



# **Statement of Proposal**

Draft Fees and Charges 2018/19

Consultation 28 March-29 April 2018

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This is a proposal to review our Fees and Charges 2018/19 (Fees) under the Local Government Act 2002 (LGA). We are proposing some amendments and additions and asking the community for submissions to assess support/objections so any alterations can be considered before Council adopt the Fees and they come into effect on 1 July 2018.

### **Background**

In the interest of efficiency this Statement of Proposal (SOP), for the review of Fees, is being undertaken alongside the Long Term Plan 2018-28. Council is consulting on the Fees using section 83 (special consultative procedure) of the LGA as this aligns with what we are required to do for the Long Term Plan 2018-28 consultation. This also covers the requirement to consult in a way that gives effect to the principals of consultation of the LGA.

### **Purpose**

The purpose of consultation is to assess public support/objections so any alterations can be considered before Council adopt the Fees.

### **What are the Fees?**

Are either total or partial cost recoveries for certain services. The proportion of costs intended to be recovered for any given activity is set out in Council's Revenue and Financing Policy, which influences the level of fees set for a service. The Fees cover a wide range of our activities, from infrastructure to building consents and more.

### **Reason we review Fees**

We review our fees and charges annually as part of our Annual Plan or Long Term Plan process. This ensures fees and charges are kept up to date and reflect actual and reasonable costs to make sure additional processes and new costs are fully covered. By reviewing the fees and charges alongside the Annual/Long Term Plan it enables us to consider the impact of any changes to fees and charges to our budgets.

### Rationale for increases

We aim to recover some or all of the costs we incur when providing certificates, approvals, permits or consents, or carrying out inspections, where there is significant private benefit. If these costs are not charged to the user, the only other practicable option available is for us to recover the costs through general rates revenue, which is a charge on all ratepayers. We consider that seeking a reasonable fee or charge from the person who requires a specific service is the most appropriate option. We also need to pass on increases in our costs, and we generally rely on inflation data from Business and Economic Research Ltd (BERL) when looking at increases of this nature.

Our overall policy for funding our activities is set out in our Revenue and Financing Policy in the Long Term Plan 2018-28, this includes the rationale for why activities are funded in certain ways. Overall we aim to fund our activities as follows:

<b>Activity</b>	<b>Funding</b>
Carparks and street furniture	General rates 100%
Cemeteries	General rates 40-60% Fees and charges 40-60%
Housing	User charges 100%
Rural halls	Targeted hall rates on varying bases for each of the rating areas 80%. Fees and charges on varying bases for each of the rating areas.
Corporate property/general property	General rates 80-90% Fees and charges 10-20%
Libraries	General rate 80-93% Fees and charges 7 -20%
Parks and tracks	General rates 90-100%

	Fees and charges 0-10%
Pools and spas	General rates 60-70% Fees and charges 30-40%
Public toilets	General rates 100%
Recreation facilities and heritage	General rates 85-90% Fees and charges 10-15%
Animal control	General rates 20% Fees and charges (including fines) 80%
Building consents and monitoring	General rates 40-60% Fees and charges 40-60%
Health	Licence processing – 100% user pays Enquiries/complaints/enforcement – 100% funded by rates
Alcohol	Licence processing – fees set by legislation Enquiries/complaints/enforcements – 100% funded by rates
Noise control	Enquiries/complaints/enforcement – 100% funded by rates
Resource consents and monitoring	Planning resource consents processing and monitoring – 100% user pays Enquires/complaints/enforcement – 100% funded by rates
Roading	Subsidy – as determined by Government agency Council has resolved to allocate interest earned from the Power New Zealand fund to the Roothing activity to reduce the rate requirement. Council will determine the budgeted interest allocation on an annual basis. General rates – balance of funding
Waste management facilities	General rates 19% - 25%
Kerbside collection services	Kerbside Collection – targeted rates 11% - 14% on a uniform basis for serviced properties  Fees and charges 64% - 73%
Stormwater	General rates 14% Targeted rate on a uniform basis for serviced urban areas 86%
Wastewater	Fees and charges through trade waste agreements. The balance of funding after fees and charges will comes from either: General rate 0-6%, or Targeted rate on a per pan basis (using a scale of charges) for serviced urban areas 94-100%. Factors – properties connected Properties able to connect but not connected Council will determine the actual percentages within the allowable range on an annual basis.
Water	Targeted rates from metered water (including residential and from industry). The balance of funding after metered water will come from either: General rates 0-6%, or Targeted rate on a uniform basis for serviced urban areas 94-100% Factors – properties connected Properties able to be connected but not connected Council will determine the actual percentages within the allowable range on an annual basis.
Civil defence	General rates 100% Exacerbator charges where possible
Communications and events	General rates 100%
Community leadership	General rates 100%
Strategies and plans	General rates 100%

### What are the key changes to Fees?

The majority of the Fees are proposed to remain the same or increase by inflation which is information supplied by Business and Economic Research Ltd (BERL).

There are some Fees proposed to change, these key changes are outlined below:

- Cemetery plot fees have been aligned with surrounding councils and also propose to increase interment fees to cover increased costs.
- Addition of a no refund policy for cancellations of venue hire within seven days of the event.
- Fees are proposed for the Matamata-Piako Civic and Memorial Centre.
- New activities under the Resource Management Act have fees proposed.
- Proposing that rubbish bags be reduced in cost as changing how these are distributed/managed.
- Transfer station refuse fees are proposed due to:
  - increased cost of transport and disposal at Tirohia; and
  - the increased disposal costs an increase is proposed for tyre and hazardous waste disposal including the minimum charge; and
  - Council policy to shift more of the actual costs of the operation of the transfer stations to being recovered from fees and charges.
- Photocopying/printing fees are proposed to be reduced.
- Pools are proposing to increase lifeguard fee due to associated increased cost.

Changes are identified in the Fees in red, additions are underscored and deletions struck through. The reason for proposed changes are also set out.

### **Analysis of reasonably practicable options**

In preparing these fees and charges we have considered three options for reviewing the fees and charges and we would like your thoughts on what we should do.

#### Option 1 – Adopt the Fees

The Fees would change to those proposed.

<b>Advantages</b>	<b>Disadvantages</b>
Reflects our actual cost of service and is consistent with our Revenue and Finance Policy in the Long Term Plan 2018-28.	Increased fees and charges will mean increased costs to those in the community that use the affected services.
Allows us to recover costs for new services and facilities.	

#### Option 2 – Status quo

The Fees would remain the same as present.

<b>Advantages</b>	<b>Disadvantages</b>
The public are familiar with current fees and charges.	These will not reflect our actual costs of services.
Charges to the community remain the same.	Services with a private benefit (such as resource consent processing) may have to be subsidised by ratepayers, which may in turn be inconsistent with our Revenue and Finance Policy in the Long Term Plan 2018-28.
Costs of new services are provided at no cost to the public.	Does not allow us to recover costs for new services and facilities.

#### Option 3 – Revoke/lower

Council would revoke or lower the Fees.

<b>Advantages</b>	<b>Disadvantages</b>
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The public does not have to pay directly for goods or services or will pay a lower amount.	We will need to recover our costs through rates.
	This would be inconsistent with our Revenue and Finance Policy in the Long Term Plan 2018-28.

### **Statutory requirements**

Section 150 of the LGA provides for fees or charges to be imposed by us using the principals of consultation. Fees and charges must be prescribed in one of our Bylaws or by using a public consultation process. We are currently undertaking this consultation process and invite your feedback on the proposed fees and charges. The LGA requires that in general fees and charges must not provide an opportunity for us to recover more than the reasonable costs we incur in providing the goods or service to the community.

Other legislation such as the Resource Management Act 1991 (RMA) gives us the authorisation to charge fees and charges for services provided under that Act, such as processing resource consent applications. Similarly the Building Act 2004 entitles us to recover the reasonable costs we incur when providing certificates, authorities, approvals, permits or consents, or carrying out inspections.

Setting of the fees and charges must be done in accordance with the principals of consultation set out in the LGA or using the Special Consultative Procedure to set RMA fees.

### **Proposed Fees – from draft to adoption**

The views of the community are vital to our success. Therefore, we would like to invite the community to provide submissions on the proposed amendments to the Fees to assist us in the decision making process.

### **The submission process**

<b>Process</b>	<b>Date</b>
Council approve statement of proposal and Fees and Charges 2018//19 for public consultation	13 December 2017
Consult the community (alongside the Long Term Plan 2018-28 and various policies)	28 March – 29 April 2018
Council hearing (volume of submitters will determine if the meeting is required to run for both days)	16/17 May 2018
Submitters to be advised of outcome of hearing	18 May-22 June 2018
Adopt Fees	27 June 2018
New Fees apply	1 July 2018

### **Where can I find more information?**

You can download the Fees and Charges 2018/19, Long Term Plan 2018-28 or any of the other documents at [www.mpd.govt.nz](http://www.mpd.govt.nz) and you can view a copy of these documents at our offices or libraries.

### **How can I have my say?**

We actively encourage the community to contribute to the formation of these important documents and it is easy to have your say. Simply make a submission on any/all draft documents (Fees and Charges 2018/19, Long Term Plan 2018-28 or any of the other documents) and return it to us by 29 April 2018.

You can make a submission:

Online - through our website at [www.mpd.govt.nz](http://www.mpd.govt.nz)

Email - [submissions@mpdc.govt.nz](mailto:submissions@mpdc.govt.nz)

Fax - 07 884 8865

Written - forms are available at any of our offices or libraries, or you can simply write your submission as a letter and either drop it off at one of our offices or

post it to: Submissions  
PO Box 266  
Te Aroha 3342

Note: Please be aware that submissions made to Council are public information. Your submission will be used and reproduced for purposes such as reports to Councillors, which are made available to the public and media.

If you advise in your submission that you wish to speak to your submission at the hearing on 16 May 2018, Council staff will contact you (please ensure to provide a day time contact) to arrange a time for you to speak at the meeting on 16 May 2018 (volume of submitters determines if the meeting will run 17 May also). If you advise on your submission assistance is required Council is able to offer assistance with special requirements such as New Zealand sign language and audio visual mechanisms.

#### **Office and library locations**

- Te Aroha Council Office: Kenrick Street Te Aroha
- Te Aroha Library: Rewi Street, Te Aroha
- Morrinsville Area Office or Library: Canada Street, Morrinsville
- Matamata Area Office or Library: Tainui Street, Matamata

#### **Any questions?**

We are here to help - so if you have any questions about the Fees or the submission process please let us know. Just call us on 07 884 0060 and let our friendly Customer Services staff know you have a question about the Fees and Charges 2018/19.

**You must have your submission back to Council by 5pm 29 April 2018**