



REGIONAL COUNCIL

ORDINARY MEETING OF COUNCIL

SUPPLEMENTARY AGENDA

25 OCTOBER 2017



**ORDINARY MEETING OF
COUNCIL SUPPLEMENTARY
AGENDA
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12. CORPORATE AND COMMUNITY SERVICES REPORTS

12.6 Amendments to the Register of Cost Recovery & Commercial Fees & Charges 2017/18

Date: 20 October 2017
Author: Lyle Kajewski, Manager Plumbing and Building Services
Responsible Officer: David Lewis, Executive Manager Corporate & Community Services

Summary:

The purpose of this report is to seek the amendment of Council's register of fees and charges in relation to building and drainage applications.

Officer's Recommendation:
THAT Council amends the register of cost recovery and commercial fees and charges for 2017/18 effective from 26 October 2017 to include the sliding Scale below for building and plumbing applications.

Lodgement Fee \$250 Plus

| Per Fixture (Includes installation of fire hydrants &/or fire reels) | | | | | | |
|--|----------|-------------|-------------|-------------|-------------|-------------|
| No. of Fixtures | <=150 | 151<=200 | 201<=250 | 251<=300 | 301<=350 | >351 |
| Base Cost | | \$18,000.00 | \$23,100.00 | \$27,300.00 | \$30,600.00 | \$33,000.00 |
| Plus cost per additional unit in range | \$120.00 | \$102.00 | \$84.00 | \$66.00 | \$48.00 | \$30.00 |

Report

1. Introduction

The purpose of this report is to seek the amendment of Council's register of fees and charges for the 2017/18 financial year which was adopted by Council on 24 May 2017 in relation to plumbing applications.

1. Background

Council has recently received a plumbing application incorporating 566 fixtures.

In the formulation of Council's Register of Cost Recovery and Commercial Fees and Charges 2017/18 (the Register), Council officers failed to anticipate significant one off developments within the region and as such, did not incorporate an appropriate plumbing fee in the Register for this development.

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Research by Council officers has indicated that some Councils have adopted a sliding scale approach for plumbing fees in order to balance resource and service issues. That is the larger the job, the lesser the resource per fixture required, with this method reducing the fee per fixture measured against the scale of the application.

2. Report

In adopting the Register, Council accepted the following fees and charges in relation to plumbing and drainage applications.

1.10 – Plumbing

1.10.1 – Plumbing & Drainage Applications

All lodgement fees include a \$250 administration fee (non-refundable). Fees include lodgement, scrutiny and inspections necessary to issue a compliance certificate for new buildings & additions/alterations to existing buildings with fixtures.

Commercial applications may incur additional inspection fees. (Additional inspections \$120)

| | | |
|---|----------|---|
| Lodgment fee | \$250.00 | N |
| Per fixture (includes installation of fire hydrants &/or fire reels) | \$120.00 | N |
| Minor applications – no fixtures – lodgement and inspection process (one inspection) (i.e. new water service) | \$370.00 | N |

Under the abovementioned schedule, a development incorporating 566 fixtures would incur application fees of \$68,170.

In adopting plumbing and drainage fees and charges, there are many variables to consider for commercial and industrial plumbing applications including the number of fixtures, fire services, under slab and elevated pipework and complexity of the system which all impact on the resources required to provide the service.

Council fees and charges are typically simplified as they need to be easily decipherable by our customers.

Council officers are of the view that Council building and plumbing fees for applications to date have adequately reflected fee for service balance, but that for significant developments the existing fee for service is inappropriate.

The proposed amendment to plumbing and drainage fees and charges excluding the lodgement fee of \$250 are outlined in the following table.

| Per Fixture (Includes installation of fire hydrants &/or fire reels) | | | | | | |
|--|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| No. of Fixtures | <=150 | 151<=200 | 201<=250 | 251<=300 | 301<=350 | >351 |
| Base Cost | | \$18,000.00 | \$23,100.00 | \$27,300.00 | \$30,600.00 | \$33,000.00 |
| Plus cost per additional unit in range | \$120.00 | \$102.00 | \$84.00 | \$66.00 | \$48.00 | \$30.00 |

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Under the above proposed plumbing and drainage fees and charges, the fees and charges for the 566 fixture development will reduce from \$68,170 to \$39,730.

4. Policy and Legal Implications

Section 97 of the *Local Government Act 2009* provides for a local government to fix a cost recovery fee and section 98 provides for a Register of Cost Recovery Fees.

Section 262 (3)(c) also empowers a local government to charge for a service or facility, other than a service or facility for which a cost-recovery fee may be fixed.

Various other pieces of State non-local government legislation fix fees for a local government or provide a specific head of power for a local government to set fees or charges in relation to a function imposed on the local government.

Council may change its fees and charges at any time by resolution.

5. Financial and Resource Implications

As assessment by the Manager Building and Plumbing has indicated that the abovementioned changes to the Register will not adversely affect Council's 2017/18 Budgeted revenue projects as significant developments in excess of 500 fixtures were not anticipated. It is also considered that the amended fees and charges may also facilitate ongoing economic development within the region.

6. Delegations/Authorisations

No further delegations are required to manage the issues raised in this report. The Executive Manager Corporate and Community Services will manage the requirements in line with existing delegations.

7. Communication and Engagement

The applicant will be advised of Council's amended building and plumbing fees and charges associated with the 566 fixture development.

8. Conclusion

Council's fees and charges for the 2017/18 financial year published in the Register did not anticipate developments in excess of 500 fixtures.

The amended fees and charges align with other Councils and are not anticipated to have any significant impact on Council's projected revenues for the 2017/18 Financial Year.

9. Action/s

1. Adoption of the amended fees and charges for updating in the Register.
2. Communication of the revised fees and charges to all relevant stakeholders, both internal and external, together with the date of effect.
3. Update of the Register on Council's website.



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