28 October 2024 Via email: <u>RM.Reform@mfe.govt.nz</u>

FEEDBACK TO MINISTRY FOR THE ENVIRONMENT ON PROPOSED FEES AND LEVIES FOR FAST-TRACK APPROVAL APPLICATIONS

Thank you for the opportunity to provide feedback on the proposed local authority recovery of costs, and initial application fees (down payments) and levy contributions payable by applicants for fast-track approvals.

Queenstown Lakes District Council (QLDC) strongly supports the full recovery of fair and reasonable costs associated with fast-track applications (including at the referral stage) that local authorities incur. This will avoid the need to pass costs associated with this process onto ratepayers.

The costs that QLDC anticipates it will need to recover for fast-track approval applications include:

- **Pre-lodgment engagement**, if needed in accordance with the Environmental Protection Agency (EPA) process. If so, then QLDC strongly supports all these costs being recouped via the EPA
- Involvement in the referral application process to comment on applications seeking to use the fast-track process
- **Providing information and commenting on substantive applications** (including nominations for Expert Consenting Panels and the work associated with confirming availability of those nominations)
- Providing comments on draft consent conditions on substantive applications
- **Engaging consultant experts** if required to assist in the preparation of local authority comments on a substantive application and/or if requested by the EPA or the Expert Consenting Panel.

The Fast Track Bill sets out appeals of the Panel decision and process through the High Court. QLDC's understanding is that it is not an automatic party to any appeal, but it can choose to be a party if it serves a notice of intention to appear in accordance with cl 27(8)(b). QLDC needs to ensure that it is not required to expend costs on appeals where it has no intention to appear. If there are matters of relevance for QLDC and it is required to join the appeal, clarification is needed on whether there is a cost recovery regime from the EPA for its participation, or whether the EPA anticipates that the High Court costs regime will apply.

Fair and reasonable cost recovery based on hourly rates for resource consents

QLDC strongly supports fair and reasonable costs incurred by a local authority are recovered on an hourly basis, with full reimbursement for both local authority staff and external experts (consultants) used by QLDC.

QLDC also agrees that local authorities may set their own cost policies. For its part, QLDC considers that fair and reasonable fees for fast-track applications would be in line with the fees and charges it currently charges for processing resource consent applications. These are set and updated as part of the annual plan process or in accordance with special consultative procedures under the Local Government Act 2002 (LGA). QLDC also agrees that it is appropriate for monitoring, enforcement and development contribution costs to be collected by local authorities under existing LGA and Resource Management Act 1991 (RMA) legislation.

EPA reimbursement of local authorities during application processing

QLDC is very supportive of the initial fees proposed for the fast-track approval process as these provide confidence to QLDC that it will be reimbursed for its fair and reasonable costs associated with each application, which should not be borne by its ratepayers.

QLDC strongly supports a centralised invoicing and debt collection system through the EPA, with the EPA acting as the debt recovery agency. In terms of invoicing costs, QLDC's processes are to invoice monthly. For administrative efficiency, it is preferable that the EPA reimburse monthly, not quarterly.

It is noted that the levy will help to fund IT systems and it is QLDC's view that an effective, efficient and user-friendly invoicing system is a priority. The system in place for COVID-19 fast track consenting will provide important learning opportunities which should lead to improvements to the invoicing system. QLDC would like the opportunity to discuss the user experience to inform any development process.

Thank you again for the opportunity to comment.

Yours sincerely,

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