



# Cost of new rules

**There will be costs to the community, council and individual landowners to develop and implement new rules to reduce nitrogen loss in the Lake Rotorua catchment.**



## Council and community costs

Costs to the Regional Council are paid for through regional rates, targeted rates and council investment funds and include:

- Statutory notification for example consultation, hearings and legal fees
- Supporting science (including reviews), measuring and modelling
- Infrastructure costs such as a database for tracking Nitrogen Discharge Allowances and progress to achieve catchment targets
- Monitoring and compliance of all permitted activities.

Some of these costs such as statutory notification, supporting science costs and infrastructure costs for the nutrient database are already budgeted for as part of the Regional Council's ongoing work programme.

The monitoring and compliance of all permitted activities will introduce new costs to the Regional Council and the community. Processing annual reports could take up to half an hour per property. At a resource cost of \$40 per hour, and approximately 1,000 permitted properties, this may cost up to \$40,000 per year.

Active compliance costs are difficult to determine and will depend on the number of permitted and consented properties Council would "spot check" a year. For example, if the Regional Council chose to check 50 properties a year this could cost up to \$100,000 a year (based on an estimated resource cost of \$2,000 per property).

Additional consents and compliance staff are likely to be required as a result of new rules, or existing staff will need to be redirected from current work programmes.



Ko te wai te ora o  
ngā mea katoa

Water is the life  
giver of all things

Fact sheets in this series:

- 1 Draft rules - how they could affect landowners
- 2 Nitrogen Discharge Allowances
- 3 Draft rules - Q&A
- 4 Support and incentives
- 5 Gorse Conversion
- 6 Resource Consents
- 7 Cost impacts of draft NDAs on farms
- 8 Science behind the nitrogen limit
- 9 Cost of new rules



## ROTORUA TE ARAWA LAKES PROGRAMME

For more information  
call 0800 884 880 or  
[rotorualakes.co.nz](http://rotorualakes.co.nz)

### Proud Partners



## Individual landowner costs

Although some support is available for landowners through an advice and support programme, the support will not cover the all costs that landowners will need to pay. Costs for landowners are likely to include:

- Consent application – a controlled activity consent application could cost around \$1,500 - \$2,000
- Development of farm nutrient plans – the average cost per farm is likely to be around \$5,000 every 5 years if an agricultural consultant service is needed
- Annual land use reporting could be up to \$200 per year
- Non-compliance costs are charged to the consent holder at approximately \$100 per hour and an abatement notice is charged at \$120.

The most significant costs for landowners will be costs associated with changes in farm systems in order to meet the Nitrogen Discharge Allowances. To help landowners understand what the draft rules mean for their property and the potential impacts on farm profits, an assessment was carried out for the Regional Council by Perrin Ag Consultants Ltd. Fact Sheet 7 in this series, Cost Impacts of draft NDAs on farms, provides a high level summary of the report. For full details on the methodology used and the findings please read the Rotorua NDA Impact Analysis report at [www.rotorualakes.co.nz/vdb/document/736](http://www.rotorualakes.co.nz/vdb/document/736).

As the detail of the new rules progresses we will get a clearer idea of what the costs will be. As part of the requirements of introducing new rules under the Resource Management Act cost and benefit evidence to support Council's approach is being undertaken (called a section 32 analysis).

### Want to know more?

For more information on the draft rules see the Have Your Say brochure or supporting information on [www.rotorualakes.co.nz](http://www.rotorualakes.co.nz)

