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**REPORT 4**  
(1215/52/IM)

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**REPORT OF THE FUNDING AND ACTIVITY REVIEW  
WORKING PARTY: REVIEW OF SUBMISSIONS -  
REVENUE AND FINANCING POLICY**

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**1. Purpose of Report**

This report summarises the Finance and Activity Review (FAR) Working Party's review of Revenue and Financing Policy related submissions on the proposed amendments to the 2005/06- 2015/16 LTCCP and on the 2007/08 Draft Annual Plan.

**2. Executive Summary**

Revenue and Financing Policy submissions were principally received in relation to the following activities:

<i>Issue /Area</i>	<i>Specific Submissions</i>	<i>General Submissions</i>
Marina operations fees	30	0
Swimming pool fees	58	20
Library fees	50	13
Community halls fees	3	2
BCLS	0	1
Burials & Cremations	0	2

In addition to the above, 19 submissions were received in relation to rates/or the rates differential.

Two of the submitters on marina operations fees represented a further 100 people i.e. 1 submission was made on behalf of 30 boat owners at Clyde Quay and another on behalf of 40 boat owners at Evans Bay.

With the exception of some Marina related submissions, the majority of submitters focused on the fee increases required to meet compliance with the Revenue and Financing Policy. Relatively few focused on the overarching Revenue and Financing Policy (the proportion of an activity to be funded by user charges as opposed to rates).

For each of the activities identified above this report provides:

- A brief summary of the key points raised in submissions
- Consideration of submissions
- Working Party recommendation
- A summary of the proposed fees and charges

Having reviewed submissions the Working Party recommends no further amendment to the Revenue and Financing Policy apart from those changes consulted upon. The amendment as consulted is attached as Appendix 1. The key changes proposed in this amendment were:

i) Activity funding targets:

- Development Control and Facilitation activity – amend the user charges funding target from 40% to 45%.
- Public Health activity – amend the user charges funding target from 50% to 45%
- Promoting and Hosting Cultural Events activity – amend the user charges funding target from 35% to 25%.
- Swimming Pools activity – amend the user charges funding target from 45% to 40%.
- Community Centres and Halls – amend the user charges funding target from 20% to 2%.
- Community Housing activity – amend the user charges funding target from 70% to 100%, reflecting the removal of the cost of capital charge.

ii) General Rates Differential:

The Council believes it is appropriate to maintain a smooth transition towards the 2.8:1 ratio continues, while also taking into account the annual impact of the differential shift on individual ratepayers (i.e. reassess the impact of affordability on residential ratepayers).

To achieve this the Council proposed amend the differential transition by restating the 2007/08 general rate differential from 3.8:1 as forecast in the LTTCP to 4.2:1 and extend the timeline over which the 2.8:1 differential target would be achieved from 2009/10 to 2011/12. The Working Party believes it remains appropriate for the Council to continue working towards a 2.8:1 differential target.

The Working Party proposes a revision to the Marina fee increases proposed in the Draft Annual Plan, recommending that Evans Bay marina fees increase by 16% (down from 19%) and Clyde Quay by 40% (down from 60%). This change results from a reallocation of public benefit costs away from this activity. Accordingly there is no change to the 100% user charge funding target proposed for this activity.

In proposing no further changes to user fee funding proportions from those proposed in the Draft Annual Plan, the Working Party has placed emphasis on achieving compliance with our funding policy targets. In doing so it recognises that any failure to comply with

Revenue and Financing Policy user fees targets results in the shortfall having to be met by general ratepayers.

### **3. Recommendations**

It is recommended that the Committee:

- 1. Receive the information.*
- 2. Recommend to Council that it approve and adopt the proposed LTCCP amendments to the Revenue and Financing Policy attached as Appendix 1.*
- 3. Recommend to Council that it approve and adopt the 2007/08 Annual Plan Fees and Charges Schedule attached as Appendix 2.*

### **4. Submission Considerations**

#### **4.1. Marina Operations**

##### **Submission Summary**

All 50 submissions received opposed the increase in Marina fees. The key points expressed were:

- That some costs incorporated in the activity contained a level of public benefit.
- That the overhead costs allocated to the activity were unreasonable.
- That the Council had undertaken minimal investment in marinas and accordingly price comparisons with Seaview were not comparable.
- Disapproval for differentiated pricing for berths based on size of berth (Evans Bay).
- That Council had received funding tagged for Clyde Quay when the assets were transferred from the Harbour Board in 1989.

##### **Consideration of submissions**

###### Allocation of costs

Officers have conducted a comprehensive review of the costs contained in the Marina Operations activity. It needs to be accepted that the general nature of the Council cost allocation methodology is likely to have a greater impact on smaller, fully user funded projects. However, the Working Party considers that it would be inappropriate to revise Council's allocation principles on this basis alone.

The review has concluded that a rationale exists for the removal of a proportion of the rates expense associated with the Evans Bay Marina car parking facility, which has public benefit content. It is proposed that this be transferred to the Coastal Operations activity which is principally funded through rates.

The Working Party has considered the public benefit related to the Evans Bay breastwork (i.e. the boat loading/wharf area). It has concluded that as use of this part of the facility is not exclusive to berth holders, a rationale does exist for excluding associated depreciation costs from the user charging model. However no adjustment has been made to fees as a result. This is because the breastwork related costs (approx. \$5,800 per annum) are far outweighed by the \$28,000 non-charged benefit received by users as a result of the Council's depreciation / interest allocation methodology. This is explained further in the Non-charged benefits section below.

It is also recommended that proposed fees for this activity are adjusted to reflect the impact of organisational savings initiatives.

*Evans Bay:*

<i>DAP costs</i>	\$362,432	<i>DAP average fee increase</i>
19.3%		
Rates on public portion of car park	(\$7,630)	
Adjustment to overhead allocations	(\$10,050)	
Reallocation of rubbish collection costs	<u>\$8,250</u>	
Revised costs	\$353,002	Proposed average fee
increase 16.8%		

*Clyde Quay:*

<i>DAP costs</i>	\$153,432	<i>DAP average fee increase</i>
61%		
Adjustment to overhead allocations	(\$4,950)	
Reallocation of rubbish collection costs	<u>(\$8,250)</u>	
Revised costs	\$140,232	Proposed average fee
increase 40.4%		

Non-charged benefits

It is important to note that there are also a range of benefits accruing to marina users from the provision of services that are not incorporated within the activity, but borne by the general ratepayer. These include:-

*Evans Bay:*

- Contrary to submission responses the maintenance, consumable and capital costs for Evans Bay toilets are not incorporated in the Marinas activity.
- Contrary to submission responses costs associated with the boat ramp are not incorporated in the Marinas activity.
- Council's allocates interest expense on a proportion of total asset basis rather than actual project specific borrowing requirements. A total of \$400,000 of depreciation has been funded by Evans Bay marina users since 2001. This compares with \$1.1m of capital investment. If the interest cost associated with the depreciation funding shortfall was fully allocated, marina users would incur an additional \$28,000 of interest costs in 2007/08.

#### Clyde Quay:

- To date the Clyde Quay breakwater has been not considered as an infrastructural asset. It has not been valued and is not included in the asset list of the marina. Accordingly mooring holders do not fund depreciation costs on the breakwater.
- Further to the issue of depreciation the Working Party has given consideration to the public benefit associated with the visual amenity of the Clyde Quay moorings. The Working Party is of the view that a degree of public benefit does exist, however no adjustment to the proposed charging structure is required at present because the mooring holders are not currently funding any Council incurred costs relating to the breakwater which provides the shelter required for the moorings. It is proposed that this be reviewed in conjunction with any future capital upgrade requirements.

It could be viewed that there is also a public benefit associated with the heritage value of Clyde Quay boat sheds. However in this case the Working Party is of the view that the 'exclusivity of use' principle, which supports the rationale for 100% user charge funding, overrides any adjustment to the funding principle based on heritage value. This position is further strengthened when considering that fees charged are potentially lower than equivalent market rates for alternative uses.

#### Other considerations

- It is important to note that the majority of fee increases for Evans Bay marina arise from a 'catch-up' in meeting the 100% policy compliance target not met in either 2005/06 or 06/07. Comparative budgets between 2006/07 and (adjusted) 2007/08 actually show a decrease on total costs of 0.5%
- The 11% increase in costs for Clyde Quay between 06/07 and 07/08 is primarily due to a reallocation of labour charges between Evans Bay and Clyde Quay.
- It is important to note that the Marinas activity is only charged the actual costs of operating the marinas. Accordingly the standard of marina services provided is reflected in the pricing (with the exception of interest & depreciation charges where some under funding currently occurs). Any comparison with other marinas (e.g. Seaview - who are CCTO and therefore have a different operating and costing model) were used only in an overall assessment of market elasticity – and took into account variability in service levels, location etc.
- Contrary to submitter opinion, the Council received no tagged funds for marina development as part of the transfer of marina assets from the Harbour Board in 1989. It was gifted a parcel of land (the Te Papa site) which was subsequently sold to the Crown the proceeds of which were ear marked for 'waterfront development' and used accordingly.

## Charging model

Officers developed a range of charging models for Working Party consideration for the recovery of costs associated with marina berths and boat shed. These include:

- A flat fee increase (as indicated in DAP).  
This uses the current model and provides a flat fee increase across all charges for each of the two facilities.
- A tiered pricing model  
This option adjusts the pricing structure for boat sheds and berths, using a more accurate fixed and variable cost basis under which larger berths and larger boat sheds receive an increased proportion of the variable cost of the activity, so would incur a comparatively greater fee increase than smaller ones. This model is one used for berths by most other marinas nationally and overseas. Officers have presented this scenario to occupants. A number of submissions received from Evans Bay berth holders opposed this option.
- A hybrid (banded) pricing model  
This option uses the same pricing method as the tiered model for boat sheds but groups Evans Bay berth charges into 'bands' based on dimensions. This has the effect of reducing the variability in fees increases between smaller and larger boats.

Table 1 – Marinas pricing options (inclusive of GST)

Activity	Current	DAP Proposed		Revised Proposal (Flat)		Revised Proposal (Tiered)		Revised Proposal (Hybrid)	
	Fee	Fee	Incr.	Fee	Incr.	Fee	Incr.	Fee	Incr.
<b>Evans Bay Marina:</b>									
Berths (8m SR)	\$1,206	\$1,439	19.3%	\$1,409	16.8%	\$1,230	2.0%	\$1,290	7.0%
Berths (8m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$1,983	-2.8%	\$2,289	12.2%
Berths (10m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$2,052	0.6%	\$2,289	12.2%
Berths (13m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$2,352	15.3%	\$2,289	12.2%
Berths (14m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$2,466	20.9%	\$2,289	12.2%
Berths (16m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$2,670	30.9%	\$2,424	18.8%
Berths (18m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$2,868	40.6%	\$2,424	18.8%
Berths (21m)	\$2,040	\$2,433	19.3%	\$2,383	16.8%	\$3,168	55.3%	\$2,424	18.8%
Boat Sheds (small)	\$804	\$958	19.2%	\$939	16.8%	\$1,272	58.2%	\$1,272	58.2%
Boat Sheds (medium)	\$1,608	\$1,918	19.3%	\$1,878	16.8%	\$1,728	7.5%	\$1,728	7.5%
Boat Sheds (large)	\$2,412	\$2,876	19.2%	\$2,817	16.8%	\$2,736	13.4%	\$2,736	13.4%
Dinghy Lockers	\$243	\$290	19.3%	\$284	16.9%	\$282	16.0%	\$282	16.0%
<b>Clyde Quay Boat Harbour:</b>									
Boat shed (2 – 13)	\$1,341	\$2,155	60.7%	\$1,883	40.4%	\$1,862	38.9%	\$1,863	38.9%
Boat shed (14 – 27)	\$1,206	\$1,937	60.6%	\$1,693	40.4%	\$1,788	48.3%	\$1,788	48.3%
Boat shed (38B)	\$966	\$1,551	60.6%	\$1,356	40.4%	\$1,584	64.0%	\$1,584	64.0%
Boat shed (38A to 42B, 48A/48B)	\$1,389	\$2,230	60.5%	\$1,950	40.4%	\$2,292	65.0%	\$2,292	65.0%
Boat shed (43A to 47B)	\$1,608	\$2,583	60.6%	\$2,258	40.4%	\$2,448	52.2%	\$2,448	52.2%
Moorings	\$636	\$1,022	60.7%	\$893	40.4%	\$882	38.7%	\$882	38.7%
Dingy Racks	\$114	\$183	60.5%	\$160	40.4%	\$132	15.8%	\$132	15.8%



Officers presented the view that despite the variability in percentage fee increases in 2007/08 for occupants depending on dimensions of berths and boat sheds the tiered or hybrid charging models are more equitable in the long term, noting that these models are consistent with market precedents created by other local marinas (i.e. Seaview) and their use is widespread through the world.

The FAR Working Party has subsequently raised questions around the subjectivity of the assumptions used in allocating the variable cost component of the activity, particularly for Evans Bay marina berths and specifically in relation to the assumption that larger boats consume a greater level of service. Accordingly the Working Party has expressed a preference for a flat fee increase across all services in each of the marinas.

### **Working Party recommendation**

The funding rationale for this activity is based on the fundamental principle of 'exclusivity of use'. Only those who rent a berth or boat shed derive direct benefit from the activity. This is a key difference from the provision of any other recreational activity/service provided by the Council. Accordingly no change is recommended to the 100% cost recovery basis for this activity.

The general nature of the Council cost allocation methodology does have a greater impact on smaller, fully user funded projects that have high labour costs as a proportion of total expenditure. It is also needs to be accepted that organisational cost allocations are primarily a bi-product of the local government organisational structure which has some distinct differences to the private sector. Accordingly we do not recommend any differentiation in the allocation methodology for this specific activity.

Having reviewed all costs allocated to each of the Marina's, the Working Party recommend the revision of costs as detailed above, resulting in a flat fee increase for all services of 40.4% for Clyde Quay marina (down from 60% proposed in the DAP) and 16.8% for Evans Bay marina (down from 19.3% proposed in the DAP).

It should be noted that the impact of future capital investment in marinas will result in additional depreciation and interest costs which will need to be reflected in increased charges for Marina tenants in future years. Given this likelihood, officers recommend that charges are adjusted to reflect full policy compliance in 2007/08.

## **4.2. Swimming Pools**

### **Submission Summary**

58 specific submissions were received in regard to swimming pool fee increases (of which 20 were in the form of an identical email) and a further 20 submissions mentioned opposition to pool fee increases as a part of a broader submission.

The key points expressed were:

- That the proposed revision to fees did not take into account the impost on children swimming 2 -3 times per week or multiple child families.
- Opposition to the increased fee for non-swimmers
- The level of services provided compared to other facilities e.g. Porirua

## **Consideration of submissions**

### Impact on child swimmers

A large proportion of the submissions received expressed concern about the cost impact for child swimmers who swim 2 to 3 times a week or where a number of children from one family swim 1 or 2 times a week.

The proposed shift to a monthly 'per user' charge (\$50 for adults and \$30 for children) has significant benefits for high users. Depending on the number of visits it may be more beneficial for less frequent visitors to pay on a per trip basis. To this end, it should be stressed that while it is proposed that the little used '30 trip' concession card will cease, the '12 trip' concession card remains. The difference between the existing '12 trip' and '30 trip' concessions is only 7 cents per swim. This means that multi user families will still be able to use the '12 trip' concession card without being significantly disadvantaged compared to other swimmers.

### Increased cost for non-swimmers

The cost of a non-swimmer increasing from \$0.50 cents to \$1 is in line with overall price increases. A smaller increase is not practical. Unfortunately the family pass is of limited assistance to a non-swimming parent, as at \$12.80 it requires one swimming parent and three swimming children to be cost effective.

### Service levels

A number of submissions were received from suburban pool users questioning service levels and entry fees for Wellington City pools compared to that of other facilities in the region that offer a different experience. The council has made a conscious decision not to differentiate pricing between pools, primarily due to consistency in the type of service we provide. Inevitably this will mean that there will be some cross-subsidisation between pools as a result of varying upgrade cycles. Given that the majority of comments on this issue came from suburban pool users, it particularly relevant to note that this also means that upgrades to less frequented pools can be completed without unsustainable fee increases being borne by the users of that particular pool.

### Other considerations

It is important to recognise that the current proposal has already taken into account 'ability to pay' factors by increasing the proportion of the Swimming Pools activity funded out of general rates from 55% to 60%, meaning that ratepayers will fund an additional \$800,000 for this activity compared to the previous R & F Policy.

## **Working Party recommendation**

That the fees and charges changes be implemented as proposed.

## **Recommended changes to fees and charges**

<i>Activity</i>	<i>Current</i>	<i>Proposed</i>
Adult swim	\$4	\$5
Child swim	\$2	\$3
Under 5's	\$0.50	\$1
PTL Swim	\$2	\$2.50
Family Pass	n/a	\$12.80
Swim membership (mthly adult)	n/a	\$50
Swim membership (mthly child)	n/a	\$30
Spectator fee	\$0.50	\$1

## **4.3 Libraries**

### **Submission Summary**

50 specific submissions were received in relation to library fees with a further 20 general submissions mentioning opposition to fee increases.

The key points expressed were:-

- opposition for introduction of a charge for magazines (29)
- opposition to increase in reserve fees from \$1 to \$2 (9)
- opposition to increase in charges for children's DVD's.(8)

### **Consideration of submissions**

Wellington City Libraries is required to meet the Council's funding policy targets for the Libraries activity, that is, 90% rates funding (public good) and 10% charges (private good). The Libraries are required to ensure that library income from fees and charges totals 10% of the overall costs.

The majority of the Libraries' revenue generation comes from relatively few sources. The proposals for increased/new charges are made within this context.

A significant proportion of submissions came from those opposed to a fee being introduced for magazines. In this respect the Working Party noted that there are options to borrowing most magazines in that reference copies are available in the libraries. These can be viewed free of charge. In addition 5,000 full text journals are available on-line.

## **Working Party recommendation**

The proposed fee increases are required to keep in line with existing funding policy for this activity. Users contribute only 10% of the costs of the libraries network. The remaining \$18.5m of cost of providing libraries is funded by the general ratepayer.

The proposed increases were recommended by library staff as being the most appropriate way to deliver against revenue targets while maintaining the primary focus on the public good provided by libraries within Wellington.

The Working Party recommends that the Council implement new/additional charges as proposed.

### **Recommended changes to fees and charges**

<i>Activity</i>	<i>Current</i>	<i>Proposed</i>
Adult's DVD	\$3	\$4
Child's DVD	n/a	\$0.50
Young Adult's DVD	n/a	\$0.50
Reserve Fee for Adults	\$1	\$2
Overdue fee for Adults (per day)	\$0.50	\$0.60
Overdue fee for Children (per day)	\$0.25	\$0.30
Adult's magazines	n/a	\$0.50

## **4.4 Community Centres and Halls**

### **Submission Summary**

Three submissions were received that related solely to this activity. These were from users of the Ngaio Hall. They all expressed concern over the impact of the proposed increase in fees from \$10 to \$15 per hour on the viability of the Ngaio Badminton Club.

### **Consideration of submissions**

The Ngaio Badminton Club hires the Ngaio Community Hall twice a week in the evenings. They contend that the increase in hourly rates from \$7 to \$10 for non-peak and \$10 to \$15 for peak, will put the viability of their club at risk. They have indicated the change will increase costs for the club by \$400 annually.

User charges account for just 2% of the total cost of the Community Centres and Halls activity. To retain consistency with the fundamentals of the Council's Revenue and Financing Policy it is pertinent that users who require "exclusivity of use" pay a portion of the cost of the facility.

The increase in fees is primarily to align Hall and Community Centre hire charges.

It should also be noted that a range of funding sources, including Council grants are available to assist community and sporting groups. In addition Council have specific assistance project for sports and community groups proposed in the 2007/08 Draft Annual Plan.

## **Working Party Recommendation**

That the proposed changes to fees and charges be implemented.

### **Recommended changes to fees and charges**

<i>Activity</i>	<i>Current</i>	<i>Proposed</i>
Community Halls (off-peak/hr)	\$7	\$10
Community Halls (peak/hr)	\$10	\$15
Community Halls (casual/hr)	\$15	\$20
Community Halls (commercial/hr)	\$25	\$35

## **5. Other Fees and Charges**

A number of submissions made general comments around other fees and charges. These submissions did not raise any issues not already considered by the Working Party through its deliberations. Accordingly apart from changes recommended elsewhere in this report, it is recommended that changes to fees and charges are adopted as per the Draft Annual Plan.

## **6. Rates and the Rates Differential**

### **Submission Summary**

19 submissions were received in regard to rates and/or the rates differential.

The key points raised include:

- Shift in differential (3 for, 5 against)
- A recommended change to the Council's rating methodology

### **Consideration of submissions**

#### The differential

Submission comments related to the relative merits of the shift in the general rate differential and in particular Council's proposal to extend by two years the differential transition towards 2.8:1. Detailed information related to the options and impacts of this proposal was provided to Councillors in the memo addressed to Councillor Shaw, dated 20 March 2007.

The working party has concluded that differential related issues raised in the submissions were taken into account in formulating the recommendation to set the 2007/08 general rate differential at 4.2.:1 and to extend the transition period towards a 2.8:1 differential by tow years, to 2011/12.

#### Change to rating methodology

A detailed submission was received from The Wellington Company proposing the establishment of a constant rate on inner city properties in conjunction with the removal of development contributions.

In summary the submission suggests that because the inner city is where the majority of growth occurs, it is appropriate that it be differentiated in terms of the mechanism used to set rates. It proposes that by setting a rate at a fixed percentage to apply over a number of years, as the city value grows the revenue for the Council grows. The submission proposes that capital investment currently covered by development contributions would be covered by the additional revenue received with any spare revenue going into inner city development projects.

From a theoretical perspective and when simplified in the manner suggested the proposal may appear feasible and an 'easy fix' as could potentially provide greater levels of Council revenue to invest in enhanced or new services for the city. However, on consideration the Working Party noted that there were both legal and practical constraints to the suggestion.

For discussion purposes these issues have been split as follows:-

#### *Key Principles*

- The first point to note is that the Local Government Rating Act precludes NZ local authorities from consumption related taxes, the exception being targeted rates for water that the current legislation. While the submitter states that a 'as the city value grows the revenue grows' principle forms the basis for taxation in many overseas cities. It is important to point out that this scenario is prevalent primarily where sales or income tax principles and mechanisms are permitted and used at a local level. Examples of this include bed occupancy taxes and other consumption related taxes. Overseas examples are not based on capital value rating principles – most likely because of the significant anomalies created by attempting to do so.
- Legally Councils are required to set rates at a level sufficient to cover expenditure. i.e. first establish expenditure requirements and then set revenue to cover this expenditure. The proposal effectively reverses this and would not legally be able to be implemented under the Local Government Act.
- The principal behind development contributions is that new development pays for the cost of the additional infrastructural requirement that development creates. The rates that a newly developed property pays, is that property's contribution to existing service provision. By not charging development contributions, but increasing rates for all ratepayers in line with capital value increases, existing ratepayers subsidise development and/or are required to fund additional projects from which they may derive limited benefit.
- The proposal takes no account of what would happen in a situation where rateable capital values decreased. Implementing such a fixed percentage of CV rate at a time when values had experienced a period of historically high growth could expose the

Council in terms of its ability to meet existing service levels, if property values decreased or stagnated. Conversely setting the rate leading into a period of sustained growth exposes ratepayers to unaffordable rates increases.

#### *Impact on residential ratepayers*

The submission makes no specific reference to residential property, but the submission does advocate an unchanging percentage of rateable value as the basis for all inner city properties. Assuming residential property was included this would mean:

- a separate differential would need to be established for downtown residential property.
- the extent of the differential between downtown and suburban residential property would widen as property values increased, meaning they would be paying significantly different rates.
- without continual adjustment to the differential between inner city and suburban residential rates (which would likely defeat the purpose of the submissions original intention), based on historical capital value movements, inner city rates would increase on average by 10% a year more than suburban rates.
- This gap would be partially offset for on development of suburban residential property as they would remain liable for development contributions. However the gap would remain between rates payable by existing suburban versus downtown property.

#### *Impact on central city ratepayer base*

- The proposal takes no account of the impost that rates increases that were fixed to changes in capital value could have on the viability of some businesses in the central city area. As an actual example, a small central city property has increased in value by 75% over the past five years. During that period the property's rates have increased by 24% (an average of 4.8% per year) from \$15,560 to \$19,330. If the submitter's proposal had been initiated five years ago the same ratepayer would be paying rates in 2007/08 of \$27,240, 40% higher than the proposed rating level for 2007/08. It is questionable whether rates increases of this magnitude would be acceptable.
- Using the previous example (i.e. if this proposal had been introduced in 2003/04) and extending this across the entire downtown commercial rating base, the Council would be expecting the downtown sector to be contributing \$25 million more in rates in 2007/08 than is currently proposed. This would equate to an average rates increase for the commercial sector of 16% per year, even after the impact of the differential transition. Again it is extremely doubtful whether rates changes of this magnitude would be either acceptable or in the best interest of the city as whole.
- The supposition that the Council would increase spending merely because the capital value of properties has increased would likely cause considerable adverse ratepayer reaction. Conversely concern exists over whether the Council would be in a position to reduce spending to the same degree if capital values declined.

### *Impact on Council decision making*

- With around 40% of rates funding coming from the central city, essentially the Council would be at the whim of property values to determine the level of annual expenditure in city. While the submitter promotes reverting to a 3 yearly valuation cycle, in recent times growth, particularly in the commercial sector has occurred in sustained spurts. The change to a three yearly cycle is therefore unlikely to solve the problem that in periods of sustained growth the Council could be inclined make unsubstantiated investment decisions, simply because the rate funding is available. During stagnation or decline in CV growth the service level expectations created are likely to be unaffordable. A further weakness of this scenario is that during the two years following a revaluation, even under a growth scenario the Council would not be in a position to collect more rates from the sector to manage inflationary pressures.
- The proposal would place considerably more emphasis on rateable capital values, as the percentage change in CV would equate to an identical percentage change in rates. At present only the difference from the average value increase of all properties in a rating category (plus changes in actual rate requirement) would result in a change in rates. This would likely lead to an unmanageable number of valuation objections and significantly impact on Council's ability to accurately strike rates.

### *Summary*

The legal and practical issues of this proposal render it unfeasible for New Zealand local authorities at present. The risks associated with uncertainty of rates collection would make planning beyond one year difficult. This would be of particular concern in a period of falling or stagnated property values and could place significant pressure on Council's ability to maintain service levels. The only clear beneficiaries of such a proposal are developers of property whose development contributions (under current policy) would be subsidised by existing ratepayers. Any benefit accruing to other property owners from additional Council investment in the city is likely to offset by their significant exposure to rates variability.

Given the limitations of the Local Government Act, it is likely that Council can achieve a similar objective without changing the way that it rates and without exposing both the Council and ratepayers to increased level of risk and uncertainty. This can be achieved simply: in prosperous times when growth is occurring in the city's property base (as opposed to just increase in the value of existing properties), the underlying rates increase is reduced. Council can decide either to add additional project expenditure and increase overall rates slightly (to offset the reduction caused by more rateable value to share the rates burden) or pass the benefit that this growth brings on to all ratepayers. Conversely when the economy is less buoyant and real property growth is slowed, the Council can look to consolidate, limit increases in service levels and/or number of new projects it invests in.

Despite views that this proposal is currently untenable, officers will continue to review alternative rating tools both in conjunction with the Local Authority Rates Inquiry, in response to proposals and submissions received and proactively as part of future reviews of the Council's Revenue and Financing Policy.

### **Working Party Recommendation**

Subject to other recommendations in this report the Working Party recommend that the Council's rating policy is implemented as proposed in the LTCCP, as amended.

## **7. Other Issues for Consideration**

### **7.1 *Pavement Permissions***

During its DAP deliberations the Strategy and Policy Committee agreed to an amendment to the FAR Working Party proposal in regard to charges for sandwich boards and outdoor (pavement) seating.

The amendment resulted in the resetting of expenditure budgets for these activities at 2006/07 levels and maintaining a 100% user charge policy, rather than incorporating the increased monitoring costs which would be required if the monitoring levels proposed under the Pavements Permission Policy are to be achieved. The revised budgets and funding provisions for activities covered under the pavement permissions umbrella policy are as follows:

<b>Footpath Management Policy</b>			<b>Initial FAR Working Party Recommendation (including GST)</b>			<b>Revised per Strategy &amp; Policy Committee</b>		
<b>Service</b>	<b>Activity</b>	<b>Description</b>	<b>Total Costs 2007/08 (Inc GST)</b>	<b>Total Recovery 2007/08 (Inc GST)</b>	<b>% Recovery</b>	<b>Total Costs 2007/08 (Inc GST)</b>	<b>Total Recovery 2007/08 (Inc GST)</b>	<b>% Recovery</b>
Outdoor Seating	6.5.3	Public Health	142,573	142,519	100%	101,500	101,500	100%
Sandwich Boards	2.4.4 (shift to 2.4.5)	Pedestrian Network	158,625	150,900	95%	90,000	90,000	100%
Retail Displays	2.4.4 (shift to 2.4.5)	Pedestrian Network	41,625	20,000	48%	41,625	20,000	48%
Street Performance & Busking	2.4.4 (shift to 2.4.5)	Pedestrian Network	39,375	-	0%	39,375	-	0%
Street Appeals & Charity Fundraising	2.4.4 (shift to 2.4.5)	Pedestrian Network	40,500	-	0%	40,500	-	0%
	<b>Cost Recovery rate</b>		<b>422,698</b>	<b>313,419</b>	<b>74%</b>	<b>313,000</b>	<b>211,500</b>	<b>68%</b>

<b>Pavement Permissions - indicative fee schedule</b>			
<b>Service</b>	<b>Activity</b>	<b>Initial FAR Working Party Recommendation (including GST)</b>	<b>Revised per Strategy &amp; Policy Committee</b>
Outdoor Seating	6.5.3	<b>Annual Licence Fee</b> CBD \$110 sq m Suburbs \$60 sq m <b>Application Fee</b> New \$300 Renews \$200 Specials \$300	<b>Annual lease Fee</b> CBD \$75 sq m Suburbs \$45 sq m <b>Application Fee</b> New \$165 Renews \$82.50 Specials \$220
Sandwich Boards	2.4.4 (shift to 2.4.5)	<b>Annual Licence Fee</b> CBD \$420 Suburbs \$250	<b>Annual Fee</b> CBD \$150 Suburbs \$90
Retail Displays	2.4.4 (shift to 2.4.5)	<b>Annual Fee</b> Licence fee \$400 <b>Application Fee</b> Applications \$300 -Non refundable deposit on annual licence fee.	<b>Annual Fee</b> Licence fee \$400 <b>Application Fee</b> Applications \$300 -Non refundable deposit on annual licence fee.
Street Performance & Busking	2.4.4 (shift to 2.4.5)	NIL	NIL
Street Appeals & Charity Fundraising	2.4.4 (shift to 2.4.5)	NIL	NIL
Trading in public places	2.4.4 (shift to 2.4.5)	<b>Annual Fee</b> Licence fee \$400 <b>Application Fee</b> Applications \$300 -Non refundable deposit on annual licence fee.	<b>Annual Fee</b> Licence fee \$400 <b>Application Fee</b> Applications \$300 -Non refundable deposit on annual licence fee.

Despite these changes, the overall impact on the funding policy for the Public Health and Pedestrian Network activities is not significant. Accordingly no changes are recommended to the funding policy for these activities.

## **7.2 Local Government Forum**

The Council has received a submission (in the form of a letter to Her Worship, the Mayor) from the Local Government Forum following up on issues raised by the Forum in their submission to the 2006/07 LTCCP. The Working Party noted that the Local Government Forum has advocated for a change to the way the cost of capital is incorporated into the capital/asset investment decisions of local authorities. Council officers have previously met with representatives of the Local Government Forum to gain an understanding of this issue and its application. In noting this issue and the work undertaken to date by officers the Working Party has requested further advise/information be received as part of the 2008/09 DAP deliberations.

The Working Party noted that officers are undertaking a significant piece of work around refining the Council's borrowing and investment strategies, which incorporates

the issues raised in this submission. It is proposed that this be considered as part of the forward programme of the FAR Working Party.

## **8. Conclusion**

The Finance and Activity Review Working Party has considered the many submissions received in regard to the Council's Revenue and Financing Policy.

For the Marinas activity this has resulted in the Working Party recommending a revision to the cost base and associated fees and charges as outlined in the Draft Annual Plan.

In proposing no further changes to user fee funding proportions from those proposed in the Draft Annual Plan, the Working Party has placed emphasis on achieving compliance with our funding policy targets. Any failure to comply with Revenue and Financing Policy user fees targets result in the shortfall having to be met by general ratepayers.

In respect of the proposed amendments to the LTCCP and Revenue and Financing Policy the Working Party recommends that there being no substantive issues raised by respondents that the amendments detailed in the Statement of Proposal (attached as Appendix 1) be approved.

Contact Officer: *Andy Matthews, Manager Funding & Financial Strategy*

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## SECTION THREE

## PROPOSED AMENDMENTS TO THE REVENUE AND FINANCING POLICY

## 3.1

### INTRODUCTION

In accordance with the Local Government Act 2002 (the Act) the Council is required to adopt a Revenue and Financing Policy that provides the detail on the funding of operational and capital expenditure. The Council's Revenue and Financing Policy was adopted by the Council in June 2006 as part of the 2006/07 – 2015/16 Long Term Council Community Plan (LTCCP).

The Council proposes to amend the Revenue and Financing Policy to take into account the following:

- The Revenue and Financing policy implications of proposal from the Crown to invest in the Council's social housing. The proposal from the Crown contains a number of conditions that would require an amendment to the Revenue and Financing Policy.
- Proposed changes to funding policy targets (user charges, other revenue and rates) where the current targets are no longer considered reasonable or affordable.
- Proposed changes to the funding policy targets to reflect the realignment of Council projects and activities.
- Proposed changes to the transition of the rates differential between the business and residential sectors.

The Council considers that the above amendments are necessary in order to ensure that the Council continues to operate in a financially prudent manner, in compliance with an approved and up to date Revenue and Financing Policy that meets the expectations and demands of it.

In accordance with the Act, the Council is required to prepare a "Statement of Proposal" detailing the proposed amendments and to consult on the proposal using the special consultative procedure.

The following Statement of Proposal provides further detail on the proposed amendments. A description of the amendment, the reasons for the proposed amendment and the implications of the amendment are set out below.

## 3.2

### COMMUNITY HOUSING

As indicated in the Council's Revenue and Financing Policy "the Council will use capital subsidies from third parties to fund investment in new or upgraded assets". In the 15 years from 2008/09 the Council anticipates receiving \$220 million from Central Government to fund upgrade and/or replacement of its community housing assets. This will allow the Council to carry out significant upgrade of its housing assets, expenditure not previously contained in the LTCCP. This is detailed in section one of this statement of proposal.

Under the existing LTCCP any cash surpluses arising from the Community Housing operation are used to offset rates. In future these will be 'ring fenced' for reinvestment into the housing activity. This will have a consequential impact of increasing general rates by approximately 1% from 2008/09.

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In conjunction with this change the Council proposes to remove the capital charge currently allocated to this activity. This reflects the cost of capital invested in the city housing stock and is shown in an activity funding split of 70% user charges and 30% general rate funding (LTCCP Vol. 2, page 80). This is also generally consistent with the application of the 70% of market rent policy currently applied.

The removal of the capital charge will result in the funding target for the activity reverting to 100% user charges.

CURRENT REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	70%
Other revenue	0%
Targeted rate	0%
General rate	30%
<b>Total</b>	<b>100%</b>

AMENDED REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%
<b>Total</b>	<b>100%</b>

3.3

DEVELOPMENT CONTROL AND FACILITATION

This activity covers the issuing of resource consents, monitoring compliance and dealing with complaints in regard to the Council's statutory responsibility under the Resource Management Act to ensure land and other resources are used in a sustainable manner.

As a result of a recent review of our Revenue and Financing Policy we propose to transfer Noise Monitoring (which is fully rates funded) away from Development Control and Facilitation activity and into the Public Health activity. As noise monitoring is 100% general rates funded, this shift will result in an increase in the User Charge funding target for the Development Control and Facilitation activity from 40% User Fees to 45%. This change has no overall impact on the Council's rates requirement.

CURRENT REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	40%
Other revenue	0%
Targeted rate	0%
General rate	60%
<b>Total</b>	<b>100%</b>

AMENDED REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	45%
Other revenue	0%
Targeted rate	0%
General rate	55%
<b>Total</b>	<b>100%</b>

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## 3.4 PUBLIC HEALTH

As a consequence of the transfer of Noise Monitoring from the Development Control and Facilitation activity to the Public Health activity, we propose to decrease the user charge funding target for the Public Health activity from 50% to 45% to reflect the increase in 100% rates funded expenditure proposed to be incorporated within the activity. This change has no overall impact on the Council's rates requirement.

CURRENT REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	50%
Other revenue	0%
Targeted rate	0%
General rate	50%
<b>Total</b>	<b>100%</b>

AMENDED REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	45%
Other revenue	0%
Targeted rate	0%
General rate	55%
<b>Total</b>	<b>100%</b>

## 3.5 PROMOTING AND HOSTING CULTURAL EVENTS

We propose to decrease the other revenue funding target for this activity from 35% to 25% to reflect the reduction in non-Council external grant funding received for the provision of this activity. This will result in an increase in the general rates requirement of approximately \$130,000 per annum.

CURRENT REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	0%
Other revenue	35%
Targeted rate	0%
General rate	65%
<b>Total</b>	<b>100%</b>

AMENDED REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	0%
Other revenue	25%
Targeted rate	0%
General rate	75%
<b>Total</b>	<b>100%</b>

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## 3.6

## COMMUNITY CENTRES AND HALLS

We propose to decrease the user charges and other revenue component targets for this activity from 20% to 2%, to reflect the reclassification of rental revenue streams previously included under this activity but now more appropriately recorded as corporate revenue (which is unallocated to Council activities). This change has no overall rates impact.

CURRENT REVENUE AND FINANCING POLICY FUNDING TARGET		AMENDED REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	10%	User charges	2%
Other revenue	10%	Other revenue	0%
Targeted rate	80%	Targeted rate	98%
General rate	0%	General rate	0%
<b>Total</b>	<b>100%</b>	<b>Total</b>	<b>100%</b>

## 3.7

## SWIMMING POOLS

We propose to decrease the user charge funding target for this activity from 45% to 40%, with an increase in the General Rates funding target from 55% to 60%. This change is proposed in conjunction with an increase in fees for these services. The objective of these proposed changes is to appropriately manage the competing expectations of recovering an appropriate level of funding from users of the Council's swimming pools but at a level that remains affordable to all potential users. This change will result in an increase in general rates funding requirement of approximately \$780,000 per annum (an increase that would otherwise have been required to have been met by increased fees and charges if the Council ensured full compliance with the targets set out in the current policy).

CURRENT REVENUE AND FINANCING POLICY FUNDING TARGET		AMENDED REVENUE AND FINANCING POLICY FUNDING TARGET	
User charges	45%	User charges	40%
Other revenue	0%	Other revenue	0%
Targeted rate	0%	Targeted rate	0%
General rate	55%	General rate	60%
<b>Total</b>	<b>100%</b>	<b>Total</b>	<b>100%</b>

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3.8

RATES DIFFERENTIAL

In 2000 the Council voted to alter the rates differential (the rates split) that decides the share of general rates paid by residents and businesses. The LTCCP proposed that over a 10 year period the balance will shift from a point where the commercial sector contributed 7.0 times more general rate (for a property of the same value) to a stage where they will end up contributing 2.8 times more general rate than the residential ratepayer by 2009/10.

The Council believes it is appropriate to spread the impact of proposed activity funding changes and that a smooth transition towards the 2.8: 1 ratio continues, while also taking into account the annual impact of the differential shift on individual ratepayers.

To achieve this the Council proposes to amend the differential transition, by restating the 2007/08 general rate differential from 3.8: 1 as proposed in the LTCCP to 4.2:1 and push out the timeline over which the 2.8:1 differential target will be achieved from 2009/10 to 2011/12 as follows:

2007/08	2008/09	2009/10	2010/11	2011/12
4.20:1	3.80:1	3.45:1	3.10 :1	2.8 : 1

CONTENTS

### 2007/08 ANNUAL PLAN - FEES AND CHARGES SCHEDULE

## Fees and User Charges

Our Revenue and Financing Policy guides our decisions on how to fund Council services. Under the policy, we take into account who benefits from a service (individuals, parts of the community, or the community as a whole) to help us determine how the service should be funded. The policy set targets for each Council activity, determining what proportion should be funded from each of user charges, general rates, targeted rates and other sources of income.

For 2007/08, in line with that policy, we're proposing some changes to fees and charges in the following areas.

- Building control and facilitation
- Urban planning – District Plan
- Development control and facilitation
- Public health
- Wellington Emergency Management Office
- Roothing, Traffic and Transport
- Burials and cremations
- Marinas
- Recreation centres
- Community halls
- Swimming Pools
- Libraries

New fees will be implemented as of 1 July 2007. For more information see [www.Wellington.co.nz](http://www.Wellington.co.nz)

*Note that the following list of fees and charges is not a conclusive list of all fees and charges levied by the Council. It consists of the those fees and charges where a change is recommended to apply from 1 July 2007 and where the Council is required to consult on changes to fees and charges through its consultation process.*

All fees and charges are inclusive of 12.5% GST unless otherwise stated.

**Building control and facilitation**

	Fee (\$)
<b>Building Permissions (incl. building inspection services)</b>	
<b>Small Works</b>	
Drainage/Plumbing (<\$2,000)	256.25
Free Standing Fireplace	166.25
In-built Fireplace (<\$2,000)	357.50
Additional Inspection Fee	101.25
<b>Building Consents</b>	
Lodging Fee	90
Code Compliance Certificate	90
<b>Project Information Memorandum (PIM)</b>	
<b>PIM (if lodged with building consent):</b>	
Project value <\$5,000	65
\$5,001 - \$12,000	130
\$12,001 - \$50,000	195
\$50,001 - \$250,000	260
\$250,001 +	455
<b>PIM only (not lodged with building consent):</b>	
\$5,000 - \$250,001	155 – 545
<b>Plan Check</b>	
<\$,5000	130
\$5,001 - \$12,000	228
\$12,001 - \$25,000	293
\$25,001 - \$50,000	325
\$50,001 - \$75,000	423
\$75,001 - \$100,000	455
\$100,001 - \$250,000	845
\$250,001 - \$500,000	1,170
\$500,001 - \$1,000,000	1,950
\$1,000,000+	1,800+ 650 For each \$500k or part thereof over \$1,000,000
<b>Building Certificate (pre-requisite for liquor licence application):</b>	
Where application received with application for town planning certificate	130
Where application received independently	220

## APPENDIX 2

	Fee (\$)
<b>Certificates of Acceptance (includes lodging fee and inspection deposit)</b>	
< \$ 5,000	458
\$5001 - \$12,000	620
\$12,001 - \$25,000	653
\$25,001 - \$50,000	685
\$50,001 - \$75,000	783
\$75,001 - \$100,000	815
\$100,001 - \$250,000	1,238
\$250,001 - \$500,000	1,530
\$500,001 - \$1,000,000	2,310
\$1,000,000+	2,140+ 1,010 for each \$500k or part there of over \$1,000,000
<b>S77 Fees (Construction on two or more allotments)</b>	
Processing time	130
Legal costs	Actual cost
LINZ lodgement	Actual cost
<b>Vehicle Access</b>	
Linked to a building consent or resource consent	260
Received independently (small)	285
Received independently (multiple)	480
<b>Vehicle Crossing</b>	
Initial Inspection Fee	130
Vehicle Crossing Inspection Fee over 1 hour, per hour	130
<b>Earthworks Consent</b>	
Linked to a building consent	195
Received independently	285
Processing time over 1 hour, per hour	130
<b>Amended Plan</b>	
Initial Fee (includes 1 hour processing time)	197.50
Process time over 1 hour, per hour	130
<b>Marquee Licenses</b>	
Consent	130
Inspection, per hour	135

## APPENDIX 2

<b>Compliance schedule/ Building Warrant of Fitness</b>	
New compliance schedule (linked with Building Consent)	130
Alterations to compliance schedule (linked to Building Consent)	97.50
Amendments to compliance schedule	225
Building Warrant of Fitness – Annual Certificate	135
Building Warrant of Fitness Inspection, per hour	135
<b>Fire Service reports</b>	Actual cost
<b>Consultants reports</b>	Actual cost
<b>Structural Fee/ Producer Statements</b>	
Structural fee for checking elements of specific design on projects comprising structural works, not supported by a producer statement, for:	
• single element	395
• several separate elements	560
• major design aspects on project valued under \$250,000	1,087.50
• major design aspects on larger projects	1,747.50
Structural fee for checking elements of specific design on projects comprising structural works, supported by a producer statement for:	
• single element	196.25
• several separate elements	278.75
• major design aspects on project valued under \$250,000	320
• major design aspects on larger projects	402
<b>Building Inspections</b>	
Standard Inspection Fee: 45 minute inspection	101.25
Standard Final Inspection: 1 hour inspection	135
Engineering inspections (not covered by a Producers Statement) , including fire engineering, structural engineering for unusual proposal, specific design	Actual cost, plus 90
<b>Swimming Pool</b>	
Fencing Inspection: first standard inspection free	Free
Fencing Inspection: additional standard inspection – 45 minutes (first standard inspection free)	101.25
Exemptions: Base fees (including 5.5 hours of processing time)	742.50
Exemptions: processing costs after the initial 5.5 hours	135
Hearing costs	Actual cost

## APPENDIX 2

<b>Public Drainage</b>	
Consents – major works (with pipes)	\$400 for the first \$4,000 plus 8% of the balance over \$4,000 (excl GST)
Consents – minor works (single manholes, sumps and leads)	330
<b>Customer Services</b>	
Pre-application meeting (per quarter hour)	32.50
Monthly report of issued building consents	67.50
Administration Fee	67.50

**Public health fees**

	<b>Fee (\$)</b>
<b>Trade Waste</b>	
<b>Trade Waste Licence Fee:</b>	
• Initial Application Fee	161.25
• High Risk	1,612.50
• Medium Risk	806.25
• Low Risk	268.75
• Minimal Risk	86
<b>Trade waste health fees:</b>	
Grease traps	107.50
Shared grease trap (per premises)	27.00
Grit traps	107.50
Charge after first hour (per hour)	107.50
Monitoring (lab) charges	Actual
<b>Collection and transport of trade waste:</b>	
Initial application fee	134.50
Charge after first hour (per hour)	107.50
Annual licence fee	161.25
Monitoring (lab) charges	Actual
<b>Pavement Permissions</b>	
• Initial Application	165
• Renewal	82.5
• Special Application	220
• Central City (m2)	75
• Suburbs (m2)	45

**Development control and facilitation**

	<b>Fee (\$)</b>
<b>Resource Consent Fees</b>	
Pre-application meetings (per hour) – planner/advisor (2 pre-application meetings are free of charge)	115
All consents: additional processing hours (per hour) – planner/advisor	115
All consents: additional processing hours (per hour) – administrative officer	60
<b>Compliance Monitoring</b>	
Additional hours (per hour) – administrative officer	60
Additional hours (per hour) – planner/advisor	115

**Urban Planning – District Plan**

The District Plan project generates revenue by processing private plan changes, designations and heritage orders on behalf of private entities. The calculation of the charge-out rate of \$115 per hour is based on the actual cost of the unit.

Under the RMA there are 2 types of fees. First are those fixed under section 36(1) RMA. Second are additional charges under section 36(3) RMA which are payable where the section 36(1) fee charged is not enough to cover Council’s actual and reasonable costs. If the actual cost is less than the fee paid, a refund will be made to the applicant under section 36. Where a fixed fee applies, no refund or additional invoicing is made.

	<b>Fee (\$)</b>
<b>Planning Policy</b>	
<b>Plan Changes</b>	
Application for District Plan change. (This covers the initial decision to accept plan change, mail out, processing submissions and further submissions, offer’s report, hearing and decision provided that the fee only covers the plan change application process described to the extent that the planner/adviser time @ \$115 per hour and administrative officer time @ \$60 per hour and Council’s further actual costs do not exceed \$10,000. If Council’s actual costs are more than \$10,000 Council will charge its actual and reasonable costs under section 36(3) in accordance with the additional charges set out below).	10,000
<b>Designations and heritage orders</b>	
Notice of requirement for designations and heritage orders (fee is for assessing the application, notification, processing submissions, officer’s report, hearing and recommendation provided that the fee only covers the designation or heritage order process described to the extent that the officer time @ \$115 per hour and administrative officer time @ \$60 per hour, and Councils further actual costs do not exceed \$5,000. If Council’s actual costs are more than \$5,000 Council will charge its actual and reasonable costs under section 36(3) in accordance with the additional charges set out below)	5,000
<b>Additional charges applying to above</b>	
Additional planner / advisor’s time (per hour)	115
Additional administrative officer’s time (per hour)	60
<b>Fire Permits</b>	
Urban Areas	25
<b>Road Works Notices</b>	
Administration Fee	55
Inspection Fee	75
<b>Trading in Public Places</b>	
* Temporary Retail Stall Licence	
* Mobile Food Stall Licence	
* Recreational Equipment Hire Licence	

## APPENDIX 2

	Fee (\$)
Fees are as below, and to be reviewed annually:	
Per application for processing (non-refundable, waived if the licence is competitively tendered out by the Council)	300
Per licence per year	400
Per hour for any special considerations such as modifications to existing licenses	100
In addition the Council may approve: * Retail Kiosks * Open Air Markets * Hawking Retail Kiosks will have lease costs associated with them and the applicable processes and fees are yet to be established. No licence fees have been set for open air markets or hawking at this time but may be applied in future.	
<b>Footpath Management</b>	
<b>Retail Displays</b>	
Per application for processing (non-refundable – becomes a deposit on the annual licence fee)	300
Per licence per year (less any application fee paid for the first year)	400
Per hour for any special considerations such as modifications to existing licences	100
<b>Sandwich Boards, and other temporary obstructions such as welcome mats and menu boards</b>	
CBD (fee per year)	150
Suburbs (fee per year)	90

**Burials and Cremations**

<b>(all burial and cremation fees excluding GST)</b>	<b>Fee (\$)</b>
<b>Cremations</b>	
Delivery Only	480
Committal Service	495
Full Service (1 Hour)	545
Bio tissue (Wgtn Hospital)	480
Foetal Tissue (Wgtn Hospital)	55
Ash Scattering	60
Ash Scattering overtime	180
Express Ash	180
Certificate of Cremation	40
Cremation Overtime	290
Funerals booked after 3:30pm	60
Chapel Hire (per half hour)	90
Chapel Hire for Burials	115
Chapel Hire for Cremations Elsewhere	170
Viewing Casket charge	70
Public Holiday Fee	565
Late Service Fee	115
Memorial Book Entry	80
<b>Burials at Karori</b>	
<b>Ash Interments</b>	
Ash Plot (2 Interments)	710
Ash Plot (4 Interments)	1,300
Ash Interment	100
Ash Disinterment	200
Memorial Plots	450
Overtime – Ash Interments	180
Core Drilling Ash Interments	200
<b>Burials</b>	
Second Interment	1,015
Breaking of Concrete Floor	160
Grave Reuse (Disinterment, Dig Down, Reinter below new burial)	1,580
Grave Disinterment	1,580
Vault Placement	250
Burial Overtime	400
Public Holiday Fee	790
Funerals booked after 3:30pm Burial	80
<b>Niches</b>	
Single Bronze Niche (old)	830
Plaque (name, date of death, age)	315
Singe Bronze Niche (new)	875
Double Bronze Niche (new)	1,100
Double Granite Niche (new)	1,100

## APPENDIX 2

<b>(all burial and cremation fees excluding GST)</b>	<b>Fee (\$)</b>
Plaque (name, date of death, age)	395
Niche placement/removal	100
Plaque placement/removal	50
Overtime niche placement	90
<b>Burials at Makara</b>	
<b>Ash Interments</b>	
Ash Beam (4 interments)	225
Ash Circle Plot	450
Ash Interment	100
Beam fee	130
Plot maintenance fee	125
<b>Lawn Cemetery</b>	
Adult plot	780
Plot maintenance	340
Babies plot	360
Babies plot maintenance	175
Ash plot 2x2	200
Beam fee	130
<b>Denominational</b>	
Plot	970
Extra depth (per 300mm)	170
Plot maintenance	480
Beam fee	130
Interment fee	555
Interment fee – children	110
Interment fee – babies	85
2 <sup>nd</sup> interments	790
Boards	135
<b>Miscellaneous</b>	
Temporary grave markers	100
Permits	100
Permit fee soldiers	50
Embossed plaque	510
Engraved plaque and 1 <sup>st</sup> inscription	415
2 <sup>nd</sup> inscription	100
Bronze plaques – wall plaques	280
Bronze plaques – rose garden	280
Bronze plaques – lawn plaques	500
Plaque refurbishment	90
Concrete stand for plaque	70
Courier fee	15
Change of deed	40
Rimu Urn	30
Cancellation fee	115
Funerals booked after 3:30pm burial	80

## APPENDIX 2

### Marinas

	Fee (\$) /annum
<b>Evans Bay Marina (all fees excluding GST):</b>	
Berths (8m to 20m)	2,118
Berths (8m SR)	1,252
Boat Shed Small	834
Boat Shed Medium	1,669
Boat Shed Large	2,504
Dinghy Lockers	252
<b>Clyde Quay Boat Harbour (all fees excluding GST):</b>	
Boat Shed (2 to 13)	1,673
Boat Shed (14 to 27)	1,504
Boat Shed (38B)	1,205
Boat Shed (38A to 42B, 48A and 48B)	1,733
Boat Shed (43A to 47B)	2,007
Moorings	793
Dinghy Racks	142

### Recreation Centres

	Fee \$
Facility Hire	40

### Swimming Pools

	Fee (\$)
Adult Swim	5
Child Swim	3
Under 5's	1
PTL Swim	2.50
Family Pass	12.80
Swim Membership - Adult (monthly)	50
Swim Membership – Child (monthly)	30

### Libraries

	Fee (\$)
Adult's DVD	4
Child's DVD	0.50
Young Adult's DVD	0.50
Reserve fees for Adults	2
Overdue book or magazine fees for adults (per day)	0.60
Overdue book or magazine fees for children (per day)	0.30
Adult's magazines	0.50

**Community Halls**

	<b>Fee (\$)</b>
Ngaio, Khandallah, Vogelmorn (off peak)	10
Ngaio, Khandallah, Vogelmorn (peak)	15
Ngaio, Khandallah, Vogelmorn (casual)	20
Ngaio, Khandallah, Vogelmorn (commercial)	35
Linden (off peak)	15
Linden (peak)	15
Linden (casual)	20
Linden (commercial)	35