment of Information related to a Building's EQP status	\$610.00	\$620.00
<b>Minor Variations</b> deposit plus hourly charge out rate	Hourly rate	\$80.00
<b>Amendment to Issued Building Consent</b> - deposit plus hourly rate.	Not identified	\$125 +
<b>Building Code Clause modification or waivers</b> – e.g. B2 Mod. - Durability <b>Amendment to modify building code clause</b> (e.g. B2 – Durability)	\$185.00	\$190.00
<b>Certificate of compliance (District Licensing Agency)</b> Building code compliance assessment for fire safety and sanitary facilities in a building, prior to an alcohol license application	\$150.00	\$160.00
Commercial report of Monthly Building Consents Issued – Annual Fee	\$250.00 per annum	\$260.00 per annum
Commercial report of Monthly & Mid-monthly Building Consents Issued – Annual Fee	\$500.00 per annum	\$550.00 per annum
<b>Debt recovery</b> – Applicant shall be liable for all costs incurred by Council as a result of debt recovery. In making an application to Council you agree to abide by the Council Debtor Terms and Conditions: <a href="http://www.nelson.govt.nz/assets/Our-council/Downloads/working-with-council/customer-accounts/Debtor-Terms-Conditions.pdf">http://www.nelson.govt.nz/assets/Our-council/Downloads/working-with-council/customer-accounts/Debtor-Terms-Conditions.pdf</a>	Hourly charge out rate	Hourly charge out rate
<b>LIMS</b>	<b>Current</b>	<b>Proposed</b>
Residential	\$285	\$300
Commercial	\$440	\$460
Multiple titles		Hourly rate

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**Proposed amendments to the charges under the Building Act 2014 and the Local Government Official Information and Meetings Act 1987**

Name: .....

**Organisation represented: (if applicable)**.....

**Address:** .....

**Email:** ..... **Tel:** .....

**Do you wish to speak at the hearing? Yes / No.**

**The Hearing is scheduled for Tuesday 11 May 2021.** *If you do not circle either, we will assume you do not wish to be heard. If you wish to present your submission at the hearing in Te Reo Māori or New Zealand sign language please include this information in your submission.*

**Public Information:** All submissions (including the names and contact details of submitters) are public information and will be available to the public and media in various reports and formats including on the Nelson City Council website. Personal information will also be used for administration relating to the subject matter of submissions. Submitters have the right to access and correct any personal information included in any reports, information or submissions.

[illegible]

Please attach additional sheets if needed.

Submissions can be made:

- Online at **nelson.govt.nz**
- By post to **Proposed amendments to the Building and LIM charges, PO Box 645, Nelson 7010**
- By dropping off to **Civic House, 110 Trafalgar Street, Nelson**

Item 8: 2021 Environmental Management Fees and Charges review: Attachment 4



## **Statement of Proposal**

### **AMENDMENTS TO THE ENVIRONMENTAL HEALTH FEES AND CHARGES**

**Commencing 1 July 2021**

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## 1. Nelson City Council's proposed amendments to the Environmental Health Fees and Charges

Nelson City Council (**Council**) would like to know what you think of the proposed amendments to the fees and charges relating to Council's environmental health activities such as animal control, registration of hairdressers, offensive trades, and oil spill contingency plan approval costs. These activities are administered under the Local Government Act 2002 (LGA), Health Act 1956 (and associated Regulations), Impounding Act 1955 and the Maritime Transport Act 1994.

The environmental health fees and charges have not changed since 1 July 2016. These fees and charges should be appropriate, reasonable and relate to the costs for providing the service.

Council has reviewed these fees and charges and is proposing some changes as described below. We want to know what you think of the proposed changes. In making decisions on this proposal, Council will be taking account of all submissions made.

**The proposed Environmental Health Fees and Charges are attached to this Statement of Proposal, with the changes underlined. Paper copies of this document are available at the Council's Customer Service Centre and in Nelson libraries.**

## 2. The Proposal

Detailed analysis of the issues and options is provided in section 4 of this proposal. The fees and charges schedule with proposed changes are included in Attachment 1 and are outlined below:

- a) Increase the hairdressers annual licence fee from \$155 to \$162 and if paid after 31 July increase from \$186 to \$194
- b) Increase the offensive trades annual licence fee from \$236 to \$243 and if paid after 31 July increase from \$283 to \$292
- c) Increase the hourly charge out rate for animal control (other than dog control) from \$125 per hour to \$162 per hour
- d) Identify the staff hourly rate for processing Site Marine Oil Spill Contingency Plans as being \$162 per hour
- e) Identify the staff hourly rate for maritime oil spill responses is \$162 per hour and other disbursement charges will apply at cost

### Process for consideration

This Statement of Proposal to amend the Environmental Health (including Maritime) fees and charges has been prepared in accordance with the following legislation:

- Health Act 1956 sections 120 and 120B and the Health (Registration of Premises) Regulations 1966
- Impounding Act 1955 Parts 4 and 7
- Maritime Transport Act 1994 sections 33R, 270 and Part 130B of the Maritime Protection Rules
- Local Government Act 2002 (LGA), sections 83 and 150

Council has chosen to use the special consultative procedure for amending the fees and charges under the Health Act, the Impounding Act and Maritime Transport Act because a number of changes are increases above the Consumer Price Index December 2020 rate of 1.4%, the consistency of timing and process with fee changes for other

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Item 8: 2021 Environmental Management Fees and Charges review: Attachment 4

activities and for ease of understanding by the public.

This Statement of Proposal has been prepared in accordance with sections 83 and 150 of the Local Government Act 2002 (LGA), sections 83 and 150. The LGA provides that the special consultative procedure must include:

- a) A statement of proposal (and a summary of it if required) being made as widely available as practicable as a basis for consultation section 83(1)(c)). The statement of proposal must include a statement of the reasons for the proposal, an analysis of the reasonably practicable options and any other information the local authority identifies as relevant (section 87(3)).
- b) An identified consultation period of at least one month during which feedback on the proposal may be provided to Council (section 83(b)(iii)).
- c) An opportunity for people to present their views to the Council (section 83(d)) and a description of how Council will provide persons interested in the proposal with an opportunity to present their views (section 83(b)(ii)).

### Special Consultative Procedure

Outcomes of this special consultative procedure could include:

- Retaining the existing fees and charges
- Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback
- Adopting a higher increase to Food Act fees and charges

## 3. Criteria for Fixing Fees and Charges

### Health Act 1956

The Health (Registration of Premises) Regulations 1966 is relevant to the registration of hairdressers (see also section 120(2)(f) of the Health Act 1956) and offensive trades (see also section 54 and 120(2)(d) of the Health Act 1956). The purpose of the regulations is to provide a uniform procedure for the registration of all premises required or permitted to be registered by the Council under the Health Act 1956 or under any regulations made under that Act.

Fees and charges the Council can fix:

- a) The Council may charge an appropriate fee when it receives an application for the registration of any premises (Regulation 4).
- b) The Council may charge an appropriate fee for the issue of certificate of registration (Regulation 5(1)).
- c) On the renewal of the registration of any premises the Council may charge an appropriate fee (Regulation 5(4)).
- d) If the premises subject to registration have a new occupier, that occupier is required to apply to the Council to have the change noted in the record of registration and on the certificate of registration. The Council may charge a fee in respect of such noting (Regulation 6).

Regulation 7 allows these fees to be set by the Council, by resolution.

### Impounding Act 1955

This Act provides powers for local authorities to manage wandering stock through the provision of public pounds and poundkeepers. Part 4 identifies fees and charges in relation to poundage fees, driving charges and trespass rates. Part 7 enables the stock to continue

to be detained until all charges are paid.

Section 14 allows these fees to be set by the Council, by resolution publicly notified.

#### **Maritime Transport Act 1994**

Section 33R of the Maritime Transport Act 1994 allows for the regional council to prescribe fees and charges for any function, duty, power, or service performed, exercised, or provided by the council in respect of any ship, maritime facility, offshore installation, pipeline, oil transfer site, navigational aid, or marine farm and any maritime-related activities it undertakes. It allows for the regional council to fix such fees and charges on any differential basis (for example, based on the size of a ship, or on the basis of the nature, the location, and use of a facility). Section 33R does not provide any further criteria for the setting of fees and charges.

Under the Maritime Protection Rules, Rule 130B.4, no person may operate an oil transfer site without the Director's written approval of a site marine oil spill contingency plan that complies with the requirements of the Schedule. The Council has been delegated the power to approve a site marine oil spill contingency plan by the Director pursuant to sections 270 and 444 of the Maritime Transport Act and Part 130B of the Marine Protection Rules.

#### **4. Issues and Options**

Actual times to complete tasks are known or can vary depending on the complexity of the activity. It takes officers on average one hour to process hairdresser registrations including an inspection, and about 1.5 hours to process offensive waste registrations. The proposed minor increase for the hairdresser licence fee from \$155 to \$162 reflects the time required to process the applications. The increase proposed for the offensive trades from \$236 to \$243 also recognises the time taken to process the applications.

Additional inspections, animal control or non-compliance follow ups take a range of time depending on the issues. It is appropriate this is charged at an hourly rate rather than a fixed fee. An hourly rate of \$162 is proposed for additional inspections or compliance activities. It is seldom that the hourly rate is charged for these services and the rate at \$162 is consistent with other regulatory services charge out rates.

Processing marine contingency plans and responding to pollution incidents also take a range of time depending on the complexity and nature and scale of the incident. An hourly rate for staff time is appropriate plus on-charging any disbursements such as replacing materials used in an oil spill clean-up. This ensures those receiving the benefit of Council services pays the reasonable cost for that service. The rate of \$162 per hour is proposed and consistent with other regulatory services charge out rates. This covers all overheads associated with providing the service.

##### *Options Analysis*

##### **Option 1 — No changes**

Likely to require larger increases in the future. The income received for these activities are currently not meeting Council's costs and non-users are currently subsidising these regulatory activities.

##### **Option 2 — Amend fees and charges as proposed**

Amending charges as proposed in Attachment 1 better reflects the actual time taken to perform tasks, clearly identifies charges and reduces the potential for larger increases in the future. The more complete and compliant an application and business is, the lower

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Item 8: 2021 Environmental Management Fees and Charges review: Attachment 4

the costs associated with inspection and compliance duties since these are based on an hourly rate. The \$162 hourly rate is consistent with other regulatory activity hourly rates.

**Option 3** — Increase the staff hourly rate at a lower rate of \$150 per hour

The hourly rate for animal control is currently \$125. The proposed rate of \$162 per hour is a 28% increase. Having a lower hourly rate will lessen the impact on users of these activities. The impact of the large increase will not actually be realised by applicants or owners as animal control and compliance services are seldom needed. In addition this lower rate will not be consistent with other regulatory services hourly rates and will likely require larger increases in the future.

*Preferred Option*

**Option 2** — Amend Environmental Health fees and charges as proposed in Attachment 1 and outlined in section 2 above.

*Reasons*

The proposed increases better cover the actual costs for the service and are a small and reasonable increase compared to existing charges and charges. The identification of charges under the Maritime Transport Act improves the transparency of costs associated with these activities or incidents. Is also consistent with other regulatory hourly rates.

**Submissions**

Anyone may make a submission about any aspect of the proposed amendments to the Food Act fees and charges and any other operations that have been considered. Council, in making its decision, will take account of all submissions made.

All submissions, including the name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details be kept private and explain why it is necessary to protect your privacy. Council will not accept any anonymous submissions.

Submissions can be made:

- online at [nelson.govt.nz/council/consultations](https://nelson.govt.nz/council/consultations)
- by post to Food Act Fees and Charges Amendments, PO Box 645, Nelson 7010
- by delivering your submission to Civic House, 110 Trafalgar Street, Nelson.

**Submissions must be received no later than 16 April 2021.**

Any person who wishes to speak in support of their submission will be given the opportunity to address the Council at a hearing on **11 May 2021**.



## Attachment 1

### Proposed Environmental Health Fees

Environmental Health Licence and Activity Fees	\$ if paid on or before 31 July	\$ if paid after 31 July
Hairdressers	<del>155.00</del> 162.00	<del>185.00</del> 194.00
Offensive trades	<del>236.00</del> 243.00	<del>283.00</del> 292.00
Animal Control (other than dogs) time taken at hourly charge out rate	<del>125.00</del> 162.00 per hour	<del>125.00</del> 162.00 per hour
Processing Site Marine Contingency Plans	162.00 per hour	162.00 per hour
Pollution response – hourly charge out rate	162.00 per hour	162.00 per hour
- disbursements		cost

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**Attachment 5**

**Proposed Dog Control Fees for 2021/22 (all charges include GST)**

<b>Registration Fees</b>	<b>Current fee \$</b>	<b>Proposed fee \$</b>
Rural dogs (properties of 1 hectare or more)	53.50	<b>54.50</b>
All other urban dogs	95.80	<b>97.00</b>
All dogs classified as dangerous (standard registration fee, plus 50% surcharge as required by statute)	143.70	<b>145.50</b>
Community working dog such as Police, Seeing Eye and Hearing Dogs	5.00	<b>5.00</b>
<b>A late payment penalty of 50% of the registration shall apply to all registrations remaining unpaid on 1 August of each year and all dogs unregistered after 1 September of each year shall incur a further \$300 infringement fee, plus penalty. Such penalties (set by statute) are to be made clear on the invoice for registration.</b>		
Replacement registration disc	5.00	<b>5.00</b>
<b>Registration discounts (applied annually):</b> Neutered dog (proof from vet is required)	-5.00	<b>-5.00</b>
<b>Impounding Fees (in any 12 month period)</b>		
First Impounding	75.00	<b>76.00</b>
Second Impounding	150.00	<b>152.00</b>
Third Impounding	225.00	<b>228.00</b>
Daily charge (for each day following impounding)	15.00	<b>15.00</b>
After hours callout charge (outside normal working hours)	80.00	<b>81.00</b>
Install microchip to Impounded dogs where required	38.00	<b>38.50</b>

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# Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report: Attachment 6

## Item 8: 2021 Environmental Management Fees and Charges review: Attachment 6

Appendix A - Example of Building Consent Costs for 2021-22								
All Building Types - Res/Comm New/Alt & Addition								
			2020-21			2021-22		
All Building Types	Activity	Hrs	Rate	Costs	Hrs	Rate	Costs	Comments
Residential	Non refundable Deposit	1	\$ 2,500.00	\$ 2,500.00	1	\$ 2,660.00	\$ 2,660.00	Application fee inc. in deposit.
\$50,000 to \$100,000	Valuing	1.0	\$ 160.00	\$ 160.00	1.0	\$ 164.00	\$ 164.00	
	Plan processing	6.0	\$ 160.00	\$ 960.00	6.0	\$ 164.00	\$ 984.00	
	Admin & Mgt Fee	2.5	\$ 160.00	\$ 400.00	2.5	\$ 164.00	\$ 410.00	
EXAMPLE	Inspectors	10.0	\$ 160.00	\$ 1,600.00	10.0	\$ 164.00	\$ 1,640.00	
BC190078 - R1	CCC Fee	2.0	\$ 160.00	\$ 320.00	2.0	\$ 164.00	\$ 328.00	Extra above deposit = staff costs - deposit + system fee
	RMA (if applicable)	1.0	\$ 160.00	\$ 160.00	1.0	\$ 162.00	\$ 162.00	
\$100,000 Pool, Pool shed & deck	Subtotal - Actual BC staff costs			\$ 3,600.00			\$ 3,688.00	\$ 1,153.00
	QA Levy		\$2.50/\$1000	\$ 200.00		\$3.00/\$1000	\$ 240.00	BCA Accreditation Levy
	Insurance Levy		\$1.50/\$1000	\$ 120.00		\$1.50/\$1000	\$ 120.00	Legal Claims NCC Levies
	Total income to NCC			\$ 3,920.00			\$ 4,048.00	\$ 360.00
	BRANZ Levy		\$1.00/\$1000	\$ 80.00		\$1.00/\$1000	\$ 80.00	Government Levies
	MBIE Levy		\$1.75/\$1000	\$ 139.22		\$1.75/\$1000	\$ 139.22	
	DCs (if applicable)							Development & Financial Cont
	Application Fee	1	\$ 125.00	\$ 125.00	1	\$ 125.00	\$ 125.00	Paid to Simpli & GoGet
	Total Cost to Customer			\$ 4,264.22	Total Cost		\$ 4,392.22	
	Total BC fee increase based on Proposal:							\$ 128.00
All Building Types	Activity	Hrs	Rate	Costs	Hrs	Rate	Costs	Comments
Residential	Non refundable Deposit	1	\$ 3,352.00	\$ 3,352.00	1	\$ 5,000.00	\$ 5,000.00	Application fee inc. in deposit.
\$400,001 to \$600,000	Valuing	2.0	\$ 160.00	\$ 320.00	2.0	\$ 164.00	\$ 328.00	
	Plan processing	12.0	\$ 160.00	\$ 1,920.00	12.0	\$ 164.00	\$ 1,968.00	
	Admin & Mgt Fee	4.5	\$ 160.00	\$ 720.00	4.5	\$ 164.00	\$ 738.00	
EXAMPLE	Inspectors	16.0	\$ 160.00	\$ 2,560.00	16.0	\$ 164.00	\$ 2,624.00	
BC190522 - R3	CCC Fee	2.5	\$ 160.00	\$ 400.00	2.5	\$ 164.00	\$ 410.00	Extra above deposit = staff costs - deposit + system fee
	RMA (if applicable)	1.5	\$ 160.00	\$ 240.00	1.5	\$ 162.00	\$ 243.00	
\$432,000 Detached Dwelling	Subtotal - Actual BC staff costs			\$ 6,160.00			\$ 6,311.00	\$ 1,436.00
	QA Levy		\$2.50/\$1000	\$ 1,080.00		\$3.00/\$1000	\$ 1,236.00	BCA Accreditation Levy
	Insurance Levy		\$1.50/\$1000	\$ 618.00		\$1.50/\$1000	\$ 618.00	Legal Claims NCC Levies
	Total income to NCC			\$ 7,808.00			\$ 8,165.00	\$ 1,854.00
	BRANZ Levy		\$1.00/\$1000	\$ 412.00		\$1.00/\$1000	\$ 412.00	Government Levies
	MBIE Levy		\$1.75/\$1000	\$ 720.22		\$1.75/\$1000	\$ 720.22	
	DCs (if applicable)							Development & Financial Cont
	Application Fee	1	\$ 125.00	\$ 125.00	1	\$ 125.00	\$ 125.00	Paid to Simpli & GoGet
	Total Cost to Customer			\$ 9,065.22	Total Cost		\$ 9,422.22	
	Total BC fee increase based on Proposal:							\$ 357.00
All Building Types	Activity	Hrs	Rate	Costs	Hrs	Rate	Costs	Profit
Residential	Non refundable Deposit	1	\$ 4,137.00	\$ 4,137.00	1	\$ 6,000.00	\$ 6,000.00	Application fee inc. in deposit.
\$600,001 to \$800,000	Valuing	2.0	\$ 160.00	\$ 320.00	2.0	\$ 164.00	\$ 328.00	
	Plan processing	15.0	\$ 160.00	\$ 2,400.00	15.0	\$ 164.00	\$ 2,460.00	
	Admin & Mgt Fee	4.5	\$ 160.00	\$ 720.00	4.5	\$ 164.00	\$ 738.00	
EXAMPLE	Inspectors	18.0	\$ 160.00	\$ 2,880.00	18.0	\$ 164.00	\$ 2,952.00	
BC190726 - R2	CCC Fee	2.5	\$ 160.00	\$ 400.00	2.5	\$ 164.00	\$ 410.00	Extra above deposit = staff costs - deposit + system fee
	RMA (if applicable)	2.0	\$ 160.00	\$ 320.00	2.0	\$ 162.00	\$ 324.00	
\$650,000 Dwelling Alterations & addition	Subtotal - Actual BC staff costs			\$ 7,040.00			\$ 7,212.00	\$ 1,482.00
	QA Levy		\$2.50/\$1000	\$ 1,575.00		\$3.00/\$1000	\$ 1,890.00	BCA Accreditation
	Insurance Levy		\$1.50/\$1000	\$ 945.00		\$1.50/\$1000	\$ 945.00	Legal Claims NCC Levies
	Total income to NCC			\$ 9,560.00			\$ 10,047.00	\$ 2,835.00
	BRANZ Levy		\$1.00/\$1000	\$ 830.00		\$1.00/\$1000	\$ 830.00	Government Levies
	MBIE Levy		\$1.75/\$1000	\$ 1,101.72		\$1.75/\$1000	\$ 1,101.72	
	DCs (if applicable)							Development & Financial Cont
	Application Fee	2	\$ 125.00	\$ 250.00	2	\$ 125.00	\$ 250.00	Paid to Simpli & GoGet
	Total Cost to Customer			\$ 11,541.72	Total Cost		\$ 12,028.72	
	Total BC fee increase based on Proposal:							\$ 487.00

Item 7: Environmental Management Fees and Charges Review 2021 - Deliberations Report:  
Attachment 6

All Building Types	Activity	Hrs	Rate	Costs	Hrs	Rate	Costs	Comments
Commercial	Non refundable Deposit	1	\$ 2,772.00	\$ 2,772.00	1	\$ 3,100.00	\$ 3,100.00	Application fee inc. in deposit.
\$100,001 to \$200,000	Vetting	1.5	\$ 160.00	\$ 240.00	1.5	\$ 164.00	\$ 246.00	
	Plan processing	10.0	\$ 160.00	\$ 1,600.00	10.0	\$ 164.00	\$ 1,640.00	
	Admin & Mgt Fee	3.5	\$ 160.00	\$ 560.00	3.5	\$ 164.00	\$ 574.00	
EXAMPLE	Inspectors	12.0	\$ 160.00	\$ 1,920.00	12.0	\$ 164.00	\$ 1,968.00	
BC190546	CCC Fee	2.0	\$ 160.00	\$ 320.00	2.0	\$ 164.00	\$ 328.00	Extra above deposit =
C1	RMA (if applicable)	1.0	\$ 160.00	\$ 160.00	1.0	\$ 162.00	\$ 162.00	staff costs - deposit + system fee
\$190,000 Commercial	Subtotal - Actual BC staff costs			\$ 4,800.00			\$ 4,918.00	\$ 1,943.00
Alterations	QA Levy		\$2.50/\$1000	\$ 425.00		\$3.00/\$1000	\$ 510.00	BCA Accreditation
	Insurance Levy		\$1.50/\$1000	\$ 255.00		\$1.50/\$1000	\$ 255.00	Legal Claims NCC Levies
	Total income to NCC			\$ 5,480.00			\$ 5,683.00	\$ 765.00
	BRANZ Levy		\$1.00/\$1000	\$ 170.00		\$1.00/\$1000	\$ 170.00	
	MBIE Levy		\$1.75/\$1000	\$ 296.72		\$1.75/\$1000	\$ 296.72	Government Levies
	DCs (if applicable)							Development & Financial Cont
	Application Fee	1	\$ 125.00	\$ 125.00	1	\$ 125.00	\$ 125.00	Paid to Simpli & GoGet
	Total Cost to Customer			\$ 6,071.72		Total Cost	\$ 6,274.72	
	Total BC fee increase based on Proposal:							\$ 203.00
All Building Types	Activity	Hrs	Rate	Costs	Hrs	Rate	Costs	Comments
Commercial	Non refundable Deposit	1	\$ 4,260.00	\$ 4,260.00	1	\$ 7,000.00	\$ 7,000.00	Application fee inc. in deposit.
\$800,001 to \$1,200,000	Vetting	2.0	\$ 160.00	\$ 320.00	2.0	\$ 164.00	\$ 328.00	
	Plan processing	16.0	\$ 160.00	\$ 2,560.00	16.0	\$ 164.00	\$ 2,624.00	
	Admin & Mgt Fee	5.0	\$ 160.00	\$ 800.00	5.0	\$ 164.00	\$ 820.00	
EXAMPLE	Inspectors	20.0	\$ 160.00	\$ 3,200.00	20.0	\$ 164.00	\$ 3,280.00	
BC190620	CCC Fee	3.0	\$ 160.00	\$ 480.00	3.0	\$ 164.00	\$ 492.00	Extra above deposit =
C2	RMA (if applicable)	2.0	\$ 160.00	\$ 320.00	2.0	\$ 162.00	\$ 324.00	staff costs - deposit + system fee
\$900,000 Commercial	Subtotal - Actual BC staff costs			\$ 7,680.00			\$ 7,868.00	\$ 1,118.00
Service Bay Alterations	QA Levy		\$2.50/\$1000	\$ 2,200.00		\$3.00/\$1000	\$ 2,640.00	BCA Accreditation
	Insurance Levy		\$1.50/\$1000	\$ 1,320.00		\$1.50/\$1000	\$ 1,320.00	Legal Claims NCC Levies
	Total income to NCC			\$ 11,200.00			\$ 11,828.00	\$ 3,960.00
	BRANZ Levy		\$1.00/\$1000	\$ 880.00		\$1.00/\$1000	\$ 880.00	
	MBIE Levy		\$1.75/\$1000	\$ 1,539.22		\$1.75/\$1000	\$ 1,539.22	Government Levies
	DCs (if applicable)			\$ 17,905.00			\$ 17,905.00	Development & Financial Cont
	Application Fee	1	\$ 125.00	\$ 125.00	2	\$ 125.00	\$ 250.00	Paid to Simpli & GoGet
	Total Cost to Customer			\$ 31,649.22		Total Cost	\$ 32,402.22	
	Total BC fee increase based on Proposal:							\$ 753.00
All Building Types	Activity	Hrs	Rate	Costs	Hrs	Rate	Costs	Comments
Commercial	Non refundable Deposit	1	\$ 9,000.00	\$ 9,000.00	1	\$ 9,500.00	\$ 9,500.00	Application fee inc. in deposit.
\$4,000,001 and over	Vetting	3.0	\$ 160.00	\$ 480.00	3.0	\$ 164.00	\$ 492.00	
	Plan processing	86.0	\$ 160.00	\$ 13,760.00	86.0	\$ 164.00	\$ 14,104.00	
	Admin & Mgt Fee	5.0	\$ 160.00	\$ 800.00	5.0	\$ 164.00	\$ 820.00	
EXAMPLE	Inspectors	47.0	\$ 160.00	\$ 7,520.00	47.0	\$ 164.00	\$ 7,708.00	
BC190769	CCC Fee	3.0	\$ 160.00	\$ 480.00	3.0	\$ 164.00	\$ 492.00	Extra above deposit =
C3	RMA (if applicable)	2.0	\$ 160.00	\$ 320.00	2.0	\$ 162.00	\$ 324.00	staff costs - deposit + system fee
\$16,800,000 -	Subtotal - Actual BC staff costs			\$ 23,360.00			\$ 23,940.00	\$ 14,690.00
Apartment Building	QA Levy		\$2.50/\$1000	\$ 41,950.00		\$3.00/\$1000	\$ 50,340.00	BCA Accreditation
Multi-Unit Dwelling	Insurance Levy		\$1.50/\$1000	\$ 25,170.00		\$1.50/\$1000	\$ 25,170.00	Legal Claims NCC Levies
	Total income to NCC			\$ 90,480.00			\$ 99,450.00	\$ 75,510.00
	BRANZ Levy		\$1.00/\$1000	\$ 16,780.00		\$1.00/\$1000	\$ 16,780.00	
	MBIE Levy		\$1.75/\$1000	\$ 29,364.22		\$1.75/\$1000	\$ 29,364.22	Government Levies
	DCs (if applicable)			\$481,061.62			\$481,061.62	Development & Financial Cont
	Application Fee	2	\$ 125.00	\$ 250.00	2	\$ 125.00	\$ 250.00	Paid to Simpli & GoGet
	Total Cost to Customer			\$617,935.84		Total Cost	\$626,905.84	
	Total BC fee increase based on Proposal:							\$ 8,970.00

A2669343

## **Environmental Management Group Quarterly Report - 1 January - 31 March 2021**

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### **1. Purpose of Report**

- 1.1 To report on financial and non-financial performance measure results for the third quarter of the 2020/2021 financial year for the Environmental Management Group activities. The activities included are: Building, City Development, Resource Consents and Compliance, Planning, and Science and Environment. Climate Change is also included in this report.

### **2. Recommendation**

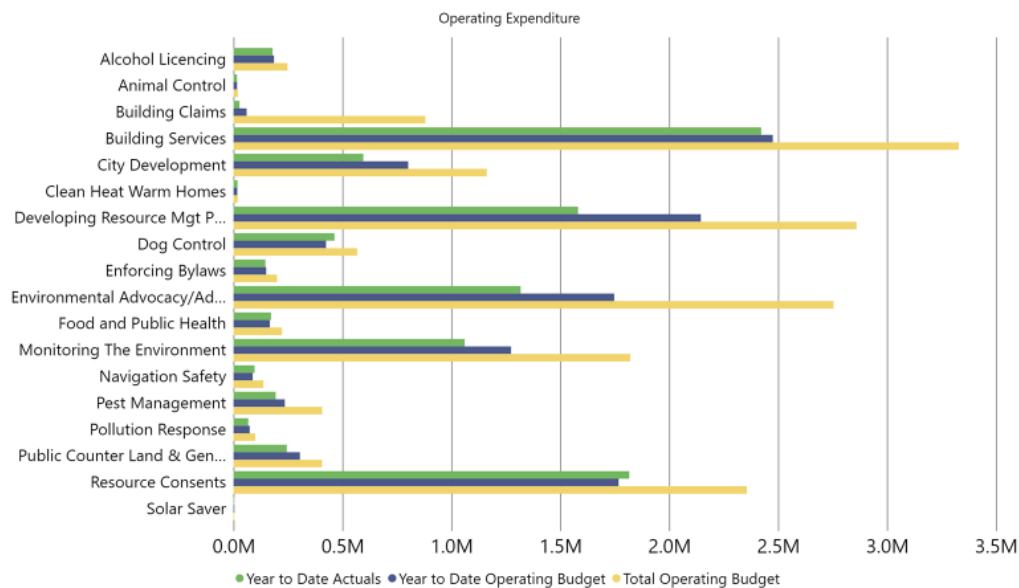
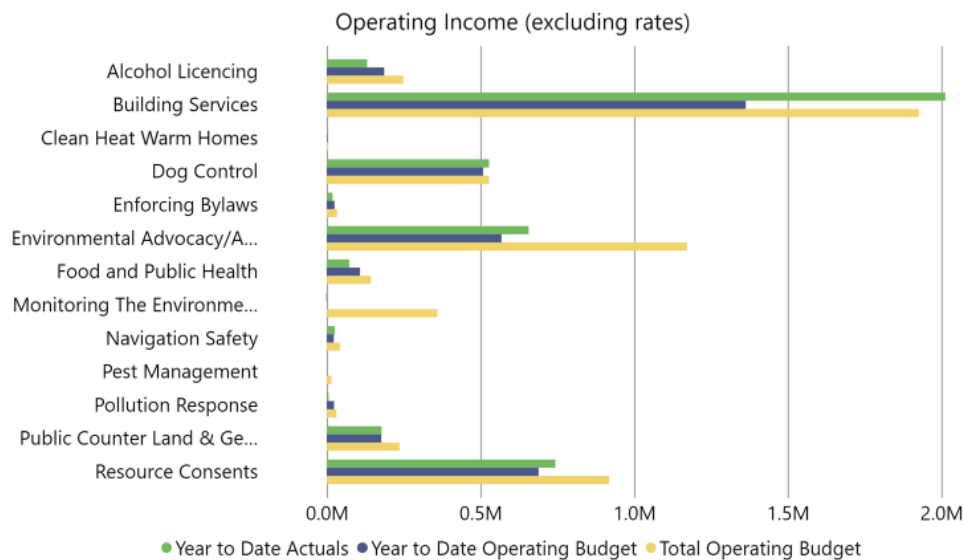
***That the Environment and Climate Committee***

- 1. Receives the report Environmental Management Group Quarterly Report - 1 January - 31 March 2021 (R23741) and its attachments (A2624202, A2616129, A2595956, A2611893, A2623840, A2623547, A2617445, and A2497431).***

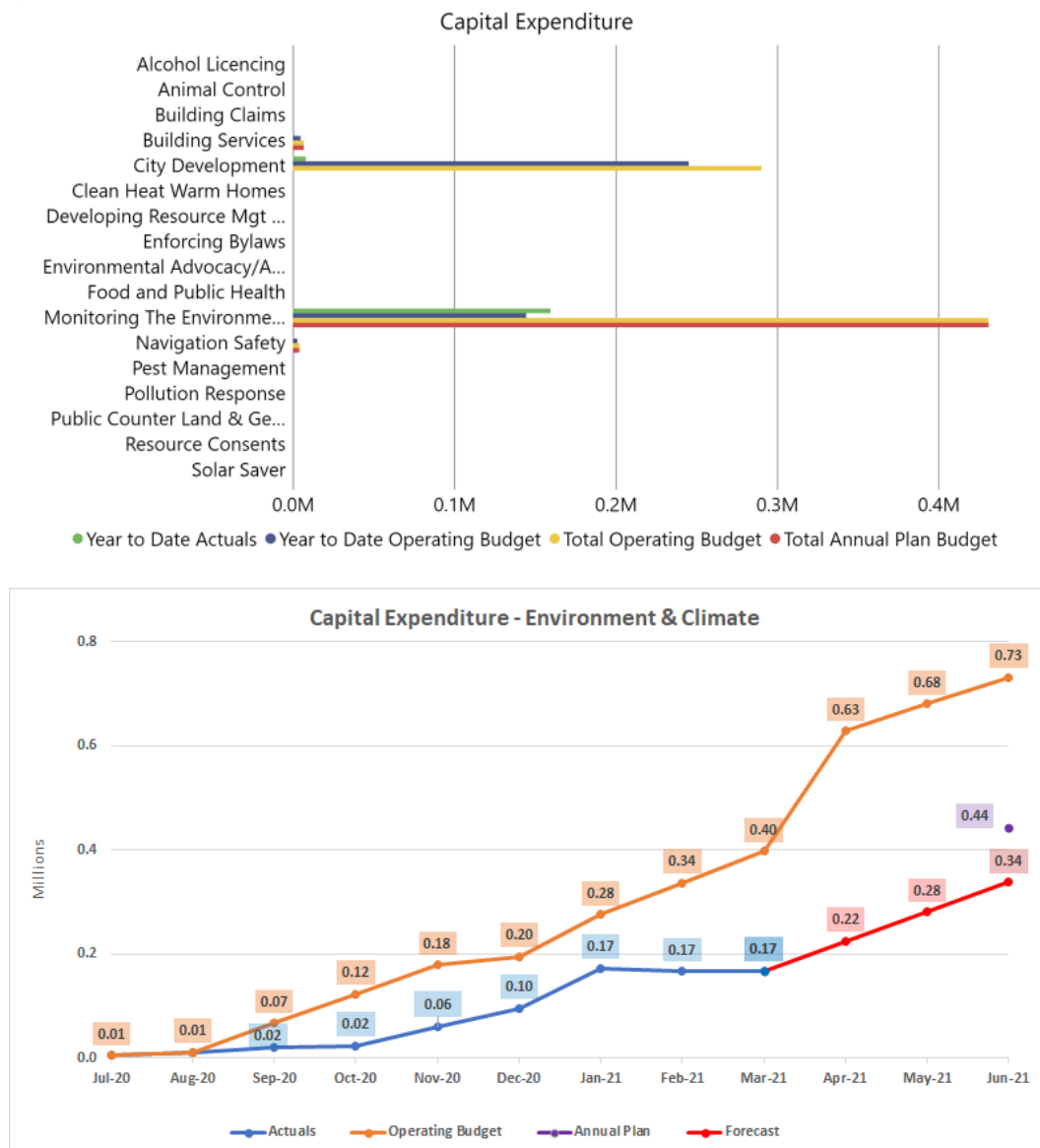
## Item 8: Environmental Management Group Quarterly Report - 1 January - 31 March 2021

### 3. Financial Results

Environment	YTD Actuals	YTD Operating Budget	YTD Variance	Operating Budget	Annual Plan Budget	Forecast
<b>Income</b>						
Rates Income	(7,258,302)	(7,258,066)	(236)	(9,677,167)	(9,677,166)	(9,677,166)
Other Income	(4,366,312)	(3,672,884)	(693,428)	(5,656,759)	(4,566,089)	(6,165,895)
<b>Total</b>	<b>(11,624,613)</b>	<b>(10,930,950)</b>	<b>(693,663)</b>	<b>(15,333,926)</b>	<b>(14,243,255)</b>	<b>(15,843,061)</b>
<b>Expenses</b>						
Unprogrammed Expenses	38,034	29,497	8,537	832,000	832,000	842,564
Staff Operating Expenditure	6,373,567	6,565,761	(192,194)	8,763,862	8,678,244	8,797,747
Programmed Expenses	1,030,793	1,720,817	(690,024)	2,802,231	1,752,953	2,553,711
Finance Expenses	38,904	48,960	(10,056)	65,284	65,284	65,284
Depreciation	(717)	62,406	(63,123)	83,195	83,195	69,789
Base Expenditure	2,940,692	3,507,929	(567,237)	4,943,959	4,788,181	4,519,392
<b>Total</b>	<b>10,421,272</b>	<b>11,935,370</b>	<b>(1,514,098)</b>	<b>17,490,531</b>	<b>16,199,857</b>	<b>16,848,487</b>
<b>Total</b>	<b>(1,203,341)</b>	<b>1,004,420</b>	<b>(2,207,761)</b>	<b>2,156,605</b>	<b>1,956,602</b>	<b>1,005,426</b>



## Item 8: Environmental Management Group Quarterly Report - 1 January - 31 March 2021



- 3.1 **Monitoring the Environment expenditure is less than budget by \$213,000.** Hill Country Erosion expenditure is behind budget by \$154,000, Sustainable Land Management expenditure is behind budget by \$29,000, and Marine Sediment Monitoring expenditure is behind budget by \$23,000. These are expected to be spent by the end of the year.
- 3.2 **Developing the Resource Management Plan expenditure is less than budget by \$564,000.** Base expenditure is \$495,000 less than budget which is due to staff taking on some work instead of consultants while a number of costs have been delayed in relation to freshwater and RMA National Policy Statements. There is an anticipated underspend of \$588,000, of which \$150,000 will be saving.
- 3.3 **City Development expenditure is less than budget by \$206,000.** CBD Development is behind budget by \$75,000, City Development Project is behind budget by \$39,000, and City Development Consultants are



Item 8: Environmental Management Group Quarterly Report - 1 January - 31 March 2021

behind budget by \$49,000. It is anticipated that these will be spent this year.

- 3.4 **Environmental Advocacy/Advice income is greater than budget by \$89,000.** The Maitai ERP Grant income is \$94,000 ahead of budget.
- 3.5 **Environmental Advocacy/Advice expenditure is less than budget by \$430,000.** The Maitai ERP Grant expenditure is behind budget by \$158,000 with an underspend expected of \$187,000 in this financial year, due to the timing of the grant and the expenditure which both cross financial years. Expenditure will be directly offset by grant income at year end. Terrestrial Biodiversity is behind budget by \$106,000 and Waterways Biodiversity is behind budget by \$100,000 with both anticipated to be fully spent.
- 3.6 **Alcohol Licensing income is less than budget by \$55,000.** Application Fees are under budget \$32,000 and Annual Fees are under budget by \$12,000 as a result of lower activity caused by COVID-19.
- 3.7 **Public Counter Land & General expenditure is less than budget by \$60,000.** Staff operating expenditure is \$64,000 under budget due to Processing LIM costs being lower than originally planned. It is anticipated that Processing LIM costs will be \$115,000 under budget by the end of the year.
- 3.8 **Building Services income is \$649,000 greater than budget.** Building consent fees are ahead of budget by \$348,000, BCA QA levy income is ahead of budget by \$148,000, Building Warrant of Fitness is ahead of budget by \$105,000 and Insurance Levy income is \$72,000 ahead of budget. This is due to higher consent numbers compared with prior years as well as reduced budgets for an expected decrease in income due to COVID-19. It is anticipated that income will be over budget by \$687,000 at year end.
- 3.9 **Building Services expenditure is less than budget by \$53,000.** Several vehicles have been sold for which depreciation of \$40,000 was recovered which in turn has lowered depreciation expense and caused a negative expense overall.
- 3.10 **Resource Consents income is greater than budget by \$55,000.** Resource consent income is \$44,000 ahead of budget and expected to be \$87,000 over budget for the year.

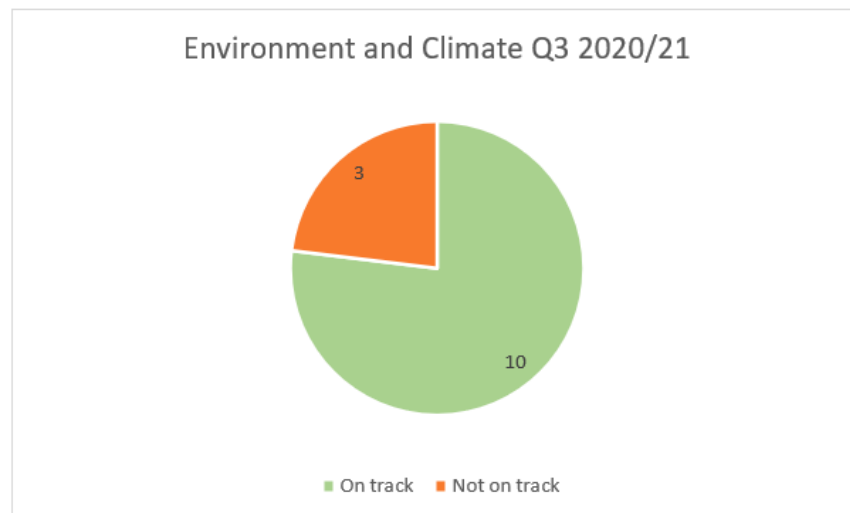
#### 4. Key Performance Indicators

- 4.1 The Environmental Management Group is on track to meet all but three of its performance measures. Refer to Attachment 1: Environmental Management Group Performance Measures Levels of Service (A2624202) for more information.
- 4.2 There were seven breaches of the building statutory timeframes (five building consents and two code compliance certificates (CCCs)). All

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instances have been reviewed and steps implemented to mitigate occurrences.

- 4.3 Building consents are now being outsourced to external contractors to keep on top of the workload and to ensure statutory timeframes are maintained going forward.
- 4.4 Resource consent compliance timeframes are 89 per cent for the third quarter. Nine resource consents were issued late, however, six were only up to three days over the 20-working day timeframe. The consents team is currently carrying two vacancies, and these are being actively recruited.
- 4.5 The alcohol licensing requirement of inspecting 100 per cent of licensed premises is unlikely to be met. This is due to the new Sale and Supply of Alcohol Act only requiring high risk premises be inspected. Currently, 89 per cent have been inspected. This measure will be amended as part of the new Long Term Plan levels of service.



## 5. Summary of activities

- 5.1 Building consents formally received are up 10 per cent on the same quarter last year and LIM applications Year to Date (YTD) (566) are significantly higher. The formally received consent numbers are now tracking at consistent levels to previous years. Refer Attachment 2: Building and Consents and Compliance statistics 1 Jan- 31 Mar 2021 (A2616129).
- 5.2 In the City Development activity: the Riverside Pop-Up Park shade sails have been completed; the City Centre Spatial Plan engagement is underway; the draft Development Contributions Policy has been out for consultation; and the Upper Trafalgar Street multi-function light poles and catenary lighting are under construction.



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- 5.3 Work on the Whakamahere Whakatū Nelson Plan (Nelson Plan) has been continuing. Officers have been developing and preparing various technical reports to support the draft Nelson Plan.
- 5.4 Feedback on the Coastal Inundation engagement in November 2020 was presented to Council in February 2021. A series of actions arising from that feedback is now being progressed.
- 5.5 The harbourmaster and deputy harbourmaster completed nearly 700 safety checks. They spent around 40 per cent of their time on the water patrolling or taking part in exercises and events.
- 5.6 The normal freedom camping patrols ended at Easter. Due to COVID-19 and the closed borders only 4,484 vehicle checks were carried out over the summer period. This is significantly down on previous years.
- 5.7 In March 2021, a Nelson/Tasman combined oil spill response exercise was carried out. The exercise included planning and deploying response equipment (boom and skimmers).
- 5.8 The summer recreational bathing programme was completed for the year. 100% of monitoring was completed and all exceedances notified, achieving the level of service target for 20/21 financial year. Of 275 samples, there were six red alert and 22 amber alert exceedances. Red alerts are where the site has not met the water quality standards and the water should be avoided. Amber alerts mean caution is advised. These results are consistent with previous years.
- 5.9 There were no exceedances of the National Environmental Standards for Air Quality (NESAQ) during this quarter.
- 5.10 The Science and Environment team has lodged 4 applications for funding through Jobs for Nature. One was unsuccessful, and the other three are awaiting an outcome.
- 5.11 Of note, Council hosted DOC officers from the Wellington National Office in March. The DOC officers had come to view the good work being undertaken on Project Mahitahi. Positive feedback on the project has been received from DOCs national office, and this positive feedback has been given to ministers for their information. A video about the visit is available here: <https://www.youtube.com/watch?v=ictftjBIW-8>

## **6. Risks and Challenges**

### *Building*

- 6.1 Recruitment in specialist building roles continues to be a challenge. There is a national shortage of skilled and experienced Building Control officers. This is exacerbated by recruitment by private consultants and Kāinga Ora. Officers are exploring solutions to fill vacancies.

### *City Development*

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- 6.2 The City Development team is working to capacity. Options for additional resourcing are being considered to mitigate risks of delivery, particularly for the housing actions.

*Planning*

- 6.3 Work programmes are likely to be affected by the Resource Management Act (RMA) Reform announcements; and ongoing delays to the release of National Policy documents (e.g. NES Air Quality; Highly Productive Land; and Indigenous Biodiversity). Further national directions are also being considered by the Ministry for the Environment (MfE).
- 6.4 There are risks that these may be released while the Nelson Plan is being developed or heard. Where the timing does not align for inclusion into the notified version of the Nelson Plan, a subsequent plan change or variation may be required.
- 6.5 A report on the implications of the RMA reforms for the Nelson Plan programme is being prepared for a future Committee meeting.

*Resource Consents and Compliance*

- 6.6 The auditors identified some LTP measures covering dog and animal control, food safety and public health, alcohol licensing and pollution response as not meeting their requirements. A new report has been introduced that helps capture this data. However, this report still has limitations and has difficulty differentiating working days and the weekend. Officers are continuing to work with the supplier to ensure the report is fit for purpose.

*Science and Environment*

- 6.7 Work is scheduled to begin in the fourth quarter on the building of the laboratory and storage space for Hydrology and Water Quality Programmes. The final laboratory fitout should be completed in the first quarter of FY 2021/22 with restoration of full service.
- 6.8 There is a risk of Air Quality monitoring gaps due to several monitors nearing end of life and frequently requiring repairs. Officers are awaiting the amended National Environmental Standards for Air Quality for direction on the type of monitors required going forward. Options to lease monitors in the meantime are being investigated.

**7. Legal Proceedings Update**

- 7.1 The Building team currently has four legal proceedings in progress. These are being reported to the Audit, Risk and Finance Committee.
- 7.2 A hearing of a dog attack incident occurred on 2 December 2020 and the Judge's decision to euthanise the dog was made on 18 December 2020. This decision was appealed although not upheld by the Court.

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- 7.3 A further prosecution was made against a disqualified dog owner that continued to have two dogs (one of which attacked another dog). This has now been resolved with the High Court convicting the owner and ordering the dog be destroyed. The dog was to be euthanised by 9 April, however, the dog has subsequently disappeared and officers are unaware of its whereabouts.
- 7.4 Another dog that attacked a policeman has been seized. This case is also recommended for prosecution and is proceeding toward a hearing, with the next procedural date being 19 May 2021.
- 7.5 Officers have received an update on case management proceedings under the Maritime and Coastal Area Act (Takutai Moana) (MACA). Council has joined a number of applications, before the High Court, as an interested party. The Court has recently issued a minute outlining that hearings for MACA applications will be set down in 2022. The Committee will be provided with updates as matters proceed.

## **8. Climate Change**

- 8.1 The Council's operational footprint has been measured and audited by Toitū, a government-owned certification body, for the following two periods FY 2018/19 and FY 2019/20. Council is expecting to become certified next month after technical review is completed by Toitū. From the baseline year set up at FY 2017/18, Council draft results show a reduced total of 26% GHG emissions. Reductions in a carbon footprint inventory are represented by a combination of two factors:
- 8.1.1 reducing the quantity of tonnes, kWh, Litres, etc; and
  - 8.1.2 yearly changes in the emission factors. e.g.: the consumption of electricity (kWh) was reduced as a result of LED upgrade, and the electricity's emission factor used to estimate the tonnes of CO<sub>2</sub> decreased as a result of a higher component of renewable energy injected to the national grid.
- 8.2 One of the highest emission reductions is from landfill, due to a slight reduction in the quantity of mixed waste going to landfill and a reduction in the emission factor. (The quantity of mixed waste considered in this inventory represents NCC's 50% as per the equity approach.)
- 8.3 Electricity emissions have also reduced 20% from the base year. The change to LED Street lights has been the main contributor to this reduction, which also has an estimated saving cost of \$137,000/year (based on 15 c/kWh, variable).

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## 9. Environmental Management Activity Update by Business Unit

### BUILDING

#### *Achievements*

- 9.1 The building inspectors undertook a total of 1,792 inspections this quarter compared to 1,237 in 2020, and 949 in 2019. This quarter represents a 45 per cent increase in inspections compared to the same period last year, as a result of increased consent applications.

#### *Trends*

	2020-21 3 <sup>rd</sup> Quarter	2019-20 3 <sup>rd</sup> Quarter
<b>Building consents formally received</b>	218	197
<b>Code Compliance Certificates</b>	129	174
<b>Inspections</b>	1792	1237
<b>LIMs</b>	158	182

- 9.2 Building consents formally received and inspections undertaken are both up on the same quarter last year. CCCs are down 25 per cent as January and February were quiet compared to the same quarter last year. LIMs are also slightly down (13 per cent) this quarter, however YTD is tracking significantly higher than the previous years (566). Refer Attachment 2: Building and Consents and Compliance statistics 1 Jan- 31 Mar 2021 (A2616129).

#### *Strategic Direction and Focus*

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- 9.3 The Ministry of Business, Innovation and Employment is consulting publicly on proposed changes to the NZ Building Code. Submissions close on 28 May 2021. The submissions page, with more information is <https://www.mbie.govt.nz/have-your-say/building-code-update-2021/>
- 9.4 Officers are preparing a submission on behalf of the Environment and Climate Committee, in discussion with the chair of that committee. Retrospective approval of the submission is sought.
- 9.5 The proposed changes are intended to support higher-density housing and ensuring buildings are more energy efficient. They aim to make homes and buildings warmer, drier and healthier, with less impact on our environment. It will introduce operating protocols about standards which provide information for how MBIE maintains and develops the Building Code as the building regulator.
- 9.6 The building team are working with several large construction projects currently underway, including the Malthouse Lane and Ocean View apartment buildings, and the retirement villages at Summerset and Coastal View. New subdivisions are continuing to be developed and housing demand remains strong.
- 9.7 In 2021, both the Building Consent Authority (BCA) and the Territorial Authority (TA) will be audited by IANZ and Ministry of Business, Innovation and Employment (MBIE) respectively. Officers are currently focusing on these areas in preparation for the auditors' visits in June.

## **CITY DEVELOPMENT**

### *Achievements*

- 9.8 The Upper Trafalgar Street multi-function light poles and catenary lighting are under construction. This work will be completed in time for Matarikri and Light Nelson-Te Ramaroa events. Refer Attachment 7: Q3\_20-21 – 1319 Upper Trafalgar St Improvements (JLD) (A2617445).
- 9.9 Officers are working on the Housing and Business Capacity Assessment, which is a National Policy Statement-Urban Development requirement, by 31 July 2021. In conjunction with Tasman District Council, a Housing Preferences Study and a Business Land Demand Assessment have been commissioned. Officers will draft separate housing assessments for Nelson and Tasman before providing a single urban environment overview.

### *Strategic Direction and Focus*

- 9.10 The key strategic focus areas include:
- completion of the draft City Centre Spatial Plan by mid-2021;
  - the Development Contributions Policy deliberations and amendments in conjunction with the LTP;

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- the Housing and Business Capacity Assessment for adoption by 31 July 2021;
- commissioning of the Future Development Strategy review in conjunction with Tasman District Council;
- adoption of the vision, principles, and definitions for the housing reserve by Council; and
- collaborating with Kāinga Ora to explore options to leverage housing supply and alleviate the current housing situation.

9.11 Officers are continuing to implement the Intensification Action Plan and build developer relationships to leverage greater investment in housing.

## **PLANNING**

### *Achievements*

#### *Nelson Plan Development*

9.12 Development of the Nelson Plan continued to be the focus for the third quarter for the Environmental Planning team. The team presented feedback from the public engagement on the Draft Plan to councillors in February 2021. Actions arising from the public's feedback have been initiated. Refer Attachment 6: 20.21 Q3 Quarterly Report – Nelson Plan Project sheet (A2623547).

9.13 Officers continued to prepare technical work needed to support the development of the Draft Nelson Plan. This has included progressing or finalising:

- The freshwater package to give effect to the NPS Freshwater Management 2020. A collaborative work programme has been established to progress Te Mana o Te Wai with Te Taihupo iwi, Tasman District Council and Marlborough District Council. The collaboration is being supported by officers from Our Land and Water (OLW) National Science Challenge's working group 'Enacting Te Mana o te Wai through Mātauranga Māori'. In addition, the community-based Freshwater Working Group met in March to continue to assist with the development of the Whakamahere Whakatū Nelson Plan.
- Draft provisions for the airport zone; and the Education & Research zone were finalised in preparation for consultation.
- Natural hazard mapping for slope instability and coastal erosion was prepared for public release and LIM notifications.
- Options for managing Port Noise via the Whakamahere Whakatū Nelson Plan have been prepared for stakeholder engagement.

*Coastal Hazards*

- 9.14 The team has continued applying the Dynamic Adaptive Pathways Planning (DAPP) approach for responding to coastal hazards. This is in preparation for a risk and vulnerability assessment and further engagement with the community.
- 9.15 Feedback from the public engagement in November 2020 was presented to Council in February 2021. A series of actions arising from that feedback is now being progressed.
- 9.16 In collaboration with Tasman District Council, opportunities are being investigated to progress the next phases of coastal hazards work.

*Strategic Direction and Focus*

- 9.17 The focus for 2021 includes:
- Finalising technical work and undertaking targeted and wider public engagement on specific issues to finalise the Nelson Plan.
  - Progressing the DAPP approach for coastal hazards - while awaiting new legislation on climate change and managed retreat, as proposed through the Resource Management Act 1991 (RMA) Reforms.
  - Implementing Central Government freshwater reforms.
  - Anticipating and responding to Central Government RMA reforms.

**RESOURCE CONSENTS AND COMPLIANCE**

*Achievements*

- 9.18 This quarter officers:
- Attended 319 dog incidents and are on track to attend the same number of incidents as the FY 2019/20;
  - Attended 486 noise complaints which is significantly down on last year representing only 45 per cent of the total for the FY 2019/20 (YTD 1114 complaints); and
  - Processed 120 alcohol applications and inspected 34 premises.
- 9.19 The freedom camping patrols ended at Easter, having commenced in November 2020, and are significantly reduced compared to previous years. Due to COVID-19 and the closed border, only 4,484 vehicle checks were undertaken compared to the last financial year of 10,937. Enforcement activity is also down on previous years with only 116 infringements issued YTD compared to 244, in 2019/20.
- 9.20 Application numbers remain steady and consents issued in this period include:

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- A Special Housing development of 20 lots in Hill Street.
  - A conversion of the upper floors of an existing commercial building in the city centre to residential apartments and new buildings in the city centre containing residential apartments.
  - An existing use rights certificate and certificate of compliance for activities on Pepin island.
- 9.21 The harbourmaster and deputy harbourmaster have been focussing on ensuring vessels have the correct navigation lights, people are wearing lifejackets, and are complying with speed restrictions. Five vessels were towed to safety after engine failures and two people on a paddleboard were returned to shore as they had no safety gear.
- 9.22 A Nelson/Tasman combined oil spill response exercise was carried out in March 2021, with Maritime NZ oversight. The exercise involved a comprehensive planning and deployment of response equipment (boom and skimmers). Those present included: Nelson City and Tasman District Councils pollution response staff, Maritime NZ, industry representatives (BP and Shell Oil) and Port Nelson officers.

*Trends*

- 9.23 Regulatory service request numbers are likely to be similar to previous years or are on target to be lower. However, parking enforcement activity is higher which is likely due to the new parking meters.
- 9.24 The number of non-notified resource consents issued YTD are about five per cent higher than the previous two years.
- 9.25 The total number of resource consent monitoring inspections is less than last year. This is due to last year's lockdown period, where staff were able to complete a high number of desktop inspections while working from home.

*Strategic Direction and Focus*

- 9.26 Officers are participating in regional and national forums to provide consistency in how the new Policy Statements and Environmental Standards are implemented. Discussions have commenced on the replacement of the RMA and implications for both consenting and monitoring functions.
- 9.27 The resource consents team is working on a pre-application structure to deal with issues early and ensure a smoother consenting process. Work is continuing to improve processes, templates and forms to make them more fit for purpose for our customers.



## **SCIENCE and ENVIRONMENT**

### *Achievements*

Refer Attachment 8: 2020-21 Environment Committee Quarterly Report – Project data and health – Environmental Management (A2497431).

### *Healthy Streams*

- 9.28 Rainfall totals across Nelson between January and March were lower than long term averages in January, and wetter (higher) in February and March. Refer Attachment 4: 2020-21 to Mar- 21 Cumulative Rainfall Graphs (A2611893). 28 Hydrology flow recorder/rain gauge site inspections were completed during this quarter.
- 9.29 State of the environment monitoring and water quality sampling was completed at 30 freshwater sites and nine coastal sites per month. A total of 117 sites were visited over the quarter.
- 9.30 The second art project for the Poorman Valley Stream Community Project was initiated and will be completed in time for Matariki. The project involves schools and community groups in the Stoke area.
- 9.31 Work is underway on erosion and sediment control which will set out the types of assessment, conditions, monitoring programmes required to ensure best practice erosion sediment control for subdivisions and land disturbances. The final report will be reported in June 2021.

### *Coastal and Marine*

- 9.32 A new Coastal and Marine Programme has been developed and is now ready for implementation. The programme includes marine water quality monitoring, restoration projects, community engagement, and citizen science projects. It will sit alongside the existing estuarine monitoring programme. Refer Attachment 3: Coastal and Marine Programme Apr 21 (A2595956)

### *Nelson Nature Programme*

- 9.33 There continues to be good uptake from Nelson residents of Council's Environmental Grants Scheme. Thirty-six applications were received in the February 2021 grant round (next round August 2021), with \$155,000 requested. Most grants received some funding for their project and approximately \$70,000 was awarded from Council's Nelson Nature, Healthy Streams and Sustainable Land Management programmes. The grants help:
- Support landowners and community groups to manage erosion on steep erodible land;
  - Control weeds in significant natural areas;
  - Trap pests;

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- Restore stream margins and wetlands; and
  - Plant over 8,000 native plants across the Nelson region.
- 9.34 The Nelson Nature team has been working alongside the Department of Conservation (DOC) to install permanent monitoring plots for the large native land snail, *powelliphanta hochstetteri consobrina*, in the Nelson region. The snail is unique to the ranges behind Nelson and is threatened by introduced predators and habitat disturbance. The plots will be monitored every three years and will provide data on snail populations that can be used to direct future protection efforts.
- 9.35 This season's wilding conifer and pampas ground control began in the Maitai and Roding water reserves. The control of wilding conifers will transition from ground control to targeting individual trees using helicopters from next year. This will allow much more efficient control of the small, low density trees that remain in the area. Surveys and planning for aerial control methods will commence in April 2021.
- 9.36 In February, the team applied for \$1 Million from DOC's Jobs for Nature private land biodiversity fund to restore sites of high ecological value in the Wakapuaka and Whangamoa catchments. This included iwi-owned land, and the application has been endorsed by iwi land-owners (Ngāti Tama ki te Waiponamu Trust and Wakapuaka 1B Trust) and the Kotahitanga mō te Taio Alliance. The approval decision is currently with the Minister of Conservation.

*Sustainable Land Management Programme*

- 9.37 The second year of the Hill Country Erosion Project, funded by Ministry for Primary Industries (MPI), is well underway with erosion prone sites being prepared for planting of 50,000 plants by the end of June. Many of these sites have been identified through applications to the Environmental Grants Scheme.
- 9.38 Two Sustainable Land Management projects are being funded by the Regional Council Envirolink Fund this year. The first project, to understand more about Mātauranga Māori in relation to land science, was completed this quarter. This was delivered via workshops and webinars with regional councils through the Land SIGs (Special Interest Groups).
- 9.39 The second Envirolink funded project is to develop guidelines for a range of stakeholders for transitioning plantation forestry to native forestry. The project is focused on iwi-owned forestry sites, and site-specific plans are currently being developed. The final report for this work is expected to be delivered by 30 June 2021.
- 9.40 A landowner-led project, to restore riparian and wetland areas on private land in the Wakapuaka, started this quarter. Council is supporting with advice, GIS and co-funding. The W'akapuaka Mouri Project has secured

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funding for five years through MfE Freshwater Improvement Fund project and is being delivered by the Tasman Environmental Trust.

*Project Mahitahi*

- 9.41 Project Mahitahi is a Jobs for Nature project co-governed, co-designed, and co-delivered with iwi, DOC, MfE, the Kotahitanga mō te Taiao Alliance and Council. The project is progressing well. At the end of the quarter many of the new roles have been recruited by a variety of organisations, including Nelmac, the Brook Waimarāma Sanctuary, Fulton Hogan, Ngāti Koata Trust, and Easy Trails. Two roles are based in Nelson City Council for project management and support.
- 9.42 MPI has continued to support community planting projects. This will be undertaken under Project Mahitahi and was awarded over \$200,000.
- 9.43 A further application for funding has been made to DOC for a separate but related project for weed control on the Significant Natural Areas on Ngāti Koata land within the Hira Forest. The outcome of this application will not be known until May 2021.

*Biosecurity*

- 9.44 A resource consent has been granted enabling the use of aquatic herbicides for control of water celery in Stoke steams. Officers are developing an operational plan and stakeholder engagement is underway. A trial with an associated monitoring programme is planned for May 2021. The outcomes from the trial will help inform the operational plan for ongoing control.
- 9.45 Officers undertook authorised person training in March 2021. This will allow officers to effectively implement and enforce the provisions of the Tasman-Nelson Regional Pest Management Plan.
- 9.46 A summary of, and interactive link to the Top of the South Marine Biosecurity Partnership (TOSMBP) summer surveillance programme over the last five years, is now available via <https://marinebiosecurity.gitlab.io/report/>.
- 9.47 This programme involves proactive contact with vessels across Marlborough, Nelson and Tasman, over the summer period, including in-water checking of vessel hulls and nearby structures for incursions. It provides valuable information to inform future decisions, and detections on vessels can also be addressed immediately.
- 9.48 A review of the Top of the South Marine Biosecurity Partnership Strategic Plan will be carried out over the next six months. Established in 2009, the Partnership work has now progressed past what was outlined in the Plan. Results of the review will be presented to the annual Partnership meeting in September 2021.

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*Environmental education*

- 9.49 The EnviroSchools programme is continuing to have a high level of participation from Nelson schools. Nelson Central Kindergarten became a Bronze EnviroSchool on 18 March 2021 and Nelson Christian Academy officially joined the programme as a full EnviroSchool in March 2021.

*Heritage Project Fund*

- 9.50 Five of this year's successful applicants completed their projects during this quarter. The remainder are working to have their projects completed before the end of June 2021.
- 9.51 One project came in under budget and another has withdrawn, resulting in this account being underspent this year. Others are experiencing delays with contractor availability.

*Warmer Healthier Homes*

- 9.52 The Energy Efficiency and Conservation Authority (EECA) insulation grant funding model has changed, from 67 per cent to 90 per cent government funded. The funding changes have resulted in the Warmer Healthier Homes (WHH) contribution going further and more homes insulated for less regional funding. Therefore, the council will be required to contribute less funding than was budgeted, and there will be a saving in this financial year. LTP budgets have been adjusted to reflect the lower funding required going forward.
- 9.53 The WHH six-month report 1 July 2020 to 31 December 2020 has been received. Refer Attachment 5: Warmer Healthier Homes – Six month report 1 July 2020 to 31 December 2020 (A2623840).

*Trends*

- 9.54 The quarter has been busy with the Government 'Jobs for Nature' initiative and opportunities for Council to be involved.

*Strategic Direction and Focus*

- 9.55 The key focus for the next quarter will be on planning for the 2021/22 year, and the implementation of several newly developed programmes. Attention will also be given to responding further to the requirements of the NPS for Freshwater Management.

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**Author: Jane Budge, Principal Adviser Environmental Management**

**Attachments**

- Attachment 1: A2624202 Attachment Environmental Management Group Performance Measures Levels of Service - 3rd Quarter [↓](#)
- Attachment 2: A2616129 Attachment Building and Consents and Compliance statistics 1 Jan - 31 Mar 2021 [↓](#)
- Attachment 3: A2595956 Attachment Coastal and Marine Programme Apr 21 [↓](#)
- Attachment 4: A2611893 Attachment 2020-21 to Mar- 21 Cumulative Rainfall graphs [↓](#)
- Attachment 5: A2623840 Warmer Healthier Homes - Six month report 1 July 2020 to 31 December 2020 [↓](#)
- Attachment 6: A2623547 Attachment 20.21 Q3 Quarterly Report - Nelson Plan Project sheet [↓](#)
- Attachment 7: A2617445 Attachment Q3\_20-21 - 1319 Upper Trafalgar St Improvements (JLD) [↓](#)
- Attachment 8: A2497431 Attachment 2020-21 Environment Committee Quarterly Report - Project data and health - Environmental Management [↓](#)

<b>Important considerations for decision making</b>
<p><b>1. Fit with Purpose of Local Government</b></p> <p>The committee has all of the responsibilities, powers, functions and duties of Council in relation to governance matters within its areas of responsibility, except where they have been retained by Council, or have been referred to other committees, subcommittees or subordinate decision-making bodies.</p>
<p><b>2. Consistency with Community Outcomes and Council Policy</b></p> <p>The Council's Long Term Plan includes performance measures for various activities and this report enables the Council to monitor progress towards achieving these measures.</p> <p>The Environmental Management work programme addresses the following community outcomes:</p> <ul style="list-style-type: none"><li>• Our unique natural environment is healthy and protected.</li><li>• Our urban and rural environments are people friendly, well planned and sustainably managed.</li><li>• Our infrastructure is efficient, cost effective and meets current and future needs.</li><li>• Our communities are healthy, safe, inclusive and resilient.</li><li>• Our communities have opportunities to celebrate and explore their heritage, identity and creativity.</li><li>• Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement.</li><li>• Our region is supported by an innovative and sustainable economy.</li></ul>
<p><b>3. Risk</b></p> <p>Increased changes from Central Government has the potential to impact on work programmes, particularly the Nelson Plan, budgets and statutory timeframes.</p>
<p><b>4. Financial impact</b></p> <p>Currently, behind budget on all of our activities. No further financial implications.</p>
<p><b>5. Degree of significance and level of engagement</b></p> <p>This matter is of low significance and no engagement has been undertaken.</p>

## **6. Climate Impact**

The provision of regulatory and non-regulatory services directly assists Council to take appropriate action or advocate for others to take action to address the impacts of climate change.

## **7. Inclusion of Māori in the decision making process**

No consultation with Māori has been undertaken regarding this report.

### **• Delegations**

The Environment and Climate Committee has the following delegation:

Areas of Responsibility:

- *Building control matters, including earthquake-prone buildings and the fencing of swimming pools*
- *Brook Waimarama Sanctuary Trust*
- *Bylaws, within the areas of responsibility*
- *Climate Change policy, monitoring and review*
- *Climate change impact and strategy overview - mitigation, adaptation and resiliency*
- *Climate change reserve fund use*
- *Environmental programmes including (but not limited to) warmer, healthier homes, energy efficiency, environmental education, and eco-building advice*
- *Environmental regulatory and non-regulatory matters including (but not limited to) animals and dogs, amusement devices, alcohol licensing (except where delegated to the Alcohol Regulatory and Licensing Authority), food premises, gambling, sugar-sweetened beverages and smokefree environments, and other public health issues*
- *Environmental science monitoring and reporting including (but not limited to) air quality, water quality, water quantity, land management, biodiversity, biosecurity (marine, freshwater and terrestrial), pest and weed management, and coastal and marine science*
- *Environmental Science programmes including (but not limited to) Nelson Nature and Healthy Streams*
- *Hazardous substances and contaminated land*
- *Maritime and Harbour Safety and Control*
- *Planning documents or policies, including (but not limited to) the Land Development Manual*
- *Policies and strategies relating to compliance, monitoring and enforcement*
- *Policies and strategies related to resource management matters*
- *Pollution control*

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March 2021

- *Regulatory enforcement and monitoring*
- *The Regional Policy Statement, District and Regional Plans, including the Nelson Plan*
- *Urban Greening Plan*

*Delegations:*

- *The committee has all of the responsibilities, powers, functions and duties of Council in relation to governance matters within its areas of responsibility, except where they have been retained by Council, or have been referred to other committees, subcommittees or subordinate decision-making bodies.*



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Attachment 1

Attachment: Environmental Management Group Performance Measures/Levels of Service

Activity	Level of Service Performance Measure	Measure	Achievement – 1st Quarter	Achievement – 2nd Quarter	Achievement – 3rd Quarter
Building	% building consents and code compliance certificates issued within 20 working days	100%	100% – on track	99.4% - Not on track (99.8% processing and 99.03% CCC issuing) (YTD 99.7% – not on track)	98.5% - Not on track (99% building consent processing and 98% CCC issuing) (YTD 99.0% – not on track)
Resource Consents and Compliance	% non-notified processed within 20 working days	100%	99% – not on track	100% - On track this quarter (YTD 99.5% – not on track)	89% - Not on track
	% fast track consents within 10 working days	100%	100% – on track	100% - On track	100% - On track
Dog and animal control	% of all complaints responded to within one day	90% of complaints responded to within one day	90% – on track	99% - On track	95% - On track
Food safety and public health	% premises receiving inspection as per statutory requirements	100% of premises are inspected according to legislative requirements on frequency	There are currently some technical issues reporting on these performance measures where the system is unable to differentiate working and weekend days. Officers are currently working to rectify these issues.	100% - On track	100% - On track
Alcohol licensing	% of licensed premises receiving two inspections per year	100% of premises inspected two times per year	There are currently some technical issues reporting on these performance measures where the system is unable to differentiate working and weekend days. Officers are	58% - Not on track (However, focus is on high risk premises only as per the Sale and Supply of Alcohol Act (the Act). This measure will be changing through the LTP as the current measure is not in step with the	89% - Not on track (Focus only on high risk premises in line with the Act)

A2624202

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Attachment 1

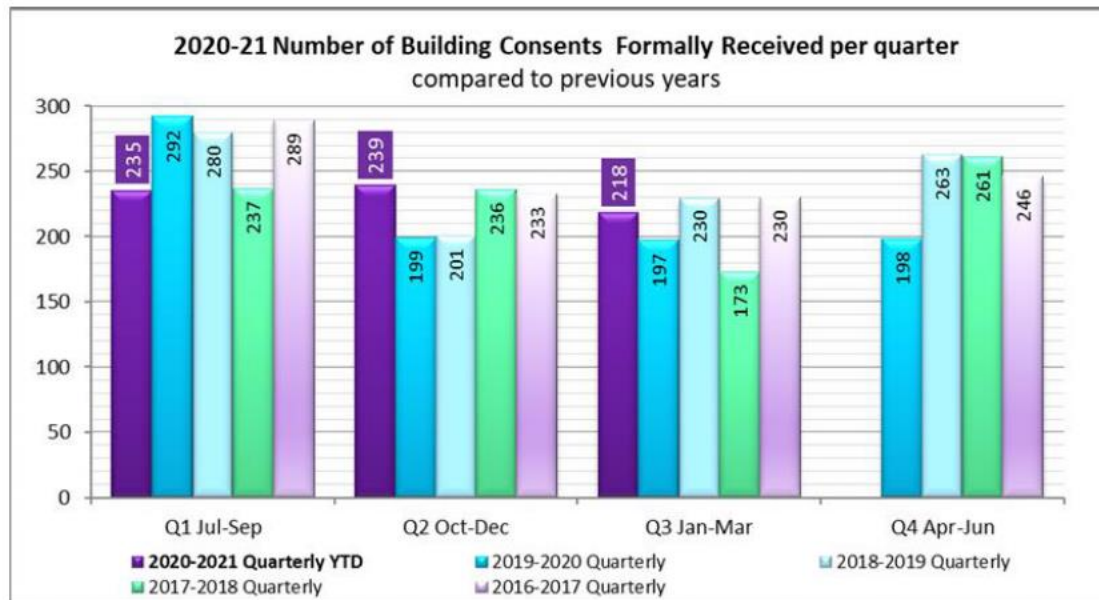
Activity	Level of Service Performance Measure	Measure	Achievement – 1st Quarter	Achievement – 2nd Quarter	Achievement – 3rd Quarter
			currently working to rectify these issues.	updated legislation.)	
Pollution response	% responses to emergencies within 30 minutes and all other incidents within one day	100% of emergencies responded to within 30 minutes and all other incidents within one day	89% – not on track (2 complaints were delayed in being notified to EIL)	100% - On track 100% - On track (YTD 94.5% – not on track)	100% - On track 100% - On track (YTD 96.3% – not on track)
Science and Environment	Compliance with national Air Quality Standards – number of breaches in each airshed	Number of breaches in airshed A: No more than 3 breaches in winter 2020	0 – on track	0 – on track	0 – on track
		Number of breaches in airshed B1: No more than 1 breach in winter 2020	0 – on track	0 – on track	0 – on track
		Number of breaches in airshed B2: No breaches	0 – on track	0 – on track	0 – on track
		Number of breaches in airshed C: No breaches	0 – on track	0 – on track	0 – on track
	% of pristine water bodies maintained at current state	100%	On track – Monthly monitoring underway	On-track – Monthly Monitoring underway	On-track – Monthly Monitoring underway
	% key bathing sites monitored and public advised if water quality standards breached	100%	On track – Monitoring commencing 30 November	On track – Due to commence Q3	100% - On track

A2624202

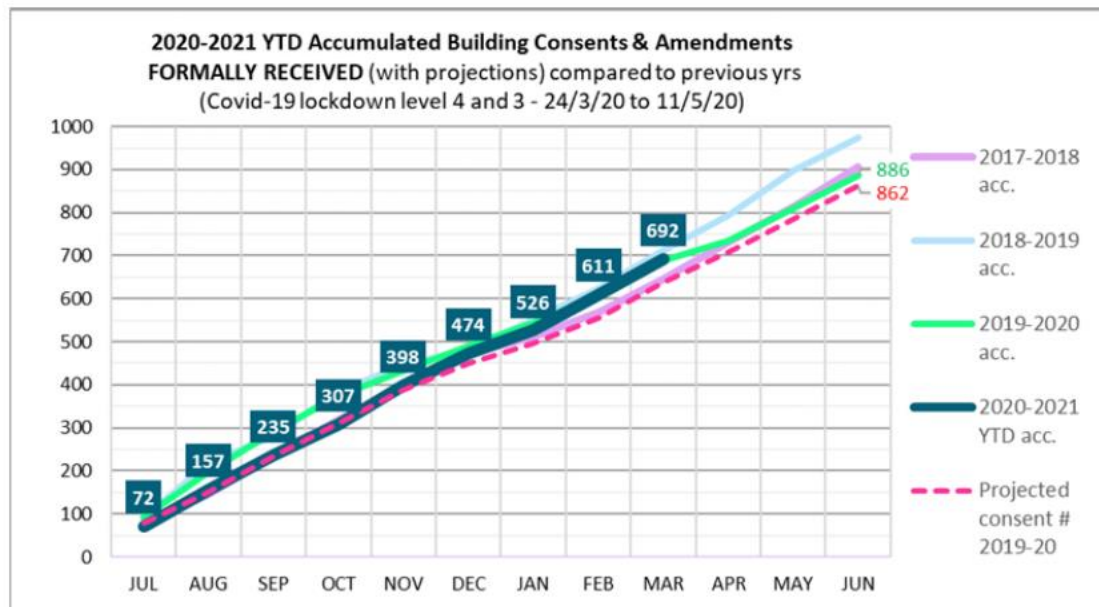
**Attachment 1**

**Building Unit Statistics 1 January – 31 March 2021**

**1. Quarter 3 summary for the building consent authority activity.**

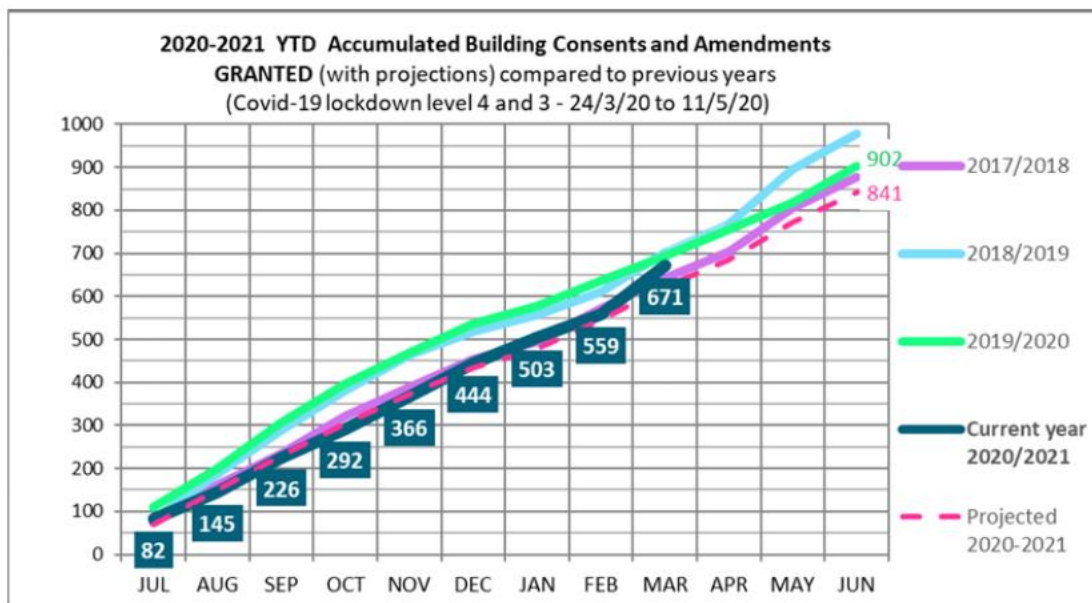


The number of building consents formally received is tracking the same as the FY 2018-19.

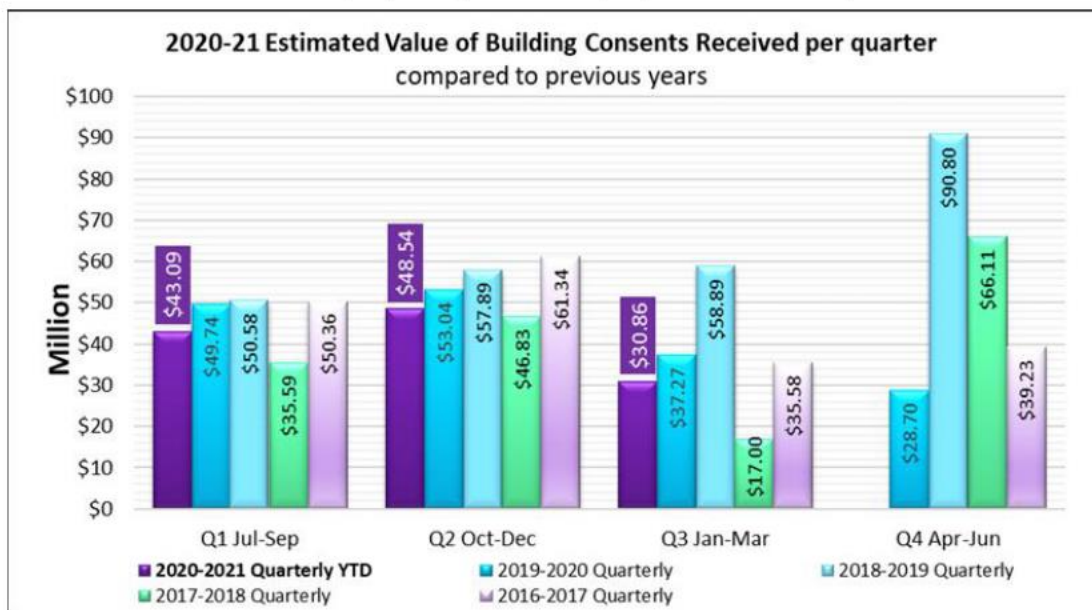


There were 227 building consents and amendments have been granted this quarter compared to 230 in the same quarter last year. We have had 5 breach's of the 20 day statutory timeframes, details provided in the quarterly report.

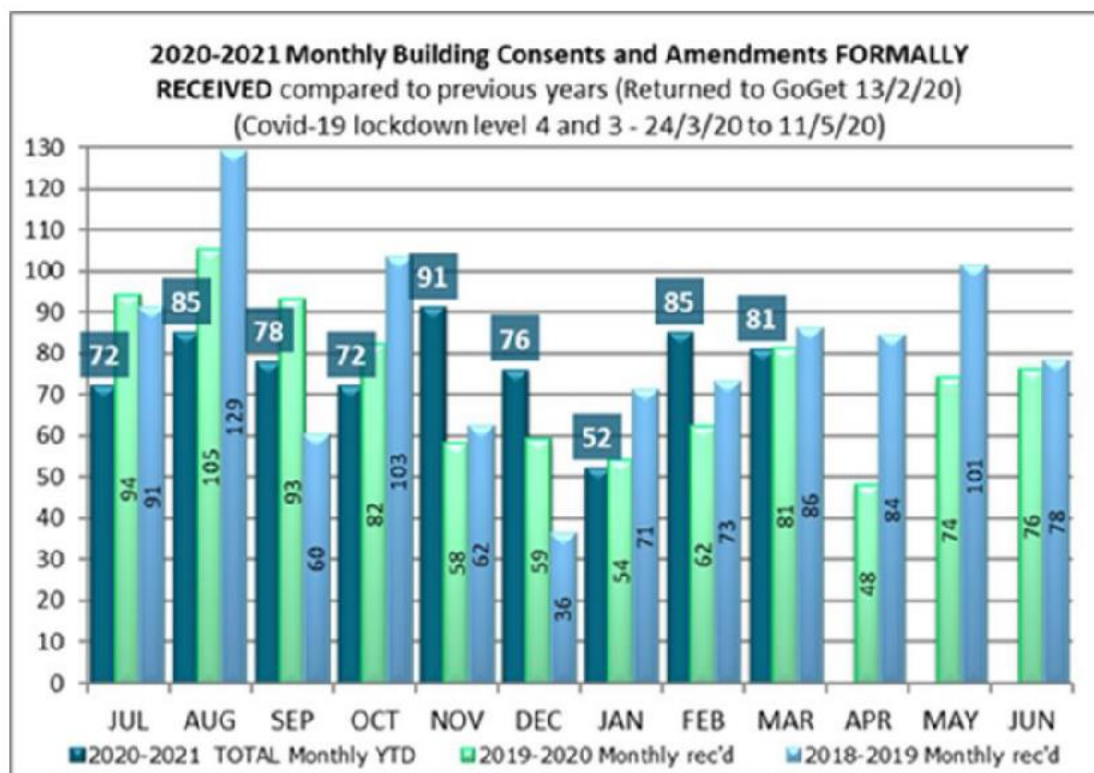
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Attachment 2



The total estimated value of consents GRANTED in the third quarter of this year is \$30.86m – this is down on the FYs 2019/20, 2018/19 and 2016/17, and above 2017/18 estimated values.



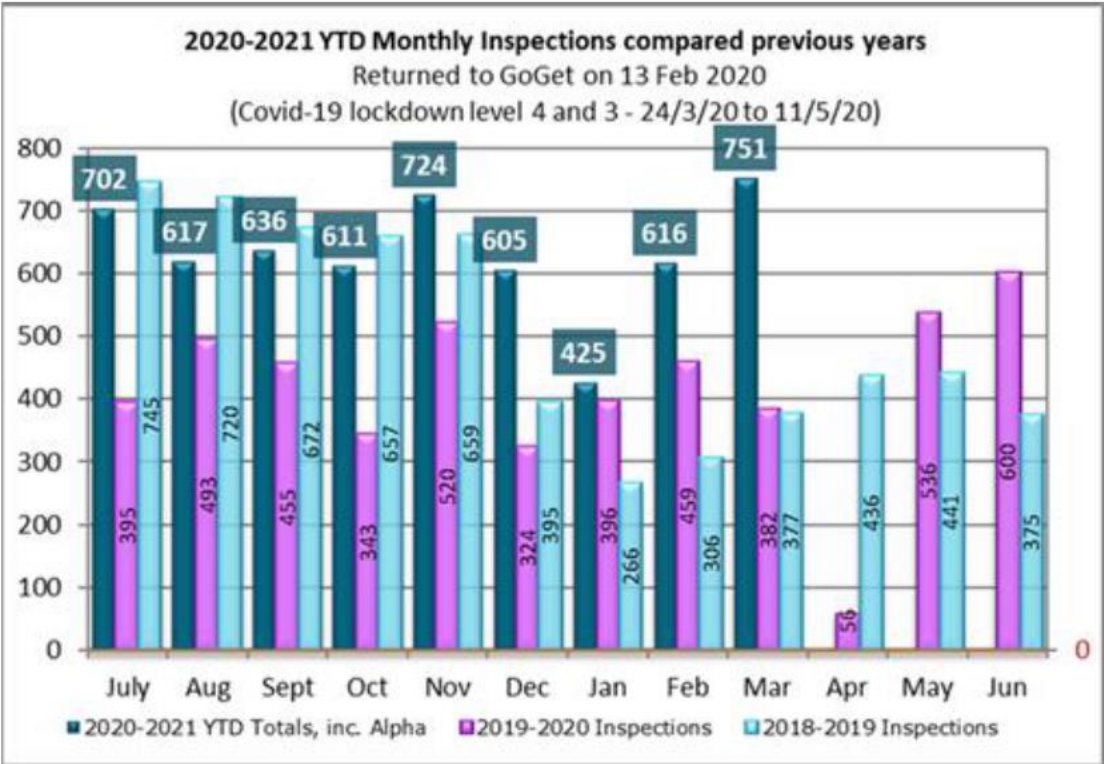
218 building consents and amendments were formally received compared to 197 in the same quarter 2020 and 230 in 2019. This represents a 10% on the previous same quarter last year. This quarter is close to the numbers seen in the 2018/19 and 2016/17 financial years (FYs).



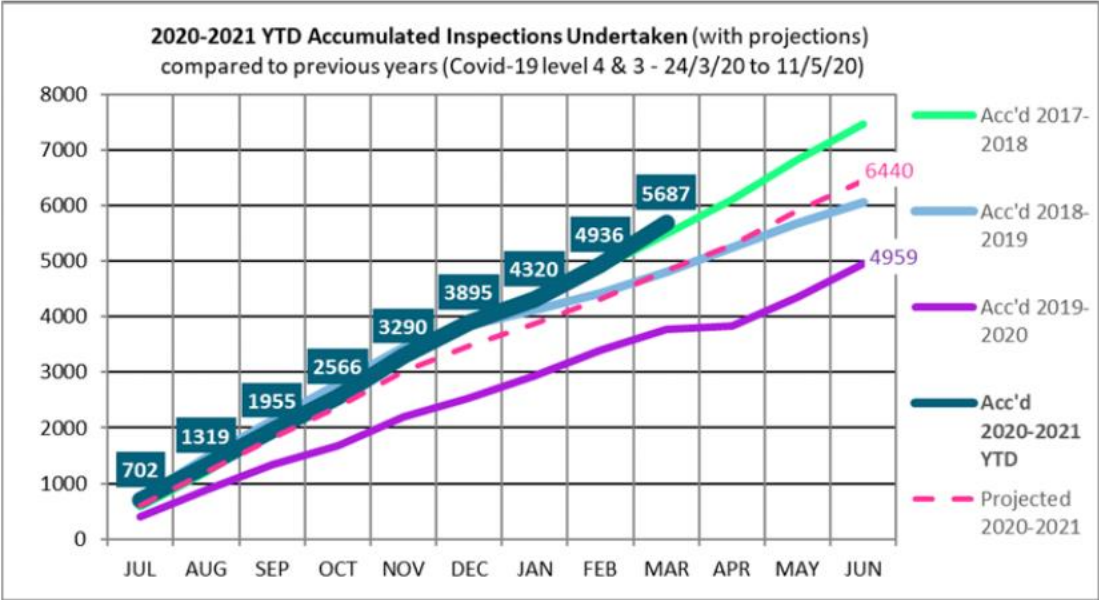
## 2. Building Inspections

The building inspectors undertook a total of 1,792 inspections within the third quarter of this year compared to 1,237 in 2020 and 949 in 2019. This quarter represents a 45% increase in inspections compared the same period last year.

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Attachment 2



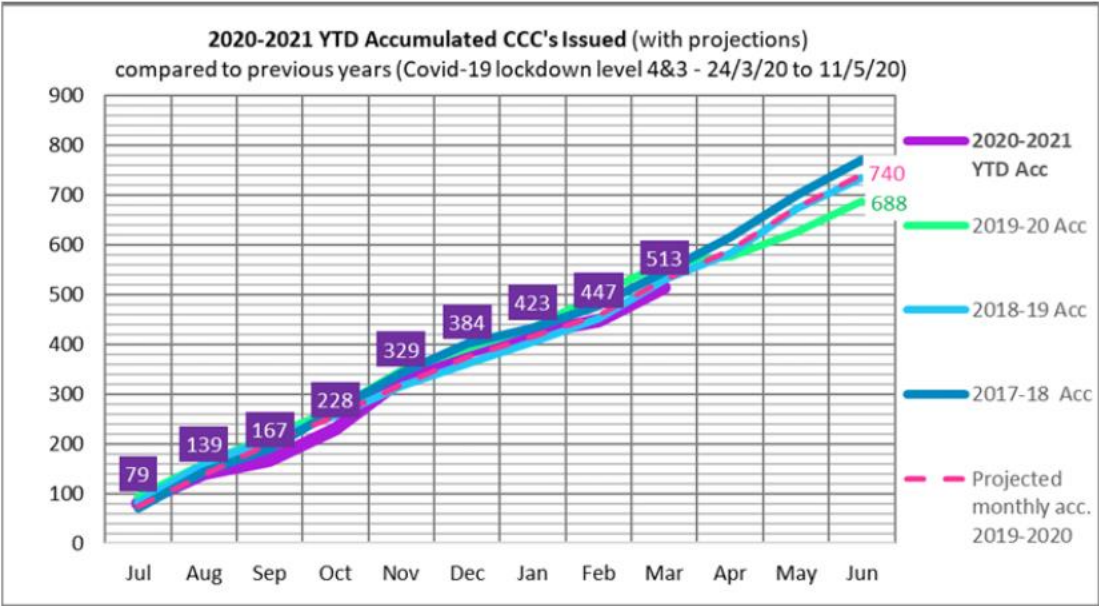
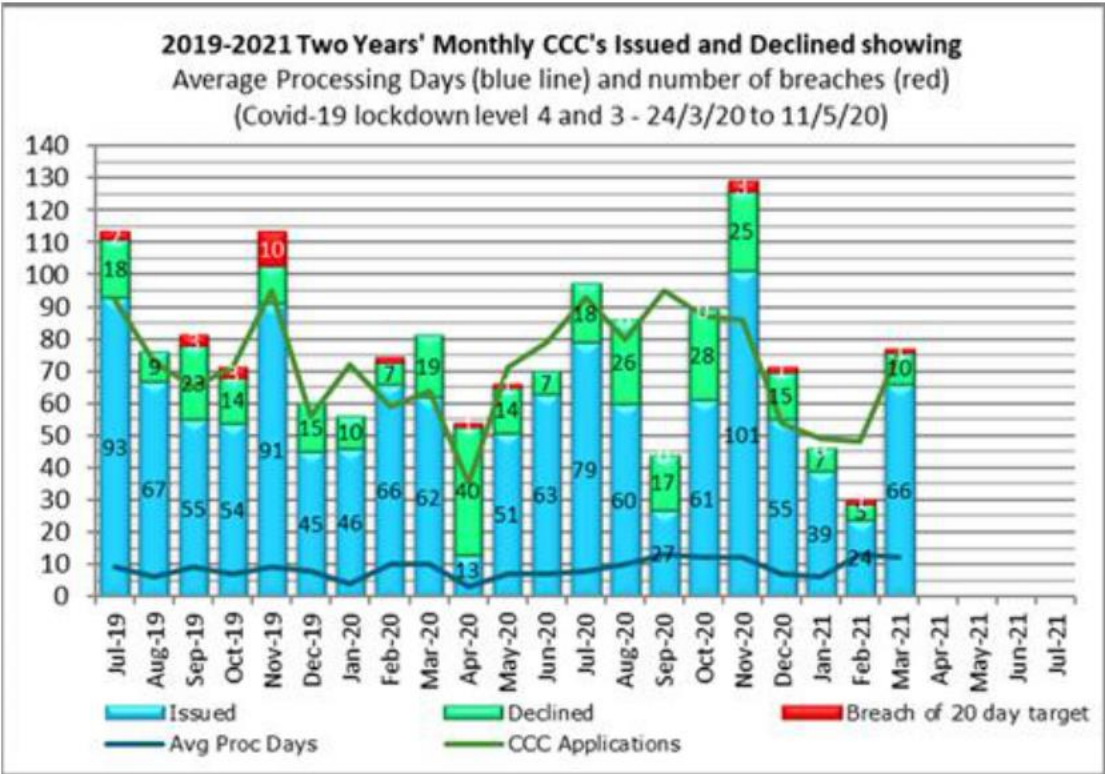
Inspection figures are currently tracking on a par with the figures for 2017/18 with the highest inspection numbers for the last three years.





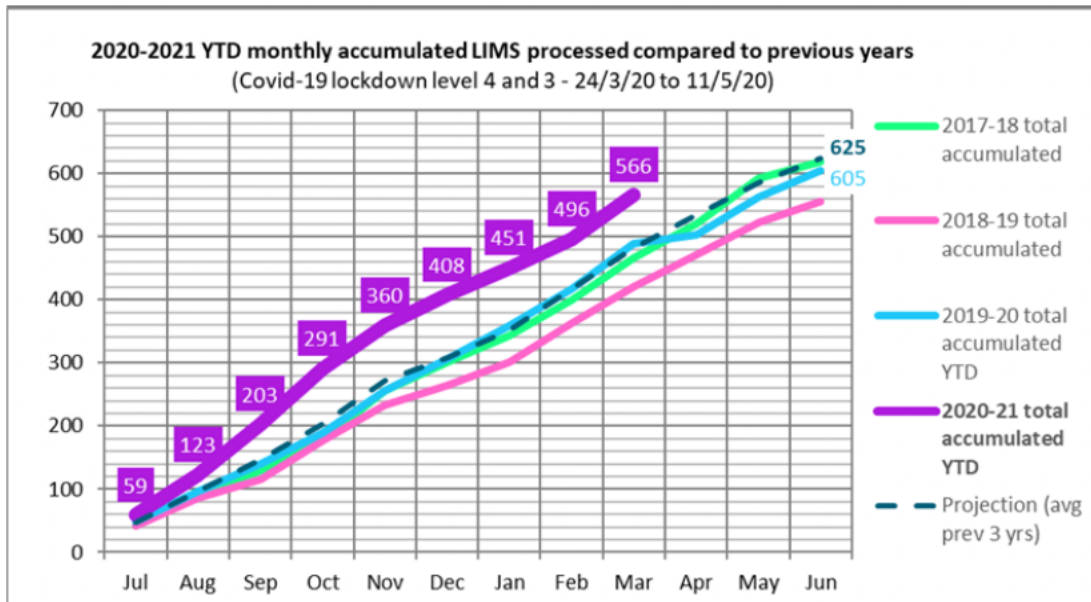
### 3. Code Compliance Certificates Issued

129 code compliance certificates were issued in the third quarter compared to 174 for the same period in 2020. Unfortunately 2 breach's of the 20-day statutory timeframes were seen this quarter.



#### 4. Land Information Memorandum

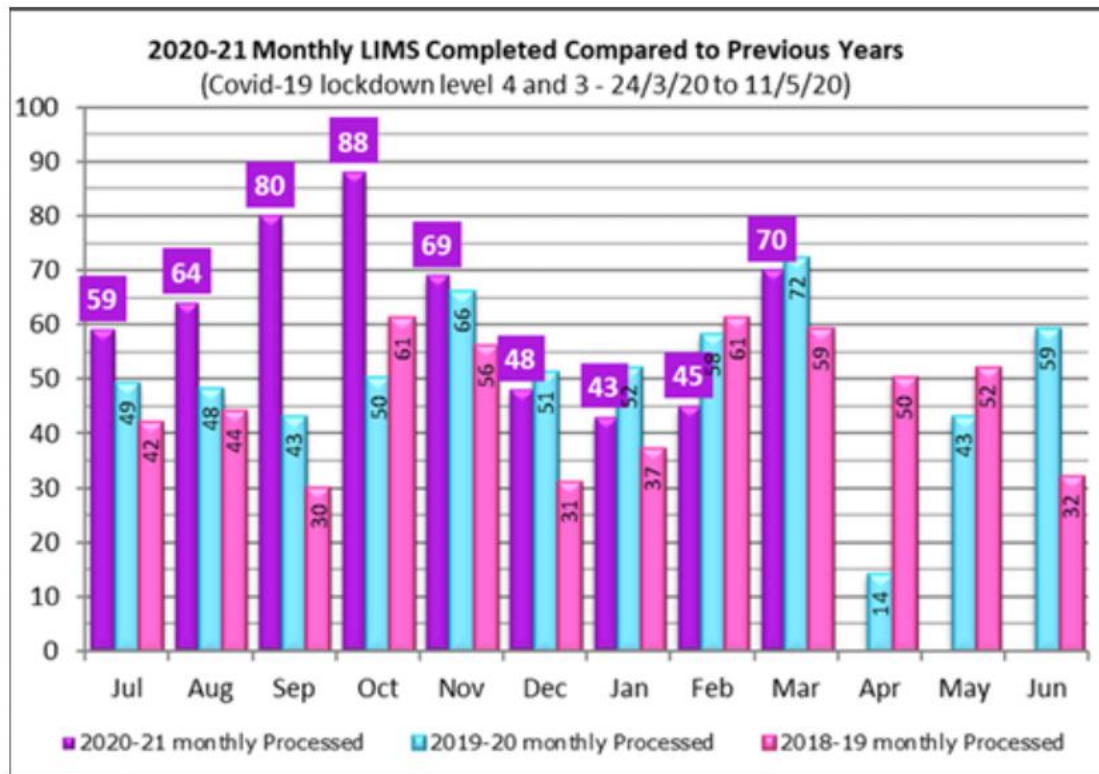
158 LIM applications were received within the third quarter, this compares to 182 in the same period of 2020 and 157 applications in 2019. This represents a 13% decrease on the same period last year, although similar to 2019. However, overall we are tracking 15% higher YTD on FY 2019/20 and 34% on YTD FY 2018/19.



After the very high numbers of applications received YTD application numbers seem to have returned to more manageable levels.



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Attachment 2

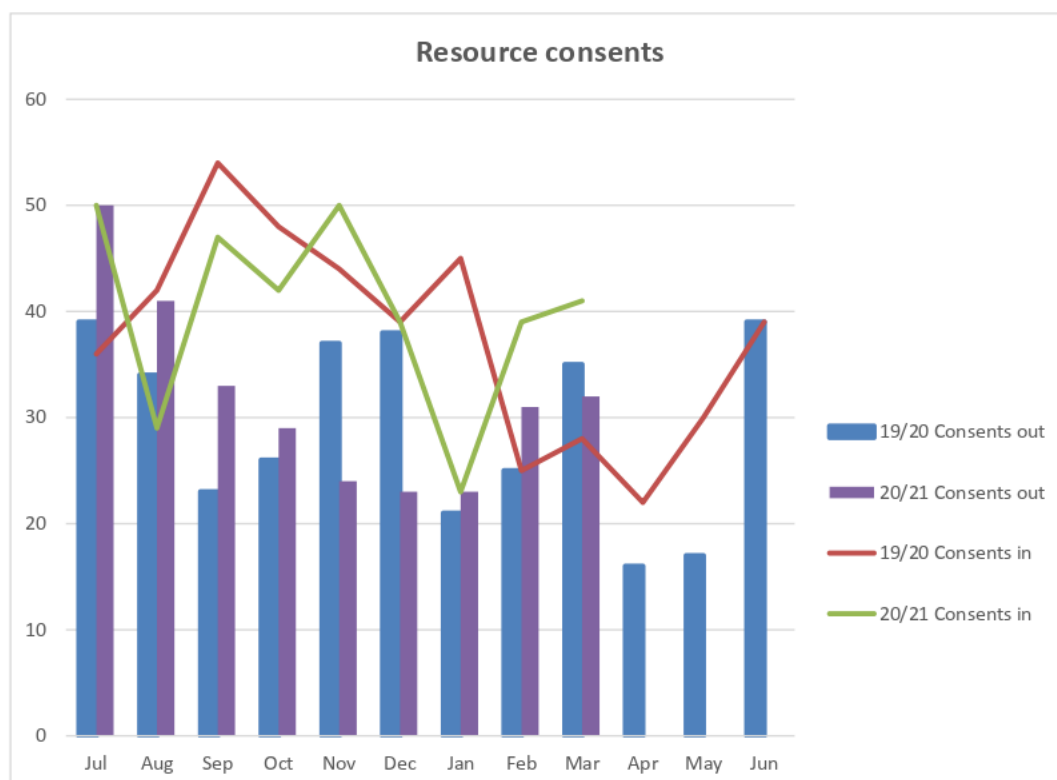


## Consents and Compliance Statistics 1 January – 31 March 2021

### 1. Resource Consent Processing Times

Period of time	NON NOTIFIED				NOTIFIED AND LIMITED NOTIFIED		
	% on time	Average process days	Median process days	Consent numbers	% on time	Average process days	Consent numbers
January	95	23	21	22	100	78	1
February	97	23	20	31			
March	78	34	22	32			
<b>2020/21 year to date average</b>	<b>96</b>	<b>28</b>	<b>22</b>	<b>31</b>	<b>75</b>	<b>120</b>	<b>1</b>
<b>2020/21 year to date total</b>				<b>280</b>			<b>6</b>
2019/20 average	97	21	18	28	60	132	3
2019/20 totals				335			15

### 2. Resource Consent numbers



### 3. Parking Performance

Activity	Jan	Feb	Mar
<b>Enforcement</b>			
Safety	259	218	111
Licence labels /WOF	479	381	322
Licence labels/WOF (Warnings)	392	388	248
Meters/Time restrictions	800	462	413
<b>Total Infringement notices issued</b>	<b>1930</b>	<b>1449</b>	<b>1094</b>
<b>Service Requests</b>			
Abandoned Vehicles	45	41	36
Requests for Enforcement	50	59	107
Information /advice	19	28	25
<b>Total service requests</b>	<b>114</b>	<b>128</b>	<b>168</b>
<b>Courts</b>			
Notices lodged for collection of fine	233	259	344
<b>Explanations Received</b>	<b>205</b>	<b>184</b>	<b>143</b>
Explanations declined	54	39	21
Explanations accepted	196	145	122

### 4. Environmental Health and Dog Control Activities

Activity	Responses			Total year to date 2020/21	Total 2019/20
	January	February	March		
Dog Control	157	146	167	<b>1262</b>	1693
Resource consent monitoring	111	152	160	<b>1114</b>	2496
Noise nuisance	196	129	161	<b>1173</b>	1360
Bylaw / Building / Planning	46	61	46	<b>440</b>	560
Alcohol applications	29	57	34	<b>352</b>	465
Alcohol Inspections	5	5	24	<b>92</b>	99
Pollution	31	22	31	<b>227</b>	256
Stock	4	9	2	<b>72</b>	78

### 5. Freedom Camping Enforcement

Activity	Year to date total 2020/21	Total 2019/20
Service Requests	88	129
Numbers of Patrols (commenced in November)	221	242
Vehicles Checks	4484	10937
Infringements Issued	116	244
Education/Warnings Issued	419	684

Coastal, Estuarine and Marine programme

## NELSON CITY COUNCIL COASTAL AND MARINE PROGRAMME



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**Name of project:** Nelson Coastal and Marine programme

**Programme lead:** Vikki Ambrose

**Date:** August 2020

**Reviewed by:** Emma Newcombe, Cawthron

**Date:** 4 December 2020

**S&E Team reviewed:** Stefan Beaumont and Jo Martin

**Date:** 27 January 2021

## Coastal, Estuarine and Marine programme

### INTRODUCTION

The Nelson coastal and marine environment includes the coastal marine area (from Mean High Water Springs (MHWS) out to 12 nm (nautical miles)), and an area inland defined in accordance with the criteria set out in national policy (NZCPS Policy 1). It extends from Waimea Inlet to Cape Soucis, along the eastern margin of Tasman Bay. It covers approximately 420 square kilometres (approximately 42,000 ha).

Nelson's Rivers and streams are affected mainly by sediment resulting from land disturbance, microbial contamination associated with livestock and feral animals, and from urban stormwater in the city area. This programme begins with creating a baseline of information on the health of the coastal marine area to help understand any changes in the future.

Good management of the coastal environment depends on measuring what is happening in the water and what trends may be developing. A monthly water quality monitoring programme will provide this information and show trends.

Restoration projects will help to improve the health of coastal and estuarine areas by improving ecosystems through expanding habitat, which also assists with improving water quality, and sequestering carbon. A range of projects are planned to provide education and increased interactions with local communities, including some citizen science projects to help connect the communities more with the coastal and marine environment.

Iwi interests in the ocean include safeguarding taonga and mahinga kai (food gathering locations and resources), spiritual practices, customary rights, commercial and recreational fishing, and the role of kaitiaki for marine protection. Iwi ethos provides for sustainable use so marine biodiversity is enhanced and is not subject to unacceptable risks. Meaningful iwi involvement will be important to ensure a holistic view and consideration of the marine environment.

*Whakatauki Mā te whiritahi, ka whakatutuki ai ngā pūmanawa ā tāngata*  
(Together weaving the realisation of potential)  
*me*  
*Whaiwhia te kete mātauranga*  
(Fill the basket of knowledge)

### OBJECTIVES

Our coastal habitats and ecosystems are diverse and highly valued for recreational, commercial, and cultural reasons. Long-term datasets that track persistent changes in the environment are a critical component of ecosystem-based approaches to natural resource management and sustainable growth. Therefore the objective of this programme is to monitor the coastal, marine, and estuarine areas for water quality, ecosystem health and restoration projects, to collect robust data that will inform management decisions.

- **Water quality monitoring objective**

Good management of the coastal environment depends on measuring what is happening in the water and monitoring the trends that may be developing. The objectives of the water quality monitoring are to establish an ongoing monitoring programme, collect robust data, and inform council processes.

- **Restoration objectives**

The restoration objectives are to monitor, maintain, and develop habitat and healthy ecosystems in the estuarine and coastal marine area, to increase biodiversity.

- **Community engagement/Citizen science objectives**



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Community engagement objectives are to educate about, and encourage participation and involvement of the local community and community groups in coastal, marine and estuarine areas.

### OUTCOME

The overall outcome of this programme will be a greater understanding of what is happening in, and the health of, our coastal, marine and estuarine areas.

### KEY STAKEHOLDERS AND PARTNERS

Tasman District Council, Nelson City Council, Marlborough District Council, Ministry for Primary Industries, Fisheries NZ, Department of Conservation, the aquaculture industry, Port Nelson Ltd, Tangata Whenua, NIWA, Cawthron, Hill laboratories, Salt Ecology/other consultancies, Kotahitanga Mō Te Taiao, Top of the South Marine Biosecurity Partnership, Tasman Environmental Trust, Nelson Biodiversity Forum, local communities and interested community groups.

### COLLABORATION

NCC only holds partial jurisdiction in Tasman Bay so collaboration with Tasman and Marlborough District Councils in the marine space is essential. This programme has therefore been designed to align and be scalable with other monitoring and restoration programmes. (See Figure 2. for NCC Territorial area.) And to enable project co-design, discussion and/or collaboration with iwi, including funding for iwi participation.

### POLICY ALIGNMENT

Objectives and outcomes of this programme align with national policy statements, local plans and estuary requirements. This programme aligns well with:

- NZ Coastal Policy Statement (NZCPS) which states objectives and policies to safeguard the integrity, form, functioning and resilience of the coastal environment and sustain its ecosystems, in order to achieve the purpose of the RMA.
- Nelson Plan through an integrated approach to the management of the coastal area to ensure that natural and amenity values are maintained and enhanced, and impacts of natural hazards and reclamation are minimised.
- Kotahitanga mō Te Taiao mission to understand, protect, enhance and future-proof the values of nature (with regards to the coastal area) critical to the Top of the South.
- Nelson Biodiversity Forum goals, objectives and outcomes for the coastal marine area to protect, restore and sustain native indigenous ecosystems.
- Top of the South Marine Biosecurity Partnership by working together to reduce the marine biosecurity risk in the Top of the South region.
- Regional policy statements, regional plans and district plans giving effect to the NZCPS 2010 as required by the RMA.
- the NZCPS and RMA as this programme will provide data to inform future regional and district plans and statements.
- regards to the Parliamentary Commissioner for the Environment publication, "Managing our Estuaries". Estuaries sit within the RMA, but the freshwater that flows into them sits in the NPSFM framework.
- integration of freshwater and estuarine monitoring as a start to integrated catchment management processes as required in the new National Policy Statement for Freshwater Management 2020.

### PROGRAMME BENEFITS

- State of the Environment data collection
- Current and future trend data
- Early detection of change
- Inform management decisions and policy development
- Indicate whether policy interventions are effective



- Detect and inform cumulative adverse effects over time
- Engage, inform, and support community
- Treaty partner knowledge sharing and Mātauranga support
- Ecosystem resilience
- Habitat connectivity

#### CATCHMENT PRESSURES

- Sedimentation
- Hardening coastal edges
- Pollution
- Discharges
- Fisheries practices
- Climate change
- Sea level rise
- Land use change
- Biosecurity
- Habitat fragmentation
- Increasing disturbance of species

#### CURRENT SCIENCE AND ENVIRONMENT TEAM MONITORING

##### Water quality and physical habitat attributes

Monthly State of the Environment (SoE) monitoring across Roding, Stoke, Maitai, Wakapuaka and Whangamoa rivers looking at:

- *E. coli*
- Nutrients (N,P)
- Water clarity/turbidity
- Filamentous algae/biofilms/mats
- Cyanobacteria
- Continuous water temperature
- Fine sediment and sludge
- pH and specific conductivity
- Dissolved oxygen

##### Human health attributes

Summer recreational water monitoring – across 11 sites:

- *E. coli* (freshwater and estuarine) and/or *Enterococci* (marine and estuarine)

##### Aquatic life and ecosystem process attributes

Ecosystem health – at 30 sites looking at:

- Fish
  - Macroinvertebrate community index monitoring
  - Nutrient concentrations (toxicity) (summer)
  - Continuous water temperature and pH
  - Dissolved oxygen
  - Estuaries (Waimea, Nelson Haven, Delaware, Kokorua) looking at muddiness, nutrient enrichment, saltmarsh, seagrass, shorebird sites (habitat/roosting/feeding) through:
    - Broad-scale monitoring
    - Fine-scale monitoring
  - Macroinvertebrate community index monitoring
- Contribute to Top of the South, regional, and national wetland and shorebird monitoring

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### PROGRAMME IMPLEMENTATION TIMELINE

#### Water quality monitoring programme

Stage one	Pilot	2021/22
Stage two	Baseline data collection	2021-22/23
Stage three	Monitoring programme	2022/23 - ongoing

#### Restoration programme

Stage one	Investigate estuarine restoration projects and engage with local community groups	2021/22
Stage two	Plan restoration project, and take drone baseline imagery of locations	2021/22 - ongoing
Stage three	Restoration planting	2022 - ongoing
Stage four	Monitor using drone imagery	2022 - ongoing

### OUTPUTS

- Reports (State of the Environment/stakeholder)
- Standard operating procedure for marine water quality monitoring
- National reporting
- Publicly accessible data and knowledge
- Hui
- Educational material (communities/schools)
- Social media updates, Good news stories
- Papers – SIGs, Technical reports etc.

### DATA MANAGEMENT

- QA/QC data and National Environmental Monitoring Standards (NEMS)
- Clearly described metadata
- Software/app – live data input via mobile phone
- Accessible data

### KEY FUTURE OPPORTUNITIES

- Seabed mapping – verifying habitat locations (hydrographic/benthic surveys)
- Whole catchment projects (collaborations land/freshwater/estuarine/marine funding)
- YSI i3XO AUV water quality, side-scan sonar imaging, current profiling and bathymetric surveying vehicle for future collaborative working/sharing with MDC/TDC
- Large scale creation of new saltmarsh habitat to mitigate future sea level rise induced retreat.

Coastal, Estuarine and Marine Programme

Table 1. Programme activities

Project	Details / parameters	Reason	Timing
Estuarine broad-scale and Fine-scale monitoring	Waimea Inlet, Haven, Delaware Bay, Kokorua	Map and monitor changes in estuarine intertidal habitats	every 5-10 years
Estuarine macroinvertebrate monitoring	Haven		continue current yearly schedule
Collaborations	NCC (with Planning, Parks, Capital Works etc) TDC, MDC, Iwi, Cawthron, NIWA, DOC, Kotahitanga Mo Te Taiaro, CSIG, MPI/Fisheries, TET, Waimea Inlet coordination group, Christchurch City Council. Meeting attendance, project sharing, knowledge sharing, reports/updates	Sharing data and aligning programmes Biodiversity (including marine mammals) Fish survey Bird survey Threatened species list Tasman Bay species list Coastal/shorebird monitoring (habitat/roosting/feeding)	
<b>Year one 2021/22</b> <b>Citizen science</b>	Local community and iwi input Education – estuaries/coast/marine environment links to freshwater/stormwater etc. Volunteer group/community/schools project involvement Community marine animal and bird sighting site (upload photos)		
Planning water quality sampling Ordering resources	1-2 days in boat scoping the area and time required to sample in all locations for costings		April 2021
<b>Water quality testing</b> CMA and estuarine (4 main estuaries)	Starting with pilot over 3 months Moving to baseline sampling (See Figure 1.) plus estuarine sites		monthly for 3 months monthly for 2 years
Sampling at 0.5m, 2m, 8m, 15m, 30m, 30+M	Moving on to monthly monitoring for background data collection Sampling time at consistent tide (high) <b>Sampling depth at midpoint of water column, e.g. at depth of 16m sample at 8m</b>	Gathering baseline data Programme to be reviewed after baseline sampling completed (2-3 years) to streamline and ensure fit for purpose	ongoing
Testing for:	• Enterococci, E.coli, IDEXX	Indicator faecal contamination. Microbial monitoring human pathogens, for recreational/shellfish/swimmability safety	monthly

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Project	Details / parameters	Reason	Timing
	<ul style="list-style-type: none"> <li>Phosphorous - dissolved reactive</li> </ul>	Nutrient input. Increased levels can stimulate increased algal growth, decreasing light levels and disturb ecosystems. Can make water anoxic	monthly
	<ul style="list-style-type: none"> <li>Nitrate</li> </ul>	Trophic level index monitoring. Indicator of point and non-point source inputs.	monthly
	<ul style="list-style-type: none"> <li>Nitrite</li> </ul>	Affects primary productivity	monthly
	<ul style="list-style-type: none"> <li>total N</li> </ul>	Influences aquatic primary production. Trophic level index monitoring.	monthly
	<ul style="list-style-type: none"> <li>total P</li> </ul>	Indicator of nutrient enrichment. Indicator of point-source and non-point source inputs	monthly
	<ul style="list-style-type: none"> <li>Total Ammoniacal N</li> </ul>	Indicator of nutrient enrichment. Indicator of point-source and non-point source inputs. Indicator of waste products	monthly
	<ul style="list-style-type: none"> <li>Nitrate + Nitrite (NNIN)</li> </ul>	Indicator of nutrient enrichment. Indicator of point-source and non-point source inputs. Affects primary production	monthly
	<ul style="list-style-type: none"> <li>TSS (total suspended solids)</li> </ul>	Measures visual clarity and light penetration in coastal waters through the water column. Excess suspended solids reduce clarity and light penetration and so can damage an aquatic ecosystem. Used to monitor changes over time. Provides data that can be used to make routine environmental management decisions. Indicator of organic material and excessive primary production, phytoplankton biomass and abundance and organic enrichment	monthly
	<ul style="list-style-type: none"> <li>Chlorophyll <math>\alpha</math> – (CTD)</li> </ul>	Measure of aquatic primary production and trophic level index monitoring. Indicator of phytoplankton biomass and abundance and organic enrichment.	monthly
	<ul style="list-style-type: none"> <li>Dissolved O<sub>2</sub></li> </ul>	Indicator of ability to support marine flora and fauna. Monitoring trend in available oxygen levels. Lower levels stress aquatic life that breathes oxygen.	monthly
	<ul style="list-style-type: none"> <li>Water temperature</li> </ul>	Temperature change monitoring for ecosystem viability and climate change effects. Influences dissolved oxygen. Indicator of excessive primary production	monthly
	<ul style="list-style-type: none"> <li>pH</li> </ul>	Monitor changes in pH, e.g. marine acidity increase. Low pH can be harmful to marine organisms with carbonate-based exoskeletons (molluscs, crustaceans, corals, urchins, etc.). Also useful in detecting change in trophic state (eutrophication).	monthly
	<ul style="list-style-type: none"> <li>Salinity</li> </ul>	Monitor changes over time as salinity affects dissolved oxygen concentration, density (and therefore currents), and can be used in nutrient level predictions and freshwater/saline water mixing measurements. Indicator of freshwater/marine water mixing. Affects biological diversity	monthly

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Project	Details / parameters	Reason	Timing
	<ul style="list-style-type: none"> <li>Turbidity/clarity/secchi disc</li> </ul>	Indicator of levels of suspended material in water column. Clarity important for healthy marine ecosystems. Poor clarity can restrict light transmission and affect photosynthetic ability. Suspended sediments can clog fish gills and shellfish, and reduce visibility of prey and predators	monthly
	<ul style="list-style-type: none"> <li>Air temperature</li> </ul>		monthly
Other variables collected during water quality sampling	<ul style="list-style-type: none"> <li>Weather</li> <li>Tide</li> <li>Wind/wave conditions</li> <li>Water colour</li> <li>Land use and inputs (stream/stormwater)</li> </ul>	Different dilution properties Need background data to understand potential unusual results	
<b>Drone imagery</b> Baseline data collection of seagrass and/or saltmarsh, restoration planting, monitoring	State of the Environment (SoE) data Update Haven, Waimea Inlet (NCC), Delaware Bay seagrass coverage	SoE health checks Macroflora changes over time and after restoration Checks on health of new planting Connectivity mapping	
<b>CoastSnap</b>	Citizen science photo-points at select locations for community to take pictures and send in as a record of a particular location over time	Monitoring of coastal changes over time at select locations e.g. Tahunanui Beach, Tahunanui kite surf car park, Monaco, Cable Bay, Schnappers Point, Kinzeitt Terrace	ongoing
<b>Promote programme</b>	Pages set up on NCC website showing programme, what we are doing, planning and how community can get involved - storyboard	Community information, education, and participation	ongoing
	Publicly accessible <b>dashboard</b> of results		
<b>Oil spills</b>	Work with EIL/Port in the event of an oil spill in Tasman Bay area. Attend oil spill training sessions	Clean up, monitor oil spill effects on water quality, marine and coastal fauna and flora	
<b>Year two 2022/23</b>	Annual drone imagery to capture changes over seasons/time	Map effects/success of estuarine restoration projects	
<b>Continuation of year one programme</b>			ongoing
<b>Continuous monitoring array</b>	Attached to North Cardinal Mark Measuring: sea temperature, pH, turbidity, chlorophyll, dissolved oxygen, wind speed and direction, air temperature	Provision of continuous monitoring for a range of analytes, indicators of the quality and productivity of our coastal waters Use in conjunction with TASCAM and Cawthron buoy data for whole Bay information for Tasman Bay SoE data	ongoing

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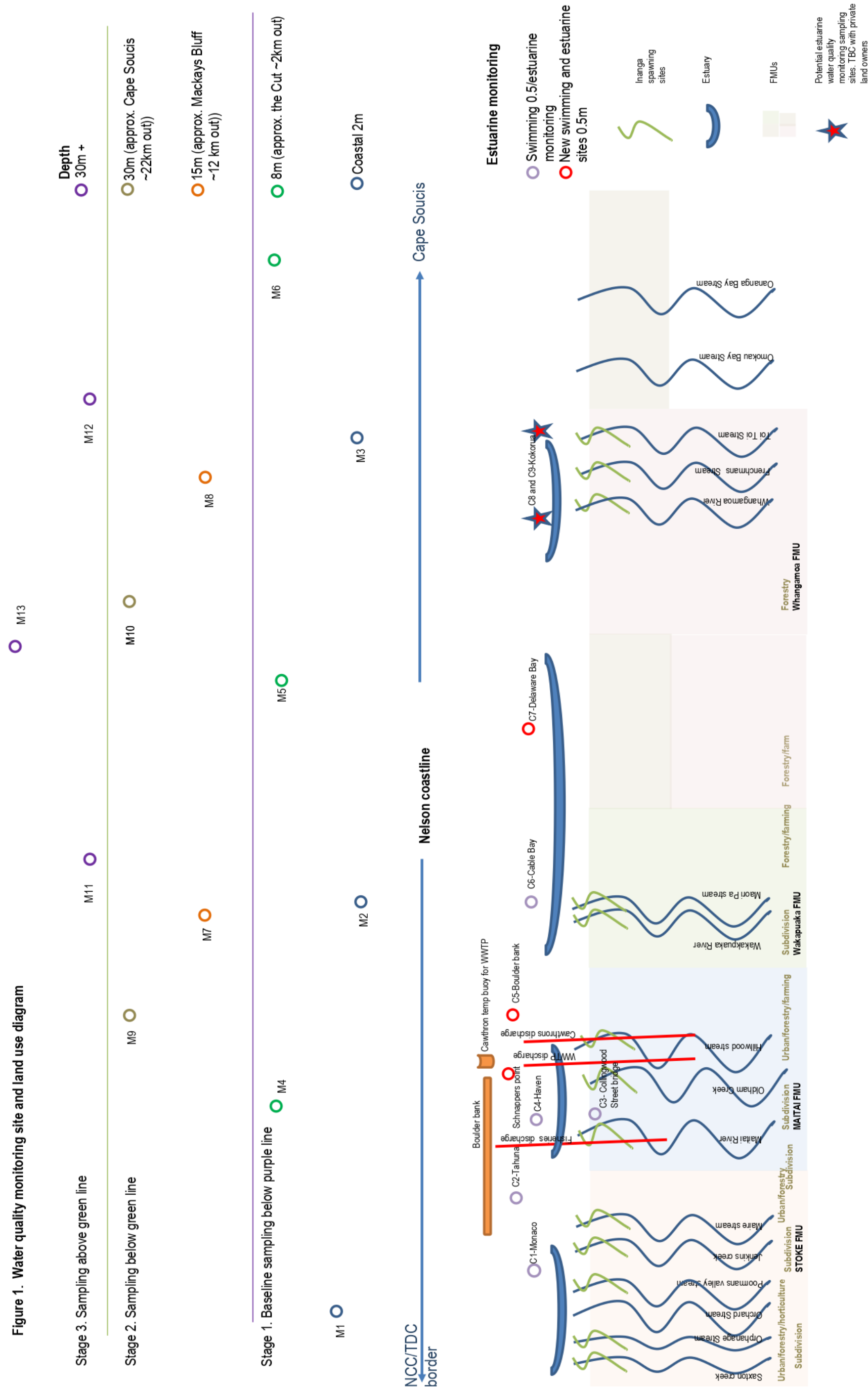
Project	Details / parameters	Reason	Timing
<b>Estuarine Blue Carbon</b> – community project	<b>Tea bag experiment</b> Looking at level of decay measuring carbon decomposition Providing information on soil functions at a local scale Community/student involvement, education and understanding about the importance of the role estuaries play, and for blue carbon	To inform about the health of our estuaries through levels of decomposition of organic material Involve local community in citizen science in global climate research including planting of seagrasses and aquatic plants	90 days plus prep and analysis = ~ 5 months
<b>Restoration projects</b> - Haven - Waimea - Delaware - Kokorua	<ul style="list-style-type: none"> <li>Seagrass planting</li> <li>Coastal planting of saltmarsh vegetative sequences along SH6 including: <ul style="list-style-type: none"> <li>Haven Holes saltmarsh restoration</li> <li>Waimea inlet saltmarsh pilot and restoration</li> <li>Pilot Wakapuaka sandflats habitat restoration</li> <li>habitat creation of wetland bird roosting islands/trees Carex littorosa planting</li> </ul> </li> <li>Microplastics</li> </ul>	Need to work out supply of or how to grow seagrass supplies for restoration works Need small scale trials over 2-3 years before major restoration Develop techniques for cost effective establishment of new saltmarsh communities to offset those lost due to sea level rise To ensure saltmarsh is diverse and contains the array of species that intact saltmarsh would contain.	
<b>Additional marine water quality monitoring</b>		Need to have data about what is there before it can be addressed	TBC
<b>Other projects</b> Marine Metre Squared (Mm2) community surveys	Work with Mm2 to get local community/schools/NMIT etc involved in coastal surveying of plants, animals, birds etc		
<b>GIS spatial mapping</b>	Map sampling and monitoring sites		
<b>Nelson Port monitoring</b>	Dredge monitoring		
<b>Year three +</b>			
<b>Continuation of years one and two ongoing programmes</b>			
<b>Increased funding application</b>	Business case for extra funding for programme expansion		
<b>Other</b>	GNSS station/CORS LINZ sites Nelson Delaware Bay, Collingwood/Takaka (Parapara), Golden Bay	Track available data	
	<ul style="list-style-type: none"> <li>Shellfish cages installed at specific monitoring sites</li> <li>Shellfish flesh testing (cockles/mussels/oysters/scallops)</li> </ul>	Edibility of kai moana, SoE monitoring of pollutant accumulation in shellfish	monthly

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**Figure 1. Water quality monitoring site and land use diagram**



Sites to be GPS referenced on first sampling with GPS coordinates reused for each subsequent sampling





**Appendix one - Future opportunities**

Seabed core sampling	Seabed in CMA 4 main estuaries - look at carbon sequestration in estuary - look at sedimentation history Haven is included in MfE funding application TET	To inform about the health of our estuaries and decomposition of organic material. Providing information on soil functions at a local scale	May be part of Core and Restore project TET now if funded
Other restoration projects	Coastal/terrestrial Soft sediment-subtidal Rocky reef Seabed Shellfish reefs Coastal cliffs Offshore Islands Wakapuaka saltmarsh restoration		
Biodiversity monitoring	Coastal/terrestrial Subtidal Intertidal Rocky reef Seabed Deep water		
Microplastics monitoring	Beach, estuary and freshwater sediment/sand/seaweed/seagrass etc	Looking at where and how much microplastic is in our area as part of the monthly monitoring	Needs research into who/what/where for testing
CSSI	Core samples from estuaries tested to identify sources of contamination	ID of sedimentation sources for purpose of consenting management/compliance	
Trawl/dredge ban	Potential collaboration with TDC	Protection of seabed to enable habitat restoration works	
Seabed	Mapping Sediment structure Habitat integrity	Confirmation and GPS co-ords for: <ul style="list-style-type: none"> <li>• Corals</li> <li>• Sponges</li> <li>• Byozoan reefs</li> <li>• Oyster beds</li> <li>• Blue mussel beds</li> <li>• Horse mussel beds</li> </ul>	
e-DNA	Ecosystem health, what species identified as being present		
CMA – habitat restoration	Review of data already available and identify gaps Map gap areas use information to plan restoration		

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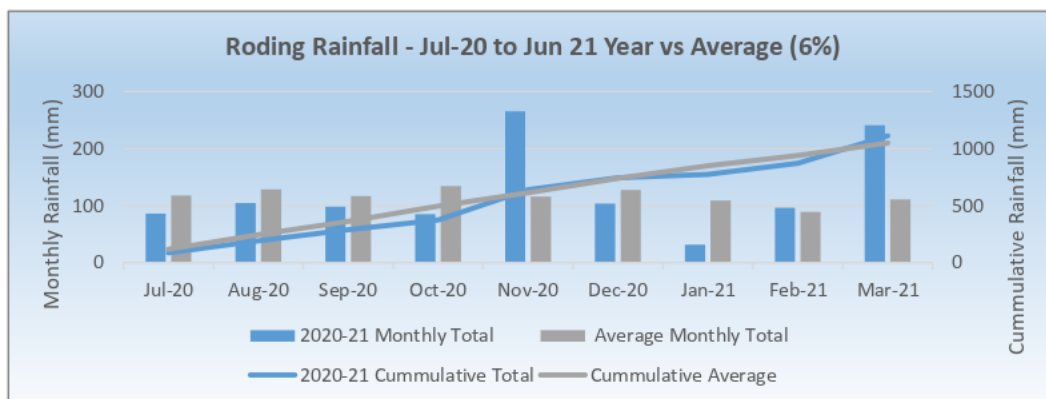
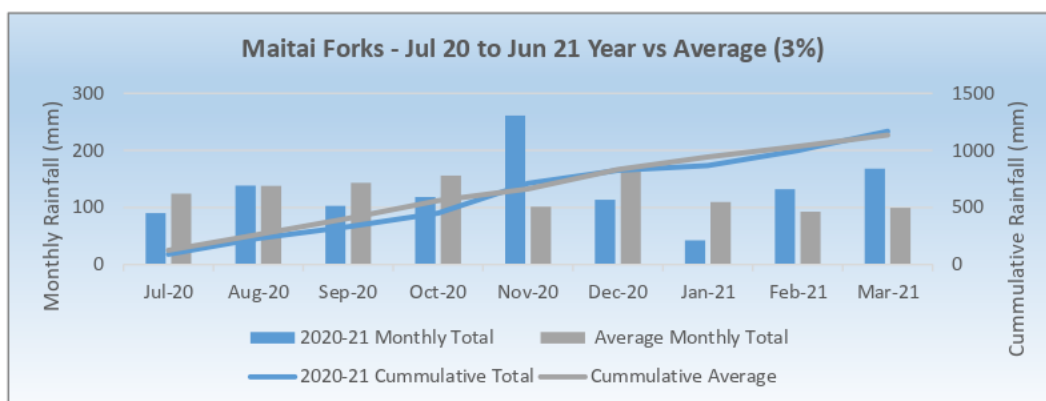
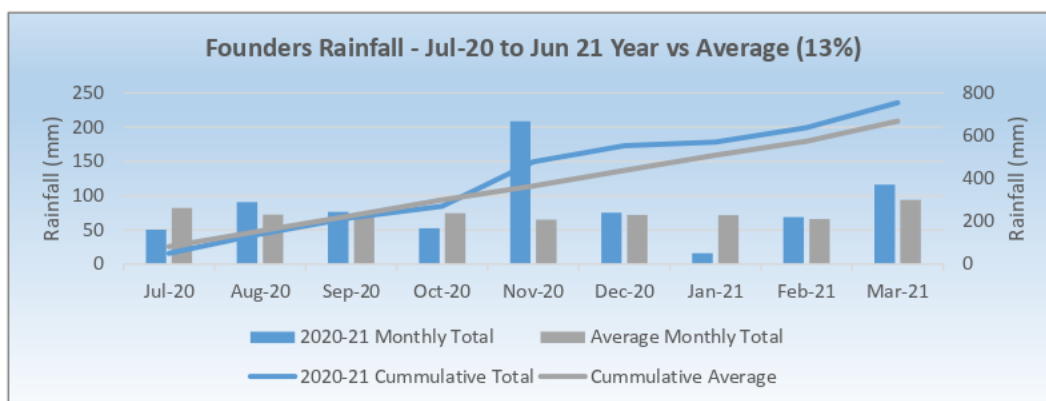
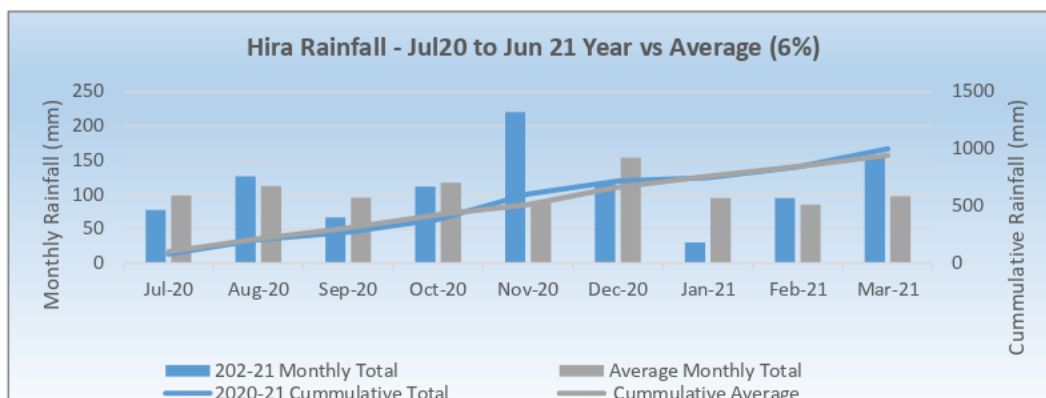
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Satellite imagery	Satellite imagery ongoing and data available so compare data with sample testing	After 3-year baseline monitoring, if comparisons good then use imagery with occasional testing	
Macroflora/ fauna		Monitor habitats, species # as indicator of changes in ecosystem	
Repeat fish survey of Waimea and Moutere Inlets			
GIS spatial mapping	Map programme data		
NIWA SCENZ	Use of ArcGIS imagery service of satellite MODIS-Aqua water quality products. In development undergoing user feedback		
Benthic health	Integrate marine ecological and sediment contaminant data to report on the ecological health of harbours and estuaries on a regional scale in relation to sediment and contaminant effects		
Satellite imagery	Satellite imagery ongoing and data available so compare data with sample testing	After 3-year baseline monitoring, if comparisons good then use imagery with occasional testing	

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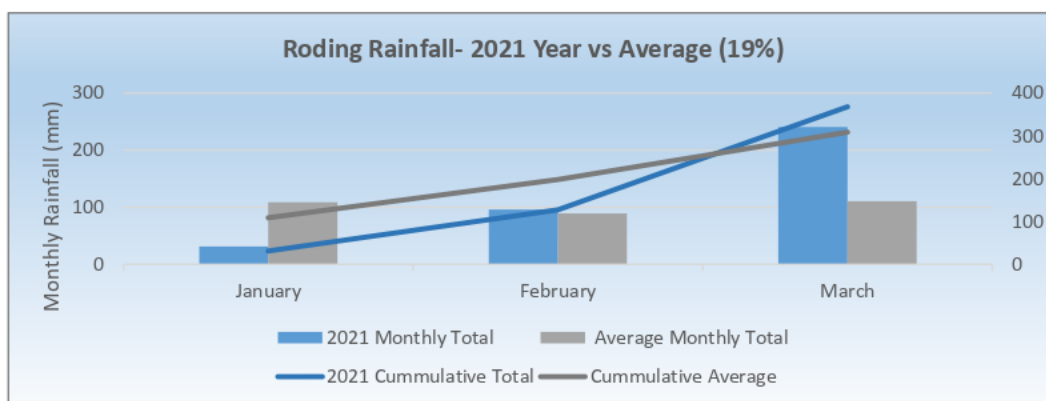
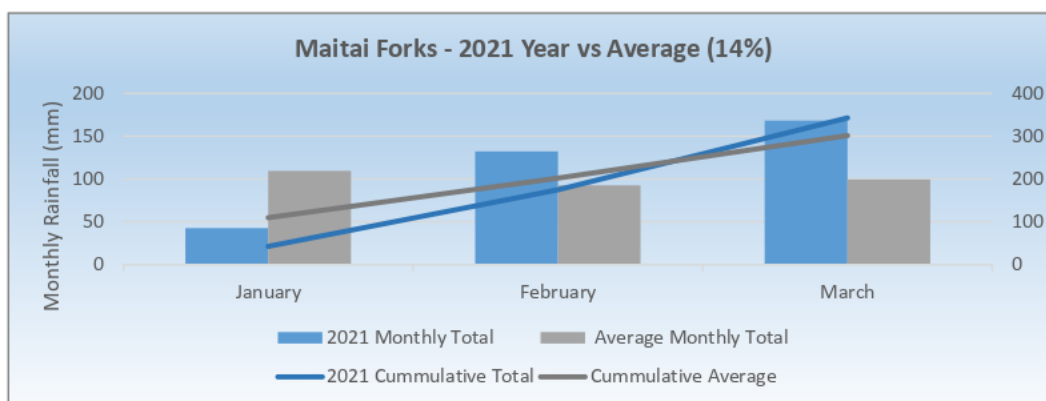
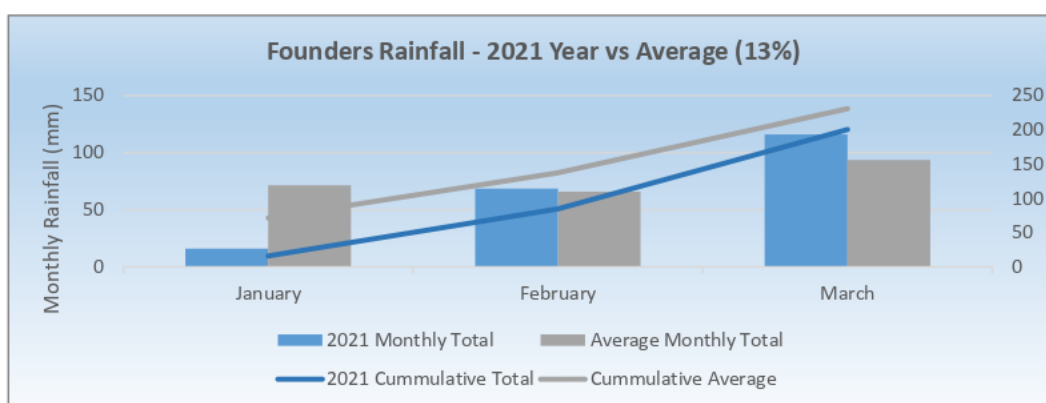
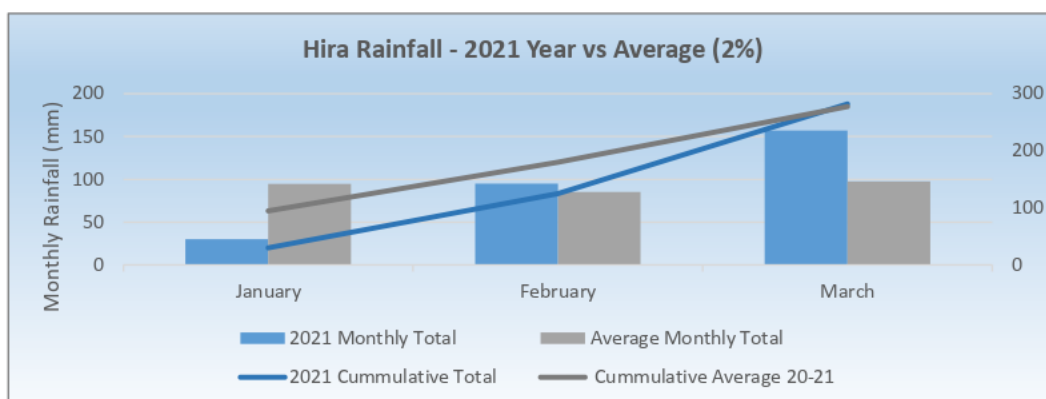
**Hydro Year 2020-21 Cumulative Rainfall**



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**Calendar Year 2021 Cumulative Rainfall**



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## Warmer Healthier Homes Nelson Tasman Marlborough Project

Six Month Report 1 July 2020 – 31 December 2020



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## Mission Statement

*This project is to support the residents in the Nelson, Tasman and Marlborough regions to have improved living environments by assisting homeowners and our whānau most in need with improved insulation measures, heating and overall efficiency through retrofitting into existing homes.*

## Key Highlights for six month period 1 July 2020 to 31 December 2021

- The programme celebrated the milestone of 2,000 homes in July 2020 with 2,328 homes now insulated since the project's inception in 2014.
- 335 homes were insulated in the six months to 31 December 2020 compared to 421 last financial year. The programme is on track to deliver another records year.
- Increased penetration into Tasman came with support from Tasman District Council's ("TDC") Annual Plan Grant of \$20,000. This was the first TDC funding provided under the Annual Plan/Long Term Plan process.
- Marlborough District Council ("MDC") approved \$30,000 of funding through the Annual Plan process.
- Positive progress with The Rātā Foundation to support further promotion of the Warmer Healthier Homes programme.

## Project Overview

The Warmer Healthier Homes Nelson Marlborough Project was established 2014 to support the residents in the Nelson, Tasman and Marlborough regions to have improved living environments. This was to be through assisting homeowners and community members most in need to improve insulation measures, heating and overall energy efficiency by retrofitting insulation into existing homes, thereby improving the overall standard of the regions' properties, and improving the health in those communities.

The continuing success of Warmer Healthier Homes Nelson Tasman Marlborough Project ("WHH") could not have been achieved without the support of Energy Efficiency and Conservations Authority ("EECA") and our third-party funders. We thank all of you for your generous contributions; you are making a difference.

Warmer Healthier Homes continues to deliver on its goals of supporting whānau in our region. Over the last six months the programme has improved insulation for a further 335 properties, with the total number of families supported sitting at 2,328 as of 31 December 2020.



**2,328 Properties Completed Since Project Inception**

	Total
Nelson	1,201
Tasman	481
Marlborough	646
<b>Total Homes Insulated</b>	<b>2,328</b>

There remains, however, a genuine need in the community to insulate more properties. EECA data notes over 3,307 eligible properties in Deprivation areas 8, 9 and 10 in Te Tau Ihu (as at 22 Nov 2018 being the last Census data available). This does not include those in our region with Community Services Cards nor referrals identified via our health partners. There remains a significant need to address.

WHH prioritises people with respiratory conditions, other chronic illnesses and families with children under five years of age. The WHH Steering Committee pulls together a skilled network of individuals including NMDHB professionals to reach these people. Studies have demonstrated that houses that are insulated are drier and warmer, resulting in less illness, fewer visits to the doctor and reduced hospital admissions. Improved living environments support families and in particular the health of our mokopuna and kaumātua, with the incidental benefits of this work are improving the overall standard of Te Tau Ihu ratepayer properties and supporting a more productive community.

Warmer Healthier Homes works alongside and in support of the Energy Efficiency and Conservations Authority (EECA) Warmer Kiwi Homes Programme.

## Six Month Outcomes 1 July 2020 to 31 December 2020

The following summarises what Warmer Healthier Homes has delivered over the six-month period from 1 July 2020 to 31 December 2020

 **335 Properties Insulated in Six Months to 31 December 2020**

Stage 7 – Owner Occupied	Total
Nelson	90
Tasman	128
Marlborough	117
<b>Total Homes Insulated</b>	<b>335</b>

The programme has performed well despite the March/April 2020 COVID Lockdown. This can be attributed to EECA moving from a 67% funding model to 90% funding as of 28 April 2020, and the efforts of committee members and Absolute Energy to promote the programme locally. Moving forward, the change in EECA funding (with WHH dollar now going 300% further) will allow the programme to continue to operate on a lesser amount of regional funding, which we intend to address during the Councils' Long Term Plan rounds commencing mid-year.

In the year to date the programme has spent \$96,514 of community funds. This funding has helped to deliver \$965,138 of insulation. This represents a 1,000% return on investment and pulled in \$868,624 of EECA/government funding that may not have come into our region otherwise.

In November 2020 Warmer Healthier Homes celebrated the milestone of 2,000 homes insulated with an event at the Boathouse in Nelson. This event was kindly sponsored by Paul Brockie and the team at Absolute Energy. This was a lovely evening with over 40 friends of the programme in attendance which was well covered by local media across the Top of the South. Here's to the next 2,000 homes!





Another success for the programme is Tasman District Council coming on board as a funder for the first time, with a \$20,000 grant provided through the Annual Plan process. We thank the Council and Councillors for taking the time to learn about our programme and understand the benefits the programme provides. The committee would like to make special mention of Lani Evans, Diana Worthy and Gary Alsop for all their hard work. This funding has helped us to insulate the homes of 128 Tasman families over the six month period in comparison to the 35 total homes insulated in Tasman in the previous financial year ending 30 June 2020. Extrapolated out to year end this represents a 731% increase of Tasman families now living in warmer, dryer, healthier homes.

With the new Warmer Healthier Homes Te Tau Ihu Charitable Trust is now established and has met with the Rātā Foundation to discuss their support of the programme. This discussion has been positive to date. The Trust has an application pending with Rātā to help with the promotion and delivery of the WHH programme.

WHH would like to acknowledge the generous financial support provided for the year ending 30 June 2021:

- \$101,000 Nelson City Council
- \$ 30,000 Marlborough District Council
- \$ 50,000 Nelson Marlborough Health
- \$ 20,000
- \$ 2,608 Network Tasman
- \$ 9,819 Mainland Foundation

## Item 8: Environmental Management Group Quarterly Report - 1 January - 31 March 2021: Attachment 5

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### Funding Summary Stage 7 - 6 Months to 31 December 2020

Opening Funds	Nelson	Marlborough	Tasman
Nelson City Council	\$21,066		
Marlborough District Council		\$7,217	
Tasman District Council			
Nelson Marlborough District Health	\$16,667	\$15,488	\$23,707
Network Tasman	\$1,713		\$4,779
<b>Funding Received during Year</b>			
Nelson City Council	\$51,613		
Marlborough District Council		\$30,000	
Tasman District Council			\$10,000
Nelson Marlborough District Health	\$16,667	\$16,667	\$16,667
Network Tasman	\$1,304		\$1,304
<b>Total Funds at 31 December 2020</b>	<b>\$109,030</b>	<b>\$69,372</b>	<b>\$56,457</b>
<b>Expenses</b>			
WHH Insulation Contribution	\$24,750	\$33,633	\$38,131
<b>Closing Funds</b>			
Nelson City Council	\$61,472		
Marlborough District Council		\$19,112	
Tasman District Council			\$355
Nelson Marlborough District Health	\$21,504	\$16,667	\$16,667
Network Tasman	\$1,304		\$1,304
<b>Closing Funds at 31 December 2020</b>	<b>\$84,280</b>	<b>\$35,779</b>	<b>\$18,326</b>
<b>Return on Investment</b>			
WHH Insulation Contribution	\$24,750	\$33,633	\$38,131
EECA Insulation Contribution	\$222,748	\$302,701	\$343,175
<b>Total Cost of Insulation</b>	<b>\$247,498</b>	<b>\$336,334</b>	<b>\$381,306</b>
# of Homes Insulated	90	117	128
Average Insulation Cost Per Home	\$2,750	\$2,875	\$2,979
WHH Return on Investment	1000%	1000%	1000%

At 31 December 2020 the programme holds a further \$45,857 of Administration Funds and Administration Reserve Funds provided by Mainland Foundation and property owners from Stages 1-3 of the programme.

Future Committed Funding for FYE 30 June 2021 – not included above:

- \$ 51,163 Nelson City Council ("NCC")
- \$ 10,000 Tasman District Council ("TDC")

### Current Foci

- Continue the work with NCC and TDC on strategy to mail out to all Dep 9 and 10 homeowners to ensure homeowners are aware of the EECA/Warmer Healthier Homes offering of 100% funding.
- Work with local Iwi on a strategy to promote the programme to whānau living on Māori/Iwi land.

Warmer Healthier Homes – Six Month Report 1 July 2020 to 31 December 2020

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- NMDHB working with NCC to identify families with high hospital admissions who are also homeowners for targeted marketing via our health partners and primary health to protect privacy.
- Work with our three local Councils to prepare for the 2021 Long Term Planning process with a view to securing new three-year funding agreements for the programme.
- Explore other third-party funder opportunities.

## Funding Partners' Return on Investment

The total cost to insulate the 335 homes in Stage 7 (six months 31 December 2020) was \$965,138 exclusive of GST. Of this total cost, EECA provided funding of \$868,624 and Warmer Healthier Homes \$96,514. To our funding partners this represents a 1,000% return on investment.

On 28 April 2020, EECA increased its contribution from 66% to 90%.

To provide some context of how far the third-party funders' money went, the funding of insulation under the current programme to eligible homeowners is:

- EECA 90%
- WHH 10%
- Homeowner 0% (third party funding is subject to availability)

Warmer Healthier Homes continues to have discretion to fully fund the non-EECA contribution for families in highest need and those with health-related conditions. Warmer Healthier Homes has a formal referral process with our partners in the health sector; a sub-committee reviews and approves funding in these cases.

## Our Thanks

On behalf to the Steering Committee I would like to thank our MoU partners and funding partners for their support of the Warmer Healthier Homes project. Without your support we would not have been able to have a positive impact on over 300 families in our community every year.

All of us involved in the project are committed to helping families in our community by providing a warmer home environment to support better outcomes for the household, health wise, socially and economically. There is so much more work to do.

Personally, I would like to thank the Steering Committee members and the Trustees for all the hard work they have put in to ensure the continued success to the programme.



**Leeson Baldey**

Chairman, on behalf of the Warmer Healthier Homes Steering Committee and Warmer Healthier Homes Te Tau Ihu Charitable Trust.

C/- Nelson Tasman Housing Trust, PO Box 140, Nelson 7040 (Administrator)

## Appendices

## Warmer Healthier Homes Nelson Tasman Marlborough Project

### Background

Preparation for this project began in July 2013 following the release of the Government's Health Homes Initiative. The Nelson Trustees for the Rātā Foundation, previously The Canterbury Community Trust ("TCCT") considered the Nelson/Tasman region would benefit from a project utilising the Government funding agency Energy Efficiency and Conservation Authority (EECA).

The Rātā Foundation (Rātā) wished to use some of the Special Fund that the Trust had allocated to the region in response to the Christchurch earthquake and natural disaster events, to help local people with their housing needs. In particular there was a desire to help as many households as possible in the region and it was felt that a Warmer Healthier Homes programme to retrofit the many cold, damp houses in the region would be a good use of these funds.

Accordingly, a meeting was held between the local Rātā Trustees Bill Dahlberg, Max Spence and the NMDHB Chief Executive Officer Chris Fleming in July 2013 to discuss a possible project. The NMDHB had previously joint funded a successful EECA funded programme to retrofit 500 homes in partnership with the Nelson Tasman Housing Trust ("NTHT") in 2006-2009. NMDHB agreed to provide in-kind support for this new programme, should funding from TCCT and EECA eventuate.

Further meetings took place in August and September between Rātā and NTHT to scope the project and discuss how it would be managed. NTHT approached Absolute Energy owner Paul Brockie in September 2013 to discuss the possibility of their involvement in the project. Absolute Energy Ltd, being an EECA improved insulation installer since 2009 for the Nelson/Tasman/Marlborough regions was a desirable business to enter discussions with. Meetings also took place between NTHT and NMDHB to discuss identifying households with high health needs which could benefit from the proposed retrofit programme. Representatives from the Nelson Bays Primary Health ("NBPH") also took part in these discussions. A target of 200 possible households in two years was agreed on the basis that the budget would support about 100 retrofits per year. NMDHB and NBPH went on to develop a methodology for community engagement strategy.

A steering group of senior representatives of the main partners was formed in September 2013 and has met monthly since September 2014. To maximise resources the steering committee worked in conjunction with the Warm Up New Zealand: Healthy Homes programme. The project was underway by February 2014 and in August 2014 that year the steering group was delighted that the first retrofit of a Nelson/Tasman home in Stage One (with a target of 100 plus) was underway.

# Item 8: Environmental Management Group Quarterly Report - 1 January - 31 March 2021: Attachment 5

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The following home insulations were achieved over Stages 1 –6:



**1,993 Properties Completed Stage 1 to Stage 6**

Stage 6 - Owner Occupied	Total
Nelson	238
Tasman	35
Marlborough	148
<b>Total Homes Insulated</b>	<b>421</b>

Stage 5 - Owner Occupied	Total
Nelson	167
Tasman	102
Marlborough	99
<b>Total Homes Insulated</b>	<b>368</b>

Stage 4	Owner-Occupied	Rental	Total
Nelson	53	222	275
Tasman	8	10	18
Marlborough	16	89	105
<b>Total Homes Completed</b>	<b>77</b>	<b>321</b>	<b>398</b>

Stage 3	Owner-Occupied	Rental	Total
Nelson	9	159	168
Tasman	4	66	70
Marlborough	15	70	85
<b>Total Homes Completed</b>	<b>28</b>	<b>295</b>	<b>323</b>

*Please note, EECA discontinued funding for owner occupied home from July 16 to March 17 resulting in a lower number of owner occupied homes in Stage 3.*

Stage 2	Owner-Occupied	Rental	Total
Nelson	84	68	152
Tasman	53	32	85
Marlborough	69	23	92
<b>Total Homes Completed</b>	<b>206</b>	<b>123</b>	<b>329</b>

Stage 1	Owner-Occupied	Rental	Total
Nelson	60	51	111
Tasman	30	13	43
<b>Total Homes Completed</b>	<b>90</b>	<b>64</b>	<b>154</b>



WHH remains focused on reducing hospital admissions through improved quality of living standard, supporting families and in particular children under five, with the incidental benefits of improving the overall standard of Te Tau Ihu ratepayer properties and supporting a more productive community.

## Steering Group - Summary of Relationships

### Steering Committee members

- Nelson Marlborough District Health Board: Peter Burton (Service Director)
- Nelson Tasman Housing Trust: Carrie Mozena (Director); Jason Templer (Finance Manager)
- Absolute Energy (Contractor): Paul Brockie (Managing Director); Tanya McDonald (Admin Manager)
- NMDHB Public Health Service: Hilary Genet and Karen Vis
- Nelson City Council: Richard Popenhagen (Environmental Programme Adviser)
- Marlborough District Council (MDC): Dean Heiford (Manager Economic, Community & Support Services)
- Warmer Healthier Homes Te Tau Ihu Charitable Trust (Trustees Margaret Gibbs, Jean Simpson, Carrie Mozena & Leeson Baldey)
- Chair: Leeson Baldey

### Funding Partnerships

- Rātā Foundation – Nelson/Tasman and Marlborough Trustees
- Nelson City Council
- Marlborough District Council
- Nelson Marlborough District Health Board
- Port Nelson
- Network Tasman Charitable Trust
- Mainland Foundation
- Tasman District Council
- EECA - Energy Efficiency and Conservation Authority

### Groups/entities engaged in ongoing discussion and referral pathways

- EECA – Energy Efficiency and Conservation Authority
- NMDHB - CEO
- Rātā Foundation – Chief Executive/Donations Manager
- NCC – Mayor and Council Management
- Marlborough District Council - Mayor and Council Management
- NCC/TDC Kaumatua – Andy Joseph
- NMDHB – Whare Ora – Ditre Tamatea
- Age Concern Nelson Tasman Inc.
- Sexual Abuse Support and Healing Nelson/Tasman
- Nelson Women's Centre

### Insulation Products

- EECA approved list of products with over 90 % of all product manufactured in NZ and 100% of polyester manufactured in NZ. Links to Absolute Energy main products web sites
  - <https://www.pinkbatts.co.nz/product-library/>
  - <https://www.mammoth.co.nz/products/productrange>
  - <https://www.knaufinsulation.co.nz/home-owners/insulation-range>

## Governance and Risk

The WHH Steering Group has documents and procedures in place to ensure that the project is well governed, and project risk is minimised. The most important documents/procedures are as follows:

- Annual audited accounts from NTHT provided to the steering committee
  - To be substituted with Annual Accounts as prescribed by the Charities Commission
- Six Monthly reporting to project partners on project outcomes and development
- Quality and Audit procedures in place between Absolute Energy and EECA
- Health and Safety – regular documented H&S meetings in place between NTHT (WHH Administrator) and Absolute Energy (project contractor)
- Monthly Steering Committee meetings, including reporting on financial performance, auditing and accountability, administered by NTHT (project administrator)
- MoU in place between members of the Steering Group, Funders and Key Stakeholders

## Steering Group - Referral Pathways Summary

The Warmer Healthier Homes Steering Group is utilising two pathways for referrals into the scheme. The first referral pathway is through the health sector. The second pathway is outside of the health sector. We have called the second pathway 'regular sector' referrals. The following is an overview of the two referral pathways.

### 1. Health Sector Referrals

The key features of Warmer Healthier Homes – Nelson/Tasman & Marlborough Project is working with the Healthy Homes Initiative to:

- Prioritise families with children under five years old or a family member with respiratory related conditions and/or other chronic conditions identified via NMDHB and primary Care health professionals.
- Project scope currently limited to households in the Nelson/Tasman or Marlborough regions.

The justification for this prioritised approach is as follows:

- The association between housing related health conditions, low income and poor housing conditions is well documented.
- Evidence indicates that interventions such as ceiling and underfloor insulation which improves the warmth of the home can lead to health improvements, especially when these interventions are targeted to those with inadequate warmth and respiratory related conditions.

From our health partners we understand people with the highest health needs:

- Are unlikely to be the quickest, if ever, to pick up the phone to self-refer for such a project.
- Are also likely to be sleep deprived.
- May have experienced reductions to income.
- May be crowding into rooms because they cannot use their bedroom due to mould and damp.
- May include children likely to be missing days off school and parents off work due to ill health and are likely to struggle to afford to keep their home warm.

To ensure that those with the highest health needs do not miss out, we have opted to run this project as an invite only/health/partner referral, rather than a self-referral programme.



## 2. Regular Sector Referrals

The key features of this Warmer Healthier Homes Nelson Tasman Marlborough Project working with the EECA Warmer Kiwi Homes Initiative is:

- Supporting those eligible under the EECA Warmer Kiwi Homes criteria
- Prioritising people identified in conjunction with the Steering Committee's Advisory Referral Panel.
- Project scope currently limited to households in the Nelson, Tasman & Marlborough regions.

The justification for this prioritised approach is as follows:

- The association between housing related health conditions, low income and poor housing conditions is well documented.
- Evidence indicates that interventions such as retrofitting ceiling and underfloor insulation which improves the warmth of the home can lead to health improvements, especially when these interventions are targeted to those with inadequate warmth and respiratory related conditions.
- The WHH NT&M Steering Committee, Advisory Panel have invited groups from within the community that are involved in the housing, health and service sector. These groups are well positioned to identify and refer clients who would benefit most from this programme.

## Key Milestones

Sept 2016: Referrals opened for rental properties where tenants hold a Community Services Card. Referrals were prioritised for rentals which include under-5s, over-65s, or tenants with health needs. Job costs were funded by: WHH Committee (25% of cost), EECA (25% of cost), Landlords (50% of Cost).

EECA discontinued co-funding for homeowners in July 2016 which increased the cost per home against available funding. Feedback from the NMDHB Public Health Service indicated that there was considerable need for assistance with owner-occupied homes (and rentals). In stage 3 the Steering Committee needed to allocate a larger proportion of funding (approx. 60%) towards homeowners and formed new funding partnerships as detailed below. The Government made changes to EECA allocation March 2017, so homeowners could receive assistance. The WHH steering committee again adjusted funding allocations accordingly.

Feb 2017: Referrals reopened for owner-occupied homes where occupants hold a Community Services Card. Homes needed to include under-5s, over-65s, and/or people with housing-related health needs. Job costs were funded by: WHH Committee (generally 80% of cost), Homeowners (up to 20% of cost). The majority of referrals originated from primary health organisations and health NGOs.

2017/2018: New partnerships developed with Port Nelson (\$10K targeting under-5s), Network Tasman Charitable Trust (\$20K targeting under-5s), and Mainland Foundation (\$10K for administration costs).

Mar 2018: Achieved milestone of insulation of 1,000 homes for those in need.

Apr 2018: Bill Dahlberg retired as founding Chair & Leeson Baldey joined the Steering Committee as Chair.

May 2018: EECA announced Warmer Kiwi Homes scheme: \$142m Government investment to make Kiwi homes healthier. This scheme replaced the existing Healthy Homes scheme and was effective from 1 July 2018. The new [Warmer Kiwi Homes Programme](#) commenced 1 July 2018 targeting only owner-occupied properties, providing up to 67% of the insulating cost for those on low incomes, defined as people who:

- have a Community Services Card, or

- live in an NZ deprivation index decile 8, 9 or 10 area, or
- have a Gold Card with a CSC endorsement, and
- live in a home built prior to 2008

June 2019: Achieved milestone of insulation of 1,500 homes for those in need.

November 2019: Achieved milestone of insulation of 1,750 homes for those in need.

May 2020: EECA confirmed a further \$56m of funding for the next two years to 30 June 2020 and increased the government subsidy from 67% to 90%. Qualifying criteria remains unchanged.

July 2020: Warmer Healthier Homes Te Tau Ihu Charitable Trust established.

During 2019 the Steering Committee progressed the establishment of a separate Charitable Trust for Warmer Healthier Homes, to be known as Warmer Healthier Homes Te Tau Ihu Charitable Trust. Mainland Foundation kindly provided funding via NTHT to support this process.

Previously the Warmer Healthier Homes Programme had been operating on the foundations of a Memorandum of Understanding which required the Nelson Tasman Housing Trust to manage the finances and apply for funding on behalf of WHH. Historically this had worked well, although with policy changes this had become more challenging for NTHT to accommodate as:

- Many third party funders only accept one funding application per year from an entity. So, if NTHT applies on behalf of WHH, this hinders NTHT's ability to apply for their own purposes.
- Accounting standards for charities have changed, which have made it increasingly complex to account for WHH under the umbrella of NTHT, with WHH distorting the annual financial statements of NTHT.

The Trust, with the consent of the current Steering Committee, consists of four Trustees: Leeson Baldey (ASB Commercial Manager, current WHH Chair & Institute of Directors Committee Board), Carrie Mozena (NTHT Director and WHH Steering Committee Member), Margaret Gibbs (General Manager Manuka Street Hospital Limited) and Dr. Jean Simpson (health researcher, recently retired) provides a broad skill set across health, community housing, finance and governance. The Trustee roles are unpaid roles. The effect on the Warmer Healthier Homes Project:

- Operations – nothing changed to the operations of WHH. The WHH Steering Committee continue to manage the day to day operations of the programme under the MoU.
- Reporting – no change to six monthly and annual reporting to our partners and stakeholders.
- NTHT will continue to be contracted to provide administration services.
- Funding and Programme development – the key responsibilities of the Trustees will be governance and financial management of the programme funds, with a focus on exploring new partner opportunities from both a funding and collaborative basis. The Trustees will provide skilled oversight of WHH to guide the programme forward.

Future grant applications will be from Warmer Healthier Homes Te Tau Ihu Charitable Trust in Trust.

Memorandum of Understanding has been signed that includes the Trust as a Partner of the project.

August 2020: Achieved milestone of insulation of 2,000 homes for those in need.



## Subsidies available for home insulation

Heating and insulation can make a massive difference to your health, as well as the warmth of your home. Having adequate home insulation can also mean that you use less wood in your wood burner, which in turn helps reduce air pollution in winter.

We have given funding to the Warmer Healthier Homes Te Tau Ihu Charitable Trust, which provides grants to retrofit insulation into qualifying owner-occupied homes across Te Taihū (top of the South). The trust works alongside the Energy Efficiency Conservation Authority's Warmer Kiwi Homes grant scheme.

To be eligible for a grant, you will need to:

- Be the homeowner (owner-occupier) of a home built before 2008, AND Have a Community Services Card or SuperGold combo card (with CSC endorsement); OR

- Own and be living in a home identified as being in an eligible area.

Homeowners can find out if they qualify for a grant (90 – 100% subsidy) by contacting the project contractor, Absolute Energy.

[absoluteenergy.co.nz](http://absoluteenergy.co.nz)



## Marlborough Weekly

3 November, 2020, 9:55 am



Dr Jean Simpson, Carrie Mozena, Leeson Bradley and Margaret Gibbs celebrate Warmer Healthier Homes' 2000th insulation. Photo: Erin Bradnock.

Erin Bradnock

A project dedicated to making the homes of those in the Top of the South warmer and healthier to live in has just celebrated its 2000<sup>th</sup> insulation.

Warmer Healthier Homes Nelson – Marlborough has been subsidising insulation projects in the region since 2014.

Project chairman Leeson Baldey says it's an amazing achievement for the programme, which is administered by Absolute Energy.

"It's 2000 families living in healthy homes."

The project began in partnership between Rata Foundation, Nelson Tasman Housing Trust, Nelson City Council, and Nelson Marlborough DHB to address unhealthy homes in the region.

Insulating a home typically costs between \$2,500 to \$5000 in New Zealand.

Over 30 people gathered at the Boathouse last Thursday to celebrate the milestone.

Henry Nepia of the Energy Efficiency and Conservation Authority says they don't often get to celebrate the wins.

"And there's been a lot of them over the years."

Henry acknowledged the work still to be done, saying the authority is still getting up to a 1000 inquiries for insulations a week.

Project founder and former chairman Bill Dahlberg was instrumental in the project's founding and success.

A2623840

Warmer Healthier Homes – Six Month Report 1 July 2020 to 31 December 2020



## More Marlborough homes eligible for home insulation support

Up to 1,000 homes in Marlborough may qualify for funding to make them warmer, drier and healthier.

The Warmer Healthier Homes Nelson Tasman Marlborough project aims to help residents improve their home insulation and overall energy efficiency through retrofitting. The Council has provided a total of \$230,000 to the scheme from 2016 to 2020.

This past year has seen an increase in participation for the project in Marlborough with 148 home insulations.

Council's Economic, Community & Support Services Manager Dean Heiford said this was due in part to a targeted mailout to eligible properties.

"There are still at least 1,000 homes in our region which are likely to be eligible for this assistance," he said.

The Warmer Healthier Homes Te Tau Ihu Charitable Trust recently celebrated the 2,000th installation for the top of the south in Nelson.

Energy Efficiency and Conservation Authority (EECA) Warmer Kiwi Homes is a Government programme covering 90% of the cost of approved ceiling and underfloor insulation and heat pumps, wood burners and pellet fires.

The Trust offers a 10% top-up to this grant, prioritised for people with respiratory conditions, other chronic illness and families with children under five years of age. Homeowners not eligible for the Warmer Kiwi Homes grant or top-up are still able to access a wide range of energy efficiency initiatives offered by Council.

For more information phone Council on Ph: 03 520 7400 or visit: [www.marlborough.govt.nz/services/rates/energy-efficiency](http://www.marlborough.govt.nz/services/rates/energy-efficiency)



*Council's Economic, Community & Support Services Manager Dean Heiford and Absolute Energy Managing Director Paul Brockie with Blenheim homeowner Jaimee Noble who benefitted from the Warmer Healthier Homes Programme*





## Insulation Project Reaches Major Milestone

*Jonty Dine – 12 December 2019 – Nelson Weekly*

Thousands of Nelsonians are sleeping in warmer drier homes. The Warmer Healthier Homes Nelson-Tasman-Marlborough Insulation Project has reached a major milestone, with the warmth and health of 1,750 households improved with insulation. The project offers free insulation to households in need.

Chairman Leeson Baldey says the positive effects of insulation are well-documented.

"Insulation is especially important for the elderly and young children. People living in an insulated home are less likely to be hospitalised with respiratory illnesses such as asthma, and have fewer hospitalisations and days off work and school."

Leeson says the project grants provided by EECA (Energy Efficiency and Conservation Authority) cover two-thirds of the cost of insulation to eligible households and they are able to offer insulation at no cost because of the generous support of community funders.

"I would especially like to thank our community funders, whose contributions are improving the health of our community. This support is making a real difference to the well-being of the Nelson-Tasman and Marlborough regions."



*Warmer Healthier Homes Nelson-Tasman-Marlborough Insulation Project chairman Leeson Baldey.*

Current funders are Nelson City Council, Marlborough District Council, Tasman District Council, Nelson Marlborough Health, Network Tasman, Port Nelson, Mainland Foundation and the Rata Foundation, Leeson says.

EECA's Warmer Kiwi Homes Manager Eddie Thompson congratulates the Project on reaching the milestone.

"The Government provides Warmer Kiwi Homes grants but these generous contributions from community organisations means needy households get warmer and drier homes at no cost. That is invaluable."

PROJECT ID		The Nelson Plan			
QUALITY	TIME	BUDGET			
PROJECT UPDATE		OVERALL HEALTH			
		AMBER			
<p>The team presented feedback from public engagement on the Draft Plan to councillors, and made that feedback public in February 2021. Actions arising from public's feedback has been initiated, including preparing or finalising technical work needed to support the development of the Draft Nelson Plan. This has included progressing or finalising:</p> <ul style="list-style-type: none"><li>- Draft provisions for the airport zone; and Education &amp; Research zone; Natural hazard mapping for slope instability, flood hazards and coastal erosion.</li><li>- Options for managing Port Noise prepared for stakeholder engagement.</li><li>- Coastal Hazards public engagement feedback presented to Councillors and preparation for upcoming risk and vulnerability assessment; - Freshwater planning provisions continue to be developed in collaboration with the community working group and Te Tau Ihu Iwi, MDC and TDC. The team has also spent some time analysing the potential impacts from the RMA reforms on the Nelson Plan programme reforms and prepared for a workshop with Councillors.</li></ul>					
PROJECT RISKS		PROJECT ISSUES			
<p><b>Legislation</b> RMA reform presents a significant risk to the completion of the Nelson plan programme, as planned. The uncertainty of transition timeframes, plan requirements and potential joint plans with Marlborough and Tasman district councils means that it is difficult to determine how the reforms will impact the Nelson Plan programme. At the current time, the Environmental Planning team is carrying on with the development of the Nelson Plan, with expected notification in 2022. It is likely that aspects of the Nelson Plan may be notified at different stages, particularly for Freshwater and Coastal Hazards, as they are both subject to significant legislative changes (or upcoming changes). Further National Directions anticipated to be issued by central government may also affect the delivery and content of the Nelson Plan, such as NPS Indigenous Biodiversity, NES Air, NPS Highly Productive Soils - and others. Mitigations to these risks have been added, including decision points for Council, project planning for staged approach, and maintaining contact with Ministry for the Environment on upcoming changes. The mitigations can be accommodated within existing budget.</p>		<p>Delays to flood modelling outputs have been resolved, and release of flood maps planned as part of Phase 2 Nelson Plan engagement.</p>			
PROJECT FINANCIALS					
	Year 1 2018/19	Year 2 2019/20	Year 3 2020/21	Years 4-10 2022/28	Total 2018/28
Long Term Plan Budget	526,529	712,845	378,624	2,145,250	3,763,248
Carry-forwards / Amendments	90,282	213,000	637,043		940,325
<b>Total Budget</b>	<b>661,113</b>	<b>948,447</b>	<b>1,015,667</b>	<b>2,145,250</b>	<b>4,770,477</b>
Actual Spend to Date	493,164	809,777	707,628		2,010,570
<b>Full Year Forecast</b>	<b>661,113</b>	<b>948,447</b>	<b>1,015,667</b>	<b>10,966,671</b>	<b>13,591,898</b>
BUDGET COMMENTS		FORECAST COMMENTS		PROJECT COMMENTS	
<p>Budget costs are behind the estimate of costs for the third quarter of 2021 financial year. The budget is projected to be underspent at year end, due to: costs not incurred for consultancy costs where this work was undertaken by internal staff; lower than expected costs for some work areas e.g. freshwater collaboration, Iwi working group costs, and engagement costs. Other contingency costs for national directions have not been incurred to date, as the release of these documents has been delayed by central government.</p>					

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MARCH 2021	1319	Upper Trafalgar St improvments - Closure			
PROJECT DESCRIPTION					
Upper Trafalgar Street is closed to vehicular access permanently, the project has put in place the requirements for summer, we are now implementing the permanent solution.					
QUALITY		TIME		BUDGET	
3		3		1	
PROJECT UPDATE				% PLANNED TARGET	% ACHIEVED
Construction commenced in April. Completion is due by the 30 June 2021.				82%	77%
PROJECT RISKS		PROJECT ISSUES			
Civil works extra costs during construction. Businesses disruption.		No concerning issues to report.			
PROJECT FINANCIALS					
BUDGET - CURRENT YEAR		FORECAST AND ACTUALS - CURRENT YEAR		STAFF COST - CURRENT YEAR	
BUDGET COMMENTS		FORECAST COMMENTS		PROJECT COMMENTS	
Original LTP didn't include this project. Latest approved operating budget is \$861k.		Forecast as per the approved budget.		This project was not part of the 19/20 Annual Plan. Overall forecast as per the approved budget.	

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## Item 8: Environmental Management Group Quarterly Report - 1 January - 31 March 2021: Attachment 8

Business Unit	Project/ Programme Name	Project/ Programme manager	Project/Programme Description	Work undertaken Jan - Mar 2021	% complete	% budget used	Project Health	Comments, Risks and Issues	Project/ Programme Budget \$	Project/ Programme Actuals to date
Science & Environment	Nelson Nature	Leigh Marshall	Protecting, restoring and enhancing Nelson/Whakatu's native ecosystems and species, from the mountains to the coast.	Weed control underway for forest weeds in Maitai/Roding and priority biocorridors. Wilding conifer control in mineral belt. Support for SNA landowners for weed and animal pest control. Technical support and equipment for community trapping groups. Grants provided for community restoration projects through Environmental Grants Scheme.	60%	51%	G	Staff capacity was reduced during this quarter due to two vacant positions as a result of internal transfer of staff to new roles. Vacancies filled in Jan 21 and project back on track for delivering objectives with some minor shifts in project deliverables to be completed this FY. Additional \$220,000 of budget committed in contracts to be completed by end of FY.	441,836	219,922
Science & Environment	Healthy Streams	Joanna Wilson	Working with the community and across Council to achieve improved outcomes for freshwater in the Nelson Region.	Poorman Valley Stream community engagement project first art project completed. Contracts for fish passage and Erosion and Sediment Control projects set up ready to be completed in 3rd quarter of the FY. Implementation of the Poorman Valley Stream Ecological Restoration Plan underway through the Cemetery section with tree weed control to prep for planting. Volunteer celebration afternoon tea. National Advisory Group for Freshwater Citizen Science meetings. Completion of the Lud Green Infrastructure project.	65%	31%	G		440,603	
Science & Environment	Land Management	Asita Langi	New programme from July 2019. Working with the community and across Council to achieve improved outcomes for sustainable land management in the Nelson Region. Includes activities such as erosion management, farm forestry plans, rural riparian	Both envirolink projects (Mātauranga Māori guidance and Forestry reversion guidelines) are well underway with mātauranga māori workshops and webinars being rolled out at SIGS and online nationally in the past 2 months and Adam Forbes completing site visits in April. The final forestry reversion guidelines report is due at the end of June. February environmental grants round allowed the remaining unallocated plants under the HCEF contract with MPI to be allocated to projects addressing erosion on private land.	70%	25%	G	While the budget appears to be unspent, This is due to a large portion of this being committed in plant costs and environmental grants which will be invoiced in Q4. On track to be fully spent by June 30 <sup>th</sup> .	365,614	91,815
Science & Environment	Biosecurity	Richard Frizzell	Tasman Nelson Regional Pest Management Plan implementation.	Annual report of RPMP Operational Plan presented to Council; development of spray trial control of water celery in Orphanage Stream; first round of Sabella delimitation completed.	65%	40%	G	Much of the budgeted work is still to be completed/invoiced in the next quarter. Implementation of RPMP to be transitioned from Tasman District Council to new NCC Biosecurity Officer role.	277,715	112,799
Science & Environment	Sustainable building	Richard Popenhagen	Warmer, healthier, sustainable homes and heritage project grants to support the upkeep of Heritage buildings	Heritage Project Fund allocated for this year. Warmer Healthier Homes work ongoing.	75%	40%	G	Insulation grant likely to be underspent due to the change in EECA funding model from 67% to 90% government funded. This change in funding results in the WHH contribution going further, resulting in more homes insulated for less regional funding.	212,749	51,613

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								The Warmer Healthier Homes six month report 1 July 2020 to 31 December 2020 has been received, refer A2623840.  Reduced Eco Design Advice Service due to other work programmes taking precedence.		
Science & Environment	Air quality	Richard Popenhagen	Air quality monitoring and behaviour change	Routine AQ monitoring. Quarterly service of AQ monitors. Buy Your Firewood Now promotion.	75%	29%	G	Risk of AQ monitoring gaps due to equipment near end of life. Awaiting direction on amended NESAQ and NEMS as to complying monitoring equipment going forward. Gasses study scheduled for 4 <sup>th</sup> quarter. Programme is underspent due to outstanding invoices for the Gases study and the need to roll of capital spend until certainty over future monitoring methods/equipment is resolved.	276,144	53,119
Science & Environment	Freshwater monitoring - quantity and quality	Paul Fisher/ Emma reeves	SoE monitoring and Hydrology monitoring	Routine hydrometric inspections and SoE monitoring. The Rec bathing program been completed for the season and temperature sensors were deployed. Installation of a continuous water quality sensor measuring temp, DO, pH, conductivity and turbidity as a trial for further continuous water quality monitoring	75%	58%	G	Waiting on outstanding invoices for Q3 work	349,290	75,506
Science & Environment	Estuarine, coastal and marine monitoring	Paul Fisher/Vikki Ambrose	SoE estuarine monitoring, marine water quality monitoring, coastal/marine ecosystem health and biodiversity programmes including shorebirds, citizen science and participation in benthic restoration projects	Marine monitoring programme in development and reviewed by Cawthron. Implementation now in planning stage. Estuarine/coastal health monitoring starting in Q4.	60	32%	y	Marine programme in draft phase only  Majority of work to be undertaken in Q3 and Q4	129,777	6,700
Science & Environment	Environmental Education	Joanna Wilson	Environmental Education for Sustainability programme to promote positive behaviour change in the wider community	The EnviroSchools programme is continuing to have a high level of participation from Nelson schools; Nelson Central Kindergarten became a Bronze EnviroSchool on 18 March 2021; and Nelson Christian Academy officially joined the programme as a full EnviroSchool in March 2021.	75%	69%	G		107,939	48,936
Science & Environment	Project Mahitahi	Susan Moore-Lavo	Ecological restoration of the Maitai/Mahitahi catchment through Jobs for Nature grants from MfE and DoC.	Jan to March 21. Continued to work on contracting roles with most roles either in place, or close to recruitment by end of March. Funding secured from MPI to deliver several community planting projects. Operation work well underway with Field Staff	50%	33%		Funding is derived from two Government Grants. Expenditure will increase in relation to the DOC portion of this grant, as more roles are recruited. DOC grant has a Nov to Nov funding year, which means funding not expended prior to July remains part of Year One DOC grant. MfE funding expenditure is on track	\$1,007,332	\$331,908

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Planning	Whakamahere Whakatū Nelson Plan	Maxine Day	Develop an integrated Resource Management Plan for Nelson	Project health reported separately			G			
City Development	HASHAA	Lisa Gibellini	Legal Advice and Deed and private developer agreements for SHAs	Project health reported separately			G			
City Development	City Development	Lisa Gibellini	NPS Capacity Assessment, Future development Strategy and City Development Projects	Project health reported separately			G			
END OF REPORT										

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