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Report to the Landcare Committee
from Anne Manley, Landcare Planner - Policy, Parks and Forests (Strategy & Marketing)

Recreation and Tourism in WRC Parks and Forests, Policy Adoption

1. Purpose

To seek the Council's agreement to the *Policy for Recreation and Tourism in Wellington Regional Council Parks and Forests*, to take effect 1 July 2001.

This document is intended to replace the *Commercial Recreation and Related Services on Regional Council Lands - Concessions Policy* (January 1994) and *Charges for Services in Regional Parks* (adopted, February 1997).

2. Introduction

Last year, the Council approved a draft *Policy for Commercial and Non-commercial Recreation on Regional Council Land* and the associated draft *Information Booklet* (including proposed charges) for public consultation (refer Report 00.499).

Following public consultation, nine submissions were received on the document, largely relating to the proposed levels of fees and charges. We also consulted with O'Brien Property Consultants Limited who, like Parks and Forests officers, will be involved in implementing the Policy. A summary of submissions (plus comments from O'Brien Property) and analysis, is enclosed as a separate document (**Attachment 1**). Key issues and proposed amendments to the draft Policy are discussed below.

3. Policy

The Policy sets out the relevant background, legislative mandates, fees and charges and rationale for commercial and non-commercial use of WRC Parks and Forests. Generally submissions supported having the Policy as a framework to work with.

Key issues to arise during consultation include:

3.1 **Definition of Terms**

Tararua Tramping Club felt that the scope of the Policy was not clearly set out and that a range of terms were used to classify various activities and events, creating confusion for readers.

Parks and Forests officers agree that there is merit in clarifying the scope of the Policy and in defining some terms at the outset, to ensure consistency throughout the document.

We propose that the scope of the *Policy for Recreation and Tourism in Wellington Regional Council Parks and Forests* be specified as *including but not limited to:*

recreation, tourism (including guiding activities), education and interpretation, and filming (including photo shoots).

The word *use* shall be defined as including but not limited to:

activities, services, events and facilities.

Use can then refer to any one or combination of the above.

Following on from this, Parks and Forests propose that the documents be renamed from *Commercial and Non-Commercial Recreation on Regional Council Land* (as originally proposed), to *Policy for Recreation and Tourism in Wellington Regional Council Parks and Forests*. This title, when taking into account the scope of the Policy outlined above, more accurately reflects the matters the Policy is designed to cover.

3.2 **Concession Classifications**

3.2.1 ***Term of Major Concessions***

The Policy provides for a major concession to have a term of between 5 and 30 years (subject to legislative and management plan constraints). O'Brien Property has suggested that the term should be between 1 and 30 years. Generally, major concessions are granted for more than one year as there is often significant capital investment by the concessionaire, warranting a longer term commitment by the Council.

However, officers consider that 30 years is too long a term for the Council to commit to. While Tararua Tramping Club has suggested 10 years as a preferable term, officers consider 20 years would be appropriate. This does not mean that all major concessions would be granted for a term of 20 years; it merely provides for this option if, following the consultation process associated with major concessions, this is considered appropriate.

Not only is there often significant investment by the concessionaire, major concessions often involve significant commitment by the Council with regard to the direction that a park or forest is taking, and how it will be managed in future. If a concession is consistent with the long-term plans for the park or forest, it may be beneficial for the Council to grant a 20 year term.

3.2.2 *Trial Concessions*

The relevance of trial concessions has been questioned (O'Brien Property). It has been suggested that the term "trial concession" implies Council will assist with an experiment and suggests a concessionary fee structure. There is no concessionary fee structure in place for trial concessions. Furthermore, most of the concessions granted by the Council are for one year and there is no minimum period specified for concession contracts.

Parks and Forests agree that temporary, minor and major concessions cater progressively for the same need as a trial concession, and that the trial concession classification should be removed from the Policy. The standard concession contracts state that the Council retains the right to cancel the contract should the concessionaire use the locations for any purpose other than that nominated, or if they do not meet the terms and conditions of the agreement. (Contracts include provisions relating to impacts on the environment, water contamination, maintaining public access, responding to instructions by Regional Council staff, etc.) Therefore, a trial concession is not required to achieve these outcomes. If officers are unsure of the potential impacts of a proposal, then a temporary concession could be granted rather than a trial concession, to enable assessment of the impacts.

3.3 **Iwi Consultation**

The draft document provides for consultation with key stakeholders but does not specifically refer to iwi consultation. Kapakapanui, Te Runanga o Te Ati Awa ki Whakarongotai Inc., in partnership with Papatuanuku raised concerns about this, particularly in respect of Queen Elizabeth Park. Parks and Forests propose that a statement specifically identifying that the Council will consult with iwi, be included in the Policy.

4. **Fees and Charges**

A table showing the proposed fees and charges is set out in **Attachment 2**. In general, the charges have been set with regard to:

- relative effects of the activity;
- market rates that apply to other similar opportunities in the Wellington Region and New Zealand wide (on public land, e.g., DOC, ARC and some private land, e.g., for motorised recreation);
- an assessment of willingness to pay;
- cost recovery targets.

The charges consulted on include increases to the current rates for application and processing fees, and activity fees relating to mountain biking and running events, camping, motorised recreation and reservations for picnic areas. Specific issues relating to the fees and charges raised during public consultation and recommendations are discussed below. (The amendments to the Policy, proposed in this paper, are summarised in **Attachment 3**. Officers are also seeking approval to make any typographical changes and minor amendments to ensure consistency with these recommendations, once the Council has considered the Policy.)

The proposed increases in charges are not expected to generate a significant increase in Council revenue but are largely aimed at recovering costs not currently being met, (e.g., the true cost of processing concession applications), and better reflecting costs associated with the effects of some activities (such as motorised recreation) on the environment. The degree of cost recovery is dependent on whether the activity is commercial (100% cost recovery) or non-commercial. The tiered pricing structure is designed to reflect relativities between different activities.

4.1 **Fee Level**

Most submissions focused on the specific level of fees relating to certain activities. Key comments are discussed below.

4.1.1 **Application Fees and Renewals**

O'Brien Property proposed a distinction between application fees and fees for renewing contracts; renewal costs being lower because officers are dealing with a known product and will have contract terms in place ready to duplicate. The proposed fee for all applications is \$175 (GST inclusive), based on 3-4 hours work. This is consistent with the process and level set by the Department of Conservation and the Auckland Regional Council.

Parks and Forests officers did not feel that this approach would be appropriate for film companies who regularly use the Parks and Forests and have several contracts throughout the year. The Policy currently provides for a fee discount for renewals, in the case of filming, to be permitted, at the discretion of the Manager, Parks and Forests (Strategy & Marketing), based on the estimated work involved in renewing the application.

Officers concur with O'Brien Property that a discount for renewals may be appropriate for activities other than filming. For example, it may not be appropriate to charge the full amount to a group organising a concert held twice a year on Regional Council land. Other than site specific conditions, the contract would be the same. Officers recommend that the discretion for the Manager, Parks and Forests (Strategy & Marketing) in relation to filming renewals, be extended to cover all renewals.

4.1.2 **Site Occupation**

O'Brien Property suggested that it would be beneficial to add a general provision in the charging schedule to allow for unforeseen events, where the fee would reflect the activity and be negotiated or set on that basis. All concessions generally involve some form of site occupation and we would expect most new concessions that fall outside the ambit of the activities listed in the schedule of charges, to do so. However, in order to ensure that the Council is covered for unforeseen (but appropriate) events, officers propose that in the Site Occupation section, the words "or use" be inserted after "site occupation" and the words "where activity not open to the public" be deleted. This would then read

Site occupation or use, e.g., mini golf, eco-tourism operation:

Market rental for space occupied and/or 10% of gross receipts or negotiated flat fee or a per person/vehicle charge as appropriate.

This will give flexibility to charge a range of ways for different concessions and to take into account changing recreational trends and unforeseen events. Bearing this in mind, officers note that all concession applications will be assessed for compatibility with the *Signature Values* and objectives of the park or forest, as set out in the respective management plan. Concession applications that are incompatible with these objectives cannot be granted.

Officers also propose that a similar section be added to the schedule of charges for non-commercial use which would read:

Site occupation or use:

Negotiated flat fee or a per person/vehicle charge as appropriate.

4.1.3 **Commercial Activity (Non-mechanised, e.g., Guided Walking Tours)**

The charges for commercial non-mechanised activities, (e.g., guided walking tours) have been set at \$3 per person/half-day and \$6 per person/full day in the draft policy. This is not consistent with the fees set for horse trekking and mountain biking (both \$5 per participant) which potentially have a greater impact on the environment. Parks and Forests recommend that commercial non-mechanised activities be set at \$2 per person/half-day and \$4 per person/full day. (The fees for horse trekking and mountain-bikes would then remain unchanged.)

4.1.4 **Commercial Mountain Biking**

The fee for commercial mountain biking has been questioned by the Kennett Brothers (“Karapoti Classic” event) and Top Adventures Limited (“Big Coast” event). They consider that the \$5 per participant fee is too high. Top Adventures Limited has also commented that the proposed fee is a flat rate and that no consideration has been made for the distance or area used by the concession, (e.g., a downhill event on a single track as opposed to a cross country event); and that more co-ordination is needed between adjacent land managers, (e.g., Department of Conservation and WRC at the Rimutaka Incline Recreation Area) when setting fees relating to one event, which is crossing several adjacent pieces of land.

Parks and Forests do not recommend changing the \$5 fee. This fee is consistent with the fees set for horse trekking and motorised recreation, taking into account the potential impact on the environment from these different types of activities (and likely maintenance requirements/costs). As noted, this tiered pricing structure is designed to reflect more accurately the potential impacts of different activities on the Parks and Forests.

The charges are also designed to recover operational costs such as assistance from Rangers in running the mountain bike events on Council land. In some instances (such as the “Karapoti Classic” event) the concessionaire is receiving exclusive use of an area for the duration of the event. Furthermore, the Policy retains flexibility for waivers and discounts to be negotiated at the discretion of the Manager, Parks and Forests (Strategy & Marketing), in some cases (refer 4.2 Waivers and Discounts).

Officers agree that more co-ordination between adjacent landowners is important. They will endeavour to work more closely with other agencies in the future, especially in cases where one event is crossing adjacent pieces of land and there is a likelihood that the fees required from each agency may be unreasonable to the participants and/or affect the feasibility of the event.

4.1.5 **Filming**

O'Brien Property suggested that in relation to preparation and clean-up costs for film companies, the following words should be included:

All actual costs are to be met by the concessionaire.

Parks and Forests concur with that recommendation.

4.1.6 **Booking Fees**

Following discussions with Parks and Forests Rangers, it is apparent that the administrative cost of collecting booking fees in most cases outweighs the benefits of collection. There is also a concern that introducing a booking fee may dissuade groups from making bookings. Booking systems are used by the Rangers to manage numbers and to monitor Park activities. Parks and Forests recommend that all references to booking fees be removed from the Policy. However, booking systems for some uses, e.g., picnic areas used by large groups, will remain.

4.1.7 **School Visits and School Events, Picnics and Marquees**

Kapakapanui submitted that the fees proposed for the above uses are too high and may be prohibitive.

Parks and Forests do not recommend reducing these fees as it has already been recommended that booking fees be removed. Furthermore, the activity fees for school visits and events are set at a level to encourage participation while deterring against Rangers becoming "babysitters", hence the two-hours-free arrangement. (Officers note that in their experience, a significant amount of information can be imparted within 2 hours, and that most school visits do not require the direct involvement of the Ranger for this long.) The section on waivers and discounts also provides flexibility for special arrangements to be made, where appropriate.

4.1.8 **Non-commercial 4WDs**

Two submissions (ARAC and the Cross Country Vehicle Club) opposed the level of fees proposed for non-commercial 4WD's.

Parks and Forests do not recommend changing the activity fees. Given the recommendation to remove the booking fee, and considering the potential impact of 4WDs on the environment, we do not consider a change appropriate. (These fees are also consistent with the tiered approach for different types of activities being more carefully defined in the new pricing structure.)

A request was also made to recognise the work done by volunteers in the Akatarawa Forest by introducing a “green dollar” system. The proposal was for volunteers to be recompensed by a “green dollar” payment of say, \$10 per hour. “Green dollars” could then be accumulated by clubs and used to “pay” for recreation time in the forests. The 4WD clubs consider that this would provide an ongoing incentive to respect and cherish forest values.

Parks and Forests do not propose specifying such an arrangement in the Policy. Officers consider that this would create a precedent for other volunteer groups doing work in the Park. We would prefer a more flexible arrangement whereby the Policy provides for discounts and/or other arrangements to recognise the input of volunteers in the parks and forests, to be made at the discretion of the Manager, Parks and Forests (Strategy & Marketing). We envisage that this discretion would apply to all user groups, not just motorised vehicle clubs. (This would be included in the section on Waivers and Discounts.)

Furthermore, there are several other issues to work through before a “green dollar” scheme could be introduced, (e.g., developing ways to ensure the Council receives a satisfactory standard of work for the reduced fee, health and safety for the workers and other users, etc). We believe these issues are more appropriately addressed outside the scope of this policy.

4.1.9 ***Orienteering/Running***

The Hutt Valley Orienteering Club has submitted that the proposed fee of \$3 per participant is too high and questioned the level of Ranger involvement in organising events. In general, there is substantial involvement by Rangers whenever an area needs to be closed to other Park users and/or a large number of people are entering the park/forest at one time. Although Rangers may not be directly administering the event, such events do impact on overall management of the parks and forests. As noted above, the criteria for waivers and discounts mean that there is flexibility to make arrangements specific to various groups where appropriate.

Parks and Forests do not recommend changing this fee.

4.2 **Waivers and Discounts**

One submission (Tararua Tramping Club) noted concern that the discretionary nature of the waivers and discounts may mean that they are rarely or inconsistently given. Parks and Forests do not consider that any change to this section is required. To be eligible for a waiver or discount, a proposed use must satisfy at least two of the following criteria:

- Benefit to the Management Plan objectives and *Signature Values* of the park or forest;
- Being an educational activity, (e.g., environmental education or interpretation);
- Having non-profit status, (i.e., must show clear non-commercial benefit).

These criteria will guide the assessment of applications by the Manager, Parks and Forests (Strategy & Marketing), who will make decisions on waiving fees and discounts in consultation with the Manager, Parks and Forests (Operations).

5. **Communications**

Once the Council has considered the Policy, Parks and Forests officers will work with Communications to publicise the changes to the policy and charges, the reasons why, and to advise current concessionaires of the changes likely to affect them once their contracts come up for renewal. (The Policy provides for existing rates to remain until the contracts come up for renewal.) Officers will emphasise that the charges are based on cost recovery, rather than profit, and note the criteria for waivers and discounts in their communication material.

Parks and Forests officers propose that the revised Policy take effect from 1 July 2001. Not only is this the beginning of the new financial year, it also gives a three month lead period to inform the public before the new charges come into force. Further, the changes can be bedded-in over winter, before the busy period later in the year.

While the Policy will be mainly used by Council staff and interested concessionaires, the Information Booklet (a draft which was also circulated for public comment last year) will be the key communication tool for the public. The Information Booklet is designed with parks and forests users in mind and will be distributed by Rangers and other Council staff. It summarises how commercial and non-commercial use of the parks and forests is managed. It includes information on what a concession is, why we have concessions, how to go about getting one and the applicable fees and charges. (A copy will be presented to the Landcare Committee at the next meeting.)

During the consultation phase, some questions were raised about the consistency of terms between the Policy and the Information Booklet. All changes made to the Policy will be reflected in the Information Booklet, which will also be checked for consistency before circulation. Guidelines for staff dealing with concession applications have also been completed and will be circulated to the appropriate people.

6. **Recommendations**

That the Landcare Committee recommends to the Policy and Finance Committee that the Council:

- (1) *Agree to the amendments to the draft policy as outlined in Attachment 3;*
- (2) *Adopt the “Policy for Recreation and Tourism in Wellington Regional Council Parks and Forests” as drafted for public consultation, along with the amendments proposed in Recommendation (1), as Council policy;*
- (3) *Agree that the revised policy (including the revised charges) take effect from 1 July 2001;*
- (4) *Note that this will replace the “Commercial Recreation and Related Services on Regional Council Lands - Concessions Policy” (January 1994) and “Charges for Services in Regional Parks” (adopted in February 1997);*

- (5) *Note that Parks and Forests officers will work with Communications to publicise the changes to the current policy and charges and the reasons why (emphasising cost recovery, rather than profit and the criteria for waivers and discounts), and to advise current concessionaires of the changes likely to affect them when their contracts come up for renewal;*
- (6) *Agree that Parks and Forests officers make any typographical changes and minor amendments to ensure consistency with Recommendation (1).*

Report prepared by:

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- Attachment 1** : Summary of Submissions (Enclosed as a separate document)
- Attachment 2** : Fees and Charges Table
- Attachment 3** : List of Proposed Amendments