



Nelson City Council

te kaunihera o whakatū

STATEMENT OF PROPOSAL

**DRAFT ENVIRONMENTAL MONITORING AND
SCIENCE CHARGES UNDER THE RESOURCE
MANAGEMENT ACT 1991 – RESOURCE
CONSENTS ACTIVITY**

A1979547

1. Introduction

The Resource Consents activity has a variety of functions associated with resource consents that have an element of cost recovery. While some charges are set by statute, other statutes give local authorities the power to set charges. This proposal considers fees and charges for:

- a) Resource consents: environmental monitoring and science research.

The Council regularly reviews the fees and charges to:

- a) Ensure that those who benefit from the services of the resource consent activity pay a fair and reasonable share of the costs of these services; and
- b) Ensure fees and charges reflect any changes in the cost of providing these services; and

Funding is achieved by Council through a mix of general rates, fees and charges, and infringement fees and fines. The level of cost recovery from applicants affects the level of ratepayer funding that is required.

Section 101(3) of the Local Government Act 2002 and Section 36 (4) of the Resource Management Act 1991 provide that charges for regulatory functions are to be cost-effective, with the purpose of recovering the reasonable costs incurred by the Council in respect of the activity to which the charge relates, with those gaining the benefit from the regulatory service paying the reasonable cost for that service.

Section 36(3) of the Resource Management Act 1991 requires the Council to seek public feedback on its proposed fees and charges through the Special Consultative Procedure under section 83 of the Local Government Act 2002.

2. The Approach to Charges

- 2.1 Council's current charging structure set out in its Fees and Charges Schedule for Resource Consents is based on applicants lodging an initial sum of money determined by the nature or category of consent. This is credited to the applicant's consent account. As the consent is processed those processing costs are debited against the applicant's account.
- 2.2 The cost of the consent processing is based on:
 - a) The time spent by Council staff and any specialist advisers assessing and reporting on the application; and
 - b) The staff hourly charge (consultants are charged out at this rate if staff would normally process the consent), or the consultant charges (if there is a lack of expertise or conflict for staff); and
 - c) Administrative costs; and
 - d) An initial charge incorporating the first hour of monitoring if monitoring is required. Subsequent monitoring is charged at the staff hourly rate.
- 2.3 When the decision on the consent is made, and processing is completed, the costs are calculated and a refund is made if the cost is less than the initial charge, or an account for further payment is sent if the costs exceed the amount of the initial charge.

- 2.4 The 2009 Amendments to the Resource Management Act 1991 included the introduction of a Discount Policy should the consent:
- Be processed outside the statutory timeframes; and
 - It was the fault of the Council.
- 2.5 The discount policy introduced by the 2009 amendment came into effect on 31 July 2010. The default discount is 1% of the consent processing costs per day the consent was late, up to a maximum of 50% of the costs of the consent. Councils can choose to give a more generous discount than the default.

3. The Proposal

- 3.1 An additional annual charge on resource consents is proposed for a range of activities benefiting from environmental monitoring and science research undertaken by the Council.
- 3.2 These activities and the charges proposed are set out below:

Annual Environmental Monitoring and Science Charges

Activity	Annual charge
Air discharge - small (eg abrasive blasting; commercial wood-fired pizza ovens)	\$60
Air discharge - medium (appliances <1000kW)	\$400
Air discharge - large (appliances >1000kW)	\$600
Discharge to land or water <20m ³ /day	\$60
Discharge to land or water 20 -100m ³ /day	\$400
Discharge to land or water >100m ³ /day	\$600
Gravel/sand extraction <2000m ³ /annum	\$60
Gravel/sand extraction 2000m-10,000 ³ /annum	\$300
Gravel/sand extraction >10,000 ³ /annum	\$400
Quarry/other earthworks	\$150
Earthworks from subdivision	\$150
Forestry/woodlot harvest <100ha	\$60
Forestry harvest >100-200ha	\$100
Forestry harvest >200ha	\$200
Works in river/stream bed	\$150
Water take surface water <5 l/s, or groundwater <100,000m ³ /year	\$60
Water take surface water 5-25 l/s, or groundwater 100,000 - 200,000m ³ /year	\$200
Water take surface water >25 l/s - <60 l/s, or groundwater > 200,000 m ³ - <400,000m ³ /year	\$700
Water take surface water >60 l/s, or groundwater > 400,000 m ³ /year	\$1,000
Coastal consents (other than takes or discharges)	\$100
Dredging	\$200

- 3.3 Annual environmental monitoring and science charges listed above shall accrue from 1 January 2019 and be invoiced on 16 February 2019; with payment required by the 20th of the month following invoice.

4. Reasons

- 4.1 The proposed new charges are to recover annual environmental monitoring and science costs of supporting resource consents and compliance of them. Specific activities covered include:
- Low flow and flood monitoring of rivers and streams with water takes
 - Static water level monitoring for groundwater quantity
 - Air quality monitoring
 - Estuarine monitoring – including sediment quality, benthic community, sediment accumulation, broad scale habitat monitoring
 - Coastal environment monitoring – recreation bathing water quality, stormwater and wastewater monitoring, Tahunanui beach erosion monitoring, faecal indicator bacteria monitoring in shellfish, biodiversity monitoring (eg shorebirds, wetland birds, estuarine fish)
 - Installation and maintenance and of telemetry systems and equipment to support river and groundwater flow monitoring and ambient air quality monitoring
 - Biological and water quality monitoring of rivers and lakes (surface and groundwater) where significant land use activities, discharges and water takes are being undertaken, including suspended and deposited sediment, recreation bathing quality, freshwater fish, spawning habitat
 - Riverbed level (gravel) monitoring
- 4.2 The Council has not previously charged a contribution towards the costs of environmental monitoring and science which supports resource consents. Instead these costs have been borne by all ratepayers. It is considered to be more equitable and fair that the ongoing environmental monitoring required to ensure that consent holders activities are undertaken without causing significant effects on the environment should be funded by consent holders and general ratepayers, when the need for this monitoring is driven in part by the consent holder's activity.
- 4.3 In recent years the Government has increased requirements of monitoring and reporting through changes to the Resource Management Act 1991, the National Policy Statement for Freshwater, the National Environmental Standard for Plantation Forestry and other regulatory documents. These changes have substantially increased requirement on councils in relation to particular regional functions.
- 4.4 Introducing consent holder fees in relation to environmental monitoring recognises:
- That there are costs associated with these activities.
 - Who the beneficiaries of these activities are in terms of being able to exercise their consents.

- Who are the exacerbators driving the need for environmental monitoring in areas of impact

4.5 Affected consent holders benefit from the Council’s environmental monitoring programme in various ways. The work provides the evidence needed for sound management of natural resources and the information can be used by consent holders to:

- Prepare monitoring reports;
- Help with future applications;
- Meet conditions of their resource consents.

5. Assessment

5.1 The Council must have regard to criteria listed in section 36AAA of the Resource Management Act 1991 when fixing charges. Proposals in section three above have met this criteria as follows:

- a) The charges are met by the applicant in each case as it is fair they pay a proportion of the Council’s actual costs of environmental monitoring since they receive benefits for their consented development.
- b) Overall the charges have been set at levels that will recover the reasonable anticipated costs incurred by the consent authority.

6. Alternatives

6.1 The options considered by Council including the advantages and disadvantages of each are outlined in the table below. Note Option 1 is the proposal for this consultation process.

Option 1: Implementing the proposed schedule of fees	
Advantages	<ul style="list-style-type: none"> • Enables use of tools available to recover costs and adopt best practice in line with other councils. • Private benefit from Council’s environmental monitoring and science programme is reflected by contribution from consent holders.
Risks and Disadvantages	<ul style="list-style-type: none"> • There will be additional ongoing administrative costs to implement, but these will be absorbed within existing budgets. • Potential opposition from affected consent holders.
Option 2: Implement a different mix of charges	
Advantages	<ul style="list-style-type: none"> • A different mix of charges may be supported by some submitters.
Risks and Disadvantages	<ul style="list-style-type: none"> • Will delay the implementation/ commencement of charges, and Council might not collect sufficient income for this activity.

Option 3: Implement a higher level of charges	
Advantages	<ul style="list-style-type: none"> • Would provide a higher income and level of recovery. • Less ratepayer funding required.
Risks and Disadvantages	<ul style="list-style-type: none"> • An increased level of dissatisfaction from affected consent holders.
Option 4: Implement a lower level of charges	
Advantages	<ul style="list-style-type: none"> • Lower level of dissatisfaction from affected consent holders.
Risks and Disadvantages	<ul style="list-style-type: none"> • Less income and level of recovery • Higher level of ratepayer funding required.
Option 5: Business as usual – no charge	
Advantages	<ul style="list-style-type: none"> • Ongoing implementation is not required.
Risks and Disadvantages	<ul style="list-style-type: none"> • Ongoing and potentially increasing costs of environmental monitoring and science is borne completely by the public through rates.

7. Special Consultative Procedure

In adopting the Statement of Proposal for public consultation, including a draft declaration indicating the proposed option, the Council is required to consider whether the Statement of Proposal meets the requirements of section 83 of the Local Government Act 2002. A statement of proposal must include:

- A statement of the reasons for the proposal; and
- An analysis of the reasonably practicable options, including the proposal; and
- Any other information that the local authority identifies as relevant.

Council considers the Statement of Proposal meets these requirements.

8. Submissions

8.1 Any interested person or body is welcome to make submissions on any aspect of the proposed charges outlined in clauses 2.12 to 2.33 of the Council's Draft Fees and Charges for Environmental Monitoring and Science – Resource Consents Activity. Council in making its decision will be taking account of all submissions made.

8.2 Submissions can be made by:

- Visiting the Council website nelson.govt.nz/consultations and clicking on the link which will take you to the online submission form for the Environmental Monitoring and Science Charges under the Resource Management Act 1991
- Email to submissions@ncc.govt.nz
- Dropping your submission form into Civic Offices, 110 Trafalgar Street, Nelson

- Posting your submission form to:

Draft Environmental Monitoring & Science Charges under the RMA
Nelson City Council
PO Box 645
Nelson 7040

All submissions, including name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details are kept private. Council will not accept any anonymous submissions.

- 8.3 Submissions must be received no later than **4pm on Friday 14 September 2018.**

Any person who wishes to speak to the Council in support of their submission will be given the opportunity at a hearing which will occur on 4 October 2018, the specific date to be advised to all submitters wishing to be heard.

If a submitter wishes to make their presentation in Te Reo Māori or sign language they should advise Council of this as part of their written submission.

- 8.4 Copies of the Statement of Proposal are available free of charge from Civic House or on request.

All enquiries should be directed to Richard Frizzell on 546 0423 or email richard.frizzell@ncc.govt.nz.