



**AGENDA FOR A MEETING OF THE COUNCIL TO BE HELD AT WAITAKERE  
CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE,  
ON WEDNESDAY, 18 APRIL 2007 COMMENCING AT 9.30 AM**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Council by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Council may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 STRENGTHENING AUCKLAND'S REGIONAL GOVERNANCE AND UPDATE AND ENDORSEMENT OF FURTHER WORK**

**PURPOSE OF THE REPORT**

The purpose of this report is to advise Council of the Government's response to their proposals for strengthening Auckland's regional governance, and to seek approval for relevant officers to collaboratively undertake further work. Approval of the continuation of the Political Reference Group is also sought.

**BACKGROUND**

A1-A19

The councils of the Auckland region developed a proposal for strengthening regional governance, which was submitted to the government in December 2006. The resolutions of each of the councils are attached at pages A1 to A19.

Council considered the proposal at its meeting on 14 December 2006 and resolved:

*“That the Political Reference Group be empowered to conduct ongoing discussions with government Ministers as to the refinement and implementation of any proposal on Strengthening Auckland's Regional Governance and that His Worship the Mayor and Councillor Penny Hulse (with Councillor Derek Battersby as alternate) continue to represent Waitakere on this group.”*

The proposal, endorsed by all eight councils, outlines what Auckland's regional governance might look like in the future. It focused on reviewing council functions particularly those of a regional nature, how they should be delivered and by whom, to reduce any overlaps, inefficiencies and to take a more integrated approach in working towards a one vision for the region. It has been assumed that the work on the Long-term Sustainability Framework could provide the vision and integrate the elements of the proposed "one plan". It also envisages greater participation and involvement by central government in being a party in developing, funding and implementing the agreed "one plan".

The key elements of the proposal are:

- creation of a Greater Auckland Council with a broader role and responsibilities, and access to new funding sources as well as regional rates;
- establishment of a Regional Sustainable Development forum, as a committee of the Greater Auckland Council;
- the development, by the Forum of "One Plan" for the region to promote social, economic, cultural and environmental well-being;
- multi-year funding agreements between central and local government;
- amendment of transport legislation to enable the Regional Land Transport Strategy to specify major projects and priorities;
- amendment of water legislation to enable Watercare dividends to fund the development of storm water infrastructure;
- investigation of expanding shared services among councils, and optimising current rates based and funding tools.

The government has welcomed the proposal and has requested that Waitakere:

- authorise the Chief Executive Officer to undertake further collaborative work to develop the detailed requirements outlined above;
- that all further work to enable the above elements to be finalised is completed by July 2007 to ensure those considering standing in the October 2007 local elections, including electors, are aware of the proposed changes to Auckland's regional governance.

A20-A22

The letter from the Minister of Local Government, and the accompanying press release is attached at pages A20 to A22.

## **STRATEGIC CONTEXT**

The strengthening Auckland's Regional Governance project is an attempt to improve the performance of the region as a whole, and in particular to provide for more effective regional level engagement with central government. It is intended to address current weaknesses in governance, funding, and strategic planning. As such, this project potentially affects every aspect of sustainable development and good governance in Waitakere and the whole Auckland Region.

## **ISSUES**

While the government supported a number of the components of the proposal it saw the need for more detailed design of the package to be able to determine some of the implementation implications and identify what type of legislative and other support was required. For example, it itself needed to undertake some work on how it would be involved in the development of a "One Plan" and what implications this raises for its own planning and budgeting processes.

Cognisant of the pending local government elections it is proposed that officials undertake work up until June. This assumes a timeline of:

- further work March 2007 and April 2007;
- Political Reference Group meeting in April 2007;
- Council Workshops and Council meetings (May 2007 and June 2007).

Therefore, it is recommended that Council endorse the continuation of the Political Reference Group.

The time available to progress thinking on Auckland's Regional Governance structures raises issues for public consultation on the proposals. Previously it was assumed that central government would have communicated their position in late December 2006 and that councils would undertake consultation over February 2007 and March 2007. Instead, councils have described the strengthening regional governance proposal in their annual plans with a reference to the website and asking for any feedback. However, further work is required to develop more detailed package for consultation.

It is envisaged that opportunities for public consultation on the proposed reforms will occur prior to the October 2007 local elections and this will be investigated as part of the further detailed development work recommended in this report.

## RESOURCES

The proposed package of reforms to Auckland's regional governance structures will have a range of funding and financial implications across the region. These will be investigated and developed more fully as part of further work. In brief, financial implications relate to

- development of a one plan that agreed by all parties (including central government) should provide for more certain funding allocation to strategic regional priorities;
- a key plant of the governance proposal is to address current funding shortfalls at the regional level through identifying new funding sources such as a regional fuel tax, development levies and departure tax;
- that there will be costs associated with implementing any proposed reforms such as a new name for the regional entity, potential new representative arrangements for a new entity, establishing and servicing the new Regional Sustainable Development Forum, and One Plan, the collection of new revenue sources and investigating new shared services arrangements.

## CONCLUSION

The councils of the Auckland region developed a proposal for strengthening regional governance, which was submitted to the government in December 2006.

The proposal, endorsed by all eight councils, outlines what Auckland regional governance might look like in the future. It focused on the development of a regional approach for regional issues, funding of regional infrastructure while retaining current governance arrangements for local authorities.

Further to the individual Council resolutions relating to the Strengthening Auckland's Regional Governance proposal, dated 4 December 2006, the Minister for Local Government, the Honourable Mark Burton has requested that:

- each Auckland territorial authority authorise relevant officers to collaboratively undertake further work to fully develop the detailed content of the concepts presented in the December proposal, and

- that this work is completed and the details of the proposal agreed by July 2007 so that those considering standing in the October 2007 local elections, and electors are aware of the proposed changes to Auckland's regional governance.

This report recommends the above request be supported by Council.

### **RECOMMENDATIONS**

1. That the Strengthening Auckland's Regional Governance and Update and Endorsement of Further Work report be received.
2. That, in relation to Strengthening Auckland's Regional Governance, Council note the request by the Minister of Local Government:
  - that each Auckland territorial authority authorise relevant officers to collaboratively undertake further work to fully develop the detailed content of the concepts presented in the December 2006 proposal; and
  - that this work is completed and details of the proposal agreed by July 2007 so that those considering standing in the October 2007 local elections, and electors are aware of the proposed changes to Auckland's regional governance.
3. That Council agree to make appropriate resources available as requested to progress further work to enable the proposal for Strengthening Auckland's Regional Governance to be completed by June 2007.
4. That Council approve the continuation of Waitakere representation on the Strengthening Auckland's Regional Governance, Political Reference Group, being His Worship the Mayor and Councillor Penny Hulse (with Councillor Derek Battersby as alternate).

Report prepared by: Graeme Campbell, Director: Strategic Planning.



## **4 WAITAKERE REGULATORY PROPOSED FEES AND CHARGES 2007/2008 - STATEMENT OF PROPOSAL**

### **PURPOSE OF THE REPORT**

The purpose of this report is to present the statement of proposal for the 2007/2008 proposed Regulatory fees and charges. The statement of proposal is prepared for special consultative purposes under Section 83 of the Local Government Act 2002. The new fees and charges are expected to be in place from 1 July 2007.

### **BACKGROUND**

Under the Building Act 2004 and Section 36 of the Resource Management Act 1991 (and subsequent amendments) Council is required to use the special consultative procedure under Sections 83 and 150 of the Local Government Act 2002 when setting new fees and charges.

Revenue from the fees and charges, in the Consent Services and Field Services areas (excluding infringement notices) totals around \$10,356,000 per annum.

Council's Revenue and Financing Policy states that Consents are to be 100% user funded.

A review has now been completed to identify costs in relation to given processes and this forms the basis of the proposed fee structure.

### **STRATEGIC CONTEXT**

The Regulatory arm of Council working with the community contributes to Council's Strategic Platforms of Urban and Rural Villages and Strong Communities. Input from other areas in Council ensures contribution to most of the Strategic Platforms, thereby assisting Council to meet its strategic objectives.

Significant drivers are the statutory provisions of the Resource Management Act, Building Act 2004, the Health Registration of Premises Regulations, the Food Hygiene Regulations and the relevant Council Bylaws.

### **BENCHMARKING**

A brief analysis has been undertaken as to how the Regulatory fees and charges compare to a number of other Territorial Local Authorities in the Greater Auckland Region. Waitakere's fees are estimated to be at the high end for the Auckland Region. However, other Territorial Local Authorities are reviewing their fees and it has been indicated that these fees are also set to rise, (at the time of this report going to print other Territorial Local Authorities proposed fees changes were not available for comparison).

### **PERFORMANCE**

Waitakere has recently experienced some delays with the processing of consents. This has resulted in the commissioning of a comprehensive review, which is currently underway. A number of initiatives have been put in place, which are starting to improve processing times, including more detailed checks at the counter to ensure a better standard of application and general system reviews to ensure full advantage is taken of new technology made available through IT systems.

### **FEE AND CHARGES STRUCTURE**

Legislation provides that only reasonable and actual costs may be recovered through the fees set. In terms of the framework of charging "actual and reasonable", the following applies in respect of setting fees:

- (a) **Actual Costs** - these have been developed from a zero base against each activity.
- (b) **Reasonable Costs** - this is gauged in two ways:
  - Reference to the Market - where fees set compare favourably with Competitors or other authorities;
  - Cost Efficiency - where actual costs are only those incurred in supplying the service. These have been the basis of the recommended charges.

Based on projected Consent numbers and process improvement initiatives, (including Council's application for accreditation as a Building Consent Authority) it is considered that there will be a need for additional resources to assist the Council to achieve its obligations under both the Building Act 2004 and the Resource Management Act 1991.

These resources are cost recoverable and would not result in further costs to the rate payer funded component of the Annual Plan.

As a result of the recent review of processes and resource requirements, there will be some changes to the Draft Annual Plan; as noted this will not increase the rates funded component, but will result in changes to the cost and cost recovery lines.

A23-A46

The existing fees and charges (attached at pages A23 to A34) are made up of a series of fixed prices for various licenses and miscellaneous services together with category and base fees for Building Consents. The basis for setting fees and charges has been retained, in the proposed schedule of fees and charges attached at pages A35 to A46 (Note: All fees and charges as scheduled are GST inclusive.)

The recommended changes to the schedule are in line with the Revenue and Financing Policy.

Due to the complexity of the fee tables and a wide array of fees and charges, an existing fees and charges schedule is attached.

Due to changes related to building and resource consents work required under the Building Act 2004 and the amendments to the Resource Management Act 2003 the fees and charges have had to be adjusted. A number of the significant changes are highlighted below.

### Building Act - New Changes

Plan processing time have been increased to reflect the actual cost of assessing an application against approved plans, as failure to detect any matters of non-compliance at processing stage can not be rectified at inspection stage.

Inspection frequencies have been further increased to reflect Council's ongoing obligations under the Building Act 2004 whereby the Building Consent Authority has to satisfy itself that on reasonable grounds, the building works comply with the building consent and are capable of performing to the performance standards set out in the building consent.

		<b>Proposed</b>	<b>Current</b>
Heating appliances	1a	\$550	\$370
	1b	\$540	\$394
	1c	\$691	\$523
	1d	\$731	\$547
Smoke Detector		\$540	\$394
Work < \$5000		\$1,046	\$775
Accessory buildings		\$2,193	\$1,642
Resite dwellings, alterations > \$15000		\$3,508	\$2,659
Private dwelling/townhouses		\$4,209	\$3,202
Commercial < \$100,000		\$4,348	\$3,310
Commercial \$100,001- \$500,000		\$5,486	\$4,194
Commercial > \$500,000		\$8,837	\$6,814
Minor		\$504	\$375

The increases of between 30% - 48%, relate to the increase in hourly rates of building surveyors (both processing and inspection), the projected training requirements increasing the costs of employment and the additional checks required to be carried out during the consent process, thereby increasing the time required to process and inspect building consents.

## Resource Management Act/Resource Consent Changes

	Proposed	Current
Multi infringement and discretionary	\$1,721	\$1,721
Single infringement	\$1,197	\$1,149
Minor consents	\$998	\$998
Subdivisions		
2 lots	\$1,656	\$1,615
3 to 10 lots	\$2,127	\$2,068
11 to 20 lots	\$2,127	\$2,068
21 plus lots	\$2,750	\$2,750
Variations	1,040	\$998
Tree applications	No Charge	No Charge (average cost is \$933)
Monitoring		
Normal	\$546	\$495
Complex	\$1,363	\$1,308

The average increase is around 4% caused by the hourly rate increases.

The fees are set at base rates to minimise where possible further charges except those related to the recovery of expert (Arborist, EcoWater, traffic engineer etc.) assessment and peer review.

### Consultation

Consultation will be undertaken concurrently with the 2007/2008 Draft Annual Plan process. This includes advising the public via letter to frequent customers, public notices, a public meeting and the Annual Plan documents.

### Summary of Information

A47

Under Section 83 of the Local Government Act Council is required to prepare a summary of the information contained in the statement of proposal. The summary is attached at page A47.

### CONCLUSION

The proposed fees and charges as previously outlined, are in accordance with the Revenue and Financing policy and seek to recover 'Actual and Reasonable' costs in accordance with prevailing statute.

The schedule of proposed Regulatory Fees and Charges (statement of proposal) and the summary of information will be publicly consulted, through the special consultative process under Section 83 of the Local Government Act 2002.

### RECOMMENDATIONS

1. That the Waitakere Regulatory Proposed Fees and Charges 2007/2008 - Statement of Proposal report be received.
2. That the proposed 2007/2008 Regulatory Fees and Charges be approved for consultation, with a view to implementation on 1 July 2007.

Report prepared by: Grant Gillard, Group Manager: Regulatory.

