

---

**REPORT 3B  
(1215/11/IM)**

**Report of the Strategy and Policy Committee  
Meeting of Tuesday 12 March 2013**

**Members: Mayor Wade-Brown, Councillors Ahipene-Mercer, Best (Deputy Chair), Cook, Coughlan, Eagle, Foster (Chair), Gill, Lester, McKinnon, Marsh, Morrison, Pannett, Pepperell and Ritchie.**

**THE COMMITTEE RECOMMENDS:**

- 1. ITEM 057/13P ROAD ENCROACHMENT AND SALE POLICY –  
REPORT BACK ON 2012-2022 LONG-TERM PLAN DECISIONS  
(1215/52/IM) (REPORT 6)**

*THAT Council:*

- 1. Agree to the changes to the Road Encroachment and Sale Policy to retain a flat fee structure as agreed in the 2012 – 22 Long Term Plan attached as Appendix 1.*

**Andy Foster  
Chair**

## ROAD ENCROACHMENT AND SALE POLICY

### Section 5.9 Fees

This section outlines the fees and rental charges applicable to road encroachments.

Residential annual rental fees will be **adjusted annually** according to Consumer Price Index changes and reviewed every three years by the Council as part of its long-term planning process (LTP) ~~every three years~~. The fees review will take into consideration the latest relevant rateable land values for residential properties ~~across the city by suburb~~.

~~Rental fee rates will be based on a differentiated fee structure where the rental rate per square metre is set generally as a proportion of land values in a given suburb. The rate per square metre will be set at a discount to estimated market rental rates for land in the relevant suburb, recognising that legal road is generally less valuable than normal freehold land due to the uncertainties and encumbrances on it. A maximum and minimum rental rate will apply. Some grouping of suburbs may also be considered when setting rental fee rates.~~

The following fees and charges are applicable for existing and proposed legal road encroachments.

- A landowner consent application fee for Council (as landowner) assessing an encroachment and, if approved, issuing a licence or lease that provides for the private occupation of legal road. The fee is also payable where the Council undertakes an assessment of an existing illegal encroachment that is unlicensed and a licence is subsequently issued.
- An administration fee is for changes to existing licences or leases. This applies to changes in:
  - the ownership of the licence or lease holder
  - the use of the road encroachment
  - the size of an existing structure on the road encroachment.
- An annual rental for the use of the legal road. The annual rental is determined according to the nature and size of the encroachment (see 5.9.1 Annual Road Encroachment Rental). ~~For residential encroachments a suburb specific cost per square metre is applied when determining the annual rental for a particular encroachment in a particular area.~~
- For commercial encroachments a market rental will be charged.
- For airspace leases a one-off charge covering the life of the lease may be charged (see 5.9.2).

The market rental will be determined by an independent valuer who may be appointed by the Council or be chosen by the licence applicant/holder, subject to the approval of the Council. The cost of obtaining the valuation will be paid by the licence applicant/holder.