

Minutes of a hearing of submissions on User Fees and Charges 2025/26 held in the Council Chambers, 10 Gorge Road, Queenstown on Tuesday 27 May 2024 commencing at 10.00am

Membership:

Councillor Gavin Bartlett (Chairperson), Councillor Lyal Cocks and Councillor Lisa Guy

Attendees:

Tony Avery (General Manager, Property & Infrastructure), Ken Bailey (General Manager Community & Services)(online), Katherine Harbrow (General Manager, Assurance, Finance & Risk), Michelle Morss (General Manager, Strategy & Policy), Dave Wallace (General Manager, Planning & Development), Simon Battrick (Sport & Recreation Manager), Anthony Hall (Regulatory Manager), Roger Davidson (Property Director), Alison Kelly (Finance Business Partner), Peter Edie (Senior Finance Business Partner), Alex Martin (Sales & Services Manager, Queenstown Events Centre), Caleb Dawson-Swale (Business Planning Manager), Charlotte Wallis (Business Planning Project Manager), Hayden Bed (Manager, Development Engineering and Subdivision)(online), Tarsy Keontges (Cemeteries and Heritage Parks Officer)(online) and Jane Robertson (Senior Democracy Services Advisor)

Commencement of the hearing: Election of Chairperson

The Democracy Services Advisor called the meeting to order and asked the Councillors to elect a Chairperson for the hearing.

It was moved (Councillor Cocks, Councillor Guy):
That the fees and charges hearing panel resolve to:

“Appoint Councillor Bartlett to chair the hearing.”

The motion was carried unanimously, and Councillor Bartlett duly took the chair.

Declarations of conflicts of interest

No conflicts were notified.

Confirmation of Agenda

It was moved (Councillor Bartlett, Councillor Cocks):
That the fees and charges hearing panel resolve to:

Confirm the agenda without addition or alteration.

Motion carried unanimously.

Late Submission

**It was moved (Councillor Guy, Councillor Cocks):
That the fees and charges hearing panel resolve to:**

Accept the late submission for consideration.

Motion carried unanimously.

Hearing of submissions

1. Terri Anderson (online)

Ms Anderson was concerned that no explanation was provided about what the increased fees were for. This was particularly difficult to understand because there had been no increase in levels of service and residents did not see any value in the proposed higher fees.

She suggested creating more dog friendly places in the district and keeping fees to access Queenstown Recreation Centre accessible for younger people.

2. Harriet Jopp, Federated Farmers of New Zealand (Otago)(online)

Ms Jopp asked if there had been a cost benefit assessment of the proposed increased fee for working dogs.

She commented positively on the proposed cap of registering a maximum of two working dogs per owner and thanked the Council for putting this proposal forward.

There was further discussion about how this would work in practice with the simplest option being to require an owner to register all his/her working dogs but pay the fee for a maximum of two.

3. Pete Spencer-Bower, Chief Executive, Wānaka Helicopters Group

Mr Spencer-Bower summarised the history of Wānaka Helicopters Group. It employed 24 FTE and had 50 full time students and the company was very concerned about the proposed changes to fees at Wānaka Airport. With three aircraft parked on the grass, Wānaka Helicopters Group would incur major cost increases representing a cost ten times higher per square metre than at present.

They were one of the last remaining flight schools in New Zealand, most of the others having closed down because of rising costs and due to the fact that it was not an overly profitable business, although a necessary service. Aviation was especially critical to an isolated region and Wānaka Helicopters Group was responsible for training the next generation of pilots for the area. Higher costs would be passed onto students and could result in the school closing.

The proposed fee increases added further uncertainty to the business in addition to the ongoing concern about leases at Wānaka Airport, with Queenstown Airport (QAC) refusing to approve a tenancy of more than five years. Wānaka Helicopters Group had

dealt with many different Council property managers and had had many meetings but had left, disheartened by these discussions. It had been a mistake to let QAC manage Wānaka Airport which was a valuable community asset, started by aviation pioneers. Mr Spencer-Bower asked the Council to reconsider the blanket application of these fees or to provide an exemption for training facilities.

In response to questions from the panel, Mr Spencer-Bower explained how training packages worked, adding that it usually took students two years to obtain their flying licence.

The meeting adjourned at 10.30am and recommenced at 10.35am.

4. Melissa White (Cherry Blossom Cakes) and Amber Young (Mama Mia Kitchen)

Both Ms While and Ms Young operated small domestic businesses in their home kitchens as cake decorators. The threshold for registration was if a business had a turnover of \$20,000 or more per annum, meaning that a food control plan was needed alongside registration with the Council. This resulted in a small home-based business being charged the same for a Council audit as every other restaurant in the district. The submitters asserted that the time to complete an audit of a domestic kitchen (that did not work with meat) could not possibly take as long as a commercial, full time restaurant kitchen.

Ms White asked if the fees could be reduced for cake decorators. By way of comparison, she noted that during Covid her audit had been done via Zoom and only took two hours. She did not believe that an audit should take six hours and asserted that home kitchens were a very low risk for food safety hygiene. She asked for a reduction in fees as specified in her submission or for the Council to allow flexibility for small operations. Her suggested conditions for a small business charge were that they had no staff, were based at home, were an owner-operator enterprise and only operated their business part time.

The hearing of submissions concluded at 10.55am.

Deliberations

Ms Harbrow drew attention to a schedule showing the rating impact if no fees increases were approved.

It was confirmed that all the proposed fees aligned with the Consumer Price Index (CPI) and had been set according to the Revenue and Financing Policy.

Wānaka Airport Fees

Officers confirmed that it was not intended that grass parking of aircraft would be chargeable. 70% of landings at Wānaka Airport were in the low weight category.

There was discussion about different scenarios for landing fees payable by flight schools, either capping the number of landings or negotiating special rates

Dog Registration Fees

The panel noted that the cost of owning a dog during the ongoing cost of living crisis may be the reason why fewer people in the district now owned dogs. With fewer dogs living in the district, registration fees had to increase to raise the funds needed to run the service.

The panel supported capping payment of two registration fees for working dogs owned by a single owner, although noting that all dogs, whether deemed working or not, should still be registered.

The panel had regard to the comments in the late submission about inconsistencies in the registration fees for dangerous and menacing dogs. Officer comment confirmed that the current proposed fees for dangerous dogs were higher than 150% of standard registration due to a gradual creep of increases over time through CPI adjustments. In addition, the menacing dog fees had been uplifted incorrectly and should reflect the fee of a regular dog fee. The panel agreed that these changes were needed to the proposed fees and charges.

Cemetery fees

The panel supported the proposed fees, noting the exception made for babies.

Sport & Recreation fees

The Revenue and Financing Policy for this activity area was 60 (public)/40 (user). Staff costs had increased due to the Council's living wage ethos and there was a subsidy paid of \$3.12 for each 'learn to swim' student.

Parking

The panel noted the large number of submissions about parking, most being critical of availability and cost. However, charges were increasing because revenue targets had not been met because not enough people were paying for parking. This suggested that it was untrue that there was no parking in the Queenstown CBD.

Environmental health

This is a minimum charge that allows six hours for an audit and the Council does not control the food category that cake decorators fall into. However, a small operator does not necessarily have a lower food safety risk than a larger operation. There have been efforts in the past to make a bespoke fee for smaller operators, but with limited success.

In response to questions from the panel about how a restaurant audit is conducted, the Regulatory Manager advised that he was happy to send the panel the full breakdown. He added that the audit results were provided to Ministry of Building and Industry. Six hours was

the standard time but there was staff discretion to reduce to four hours if an audit was significantly shorter. The proposed increases were only in line with CPI and the fee was only intended to cover costs.

It was moved (Councillor Bartlett, Councillor Guy):

That the Fees and Charges Hearing Panel recommend to Council to

Adopt the fees and charges for 2025-26 without amendment except for an amendment to the fees payable for registering dangerous and menacing dogs as detailed in the officer report on the late submission.

Motion carried unanimously.

The meeting concluded at 12.18pm.