

RESOURCE MANAGEMENT ACT CHARGES POLICY

Introduction

The Rotorua District Council is able to fix administrative charges under Section 36 of the Resource Management Act 1991 (RMA).

Through the implementation of the RMA and the Council's District Plan, there are a number of actions undertaken by Council that are primarily for the benefit of individuals. Such actions include the processing, administration, monitoring and supervision of Resource Consents, private plan changes and designations. Monitoring of the Council's Resource Management functions and the provision of information are other services carried out by the Council.

The relevant Sections of the RMA state:

36.A Administrative Charges – (1)

A local authority may from time to time, subject to Sub-section (2), fix charges of all or any of the following kinds:

- (a) Charges payable by applicants for the preparation or change of a policy statement or plan, for the carrying out by the local authority of its functions in relation to such applications;
- (b) Charges payable by applicants for resource consents, for the carrying out by the local authority of its functions in relation to the receiving, processing and granting of resource consents (including certificates of compliance);
- (c) Charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to the administration, monitoring, and supervision of resource consents (including certificates of compliance), and for the carrying out of its resource management functions in section 35;
- (d) Charges payable by requiring authorities and heritage protection authorities, for the carrying out by the local authority of its functions in relation to designations and heritage orders;
- (e) Charges for providing information in respect of plans and resource consents, payable by the person requesting the information;
- (f) Charges for the supply of documents, payable by the person requesting the document;
- (g) Any kind of charge authorised for the purpose of this Section by Regulations.

The last revision of the charges set under Section 36 had come into effect on 19 August 2003. The level of cost recovery is determined with reference to the Revenue and Financing Policy of the Council.

Criteria for Fixing Charges

In fixing charges under Section 36(1), Council shall have regard to the criteria set out in the relevant extracts from sections 36(4) and (5) which state as follows:

36(4)

- (a) The sole purpose of a charge is to recover the reasonable costs incurred by the Local Authority in respect of the activity to which the charge relates;
- (b) A particular person or persons should only be required to pay a charge –
 - (i) to the extent that the benefit of the Local Authority's actions to which the charge relates is obtained by those persons as distinct from the community of the Local Authority as a whole; or
 - (ii) where the need for the Local Authority's actions to which the charge relates is occasioned by the actions of those persons; or
 and the Local Authority may fix different charges for different costs it incurs in the performance of its various functions, powers, and duties under this Act-
- (c) In relation to different areas or different classes of applicant, consent holder, requiring authority, or heritage protection authority; or
- (d) Where any activity undertaken by the persons liable to pay any charge reduces the cost to the Local Authority if carrying out any of its functions, powers, and duties.

36(5)

A Local Authority may, in any particular case and in its absolute discretion, remit the whole or any part of any charge of a kind referred to in this section which would otherwise be payable

Additional Charges

Where a Council provides for the payment of additional charges, such additional charges are subject to the right of objection under section 357(c) (see Section 36(6)) of the Resource Management Act.

Payment of Fees

It is further noted that a Council need not perform the action to which the charge relates until the charge has been paid to it in full. (See section 36(7)) of the Resource Management Act. It is the practice of Council to require the payment of fees when an application is lodged with the Council. The time for processing an application will not formally commence until fees have been paid.

Consent Categories

The categories of consents that charges relate to are set out in the Schedule of Planning Fees and Charges that follows this explanatory section.

Revenue and Financing Policy

The Council's Revenue and Financing Policy states that Planning Policy functions, including the development of the District Plan, are fully funded by Council by way of General Rates.

Planning implementation functions on the other hand, have a greater degree of private benefit associated with them. There are services carried out that are not recoverable, such as the complaints and enforcement actions involved in ensuring compliance with the RMA and the District Plan, and litigation or appeals associated with Resource Consents. The Council has also determined that information provided to the public at the counter will not be charged for. These services account for 30% of the costs incurred in the planning implementation function.

The remaining 70% of the costs associated with planning implementation essentially provides a private benefit. These are the actions associated with the types of activity referred to in Section 36(1) of the Resource Management Act.

The Council has decided that it will not recover the full extent of the private benefit component. In 2003/04 the rate of cost recovery was estimated to be 23% of Implementation operational costs. In 2004/05 it is estimated that rate of recovery will be 17% because of a rise in the cost of providing the service. For the purpose of the Long Term Council Community Plan Council will endeavour to recover at least 17% of Implementation operational costs.

Application Numbers

The number of applications for Resource Consent had started to increase in 2003/04 to similar levels received in 2001/02. The average number of Land Use applications received currently is 41 applications per month, and the number of Subdivision applications is 11 per month. There is no discernible pattern in the type of consents received. The reasonableness of the charge for different types of consents has been reviewed against the median time that has been spent to process each consent type and regard has been had to the number of applications received for each type of application.

The Estimates have been prepared on the basis that the number of applications received will be at 2003/2004 levels. There is no guarantee or way of predicting what the pattern will actually be and the revenue received could change as a result.

Fees Increase

The 2004/05 year sees an increase in land use consent fees, and some subdivision related consents, of around five percent to maintain a similar level of cost recovery. No change was proposed to the processing of preliminary plans of subdivision because the Council funded share is currently less than for land use consents and there are fewer subdivision consents than land use consents. The median figures were used for time taken to process consents to determine a reasonable charge. Therefore, in most circumstances, the fee is fixed.

There are, however, larger consent applications that from the outset will clearly take a greater amount of staff time to process. The Fees Schedule has for some time now allowed for an individual estimate to be prepared in these circumstances, up to a maximum figure, to enable the actual and reasonable costs of Council to be recovered. In previous years this has been up to 35% of the total costs to process the application. This has been increased to 45% of staff time and where external peer review is required 100%.

The increase in the Private Plan Change base fee of \$4,000 made in 2003/04 has been retained. Private Plan changes involve a considerable amount of staff time and it is the Council's policy that private Plan Changes be cost recoverable. Estimates have been made for individual changes.

Accordingly revenue from Planning Implementation has been estimated at \$243,000, being an increase of \$7,000 from the previous year.

Funding Criteria

The charges are based on less than actual and reasonable costs that are incurred by Planning Implementation in processing applications for Resource Consent.

In accordance with the Council's directions, those who are applying for Private Plan Changes meet all of the costs associated with the processing of those changes. This is not explicitly stated in the Funding Policy and the approach taken to Private Plan Changes and Designations should perhaps be reflected in the Policy.

The Council has determined that it will not have a policy to fully recover the private benefit component of processing consents under the Resource Management Act. The actions that Council is carrying out and charging for are clearly within the ambit of Section 36(1).

include costs incurred by Council in respect of staff salaries and wages (including travel time, and on-costed to cover overheads), internal processing and assessment costs, information management and record keeping, external assessment/audit or consultant costs, and any direct costs or disbursements (including vehicle use, photography, postage, advertising) plus GST.

A charge applies to each document required in the case of certificates and legal documents.

A charge applies to each identifiable application or consent being applied for.

Planning Services Fees and Charges 2004/05

Matters relevant to all fees and charges.

The following charges shall take effect from 1 August 2004.

The following charges have been set under section 36 of the Resource Management Act 1991. The charges relate to goods and services provided by the Rotorua District Council unless specified otherwise.

Charges are expressed as either a fixed fee or a deposit. Where a deposit applies, Council will charge the actual and reasonable cost of the good or service provided. Where the cost is less than the deposit held, a refund will be due to the applicant where the difference is greater than \$30. Where the cost is more than \$30 greater than the deposit held, there shall be an additional charge. Applicants shall be advised in advance of the estimate of any additional charge to be levied.

Any deposit may be increased up to a maximum of \$20,000 in the case of a land use or subdivision consent or up to \$40,000 in the case of a private plan change.

The charge-out rate which shall apply to any additional charge shall be \$95 per hour.

All charges are GST inclusive.

Actual and reasonable costs will relate to any matter for which a charge is payable under section 36(1) and will

A. NOTIFIED LAND USE (CODE 235 8900 6738)		New Fees
Code:		Fee \$ (GST incl.)
10	Notified	\$1,320+ A&M
11	Notified Sign Bond	\$30
44	Limited Notified (Controlled)	\$510
45	Limited Notified (Controlled – Minor [B12 or B13])	\$290
46	Limited Notified (Discretionary or Non Complying)	\$825
B. NON-NOTIFIED LAND USE (CODE 235 8900 6775)		
12	Controlled – CBD Design Guide approvals	\$115
13	Controlled – Minor accessory buildings in rear & side yards	\$120
14	Controlled	\$330
19	Limited Discretionary	\$330
15	Discretionary	\$510 + M
16	Non Complying	\$510 + M
17	Change of Conditions (S127)	\$275
18	Extension of time (S125)	\$240
20	Cancellation of approval (S126)	\$170
21	Charges from Draughting	
22	Additional Consent Fees, commissioning reports, photocopying, related to a consent	
C. MONITORING (CODE 235 8900 6814)		
25	Fee for Consents that require monitoring (All Restricted Discretionary, Discretionary & Non Complying) <ul style="list-style-type: none"> • (+A) where there is fair and reasonable cause for unprogrammed monitoring or additional site inspections • A higher monitoring charge may be applied as a condition of consent to implement a specific monitoring programme either as: <ul style="list-style-type: none"> ▪ A fixed charge; or ▪ An annual charge where ongoing monitoring is required • Where consent is refused, the monitoring charge shall be refunded. • Where no monitoring is required, the monitoring charge shall be refunded. 	\$120 + A
D. LAND USE RELATED (CODE 235 8900 6775)		
30	Compliance Certificates (Sect. 139)	\$265
31	Outline Plan Approval (Sect. 176A)	\$220
32	Certificates – Sale of Liquor	\$95
33	Overseas Investment, Motor Vehicle Dealers & Others Similar Certificates	\$95
34	Reserve Contribution	
35	Certificate of Title	
E. GENERAL ADMINISTRATION CHARGES (NOT CONSENT RELATED)		
40	Information Gathering	Actual Cost
41	Photocopying	\$1 per page
43	Commissioning of Reports	Actual Cost

A = Additional charges @ \$95 per hr

M = Monitoring fee required.

A. NOTIFIED SUBDIVISION CONSENT (CODE 235 8900 6776)		New Fees
Code:		Fee \$ (GST incl.)
50	Notified	\$1,320 + A
51	Notified Sign Bond	\$30
B. NON-NOTIFIED SUBDIVISION (CODE 235 8900 6792)		
52	Controlled	\$670
53	Controlled – Cross lease to freehold	\$670
54	Controlled – Cross lease amendment	\$160
66	Limited Discretionary	\$670
55	Discretionary	\$770
56	Non Complying	\$830
57	Section 226	\$670
58	Right-of-Way	\$310
59	Additional Lots	
60	Change of Conditions (S127)	\$265
61	Extension of time (S125)	\$240
63	Cancellation of approval (S126)	\$170
64	Survey Plan approval (S223)	\$100
65	Compliance Cert. approval (S224c)	\$150
67	Engineering Inspection & Plan approval	
68	Additional Consent Fees, commissioning reports, photocopying, related to a consent	
69	Charges from Draughting	
C. SUBDIVISION RELATED (CODE 235 8900 6792)		
74	Reserve Contribution	
75	Appln to reduce or waive esplanade reserves	
76	Preparation of Bonds, Consent Notices, Legal documents	\$160 + A
77	Where separate from subdivision appln, easement approval, cancellation of right-of-way, amalgamation, encumbrance, consent notice, easement, building line restriction, etc.	\$105

A = Additional charges @ \$95 per hr

A. DESIGNATIONS (CODE 230 8900 6859)		(Circle applicable fees)
Code:		Fee \$ (GST incl.)
85	Designation	\$1,320
86	Alteration to designation	\$330
87	Removal of designation	\$220
B. PLAN CHANGES (CODE 230 8900 6865)		
88	Private Plan Change	\$4,000 + A
C. POLICY DOCUMENTS (CODE 230 8900 6821)		
90	Copy of Operative District Plan on CD	25
91	District Plan text (Printed)	Actual Cost
92	District Plan maps (Printed)	Actual Cost
93	Copies of Plan Changes, Variations and publications (Printed)	Actual Cost
	District Plan Updates on CD	25
	Variation Twelve on CD	25
D. GENERAL POLICY ADMINISTRATION (CODE 230 8600 4808)		
95	Photocopying policy	\$1 per page
96	Charges from Graphic Solutions	Actual Cost

A = Additional charges @ \$95 per hr

D = + Cost of altering Planning Map

FUNDING