



MEDIA RELEASE

Ratepayers could bear brunt of misguided regulations

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Ratepayers could bear the brunt of proposed regulations forcing councils to give discounts of up to 80% for late resource consent processing under the Resource Management Act (RMA).

“General ratepayers could wind up subsidising applicants for everything from basic home extensions to publicly notifiable windfarms,” said Local Government New Zealand spokesperson Stephen Cairns.

“How can the Government propose these regulations when there is no current statistical evidence to quantify the nature and extent of the issue? Why should ratepayers fork out for a misguided regulation that doesn’t fit with the Government’s objectives of ‘better regulation, less regulation’.

“All councils strive hard to process consents on time. These regulations propose an arbitrary discount of 25% at the end of the first week a consent is late, without any data showing how many councils fail to meet this deadline now,” said Mr Cairns.

There are many factors that slow down the processing of applications. While “fault” will be assessed, this alone could lead to a more adversarial relationship between councils and applicants.

“The incentives and disincentives to encourage good processing need to be in the right place - these regulations don’t achieve that. In fact they put good practice by councils at risk by compromising quality hearing panels, damaging positive relationships between applicants and councils, shutting down the option of pre-hearings and causing impossible time barriers for consultation.

“Of course we agree that councils should meet their statutory deadlines under the RMA, but the RMA has rigid processing deadlines, and discounts on contentious multiple-consent projects like hydro-electricity schemes could easily run into six figures.

“One council calculated that fees of \$220K would need to be discounted when applying the criteria of “fault” on a windfarm proposal.

“This would be a significant proportion of that council’s annual processing fees and the money needs to come from somewhere.

“We encourage the Government to re-think this regulation to encourage councils to process consents on time, without jeopardising quality assessment and ultimately costing the ratepayer.”

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