



Nelson City Council
Te Kaunihera o **Whakatū**

Notice of the Ordinary meeting of

Nelson City Council

Te Kaunihera o Whakatū

Date:	Thursday 22 June 2023
Time:	9.00a.m. ADOPTION OF AP AND SETTING RATES
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

5. Adoption of Schedule of Fees and Charges 2023/24 11 - 33

Document number R27542

Recommendation

That the Council

1. ***Receives the report Adoption of Schedule of Fees and Charges 2023/24 (R27542) and its attachment (1598046314-107); and***
2. ***Notes that staff have incorporated in the Schedule of Fees and Charges 2023/24 the decisions made at the deliberations meeting on 25 May 2023 following public consultation between 29 March and 30 April 2023; and***
3. ***Adopts the Schedule of Fees and Charges 2023/24 (1598046314-107) that require Council approval; and***
4. ***Notes that staff will notify submitters of Council's decisions on the Schedule of Fees and Charges 2023/24.***

6. Adoption of the Annual Plan 2023/24 and setting of the rates

34 - 145

Document number R27507

Recommendation

That the Council

- 1. Receives the report Adoption of the Annual Plan 2023/24 and setting of the rates (R27507) and its attachment (839498445-14676); and***
- 2. Notes that staff have incorporated in the Annual Plan 2023/24 (839498445-14676) the decisions made at the deliberations meeting on 25 May 2023, which followed public consultation between 29 March and 30 April 2023; and***
- 3. Notes, in accordance with section 80 of the Local Government Act 2002, that:***
 - a. aspects of the work programme, rates increases, and debt projections in the Annual Plan 2023/24 are significantly inconsistent with the Long Term Plan 2021-2031 and the Financial Strategy; and***
 - b. the reasons for the inconsistency with Council's Long Term Plan and Financial Strategy are largely due to costs of recovery from the August 2022 severe weather event, inflationary pressures, rising interest costs, bringing forward funding for projects to take advantage of available Government financial support, and decisions to respond to the changing needs of the Nelson community; and***
 - c. there is no intention to amend the Long Term Plan or Financial Strategy to accommodate the decisions at this time, as they will feed into the Long Term Plan 2024-2034 process that has already commenced; and***
- 4. Notes that, having had regard to the matters in section 100(2) of the Local Government Act 2002, and as approved in the Long Term Plan 2021-2031, the setting of an unbalanced budget in the Annual Plan 2023/24 remains prudent given the ongoing effects of the COVID-19 pandemic on the local economy and ratepayers and further notes that, more recently, Council budgets have been impacted by unforeseen additional costs associated with the August 2022 severe weather event and the sharp rise in inflation and interest costs; and***

5. **Approves maintaining the commercial differential to collect 22.6% of total rates (excluding the water annual charge and water volumetric rate) for 2023/24; and**
6. **Adopts the Annual Plan 2023/24 (839498445-14676) in accordance with section 95 of the Local Government Act 2002; and**
7. **Delegates to the Mayor and Chief Executive to make any necessary minor editorial amendments prior to the public release of the Annual Plan 2023/24 ; and**
8. **Notes that staff will notify submitters of Council’s decisions on the Annual Plan 2023/24; and**
9. **Notes that Council must adopt the Funding Impact Statement for the 2023/24 financial year contained within the Annual Plan 2023/24, prior to setting the rates; and**
10. **Sets the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2023 and ending on 30 June 2024.**

The revenue approved below will be raised by the rates and charges that follow.

Revenue approved:

General Rate	\$50,875,552
Uniform Annual General Charge	\$6,991,104
Stormwater and Flood Protection Charge	\$10,583,927
Waste Water Charge	\$11,906,937
Water Annual Charge	\$4,335,443
Water Volumetric Charge	\$10,116,034
Rates and Charges (excluding GST)	\$94,808,997
Goods and Services Tax (at the current rate)	\$14,221,350
Total Rates and Charges	\$109,030,347

The rates and charges below are GST inclusive.

(1) General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:

- **a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential – single unit" category.**
- **a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential empty section" category.**
- **a rate of 0.40989 cents in the dollar of land value on every rating unit in the "single residential unit forming part of a parent valuation, the remainder of which is non-rateable" category. This represents a plus 10% differential on land value.**
- **a rate of 0.40989 cents in the dollar of land value on every rating unit in the "multi residential" category. This represents a plus 10% differential on land value.**
- **a rate of 1.25407 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 236.5465% differential on land value.**
- **a rate of 1.03368 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 25% residential and 75% commercial" category. This represents a plus 177.4% differential on land value.**
- **a rate of 0.81345 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 50% residential and 50% commercial" category. This represents a plus 118.3% differential on land value.**
- **a rate of 0.59285 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 75% residential and 25%**

commercial" category. This represents a plus 59.1% differential on land value.

- **a rate of 1.79059 cents in the dollar of land value on every rating unit in the "commercial inner city" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 380.527% differential on land value.**
- **a rate of 1.43612 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 25% residential and 75% commercial" category. This represents a plus 285.4% differential on land value.**
- **a rate of 1.08174 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 50% residential and 50% commercial" category. This represents a plus 190.3% differential on land value.**
- **a rate of 0.72700 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 75% residential and 25% commercial" category. This represents a plus 95.1% differential on land value.**
- **a rate of 1.51564 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 100% commercial and industrial (occupied and empty)" category. This represents a plus 306.74% differential on land value.**
- **a rate of 1.23005 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 25% residential and 75% commercial" category. This represents a plus 230.1% differential on land value.**
- **a rate of 0.94424 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 50% residential and 50% commercial" category. This represents a plus 153.4% differential on land value.**
- **a rate of 0.65844 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 75% residential and 25% commercial" category. This represents a plus 76.7% differential on land value.**

- **a rate of 0.24221 cents in the dollar of land value on every rating unit in the "rural" category. This represents a minus 35% differential on land value.**
- **a rate of 0.33537 cents in the dollar of land value on every rating unit in the "small holding" category. This represents a minus 10% differential on land value.**

(2) Uniform Annual General Charge

A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$320.00 per separately used or inhabited part of a rating unit.

(3) Stormwater and Flood Protection Charge

A targeted rate under section 16 of the Local Government (Rating) Act 2002 of \$557.35 per rating unit, this rate is payable by all ratepayers excluding rural rating units, rating units east of the Gentle Annie saddle, Saxton's Island and Council's stormwater network.

(4) Waste Water Charge

A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:

- **\$619.31 per separately used or inhabited part of a residential, multi residential, rural and small holding rating units that is connected either directly or through a private drain to a public waste water drain.**
- **For commercial rating units, a waste water charge of \$154.83 per separately used or inhabited part of a rating unit that is connected either directly or through a private drain to a public waste water drain. Note: a trade waste charge will also be levied.**

(5) Water Annual Charge

A targeted rate for water supply under section 16 of the Local Government (Rating) Act 2002 on each rating unit connect to the water supply, of:

Water charge (per connection) \$228.24

(6) Water Volumetric Rate

A targeted rate for water provided under section 19 of the Local Government (Rating) Act 2002, of:

Price of water:

**Usage up to 10,000 cu.m/year
\$2.345 per m³**

**Usage from 10,001 – 100,000 cu.m/year
\$2.006 per m³**

**Usage over 100,000 cu.m/year
\$1.583 per m³**

**Summer irrigation usage over 10,000 cu.m/year
\$2.175 per m³**

(7) Low Valued Properties Remission Value

In accordance section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, Council sets the land value for the Low Valued Properties Rates Remission at \$10,000.

Other Rating Information:

Due Dates for Payment of Rates

The above rates (excluding water volumetric rates) shall be payable in four instalments on the following dates:

Instalment Number	Instalment Date	Due Date for Payment	Penalty Applied
Instalment 1	25 July 2023	21 August 2023	25 August 2023
Instalment 2	25 October 2023	20 November 2023	24 November 2023
Instalment 3	25 January 2024	20 February 2024	26 February 2024
Instalment 4	26 April 2024	20 May 2024	24 May 2024

Rates instalments not paid on or by the Due Date for Payment above will incur penalties as detailed in the section "Penalty on Rates".

Due Dates for Payment of Water Volumetric Rates

Water volumetric rates shall be payable on the following dates:

<i>Billing Month</i>	<i>Due Date for Payment</i>
<i>July 2023</i>	<i>21 August 2023</i>
<i>August 2023</i>	<i>20 September 2023</i>
<i>September 2023</i>	<i>20 October 2023</i>
<i>October 2023</i>	<i>20 November 2023</i>
<i>November 2023</i>	<i>20 December 2023</i>
<i>December 2023</i>	<i>22 January 2024</i>
<i>January 2024</i>	<i>20 February 2024</i>
<i>February 2024</i>	<i>20 March 2024</i>
<i>March 2024</i>	<i>22 April 2024</i>
<i>April 2024</i>	<i>20 May 2024</i>
<i>May 2024</i>	<i>20 June 2024</i>
<i>June 2024</i>	<i>22 July 2024</i>

Penalty on Rates

Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the council authorises the following penalties on unpaid rates (excluding volumetric water rate accounts) and delegates authority to the Group Manager Corporate Services to apply them:

- a charge of 10% of the amount of each rate instalment remaining unpaid after the due date stated above, to be added on the penalty date as shown in the above table and also shown on each rate instalment notice.***
- a charge of 10% will be added on 10 July 2023 to any balance from a previous rating year (including penalties previously charged) remaining outstanding on 1 July 2023.***
- a further additional charge of 10% will be added on 11 January 2024 to any balance from a previous rating year (including***

penalties previously charged) to which a penalty has been added according to the bullet point above, remaining outstanding on 10 January 2024.

Penalty Remission

In accordance with section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, the Council will approve the remission of a penalty where the criteria of the policy has been met.

Payment of Rates

Rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Thursday and Friday and 9.00am to 5.00pm Wednesday.

Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then to current year rates due.

7. Temporary exemption from payment for parking in the Inner City during winter months 146 - 150

Document number R27760

Recommendation

That the Council

- 1. Receives the report Temporary exemption from payment for parking in the Inner City during winter months (R27760); and***
- 2. Approves that inner city parking be exempted from payment from 3.00p.m. to 5.00p.m. between 1 July and 31 October 2023 as a temporary measure to aid inner city businesses.***

Karakia Whakamutanga

Adoption of Schedule of Fees and Charges 2023/24

1. Purpose of Report

- 1.1 To adopt the final Schedule of Fees and Charges 2023/24 for changes that require Council approval.

2. Summary

- 2.1 Council has consulted on the Draft Schedule of Fees and Charges 2023/24, received and heard submissions, and deliberated on the submissions. Council may now adopt the final Schedule of Fees and Charges 2023/24 for them to come into effect on 1 July 2023.

3. Recommendation

That the Council

- 1. Receives the report Adoption of Schedule of Fees and Charges 2023/24 (R27542) and its attachment (1598046314-107); and***
- 2. Notes that staff have incorporated in the Schedule of Fees and Charges 2023/24 the decisions made at the deliberations meeting on 25 May 2023 following public consultation between 29 March and 30 April 2023; and***
- 3. Adopts the Schedule of Fees and Charges 2023/24 (1598046314-107) that require Council approval; and***
- 4. Notes that staff will notify submitters of Council's decisions on the Schedule of Fees and Charges 2023/24.***

4. Background

- 4.1 Fees and charges are an important revenue source for Council. They are charged to recover costs of Council's services, usually where there is some private benefit received. Fees and charges may be adjusted to achieve the targets set out in Council's Revenue and Financing Policy,

Item 5: Adoption of Schedule of Fees and Charges 2023/24

which outlines the public/private benefit split used to determine the level of cost recovery from non-rate sources.

- 4.2 On 9 February 2023 Council adopted a Statement of Proposal for changes to the Draft Schedule of Fees and Charges for 2023/24 that required consultation. Council consulted on the Draft Schedule from 29 March to 30 April 2023 and received 48 submissions. Five people spoke to their submissions at hearings on 11 and 12 May 2023. The area that received the most submissions (17) was on the proposed changes under the Navigation and Safety Bylaw.

5. Discussion

- 5.1 Council deliberated on the submissions on 25 May 2023 and, in response to submissions, it agreed to the following change to the Draft Schedule:

5.1.1 To increase the Annual Pile Mooring fee, under the Navigation and Safety Bylaw, by 7.2% instead of the 10% originally proposed.

- 5.2 Following deliberations, staff have prepared the final Schedule of Fees and Charges 2023/24 (Attachment 1) in accordance with the Council direction from the deliberations.

- 5.3 The Schedule should be adopted prior to adoption of the Annual Plan 2023/24, as the Annual Plan budgets are dependent on the revenue generated through fees and charges.

Options

Option 1: Adopt the Schedule of Fees and Charges 2023/24 including any minor amendments (Recommended option)	
Advantages	<ul style="list-style-type: none">• Meets legislative requirements and timelines.• Implements the decisions made following consultation and deliberations.• Staff can commence implementing the new fees and charges from 1 July 2023.
Risks and Disadvantages	<ul style="list-style-type: none">• Some of the proposed increases in fees and charges may not be seen as reasonable by users.
Option 2: Delay adoption of the Schedule of Fees and Charges 2023/24	
Advantages	<ul style="list-style-type: none">• This option would apply if Council considered that deliberations decisions were not adequately reflected in the final Schedule of Fees and Charges 2023/24.

Item 5: Adoption of Schedule of Fees and Charges 2023/24

Risks and Disadvantages	<ul style="list-style-type: none">• Changes are likely to mean Council would not be able to implement the new fees and charges from 1 July 2023.
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6. Conclusion

- 6.1 Council has carried out a robust process to develop its Schedule of Fees and Charges 2023/24, including consulting using a Special Consultative Procedure. This report enables the Council to adopt the final Schedule of Fees and Charges 2023/24, which is based on decisions it made at the deliberations meeting on 25 May 2023.

7. Next Steps

- 7.1 Staff will update the website with the new Schedule of Fees and Charges and start implementing them from 1 July 2023. Staff will write to all submitters to inform them of the Council's decisions on the final Schedule of Fees and Charges 2023/24.

Author: Ailish Neyland, Policy Adviser

Authoriser: Andrew White, Group Manager Community Services

Attachments

Attachment 1: 1598046314-107 Schedule of Fees and Charges 2023-24 [↓](#)

Important considerations for decision making

Fit with Purpose of Local Government

Council consulted on the Draft Schedule of Fees and Charges. The submissions were an input into Council's decision making processes and enable elected members to have an understanding of community views prior to making decisions on what is included in the final Schedule of Fees and Charges 2023/24.

The recommendations in this report assist to better allocate the cost of delivering services between users and ratepayers, helping to promote the 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

Consultation has been carried out to determine the community's views on the fees and charges for 2023/24. Therefore, adopting the final Schedule is considered of low risk.

There is a risk that some of the fees and charges will not be supported by some stakeholders, however, Council can advise reasons for the decisions through general communications and in response letters to submitters, which should help mitigate this 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 and risks not achieving the targets set out in Council's Revenue and Financing Policy. 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.

Item 5: Adoption of Schedule of Fees and Charges 2023/24

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 assessed most of the proposed changes to fees and charges as being of medium significance as they include increasing fees and charges higher than 7.2% but none by more than 20%. Consultation occurred for these changes in accordance with the required statutory process in parallel with the consultation for the Annual Plan 2023/24.

Climate Impact

The decisions 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.

Schedule of fees and charges changes for 2023/24 (that require Council approval)

Please note all charges listed in this schedule are GST inclusive unless otherwise stated.

Resource Management Act 1991

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

Where the cost of processing the consent is not fully covered by the initial 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.

1. Initial fixed charges (deposits)

	Activity	2022/23 charge	2023/24 charge
1.1	All activities (other than listed below)	\$1575	\$1860 (18% increase)
1.2	Subdivision 1-3 lots	\$1575	\$1860 (18% increase)
	Subdivision 4 plus lots	\$2625	\$3095 (18% increase)
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	\$525	\$620 (18% increase)
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)	\$505	\$595 (18% increase)
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).	\$7345	\$8665 (18% increase)
1.6	Removal of trees listed in the Nelson Resource Management Plan that are confirmed in writing by a	No charge	No charge

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	Activity	2022/23 charge	2023/24 charge
	qualified arborist (level 5 NZQA or equivalent), as diseased or a threat to public safety.		
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	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).	\$10490	\$12375 (18% increase)
1.9	Heritage Orders	\$3670	\$4330 (18% increase)

1.10 Where an application involves multiple consents the initial charge is payable at the higher rate plus \$255.00 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	2022/23 charge	2023/24 charge
2.1	Council Staff – all staff time inclusive of overhead component associated with processing and assessing applications.	\$170 per hour	\$197 per hour (16% increase)
2.2	Hearings Panel Charges:		
	- per Councillor as Commissioner (rate set by Remuneration Authority)	\$80 per hour	\$93 per hour (16% increase)
	- Councillor as Chairperson (rate set by Remuneration Authority)	\$100 per hour	\$116 per hour (16% increase)
	- Independent Commissioner (requested by applicant)	Cost	Cost
	- Independent Commissioner (requested by submitter)	Cost less Councillor rate (applicant pays the Councillor rate)	Cost less Councillor rate (applicant pays the Councillor rate)
	- Independent Commissioner(s) required for expertise or due to conflict of interest issues	Cost	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	Cost plus administration charges
2.4	Experts and consultants engaged by Council to undertake assessment of an application where the complexity of the application necessitates external expertise, or where resource consent processing is required to be outsourced due to conflict of interest issues (this is not a s92(2) RMA commissioning).	Cost plus administration charges	Cost plus administration charges

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	Details	2022/23 charge	2023/24 charge
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	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.	\$170 per hour	\$197 per hour (16% increase)
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	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	Cost plus administration charges (an estimate of costs is available on request)	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	Cost plus administration charges

Monitoring Charges

- 2.11.1 If monitoring is required, a one-off charge of \$197.00 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 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.

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Administration Charges

	Item/Details	2022/23 charge	2023/24 charge
2.12.1	Insurance levy – for each resource consent.	\$30	\$30 (no change)
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	Council hourly charge out rate in 2.1 above
2.12.3	Street numbering – application for alteration.	\$130	\$150 (15% increase)
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.	\$185	\$210 (14% increase)
2.12.5	Certificate under Overseas Investment Act.	\$405	\$445 (10% increase)
2.12.6	Confirmation of compliance with the Nelson Resource Management Plan for NZ Qualifications Authority.	\$405	\$445 (10% increase)
2.12.7	Confirmation of compliance with the Nelson Resource Management Plan for alcohol licence applications.	\$75	\$85 (13% increase)
2.12.8	Section 357 Administration charge.	\$335	\$390 (16% increase)
2.12.9	Private right-of-way – review against existing names and advising all statutory agencies where appropriate.	\$335	\$390 (16% increase)
2.12.10	Authentication report for small-scale solid-fuel burning appliance or open fire.	\$125	\$140 (12 % increase)
2.12.11	Removal of designation.	\$320	\$370 (16% increase)
2.12.12	Swing Mooring annual charge (monitoring costs are additional, refer 2.10.3 above).	\$80	\$90 (13% increase)
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)	\$250	\$295 (18% increase)
2.12.14	Claiming a swing mooring the Council removed from the Coastal Marine Area that did not have a coastal permit	\$315	\$365 (16% increase)
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	Cost for tow and haul out

1598046314-107

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

Any disputes relating to an invoiced charge must be resolved after the invoice has been paid. Failure to meet these criteria will result in the option of monthly invoices, in lieu of initial charges plus monthly invoices being withdrawn.

The decision on whether to waive the required charge and institute a system of monthly invoicing shall be made by the Manager Consents and Compliance or Group Manager 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	2022/23 cost	2023/24 cost
Nelson Resource Management Plan - Text (hard copy)	\$150	\$150 (no change)
Nelson Resource Management Plan - Maps (hard copy)	\$150	\$150 (no change)
CD ROM – combined Nelson Resource Management Plan and Nelson Air Quality Plan – updated annually in Spring	\$15 annually	\$15 annually (no change)
Nelson Resource Management Plan - hard copy updates issued as required	\$25 annually for text \$25 annually for maps	\$25 annually for text \$25 annually for maps (no change)
Nelson Air Quality Plan	\$50	\$50 (no change)
Land Development Manual	\$100	\$100 (no change)

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Annual Environmental Science and Monitoring Charges

Annual charges shall be due on 1 October or on the 20th of the month following the date of invoicing, whichever is the later, unless otherwise agreed in writing by Council. No charge will apply when a consent is deemed by the Council as not currently given effect to and the ability to give effect is not currently present.

In the case of consents for temporary or short-term activities, charges shall only apply once the consent is given effect to, and only for the year/s the activity occurs, until the activity is completed, and not from the date of issue of the consent.

Activity	2022/23 charge	2023/24 charge
Air discharge - small (eg abrasive blasting; commercial wood-fired pizza ovens)	\$60	\$64 (7% increase)
Air discharge - medium (appliances <1000kW)	\$400	\$428 (7% increase)
Air discharge - large (appliances >1000kW)	\$600	\$643 (7% increase)
Discharge to land or water <20m ³ /day	\$60	Charge revoked
Discharge to land or water 20 -100m ³ /day	\$400	\$428 (7% increase)
Discharge to land or water >100m ³ /day	\$600	\$643 (7% increase)
Gravel/sand extraction <2000m ³ /annum	\$60	\$64 (7% increase)
Gravel/sand extraction 2000m-10,000m ³ /annum	\$300	\$321 (7% increase)
Gravel/sand extraction >10,000m ³ /annum	\$400	\$428 (7% increase)
Quarry/other earthworks	\$150	\$160 (7% increase)
Earthworks from subdivision	\$150	\$160 (7% increase)
Forestry/woodlot harvest <100ha	\$60	\$64 (7% increase)
Forestry harvest >100-200ha	\$100	\$107 (7% increase)
Forestry harvest >200ha	\$200	\$214 (7% increase)
Works in river/stream bed	\$150	\$160 (7% increase)
Water take surface water <5 l/s, or groundwater <100,000m ³ /year	\$60	\$64 (7% increase)
Water take surface water 5-25 l/s, or groundwater 100,000 - 200,000m ³ /year	\$200	\$214 (7% increase)
Water take surface water >25 l/s - <60 l/s, or groundwater > 200,000 m ³ - <400,000m ³ /year	\$700	\$750 (7% increase)
Water take surface water >60 l/s, or groundwater > 400,000 m ³ /year	\$1,000	\$1,072 (7% increase)
Coastal consents (other than takes or discharges)	\$100	\$107 (7% increase)
Dredging	\$200	\$214 (7% increase)

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Food Act 2014

Activity	2022/23 Charge	2023/24 charge
New Registration Food control plan	\$267 initial fee Plus \$170 per hour after the first 1½ hours	\$300 initial fee (12% increase) Plus \$187 per hour after the first 1½ hours (10% increase)
New Registration National programme	\$170 initial fee Plus \$170 per hour after the first hour	\$204 initial fee (20% increase) Plus \$187 per hour after the first hour (10% increase)
Renewal	\$85 initial fee Plus \$170 per hour after the first ½ hour	\$102 initial fee (20% increase) Plus \$187 per hour after the first ½ hour (10% increase)
Amendment to Registration	\$85 initial fee Plus \$170 per hour after the first ½ hour	\$102 initial fee (20% increase) Plus \$187 per hour after the first ½ hour (10% increase)
Voluntary suspension	\$85 initial fee Plus \$170 per hour after the first ½ hour	\$102 initial fee (20% increase) Plus \$187 per hour after the first ½ hour (10% increase)
Verification	\$170 per hour	\$187 per hour (10% increase)
Compliance	\$170 per hour	\$187 per hour (10% increase)
Monitoring (where there is compliance)	No charge	No charge

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REPORT R27507

Adoption of the Annual Plan 2023/24 and setting of the rates

1. Purpose of Report

- 1.1 To adopt the Annual Plan 2023/24 and set the rates for 2023/24.

2. Summary

- 2.1 Council is required to adopt the Annual Plan 2023/24 by 30 June 2023, in accordance with section 95(3) of the Local Government Act 2002 (LGA2002). Following adoption of the Annual Plan, Council can set the rates for 2023/24.

3. Recommendation

That the Council

1. ***Receives*** the report ***Adoption of the Annual Plan 2023/24 and setting of the rates (R27507) and its attachment (839498445-14676); and***
2. ***Notes*** that staff have incorporated in the Annual Plan 2023/24 (839498445-14676) the decisions made at the deliberations meeting on 25 May 2023, which followed public consultation between 29 March and 30 April 2023; and
3. ***Notes, in accordance with section 80 of the Local Government Act 2002, that:***
 - a. ***aspects of the work programme, rates increases, and debt projections in the Annual Plan 2023/24 are significantly inconsistent with the Long Term Plan 2021-2031 and the Financial Strategy; and***
 - b. ***the reasons for the inconsistency with Council's Long Term Plan and Financial Strategy are largely due to costs of recovery from the August 2022 severe***

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weather event, inflationary pressures, rising interest costs, bringing forward funding for projects to take advantage of available Government financial support, and decisions to respond to the changing needs of the Nelson community; and

- c. there is no intention to amend the Long Term Plan or Financial Strategy to accommodate the decisions at this time, as they will feed into the Long Term Plan 2024-2034 process that has already commenced; and***
- 4. Notes that, having had regard to the matters in section 100(2) of the Local Government Act 2002, and as approved in the Long Term Plan 2021-2031, the setting of an unbalanced budget in the Annual Plan 2023/24 remains prudent given the ongoing effects of the COVID-19 pandemic on the local economy and ratepayers and further notes that, more recently, Council budgets have been impacted by unforeseen additional costs associated with the August 2022 severe weather event and the sharp rise in inflation and interest costs; and***
- 5. Approves maintaining the commercial differential to collect 22.6% of total rates (excluding the water annual charge and water volumetric rate) for 2023/24; and***
- 6. Adopts the Annual Plan 2023/24 (839498445-14676) in accordance with section 95 of the Local Government Act 2002; and***
- 7. Delegates to the Mayor and Chief Executive to make any necessary minor editorial amendments prior to the public release of the Annual Plan 2023/24 ; and***
- 8. Notes that staff will notify submitters of Council's decisions on the Annual Plan 2023/24; and***
- 9. Notes that Council must adopt the Funding Impact Statement for the 2023/24 financial year contained within the Annual Plan 2023/24, prior to setting the rates; and***
- 10. Sets the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2023 and ending on 30 June 2024.***

The revenue approved below will be raised by the rates and charges that follow.

Revenue approved:

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General Rate	\$50,875,552
Uniform Annual General Charge	\$6,991,104
Stormwater and Flood Protection Charge	\$10,583,927
Waste Water Charge	\$11,906,937
Water Annual Charge	\$4,335,443
Water Volumetric Charge	\$10,116,034
Rates and Charges (excluding GST)	\$94,808,997
Goods and Services Tax (at the current rate)	\$14,221,350
Total Rates and Charges	\$109,030,347

The rates and charges below are GST inclusive.

(1) General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:

- a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential – single unit" category.**
- a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential empty section" category.**
- a rate of 0.40989 cents in the dollar of land value on every rating unit in the "single residential unit forming part of a parent valuation, the remainder of which is non-rateable" category. This represents a plus 10% differential on land value.**
- a rate of 0.40989 cents in the dollar of land value on every rating unit in the "multi residential" category. This represents a plus 10% differential on land value.**
- a rate of 1.25407 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial"**

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subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 236.5465% differential on land value.

- **a rate of 1.03368 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 25% residential and 75% commercial" category. This represents a plus 177.4% differential on land value.**
- **a rate of 0.81345 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 50% residential and 50% commercial" category. This represents a plus 118.3% differential on land value.**
- **a rate of 0.59285 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 75% residential and 25% commercial" category. This represents a plus 59.1% differential on land value.**
- **a rate of 1.79059 cents in the dollar of land value on every rating unit in the "commercial inner city" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 380.527% differential on land value.**
- **a rate of 1.43612 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 25% residential and 75% commercial" category. This represents a plus 285.4% differential on land value.**
- **a rate of 1.08174 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 50% residential and 50% commercial" category. This represents a plus 190.3% differential on land value.**
- **a rate of 0.72700 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 75% residential and 25% commercial" category. This represents a plus 95.1% differential on land value.**

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- ***a rate of 1.51564 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 100% commercial and industrial (occupied and empty)" category. This represents a plus 306.74% differential on land value.***
- ***a rate of 1.23005 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 25% residential and 75% commercial" category. This represents a plus 230.1% differential on land value.***
- ***a rate of 0.94424 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 50% residential and 50% commercial" category. This represents a plus 153.4% differential on land value.***
- ***a rate of 0.65844 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 75% residential and 25% commercial" category. This represents a plus 76.7% differential on land value.***
- ***a rate of 0.24221 cents in the dollar of land value on every rating unit in the "rural" category. This represents a minus 35% differential on land value.***
- ***a rate of 0.33537 cents in the dollar of land value on every rating unit in the "small holding" category. This represents a minus 10% differential on land value.***

(2) Uniform Annual General Charge

A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$320.00 per separately used or inhabited part of a rating unit.

(3) Stormwater and Flood Protection Charge

A targeted rate under section 16 of the Local Government (Rating) Act 2002 of \$557.35 per rating unit, this rate is payable by all ratepayers excluding rural rating units, rating units east of the Gentle Annie saddle, Saxton's Island and Council's stormwater network.

(4) Waste Water Charge

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A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:

- **\$619.31 per separately used or inhabited part of a residential, multi residential, rural and small holding rating units that is connected either directly or through a private drain to a public waste water drain.**
- **For commercial rating units, a waste water charge of \$154.83 per separately used or inhabited part of a rating unit that is connected either directly or through a private drain to a public waste water drain. Note: a trade waste charge will also be levied.**

(5) Water Annual Charge

A targeted rate for water supply under section 16 of the Local Government (Rating) Act 2002 on each rating unit connect to the water supply, of:

Water charge (per connection) \$228.24

(6) Water Volumetric Rate

A targeted rate for water provided under section 19 of the Local Government (Rating) Act 2002, of:

Price of water:

**Usage up to 10,000 cu.m/year
\$2.345 per m³**

**Usage from 10,001 – 100,000 cu.m/year
\$2.006 per m³**

**Usage over 100,000 cu.m/year
\$1.583 per m³**

**Summer irrigation usage over 10,000 cu.m/year
\$2.175 per m³**

(7) Low Valued Properties Remission Value

In accordance section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, Council sets the land

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value for the Low Valued Properties Rates Remission at \$10,000.

Other Rating Information:

Due Dates for Payment of Rates

The above rates (excluding water volumetric rates) shall be payable in four instalments on the following dates:

Instalment Number	Instalment Date	Due Date for Payment	Penalty Applied
Instalment 1	25 July 2023	21 August 2023	25 August 2023
Instalment 2	25 October 2023	20 November 2023	24 November 2023
Instalment 3	25 January 2024	20 February 2024	26 February 2024
Instalment 4	26 April 2024	20 May 2024	24 May 2024

Rates instalments not paid on or by the Due Date for Payment above will incur penalties as detailed in the section "Penalty on Rates".

Due Dates for Payment of Water Volumetric Rates

Water volumetric rates shall be payable on the following dates:

Billing Month	Due Date for Payment
July 2023	21 August 2023
August 2023	20 September 2023
September 2023	20 October 2023
October 2023	20 November 2023
November 2023	20 December 2023
December 2023	22 January 2024
January 2024	20 February 2024
February 2024	20 March 2024
March 2024	22 April 2024
April 2024	20 May 2024
May 2024	20 June 2024
June 2024	22 July 2024

Penalty on Rates

Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the council authorises the following penalties on unpaid rates (excluding volumetric water rate accounts) and delegates authority to the Group Manager Corporate Services to apply them:

- ***a charge of 10% of the amount of each rate instalment remaining unpaid after the due date stated above, to be added on the penalty date as shown in the above table and also shown on each rate instalment notice.***
- ***a charge of 10% will be added on 10 July 2023 to any balance from a previous rating year (including penalties previously charged) remaining outstanding on 1 July 2023.***
- ***a further additional charge of 10% will be added on 11 January 2024 to any balance from a previous rating year (including penalties previously charged) to which a penalty has been added according to the bullet point above, remaining outstanding on 10 January 2024.***

Penalty Remission

In accordance with section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, the Council will approve the remission of a penalty where the criteria of the policy has been met.

Payment of Rates

Rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Thursday and Friday and 9.00am to 5.00pm Wednesday.

Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then to current year rates due.

Item 6: Adoption of the Annual Plan 2023/24 and setting of the rates

4. Background

- 4.1 On 23 March 2023, Council adopted the Annual Plan 2023/24 Consultation Document. The Consultation Document was described as an “exceptions document” – as it only sought to highlight the changes from Year Three of the Long Term Plan 2021-2031 – and did not repeat the other aspects of the work programme that are intended to continue as planned.
- 4.2 Public consultation on the Consultation Document ran from 29 March to 30 April 2023, with 361 submissions received, and 45 submitters being heard on 11 and 12 May 2023. Council deliberations on the submissions were held on 25 May 2023.

5. Discussion

Annual Plan 2023/24

- 5.1 Staff have prepared the Annual Plan 2023/24 (839498445-14676) in accordance with decisions made by Council at deliberations and present it for adoption prior to the end of June 2023 – as required by section 95(3) of the LGA2002. The following table summarises the impact on rates and debt of the deliberations decisions and approved carry forwards and other changes since the consultation period, compared to what was proposed in the Consultation Document and Year Three of the Long Term Plan 2021-2031.

Table 1: Annual Plan 2023/24 rates and debt high level summary

	Long Term Plan 2021-2031 Year 3	Annual Plan 2023/24 Consultation Document	Final Annual Plan 2023/24
Rates increase	5%	7.2%	7.2%
Net debt at 30 June 2024	\$191.9 million	\$199.6 million	\$207.9 million

- 5.2 The rates increase is consistent with the mid-year Consumer Price Index inflation rate, although above the rates affordability benchmark of the Local Government Cost Index plus 2.5% (6.8% for 2023/24) set in the Long Term Plan. The projected debt to revenue ratio of 123% is well within Council’s debt/revenue cap of 175%.

Inconsistencies with the Long Term Plan 2021-2031 and Financial Strategy

- 5.3 Section 80 of the LGA2002 requires that local authorities clearly identify decisions that are significantly inconsistent with existing Council policies

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or plans and identify any intention to amend the relevant policies or plans to accommodate the decision.

- 5.4 The Annual Plan 2023/24 is significantly inconsistent with the work programme, rates increases and debt levels in the Long Term Plan and the Financial Strategy. The reasons for the inconsistency relate to the costs of recovery from the August 2022 severe weather event, inflationary pressures, rising interest costs, bringing forward funding for projects to take advantage of available Government financial support, and decisions made to respond to the changing needs of the Nelson community.
- 5.5 A new Long Term Plan and Financial Strategy will be prepared and consulted on during the 2023/24 financial year rather than amending the current ones.

Unbalanced budget

- 5.6 Section 100 of the LGA2002 requires that local authorities must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. However, the Act also provides that a local authority may set revenues at a different level if it resolves that it is financially prudent to do so. The balanced budget benchmark is normally at least 100%, i.e., that revenue for the year (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) exceeds operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- 5.7 Council does not meet the balanced budget benchmark for 2023/24, with a planned level of 99%. This is consistent with Year Three of the Long Term Plan 2021–2031 Financial Strategy, where it was acknowledged that COVID-19 has had a significant impact on Council's finances. It was resolved to have an unbalanced budget for years one, two and three of the Long Term Plan, in order to maintain services and integrity of assets. This shortfall will be funded using Council's balance sheet (debt).
- 5.8 Since that decision, Council has had to manage the additional impact on budgets from the August 2022 severe weather event and the sharp rise in inflation and interest costs. These budgetary pressures have added to the reasons why Council considers it is prudent to set an unbalanced budget.

Commercial differential

- 5.9 The commercial differential recognises the additional services that businesses receive, such as extra rubbish collection, street sweeping and the investment in events and economic development to support retail and hospitality activities. The Long Term Plan outlined that Council would continue to reduce the proportion of rates collected from commercial properties by 0.5% per year for the first three years, reviewed annually during the annual plan process. Council assessed the relative rating

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contributions to find a suitable balance between commercial and residential properties in the context of the cost of living increases and impact on residential ratepayers. Following deliberations, the commercial differential for 2023/24 is to be retained as was proposed in the Consultation Document, at the same level as in 2022/23. As a result, commercial rates are set to collect 22.6% of the total rates, excluding the water annual charge and the water volumetric rate.

Setting of the rates

- 5.10 Under section 23 of the Local Government (Rating) Act 2002, Council must set its rates by resolution in accordance with the funding impact statement for that financial year. This means the Annual Plan containing the funding impact statement needs to be adopted by Council before passing the rates resolution.

Low valued properties remission value

- 5.11 The Local Government (Rating) Act 2002 requires each separate property title to have a separate valuation and rating assessment. This has resulted in many low land value assessments being created for small parcels of land. Council accepts that rating these low land value assessments would be uneconomic when taking into account the cost in issuing accounts and maintaining the assessments.

Communications with the public

- 5.12 After adoption, a media release will inform the public of key information about the Annual Plan and the rates for 2023/24. A summary will be published in Our Nelson, and the final designed Annual Plan document will be made available on Council's website and at the Customer Service Centre and libraries.

6. Options

- 6.1 Council has the following options:

Option 1: Adopt the Annual Plan 2023/24 including any minor amendments (Recommended option)	
Advantages	<ul style="list-style-type: none">• Implements the decisions made following consultation and deliberations• Meets legislative requirements and timelines• Enables rates for the 2023/24 year to be set and collected in a timely manner• Enables staff to commence implementing the work programme in the Annual Plan• Provides for minor amendments to be approved by the Mayor and Chief Executive as outlined in the resolution

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Risks and Disadvantages	<ul style="list-style-type: none">• Some ratepayers may not agree with the decisions Council made during deliberations and may not want them implemented
Option 2: Delay adoption of the Annual Plan 2023/24	
Advantages	<ul style="list-style-type: none">• Allows for any deliberations decisions not adequately reflected in the Annual Plan 2023/24 to be incorporated prior to adoption
Risks and Disadvantages	<ul style="list-style-type: none">• If any major changes are to be made to the Final Annual Plan then it is likely that Council will not meet statutory timelines• Potential that changes could involve revising the Funding Impact Statement, which will involve substantial staff time and other resources• Creates a risk that the first rates instalment will not be collected in a timely manner• Creates uncertainty for staff in terms of implementing the planned work programme and setting budgets for the 2023/24 year

7. Next Steps

- 7.1 If the Annual Plan is adopted, staff will finalise the design of the Annual Plan 2023/24, publish it on Council's website and make copies available at Council's service centres and libraries. Staff will write to all submitters to inform them of Council's decisions on the Annual Plan.
- 7.2 Note that staff have prepared a separate report on this agenda to adopt the Schedule of Fees and Charges.

Author: Louis Dalzell, Senior Policy Adviser

Authoriser: Nicky McDonald, Group Manager Strategy and Communications

Nikki Harrison, Group Manager Corporate Services

Attachments

Attachment 1: 839498445-14676 - Annual Plan 2023/24 [↓](#)

Important considerations for decision making

Fit with Purpose of Local Government

Council has consulted on the significant changes proposed for inclusion in the Annual Plan 2023/24, from what was contained in the Long Term Plan 2021-2031. Submissions received from the community were considered and heard during Council's decision making processes, enabling elected members to gain an understanding of community views on the matters consulted on. Following the hearings, Council held deliberations on what was to be included in the Annual Plan.

The Annual Plan consultation process enables 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

Council's work programme, as set out in the Annual Plan 2023/24 for adoption, is considered to appropriately align resources to achieve its community outcomes and Council's policies.

Risk

The Consultation Document was publicly notified for consultation, so that there were opportunities for the community to provide their views on the services, work programme and budgets for the Annual Plan 2023/24. While there is a possibility that some aspects of the significance or materiality assessment completed by Council could be challenged, this risk is considered to be low.

There is some risk that the Annual Plan's work programme and budgets will not be 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 Annual Plan 2023/24 will be the basis of Council expenditure and setting the rates for the 2023/24 financial year. The financial impacts of the content of the Annual Plan have been considered by Council during the preparation of the work programme and budgets for inclusion in the consultation document and during deliberations on submissions. The financial impact on rates and debt of adopting the Annual Plan is outlined in paragraphs 5.1 and 5.2 of this report.

Degree of significance and level of engagement

The proposals in the Annual Plan have been assessed against Council’s Significance and Engagement Policy as having a high level of significance (refer to report R27507 to 9 February Council meeting). The consultation process undertaken on the Annual Plan reflected the high level of significance of the decisions.

Climate Impact

The decisions in this report will impact on Council’s ability to proactively respond to the impacts of climate change now or in the future. Some of the key projects in this Annual Plan will enable recovery activities to improve the resilience of Council’s infrastructure impacted by the August 2022 severe weather event. The consultation process has allowed the community to provide feedback on Council’s climate response budgets and activities. 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

Other than through the public consultation process, no separate engagement with Māori has been undertaken in preparing this report.

Delegations

This is a matter for Council.

REPORT R27760

Temporary exemption from payment for parking in the Inner City during winter months

1. Purpose of Report

- 1.1 To approve inner-city parking being exempted from payment from 3.00p.m. to 5.00p.m. between 1 July and 31 October 2023 in response to a request from the Inner-City Forum.

2. Recommendation

That the Council

1. ***Receives the report Temporary exemption from payment for parking in the Inner City during winter months (R27760); and***
2. ***Approves that inner city parking be exempted from payment from 3.00p.m. to 5.00p.m. between 1 July and 31 October 2023 as a temporary measure to aid inner city businesses.***

3. Background

- 3.1 The Inner-City Forum is an important vehicle for the Council to engage with the inner-city businesses that are so important to the vitality of the central city. At the most recent meeting of the Inner-City Forum on 7 June it was reported that some businesses are struggling, and Uniquely Nelson requested that inner-city parking be made free from 3.00pm to 5.00pm for the winter months to assist business by attracting more customers to the city in the after-school hours.

Item 7: Temporary exemption from payment for parking in the Inner City during winter months

- 3.2 Officers were asked to investigate and report back to Council on the feasibility of this request along with what this would be required to give effect to this change.
- 3.3 While this is a transport related proposal, the transport implications of meeting this request are unlikely to be significant in terms of traffic flows or the impact on parking availability. However, the measure is significant as an indication that Council is listening to the concerns of its inner-city business community, and is aware of the struggle many businesses are facing especially with the announcement that New Zealand is now officially in recession and economists are forecasting the toughest winter for retail and hospitality businesses in years.

4. Discussion

- 4.1 Council currently provides one-hour free parking in the inner city, managed via Council's new parking meters. Environmental Inspections Limited (EIL) enforce time restrictions along with vehicle registrations and WOF's.
- 4.2 The one-hour free parking is part of Council's Parking and Traffic Bylaw. Any permanent additional change to free parking would need to be consulted on formally and considered by a Hearings Panel.
- 4.3 This proposed exemption is not permanent however, but a measure that will apply for the winter months only. As this is a short-term exemption, the decision can therefore be made by Council without the requirement to go through a Hearings process.
- 4.4 Retail in Nelson is challenging, with the challenge particularly difficult over the winter months when visitor numbers traditionally decline. This proposal is intended to provide a strong signal of support for Nelson's inner-city businesses during the difficult winter months.
- 4.5 No detailed analysis has been undertaken by officers as to whether this would be a positive stimulus for the businesses or whether this would attract more people into the inner city, but this request was the one form of assistance that inner-city businesses sought from Council to enable them to navigate the challenging winter months.

Financial

- 4.6 The impact on revenue at this time (3.00pm to 5.00pm) when one hour is already free, is unlikely to be significant.
- 4.7 The work required by officers would be a change to the parking machines (estimated at \$1,000) and communications around the change to paid parking (estimated at \$1,000). The impact on staff time is unlikely to be significant.

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4.8 There would be no noticeable effect on EIL parking enforcement officers as they will still be patrolling to ensure compliance with time limits and safety requirements.

Time period

4.9 The request at the Forum was for this free parking for the winter months.

5. Options

5.1 Two options are presented to Council for consideration: to approve or not approve temporary parking relief in the inner city - by way of free parking - between the hours of 3.00pm to 5.00pm between 1 July and 31 October 2023. Officers support approval of this proposal.

Option 1: Approve free parking between 3pm and 5pm from 1 July to 31 October 2023. Recommended option	
Advantages	<ul style="list-style-type: none"> Shows Council is listening to inner-city businesses and their concerns expressed through the Inner-City Forum expressly created to hear such concerns
Risks and Disadvantages	<ul style="list-style-type: none"> Potential loss of income Could be seen to conflict with Council’s efforts to encourage a range of transport choices other than private motor vehicles to access the central-city
Option 2: Not Approve free parking between 3pm and 5pm from 1 July to 31 October 2023.	
Advantages	<ul style="list-style-type: none"> No loss of income No additional time spent by staff on this matter
Risks and Disadvantages	<ul style="list-style-type: none"> Reputational risk of not being seen to respond to the requests of the Inner-City Forum created specifically to listen to the concerns of central city business

Item 7: Temporary exemption from payment for parking in the Inner City during winter months

Author: Stephen Rainbow, Senior Adviser - Mayor and Councillors Office

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Attachments

Nil

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Important considerations for decision making
Fit with Purpose of Local Government The recommendation in this report fits the purpose of local Government by supporting the social and economic well-being of the city's inner city.
Consistency with Community Outcomes and Council Policy The works in this report cover the following Community Outcomes - "Our infrastructure is efficient, cost effective and meets current and future needs" and "Our region is supported by an innovative and sustainable economy".
Risk Free parking from 3pm to 5pm for a short period over the winter months has a low level of risk as this was supported by the Inner City Forum and proposed by Uniquely Nelson.
Financial impact The decision relating to this report has a minimal impact on income.
Degree of significance and level of engagement This matter is of low significance because it is supported by the inner city businesses and the period over which the free parking is proposed is short in duration.
Climate Impact Climate change has not been considered in the writing of this report.
Inclusion of Māori in the decision making process No engagement with Māori has been undertaken in preparing this report.
Delegations This matter is for Council to consider.