

CHRISTCHURCH CITY COUNCIL AGENDA

TUESDAY 10 MARCH 2015

9.30AM

**COUNCIL CHAMBER, CIVIC OFFICES,
53 HEREFORD STREET**

CHRISTCHURCH CITY COUNCIL

Tuesday 12 March 2015 at 9.30am
in the Council Chamber, Civic Offices, 53 Hereford Street

Council: The Mayor, (Chairperson).
Councillors Vicki Buck, Jimmy Chen, Phil Clearwater, Pauline Cotter, David East, Jamie Gough,
Yani Johanson, Ali Jones, Raf Manji, Glenn Livingstone, Paul Lonsdale, Tim Scandrett and
Andrew Turner

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1. APOLOGIES

2. DECLARATION OF INTEREST

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

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REPORT OF THE MAYOR

3. CONSULTATION DOCUMENT FOR THE 2015-25 LONG TERM PLAN

1. PURPOSE AND ORIGIN OF REPORT

- 1.1 The purpose of this report is to present the 2015-2025 Long Term Plan Consultation Document for approval by the Council.
- 1.2 The report also seeks Council's approval to run concurrent consultation processes for those documents and policies that need to be consulted on as part of the development of the final Long Term Plan.
- 1.3 Concurrent consultation would enable the public to submit on all parts of the Council's consultation document and policies. The alternative is to require the public to make separate submissions and for the Council to hold separate hearings.

2. EXECUTIVE SUMMARY

- 2.1 This report is written by the Mayor under Section 41A of the Local Government Act. Section 41A provides the Mayor with powers to lead the development of plans and policies for consideration by the members of the territorial authority.
- 2.2 The Local Government Act 2002 requires adoption of a Long Term Plan every three years. The next Long Term Plan is due to be adopted prior to 30 June 2015 for the period 2015-2025.
- 2.3 In accordance with Sections 93A-D and 95B of the Local Government Act 2002, Council is required to prepare a 'Consultation Document' when consulting on its Long Term Plan. This document replaces the previous requirement to prepare a Long Term Plan Summary.
- 2.4 The draft 2015-2025 Consultation Document and the Auditor-General's report, together with an opinion on legal compliance from Simpson Grierson, will be available for the meeting.
- 2.5 This Consultation Document is the compilation of approximately seven months of Council briefings and information that has been presented to Council.
- 2.6 As part of the consultation process the Council will be seeking the views of the public on changes to the following policies and schedules:
 - 2.6.1 Development Contributions Policy (**Attachment B**)
 - 2.6.2 Statement of Proposal Draft Development Contributions Policy 2015 (**Attachment B i**)
 - 2.6.3 Revenue and Financing Policy (**Attachment C**)
 - 2.6.4 Schedule of Fees and Charges (**Attachment C**)
 - 2.6.5 Rates Remissions Policy (**Attachment C**)
 - 2.6.6 Rates Postponement Policy (**Attachment C**)
 - 2.6.7 Policy on Remission or Postponement of Rates on Maori Freehold Land (**Attachment C**)
 - 2.6.8 Statement of Proposal for Changes to the Schedule of Fees and Charges. (**Attachment D**)

Note: for Attachment C please see Volume 2 of the Draft 2015-25 Long Term Plan document at <http://www.ccc.govt.nz/thecouncil/policiesreportsstrategies/ltccp/documentsandlinks.aspx>.

3 Cont'd

- 2.7 These, and other supporting information relied on in the consultation document, were adopted by the Council at its meeting on 26 February 2015.
- 2.8 The Consultation Document is subject to public consultation in accordance with sections 83 and 93A of the Act which deal with use of the special consultative procedure in relation to Long Term Plans. Adoption and notification of the Consultation Document triggers the start of the formal consultation period.

3. BACKGROUND

- 3.1 Local authorities must, at all times, have a long term plan that covers a period of not less than 10 years and sets out its activities, plans, budgets and policies. A local authority must review these long term plans every three years.
- 3.2 This requirement was modified by the Canterbury Earthquake (Local Government Act 2002 - Christchurch City Council 3 Year Plan) Order 2013, which allowed Christchurch City Council (the Council) to prepare and adopt a 3 year plan that year. The Order expires on 30 June 2015, when the Council will have adopted its 2015-25 Long Term Plan.
- 3.3 Due to changes in the Local Government Act 2002, the Council is now required to produce a 'Consultation Document' which will form the basis for public participation in decision-making processes in relation to the Long Term Plan.
- 3.4 The purpose of the consultation document is to provide an effective basis for public participation in local authority decision-making processes relating to the content of a long-term plan by—
- (a) *providing a fair representation of the matters that are proposed for inclusion in the long-term plan, and presenting these in a way that—*
 - (i) *explains the overall objectives of the proposals, and how rates, debt, and levels of service might be affected; and*
 - (ii) *can be readily understood by interested or affected people; and*
 - (b) *identifying and explaining to the people of the district or region, significant and other important issues and choices facing the local authority and district or region, and the consequences of those choices; and*
 - (c) *informing discussions between the local authority and its communities about the matters in paragraphs (a) and (b)".*
- 3.5 Before adopting the Consultation Document the Council must prepare and adopt the information that is relied on by the content of the Consultation Document. This information was adopted by the Council at its meeting on 26 February 2015.
- 3.6 The Consultation Document must contain a report from the Auditor-General on whether the Consultation Document gives effect to the purpose set out in section 93B and the quality of the information and assumptions underlying the information provided in the document. This will be available at the meeting.
- 3.7 The Consultation Document must be consulted on using the Special Consultative Procedure set out in sections 83 and 83AA of the Local Government Act. Council must adopt a final LTP before the end of June.
- 3.8 The Council is still required to consult on a number of other policies at the same time as the Consultation Document. These documents have already been adopted by Council prior to this meeting.

4. COMMENT

- 4.1 The recent amendments to the Local Government Act 2002 set new requirements for consultation, with the aim of improving public participation in Council decision-making processes.

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- 4.2 Council has made a considerable effort to publicise its plans and encourage comment from interested residents, ratepayers and other stakeholders in the Consultation Document and Long-term Plan.
- 4.3 Council is likely to receive submissions on the Consultation Document and the policies notified at the same time as the document.
- 4.4 It is proposed that it would be more straightforward to enable the public to make submissions on these at the same time as the Special Consultative Procedure (SCP) for the Consultation Document and that Council use a SCP like process for consultation on these documents
- 4.5 The consultation process is outlined below:
 - 4.5.1 Council proposes to release the Consultation Document for public consultation on 17th March 2015.
 - 4.5.2 Consultation period for submissions will run through to 5pm on 20th April 2015.
 - 4.5.3 All of the draft documents and statements of proposal will be made available at Council offices and on Council's website.
 - 4.5.4 Consultation process will include radio advertising, articles in Council publications, email newsletters to subscribers, a website link to access information and the ability to lodge submissions electronically and the use of other e-democracy tools such as Facebook where appropriate
 - 4.5.5 A series of community discussions will be held mid-April to allow the community to engage directly with Councillors and Council officers. Meetings with stakeholder groups will also occur during this period.
 - 4.5.6 Hearings of submissions are scheduled to occur between 11th – 24th May.
 - 4.5.7 Deliberations would take place during June
 - 4.5.8 The final adoption of the 2015-2025 Long Term Plan is scheduled to occur in June 2015.

5. FINANCIAL IMPLICATIONS

- 5.1 On 26 February 2015 the Council adopted a financial strategy for the term of its 2015-25 Long Term Plan. This is reflected in the first chapter of the Consultation Document, "Creating Financial Resilience".
- 5.2 In the strategy the Council proposes realising \$750 million worth of capital from its commercial operations. At the same time it will review all aspects of its capital works programme, including the further optimisation of operational expenditure.
- 5.3 The financial forecast is for rate increases over the next four years of 8.75%, 8.50%, 8.50%, and 7.50%.
- 5.4 All funding and financial policies required by the Local Government Act 2002 are included in the information relied on in the Consultation Document. This will form the basis of the Council's Long Term Plan.

3 Cont'd**6. RECOMMENDATION**

It is recommended that the Council:

- 6.1 Agrees that the Report including Consultation Document the 2015-25 Long Term Plan be received.
- 6.2 Adopts the following documents for public consultation:
 - 6.2.1 Consultation Document for the 2015-25 Long Term Plan.
 - 6.2.2 Proposals for changes to the development contributions policy and for and Schedule of Fees and Charges.
 - 6.2.3 Information specific to the Revenue and Financing Policy, Rates Remissions Policy, Rates Postponement Policy, Policy on Remission or Postponement of Rates on Maori Freehold Land.
- 6.3 Agrees to run concurrent consultation processes for those documents and policies that need to be consulted on as part of the development of the final Long Term Plan.
- 6.4 Approves the following process for consultation outlined in this report, including:
 - 6.4.1 Public notification in the Star, the Press and the Council's website by 17 March 2015.
 - 6.4.2 All of the draft documents and proposals made available at Council offices and on Council's website Closing date for submission being 5pm Monday 20 April 2015.
 - 6.4.3 Hearing of submission between 11th – 24th May.
 - 6.4.4 Council to meet to adopt the 2015-2015 Long Term Plan by 30 June 2015.
- 6.5 Authorises the Chief Executive and the Chief Financial Officer to make editorial changes to all documents to reflect decisions made at the meeting or requirements that might arise during the audit review process prior to consultation.

STATEMENT OF PROPOSAL

Consultation on the Draft Development Contributions Policy 2015

1. Proposal

Christchurch City Council has reviewed its Development Contributions Policy (DCP) and is proposing some important changes. It has approved a draft policy and now wants community feedback on it. We would like to know what you think about the policy and what, if any, changes you consider are needed before Council adopts a final policy in June 2015.

This document highlights the main changes proposed and analyses the options considered in relation to those changes.

2. What are Development Contributions?

Christchurch has a growing population, which will be even more important to us in the next few years as people move to the city for the rebuild. We expect to keep growing into the future.

It costs the community a significant amount to build infrastructure, like water and wastewater networks, roads and parks, to cater for new development and to service a growing population. The Council is investing over \$340 million in new facilities and infrastructure over the next 10 years just to accommodate the growing population.

Development contributions are a charge to the developers of new homes, commercial buildings and other development. The contributions help fund a fair share of the cost of servicing those new homes and premises. The Council is looking for balance – those responsible for the demand for new facilities and services pay a fair contribution towards them. Property developers in particular will find this policy important as development contributions usually need to be factored into their project costs.

3. What is the Development Contributions Policy (DCP)?

The DCP forecasts future population and development growth and details what the Council is planning to invest in infrastructure and facilities to cater for that growth. The policy lists the growth-related projects planned, and details how much each development should pay and how and when that payment should be made.

Development contributions are collected for the growth-related part of capital projects built in the recent past, are currently being built or are planned over the 10 years to 30 June 2025.

The Council intends charging development contributions for the following 11 activities:

Reserves

- Regional parks
- Garden and heritage parks
- Sports parks
- Neighbourhood parks

Network infrastructure

- Water supply
- Wastewater collection
- Wastewater treatment and disposal
- Stormwater and flood protection
- Road network
- Active travel
- Public transport infrastructure

4. What changes are proposed?

The Council has had a Development Contributions Policy since 2004 and the policy has changed from time to time to keep pace with legal requirements and to enable the policy to best meet the needs of the community.

When the *Local Government Act 2002* changed in 2014, the Council added new provisions, which it has kept, with minor refinements in the draft 2015 DCP.

The current review proposes the following major changes:

A. Increased use of Catchments

The Council proposes to increase the use of catchments, which are areas that are used separately to calculate development contributions. Catchments are areas within the city and Banks Peninsula that have similar characteristics, such as:

- growth patterns
- land use
- geography
- use of infrastructure.

Using catchments allows the Council to target contributions so that they better reflect the costs of providing for growth in that particular area.

Activities with proposed changes to catchments are:

- neighbourhood parks, and stormwater and flood protection - increase the number of catchments, including introducing a greenfields catchment with higher growth-related investment
- road network - change from a district-wide catchment to multiple catchments.

In general, the effect of the proposed use of catchments is:

- lower charges in parts of the city where the existing infrastructure can service any growth
- higher charges where the Council needs to carry out capital projects to meet the needs of growth.

Options considered

Option A – Multiple catchments

This seeks to use catchments for all or most of the 11 activities listed above to apportion charges in a more localised way. In general, this results in lower development contributions in catchments with no growth-driven capital spending and higher contributions for catchments with significant capital spending.

However some activities cannot be grouped into manageable catchments, and others share so many characteristics that creating multiple catchments would be pointless.

Table 1 below lists the benefits and disadvantages of using multiple catchments for water and wastewater infrastructure. Note that ‘DCs’ means development contributions.

Table 1 Benefits and disadvantages of multiple catchments

Benefits	Disadvantages
<ul style="list-style-type: none"> • Allocates DCs to recover full costs of providing for growth (as long as no caps or rebates are used) • Reflects different costs of providing service • Encourages growth in areas cheaper to service with infrastructure 	<ul style="list-style-type: none"> • High DCs in some areas may deter development and may be seen as inequitable • Could work against provision of affordable housing – areas with cheapest land likely to have highest DCs • Difference in DCs between city and greenfields development areas is significant and may result in unintended development patterns • Investment in infrastructure already made may not be fully used if developers are put off a particular area • If smoothing high DCs with rebates, there is a rate cost to consider

Option B – Catchments based on land use or development patterns

This would divide the city into areas with low or no growth-related investment requirements, and areas needing investment. While it would allocate costs in a more localised way than a single-catchment option, it still lacks precision. Another drawback is that it would group areas together in an arbitrary way rather than reflecting their shared infrastructure, meaning catchments might need constant adjustment as development patterns change.

Table 2 below lists at a glance the benefits and disadvantages of using a large catchment for water and wastewater. Note that ‘DCs’ means development contributions.

Table 2 Benefits and disadvantages of using large catchments

Benefits	Disadvantages
<ul style="list-style-type: none"> • Allocates DCs to recover full costs of providing for growth (as long as no caps or rebates are used) • Reflects some variation in the cost of providing service • Encourages growth in areas cheaper to service with infrastructure • Relatively easy and efficient for administration 	<ul style="list-style-type: none"> • High DCs in some areas may deter development and may be perceived as inequitable • Difference in DCs between city and greenfields development areas is significant and may result in unintended development patterns • Infrastructure within catchments may not be common / catchment-connected • Could work against provision of affordable housing – areas with cheapest land likely to have highest DCs • Any relief through a rebate will need to be funded from rates

Option C – Selected use of catchments

This is the Council’s preferred option.

This would make more use of area catchments for neighbourhood parks, stormwater and roads, and would retain district-wide catchments for other activities. This is the most practical, efficient and fair option. It uses catchments that can be clearly defined, would be simple to administer and that fairly allocate costs where they fall.

It would result in some costs moving from areas that need little capital investment onto ‘greenfield’ areas with higher infrastructure needs.

The option could be used as part of a transition to more comprehensive and efficient use of catchments if that was seen as the long-term preferred approach.

The table below compares the benefits and disadvantages of using catchments in a limited way.

Table 3 Benefits and disadvantages of limited use of catchments

Benefits	Disadvantages
<ul style="list-style-type: none"> • Allocates DCs to recover full costs of providing for growth • DC charges increase for catchments with higher infrastructure requirements but change is not likely to deter development • Most efficient option to administer • Could be used as a transition, with the next policy moving to more use of catchments • Sends clear signals but gives developers time to adjust to further use of catchments in future • Akaroa and Lyttelton not ‘penalised’ for level of service investments 	<ul style="list-style-type: none"> • Does not reflect the full cost of providing services for each catchment • Reduces effect of attracting ‘efficient’ growth to areas cheaper to service with infrastructure • Does not give full effect to the direction in the <i>Local Government Act 2002</i> to discourage the use of district-wide catchments • May not be attractive to some developers

B Minor Residential Unit adjustment

The policy proposes to use the Minor Residential Unit adjustment more widely. It allows for lower development contribution charges for residential developments 100 m² or smaller. It is proposed that this Minor Residential Adjustment will apply to all eligible units, whether they are stand-alone or part of a larger development. This supports council initiatives to encourage minor residential unit development and is consistent with the *Land Use Recovery Plan 2013*.

Options considered

The Council considered having no adjustment or using a rebate as an adjustment. Neither of these options offered the clarity and efficiency of the proposed option.

C Family flats

The proposed policy clarifies the exemption from development contributions for family flats.

The policy proposes to exempt development contributions for conversion of family flats into residential units for all family flats that existed before 6 December 2013.

Applications to develop a new family flat or convert one that did not exist before 6 December 2013 would not be exempt from development contributions but would be eligible for a Minor Residential Unit adjustment.

This promotes one of the aims of the *Land Use Recovery Plan 2013* for Christchurch, to encourage more efficient use of larger plot suburban properties.

Options considered

The Council considered exempting family flats from contributions and using an encumbrance to ensure units are not used as residential units. This option limits the property owner's use of the unit and is not efficient for Council to monitor and enforce.

D Development contribution reassessments

The draft policy proposes a change to when and how development contributions are reassessed.

There is often a long time between the first assessment and when charges need to be paid.

Currently, the Council reassesses unpaid contributions annually. This updates the contributions required and can make provision for any inflation adjustments Council may have made.

The Council does these reassessments regardless of the development's progress, which is inefficient. Reassessments also mean developers are uncertain about the final amount they must pay.

The draft policy proposes to give developers more certainty. The first development contributions assessment for applications received from 1 July 2015 would be valid for two years, given that the scope of the development does not change significantly.

Before an invoice is generated, the Council would reassess the project but only if it were after that two year period. Whatever policy applied at the time of the first assessment would be used in the reassessment. Price changes, calculated annually using the Producer Price Index for construction, would be added to development contribution charges that were reassessed.

Applications received before 1 July 2015 would be reassessed using the relevant provisions of whatever policy was current when the developer applied for the initial assessment.

Options considered

Other options considered by the Council for development contribution reassessments are set out in the report considered by the Council at its meeting on 26 February 2015.

E Update to development contribution charges

The draft policy updates the schedule of development contribution charges and capital works programme information. It details the planned capital works that provide for growth and which are used to calculate the development contribution for each activity and each catchment that applies to the activity.

Below is a table that shows the minimum, maximum and average development contributions to be paid within each of the catchments proposed for road network and stormwater.

Table 4 Proposed minimum, maximum and average development contributions for road network and stormwater catchments

Range of total charges in areas of the city			
Note – sorted by Road Network catchments			
Possible charges			
Range	Minimum (\$)	Maximum (\$)	Average to 2036 (\$)
Four Avenues	23,146	25,020	23,219
Inner City	24,449	26,323	25,413
Existing suburban	13,818	31,407	25,429
Greenfield	31,950	42,416	39,091
Lyttelton Harbour	23,146	23,146	23,146
Akaroa Harbour	23,146	23,146	23,146
Rest of Banks Peninsula	13,711	23,146	23,146
Rural	13,711	31,299	23,735

View the full draft policy

Go to: www.ccc.govt.nz/haveyoursay/XXXX for a full copy of:

- the draft Development Contributions Policy 2015
- this Summary
- the proposed catchment maps
- the schedule of changes that compares in detail the changes from the DCP 2013 to the draft DCP 2015.
- submission forms

Public workshops

The Council will hold two workshops on the proposed changes to the Development Contributions Policy, during the consultation period. These will give you the opportunity to learn more and ask questions of council staff. For dates, venues and times, go to:

www.ccc.govt.nz/XXXX

Making your submission

Christchurch City Council would like your feedback on the draft Development Contributions Policy 2015. Please submit your views by 5pm on Monday 20 April 2015 in any of the following ways:

By using the online submission form at:

www.ccc.govt.nz/haveyoursay/XXXX

By emailing your submission and any attachments to:

ccc-plan@ccc.govt.nz

By mail:

Freepost 178 (*no stamp required*)
Megan Pearce, Hearings Team Leader
Christchurch City Council
PO Box 73017
Christchurch 8156 (*postmarked no later than 5pm on the closing date*)

By hand delivery (no later than 5pm on the closing date) to:

Christchurch City Council
Civic Offices, 53 Hereford Street **OR**
Any Council Service Centre

If no other option is available, call:

03 9418999 or 0800 800 196

For more information contact:

Gavin Thomas
Senior Policy Analyst
Christchurch City Council
Email: gavin.thomas@ccc.govt.nz
Phone: 03 941 8834

Submissions are public information

Subject to the provisions of the *Local Government Official Information and Meetings Act 1987*, **we make all submissions publicly available, including the name and address of the submitter.** If you consider there are reasons why your contact details and/or submission should be kept confidential, please contact the Council, phone (03) 941 8999 or 0800 800 169.

STATEMENT OF PROPOSAL FOR CHANGES TO THE SCHEDULE OF FEES AND CHARGES

THAT THE COUNCIL MAKES CHANGES TO ITS SCHEDULE OF FEES AND CHARGES

Introduction

The council has reviewed its schedule of fees and charges to reflect changes that are necessary to meet inflation and to ensure that where appropriate fees and charges make a reasonable contribution to operating expenses.

Fees and Charges - Changes 2015-25 LTP

Most units have been able to limit fee increases to inflation. Fees which, following review, are recommended to increase beyond inflation, as well as changes to fee structures are detailed below.

Art Gallery

The Art Gallery has been closed for a period of time and the fees and charges around venue hire have been updated to reflect the fact that the Art Gallery has been closed and to ensure the fees recover the costs appropriately. These increases range from 5.9 to 66.7%.

Libraries

Libraries have undertaken a detailed review of fees and charges to ensure that the charges reflect current usage and in relation to venue hire, recover appropriate costs. Whilst revenue within Libraries is not increasing, there are a number of changes to charges with some increasing and some reducing. There are no significant changes.

Childcare Facilities

There is a new fee in relation to an absence fee per hour without 24 hour notification, of \$7 – this fee is in line with the full hourly rate charged. The absence fee per hour with 24 hour notification remains unchanged at \$3.50 per hour.

Recreation and Leisure

Rawhiti Golf Links has seen a number of increases of between 2.5 and 18% as Council recovers costs associated with running and maintaining the golf course, and the fees have been benchmarked with other facilities. Please note, it is also proposed to close Rawhiti Golf Links course as part of the LTP.

Entries and memberships for pools and fitness centres have generally increased in line with inflation and in some instances fees and charges have been increased to the same level as other similar services within New Zealand. Fees and charges increases range from 0 to 21.1%. Note that a number of the fees are minor and rounded up which results in a higher percentage increase. Increases to note are:

- Hydro slides at Jellie Park, \$0.50 increase (8.3% to 10%)
- SwimSmart, parent and child 25 minute fee increase of \$1.00 to \$9.60 from January 2016 (11.6%) and aligned with other service providers.
- Pool Hire for school groups and community groups increased by \$1.80 to \$2.40 from January 2016 (19.6% – 21.1%) and aligned with other service providers. In conjunction with this, the admission rate is 50% of the normal rate.

Community Halls

In general, Council managed community halls have been increased by 3% and rounded to the next full dollar amount. The percentage increases overall are between 3.7 – 9%. In addition, the fee for commercial hire of Category A facilities has reduced by 24.2% as the fee was set too high and very few commercial bookings were taken and it has been reduced to be in line with other bookable facilities.

Parks

Fees and charges increases within Parks are mainly at the level of inflation. Note that a number of the fees are minor and rounded up which results in a higher percentage increase. Increases or changes to note are as follows:

- Garden Parks lectures have increased by 10.9 – 63.9% to reflect the costs with running these.
- Venue hire at the Botanic Function Centre has been increased by 11.1 – 25%. This is a new venue and the initial rates did not accurately reflect the actual costs associated with venue hires. The new rates are set to recover costs.
- A new fee of \$175 to sports clubs for new ground markings to reflect cost recovery. Ground remarkings increase at just over inflation.
- There are a number of new fees for Wedding Ceremonies at Garden and Heritage Parks \$100, and Botanic Gardens and Mona Vale \$150. In addition, other venues also have new fees which are all set at cost recovery.
- There are a number of new fees ranging from \$50 to \$500 for commercial photography depending on the impact and season.

Cemeteries

Fees and charges increases within Cemeteries are mainly at the level of inflation and have been rounded. In a number of cases it has been necessary to increase the fee to cover costs.

Marine Facilities

Fees and charges increases within Marine Facilities are mainly at the level of inflation and have been rounded.

Development Contributions

The right to lodge an objection to a development contribution assessment is included in the amendments made to the LGA. Council have also been given the ability to cover their costs and a fee has been added for objections under to development contribution assessments. The time taken to process an objection will be charged at the relevant scheduled hourly rate, plus the actual cost of the commissioner(s) and disbursements.

Building Consents

Overall increase in this area of 3.9% with major changes outlined below.

1. Streamline

Streamline is a new fast track residential consenting process where a fixed fee is charged to the applicant rather than a time based fee. The fixed fee is equal to the deposit fee proposed for other residential building consents and is based on the average time taken to process a building consent within each value range.

The Streamline consenting process is available only to specific group home builders building more than 20 dwellings a year. It is a voluntary service.

2. Building consent application deposits

In the 2014/15 the minimum building consent application fees for both residential and commercial consents included an allowance for inspection costs. Inspection costs have been excluded from the proposed 2015/16 building consent fees to provide greater transparency for applicants.

The deposit is based on the average time to process a building consent as recorded by the Council time recording system in SAP and the time actually charged to applicants in the current financial year. These figures were produced by a member of the Crown Manager's team.

The deposit is non refundable to eliminate the risk that an applicant does not pay for its consent once it has been granted but before it has been issued.

The actual time charged to the applicant will not change between 2014/15 and 2015/16 unless processing times are changed generally as a result of process changes. The expected cost to the applicant will change only by the movement in hourly rates for the relevant Council officer.

3. Certificate of acceptance

A certificate of acceptance is applied for by applicant that has undertaken work without a building consent where such consent would normally be required.

The level of the deposit in the 2014/15 fee schedule is significantly below the actual cost and the proposed deposit has been aligned with the current deposit for a normal building consent.

With the number of changes within the building consent area over the last couple of years a summary table of the typical building consent costs for an average home in Christchurch is included below:

Comparative building consent costs for an average home in Christchurch

The following is the comparative cost, all things being equal, between fees for 2014/15 and proposed fees 2015/16

Assumptions
 Value of building work \$350,000
 Standard 10 inspections
 No inspection failures
 TC1 or TC2 land
 No flood management issues
 Does not include any other Council fees that may apply

	2014/15		2015/16		2015/16			
Accreditation Levy	\$0.25	per \$1,000 or part thereof	\$0.30	per \$1,000 or part thereof				
Building Levy	\$2.10	per \$1,000 or part thereof	\$2.10	per \$1,000 or part thereof				
Building Research Levy	\$1	per \$1,000 or part thereof	\$1	per \$1,000 or part thereof				

Cost Item	2014/15		2014/15		2015/16		2015/16		Variance	%
	Units	Rate	Units	Rate	Units	Rate	Units	Rate		
Consent Processing	10 hours	\$190	\$ 1,900.00	9 hours	\$ 200.00	\$ 1,800.00	\$ 100.00			-5.3%
Inspections	10	\$170	\$ 1,700.00	10	\$ 190.00	\$ 1,900.00	\$ 200.00			11.8%
Administration Fee			\$ 170.00			\$ 175.00	\$ 5.00			2.9%
Alpha System Fee			\$ -			\$ 69.00	\$ 69.00			New Fee
Electronic Fee			\$ 50.00			\$ 52.00	\$ 2.00			4.0%
Code Compliance Cert			\$ 340.00			\$ 357.00	\$ 17.00			5.0%
Accreditation Levy			\$ 87.50			\$105.00	\$ 17.50			20.0%
Total Council Fees			\$ 4,247.50			\$ 4,458.00	\$ 210.50			5.0%
Building Levy			\$ 735.00			\$735.00	\$ -			0.0%
Building Research Levy			\$ 350.00			\$350.00	\$ -			0.0%
Total Government Fees			\$ 1,085.00			\$1,085.00	\$ -			0.0%
Total Consenting Fees			\$ 5,332.50			\$ 5,543.00	\$ 210.50			3.9%

Resource Consents

Fees in this area are set to increase by 4.4% overall. There have been many changes in fee structures and deposits (previously called minimum application fees) and these are outlined below.

All fees are deposits required on lodgement of the application. These deposits are set at a level based on the average cost of the resource consent service.

New deposit fees have been introduced for smaller developments and charge applicants a deposit more in line with the final expected cost.

For additions, alterations and accessory buildings a deposit of \$1,200 has been set, and for one or two new residential units a \$1,500 deposit is recommended to be charged.

Various non notified deposit fees have been increased to reflect the increased cost for specialist advice. The range of fees is \$300 for amendment to consented application and plans to \$1,500 for existing use certificate.

Notified resource consents deposit fees have increased to match average costs. Limited notified consents increase to \$7,500 and publicly notified to \$12,500 respectively. This deposit fee has not been reviewed for several years.

A new \$11.40 processing fee for a LIM or Certificate of Titles (if not provided with an application) is introduced and will be passed onto the applicant. This is the amount Council is charged by LINZ.

Consent monitoring and compliance fees have been reshaped to better reflect the scale of the consented project e.g. residential vs. commercial projects in terms of time/costs associated with monitoring these activities. If resource consent requires monitoring a new one off administration fee has been proposed of \$98 for the programme.

There are new fees associated with monitoring and compliance associated with Temporary Accommodation Permits - to date, there has been no fee mechanism in place to recover the costs of this activity.

A new service is being offered to discharge an encumbrance for conversion of family flat or elderly persons housing unit \$485. This service has resulted from the LURP intensification rules. Costs include legal and LINZ fees, plus staff time checking compliance with City Plan rules.

Many associated fees have changed from being a fixed fee to a deposit due to the variation in costs. A new fee for Section 223 certification and/or Section 224 re-certification (after the payment of the final invoice) has been introduced to enable these costs to be recovered from applicants. Bond and maintenance clearances administration and inspection deposits have increased to \$450 to reflect the increase average cost of setting up bond for engineering works and carrying out inspections.

Food Safety Licensing

All food service fees have increased between the range 2.5% - 3% to cover the CPI increase for this service.

Debt collection costs

A new clause will be added to Council invoices to state that any where the fee or charge has not been paid by the due date, the Council may commence debt recovery action. The Council reserves the right to charge interest, payable from the date the debt became due, at the prescribed rate under the District Courts Act and recover legal costs. This clause will be introduced to ensure debt collection costs can be recovered and lower the costs to other ratepayers.