

21 March 2025

**Absolutely Positively
Wellington City Council**

Me Heke Ki Pōneke

File Ref: IRC-7865

7(2)(a)

Tēnā koe 7(2)(a)

Thank you for your email dated 29 January 2025 to Te Kaunihera o Pōneke | Wellington City Council (the Council) requesting the following information:

I seek an explanation and justification of the current building inspection hourly rate set by Wellington City Council at \$271.50 per hour. Specifically, I request the following information:

- 1. A detailed breakdown of the costs included in setting the building inspection hourly rate.*
- 2. Comparisons with previous 5 years' building inspection rates (FY2020 - FY2014), and the reasons for any changes.*
- 3. An explanation of how each cost component contributes to the overall hourly rate.*
- 4. Any documents, reports, or assessments used to determine and justify the current hourly rate.*
- 5. Any public consultations or feedback processes that were undertaken in setting the current rate.*

Your request has been considered under the Local Government Official Information and Meetings Act 1987 (LGOIMA). Thank you for your patience while we prepared our response.

Questions 1 to 3 -

A detailed breakdown of the costs included in setting the building inspection hourly rate.

Comparisons with previous 5 years' building inspection rates (FY2020 - FY2014), and the reasons for any changes.

An explanation of how each cost component contributes to the overall hourly rate.

Attached to this response is a document titled 'Appendix 1' which provides a cost summary and calculation of the building inspection hourly rate.

Please note:

- Regarding question two (2) of your request, this part of your request as it currently stands would take considerable time for officers to collate the information you have requested over a substantial period of time, including some background calculations to be made to arrive at the total costs. Officers would need to manually gather the figures over this five (5) year period, analyse the salaries of two cost centres to identify the relevant costs in scope, alongside consolidation of the data.

Under the Ombudsman's guidelines, the first hour of staff time processing a LGOIMA request is free of charge and with that in mind, Council Officers were able to provide you with the last three (3) financial years of data. However, if you would like the remaining two (2) financial years, it is estimated it will take teams approximately 10 hours to undertake, at an approximate charge of \$760. If you would like this information, please let me know and I can organise an invoice for payment.

- Personnel & related costs include:
 - Salaries, Superannuation, ACC, Training & Staff Welfare, as well Call Centre Contribution.

- Contracts, Services, Materials & Professional Costs include contractor costs associated with the processing of consents.
- General Expenses include:
 - insurance and vehicles.
- Allocations include:
 - IT & general overhead costs.

In regard to the reasons for any changes and further information as to what the Building Consent fees cover, please refer to the below response to your remaining questions.

Questions 4 & 5 - *Any documents, reports, or assessments used to determine and justify the current hourly rate and any public consultations or feedback processes that were undertaken in setting the current rate.*

In order to answer these parts of your request, it's important to discuss how costs for Building Consent applications are set.

Some fees are determined by legislation. For example, consents, permits, or licenses related to specific types of building consents fall under different legal frameworks. A case in point is consents for amusement devices, such as Ferris wheels, dodgem cars, or mini bikes seen at school galas or public events, which are governed by the [Amusement Devices Regulations 1978](#).

Other building consent fees are established during the annual plan review process, an example can be found [here](#) on page 13 within the 'Online Appendix' against the [2023/23 Annual Plan](#). Each year, the costs associated with delivering building consent services are assessed. If a fee increase is required, a proposal is included in the annual plan for consideration by the Council's elected members. This proposal is then subject to public consultation.

The Council's [Let's Talk](#) website provides links to the previous, closed, Annual Plan engagements and within these engagements refers to the [meetings](#) in which the Council deliberated and includes copies of public submissions. An example of this information that you are seeking can be found below using the 2023/24 Annual Plan:

- Let's Talk [Annual Plan 2023/24](#)
- [Ordinary Meeting of Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee Agenda](#)
- [Full Annual Plan Submission 2023/24](#)

After gathering public feedback, the Council's elected members decide whether to approve the fee as proposed, modify it, or reject it. A Territorial Authority acting as a Building Consent Authority (BCA) is permitted to charge only actual and reasonable fees, as stipulated by the Building Act, which prohibits BCAs from generating a profit.

Please note that estimated fees cover the work of officers and engineers as they assess building consent applications. If an application contains unclear or missing information, officers will issue a Request for Information (RFI). Since RFIs can vary widely in scope, assessing responses incurs an hourly charge, as detailed in the schedule of fees available on our website. Applicants can minimise costs by submitting clear and complete applications, thereby avoiding the RFI process.

The building consent fees published on the Council's [website](#) are estimates of what your building consent is likely to cost. These estimates are based on years of experience processing consents, taking into account the type of work, its value, and the complexity of the application. The website provides detailed information on various categories and levels of complexity, along with the estimated costs for the functions and inputs required for different building consents.

Building consent fees cover the majority of costs and functions undertaken by the Building Consents team. These include:

- Training and development of staff.
- Accreditation assessments every two years.
- Annual competency assessments for technical staff performing BCA functions.
- Insurance and salaries.
- Costs of expert contractors, such as structural and geotechnical engineers.
- General overheads, including computers, personal protective equipment, and vehicles.

Wellington City Council maintains the principle that ratepayers should not subsidise the commercial aspects of building consents, such as developments intended for profit. Instead, other funding mechanisms, such as grants, are available to assist with costs—for example, those related to earthquake strengthening or heritage buildings requiring work, strengthening, or alterations.

It's important to also note that the Council's [Revenue and Financing Policy](#) stipulates that Building Consent needs to recover a minimum of 65% of its costs from User Pays. This is also noted within the Council's [Long-term Plans](#) (page 95).

You have the right, by way of complaint under section 28(1) of the LGOIMA, to request an investigation and review of the Council's decision to withhold information by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

If you require further information, please contact official.information@wcc.govt.nz.

Nāku noa, nā



Ollie Marchant
Senior Advisor
Official Information & Privacy
Wellington City Council

144 - Building Approvals & 146 - Building Inspections
COST SUMMARY & CALCULATION OF HOURLY RATE
For the Period Ending June 2022, 2023 & 2024

Absolutely Positively
Wellington City Council
 Me Heke Ki Pōneke

		2021/22	2022/23	2023/24
COST				
Personnel & related costs		10,022,976.87	9,718,886.43	10,070,509.85
Contracts, Services, Materials & Professional Costs		112,060.07	162,905.64	246,432.98
General Expenses		648,852.14	554,624.10	222,918.77
Allocations - IT & general overhead costs		2,536,689.05	2,953,842.59	3,032,034.43
Total Cost		13,320,578.13	13,390,258.76	13,571,896.03
RATES CONTRIBUTION:				
		35%	35%	35% Official
User Pays	65%	8,658,376.00	8,703,668.00	8,821,732.00
Rates Contribution	35%	4,662,202.00	4,686,591.00	4,750,164.00
		13,320,578.00	13,390,259.00	13,571,896.00
TOTAL BILLABLE HOURS				
		50,014.74	49,597.62	45,337.96 Hours
CALCULATED RATE PER HOUR				
User Pays ÷ Billable Hours		\$ 173.12	\$ 175.49	\$ 194.58
FEE 2021/22				
	\$ 209.00 Including GST	\$ 181.74		Excluding GST
FEE 2022/23				
	\$ 209.00 Including GST		\$ 181.74	Excluding GST
FEE 2023/24				
	\$ 217.00 Including GST		\$ 188.70	Excluding GST
ACTUAL % USER PAYS BASED ON FEE				
Charged rate x billable hours ÷ total costs		68.24%	67.32%	63.04%