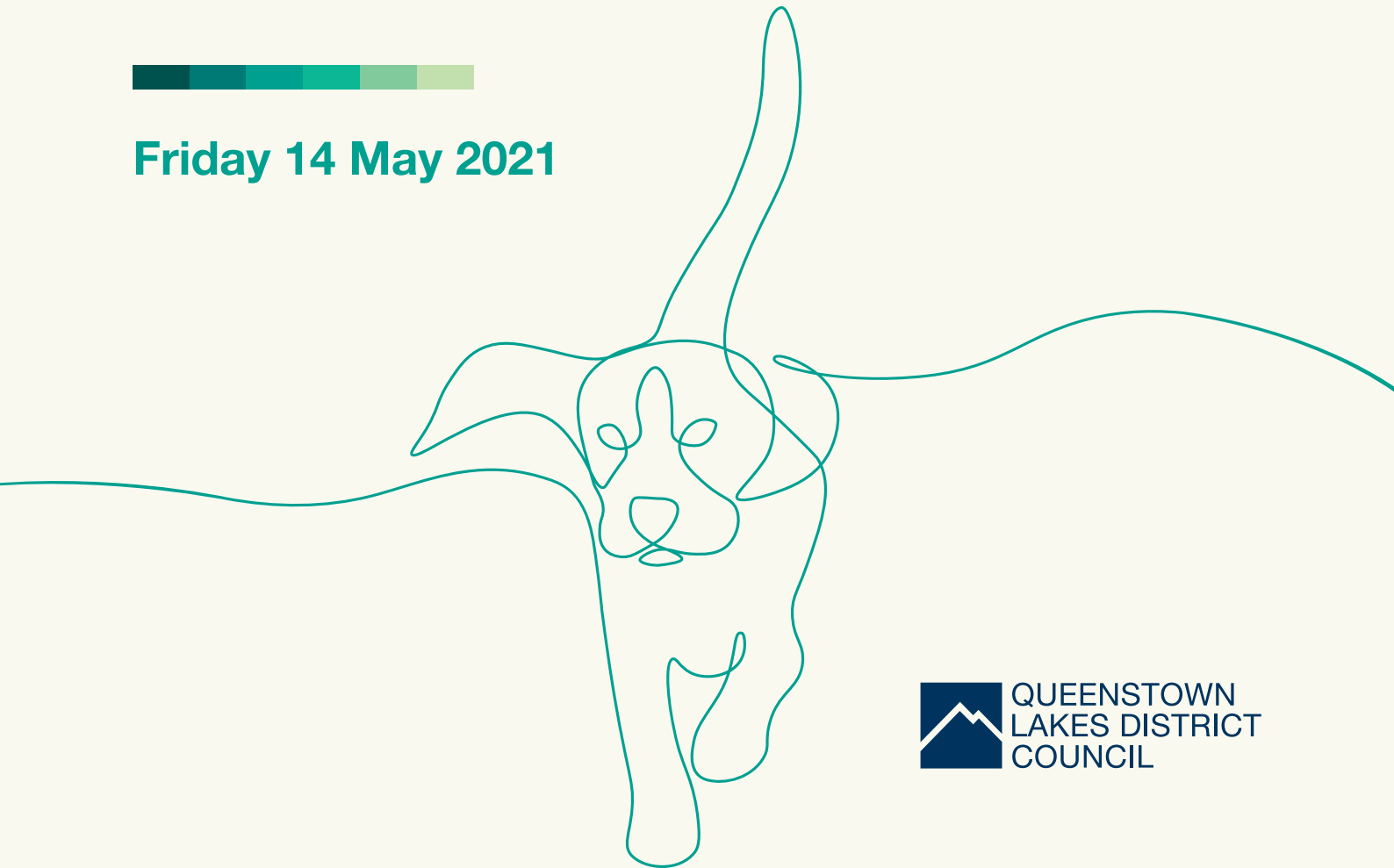


Hearing of submissions to the Fees and Charges Review 2021



Friday 14 May 2021



QUEENSTOWN LAKES DISTRICT COUNCIL

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STATEMENT OF PROPOSAL
18 March 2021



**QUEENSTOWN
LAKES DISTRICT
COUNCIL**

**PROPOSED FEES AND CHARGES REVIEW PLANNING
AND DEVELOPMENT**

STATEMENT OF PROPOSAL

18 March 2021

1. INTRODUCTION

- 1 Section 36 of the Resource Management Act (RMA) enables the Queenstown Lakes District Council (the Council; 'QLDC') to set fees and charges payable by applicants for resource consent, by holders of resource consents, and for other matters set out in section 36 that relate to the Council's administration of its functions under the RMA.
- 2 Sections 219 and 240 of the Building Act enable the Council to set fees and charges in relation to a building consent and for the performance of any other function or service under the Building Act.
- 3 Section 150 of the Local Government Act (LGA) also allows a local authority to prescribe fees or charges payable for a certificate, approval, permit or consent from, or inspection by, the local authority in respect of a matter set out in a bylaw or any other enactment.
- 4 The Council has undertaken a review of the present fees and charges, which were last reviewed as part of the 2018/19 Annual Plan. The Council is considering whether the present fees and charges should be amended and replaced with the proposed Queenstown Lakes District Council fees and charges.
- 5 Where the proposal includes a proposed fee increase, consideration has also been given to similar charges from other Councils from a comparison point of view, noting that a straight comparison with printed fees schedules needs to be treated with some caution.
- 6 Where the proposal includes a new fee, consideration has been given to new section 36AAA(2) and (3) of the Resource Legislation Amendment Act 2017 which state:

(2) 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.

(3) A particular person or particular persons should be required to pay a charge only—

(a) 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

(b) where the need for the local authority's actions to which the charge relates results from the actions of those persons; or

(c) in a case where the charge is in respect of the local authority's monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment),—

(i) to the extent that the monitoring relates to the likely effects on the environment of those persons' activities; or

(ii) to the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole.
- 7 This Statement of Proposal has been prepared in accordance with the requirements of sections 83 of the LGA relating to the special consultative procedure.

1.1 Background

- 8 Council undertook a significant review of its fees and charges as part of a special consultative procedure in 2016, after five years of not adjusting its fees. The revised charges then became part of the 2016/17 Annual Plan. Further amendments were made as part of the 18/19 Annual Plan process.
- 9 In December 2017 further minor amendments to the fees and charges were approved by Full Council following amendments to the Resource Management Act that introduced new categories of consent. An increase to the hourly charge out rate of resource management engineers was also enacted.

2. PROPOSAL

- 10 It is proposed to make a variety of adjustments to the fee schedules, as shown in **Appendices A and B**. Changes are proposed to:
 - a. better align the costs of consenting and approval processes with the Council's funding policy for Planning and Development which is to achieve an 80/20 private / public split, and
 - b. to better align the initial fee with the reasonable costs of completing the work.
 - c. to enable the fee schedule to reflect the new categories of consent apparent under the Proposed District Plan and the activity status of a consent under the RMA.
- 11 Any increase in fees needs to be carefully considered as it does impose additional costs onto the construction industry. However, there is a cost to the Council and ultimately the ratepayers if the fees for the services are not set at an appropriate level to be able to recover the reasonable costs of providing those services, in accordance with the funding policy and the Local Government Act.
- 12 It is noted that there are separate schedules for:
 - a. Building Consent Initial Fees and Other Charges
 - b. Resource Consent and Engineering Initial Fees and Other Charges, and
- 13 These changes are best summarised into three categories:
 - a. Proposed amendments to hourly charge out rates for officers
 - b. Proposed changes to building consent related fees
 - c. Proposed changes to resource consent, engineering and other related fees

14 These categories are described below:

A Proposed Charges to hourly charge out rates

15 It is proposed to increase the hourly charge out rates of the following officers as follows. Note that the hourly rates shown in the fees and charges schedules reflect the total costs of providing the services, including all costs and overheads:

Position	Current hourly rate	Proposed hourly rate	% increase
Senior Planner	\$185	\$204	10%
Planner	\$165	\$182	10%
Planning Officer	\$145	\$160	10%
Monitoring / Compliance	\$145	\$160	10%
Subdivision / Development Contributions Officer	\$145	\$160	10%
Engineering	\$185	\$212	15%
Environmental Health	\$125	\$125	0%
Administration Support	\$100	\$110	10%
Infrastructure & Parks			
Senior Infrastructure Engineer	\$185	\$212	15%
Infrastructure Engineer / Logistics	\$165	\$190	15%
Infrastructure Other	\$145	\$160	10%
Parks & Reserves Senior Planner / Planning Manager	\$185	\$204	10%
Parks & Reserves Planner / Officer	\$145	\$160	10%

Table 1: Comparison of existing and proposed hourly rates

16 The hourly rate of the Resource Management Engineers and the fees for delivering services from the Team were last increased in September 2017 and were not updated in July 2018 along with the other fees and charges across Planning and Development. The costs of providing these services have increased since September 2017 both as a result of the recognised national and local shortages in engineers driving up the cost of engineering related services, as well as general cost increases across the Council. This is reflected in the proposed 15% increase to the hourly rate, which ensures that the increased costs are fairly apportioned to the time spent in processing applications and approvals.

17 Across the building consent and resource consent areas, general cost increases including the cost of staff and external consultants used in the processing of consents and the provision of technical advice experienced over the past 3 years have resulted in the need to increase fees by 10% in order to be able to achieve the funding policy requirements. The decrease in consent applications and other approval requests currently being experienced as a result of the Covid-19 has been taken into account in the financial model which considers the total cost of providing services when considering the portion that is required to be paid by applicants.

18 In addition, the Building Control Officers require significant training in order to be able to achieve and maintain the Building Regulation requirements to be able to process

applications and to undertake inspections and this places additional funding pressure, in the medium term, on the ability of the Building Control function to meet the public-private funding policy.

- 19 A comparison has been undertaken with regard to the hourly rates charged by the larger metropolitan councils. While a comparison with other Councils should not be justification to increase fees, it provides a useful benchmark for comparison purposes:

	BCO \$	Admin \$
Auckland	197	111
Hamilton CC	200	100
Tauranga CC	231	147
Wellington CC	163.50	103
Christchurch CC	210	120
Dunedin CC	190	108
Metro Average	199	115
Central Otago DC	140	100
Southland DC	185	120
Local Average	163	110
Proposed QLDC	189	110

Table 2: Comparison of Building Control Officer / Administration hourly rates

	Planner \$	Senior Planner \$	Admin \$
Auckland	170	197	111
Tauranga CC	186	197	109
Hamilton CC	175	190	88
Wellington CC	155	-	90
Christchurch CC	185	205	105
Dunedin CC	158	174	97
Metro Average	172	193	100
Central Otago DC	140	140	100
Southland DC	160	160	160
Local Average	150	150	120
Proposed QLDC	182	204	110

Table 3: Comparison Planner / Senior Planner / Administration hourly rates

- 20 For building consents, the table illustrates that the proposed changes are comparable to the larger local authorities that are similar to Queenstown in terms of the volume and complexity of applications received. For example, for building consents, the average metropolitan hourly rate for a Building Control Officer is \$199 and the proposed hourly rate for QLDC is \$189. The average administration hourly rate is \$115, whereas the QLDC proposal is for \$110.
- 21 For resource consents, the average metropolitan hourly rate for a planner is \$172 and the proposed hourly rate for QLDC is \$182. The average metropolitan hourly rate for a senior

planner is \$193, whereas the QLDC proposal is for \$204. The average administration hourly rate is \$100, whereas the QLDC proposal is for \$110.

- 22 When comparing QLDC to our neighbours at Southland and Central Otago district Councils, Table 3 above shows that QLDC rates are higher. As noted above, the sheer volume and complexity of some applications in Queenstown and Wanaka compares better with the larger metropolitan councils than our immediate neighbours.

B. Proposed Changes to building consent related fees

- 23 Changes to the building fee schedule are shown in **Appendix A**. The changes proposed are purely as a result of the 10% increase to the hourly rate for Building Control Officers being applied to the initial fee required (based on the value of the building work). This will better reflect the actual cost of completing the work and achieve the funding policy.
- 24 The reasoning for concentrating on the hourly rate for BCO work, and less on the incidental fees and charges, is that the hourly rate for processing consents and undertaking inspections for consents will have by far the most significant impact in achieving the 80/20 funding policy.
- 25 It is proposed that a new Building Consent Authority Accreditation Levy be implemented in building services. The proposed levy is \$0.20 per \$1000 of consented work. The purpose of the levy is to recover the cost of Council's accreditation programme that is required to be maintained by Building Accreditation Regulations. This activity does not generate revenue and so the purpose of the levy is to shift the cost of that work from ratepayers to service users (building consent applicants).
- 26 There are significant costs in maintaining accreditation which is assessed every two years by International Accreditation of New Zealand (IANZ). These costs include; staff costs (Quality Assurance Officer, Principal Building Advisor and other staff resources required to maintain the Building Consent Authorities Quality Management System) and direct IANZ assessment and accreditation costs.
- 27 With projected consenting work in 2020/2021 year being \$700m, the levy would generate \$140,000. Dunedin City Council has a similar type levy but its levy is \$0.40 per \$1000 of consented work.

C. Proposed Changes to resource consent and engineering related fees

- 28 Changes to the resource management and engineering related fee schedule are shown in **Appendix B**. Changes to charges for Road Naming and Building Over or Relocating Council Services are proposed to cover the cost of processing these applications so those costs are not borne by the ratepayer. The proposed fee structure promotes naming roads from Councils approved road name list but allows for applicants to apply for other names with a higher associated assessment cost.
- 29 The new proposed fee for processing an application for Building Over Council Infrastructure reasonably reflects the value of the time expended processing these applications to ensure that cost is not borne by the ratepayer.

- 30 The initial fee for Engineering Acceptance (EA) is proposed to increase to \$500 from \$412.50. Almost all EA application cost at least this amount during the processing of an application so this initial fee increase more accurately reflects that, with any additional costs being charged to the applicant at the proposed hourly rate.
- 31 Initial fees for work on Licence to Occupy (LTO) and Temporary Road Closure (TRC) applications have also been amended to \$640 to better reflect the actual cost of processing these applications.
- 32 As fees have not been increased since 2016, and based on reasonable cost recovery from applicants, all other existing fixed fees for Subdivision activities, Road Corridor Engineering and Connection to Council Services are proposed to increase by 10% to recognise the increased cost over time of processing these applications and to adjust for inflation.
- 33 With regard to resource consent related fees, as noted above officers are experiencing a high number of fee queries as in many cases the initial deposit is not reflective of the actual cost of processing the application. While the application forms and fee schedule are clear it is only an *initial fee*, and time is recorded and charged to each consent, customers are often surprised to receive additional invoices having paid the initial fee.
- 34 The current fee schedule is also complex and reflects some categories that were specific to the Operative District Plan. It is proposed that the large number of categories be reduced and simplified from 24 categories to ten. This is to be achieved by using both the activity status of the consent and some activity types (e.g. visitor accommodation) to determine the lodgement fee.
- 35 A review was undertaken of the past two years of charges to determine what the actual costs of processing the different types of consent by activity status, e.g. controlled, restricted discretionary, discretionary and non-complying activities. The revised fee schedule appended to the Statement of Proposal in **Attachment A** has been based on the results of that review, with the initial fee being based on the historic median for each category with an increase of 10% then being applied to reflect the increased hourly rates for planning staff. The proposed fee schedule now better reflects the actual cost of processing the consent based on its activity status. To be consistent with the Building Services fees, Planning and Engineering fees will also be non-refundable.
- 36 The increase of 32% in the initial fee for a section 127 change of condition resource consent reflects that these applications are a discretionary activity and are more complex than the current initial fee reflects. These applications require an assessment of the change proposed, an assessment of any new rule breaches as a result of the change, a notification assessment, and the substantive assessment as to whether or not the application should be approved or declined. The proposed fee recognises that the majority of section 127 applications received result in fees similar to a discretionary activity consent.

3. REASON FOR PROPOSAL

- 37 The reasons for the proposal have been described in section 2 above. In summary changes are proposed to

- a. better align the costs of consenting and approval processes with the Council's funding policy for Planning and Development which is to achieve an 80/20 private / public split, and
- b. to better align the initial fee with the reasonable costs of completing the work.
- c. to enable the fee schedule to reflect the new categories of consent apparent under the Proposed District Plan and the activity status of a consent under the RMA.

38 Within the Planning and Development department, three teams (building consents, resource consents and resource management engineering, including administration support) operate under the Councils 80/20 funding policy. The 80% private portion of the funding policy is entirely raised through charges on consent / approval processing.

39 With regard to the 20% public portion, Council maintains a free 40 hours per week planning and building enquiries service, and also cannot recover its time on certain matters, for example Resource Management Act appeals and objections. Other non-chargeable time, such as for staff training, responding to local government official information requests, team meetings involvement in other council activities and other matters are funded through the 20% that comes from rates.

40 Based on the 2019/20 and year to date figures, Planning and Development (P&D) are not meeting its 80/20 private / public split funding policy across the three P&D teams that can recover their time. The actual private funding ratio has been between 70% and 72% across the planning, building and resource management engineering services as shown in Figure 1 below:

	<i>2019/20 actual funding ratio</i>	<i>2020/21 YTD actual funding ratio</i>
RM Eng	68%	74%
BCs	74%	76%
RMs	68%	67%
Average	70%	72%

41 As part of the budget review for Planning and Development activities in the Long Term Plan, the reduction in the number of consents and other applications received in the past 12 months was analysed and the budgets for the 2021-22 year have been based on an expected overall consent reduction of 20-30% compared to previous financial years. In addition, the productivity target from each team was increased in order to reflect the need to ensure an appropriate level of charging was included in the budgets, and the budgeted use of consultants was reduced. While this reduced the proposed fee increase levels, an increase is still required in order to meet the funding policy given general increases in staff and consultants costs and wider organisational overhead costs over the past three years.

42 It is important to note if fees and charges are not increased for these activities, then the "unfunded private benefit" portion of the cost will have to be collected in rates. It is Council's policy to review and adjust fees and charges periodically in order to maintain the existing policy settings and to minimise rates increases. While the users of the services

in question will consequently have to pay more, this is preferable to funding them through rates. The impact of the proposed fee increase has been calculated as shown in the following table. If fees are not increased, then an increase in rates equivalent to \$1.1M (1.2% rate increase) would be required.

Activity	2021 – 2022 Revenue with existing fee (\$)	2021 – 2022 Revenue with proposed fee (\$)	\$ increase	% increase
Resource Consents	5,587,501	6,230,922	643,421	12%
Building Consents	4,478,581	4,926,439	447,858	10%
Total	10,066,082	11,157,361	1,091,279	11%

- 43 The proposed amendments to the fee schedules will achieve four objectives:
- a. It will help ensure the Council recovers the reasonable costs incurred by the local authority in respect of the activity to which the charge relates
 - b. It will mean P&D achieve the 80/20 private / public funding ratio
 - c. It will enable the fee schedule to reflect a simplified list of resource consent categories in line with the Proposed District Plan and the activity status of a consent under the RMA.
 - d. It will address the high number of resource consent fee queries being received due to the current initial deposit that is paid at the time of lodgement not aligning well with the actual costs of processing an application.
- 44 With regard to (c) and (d) above, at present, most consent categories have an initial fee that is paid when the consent is lodged. Time is then recorded against the consent, and should that initial fee be used up, further invoices are issued on a monthly basis. This is a user pays system in that the actual cost of processing the consent is charged to the applicant, rather than being paid for by the ratepayer.
- 45 Officers are experiencing a high number of fee queries as in many cases the initial deposit is not reflective of the actual cost of processing the application, and customers are often surprised to receive invoices having paid the initial deposit. It is therefore proposed to adjust the initial charges to better reflect the actual cost of processing the consents and to better align with the 80/20 private/ public split under the Funding Policy.
- 46 As part of this change, new consent categories arising from the Proposed District Plan have been identified and used to set the initial lodgement fee. Consent categories from the RMA, including controlled, restricted discretionary, discretionary and non-complying activities have also been used to simplify the fee schedule and better reflect the actual and reasonable processing costs.
- 47 A study has been taken looking at each category of resource consent, and what the actual cost of processing is compared to the initial deposit. In many instances the initial deposit is unrealistically low for the actual number of hours required to process the consent,

including undertaking a site visit and writing up a decision. Using a median figure of the study sample, in many instances the actual cost is well in excess of the initial fee, leading to multiple additional invoices, and fee queries back to Council officers.

4. OPTIONS CONSIDERED

48 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.

Option 1 – Retain the status quo and make no changes to the fee schedules.

49 Advantages:

- Retains existing approach to fees that applicants / the public is familiar with.
- Customers will continue to be invoiced when the initial fee is exceeded, ensuring actual costs are recovered.

50 Disadvantages:

- If fees are not increased, then an increase in rates equivalent to the \$1.1M (1.2% rate increase) would be required.
- Does not achieve the 80/20 private / public funding policy, meaning ratepayers are paying a larger proportion of the cost of the Planning and Development team than desired through the Funding Policy.
- Does not update the schedules to better align the initial fee with the actual costs of providing the service.
- Does not update the fee schedule to simplify it better align with PDP and RMA consent categories.
- Officers will continue to receive a large number of fee queries where the initial deposit is insufficient to cover the actual costs of processing the application and the customer is receiving subsequent invoices.
- Administrative costs associated with invoicing for additional charges for most applications will increase.

Option 2 – Update the fee schedule

51 Advantages:

- Achieves the 80/20 private / public funding ratio.
- Updates the schedules to better reflect the actual costs of delivering the services.
- Will reduce fee queries as in most cases the initial fee will better match the final charge.

- Reduces administrative costs associated with having to prepare additional invoices for most consents.
- Reduces cost to ratepayers by ensuring customers pay the reasonable cost of the services provided to them.

52 Disadvantages:

- Increases the initial lodgement costs to the construction / development industry in that the initial fee will increase, and increases the total cost due to increase in hourly rates for Council officers.
- Increases costs to applicants through higher hourly rates.
- Amends prices that applicants / the public are now familiar with.

5. TIMETABLE FOR CONSULTATION

53 The following dates represent the key times in the consultation programme:

- The draft Long Term Plan went to Council – 18 March 2021.
- The draft Statement of Proposal goes to Council 18 March 2021.
- Advertisement in Otago Daily Times and Southland Times on Saturday 20 March 2021, stating that submissions open on 20 March 2021 and close on 20 April 2021. Additional notice will also appear on Council’s Let’s Talk section of the website.
- Submissions heard prior to the Council consideration of submissions on the Long Term Plan on 10 May 2021 (to be confirmed).
- Council considers outcome of consultation process.
- Final Long Term Plan goes to Council for adoption on 30 June 2021.

54 The proposed fees and charges come into effect subject to the above.

6. INSPECTION OF DOCUMENTS AND OBTAINING COPIES

55 Copies of this Statement of Proposal and the proposed fees and charges schedules may be inspected, and a copy obtained, at no cost, from:

- either of the Council offices at 10 Gorge Road, 74 Shotover Street, Queenstown or the Wanaka Service Centre, 47 Ardmore Street, Wanaka;
- any Council library within the Queenstown Lakes District; or
- the Council website – www.qldc.govt.nz

7. RIGHT TO MAKE A SUBMISSION AND BE HEARD

56 Any person or organisation has a right to be heard in regard to this proposal and the Council encourages everyone with an interest to do so.

- 57 The Council would prefer that all parties intending to make a submission:
- a. go to the Queenstown Lakes District Council website: www.qldc.govt.nz or email feesandcharges@qldc.govt.nz
 - b. post their submission to: Planning & Development, Queenstown Lakes District Council, Private Bag 50072, Queenstown 9348.
- 58 Submissions must be received by **20 April 2021**. The Council will then convene a hearing, at which any party who wishes to do so can present their submission in person. The Council will give equal consideration to written and oral submissions.
- 59 The Council will permit parties to make oral submissions (without prior written material) or to make a late submission, only where it considers that special circumstances apply.
- 60 Every submission made to the Council will be acknowledged in accordance with the LGA 2002, will be copied and made available to the public, and every submission will be heard in a meeting that is open to the public.
- 61 Section 82 of the LGA 2002 sets out the obligations of the Council in regard to consultation and the Council will take all steps necessary to meet the spirit and intent of the law.

8. MAKING AN EFFECTIVE SUBMISSION

- 62 Written submissions can take any form (e.g., email, letter). An effective submission references the particular aspect of the proposed initial fees and other charges you wish to submit on, states why the initial fee or charge is supported or not supported and states what change to the proposed initial fee or charge is sought.

- 63 Submissions on matters outside the scope of the proposed initial fees and charges cannot be considered by the Hearings Panel.

Mike Theelen
CHIEF EXECUTIVE

Appendix A – Proposed Amendments to the ‘Building Consent Initial Fees and Other Charges’ fee schedule

Appendix B – Proposed Amendments to the ‘Resource Consent and Engineering Fees and Other Charges’ fee schedule

APPENDIX A

Proposed Amendments to the “Building Consent Initial Fees and Other Charges” fee schedule

Building Services Fees

Set by Queenstown Lakes District Council in accordance with section 219 of the Building Act 2004
Effective from 1st July 2020

PROJECT INFORMATION MEMORANDUM (PIM) ONLY APPLICATION

(Cost is later deducted from subsequent full Building Consent deposit)

Residential	\$270
Commercial	\$455

BUILDING CONSENT – INITIAL FEE (NON REFUNDABLE)

(To assess full deposit fee click [Building Consent Fee Calculator](#) tab below)

Estimated Value (inc GST)*	Building Type	Building Consent Initial fee	
		Without PIM	With PIM (PIM provided at discounted rate)
Any	Heating Appliances	\$370	\$370
< \$5000	Any	\$385	\$430
\$5001 - \$20 000	Any	\$850	\$890
\$20 001 - \$180 000	Unlined Accessory Building	\$1,370	\$1,400
\$20 001 - \$180 000	Any (except unlined accessory)	\$2,080	\$2,100
\$180 001 - \$500 000	Residential	\$3,390	\$3,400
\$180 001 - \$500 000	Commercial	\$3,680	\$3,700
\$500 000 - \$1 000 000	Residential	\$5,150	\$5,200
\$500 000 - \$1 000 000	Commercial	\$5,700	\$5,700
> \$1 000 000**	Any	\$6,300	\$6,300

*estimated value = As defined by the Goods and Services Act 1985 s10; this includes the cost of building materials, labour, design costs, siteworks, but excludes furnishings, carpets and appliances

**for every \$50 000 (or part thereof) an additional fee of \$55.00 will apply

LEVIES

(Required at time of deposit. See [Building Consent Fee Calculator](#) to assess full deposit fee)

Building Research Levy BRANZ (where estimated value of	\$1.00 per \$1000 of est. value
MBIE Building Levy (where estimated value of work >\$20 444)	\$1.75 per \$1000 of est. value

HOURLY RATES

(Where deposit is exceeded hourly rates will apply)

Building Control Officer	\$172.00
Administration	\$100.00

Building Services Fees

Set by Queenstown Lakes District Council in accordance with section 219 of the Building Act 2004
Effective from 1st July 2021

PROJECT INFORMATION MEMORANDUM (PIM) ONLY APPLICATION

(Cost is later deducted from subsequent full Building Consent deposit)

Residential	\$295
Commercial	\$500

BUILDING CONSENT – INITIAL FEE (NON REFUNDABLE)

(To assess full deposit fee click [Building Consent Fee Calculator](#) tab below)

Estimated Value (inc GST)*	Building Type	Building Consent Initial fee	
		Without PIM	With PIM (PIM provided at discounted rate)
Any	Heating Appliances	\$405	\$405
< \$5000	Any	\$405	\$475
\$5001 - \$20 000	Any	\$935	\$980
\$20 001 - \$180 000	Unlined Accessory Building	\$1,500	\$1,540
\$20 001 - \$180 000	Any (except unlined accessory)	\$2,290	\$2,310
\$180 001 - \$500 000	Residential	\$3,730	\$3,740
\$180 001 - \$500 000	Commercial	\$4,050	\$4,070
\$500 000 - \$1 000 000	Residential	\$5,665	\$5,720
\$500 000 - \$1 000 000	Commercial	\$6,270	\$6,270
> \$1 000 000**	Any	\$6,930	\$6,930

*estimated value = As defined by the Goods and Services Act 1985 s10; this includes the cost of building materials, labour, design costs, siteworks, but excludes furnishings, carpets and appliances

**for every \$50 000 (or part thereof) an additional fee of \$55.00 will apply

LEVIES

(Required at time of deposit. See [Building Consent Fee Calculator](#) to assess full deposit fee)

Building Research Levy BRANZ (where estimated value of work >\$20 000)	\$1.00 per \$1000 of est. value
MBIE Building Levy (where estimated value of work >\$20 444)	\$1.75 per \$1000 of est. value

BCA LEVY - BCA accreditation levy payable on all building consent applications including amended and stage applications - \$.20 per \$1000 of building work

HOURLY RATES

(Where deposit is exceeded hourly rates will apply)

Building Control Officer	\$189.00
Administration	\$110.00

BUILDING ACT - INITIAL FEE (NON REFUNDABLE)

Application Type	Fee
Building Act Title Registration e.g. ; - Section 71-74 Natural Hazards - Section 75 Building Across two (or more allotments)	BCO hourly rate \$172.00 <i>(plus any legal disbursements)</i>
Certificate of Acceptance (COA)	As per building consent fees
Certificate of Public Use (CPU)	Complexity Com 1 & 2 \$250.00 Complexity Com 3 \$350.00
Change of Use (where no building work is required)	\$165.00
Exempt Building Work	\$285.00
Minor Variation	BCO hourly rate
Notice to Fix	\$270.00
Withdraw Building Consent	Unused initial fee returned
Split Building Consent Application (no change in value)	\$480.00

OTHER BUILDING SERVICES FEES**Building Warrant of Fitness (BWOF)**

Compliance Schedule (register and issue)	\$270.00
Amend Compliance Schedule	\$172.00
Annual BWOF Certificate	\$105.00
Audit (On site audit approximately every 3 years)	\$ Hourly rate (BCO & Admin)

Miscellaneous

Building Consents Issued - Monthly reports	\$360 (year) / \$35 (month)
Pre-Application meeting (First hour free)	\$ Hourly rate

Residential Swimming Pools (Building (Pools) Amendment Act 2016)

Inspections	\$ 172.00 per inspection
Registration	\$230.00

Land Information Memorandum

Residential <i>(standard 10 working days)</i>	\$230.00
Commercial <i>(standard 10 working days)</i>	\$350.00

PAYMENT OPTIONS**ONLINE PAYMENTS**

Online payments made be through the www.qldc.govt.nz website using credit card or through partnered banks. You will require a BC number to make payment

DIRECT CREDIT

Direct credits or manual payments may be made to
BNZ Queenstown Account Number: **02-0948-0002000-000**

-Particulars: **(Payee Name)**

'-Code: **(Property Address)**

'-Reference: **(BC Number)**

BUILDING ACT - INITIAL FEE (NON REFUNDABLE)

Application Type	Fee
Building Act Title Registration e.g. ; - Section 71-74 Natural Hazards - Section 75 Building Across two (or more allotments)	BCO hourly rate \$189.00 <i>(plus any legal disbursements)</i>
Certificate of Acceptance (COA)	As per building consent fees
Certificate of Public Use (CPU)	Complexity Com 1 & 2 \$275.00 Complexity Com 3 \$385.00
Change of Use (where no building work is required)	\$182.00
Exempt Building Work	\$313.00
Minor Variation	BCO hourly rate
Notice to Fix	\$300.00
Withdraw Building Consent	Unused initial fee returned
Split Building Consent Application (no change in value of work)	\$480.00

OTHER BUILDING SERVICES FEES**Building Warrant of Fitness (BWOF)**

Compliance Schedule (register and issue)	\$295.00
Amend Compliance Schedule	\$189.00
Annual BWOF Certificate	\$115.00
Audit (On site audit approximately every 3 years)	\$ Hourly rate (BCO & Admin)

Miscellaneous

Building Consents Issued - Monthly reports	\$360 (year) / \$35 (month)
Pre-Application meeting (First hour free)	\$ Hourly rate

Residential Swimming Pools (Building (Pools) Amendment Act 2016)

Inspections	\$ 189.00 per inspection
Registration	\$230.00

Land Information Memorandum

Residential <i>(standard 10 working days)</i>	\$255.00
Commercial <i>(standard 10 working days)</i>	\$385.00

PAYMENT OPTIONS**ONLINE PAYMENTS**

Online payments made be through the www.qldc.govt.nz website using credit card or through partnered banks. You will require a BC number to make payment

DIRECT CREDIT

Direct credits or manual payments may be made to
BNZ Queenstown Account Number: **02-0948-0002000-000**

-Particulars: **(Payee Name)**

'-Code: **(Property Address)**

'-Reference: **(BC Number)**

APPENDIX B

Proposed Amendments to the “Resource Consent & Engineering Fees and Other Charges” fee schedule

Resource Consent and Engineering Fees and Other Charges

1 July 2018

Charges for processing resource consents, private plan changes and undertaking related activities have been set by the Queenstown Lakes District Council in accordance with section 36(1) of the Resource Management Act 1991 (RMA) and section 150 of the Local Government Act.

Council has fixed a formula for charges as provided by section 36(1). The charges are comprised of an administrative fee of \$225.00, plus an amount calculated as the reasonable time spent processing the application by the staff involved at the hourly rates scheduled below. The initial fees and charges are set out below. All Land Use applications include a \$215 monitoring fee except for section 127 applications to change conditions, boundary activities and marginal and temporary non-compliance notices. If monitoring of these applications is required it is to be undertaken on an hourly rate basis.

In accordance with section 36(3) of the RMA, the applicant is also required to pay an additional charge to cover the actual and reasonable cost of items such as printing, advertising, postage, additional reports and commissioners that may be required in the processing of their application.

At the time of lodging an application the applicant is required to pay the applicable initial fee set out below. They will then be invoiced monthly for other amounts payable under the fixed formula and for any additional charges payable under section 36(3).

Applications will not be received and processing will not continue while charges remain unpaid or overdue.

The following schedule of initial fees and charges is effective from 1 July 2018.

- All charges and initial fees are inclusive of GST and are payable on application.
- The initial fees are minimum charges based on the expected reasonable costs relative to the work. Further costs will be invoiced on a time basis and are payable before further work is completed.
- The use of hearings commissioner and external consultants where required will be charged on a full recovery basis according to their hourly rate. Disbursements will be charged on a full recovery basis.

Planning and Engineering Fees and Other Charges

1 July 2021

Charges for processing resource consents (land use and subdivision), private plan changes and undertaking related activities, including engineering processes, have been set by the Queenstown Lakes District Council in accordance with section 36(1) of the Resource Management Act 1991 (RMA) and section 150 of the Local Government Act.

The following schedules set out the hourly rates and initial fees payable at the time of lodging an application, and are effective from 1 July 2021.

Notes accompanying the schedules below:

- All charges and initial fees are inclusive of GST and are payable on submitting the application to Council.
- With the exception of the fixed fees indicated, the initial fee amounts are a minimum charge and any further costs generated will be invoiced on a time basis.
- Applications will not be received and processing will not continue while charges remain unpaid or overdue.
- The use of external planning consultants where required to process resource consent applications will be charged at the relevant hourly rate for planners.
- The use of hearing commissioners and other external expert consultants (e.g. landscape architects/urban designers/noise/engineering) where required will be charged on a full recovery basis according to their hourly rate.
- For resource consent applications the fee paid at lodgement includes a fixed administration fee of \$248.
- For land use resource consent applications and designation related applications, the fee paid at lodgement includes a fixed monitoring fee of \$237.
- For RMA section 127 change of conditions and deemed permitted activities, monitoring, if required, will be charged at the hourly rate listed.
- Disbursements (i.e. printing, advertising, postage) will be charged on a full recovery basis.

HOURLY RATES	\$
Senior Planner	185.00
Planner	165.00
Planning Officer	145.00
Monitoring / Compliance	145.00
Subdivision / Development Contributions Officer	145.00
Engineering	185.00
Environmental Health	125.00
Administration Support	100.00

INFRASTRUCTURE AND PARKS	\$
Senior Infrastructure Engineer	185.00
Infrastructure Engineer/ Logistics	165.00
Infrastructure Other	145.00
Parks & Reserves Senior Planner / Planning Manager	185.00
Parks & Reserves Planner / Officer	145.00

ADMINISTRATIVE CHARGE (Fixed fee)	\$
Administrative charge per consent	225.00
Administrative charge per pre-application request	90.00

PRE-APPLICATION MEETINGS (Initial Fees)	\$
Pre-Application Meeting including preparation - first hour free, after which at the applicable officer(s) hourly rate(s).	hourly rate

HOURLY RATES	\$	Change
Senior Planner	204	10% increase
Planner	182	10% increase
Planning Officer	160	10% increase
Monitoring / Compliance	160	10% increase
Subdivision / Development Contributions Officer	160	10% increase
Engineering	212	15% increase
Environmental Health	125	No change
Administration Support	110	10% increase

INFRASTRUCTURE AND PARKS	\$	Change
Senior Infrastructure Engineer	212	15% increase
Infrastructure Engineer/ Logistics	190	15% increase
Infrastructure Other	160	10% increase
Parks & Reserves Senior Planner / Planning Manager	204	10% increase
Parks & Reserves Planner / Officer	160	10% increase

LODGEMENT FEE PER CONSENT (Fixed Fees)	\$	Change
Monitoring	237	10% increase
Administration per resource consent	248	10% increase

MONITORING (Initial Fees)	\$	Change
Compliance inspections (including for NES-Plantation Forestry)	hourly rate	No change

PRE-APPLICATION MEETINGS (Initial Fees)	\$	Change
Pre-Application Meeting including preparation for meeting and write up / issue of meeting notes by Council officer or external consultants - first hour free for all Council officers, after which time charged at the applicable officer(s) hourly rate(s). Involvement in pre-application meeting by external expert consultants (i.e. landscape / urban design etc) will be charged in full.	hourly rate	No change

LAND USE CONSENTS (Initial fees unless otherwise stated)	
Boundary activity notice (fixed fee)	448.00
Marginal and temporary non-compliance notice	448.00
Breach of site or discretionary performance standard other than earthworks (all zones except Town Centre, Business and Industrial)	1300.00
Breach of site or discretionary performance standard other than earthworks, Town Centre, Business and Industrial zones	1805.00
Breach of zone or non-complying performance standard (all zones except Town Centre, Business and Industrial)	1720.00
Breach of site, zone or performance standard Town Centre, Business and Industrial zones	2390.00
Comprehensive residential development Low Density Residential zone	5,865.00
Controlled Activity	1,400.00
Design control minor (e.g. building in Town Centre, Business or Industrial zones or dwelling in any special zone)	1,530
Design control other (e.g. dwelling in Rural Residential zone or dwelling on a platform in Rural Lifestyle zone)	1,640
Earthworks minor (e.g. single dwelling or similar)	3,015.00
Earthworks other	4,980.00
Establish residential building platform in Rural or Rural General zone	4,520.00
Extensions or alterations to existing Rural or Rural General dwelling	1,670.00
Heritage Orders	2,165.00
Minor alterations to heritage building	2,029.00
New Rural General dwelling not on building platform	4,065.00
Non-residential activity in residential or special zones	3,584.00
Signs	1220.00
Visitor accommodation 1-2 units Low Density Residential zone	2,090.00
Visitor accommodation multi-units Low Density Residential zone	2,670.00
Visitor accommodation 1-2 units High Density Residential zone	1,615.00
Visitor accommodation or residential multi-units High Density Residential zone	4,150.00
Other applications	1,380.00

LAND USE CONSENTS (Initial fees unless otherwise stated – Non Refundable)	\$	Change
Deemed permitted activities - Boundary activity notice (Fixed Fee)	500	12% increase
Deemed permitted activities - Marginal and temporary non-compliance notice	500	12% increase
Controlled Activity (overall consent status) Except if fall into one of the specific consent categories below and then that initial fee applies	1,540	10% increase
Restricted Discretionary Activity (overall consent status) Except if fall into one of the specific consent categories below and then that initial fee applies	3,000	New
Discretionary or Non-complying Activities (overall consent status) Except if fall into one of the specific consent categories below and then that fee applies	3,900	New
Establish residential building platform(s), or a new dwelling outside an approved building platform, in Rural zones	4,000	New
Signs	1,400	15% increase
Visitor accommodation controlled activity (overall consent status) excluding sites in Town Centre zones	1,400	Consolidated
Visitor accommodation all other	3,000	Consolidated
Scheduled buildings and/or Trees (Fixed Fee): <ul style="list-style-type: none"> Painting (only) of scheduled building/dwelling submitted with Heritage New Zealand approval Trimming of scheduled or protected tree submitted with supporting arboriculturist's report 	800	New

SUBDIVISION CONSENTS (Initial fees)	\$
Amalgamation Certificate - fixed fee	145.00
Boundary adjustment	1,830.00
Controlled activity up to two lots	2,550.00
Controlled activity more than two lots	2,820.00
Engineering Review & Acceptances, Inspections and Road Naming	412.50
Other subdivision (e.g. Rural Residential, Rural Lifestyle)	2,920.00
Rural General subdivision	3,920.00
Registered Bond / release of Registered Bond (each)	145.00
Cancellation of amalgamation conditions (s241)	1,148.00
Section 223 Certificate	145.00
Section 224(c) Certificate	290.00
Signing and Sealing other plan or certificate	145.00

MULTIPLE ACTIVITIES

Where an application includes both land-use and subdivision activities or multiple activities, only the higher or highest relevant charge is payable

OTHER APPLICATIONS / PROCESSES (Initial Fees)	
Notice of Requirement for a Designation	5,470.00
Alteration of Designation	3,560.00
Removal of Designation or Heritage Order	330.00
Certificate of Compliance	1,450.00
Existing Use Certificate	2,730.00
Extension of lapse period of a resource consent	840.00
Outline Plan Approval Section 176A	1340.00
Outline Plan Waivers Section 176A(2)(c)	530.00
Surrender of consent	330.00
Trees e.g. <i>trimming or removal of protected or heritage tree</i> Residential Arrows town Historic Management zone (with supporting Arboriculturist's report)	730.00
Variation to 3 or more resource consent conditions – complex	1900.00
Variation to 1-2 resource consent conditions – simple	\$920
Private plan change	11,200.00

SUBDIVISION CONSENTS (Initial fees – Non Refundable)	\$	Change
Amalgamation Certificate (Fixed Fee)	160	10% increase
Boundary adjustment	2,000	9% increase
Restricted activity up to two lots	2,800	10% increase
Restricted activity more than two lots	3,100	10% increase
Engineering Review & Acceptances	500	20% increase
All other subdivision	3,200	10% increase
Registered Bond / release of Registered Bond (each)	160	10% increase
Cancellation of amalgamation conditions (s241)	1,250	9% increase
Section 223 Certificate	160	10% increase
Section 224(c) Certificate	320	10% increase
Signing and Sealing other plan or certificate	160	10% increase

MULTIPLE ACTIVITIES

Where an application includes both land use and subdivision activities. or multiple activities, only the higher or highest relevant charge is payable.

OTHER APPLICATIONS / PROCESSES (Initial Fees – Non Refundable)	\$	Change
Notice of Requirement (NoR) for a Designation	6,000	10% increase
Alteration of Designation	3,900	10% increase
Removal of Designation or Heritage Order	500	52% increase
Certificate of Compliance	1,600	10% increase
Existing Use Certificate	3,000	10% increase
Extension of lapse period of a resource consent (section 125 RMA)	925	10% increase
Outline Plan (Section 176A RMA)	1,500	12% increase
Outline Plan Waiver (Section 176A(2)(c) RMA)	600	13% increase
Surrender of consent (Fixed Fee)	250	Fee reduction
Variation to resource consent conditions (section 127 RMA)	2,500	32% increase
Urban Design Panel (Prior to lodging resource consent)	250	No Change
Urban Design Panel (Post lodging resource consent)	500	No change
Private Plan Change	12,300	10% increase

LOCAL GOVERNMENT ACT CHARGES (Initial Fees)		
Section 348 Right of Way certificate		660.00
Traffic Management Plans		125.00
Licence to Occupy		600.00
Temporary Road Closures		500.00
Corridor Access (Road Opening Permits)	< 20 m	185.00
	20-100 m	375.00
	100-500 m	560.00
	500-2000 m	750.00
	> 2000 m	1,875.00
Engineering Connection to Council Services (one connection)		280.00
Engineering Connection to Council Services (for each additional connection)		120.00
Cancellation of Building Line Restriction		330.00

OTHER APPLICATIONS / PROCESSES (Fixed Fees)		
Urban Design Panel (prior to lodging resource consent)		250.00
Urban Design Panel (post lodging resource consent)		500.00

LOCAL GOVERNMENT ACT CHARGES (Initial Fees – Non Refundable)		\$	Change
Section 348 Right of Way Certificate		660	No change
Licence to Occupy		640	7% increase
Temporary Road Closures		640	28% increase
Additional processing over Initial Fee	Hourly Rate	160	
Assignment of Licence to Occupy		160	New
Traffic Management Plans		150	20% increase
Corridor Access (Road Opening Permits)	< 20 m	200	8% increase
	20-100 m	410	9% increase
	100-500 m	620	11% increase
	500-2000 m	825	10% increase
	> 2000 m	2,020	8% increase
Road Naming			
One Road Name from Approved Road Name list		165	New
One Road Name that meets Road Naming Policy		220	New
One Road Name not meeting Road Naming Policy		330	New
Each additional road name		55	New
Additional processing over Initial Fee	Admin Hourly Rate		

Engineering Connection to Council Services			
One Connection		310	11% increase
For each additional connection		130	8% increase
Additional time over initial fee	Hourly rate	160	
Engineering Connection to Council Services (for each additional connection)		130	8% increase
Application to build over or near a council pipe or drain or relocate pipe or drain		600	New
Cancellation of Building Line Restriction		330	No change

OBJECTIONS UNDER SECTION 357A(1)(f) OR (g) REQUESTED TO BE HEARD BY AN INDEPENDENT COMMISSIONER (initial fees)	
Requested Commissioner consideration of objections under section 357A(1)(f) or (g)	hourly rate

NOTIFIED AND LIMITED NOTIFIED APPLICATIONS (Initial Fees)	
Limited Notification / Service (Section 95B) The charges fixed by council under section 36(1) include the following extra charge if limited notification of an application is required. The extra limited notification charge is also payable at the time of lodgement. However, where the need for notification / service is not apparent at the time of lodgement, the extra \$1,300 is payable as soon as it becomes apparent that limited notification is required.	1,480
Notified Applications (Section 95A or 95C) (Initial Fees) The charges fixed by council under section 36(1) include the following extra charge if full notification of a resource consent or designation is required. The extra notification charge is payable at the time of lodgement or as soon as it becomes apparent that notification is required and is to proceed. Public notification will not occur before payment is made.	5,110

INITIAL CHARGES FOR HEARINGS (Initial Fees)		
Where a hearing is required the applicant is liable to pay the costs for Commissioners attending hearings, undertaking site inspections and writing decisions as well as the cost of attendance of professional and secretarial staff.	Half Day	6,810
Prior to a hearing date being confirmed, an estimate of the hearing time (including site visit) will be made and the applicant will be required to pay the appropriate hearing initial fee. If the cost of the hearing and decision writing exceeds the hearing initial fee, the additional amounts will be invoiced. If actual charges are less than the initial fee, a refund will be issued.	Full Day	12,500
	Each additional day	11,020

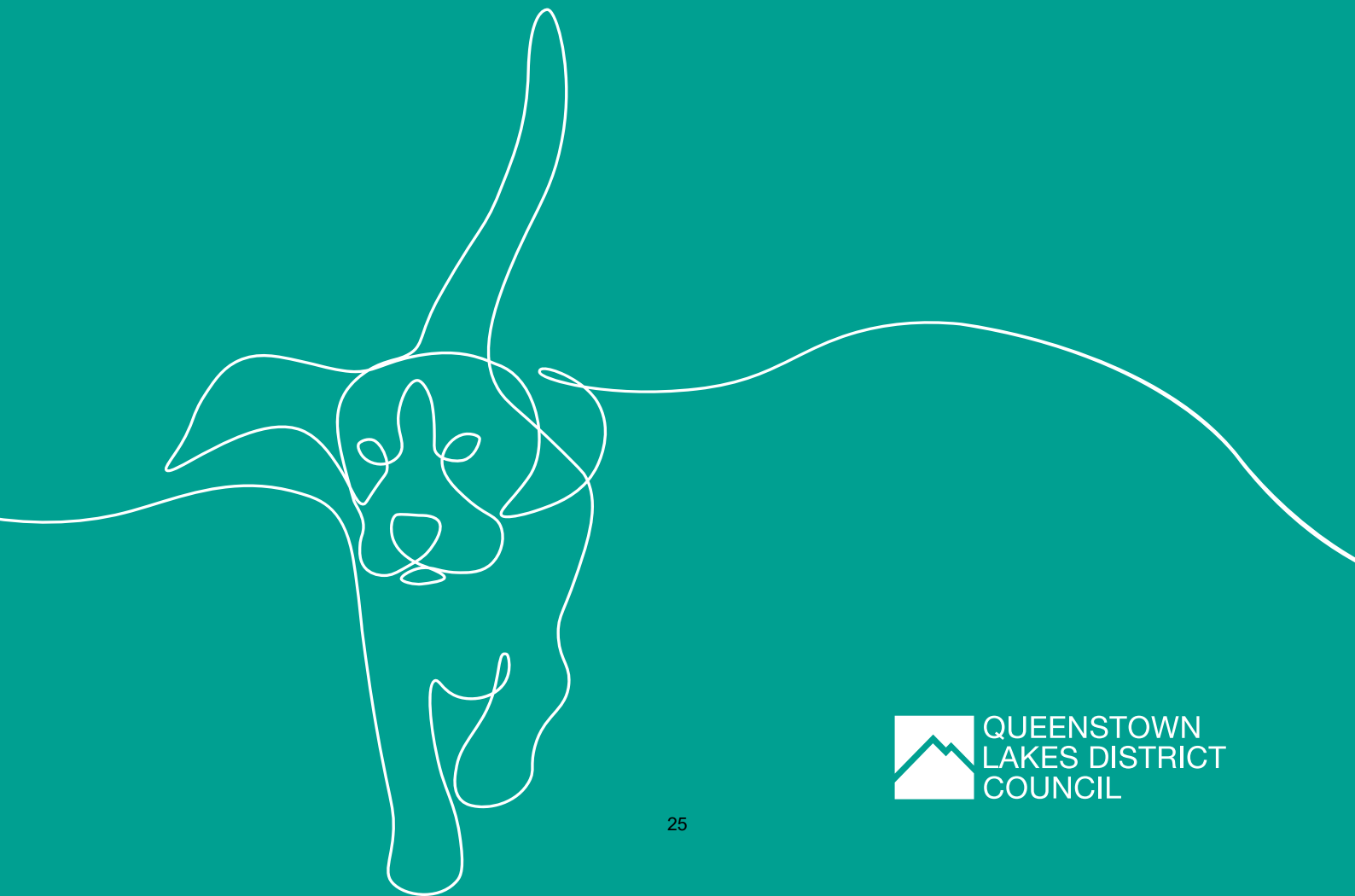
RMA OBJECTIONS UNDER SECTION 357A(1)(f) OR (g) REQUESTED TO BE HEARD BY AND INDEPENDENT COMMISSIONER		Change
Requested Commissioner consideration of objections under section 357A(1)(f) or (g)	hourly rate	No change

RMA PUBLICLY NOTIFIED AND LIMITED NOTIFIED APPLICATIONS (Initial Fees – Non Refundable)		Change
Limited Notification If a decision is issued that the application needs to be processed on a Limited Notified basis, an invoice will be issued with that decision. This fee recognises additional tasks associated with a notified consent, including but not limited to - notifying the application and preparation of a section 42A officer report, and Hearing costs including Hearing Commissioners. Limited notification will not occur until payment is made.	1,630	10% increase

Publicly Notified If Public Notification of an application is required this additional charge is required to be paid either at the time of lodgement or as soon as it becomes apparent that notification is required. This fee recognises additional tasks associated with a notified consent, including but not limited to - notifying the application and preparation of a section 42A officer report, and Hearing costs including Hearing Commissioners. Public notification will not occur before payment is made.	5,600	10% increase
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HEARINGS			
Where a hearing is required the applicant is liable to pay the associated costs for Commissioners reviewing the application, issuing Minutes, undertaking site visits, attending the hearing and writing decisions, as well as the cost of the attendance of professional and secretarial staff. This fee must be paid prior to the hearing date being confirmed.	Half Day	6,800	Fee Reduction
	Full Day	12,500	No change
	Each Additional Day	11,500	4% increase

Submissions to the Fees and Charges Review 2021



Sub #	Name	Support or Oppose	Wishes to speak @ Hearing
1	Remarkables Park Ltd	Oppose	Yes
2	Richard Kemp	Oppose	Yes
3	Terri Anderson	Oppose	No
4	Andy Saley, Staysouth	Oppose	No
5	Willowridge Developments Ltd	Oppose	No

Proposed Fees and Charges Review - Planning and Development

Submission by Remarkables Park Limited (RPL)

RPL makes this submission in opposition to a particular proposition contained within the current review of Planning and Development charges.

The particular proposition that RPL opposes is introduced at paragraph 35 of the Statement of Proposal.

That paragraph discusses a proposal to increase the initial deposits paid by applicants so that they are closer to the actual costs of processing their application. RPL is not opposed to that proposal per se.

RPL's concern is with a statement at the end of Paragraph 35 which simply states: *"To be consistent with the Building Services fees, Planning and Engineering fees will also be non-refundable."* There is no further explanation or discussion in the document as to how it might be valid for Council to withhold fees that haven't been used and not refund them to an applicant.

RPL's concern is that the proposal is contrary to the relevant legislation but, more importantly, it is simply unfair to applicants. In addition, it is likely to lead to reduced efficiency and unreasonable inflation of deposits when charges are reviewed in future.

The legislation makes it clear that, when fixing charges under section 36 of the RMA, the Council must have regard to the criteria set out in section 36AAA and states that *"(t)he 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."* (emphasis added)

It may be a bit obvious, but there is no basis in the RMA to set charges based on administrative convenience or because that's how it's done by QLDC under other legislation. (The Building Act fee setting provision is quite different).

The other piece of legislation that is particularly relevant to the Council's proposal is section 150(4) of the Local Government Act, which applies to the setting of charges under section 36 of the RMA. Section 150(4) LGA states:

"The fees prescribed under subsection (1) must not provide for the local authority to recover more than the reasonable costs incurred by the local authority for the matter for which the fee is charged." (emphasis added)

The Statement of Proposal explains that the new proposed deposits have been determined by taking the historic median charge for each category of application and adding 10% (to cover the increase in planner charges). Selecting the median charge means that exactly half the charges, for that category of consent, have been less than the median (and half have been greater). That may be an acceptable way to determine and set the new deposits but,

if the new deposits were put in place and no refunds were to be issued, the Council would recover more than the *costs incurred by the local authority* from half of the applicants for each category of consent. The way to remedy this is for Council to simply continue the practice of refunding, to the applicant, any unspent portion of the initial deposit. This is not a complicated process. Council's accounting system already records all time spent, and disbursements incurred, by Council on every application and issues an invoice when charges exceed the deposit. It continues to issue invoices for all additional work until the consent process is completed. The same system can equally identify when the work undertaken on an application is less than the deposit paid and issue a credit.

It is not sufficient for Council to contend that the proposed deposits represent the reasonable cost for processing an application of that type. The legislation needs to be read more carefully than that. The legislation does not authorise Council to recover what it estimates to be the reasonable cost of processing a typical application of each sort. Council is only authorised to recover reasonable costs that it has actually incurred. If the costs have not been incurred, they cannot be recovered. (And, of course, the costs have to be reasonable too.)

RPL's proposal would still provide the benefit argued for in the Statement of Proposal (that there would be fewer enquiries about the costs of consent processing) but it would allow the charging regime to stay within the statutory requirements and might also indicate that Council was interested in being fair to its clients. There is nothing fair about the proposal to keep money that has not been used. In terms of fairness, it may arguably be different if Council had proposed a flat, up-front fee for all applications of a certain type and there was to be a "swings and roundabouts" approach, with some applicants (those with more complex applications) benefitting and others effectively subsidising them. But that is not what has been proposed by Council. And in any event that would likely be contrary to another section 36 AAA criterion, which states:

*"A particular person or particular persons should be required to pay a charge only—
(a) 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;"*

An example that might help illustrate the unfairness of Council's current proposal would be the situation of a notified application where the applicant has paid the \$24,000 non-refundable fee for a two-day hearing. If the applicant was to work with submitters ahead of the hearing and resolve all of their concerns to the extent that a public hearing was no longer required, it would be patently unfair to charge the applicant any more than, say, any venue cancellation charges that might be incurred by Council. If, on the other hand, the applicant's success in addressing submitters' concerns led to the length of the hearing being reduced from two days to half a day, should the applicant not be refunded \$17,200, (being the difference between the \$6,800 charges for a half day hearing and the charges for a two-day hearing)? Under a third scenario, this applicant may have concluded that the issues raised by submitters were insurmountable and hence decided to withdraw the application and not proceed with a hearing. Should Council retain the applicant's \$24,000, or should

Council total up any costs that it incurred in cancelling the hearing and return the balance to the applicant?

Another concern about the “no refunds” proposal is that it would have a tendency to encourage inefficiency in the consent processing team. The median charge becomes the baseline and there is no incentive to charge any less than that amount. It may encourage staff to spend more time than is necessary on processing a simple application. (*“Work expands to fill the time allotted”* – Parkinson). If \$3,900.00 is seen as the amount Council receives for even a simple earthworks application, there is likely to be a tendency, particularly among inexperienced staff, to think that they have not done a sufficiently thorough job if the full fee has not been used up. It tends to cloud the reality that there will still be well-prepared applications for simple earthworks consents that should be processed, simply, efficiently and at no unnecessary cost to the applicant.

Finally, continuing to use median charges as the mechanism to determine initial deposits, under a non-refundable deposit regime, would be inflationary. As noted above, RPL is not opposed to median charges being used to determine initial deposits in the current environment, where any costs not incurred by Council are refunded to an applicant. RPL’s concern is that if the same formula was to be used in a “no-refunds” environment, then, the next time initial charges are calculated, mathematically the new median will be much higher. This is because the start of the range will be the then existing initial charge (ie the old median), as this will be the lowest amount anyone has paid for this category of consent.

RPL would make a couple of additional comments about the Statement of Proposal. In a couple of places the document refers to the increases in charges being borne by the “construction industry” or the “construction / development industry”, in contrast to ratepayers, as a means of excusing the increases. The tone is a bit odd. Residents, ratepayers, small business owners and first home owners are resource consent applicants too. Furthermore, in most instances where the initial charge for a resource consent application is paid by someone from the “construction industry”, the charge will ultimately be passed on to, and paid by, a ratepayer.

The Statement of Proposal identifies a reduction in the number of enquiries about charges as a significant benefit. Indeed, it is the major justification given for increasing the initial charges. As noted above, RPL is not opposed to increased initial charges per se and agrees that it could be beneficial to give applicants an early indication of the level of charges they are likely to face. However, most businesses encourage customer feedback - even when it is negative. It is important for those providing services to hear directly from the users of their services about the extent to which they are considered to be providing value for money. In RPL’s submission it is not actually a benefit to insulate council staff from queries about their charges. Council should strive to perform its services efficiently and at the minimum reasonable cost to an applicant. Council’s staff should be open to discussion about the service provided and willing to demonstrate that their charges are reasonable.

Remarkables Park Limited would like to be heard in support of its submission.

Remarkables Park Limited

23 April 2021



SUBMISSION FORM FEES & CHARGES REVIEW

(PLANNING & DEVELOPMENT)



TO // Queenstown Lakes District Council



YOUR DETAILS

Your Name:

Email Address: *[preferred method of contact]*

Postal Address: *[if no email is provided]*

Telephone Number:

Mobile Number:



SUBMISSION

I Support / **Oppose** the application

I Do / **Do not** wish to be heard in support of my submission

SIGNATURE

Signature **

Date

*** If this form is being completed on-line you may not be able, or required, to sign this form.*



Private Bag 50072, Queenstown 9348
10 Gorge Road, Queenstown 9300
47 Ardmore Street, Wanaka

P: QUEENSTOWN 03 441 0499
P: WANAKA 03 443 0024
E: feesandcharges@qldc.govt.nz W: www.qldc.govt.nz



MY SUBMISSION IS // The particular parts of the application I support or object to are:

Empty text area for submission details.



MY SUBMISSION WOULD BE MET BY THE QUEENSTOWN LAKES DISTRICT COUNCIL MAKING THE FOLLOWING DECISION // Include any conditions sought:

Empty text area for submission conditions.



Attachment 1 – Submission on Proposed P&D Fees and Charges Review 2021

Planning & Engineering Fees & Other Charges

My Submission Is:

i) 'Non-Refundable' Clause

The proposed fee schedule includes clauses that the initial fees paid to Council are 'Non-Refundable' i.e. "*LAND USE CONSENTS (Initial fees unless otherwise stated – Non Refundable)*". The current fee schedule does not contain this clause.

The core principle of the fee schedule is that an Applicant is to pay an initial deposit for a given application/Council process, with admin/monitoring fees deducted from this deposit, and then actual time spent by the relevant Council officer further deducted from this deposit, until extinguished (after which additional time is billable).

There are cases where an application is processed by Council in less time than the initial deposit (in which a partial refund should be due); or more significantly, where an application is lodged - and then withdrawn. Particularly with the latter, there would be a non-insignificant credit in the account that will not be required for processing.

The proposal to make the initial deposit fee completely 'non-refundable' is contrary to the principle of paying an initial deposit for a time-based charging scheme, and well-established practice in both the public and private sectors.

In the Building Services fee schedule (including that proposed as part of the P&D fees review), there is a clause that states "Withdraw Building Consent: Unused Initial Fee Returned". A similar clause should be inserted into the Planning/Engineering fee schedule to allow for any unused initial deposit to be refunded by Council. This is a relatively simple process of contacting Council's Finance Team, closing the account, and requesting a refund of any residual amount.

ii) Using 'Overall Consent Status' To Determine Resource Consent Deposit Fees

Using an 'Overall Consent Status' to determine resource consent deposit fees is simple in theory – but this is a technical matter and just because an activity is a 'discretionary' or 'non-complying' activity – it does not necessarily require any additional Council processing time compared to a 'controlled' or 'restricted discretionary' activity.

An example could be a standard residential dwelling, where the roof slightly breaches the height-to-boundary recession plane. This is a non-complying activity in the Lower Density Suburban Residential Zone and could well be a very small breach. Another example could be a building that slightly breaches a boundary setback (a discretionary activity). In both these examples the proposed fee schedule would see a \$3900 deposit payable (vs a current \$1300/\$1720) – **i.e. up to a 300% increase.**

The other issue is that by penalising 'discretionary' and 'non-complying' activity statuses with higher initial deposits – applicants are incentivised to prepare applications that miss rules. This is because it is often only throughout the resource consent process that the full extent of all resource consents required becomes apparent. By penalising higher activity statuses with higher fees – applicants are inherently incentivised to prepare lower quality applications that only identify consents needed under the lower activity status rules.

The use of an overall consent status to determine the resource consent deposit payable is even more troubling when considered with submission point (i) above – that this initial deposit is non-refundable.

Most Councils in New Zealand operate a system like the current fee schedule – where general activities are allocated an initial deposit, based on the average time required to process an application. Requiring an initial deposit based on an arbitrary District Plan activity status will have the effect of Applicant's of

straightforward resource consent proposals subsidising the cost of more complex proposals by paying a much higher (and non-refundable) deposit.

Therefore, I seek that the proposed use of an overall activity status to determine deposit fees is rejected – and instead retain the current schedule with general activities listed (albeit updated with adjustments to represent the increased staff costs i.e. +10%).

iii) Regarding Visitor Accommodation:

The particular aspect of the proposed P&D Fees and Charges review that I am strongly concerned with relates to the proposed "consolidation" of all visitor accommodation resource consent application deposit fees.

The proposal would see the following initial deposits payable for short term accommodation activities:

- Visitor accommodation controlled activity (overall consent status) excluding sites in Town Centre zones - \$1400
- Visitor accommodation all other - \$3000

Essentially this proposal considers the part-time 'holiday home' use of a single dwelling to be the same as a new 200-room hotel complex. While the proposal includes an 'controlled activity (overall consent status)' \$1400 deposit, as will be explained in our submission, it is extremely unlikely that this will apply in the vast majority of applications – even those that are truly 'controlled activities' in nature.

Background

The District Plan clearly sets out three types of short-term accommodation activity:

- 1) Residential Visitor Accommodation (i.e. holiday homes where the property is also used by the owner(s) part-time). This is by far the most common form of short-term accommodation resource consent application made to Council.
- 2) Homestays (where room(s) are rented short-term while the owners live on the property like a traditional bed and breakfast)
- 3) Visitor Accommodation (year-round short-term accommodation including hotels, motels, campgrounds, hostels etc)

Generally, homestay activities do not require a resource consent, and as such our submission does not focus on homestays.

Until April 2019, Residential Visitor Accommodation (RVA) i.e. "holiday homes" generally did not require a resource consent for any property in the District, for up to 90 days/yr as a Registered Holiday Home. In order to be eligible for these 90/days, there were requirements to be met including a minimum stay of 3 nights for guests, a registration process with the Council, a requirement to keep records, and more.

With the Council's Decisions on Stage 2 of the Proposed District Plan review, a new regime was introduced that requires a resource consent for any residential visitor accommodation in several zones including the Lower Density Suburban Residential Zone, and the Medium Density Residential Zone.

When deciding whether to introduce this new regime, the Council's Independent Hearing Panel (IHP) specifically considered the matter of the cost of a resource consent:

"We consider the additional costs of obtaining a controlled activity consent are outweighed by the benefits for record-keeping, monitoring, enforcement and the ability to impose specific conditions for the particular RVA use, site and neighbourhood¹."

¹ Report and Recommendations of Independent Commissioners - Report 19.2 prepared for Stream 15 of the Proposed District Plan Review (Visitor Accommodation, including Visitor Accommodation Sub-Zones), Paragraph 102

At the time, the IHP considered this matter, the deposit fees were \$2090 for the Low Density Residential Zone, \$1615 in the High Density Residential Zone, and \$1,380 in other zones. Essentially the IHP determined that the cost of obtaining a resource consent was reasonable given the stated benefits.

The Current Proposed Fees for RVA

The current proposed fees would see an increase in the resource consent deposits payable for RVA by **up to 217%** (based on an existing deposit of \$1380 in 'other zones'). Even the most common zone (Low Density Residential) would see an increase of 43%.

Percentage-wise, the proposed increases to these deposit fees for RVA are far higher than any other land use or subdivision consent category (generally 10% - 15%).

Provided a comprehensive resource consent application is made, a RVA proposal is amongst the most straightforward resource consents that are processed by Council, and are often processed by an external consultant (on behalf of Council), given this standard "bread and butter" nature.

Increasing the deposit fees to the extent currently proposed would represent a significant burden to the ability to obtain a resource consent, especially when so many home owners in the District undertake RVA activities to supplement their mortgage, given the prohibitive cost of housing.

Finally, while the cost to apply for a resource consent is one matter, once granted, the Council also charges a development contribution (under the Local Government Act) to the property owner. These development contributions generally fall within the range of \$5,000 - \$8,500. Higher Council rates are also payable (25% - 80% increase).

In summary, the proposed increase in deposit fees is excessive when compared to the increases proposed to other RVA application categories, and will mean the total cost of obtaining resource consent to undertake any RVA (even a family renting out their home short-term for a couple of weeks while they undertake their annual holiday to help with the mortgage) will exceed \$10,000.

\$1400 Deposit for An Overall Controlled Activity Status?

One aspect of the proposal is to include a new category with a \$1400 deposit:

"Visitor accommodation controlled activity (overall consent status) excluding sites in Town Centre zones"

Essentially these are '90 night/yr' resource consent applications, which are directly anticipated by the zone rules. Applications for the Town Centre zones comprise of a very small percentage of the total number of applications – and are therefore not considered further in this submission.

In theory, this proposed \$1400 deposit recognises the "bread and butter" nature of 90/night/yr "controlled" activity RVA proposals. The issue is the requirement that the 'overall activity status' needs to be a controlled activity.

In reality, it is exceedingly rare for a 90/night/yr application to have a pure controlled activity status. In all likelihood, a restricted discretionary activity consent is also needed for some aspect of the proposal. Examples of matters that would require this include:

- An existing building on the property located within 4 metres of an internal boundary (Site Standard 7.5.6.2(iii)(f) – almost always the case as some aspect of a building on an existing property is closer than 4m to a boundary.
- One on-site car park available - two are usually required, even though the number of guests proposed may only need one car i.e. 4 guests and Council accepts this.

- The existing driveway/vehicle crossing not complying with the required 80m visual sight distance (Rule 29.5.18). This rule is commonly breached as it applies even if the property is located in a cul-de-sac etc (i.e. 80m is simply not possible, but there are no safety issues).
- More than 5 guests are proposed as Rule 29.5.5 requires dedicated on-site mobility parking (even though the principle of mobility access is usually available i.e. a flat garage leading to the entrance to the house). Noting the average dwelling size is 3 bedrooms, meaning consent is sought for up to 6 guests.

There are other similar rules that are almost always breached with a 90 night/yr 'controlled activity' RVA proposal. Despite these breaches often being 'technical' in nature and not resulting in any adverse effects, it would mean the vast majority of applications would not be eligible for the \$1400 deposit, despite the apparent intent.

Since 2017, I have applied for over 120+ resource consents for short term visitor accommodation. I have checked through all of these applications that were for a 90-night "controlled" activity – and **none** of them had an overall 'controlled' activity status/would be eligible for the \$1400 deposit – despite this being the intent.

My Submission Would Be Met By The Queenstown Lakes District Council Making The Following Decision:

a) Re Non-Refundable Fees:

Insert a clause into the fee schedule that states "*Withdraw Application: Unused Initial Fee Returned*"

b) Use of Overall Activity Status to Determine Deposit Fees:

Reject the proposed use of an overall activity status to determine deposit fees – and instead retain the current schedule with general activities listed (albeit updated with adjustments to represent the increased staff costs i.e. +10%).

c) Re Visitor Accommodation:

1. Separate 'Visitor Accommodation' from 'Residential Visitor Accommodation' in the fee structure.

Explanation: This would clearly separate straightforward 'holiday homes' from larger-scale visitor accommodation complexes i.e. hotels/motels that require significant Council processing time. A \$3000 deposit fee for large-scale visitor accommodation complexes would be reasonable.

2. Ensure any '90 night/yr' RVA application is eligible for the \$1400 deposit fee proposed i.e. remove the (overall activity status) requirement.

Explanation: This would allow for the lower deposit fee to more accurately reflect the time taken to process 'bread and butter' 90 night/yr RVA applications, which are directly anticipated to occur in the District Plan.

3. For all other RVA applications (i.e. 180 nights/yr) – ensure the level of fee increase is commensurate with the other increases proposed as part of the P&D charges review – i.e. a 10% increase.

Explanation: This would recognise that other RVA applications are still generally straightforward – a \$2300 deposit would be an increase of 10% on the current deposit for the Low Density Residential Zone and be consistent with the other fee increase proposed in the review. For simplicity, this deposit fee should be the same for all zones and be more in line with the reasonable processing time that is likely to be incurred.

Summary – requested amendments to the proposed fee structure relating to Visitor Accommodation & Residential Visitor Accommodation:

- Residential Visitor Accommodation up to 90 nights per year: \$1400 deposit payable
- Residential Visitor Accommodation (all other): \$2300 deposit payable
- Visitor Accommodation (all other): \$3000 deposit payable

The above fee structure would align with the categories of short term accommodation prescribed by the District Plan; would reasonably relate to the actual processing time for the majority of applications; would be simple to administer by covering all zones; and would also represent an increase over the current fee schedule to reflect the higher consenting/staff costs (other than the 90/night applications which are already straightforward).



Richard Kemp
Planning Consultant

Dated: 21 April 2021

SUBMISSION FORM FEES & CHARGES REVIEW

(PLANNING & DEVELOPMENT)



TO // Queenstown Lakes District Council



YOUR DETAILS

Your Name: terri anderson

Email Address: *[preferred method of contact]* terri@andersoncomms.com

Postal Address: *[if no email is provided]*

Telephone Number: 02108273600

Mobile Number:



SUBMISSION

I Support / **Oppose** the application

I Do / **Do not** wish to be heard in support of my submission

SIGNATURE

Signature **

Date 13/04/2021

** If this form is being completed on-line you may not be able, or required, to sign this form.



Private Bag 50072, Queenstown 9348
10 Gorge Road, Queenstown 9300
47 Ardmore Street, Wanaka

P: QUEENSTOWN 03 441 0499
P: WANAKA 03 443 0024
E: feesandcharges@qldc.govt.nz W: www.qldc.govt.nz



MY SUBMISSION IS // The particular parts of the application I support or object to are:

processes and fees for basic consents, for residents who aren't commercial entities, are prohibitively expensive and complex. Ordinary residents are massively disadvantaged compared to developers.



MY SUBMISSION WOULD BE MET BY THE QUEENSTOWN LAKES DISTRICT COUNCIL MAKING THE FOLLOWING DECISION // Include any conditions sought:

Recognising that the current process is not fit for normal people, and changing them for residents accordingly.





SUBMISSION FORM FEES & CHARGES REVIEW

(PLANNING & DEVELOPMENT)



TO // Queenstown Lakes District Council



YOUR DETAILS

Your Name: Andy Salek

Email Address: *[preferred method of contact]* andy@staysouth.com

Postal Address: *[if no email is provided]*

Telephone Number:

Mobile Number: 021 222 3337



SUBMISSION

I Support / I Oppose the application

I Do / I Do not wish to be heard in support of my submission



SIGNATURE

Signature **

Date 19 April 2021

** If this form is being completed on-line you may not be able, or required, to sign this form.



Private Bag 50072, Queenstown 9348
10 Gorge Road, Queenstown 9300
47 Ardmore Street, Wanaka

P: QUEENSTOWN 03 441 0499
P: WANAKA 03 443 0024
E: feesandcharges@qldo.govt.nz W: www.qldo.govt.nz

Attachment 1 – Submission on Proposed P&D Fees and Charges Review 2021

Staysouth.com LTD

Our Submission Is:

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8th April 2021

Queenstown Lakes District Council
Private Bag 50072
Queenstown

Dear Sir

Fees and Charges Review 2021

Willowridge Developments Limited (Willowridge) is an established development company with a proven track record of delivering high quality residential, industrial and commercial land and property developments in the Wanaka, Hawea and Luggate areas.

Willowridge has a considerable land holding in the District and will continue to work with Council and the community to deliver the best outcomes for the land for the foreseeable future.

Willowridge lodges a large number of consent applications each year and is therefore very familiar with the process and related costs.

The proposed planning fee increases will put the planning hourly rate above the metro average and significantly above the local average. Fee's for processing resource consents are already a considerable cost for developers. Even the simplest of applications generally incurs a fee in excess of \$3,000 with many more complex applications reaching in excess of \$30,000. It is important to note that, having experience of lodging applications in other Districts, the overall processing costs are highest in the QLDC by a large amount. Willowridge considers this is less about the hourly rate and more about the efficiency of processing.

The Council Report to the Full Council Meeting of 18th March identifies that the split between private and public funding within the planning department is 80% of costs from private funding with the remaining 20% publicly funded. The public portion covers the planning and building enquiries service and other matters that costs cannot be recovered on, such as appeals and objections. The Report notes that the actual funding ratio has been between 70% and 72% and that general cost increases have included the cost of staff and external consultants used in the processing of consents and the provision of technical advice. This has resulted in the need to increase fee's by 10% in order to achieve funding policy requirements. The decrease in consent applications and other approval requests as a result of Covid-19 has also been taken into account in the financial model.

Willowridge has three key concerns with the justification behind the proposed fee increase:

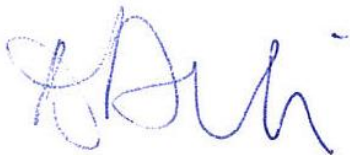
1. The report does not address the Resource Management (discount on Administrative Charges) Regulations 2010. These regulations provide for a discount from the total processing fees of 1% per day for every day an application runs over the statutory timeframe (up to a maximum 50 days). The Regulation is deigned to encourage more efficient processing of applications.

Applications processed by QLDC frequently run over the Statutory timeframe and are subject to a discount. Willowridge is interested to understand if these discounts have any impact on the current public/private funding ratio. If they do, Council should not be using a tool designed to make processing of applications more efficient as justification to increase planning fees.

2. External consultants fee's for processing and the provision of technical advice are already recouped. Technical advice is generally on-charged at the full amount charged by the consultant. Processing fee's are an hourly rate. QLDC should agree an hourly rate with external processing planners that is compatible with the QLDC funding model. Willowridge considers that the use of external consultants should have no bearing on the increase in consenting fee's.
3. The decrease in consent applications as a result of Covid 19 is likely to be temporary. Willowridge questions whether consent applications and approval requests are already on the increase given the number of times recent processing delays have been justified with the response that staff are currently dealing with a high volume of applications.

While Willowridge opposes the proposed increase to hourly rates, if Council is to entertain any increase, Willowridge would like to see them come with a commitment of providing better value for money. Such high hourly rates should align with efficient processing by staff with the knowledge and experience to make recommendations and decisions without constantly defaulting to external peer-reviewers.

Yours faithfully



Alison Devlin
General Manager