



Nelson City Council
Te Kaunihera o **Whakatū**

Notice of the Ordinary meeting of

Nelson City Council

Te Kaunihera o Whakatū

Date:	Thursday 25 May 2023
Time:	9.00a.m.
Location:	Council Chamber Floor 2A, Civic House 110 Trafalgar Street, Nelson

Agenda

Rārangi take

Chairperson

Deputy Mayor

Members

His Worship the Mayor Nick Smith

Councillor Rohan O'Neill-Stevens

Cr Matty Anderson

Cr Matthew Bengé

Cr Trudie Brand

Cr Mel Courtney

Cr James Hodgson

Cr Kahu Paki Paki

Cr Pete Rainey

Cr Campbell Rollo

Cr Rachel Sanson

Cr Tim Skinner

Cr Aaron Stallard

Quorum 7

Nigel Philpott
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.

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. Public Forum

There is no Public Forum

5. Confirmation of Minutes - 11 May 2023

5 - 21

Document number R27713

Recommendation

That the Council

- 1. Confirms the minutes of the meeting of the Council, held on 11 May 2023, as a true and correct record.***

6. Deliberations on the Annual Plan 2023/24 submissions

22 - 64

Document number R27506

Recommendation

That the Council

- 1. Receives the report Deliberations on the Annual Plan 2023/24 submissions (R27506) and its attachments (839498445-14453 and 332184083-4780); and***

2. ***Notes that additional savings of \$247,000 have been identified by Council officers in the period since the Consultation Document was released, enabling funding of the recommended decisions 3, 4 and 7 below; and***
3. ***Approves amending the proposed Annual Plan 2023/24 in response to submissions, to provide a 7.2% inflation adjustment to the Community Investment Fund and organisations identified as supporting Nelson's communities of greatest need, at an approximate cost of \$44,000; and***
4. ***Approves amending the proposed Annual Plan 2023/24 in response to submissions, to provide a 3.5% inflation adjustment to grants to other community organisations, facilities and Council Controlled Organisations and Council Organisations, at an approximate cost of \$183,000; and***
5. ***Requests Council officers, in consultation with the Chief Executive and the Board of the Nelson Regional Development Agency, to prepare a report taking account of the financial challenges facing that agency due to the government COVID-19 support ending in June 2023 and a disparity of funding between Nelson City Council and Tasman District Council and considering how the agency can be refocussed and financed into the future; and***
6. ***Delegates to the Deputy Mayor, Councillor Courtney and Councillor Brand with the support of Group Manager Community Services, and in consultation with the Nelson Festivals Trust, the investigation of the degree to which the Trust met its contractual obligations during the difficulties of COVID-19, the circumstances that led to the growth in its reserves, and the appropriateness or otherwise of the Trust using those cash reserves to help partially fund the 2023 Arts Festival given the acute budgetary pressures on Council and ratepayers, with the findings of this work to be reported back to Council; and***
7. ***Approves amending the proposed Annual Plan 2023/24 in response to submissions, to provide an increase of funding in 2023/24 to Kotahitanga mō te Taiao Alliance from \$20,000 to \$40,000, conditional on Tasman and Marlborough District Councils resolving likewise;***
8. ***Approves the approach to Annual Plan 2023/24 submission responses included in the spreadsheet in Attachment 1 (839498445-14453); and***

9. ***Approves the changes to the proposed Annual 2023/24 resulting from Council decisions, corrections and timing changes as outlined at sections 5.43 to 5.46 of this report R27506; and***
10. ***Approves the budget carry forwards as set out in Attachment 2 (332184083-4780); and***
11. ***Confirms its intent to have an overall average rates increase of 7.2% in 2023/24.***

7. Deliberations on the Schedule of Fees and Charges 2023/24

65 - 91

Document number R27671

Recommendation

That the Council

1. ***Receives the report *Deliberations on the Schedule of Fees and Charges 2023/24 (R27671)* and its attachments (1598046314-107); and***
2. ***Approves increasing the Annual Pile Mooring fee by 7.2% for 2023/24; and***
3. ***Confirms the approach to adopting the changes to the Schedule of Fees and Charges for 2023/24, as contained in Attachment 1 (1598046314-107).***

Karakia Whakamutanga

Nelson City Council Minutes - 11 May 2023

Minutes of a meeting of the

Nelson City Council

Te Kaunihera o Whakatū

Held in the Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson on Thursday 11 May 2023, commencing at 9.02a.m.

Present: His Worship the Mayor N Smith (Chairperson), Councillors M Anderson, M Benge, T Brand, M Courtney, J Hodgson, R O'Neill-Stevens (Deputy Mayor), P Rainey, C Rollo, R Sanson, T Skinner and A Stallard

In Attendance: Group Manager Infrastructure (A Louverdis), Group Manager Community Services (A White), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald) Team Leader Governance (R Byrne), Senior Governance Adviser (H Wagener) and Governance Adviser (K Libeau)

Apologies : Councillor K Paki Paki

Karakia and Mihi Timatanga

1. Apologies

Apologies

Resolved CL/2023/075

That the Council

- 1. Receives and accepts the apologies from Councillor K Paki Paki.***

Courtney/His Worship the Mayor

Carried

2. Confirmation of Order of Business

There were no changes to the order of business.

3. Interests

There were no updates to the Interests Register.

M20135

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Councillor Stallard noted for the record that prior to his appointment as a Nelson City Councillor he was part of a group opposing re-zoning in the Maitai.

Councillor Rollo noted for the record that a topic in the annual plan was infrastructure development on Bridge Street, his family owned property and he was employed on Bridge Street.

Councillor Sanson noted that her partner would be speaking to a submission.

4. Public Forum

There was no public forum.

5. Hearing of submissions on the Annual Plan 2023/24 Consultation Document and the proposed Schedule of Fees and Charges

Document number R27635, agenda pages 4 - 155 refer.

Late submissions were received from:

- Peter Taylor - 361
- Deborah Holloway - 362
- Clare Williams - 363
- Debs Martin - Kotahitanga mo te Taiao Alliance – 364
- Duncan Henderson - Total Decorating - 366
- Madison Cumming-Power - 367
- Ru Collin - Brook Waimarama Sanctuary - 368
- Ellie Moyer - 369

5.1 Dan McGuire - 43

Dan McGuire spoke to the submission. He emphasised points in regard to a decline in people attending events within Nelson, businesses bypassing Nelson and establishing in Richmond, the hardships faced by people on low incomes and his belief that Council should not continue to fund the Nelson Regional Development Agency. He answered questions from members on the submission.

Attendance: Councillor Brand joined the meeting at 9.08a.m.

5.2 Elizabeth Dooley – 42

The submitter did not attend.

5.3 Elizabeth Parkes – 46

Elizabeth Parkes spoke to the submission regarding an incident where her son was swimming at Tāhunanui Beach and got caught in a fishing line. She asked that Council consider this situation, given the importance

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of public safety. He answered questions from members on the submission.

5.4 Tilman Walk – 208

Tilman Walk spoke to the submission. He emphasised points on spreading out the flood damage cost over future years and the impact this would have on future ratepayers, the concept of a special levy for property owners of empty sections, the proposed allocation of \$606,000 towards the Maitahi Bayview Development, the fluoridation of Nelson's drinking water and the prospect of dedicated cycleways on Nelson's main roads to avoid accidents. He answered questions from members on the submission.

5.5 Sean Walker – 54

Sean Walker spoke to the submission. He spoke about the impact lighting has on carbon emissions, wellbeing and climate change, wasteful lighting within the Nelson region and how this could be addressed, the absence of a lighting strategy in Nelson City Council's Annual Plan and retaining the ability to see the Matariki constellation. He answered questions from members on the submission.

5.6 Bevan Woodward - Bicycle Nelson Bays – 64

The submitter did not attend.

5.7 Richard Sullivan – 184

Richard Sullivan spoke to the submission. He emphasised points in relation to Council concentrating more on making Nelson a better place to live including focusing on rates, spending and investment. He spoke to reducing rates to below the cost of living increase given the cumulative total of rates rises, Council working harder to cut back on inefficient spending, cutting any funding to tourism promotion. He also expressed his support for any increases in investment for inner-city living, encouraging more people and high productivity businesses in the central business district. He answered questions from members on the submission.

5.8 Lindsay Wood – Resilienz – 112

Lindsay Wood tabled speaking notes (1982984479-5986) and spoke to the submission. He emphasised points in relation to climate change, the structure of the Annual Plan document, decarbonisation, the National Policy Statement on Urban Development, appropriately allocating resources and the Council's role in educating the public on climate change. He answered questions from members on the submission.

Attendance: Councillor Skinner left the meeting at 10:00a.m.

The meeting adjourned from 10.07a.m. until 10.16a.m.

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5.9 R.T. Morris – 115

R.T. Morris spoke to the submission. He emphasised points on Nelson previously losing its status as a port of preference for a period of time and the loss of income this led to. He answered questions from members on the submission.

5.10 Robert Stevenson – 212

This submitter did not attend.

5.11 Jenny Easton and Barb Robson - Zero Carbon Nelson Tasman – 120

Jenny Easton and Barb Robson tabled speaking notes (1982984479-5976), provided a presentation (1876279902-65), and spoke to the submission. They emphasised points on climate change, combining strategies on mitigation and adaptation, campaigns for promoting climate-friendly transport, the concept of a quarter-hour paradise, the use of electric vehicles alongside car-sharing and carpooling and fewer carparks in the city centre. They answered questions from members on the submission.

Attendance: Councillor Skinner returned at 10:43a.m.

5.12 Peter Kemp – 290

Peter Kemp tabled speaking notes (1982984479-5980) and spoke to the submission. He emphasised points relating to boating within the Nelson community and the increase of pile mooring fees at the marina. He answered questions from members on the submission.

5.13 Noah Hosie – Nelson Surf Life Saving Club – 283 and 285

Noah Hosie of the Nelson Surf Life Saving Club presented in a personal capacity and as a representative of Nelson Surf Life Saving Club. He tabled speaking notes (1982984479-5983) and spoke to the submission. He emphasised points regarding the current issues faced by the Nelson Surf Life Saving Club working out of multiple storage locations, the desire for the Club to have better facilities and grow its membership and the statistics relating to the activities performed by the club. He answered questions from members on the submissions.

5.14 Tony Haddon – 320

Mr Haddon tabled speaking notes (1982984479-5987) and spoke to the submission. He emphasised points on the proposed \$606,000 budget for pre-planning work for the Maitahi Bayview development, funding for the proposed Kaka Valley subdivision, the river flooding scenarios. He answered questions from members on the submission.

The meeting adjourned from 11.09a.m. to 11.23a.m.

5.15 Faye Wulff – Community Arts Trust - 196

Deliberations on the Annual Plan 2023/24 submissions

1. Purpose of Report

- 1.1 To deliberate on the submissions received on the Annual Plan 2023/24 Consultation Document.

2. Summary

- 2.1 Council consulted on the Annual Plan 2023/24 Consultation Document, alongside consultation on the proposed Schedule of Fees and Charges for 2023/24, from 29 March to 30 April 2023. 45 submitters spoke at the hearings on 11 and 12 May 2023.
- 2.2 Council, having heard submissions must now consider the matters raised by the community and any new issues which have arisen that may impact on the Annual Plan.

3. Recommendation

That the Council

1. ***Receives the report Deliberations on the Annual Plan 2023/24 submissions (R27506) and its attachments (839498445-14453 and 332184083-4780); and***
2. ***Notes that additional savings of \$247,000 have been identified by Council officers in the period since the Consultation Document was released, enabling funding of the recommended decisions 3, 4 and 7 below; and***
3. ***Approves amending the proposed Annual Plan 2023/24 in response to submissions, to provide a 7.2% inflation adjustment to the Community Investment Fund and organisations identified as supporting Nelson's communities of greatest need, at an approximate cost of \$44,000; and***

Item 6: Deliberations on the Annual Plan 2023/24 submissions

4. ***Approves amending the proposed Annual Plan 2023/24 in response to submissions, to provide a 3.5% inflation adjustment to grants to other community organisations, facilities and Council Controlled Organisations and Council Organisations, at an approximate cost of \$183,000; and***
5. ***Requests Council officers, in consultation with the Chief Executive and the Board of the Nelson Regional Development Agency, to prepare a report taking account of the financial challenges facing that agency due to the government COVID-19 support ending in June 2023 and a disparity of funding between Nelson City Council and Tasman District Council and considering how the agency can be refocussed and financed into the future; and***
6. ***Delegates to the Deputy Mayor, Councillor Courtney and Councillor Brand with the support of Group Manager Community Services, and in consultation with the Nelson Festivals Trust, the investigation of the degree to which the Trust met its contractual obligations during the difficulties of COVID-19, the circumstances that led to the growth in its reserves, and the appropriateness or otherwise of the Trust using those cash reserves to help partially fund the 2023 Arts Festival given the acute budgetary pressures on Council and ratepayers, with the findings of this work to be reported back to Council; and***
7. ***Approves amending the proposed Annual Plan 2023/24 in response to submissions, to provide an increase of funding in 2023/24 to Kotahitanga mō te Taiao Alliance from \$20,000 to \$40,000, conditional on Tasman and Marlborough District Councils resolving likewise;***
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9. ***Approves the changes to the proposed Annual 2023/24 resulting from Council decisions, corrections and timing changes as outlined at sections 5.43 to 5.46 of this report R27506; and***
10. ***Approves the budget carry forwards as set out in Attachment 2 (332184083-4780); and***
11. ***Confirms its intent to have an overall average rates increase of 7.2% in 2023/24.***

Item 6: Deliberations on the Annual Plan 2023/24 submissions

4. Background

- 4.1 On 23 March 2023 Council adopted the Annual Plan 2023/24 Consultation Document, having decided to consult due to the significant variations proposed to the 2023/24 work programme as set out in the Long Term Plan 2021-31.
- 4.2 The consultation for the Annual Plan Consultation Document 2023/24 and proposed Schedule of Fees and Charges 2023/24 were run alongside each other for one month, between 29 March and 30 April 2023. 361 submissions were received on the Annual Plan 2023/24 Consultation Document. 45 people spoke to their submissions at hearings on 11 and 12 May 2023. Submission counts and comments in this report refer to submissions received and the late submissions which were accepted.
- 4.3 284 submissions were made by residents of Nelson, 68 from residents of Tasman and 9 were from people residing outside the Nelson/Tasman region. 81% of submissions were made online. A selection of proforma submissions were received, mostly relating to the Maitahi Bayview Development subdivision (Maitai Valley) and Infrastructure Acceleration Fund projects.

5. Discussion

- 5.1 Key topics raised in submissions and the recommended responses for Council's consideration are outlined below. Recommended responses to a range of matters raised by a smaller number of submitters are contained in the attached spreadsheet (Attachment 1).

Recovery from the August 2022 severe weather event

- 5.2 99 submitters supported funding the net cost of the recovery work over ten years. Reasons given for support included: spreading the cost to existing ratepayers; ensuring there is funding for Council core functions to continue; balancing the approach to make sure it is affordable to residents while responding to climate change. Many submissions also included support for completing recovery works in ways that increase resilience to future events.
- 5.3 13 submitters opposed this timeframe for the recovery work, with some feedback suggesting paying it off over a longer period. However, most of those who opposed the timeframe suggested paying it off over a shorter period to save on borrowing costs or to mitigate risks of another severe event/s occurring before it is paid off, particularly since due to climate change increased frequency of events is likely.
- 5.4 27 submissions gave a mixed response. Many submissions in response to this proposal covered a range of broader matters. Feedback included comments on:
- 5.4.1 the importance of the recovery including strategic planning to consider climate adaptation, Regional Climate Change Risk Assessment (once complete), managed retreat, impacts of future

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events, prohibiting future development in high-risk areas, and the effect of an Alpine Fault rupture

- 5.4.2 concern with replacing infrastructure in areas that will be vulnerable to future severe weather events or the impacts of climate change
- 5.4.3 concern about using hard engineering solutions for rivers as part of recovery works
- 5.4.4 the importance of protecting macroinvertebrate and fish habitat in the Maitai river when undertaking recovery works
- 5.4.5 a view that central government or insurance companies should fund a greater share of the overall cost.

Staff comment

- 5.5 Following a review of the submissions, staff consider that the ten-year repayment period remains the most appropriate timeframe. Paying off the cost over ten years strikes the right balance between not imposing immediate excessive costs and not deferring the costs for so long that there is a high risk of not paying this event off before the next major event occurs. For instance, paying off the estimated cost evenly over five years would require a \$6.8 million repayment in 2023/24, which would require an approximate further 5.9% rates increase to a total of 13.1% in 2023/24.

Reduction in spending on new library

- 5.6 88 submitters supported Council's proposal to reduce spending in 2023/24 on a new library with common reasons including: the risks associated with a riverside location (particularly from flooding); the need to thoroughly investigate the options; support for a central city hub rather than just a library; and that funding should be prioritised to critical infrastructure and flood recovery. Submitters also saw this as an opportunity for wider and improved consultation, and for a more logical proposal being developed.
- 5.7 32 submitters opposed the proposal to reduce spending on and delay construction of a new library. Reasons included: the community needing a new library which should be prioritised; the library being important to people experiencing hardship; support for a separate library rather than a community hub; opposition to the drastic cut in funding; the proposed future funding not being sufficient for a new library/hub; a desire to see the investigation better funded; support for the previous proposal and iwi partnership approach; and concern that the hub will compromise library needs. There was also concern that the project could drag on for many years.
- 5.8 14 submitters opposed allocating any funding. Reasons included: a new library not being needed or seen as a luxury in the current economic

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environment; that a community hub is not required; and that the level of expenditure to do the investigation is too high.

- 5.9 24 submitters provided mixed responses. Comments included: wanting to see a civic centre included in the scope; wanting a new library undertaken in conjunction with Tasman District Council; a preference for several satellite libraries as well as a smaller central library; preference for a youth centre; wanting to see the funding redirected to existing community groups; consideration of other locations (e.g. museum); and saving money now is of no real interest on a project with a 50 year return.

Staff comment

- 5.10 Following consideration of the submissions, staff recommend no changes to the proposal as set out in the Consultation Document. Submissions were generally supportive, and the move will find favour with both those who were concerned about the size of the budget and those concerned about the riverside location. It is prudent for Council to continue working on an alternative approach as The Elma Turner Library is nearing the end of its optimal life.
- 5.11 This approach is consistent with the decision to strengthen the existing library and will allow further opportunity for community engagement on the project and the scope of what is needed. The \$200,000 expenditure in 2023/24 will help develop a greater understanding about suitable sites and community expectations for the community hub development, including a new library.

Infrastructure Acceleration Fund – infrastructure upgrade to unlock city centre living

- 5.12 114 submitters supported accelerating infrastructure upgrades in the city centre to enable central city living and to receive central government funding. Common reasons submitters supported the proposal included: support for making a vibrant city centre; making the area more accessible and people friendly; the transport benefits and improved safety; increasing intensification to avoid urban sprawl; affordable housing; and leveraging central government funding.
- 5.13 Some submitters identified matters that they wanted considered in the project or when subsequent city centre development enabled by the work takes place. The matters included mitigating disruptions to business caused by the project, good urban design and green spaces for residents/users, accessibility, mitigating climate impacts and natural hazards, and managing how a larger number of city centre residents would coexist with 'nightlife' businesses.
- 5.14 52 submitters opposed this proposed change. Reasons for opposition included: that developers should pay for this type of infrastructure upgrade; that funds should not be spent on upgrades in a cost of living crisis; lack of support for the Bridge Street Linear Active Transport Corridor concept; opposition to the loss of any car parking; concern

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about the purchase of the bus depot site; concern about high emissions likely in the developments enabled; opposition to central city living in general; and concern that intensification could make the central city unsafe at night.

- 5.15 There were 30 submissions that gave a mixed response. Some gave conditional support only in certain circumstances. For instance, only upgrade if known repairs required, only if a Three Waters entity is implemented that would help fund the work, only instead of the Maitahi-Bayview Development progressing, or only if housing enabled was for older or younger people.

Staff comments

- 5.16 Staff recommend bringing forward funding for 2023/24 to initiate the city centre infrastructure upgrade project, as proposed in the Consultation Document. Prioritising budget for this work is an appropriate investment for the future and delivers good value for ratepayers as Council can leverage substantial Central Government funding. The growth portion of the projects will be collected via development contributions as per Council's policy. Accelerated three water upgrades will also have benefits for the wider Nelson catchment.
- 5.17 If budget is approved, staff will consider specific matters raised in submissions at the appropriate planning and project stages. Future communication and engagement with potentially affected business owners is a priority and the works are to be managed with the aim of minimising disruption. The approach for delivery of these works will be based on a dig once approach. At this stage, it is intended that the Haven Road Upgrade (Bridge – Rutherford) and the Bridge Street Upgrade (Rutherford – Collingwood) including three waters infrastructure will be delivered in one package however staged to consider the needs and impacts to the businesses/wider community. Design for the corridor has yet to be undertaken, and the comments in relation to parking, climate change and natural hazards, green spaces and good urban design provided from submitters will be considered as part of that process from 1 July 2023 onwards.

Maitahi Bayview Development subdivision (Maitai Valley) utilities and transport connections

- 5.18 140 submitters supported the proposal in the Consultation Document to allocate \$606,000 of funding in 2023/24 to undertake pre-planning work on the utility and transport connections to the proposed Maitahi Bayview Development subdivision (Maitai Valley). Reasons submitters supported the proposal included: support for development and the residential housing growth opportunities it provides near the central city; reduced urban sprawl onto the Waimea Plains; it is responsible to prepare for the possibility of construction starting; and Council co-ordination of development will lead to better community outcomes.

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- 5.19 122 submitters opposed the proposal for reasons including: not supporting the proposed development due to its detrimental impact on the Maitai River, wetlands, wildlife, amenity of the area, and neighbouring properties; community opposition to the plan change and subdivision; opposition to rates funding/subsidising infrastructure by a private developer; potential flooding in the area and for properties downstream; the development area being slip prone; increased traffic on Nile Street and Maitai Road making them dangerous; development providing the wrong type of housing; disruption from development; ongoing maintenance costs from the development; development increasing urban sprawl; there being ample sections available in Nelson already; a looming recession; and that the land should be turned into a regional park.
- 5.20 21 submitters gave mixed responses to the proposal. Reasons for this view were that support depended on the quality of urban design and the resulting built form; support if the traffic problems on Nile Street/Maitai Road and Clouston bridge were addressed; lower portion of the valley should be for flood detention; and only support if work happens after the outcome of the appeal.

Staff comments

- 5.21 Staff recommend no changes to the funding proposal as set out in the Consultation Document. Most of the submissions either in support or opposition relate to the subdivision proposal and whether it should proceed. These matters are outside of the scope of the Annual Plan proposal, were dealt with under the plan change, and will be subject to the outcome of the appeal to the Environment Court.
- 5.22 The matter for consideration through the Annual Plan process relates to whether Council should provide funding for the infrastructure pre-planning work. Some submissions were of the view that the developer should pay 100% of the cost. Other submitters supported provision of funding to enable the pre-planning work to proceed.
- 5.23 This pre-planning work will enable Council to improve its understanding of the infrastructure needs and associated costs of the work (for consideration in the Long Term Plan 2024-2034), and the cost split between the developer and Council. The developer will be responsible for servicing their proposed development. However, there are some services (external to the development) which Council will need to ensure are upgraded. There will be benefits to nearby areas of the city due to these upgrades and the Maitahi Bayview developer would not be expected to cover that portion of the cost.

Funding for external grants at 2022/23 levels

- 5.24 Council proposed to hold 2023/24 funding for a range of external grants at the same level as 2022/23. This included funding to community groups, facilities, Council Organisations and Council Controlled Organisations. 25 submitters provided specific feedback in opposition to

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this proposal. Reasons included: negative impact on arts/culture/creative sector; reduction in opportunity for social cohesion and resilience; community organisations will need to make cuts which will impact services, projects and events for the community; community facilities (such as Nelson Centre of Musical Arts and Theatre Royal) that provide benefits to the community will be negatively impacted while still recovering from the impacts of COVID-19.

- 5.25 A number of Council Controlled Organisations submitted about the negative impact the move would have for their services and ability to deliver outcomes to the community. The Suter highlighted the compounding impact as it was still recovering from COVID-19 and the severe weather event. The Nelson Regional Development Agency highlighted the importance of economic development investment in times of economic challenge and its ability to leverage funding from central government and the private sector. The Tasman Bays Heritage Trust formally requested a 5% CPI (Consumers price index) adjustment for the Nelson Provincial Museum.

Staff comments

- 5.26 Council values and continues to support the organisations impacted by this proposal. However, their funding does need to be considered in light of the cost of living crisis facing ratepayers and households. It is a difficult trade off to make in the current economic circumstances. If the proposal was reversed and a CPI adjustment applied, an extra \$476,000 in rates revenue or an approximate further 0.5% rates increase would be necessary. Council may wish to consider applying some increase but not the full CPI adjustment and/or prioritising organisations supporting Nelson's communities of greatest need. Staff have found further savings since the release of the Consultation Document which would allow a 7.2% increase for the Community Investment Fund and organisations supporting the most vulnerable members of the community as well as a partial increase for other grants.
- 5.27 The Nelson Regional Development Agency is in a difficult position with Central Government destination management funding ending in June and the ongoing challenge of a mismatch in regional funding from councils. Council may wish to see more work done on how to prioritise the work programme of the agency and find a sustainable funding pathway.

Arts Festival funding

- 5.28 7 submitters, including the Nelson Festivals Trust, provided specific feedback in opposition to the proposed change to funding for the Arts Festival in 2023/24. The proposed change would involve funding to the Nelson Festivals Trust of \$409,000 with the remaining \$175,000 that Council would have contributed to come from reserves built up over recent years. Feedback included: the Trust has used all Council funding provided in COVID-19 disrupted years to deliver the festival – not to add to its reserves; the decrease will have a cumulative effect when combined with no adjustment for inflation; the Trust intends to use some

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of its reserves in 2023 and 2024 to build up long-term sustainability of the organisation – this would mean the 2023 and 2024 festivals would require cuts to programming (especially free community events); less Council funding could jeopardise alternative funding streams or the Trust's financial position; and the importance of promoting arts and culture in the region.

Staff comments

- 5.29 Council has supported the festival over the course of its life and intends to continue to support the festival to grow. The funding proposal was developed by Council staff on the understanding the Trust has sufficient funds in its reserve and keeping the Nelson Festivals Trust as it was prepared.
- 5.30 However, the Trust in its submission and at the hearings expressed concerns about the requirement to use some of its reserves as part of core funding for the 2023 festival. Given the concerns and the lack of clarity about how the current situation arose, one option would be for a small group of councillors to work with staff, and in consultation with the Trust, to look into the issues that have been raised and return to Council with a recommended way forward. In the meantime, staff recommend that the funding for the Festival remain as proposed.

Funding for arts hub investigation

- 5.31 One submitter supported the proposed change to investigate opportunities for a new arts hub to support the arts sector and implementation of He Tātai Whetū – Whakatū Nelson Arts and Creativity Strategy. Their feedback was that there should be consideration given to repurposing an existing building. A submission also suggested that work should be progressed more quickly than an investigation. Four submitters opposed the proposed change and reasons included: the cost of doing the investigation; preference that funding to existing arts facilities be increased; that it is a 'nice to have' project; and a query whether private sector should provide entertainment instead.

Staff comments

- 5.32 Staff recommend no change to the \$100,000 allocation to progress the investigation. Council analysis of community arts facilities has identified potential gaps for Nelson and the investigation will provide greater understanding of any shortfall and what arts facilities are required. Commencing the investigation in 2023/24 is recommended because it is prudent to undertake preliminary work in the short term before committing any capital funding through the Long Term Plan 2024-2034 for projects of this nature that have long lead times.

Tāhunanui Surf Lifesaving and Sports Facility(ies)

- 5.33 9 submitters supported the proposed change to investigate opportunities for the development of a surf lifesaving and sport facility/facilities. Reasons included: investigations will provide a fit-for-purpose

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evaluation; a facility would better support Surf Life Saving Club members and make Tāhunanui beach safer; support for a shared sporting facility for a mix of codes; Tāhunanui needs more good infrastructure with community focus. Feedback also suggested that due to projected sea level rise any new building should be relocatable. Two submitters opposed the proposed change due to the cost of the investigation or that it was a 'nice to have' project.

Staff comments

- 5.34 Staff recommend no change to the \$100,000 allocation to progress the investigation. Undertaking this work will allow an informed decision by Council of whether to proceed and the likely costs of a development. Sea level rise and the eastern migration of the Waimea Channel will be considered in the investigation.

Kotahitanga mō te Taiao Alliance funding

- 5.35 Two submissions suggested increased funding for the Kotahitanga mō te Taiao Alliance – the alliance requested an increase from \$20,000 to \$40,000 in 2023/24. Feedback included: the alliance addresses the significant conservation problem of a lack of a coordinated approach to conservation; additional funding would enable focus on critical fundraising for landscape projects of a similar size or larger to existing Jobs for Nature projects; and that the alliance's work will result in ongoing benefits to biodiversity and climate resilience, improved connection to nature through educational work, and conservation training and opportunities.

Staff comments

- 5.36 Council supports the efforts of Kotahitanga mō te Taiao Alliance and recognises the benefits of their work to Nelson and Te Taihū region. The alliance has also requested the same level of increase in funding from Marlborough and Tasman District Councils. Staff recommend increasing funding from \$20,000 to \$40,000, conditional on Tasman and Marlborough District Councils also increasing their support to \$40,000.

Climate Change

- 5.37 12 submissions were received specifically on climate change. Feedback covered matters broader than the proposed changes for the Annual Plan, with the majority of feedback supporting stronger action on climate change. Feedback included: that more urgency in Council's response to the climate crisis is needed; that Council should carefully apply a climate lens to all work programmes; that Council and Tasman District Council should align their climate strategies and plans; that Council should support wider community behaviour change; that climate analysis on proposed changes should have been included; that the cost versus Nelson's contribution to emissions needed to be balanced; and support for Council's Te Mahere Mahi a te Āhuarangi Climate Action Plan and Climate Change Strategy.

Item 6: Deliberations on the Annual Plan 2023/24 submissions

Staff comments

- 5.38 Feedback raised in these submissions would be more appropriately considered in the development of the next Long Term Plan, e.g. the suggestion to make climate change a Long Term Plan priority. Staff will take into account submitters' feedback in preparation of the Long Term Plan and will encourage submitters to provide their views when Council engages on that plan.

Transport

- 5.39 27 submissions were received related to Transport activity broadly and specific transport projects. Specific feedback on transport projects or changes identified in the Consultation Document included: opposition to deferring expenditure on public transport related to the design of the new bus hub for Millers Acre; support for the Streets for People projects; and support for the Transport Choices projects.
- 5.40 Broader transport-related feedback included support of active and public transport or requests that it be progressed more urgently (such as bus lanes or more commuter cycle trails) for safety and emissions reduction. Other feedback included: concern about using funds to pay for cycleways; queries about the bus service and subsidisation levels for bus passengers; support for the Southern Link; doubt that priority lanes would be effective; concern with current links between inner city and Tāhunanui and the Nelson Future Access Project; that car parking should be limited to encourage behaviour change; more should be done with services to North Nelson; a request for support for the installation of Locky Docks which allow charging of ebikes; and a request to progress a cycle/walking track from the Wakapuaka sandflats to The Glen.

Staff comments

- 5.41 Staff recommend no change to the proposals for public transport, Streets for People projects and the Transport Choices projects as outlined in the Consultation document. Staff see merit in investigating the Locky Docks proposal and will initiate contact with Big Street Bikers to see how this can be moved forward. In 2023/24 a number of projects are planned to improve safety at key intersections around Nelson, create separated cycleways, and improve public transport services which will help address many of the matters raised in feedback. Other matters, such as bus priority lanes, will be considered with the development of the next long term plan rather than next financial year.

Other matters raised in submissions

- 5.42 A range of other matters were raised by a smaller numbers of submitters. Staff have developed recommended responses to these specific matters for Council's consideration in Attachment 1. The attachment summarises the suggested responses for all matters identified as not requiring changes to what was proposed or that can be accommodated in existing work programmes. Any matters where staff

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are recommending changes to what was proposed in the consultation material are covered in the body of this report.

Other changes since the Annual Plan 2023/24 consultation

- 5.43 Staff have identified some other changes required to the final Annual Plan 2023/24 relating to Council decisions, corrections and timing changes from what included in the Annual Plan 2023/24 Consultation Document and supporting information.
- 5.44 Aside from any new changes that might be agreed on through these deliberations, the carry forward of capital expenditure budgets as referenced in 5.46 and the other changes referenced in 5.41 have already caused some changes to the net debt and rates requirement. There are numerous small adjustments that mostly nett off, for example, the capital expenditure carry forwards do not increase overall debt level, just the timing of when debt is incurred. The major changes are summarised below.
- 5.45 Net debt is projected to increase by an additional \$8.3 million to \$207.9 million at June 2024. The major contributors to changes in debt are:
- 41 Halifax Purchase – \$970,000 increase to debt
 - 41 Halifax deconstruction and reinstatement to pavement – \$800,000 increase to debt
 - August 2022 severe weather event recovery, slip remediation 2022/23-2023/24 – \$8.2 million increase to debt
 - Increase in severe weather event recovery forecast costs 2022/23 – \$3.1 million increase to debt
 - Saxton Stage 4, additional costs due to May 2023 flooding - \$500,000 increase to debt
 - Increase scope adjustment from 10% to 15% - \$4.4 million reduction to debt.
- 5.46 The rates requirement for 2023/24 has decreased by approximately \$247,000. The major contributors to this change are:
- Visitor Information Service – Council approved an additional \$110,000 after the Consultation Document was released, this has now reduced to an \$84,000 increased rates requirement
 - Welcoming Communities Programme Project funding – \$20,000 increased rates requirement (project funding introduced for Annual Plan 2022/23 not included the Annual Plan 2023/24 Consultation Document)
 - Interest income from Nelson Tasman Regional Landfill Business Unit (NTRLBU) previously omitted by error – \$262,000 reduction in rates requirement
 - Reduction in expected external interest due to carry forwards and rise of scope adjustments to 15% - \$113,000 reduction in rates requirement

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- Correction of other small errors - \$24,000 increased rates requirement.

Carry Forwards

- 5.47 Staff have reforecast the current year capital spend to 30 June 2023. The projected capital forecast is \$61.9 million excluding staff time, joint business units, vested assets and August 2022 severe weather event recovery budgets, with savings of \$3.2 million. Capital carry forwards requested of \$21.9 million are spread across years 3 - 4 of the Long Term Plan 2021-2031 and are included in Attachment 2 for approval. \$8.3 million of these carry forwards were incorporated in the budgets contained in the Consultation Document and supporting information. Changes to scope adjustment are included in the forecast total but excluded from savings and carry forward totals.
- 5.48 \$18.9 million of the carry forwards are into the 2023/24 year and are included in the \$60.3 million capital programme for 2023/24 (excluding staff time, joint business units, vested assets and August 2022 severe weather event recovery budgets). Staff have considered the impact of the carry forwards and recovery on the deliverability of capital expenditure for 2023/24 and due to a number of factors, including external funding, cannot identify projects to defer. Therefore, the scope adjustment has moved from 10% to 15% recognising the challenge of delivery. Including the capitalised weather event budgets changes the capital programme for 2023/24 from \$60.3 million to \$77 million (excluding staff time, joint business units, vested assets and after 15% scope adjustment).

Overall rates approach for Annual Plan

- 5.49 87 submitters supported the steps taken to minimise the rates rise to an average of 7.2%. The main reasons included: the approach being a good attempt to strike the right balance between minimising impact on the community and delivering council services; the approach being reasonable in the economic circumstances; and it being necessary to maintain services.
- 5.50 31 submitters opposed the proposed approach. The large majority of them preferred no, or lower, rates rises. Feedback included: concerns that households will not be able to afford rates increases in a cost of living crisis; rates having already increased considerably; ratepayers' wages will not increase by the rate of inflation; further reductions should be found (e.g. in 'non-core areas'); basing rates on land value was unfair (particularly for ratepayers that may be lower consumers of Council services); that users of Council services should pay for the full cost of the service rather than ratepayers; and that rates should be higher to pay for essential infrastructure, implement Te Ara ō Whakatū plan more quickly, or funding to community groups.
- 5.51 There were also 30 mixed response submissions. Feedback included supporting the intent but not the steps taken to minimise the rates

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increase; supporting the steps but feeling the rates increase is still too high; concern that trimming maintenance budgets could mean assets are not maintained or create more cost long term; concern whether funding will be sufficient for infrastructure development or important community facilities; and that the uniform annual general charge should be higher. Some submitters identified matters they wanted considered in the rating approach of introducing rates discounts to single occupancy homes or increasing rebate thresholds; that lifestyle block owners who commute to work and benefit from Council services should not have lower rates increases than residential ratepayers; and that a large reduction in operational spending long term will be detrimental.

- 5.52 Six submitters opposed the proposal to keep the commercial differential at the 2022/23 level instead of decreasing it by 0.5%. Feedback from those who opposed included: that paying commercial differentials are unfair on commercial users compared to residential ratepayers; that not decreasing the differential was an unjustified change from what was adopted in the Long Term Plan; that businesses are relying on the decrease in the differential next year; and the impact on small businesses and their profitability.

Staff comments

- 5.53 Staff recommend the average rates rise of 7.2% in 2023/24 as outlined in the Consultation Document. Council recognises the impact the cost of living crisis is having on the community and has avoided adding to inflationary pressures by raising rates above inflation. Equally a further reduction in rates revenue would negatively impact the delivery of Council's work programme and the services provided to the community. It is acknowledged, however, that the steps outlined in the Consultation Document to manage budgets will result in some difficult trade-offs in the 2023/24 year and beyond.
- 5.54 The commercial differential recognises the additional services that businesses receive, such as extra rubbish collection, street sweeping and events to attract visitors. Following consideration of the submissions, staff recommend keeping the commercial differential at the 2022/23 level as proposed. It will strike a suitable balance between commercial and residential ratepayers in the context of the cost of living increases impacting the community and spread the rates rise percentage increase more evenly. The Long Term Plan had also been clear that the decision to reduce the commercial differential by 0.5% would be considered annually.

6. Options

- 6.1 Council has options for each decision it makes in relation to submissions, including making no changes from what was proposed in the Consultation Document, increasing or decreasing funding, or approving new funding. Each decision will have rating or debt implications that will feed into the final Annual Plan. Council is required to adopt an Annual Plan for 2023/24 by 30 June 2023 so that it can strike the rates for that

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financial year and have in place a work programme ready to commence on 1 July.

7. Next steps

- 7.1 Staff will incorporate the Council's deliberations decisions into the Annual Plan 2023/24, prior to bringing it back to Council on 22 June 2023 for adoption and striking the rates. Following adoption final versions of the document will be published on Council's websites and made available to the public.

Co-Author: Nicky McDonald, Group Manager Strategy and Communications

Co-Author: Nikki Harrison, Group Manager Corporate Services

Attachments

Attachment 1: 839498445-14453 - Approach to Annual Plan 2023/24 submissions responses [↓](#)

Attachment 2: 332184083-4780 - Capital budget carry forwards [↓](#)

Important considerations for decision making

Fit with Purpose of Local Government

The submissions on the Consultation Document are an input into Council's decision making processes. They enable elected members to have an understanding on community views on the matters prior to Council deliberating and making decisions on what is included in the Annual Plan 2023/24.

The consultation processes enable Council to democratically make decisions on behalf of its communities, and to consider its services, work programme and budgets in terms of the wellbeing of its community in the present and for the future.

Consistency with Community Outcomes and Council Policy

The proposed changes to Council's work programme as set out in the Consultation Document were considered to more appropriately align available resources to achieve its community outcomes compared to year three of the Long Term Plan 2021-31. The proposals recommended through this deliberations report have been made following consideration of community feedback and will help work towards Council's community outcomes.

Risk

Consultation has been carried out to determine the community's views on the services, work programme and budgets for the Annual Plan 2023/24. Deliberating on the matters raised in submissions is considered low risk, as Council is following the correct process.

There is a risk that Council will make decisions as part of the deliberations that are not supported by some stakeholders, however, Council can communicate the reasons for the decisions through the response letters to submitters and communications to the community, which will help mitigate this risk.

Financial impact

The decisions Council makes on the submissions will determine the financial impact for the Annual Plan.

Degree of significance and level of engagement

The proposals in the Consultation Document have been assessed against Council’s Significance and Engagement Policy as having a high degree of significance (refer to report R27506 to 9 February Council meeting). The consultation process undertaken reflects the high degree of significance of the decisions.

Climate Impact

The decisions in this report will impact on the ability of Council to proactively respond to the impacts of climate change now or in the future. Council’s proposal to complete recovery work in ways that make the city’s infrastructure more resilient and help reduce impact from future similar weather events reflects a climate impacts-focused response. The consultation process has allowed the community to provide feedback on Council’s climate response activities as summarised in the report above. Council will continue to focus on its climate response and will consider climate change prioritisation and budgets in the development of the next Long Term Plan.

Inclusion of Māori in the decision making process

No engagement with Māori has been undertaken in preparing this report.

Delegations

This is a matter for Council.

REPORT R27671

Deliberations on the Schedule of Fees and Charges 2023/24

1. Purpose of Report

- 1.1 To deliberate on the submissions received on the proposed changes to the Schedule of Fees and Charges for 2023/24.

2. Summary

- 2.1 Council consulted on proposed changes to the Schedule of Fees and Charges for 2023/24 alongside consultation on the Annual Plan 2023/24 Consultation Document from 29 March to 30 April 2023. Forty-eight submissions were received, and five submitters spoke at the hearings on 11 and 12 May 2023.

Council, having heard submissions, must now consider the matters raised by the community and any new issues which have arisen that may impact on the Schedule of Fees and Charges.

3. Recommendation

That the Council

1. ***Receives the report Deliberations on the Schedule of Fees and Charges 2023/24 (R27671) and its attachments (1598046314-107); and***
2. ***Approves increasing the Annual Pile Mooring fee by 7.2% for 2023/24; and***
3. ***Confirms the approach to adopting the changes to the Schedule of Fees and Charges for 2023/24, as contained in Attachment 1 (1598046314-107).***

4. Background

- 4.1 Council's fees and charges for 2023/24 have been reviewed and most are increasing by the Consumer Price Index (CPI) of 7.2% which is within the

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Chief Executive's delegation to approve. On 9 February 2023, Council adopted a Statement of Proposal for changes to the Schedule of Fees and Charges for 2023/24 that required consultation. The proposed Schedule that went out for consultation is contained in Attachment 1.

- 4.2 The consultation for proposed changes to the Schedule of Fees and Charges and the Annual Plan Consultation Document 2023/24 were run alongside each other for one month, between 29 March and 30 April 2023. Of the 48 submissions received on the proposed Schedule of Fees and Charges, 47 submissions were made by residents of Nelson, 0 from residents of Tasman and 1 was from a person residing outside the Nelson/Tasman region. 100% of submissions were made online. Five people spoke to their submissions at the hearings on 11 and 12 May 2023.

5. Discussion

- 5.1 Key topics raised in submissions and the recommended responses for Council's consideration are outlined below.

General feedback

- 5.2 Some of the submissions were generally supportive of the proposed changes, with comments that the proposals seemed reasonable and agreed the majority of the fees and charges should be covered by those receiving the benefit. Some submitters disagreed with proposing any increases above CPI and asked Council to be conscious of the current state of the economy and the ongoing financial impacts of the August 2022 severe weather event. One submitter also suggested more assistance for those eligible for rates rebates.

Charges under the Resource Management Act 1991

Resource consents processing and monitoring hourly charge out rate

- 5.3 Four submissions were received on the proposals for administration of resource consents and other activities. One submitter suggested any new subdivisions be fast-tracked and the red tape removed. Another submitter's view was that Council needed to employ or train more planning staff to reduce the reliance on outsourcing work to consultants.
- 5.4 One of the submissions was made on behalf of a farming organisation and noted that many activities farmers seek resource consents for are proposed to increase. While generally supportive of a user-pays regime, their view was that it should be put in the context of the many aspects of farming activity becoming more regulated and requiring resource consents. An approach was suggested where Council recovered consent costs from its ability to levy additional charges for actual and reasonable costs on each consent application. This would give applicants an opportunity to scrutinise the costs and ensure they represented fair fees for farming activities.

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- 5.5 The same submission also opposed the proposed increase to the hourly charge-out rate, with comments that one of Council's reasons for the proposed increase, outlined in the Statement of Proposal, that 40% of staff time is not chargeable to resource consent applicants, was inequitable and not transparent. It was suggested that Council revise the resource management charges to reflect the expertise and time spent processing each resource consent application.

Environmental monitoring and science charge

- 5.6 One submission opposed the proposal to remove the charge for discharge to land or water of less than 20m³ per day.

Staff comment

- 5.7 Following consideration of the submissions, staff recommend increasing the fees under the Resource Management Act as proposed in the Statement of Proposal. The proposed increase of 16% for resource consent processing and monitoring hourly charge-out rate would improve the recovery rate from applicants and consent holders and reduce the requirement on rates.
- 5.8 The environmental monitoring and science charge has a minimal effect on the income used to offset the cost of the environmental monitoring and science activity and the income received is less than the cost of administration. Therefore, staff recommend revoking the charge.
- 5.9 In response to the submitter's comment on fast-tracking sub-divisions and removing red tape, staff note that the current priority is the processing of consents for the recovery from the August 2022 severe weather event. All other consents are processed as quickly as possible while ensuring appropriate assessments are undertaken.
- 5.10 In response to the submitter's comment on Council employing or training more planning staff, there is a nation-wide shortage of planners, so without the internal capacity, Council will continue to need to engage external consultants to assist with processing consent applications.
- 5.11 In response to the submission on resource consents for farming activities, staff are proposing the increase of 16% to recover up to 50% of the total costs of providing the resource consents services, as the current fees and charges would only recover 31% of expected costs.

Fees and charges under the Navigation Safety Bylaw

- 5.12 Seventeen submissions were received on the proposed amendments to fees and charges under the Navigation Safety Bylaw. Some were in support of the changes, but many were opposed, with general feedback asking that the fees not be increased above CPI. Some feedback commented that the proposed increases did not reflect improvements in the services provided by the Nelson Marina.

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- 5.13 One submitter asked that Council reduce the marina and hardstand expenditure and suggested using the boat valuation to set fees for permanent moored boats, as is done with properties, or to have a higher per metre fee as the boat size increases.

Staff comment

- 5.14 Staff acknowledge the difficult financial climate for many, including those who use the Nelson Marina services. However, the Marina is a business which is also facing increased costs. Staff have focussed on increasing efficiencies and decreasing overheads, but fixed costs, such as power, insurance and interest rates, continue to increase. The fees proposed to increase over CPI are for areas where staff have assessed that a greater proportion of costs ultimately need to be passed on to those using the service.

Annual licence fee for marina berths, pile berths, commercial berths and live aboard fees

Feedback opposed the proposed increases in annual licence fees, commenting that increases could make it unaffordable for those who are on low to average incomes and noted that Nelson wages, and the value of boats in the Nelson Marina, are lower compared to other cities. Because of these factors, many did not think there should be an increase over CPI.

- 5.15 One submitter agreed with most of the amendments but disagreed with increasing the live aboard fee by 10%, suggesting reducing it to a 5% increase to reflect the security and general sense of community those who live aboard provide to the Marina.

Staff comment

- 5.16 Following consideration of the above feedback, staff recommend only increasing the "Annual Licence Pile Mooring" fee by 7.2%, as opposed to the 10% increase proposed in the Statement of Proposal. With the strong feedback that a 10% increase would likely not be feasible for many who currently pay this fee, as they are on low incomes, staff see an increase by CPI as a reasonable adjustment to the original proposal.
- 5.17 Staff recommend increasing the live aboard fees by 10% as proposed in the Statement of Proposal, which would allow the Marina to keep up with the inflation over the previous two financial years.

Visitor rate

- 5.18 Submitters noted the value visiting boats bring to the Nelson economy. Although feedback didn't specifically comment on the proposed 20% increase in visitor rate fees, one submitter suggested a longer-term visitor rate be established, based on a price per month rather than a daily or weekly fee. Another submitter suggested discounts be given to visiting boats that stay longer than a week or month or for yachts where nobody lives aboard.

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Staff comment

- 5.19 Following consideration of the submissions, staff recommend increasing the berth fee visitor rate by 20%, as proposed in the Statement of Proposal. In response to the suggestion of a longer-term visitor rate, Council currently assesses applications for an extension over three months during the winter period.

Public boat ramp fee

- 5.20 Feedback on the public boat ramp fee supported the proposed increase as a fair reflection of the services and facilities provided, with one submitter suggesting a bigger increase to better reflect the true recovery of the cost of the service.

Staff comment

- 5.21 Following consideration of the submissions, staff recommend changing the public boat ramp fee as proposed in the Statement of Proposal. Although submitters commented that this was a minor increase, it is recommended that Council sticks with incrementally increasing the fee to \$15 over the next few years, rather than a one-off substantial increase.

Fees and charges for burials and cremation activities under the Urban Environments Bylaw

- 5.22 One submission was received on the proposed 20% increase to fees and charges for both cemetery and crematorium activities, which includes plots, internments, cremation and chapel hire. The submitter opposed increasing burial plot and burial interment fees for adults and children, commenting that with funeral costs increasing these fees should remain at the existing rate.

Staff comment

- 5.23 Following consideration of the above submission, staff recommend increasing the burials and crematorium fees by 20% as proposed in the Statement of Proposal. While staff acknowledge the community is seeing increased costs across many sectors, including funeral costs, a 20% increase would bring cost recovery closer to the targets outlined in Council's Revenue and Financing Policy and ensure a disproportionate burden did not fall on ratepayers.

Fees under the Food Act 2014

- 5.24 Five submissions were received on fees under the Food Act 2014, and all of these opposed the increase. Feedback included comments that the proposed fees were too high, particularly for small businesses, and that the increase was not justified and should be capped at 7.2%.
- 5.25 One submitter opposed the increase to the "amendment to registration" fee, stating they had been charged \$85 to change their address details and that the cost was not justified, particularly for those who only do

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food vending part time and do not have high paying regular jobs. The same submitter also opposed the increase in the “registration food control plan” fee, arguing that for a small business it was already very hard to absorb those costs.

- 5.26 The same submitter suggested making the fees low so complying didn't come at such a high cost and for making sure fees were clear and transparent so vendors knew what to expect and could plan accordingly.

Staff comment

- 5.27 Following consideration of the submissions, staff recommend increasing the fees under the Food Act 2014, as proposed in the Statement of Proposal. Staff acknowledge the challenges the hospitality sector has faced with the disruptions of COVID-19. However, the proposed increases are still assessed as improving the current allocation of costs between food business owners and ratepayers and that the fees would better cover the actual costs for the service.

Fees under the Building Act 2004

- 5.28 One submission on the proposed changes to fees under the Building Act 2004 noted that the cost of building has increased substantially and would like to see a “cost of building CPI” raise in the brackets applied every three years.

Staff comment

- 5.29 After consideration of the above submission, staff recommend changing the fees under the Building Act 2004 as proposed in the Statement of Proposal. The fees for 2022/23 were increased by CPI, but staff consider the proposed fees for 2023/24 more fairly reflect the actual costs incurred by Council in line with the Council's Revenue and Financing Policy and that more costs sit with the building consent applicant than on ratepayers.

6. Options

- 6.1 Council has options for each decision it makes in relation to submissions, including making no changes to what was in the Statement of Proposal, increasing or decreasing fees, or removing fees. Each decision will have implications for projected income and feedback into rating implications for the final Annual Plan.

7. Next Steps

- 7.1 Staff will incorporate the Council's deliberations decisions into the Schedule of Fees and Charges for 2023/24, prior to bringing it back to Council on 22 June 2023 for adoption. Following adoption final versions of the schedule will be published on Council's websites and made available to the public by 1 July 2023.

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Author: Ailish Neyland, Policy Adviser

Authoriser: Dennis Bush-King, Group Manager Environmental Management

Attachments

Attachment 1: 1598046314-107 - Proposed changes to the Schedule of Fees and Charges 2023/24 [↓](#)

Important considerations for decision making

Fit with Purpose of Local Government

The submissions on the Statement of Proposal are an input into Council's decision making processes. They enable elected members to have an understanding of community views on the matters prior to Council deliberating and making decisions on the Schedule of Fees and Charges for 2023/24.

The recommendations in this report assist to better allocate the cost of delivering services between users and ratepayers, helping to promote social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Consistency with Community Outcomes and Council Policy

The recommended changes to fees and charges assists with achieving the stated funding outcomes in the Long Term Plan, and are aligned with the following community outcomes:

- Our unique natural environment is healthy and protected
- Our infrastructure is efficient, cost-effective and meets current and future needs
- Our communities have access to a range of social, educational and recreational facilities and activities.

Risk

If proposed changes are not approved, the income generated from fees and charges may not cover actual costs incurred and result in a financial shortfall. It is 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.

Financial impact

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 will better meet the Revenue and Financing Policy requirements.

Degree of significance and level of engagement

Staff assess the proposals outlined in this report as being of medium significance as they include increasing fees and charges above 7.2%, any new fees or removal of fees and those where the Resource Management Act and Food Act require formal consultation through a special consultative procedure.

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Consultation occurred for these matters in accordance with the required statutory purpose in parallel with the consultation for the Annual Plan 2023/24.

Climate Impact

The proposal in this report will have no impact on the ability of Council to proactively respond to the impacts of climate change now or in the future.

Inclusion of Māori in the decision making process

No engagement with Māori has been undertaken in preparing this report.

Delegations

This is a matter for Council.

