

OPEN

MINUTE ITEM

ATTACHMENTS

**Ordinary meeting of the
Environment Committee**

**Thursday 28 May 2020
Commencing at 9.00a.m.
Council Chamber**

Civic House

110 Trafalgar Street, Nelson

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**RESPONSES TO FEEDBACK ON REPORTS FOR ENVIRONMENT
COMMITTEE
28 MAY AND 4 JUNE 2020**

Regulatory fees and charges

Deputy Mayor

2.1 - it states there were no submissions about fees and charges but there were submissions included in the Annual Plan submissions specifically about fees and charges.

There were two submissions to the Annual Plan:

24146 - Mr Meer requests: "Need to be more transparent. More fixed fees rather than at the behest of Council Officers who make site visits (building) ad hoc and presumably when they need to show a bit more income."

The draft staff response is:

Fees for resource consents, building consents and dog control activities have been publicly consulted on this year. Where an activity or service is more certain in terms of knowing how much staff time is involved Council fixes fees. Where there are many variables it is not fair or reasonable to fix fees so Council sets an hourly charge out rate. Officers review charges before invoicing to ensure these are correctly and fairly on charged and breakdowns of invoicing are available on request. Officers have high workloads and ensure time spent on any activity is kept to the minimum required to meet all legislative requirements.

24326 - Mr Olorenshaw suggests that building consent costs be varied depending on the nett embodied carbon emissions in the building. He states that this would be a complex calculation, and proposes a proxy based on the amount of concrete and steel used c.f. to wood.

Staff are not in a position to apply this kind of charging now but this could be a factor to consider in the future, preferably at a consistent national approach.

RMA and HASHAA charges

Just wondering why no commentary on the fixed fee increase?

A general comment is made that some fixed fees have been adjusted to reflect the time taken to perform these tasks at the new charge out rate. These fixed fees do not apply very often.

5.6 - what would be the average additional cost per consent application if we shifted to \$160?

There is a huge variety in costs for resource consents due to the variety of types and scale of the activities. One example for a non-notified land use consent is total cost at \$150 per hour = \$4,579.28 (\$1,300 deposit) and with the proposed charge of \$160 per hour = \$4,851.94 (\$1,500 deposit)

What would the fee need to be set at if we were to increase it 1 Sept but in order to meet the 40% minimum as per the R&F Policy?

The fee would need to be \$167 an hour to meet 40% (proposed is \$160 to meet 38%)

5.13 - Did you consider a two-tier as per Napier?

This has been considered in the past. The tiers add another level of administration for invoicing as in practice, there are administration, a processor and a senior or team leader involved in all consents. It also not considered fair to potentially charge more for a consent due to the seniority of staff compared to a similar activity processed by an officer when the applicant cannot choose who gets to process their consent. One charge for all staff levels gives equity to the customer and aligns NCC with TDC staff charges.

5.17 - Why do we not refund?

The fixed fee is based on the average costs and have been fixed to provide a level of certainty for customers. No refunds have been given in the past because, in the majority of cases, the difference is minor and would incur further costs to administer the refund or charge. If there is a significant difference, then this is considered.

5.19 - Have you considered a lower fee for the full financial year?

Yes, this approach has been considered however this would rely on a greater percentage input from rates as opposed to the user paying for the services. This still leaves the rates input at around 40% if we charge the proposed staffing amount highlighted in the table below at \$152 per hour.

Have you considered a staggered intro? A partial increase 1 Jul and a second one 1 Jul?

Unfortunately this would make the invoicing of consents quite complicated. As the lifespan of the average Building Consent is between 2 – 4 years, if the fees are to increase year on year, when it comes time to calculate an invoice spanning multiple fee increases, this makes the invoicing process complicated. A single increase minimises this complication.

What would the fee need to be set at if we were to increase it 1 Jan but in order to meet the 60% minimum as per the R&F Policy?

Please see the following table, showing the options that would meet the 60% minimum private financial input meeting the R&F policy.

Hourly charge out rate	2021 Predicted Fee income	2021 Predicted Expenditure	% of 2020/21 costs from fees	Rates component
This section is based on last year consent numbers				
\$135 (current)	\$2,213,569	\$3,593,412	62	\$1,379,843
\$160 (proposed)	\$2,601,012	\$3,593,412	72	\$992,400
Lower income and expenditure due to economic recession from COVID-19:				
This section is based on 20% reduction of consent numbers				
\$135	\$1,770,855	\$3,318,596	53	\$1,547,741
\$150 (from 1 July 2020)	\$1,968,000	\$3,318,596	59	\$1,350,596
\$152 (from 1 July 2020)	\$1,994,000	\$3,318,596	60	\$1,324,596
\$160 (from 1 July 2020)	\$2,080,809	\$3,318,596	63	\$1,237,787
\$160 (from 1 January 2021)	\$1,934,810	\$3,318,596	58	\$1,393,786
\$169 (from 1 January 2021)	\$1,994,000	\$3,318,596	60	\$1,324,596

5.24 - So all 4 options would meet the 90% user pays policy?

Yes

Attachments - can you please send a tracked changes version of the Dog Control fees - it's a little hard comparing the two versions attached.

See attached

Request a summary of submissions on fees and charges to annual plan for next Thurs meeting

See above

It would be good to have analysis of what this will mean for us from a staff/contractor resource perspective, cost/fee perspective and work quantum.
<https://i.stuff.co.nz/national/121606376/diy-dream-come-true-building-consents-for-low-risk-projects-scrapped>

Using consents information from 1 May 2018 to 30 April 2019 and applying this to works that are now exempt it would equate to:

15 (to 20) consent applications (including amendments)

\$ 293,295.00 Estimated Value of work

\$ 20,023.61 Income from Building Consent fees.

Mayor

This report includes consultations undertaken under different legislation and LGA sections. The RMA matters are an SCP. The SCP reads:

Outcomes of this special consultative procedure could include: ☐ Retaining the existing charges ☐ Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback ☐ Adopting a higher increase in charges, based on community feedback

The report does not adequately refer to the relevant legislation and constraints of an SCP. There has been no community feedback to make changes. The report proposes options that were not set out in the SCP. These matters need appropriate legal consideration.

Legal advice was obtained and summarised in section 4.2:

Even though no submissions were received, it is still open to the Council to make changes to the proposal if it wishes. However, any such changes must be within the scope of what was flagged in the relevant statement of proposals (for instance, it might adopt one of the other options that was identified, but was not the preferred option). If the Council wanted to make changes that were not within the scope of the matters already consulted on, it would likely need to carry out a fresh consultation process.

The main case dealing with this area of law is one that the Council was party to, being Nelson Gambling Taskforce Inc v Nelson City Council (7/9/2011, High Court, France J). In this case, the court was critical of the Council's decision to introduce new location conditions for class 4 gambling venues when the statement of proposal on changes to the gambling policy had flagged a reduction in the cap on gaming machine numbers as the only change to the policy. The Court set aside the Council's decision.

Para 5.4 does not make sense. If the fees and charges are reduced the balance comes from rates. **Correct so we need to increase fees and charges to have less need for rates**

Para 5.5 - Was the recruitment of staff and reduction in consultants not considered in the original report and therefore the cost calculations? If not why not? If yes then this is not a new reason to adjust the fees.

Correct – not a new reason but an explanation of what is being done to reduce expenses.

I have a real concern with the idea that the Revenue and Financing Policy will now be breached. This is a major departure from the SCP.

This is based on assumptions that the level of activity will decrease by 20% compared to the expectation of activity at the time the SCP went out. The proposed charge out rate is the same as proposed in the SCP.

Why wasn't the consultation period extended as per the AP extension?

Even in normal circumstances it is very rare to get submissions on fees and charges. There were no requests to extend.

The options section should include the option that is in the SCP.

Officers consider the options presented recognise the change in circumstances. The Council may decide other options.

There are track changes in Attachment 1, including a new section, and no explanation about these in the report including reference to the constraints of an SCP.

Section 4.2 briefly covers the constraints of a SCP, this was based on legal advice. The new section regarding the payment for annual monitoring and other minor changes were in the earlier report (prior to public consultation). Mandy Bishop can speak to the changes in the meeting.

Nelson Plan report:

Mayor

The table at 4.1 needs further explanation with regard to savings. There is a savings of -\$200K but this says "used in part to cover consultants" so this isn't a savings. The net amount needs to be shown. What are the next two recovered area? I cannot see how these items relate to the Nelson Plan. What infrastructure projects are Nelson Plan related? Same for Science and Environment? Can these items please be explained and the total overspend adjusted.

Amended table from the report to be tabled. The quantum of the savings is \$64,500.

The report does not address the quality of work and need to review and remedy on a number of occasions. This has caused delay and expense. The report then claims briefing councillors was the issue. In this term of council the elected members have had one or two workshops only. I do not think this is a far reflection of the issues.

Draft provisions have required re-work and the current targeted engagement will enable further refinement of content and quality. It is correct to say briefings of this Council have been few. The issues are varied..

When did the hearing panel provisions for Freshwater come in to effect?

*The Bill was introduced to the House on 23 September 2019. The Resource Management Amendment Bill (**Bill**) was reported back on 30 March 2020 by the Environment Committee.*

From what I can understand from the report there is an overspend in 2019/20 and the officers are seeking unbudgeted operational expenditure. Is this correct? I cannot see how you can request capital funding when you have no capital budget to put this too. Again this would be unbudgeted capital expenditure. Can you please explain this?

Amended recommendation to be tabled.

Councillor Noonan

I've had a cursory look at the agenda items for Thursday and at this point have one query re the recommendation for the committee to approve \$200,000 for the Nelson Plan for this current financial year. How does the committee have that delegation?

Agree it does not. Amended recommendation to be tabled.

Deputy Mayor

In the COVID-19 report (3.1) it mentions carrying forward savings. What is the quantum? Could the savings be used to offset the overspend on the Nelson Plan?

Amended table from the report to be tabled at the meeting. The quantum of the savings from Science and Environment budgets is \$64,500.

Urban Environment Bylaw:

Deputy Mayor

Just wondering why a third option of minor changes only wasn't offered. Depending on the nature of the changes (LGA S156) we would then either have no requirement to consult or only under S82. This would not only mean a significant time (cost and resource) reduction, but mean the start could be pushed back until after the Nelson Plan has been released for consultation.

The option of Minor Changes would come to Council in September after Stage 1 scoping work is completed. If that option was selected, Council would then need to consider the appropriate engagement, which may not require a SCP.

5.5 - Can you clarify if this additional resource is for staff or consultants and that it's not part of the Nelson Plan debt-funding.

A separate budget line will be created for these costs. The need for the use of consultants will depend on the scope of the required work.

Option 1 - Proposed Dog Control Fees for 2020/21 – with the Good Dog Owner Scheme

(all charges include GST)

Registration Fees	Fee \$
Rural dogs (properties of 1 hectare or more)	61.00
Good Dog Owner Scheme	84.00
All other urban dogs	108.50
All dogs classified as dangerous (standard registration fee, plus 50% surcharge as required by statute)	162.75
Community working dog such as Police, Seeing Eye and Hearing Dogs	5.00
A late payment penalty of 50% of the registration shall apply to all registrations remaining unpaid on 1 August of each year and all dogs unregistered after 1 September of each year shall incur a further \$300 infringement fee, plus penalty. Such penalties (set by statute) are to be made clear on the invoice for registration.	
Replacement registration disc	5.00
Registration discounts (applied annually): Neutered dog (proof from vet is required)	-5.00
Impounding Fees (in any 12 month period)	
First Impounding	75.00
Second Impounding	150.00
Third Impounding	225.00
Daily charge (for each day following impounding)	15.00
After hours callout charge (outside normal working hours)	80.00
Install microchip to impounded dogs where required	38.00

or

Option 2 - Proposed Dog Control Fees for 2020/21 – without the Good Dog Owner Scheme

(all charges include GST)

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

Dog Control Policy and Bylaw

A summary of recommendations and
reasons.

May 2020

Debra Bradley



Matt Heale

Good Dog Owner Policy

Recommendation:

Remove the Good Dog Owner (GDO) Policy discount but retain the \$5 discount for neutered dogs.

Reasons for removing GDO discount :

- The criteria are requirements under the Dog Control Act.
- People who are unaware of the discount are paying more than their fair share for dog control services.
- Staff time to administer the scheme.

Registration Fees	Current	1. With GDO	2. No GDO	3. New GDO (training)	4. New GDO (no issues in 3 years)
Rural dogs (properties of 1 hectare or more)	48.00	61.00	53.50	57.00	57.00
Good Dog Owner Scheme	66.20	84.00		83.00	91.00
All other urban dogs	86.00	108.50	95.80	106.00	104.00

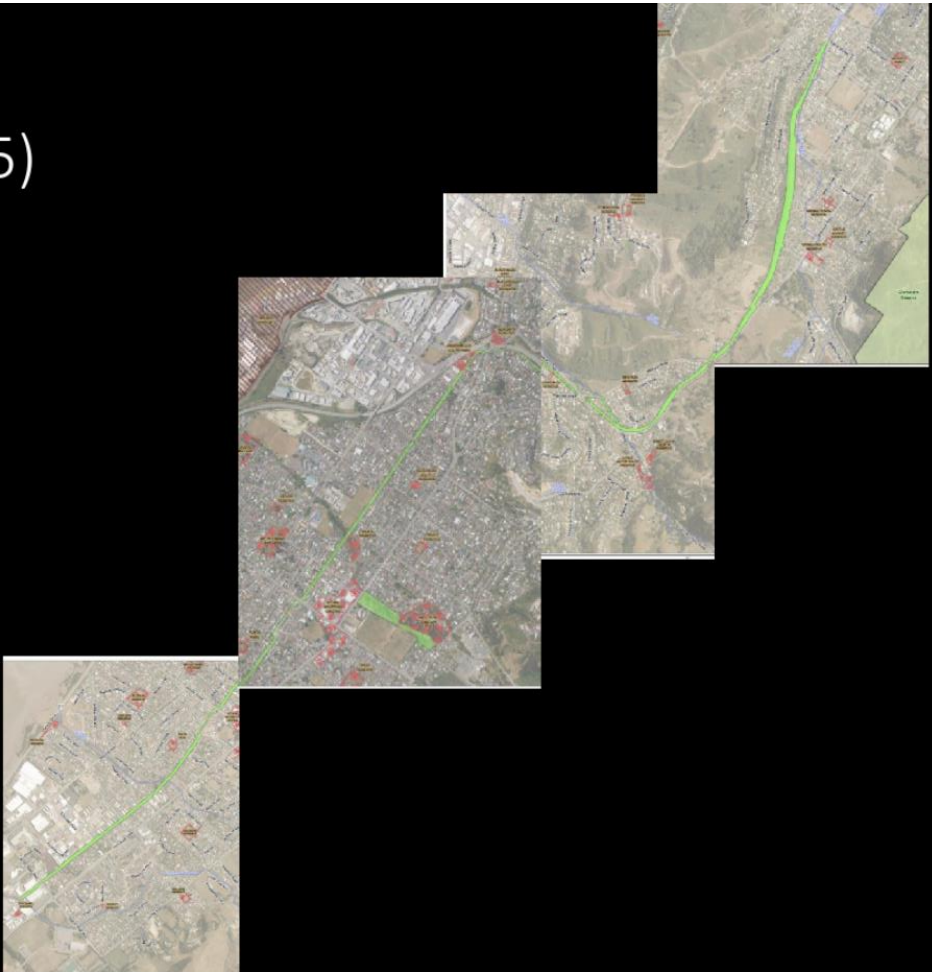
Railway Reserve (Maps 2-5)

Recommendation:

Retain the Railway Reserve as an off-leash area.

Reasons:

- The benefits (extensive off-leash exercise) are greater than the costs (small number of complaints) in this area.
- Offsets some of the concerns about loss of off-leash exercise in grazed reserves.



Isel Park (Map 3)

Recommendation:

Retain the existing half on-leash and half-off leash approach to Isel Park.

Reasons:

Isel Park offers a high amenity recreation area for parents and children, and the elderly, as well as dog owners of all ages.





Grazed Reserves

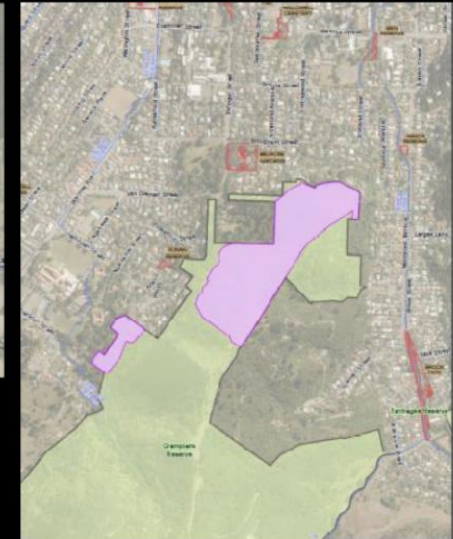
(Maps 6, 7, 8 and 9)

Recommendations

- Require dogs to be on-leash in Council grazed reserves (excluding the Tantragee Reserve).
- Make improvements to the signage in Grampians Reserve to make it clearer where grazing does not occur (where dogs can be exercised off-leash)

Reasons

- To manage fire risk, and the welfare of the sheep grazing these areas.
- Only cattle graze the Tantragee area (and dogs are a lower risk for cattle).





Monaco Reserve (Map 1)

Recommendation:

Include Monaco Reserve as an off-leash area (excluding the playground).

Reasons:

- 2015 letter and supporting petition (with 66 signatories)
- Consistent with the approach in several other multi-use Neighbourhood Parks.



Titoki Reserve (Map 16)

Recommendation:

Retain Titoki Reserve as an off-leash area.

Reasons:

- Very few off-leash areas in Nelson North.
- Volunteers monitoring bird numbers and trapping pests supportive of off-leash status.



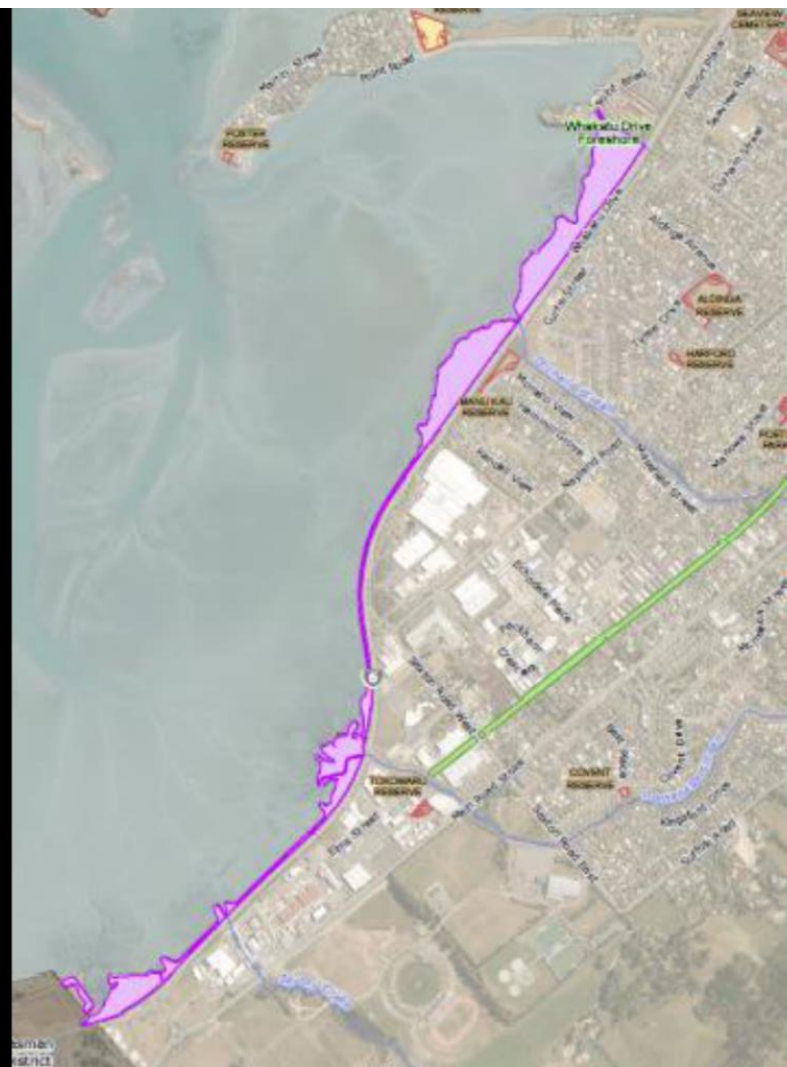
Whakatū Drive Foreshore Reserve (Map 15)

Recommendation:

Change Whakatū Drive Foreshore Reserve to an on-leash area.

Reasons:

- Reduces the risk of conflicts between wildlife and dogs around Waimea Inlet.
- Supported by the Waimea Inlet Forum Working Group and the Ornithological Society.
- Alternatives are available in Stoke/Monaco for safe, off-leash exercise.



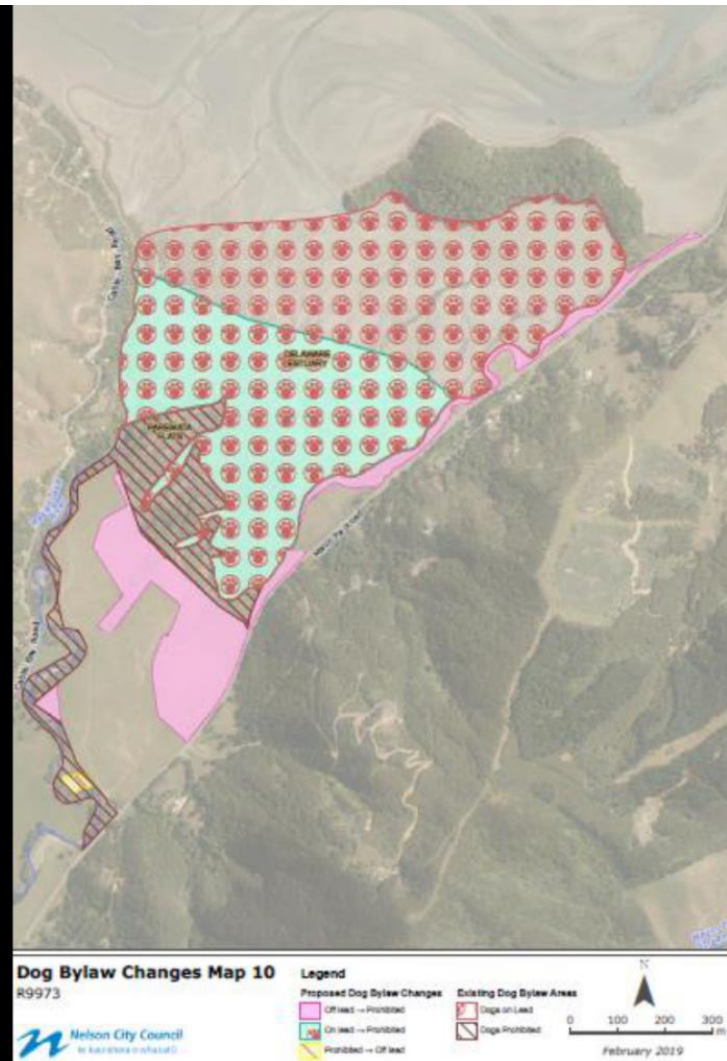
Paremata Flats and Delaware Estuary (Map10)

Recommendations:

- Prohibit dogs in the fenced, planted area of Paremata Flats Reserve
- Require dogs to be on-leash on the margins, islands, sand and mudflats of Delaware Estuary.

Reasons:

- Not possible to access the estuary mudflats and sand without passing through the margins.
- Ngāti Tama Ki te Waipounamu Trust is seeking better enforcement of on-leash requirements.



Boulder Bank (Maps 11-14)

Recommendations:

- Retain the dogs prohibited status for the 4km of the Boulder Bank from the Cut during the breeding season, and change the start date to 15 August each year.
- Include the part of the Boulder Bank from Boulder Bank Drive to the Cut as an on-leash area.
- Retain the Boulder Bank northwards from Boulder Bank Drive as an off-leash area and change the status of Glenduan Reserve to off-leash.

(Reasons on next slide)



Boulder Bank (Maps 11-14)

Reasons

- This approach balances the need for local exercise/recreation options and protection of the Boulder Bank's ecological values, including rare nesting birds.
- The off-leash area is acceptable to Department of Conservation.
- The Ornithological Society recommended extending the prohibition period to better match the birds' breeding seasons.



Multiple Dogs

Recommendation:

- Delete the Multiple Dogs policy.

Reasons:

- People do not generally apply for permission to have more than two dogs.
- Puppies go to new homes at eight weeks old, but the issue only comes to Council's attention during the registration period (at three months old).
- Council can deal with nuisance issues through the Dog Control Act, and can require reduction in numbers for unresolved issues associated with multiple dogs.

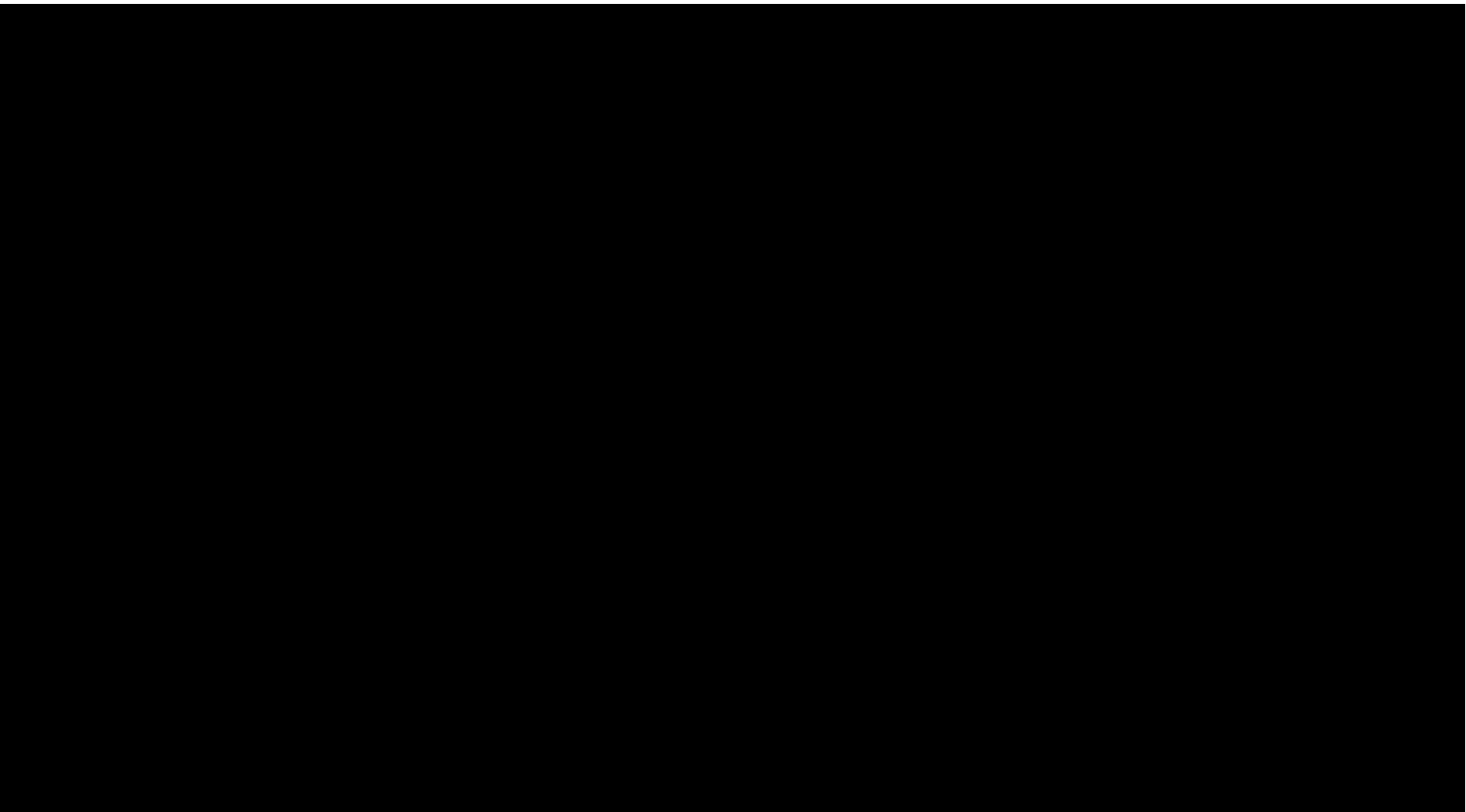
Enforcement Approach

Recommendation:

- Minor changes (as included in the proposal).

Reasons

- Improve alignment with Council's current enforcement practices.



Attachment 4

Dog Control Fee Options for 2020/21

(all charges include GST)

Registration Fees	Current	1. With GDO	2. No GDO	3. New GDO (training)	4. New GDO (no issues in 3 years)
Rural dogs (properties of 1 hectare or more)	48.00	61.00	53.50	57.00	57.00
Good Dog Owner Scheme	66.20	84.00		83.00	91.00
All other urban dogs	86.00	108.50	95.80	106.00	104.00
All dogs classified as dangerous (standard registration fee, plus 50% surcharge as required by statute)	129.00	162.75	143.70	159.00	156.00
<u>Community working dog such as</u> Police, Seeing Eye and Hearing Dogs	5.00	5.00	5.00	5.00	5.00
A late payment penalty of 50% of the registration shall apply to all registrations remaining unpaid on 1 August of each year, and all dogs unregistered after <u>For the 2020/21 registration year the late penalty payment shall apply to all registrations remaining unpaid on 1 September 2020. of each year shall incur a further \$300 infringement fee, plus penalty.</u> Such penalties (set by statute) are to be made clear on the invoice for registration.					
Replacement registration disc	5.00	5.00	5.00	5.00	5.00
Registration discounts (applied annually): Neutered dog (proof from vet is required)	-5.00	-5.00	-5.00	-5.00	-5.00

Impounding Fees (in any 12 month period)	Current \$	1. With GDO	2. No GDO	3. New GDO (training)	4. New GDO (no issues in 3 years)
First Impounding	75.00	75.00	75.00	75.00	75.00
Second Impounding	150.00	150.00	150.00	150.00	150.00
Third Impounding	225.00	225.00	225.00	225.00	225.00
Daily charge (for each day following impounding)	15.00	15.00	15.00	15.00	15.00
After hours callout charge (outside normal working hours)	75.00	80.00	80.00	80.00	80.00
Install microchip to impounded dogs where required	38.00	38.00	38.00	38.00	38.00

Amended Recommendation

That the Environment Committee

- 1. Receives the report Nelson Plan: Additional Funding (R14797) and its attachments Nelson Plan Cost vs Budget (A2384881).***

Recommendation to Council

- 2. Approves unbudgeted expenditure of \$135,500 to progress the Draft Nelson Plan in 2019/2020.***

Amended Table (pages 2 and 3 of report R14797)

Total Forecast Nelson Plan Cost 2019/20	1,125,845
Approved budget 2019/20	725,845
Less savings from staff vacancies	(200,000)
Budget Shortfall 2019/20	200,000
Less transfer of additional budget from Science and Environment	(64,500)
Nett Budget Shortfall 2019/20	135,500

REPLACEMENT TABLE Nelson Costs 2015 - 2024

Attachment 1 - Nelson Plan Costs V Budget - 12May2020 (A2352810)														
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total to Proposed	2021/22	2022/23	2023/24	2024/25	Total for Hearing Decision Phase	Total Nelson
Classification		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	30th June 21	Yr 7	Yr 8	Yr 9	Yr 10		
	Original Phases	Plan Drafting	Plan Drafting	Plan Drafting	Plan Drafting	Proposed	Hearings & Decisions		Appeals	Appeals	Appeals	Appeals		
	Updated Phases	Plan Drafting	Plan Drafting / Council Briefing / Engagement / New Legislation	Peer / Legal / cost Benefit Analysis	Council Briefing	Plan Drafting / Integration / application National Standards / align with FDS / Testing with Key Stakeholders	Replace text		Council Workshops, Finalise Draft for Proposed / Notification Date Feb 22 / Submissions / Hearing Preparations	Hearings & Decisions	Hearings & Decisions	Appeals		
A	LTP (000's)	\$685	\$696	\$713	\$731	\$713	\$379	\$3,917	\$371	\$287	\$277	\$301	\$1,236	\$5,153
B	Changes between 2016 & 2018 Plan	\$0	\$0	\$0	(\$182)	\$0	\$352	\$170	\$160	\$32	\$51	\$38	\$281	\$451
C	LTP (000's) 2018	\$685	\$696	\$713	\$549	\$713	\$731	\$4,087	\$531	\$319	\$328	\$339	\$1,517	\$5,604
D	Differences to Actuals to Budget	\$74	\$59	\$409	(\$31)			\$511					\$0	\$511
E	This Budget Revision					\$200	\$769	\$969	\$889	\$1,921	\$147		\$2,957	\$3,926
I	Allowance for New Legislation						\$100	\$100	\$200				\$200	\$300
F	Hearing Preparations								\$500	\$340			\$840	\$840
G	Panel Costs									\$1,040	\$675		\$1,715	\$1,715
H	Legal Costs									\$100	\$150	\$201	\$451	\$451
	Annual Spend to 2019 / Forecast from 2020 (000's)	\$759	\$755	\$1,122	\$518	\$913	\$1,600	\$5,667	\$2,120	\$3,720	\$1,300	\$540	\$7,680	\$13,347
	Variance LTP V Actual / Forecast (000s)													(\$7,743)
Reasons for changes in budgets / Forecasts V LTP														
	Government Policy Changes	Wood Burner Change					National Planning Standards		Fresh Water Reform					
	Reason for Changes in Budget	Wood Burner Plan change diverted staff resource	Additional briefings for new Council / Additional Council workshops required to plan / Additional engagement requested including need for Draft Plan stage /	National Policy Changes, Peer/Legal review costs / Staff Vacancies requiring additional use of external consultants			National Planning Standards / FDS Alignment / Staff Vacancies	Anticipated National Policy change in FW, Air, & Urban development - includes \$300k buffer / LTP had assumed appeals stage / Additional planning specialist required re Coastal / Flooding / Intensification		Additional Commissioner costs - FW reform / LTP assumed appeals stage	Additional Commissioner costs - FW reform	Additional Commissioner costs - FW reform	Additional Legal Fees	

Draft Plan consultation;
feedback analysis;
updates and drafting Proposed Plan; apply new legislation