

6. PROPOSED POLICY FOR THE GRANTING OF LICENCES TO COMMERCIAL RECREATION PROVIDERS WISHING TO OPERATE UPON COUNCIL OWNED OR ADMINISTERED PARK AND RESERVE LAND

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PURPOSE OF REPORT

1. The purpose of this report is to enable the Council to adopt the attached draft policy, as Council policy for the licensing of commercial recreation providers, who wish to operate regularly on Council owned or administered park and reserve land. This policy does not apply to the occasional one off events, which may be organised by a commercial recreation provider, these applications being processed by the Community and Recreation Unit. A commercial recreation provider as identified in this report is a person, company or organisation (including an educational institution), who provides a recreational opportunity for the public to partake of for which a specific payment is made to cover costs, including wages or profit. Organisations with paid instructors, who are instructing people in a recreational pursuit, as part of a formal program are included in this definition. This report is being placed before the City's Community Boards for comment, prior to being considered for adoption by Council.
2. The Council's objective behind the proposed policy is to ensure that the recreational resource is protected for future generations to enjoy, and that private individuals are still able to use the resource, while at the same time providing the maximum opportunity for commercial recreation providers to provide the recreation added value component to the park or reserve for the general public using the reserve, at no cost to the Council.

Benefits For Licensees

3. The benefits for commercial recreation providers who have a licence to operate their business on Council owned, or administered park or reserve land are as follows:
 - 3.1 They have a legal right to operate their business on Council controlled, or administered land.
 - 3.2 There is a formal relationship between the licence holder, and the Council, ensuring that both parties are aware of their individual responsibilities in the relationship.
 - 3.3 The licence holder will be supplied with a vehicle/logo stick Council to risk.

- 7.5 That the commercial activities are aligned to the vision, purpose, and management objectives for the park or reserve.
- 7.6 That the commercial activities are aligned to the Council's goals and objectives, City Plan, bylaws, and other pertinent Acts of Parliament.
8. The proposed policy sets out the methods by which commercial recreation providers' activities on Council owned or administered land may be limited or controlled and managed to ensure that the objectives outlined above are achieved.
9. Based upon the premise that it is not the Council's responsibility to provide the public with the recreation added value component that takes place upon parks and reserves, officers are advocating that a cost recovery fee based charging that 1 50.10952.1(or)-652.1 the 3(c)-422 be lation e

16. In the case of the foreshore, the Council will need to take into account the requirements of The Coastal Regional Plan that is governed by Environment Canterbury. The foreshore below mean high water springs is within the coastal marine area, covered by the plan.
17. It is also necessary for all applications to be assessed against the requirements of the Reserves Act 1977, the management plan for the park or reserve if there is one, City Plan requirements, other pertinent bylaws, and Acts of Parliament where appropriate eg Summit Road Protection Act. Where no management plan exists, the application needs to be assessed for alignment to the vision, purpose, and management objectives for the park or reserve. The recreational experience should also be aligned with the Council's goals and objectives.
18. Officers require all businesses operating on Council owned or controlled land to have a minimum of \$1,000,000 public liability insurance to protect themselves against claims from a third party in relation to damage to the third party's property, caused by the businesses' activities on Council land. The Council also requires businesses operating on Council owned or controlled land to indemnify the Council against any actions and suits that may be taken against the Council because of the businesses' activities on the land.
19. A number of commercial recreation providers' activities take place in rural fire districts, which are prone to being high fire risk areas in the summer, for example Bottle Lake Forest Park and the Port Hill Reserves. It is prudent that commercial operators operating in these areas have insurance to protect themselves against claims made against them under the Forest & Rural Fires Act 1977, should their activities start a fire. It is not uncommon for the cost of controlling and extinguishing a fire in these areas to cost more than \$100,000. If the licensing policy is adopted, it will be a requirement of commercial recreation providers, operating in these areas, to have a minimum of \$250,000 rural fire insurance, which some insurance companies provide as an extension to their companies' public liability policy. This amount could be increased to \$500,000 if deemed appropriate by the Principal Rural Fire Officer.
20. The Council also has responsibilities under the Health & Safety in Employment Act as the owner of the land, and with it being a work place. To discharge its obligations, it would generally need as a minimum to ensure that any operator has a Health & Safety Management Plan. Applicants will be required to include an externally audited Health & Safety in Employment Plan, when they make application for a licence.

STAFF RECOMMENDATIONS

It is recommended that the Council:

1. Approve the proposed Policy For The Granting of Licences to Commercial Recreation Providers Wishing to Operate on Council Owned or Administered Park and Reserve Land, as set out in the attached policy.
2. Where the Acts of Parliament allow, Council delegates its responsibilities for administering the proposed policy once adopted by Council to the Greenspace Manager.

CHAIRPERSON'S RECOMMENDATION

That the recommendations be adopted.

BACKGROUND ON PROPOSED POLICY FOR THE GRANTING OF LICENCES TO COMMERCIAL RECREATION PROVIDERS WISHING TO OPERATE UPON COUNCIL OWNED OR ADMINISTERED PARK AND RESERVE LAND

21. The Council's past approach, when dealing with a commercial recreation provider's request or application, was to take into account the benefits to the general public, while trying to balance the effects of the proposed activity on the environment, and other park users. In the past a number of commercial recreation providers operated under informal arrangements discussed with Council officers. Although these discussions and arrangements took place while the business was gradually evolving, a formal arrangement should have been put in place once the business became viable and established. On the other hand, there were some instances where Council officers have not been consulted at all by a commercial recreation provider who has been operating on Council owned or controlled land.
22. The Council has in the past allowed commercial recreation providers to operate for a trial period on Council owned or administered park and reserve land, for the following reasons.
 - 22.1 Where the impact of the proposed activities on the park and/or reserve are difficult to assess. The terms of the temporary licence granted to the commercial recreation provider will allow the Council to place conditions on the activity during the trial period as the impacts of the activity become better understood, and the necessary mitigation requirements are identified.
 - 22.2 Where the returns from a new business venture that requires a significant capital investment are difficult to assess.
23. The trial period allows for a detailed evaluation and assessment of the operation to be undertaken at the end of the period, enabling further conditions to be placed upon the operation to mitigate any adverse effects of the operation upon the environment, and to assess the future viability of the operation, before committing to a full licence.

- 26.1 The Council has recently received complaints about the activities of wind powered vehicles (land yachts) using the South Brighton foreshore. The complaints focus on the danger that the use of these land yachts, which speed along the beach, pose to other beach users. This activity raises issues of public safety, which need to be addressed.
- 26.2 A number of bolts have been fixed in the past into the rock faces in the same area of particular climbs on the rocky outcrops on the Port Hills. If this practice is left unchecked it will result in the degradation of the rock faces. The problem has arisen from the fact that it is a cardinal rule that climbers should not use someone else's bolt, unless they are sure that it is safe, hence the possible proliferation of bolts in the same area. No bolting or removal of existing bolts should be undertaken without the permission of the Port Hills Area Head Ranger first being obtained.
- 26.3 Recently, three commercial mountain bike operators applied to hold night races on the same night in Bottle Lake Forest Park. Officers viewed this with concern because, in their opinion, only one such race should be held at one time during the night, for safety reasons.
- 26.4 During recent investigations, it was found the one unlicensed parapenting operator had no public liability insurance. All commercial recreation providers need to have adequate public liability insurance. In this case, the issue has been addressed.
- 26.5 Recently a temporary sign, measuring 6x1 metres in size, was placed near the top of Evans Pass Road, advertising that the owner, a parapenting operator, was operating about one kilometre down Godley Head Road. This sign did not comply with City Plan requirements.
- 26.6 Some of the areas where commercial recreation activities take place are also home to rare indigenous plants, for example on the rocky outcrops of the Port Hills. These sites need to be assessed by the Council Botanist to ensure that any significant indigenous plant groupings are protected, before any licences are issued for activities in these areas.
- 26.7 Enquires have been received in the past to operate a motorised skateboard concession and an off road cross-country vehicle in Bottle Lake Plantation and on the Port Hills. As a general policy, these types of motorised activities should be limited to areas specially set aside for this purpose, for example Ruapuna Park, and Maryland's Reserve. The reason for this requirement is because of the effect of the noise on other park users, the increased maintenance requirement to maintain the parks infrastructure, and the increased fire danger associated with these types of vehicles. ECan also have endowment and vested land, some of which may be more suitable for this type of activity.
27. Council officers are strongly of the view that it is necessary for the Council to take a pro-active stance when dealing with existing and intending concessionaires, to ensure that the recreation resources are protected for future generations to enjoy. Recently, officers of the Greenspace Unit wrote to all known commercial operators informing them that they will be required to enter into licences with the Council to undertake their activities on Council owned and controlled land. It was also indicated to them that they would need to have adequate public liability insurance and a health and safety plan in place for their activities.
28. The Council may need in some cases to reduce the intensity of use or control activities of a number of commercial providers using a particular park or reserve, to ensure that those licensed commercial recreation providers are able to provide a quality experience to the community, while at the same time ensuring that the right of the general public to recreate upon these areas is maintained, and that the recreational resource is protected. This can be achieved by the Council limiting commercial operations upon a particular site, by tendering out, balloting, or extending the period of existing licences for permitted commercial activities on identified parks or reserves that are subject to a high intensity of use. Areas of high use can be identified by perusal of the Community and Recreation, and Greenspace Customer Service Centre booking records, Park Ranger Service surveys, and other monitoring strategies.
- 28.1 Where a tendering process is used, the successful tenderer will be chosen using the following criteria using the weighted attribute system of selection:
- 28.1.1 The tenderer's experience in the activity being offering to the customer.
- 28.1.2 The quality of the service that the tenderer is prepared to provide to the customer.
- 28.1.3 Measures the tenderer is prepared to take to minimise the activity's effect on the environment.

28.1.4 That the commercial recreation experience being promoted, is aligned to the vision, purpose, and management objectives for the park, or reserve.

28.1.5 The tenderer's monetary offer made to the Council to undertake the activity upon Council owned or controlled land.

28.2 It is envisioned that the successful tenderer would be issued with a licence for a finite period after pre-payment of a processing fee and annual licensing fee. Officers consider a licence term of between three and five years would be appropriate, this being dependent upon the site applied for and the amount of capital investment required by the applicant to set up their particular business.

Delegation

29. The philosophy behind the proposed policy, is to ensure that the recreational resource is protected for future generations to enjoy, while providing the maximum opportunity for commercial recreation providers to provide the recreation added value component to the general public using the reserve, at no cost to the Council. A licence does not confer an exclusive right to the land, as a lease does. Where the Acts of Parliament allow, officers are recommending that the Council delegate its responsibilities for administering the proposed policy once adopted by the Council to the Greenspace Manager.

Consultation Procedure

30. The public, (using advertisements placed in the public notices column of the newspapers), existing known commercial recreation providers, all lessees who lease Council owned or administered park and reserve land, Canterbury Chamber of Commerce, Summit Road Society, and Summit Road Protection Authority, have been invited to comment on the draft policy for the granting of licences to commercial recreation providers, who wish to operate on Council owned or administered park and/or reserve land, during the month of October last year. Thirty-six submissions were received to this process, 12 from Council staff, 6 from commercial recreation providers, 11 from sports clubs, 3 from professional organisations, and 4 from the general public. Where appropriate, the proposed policy has been altered to take into account their suggestions. The main suggestions not included in the proposed policy are elaborated upon below.

30.1 It was suggested by two submitters that a bond be required from commercial recreation providers, to cover the cost of rectifying any adverse effects that the commercial recreation activity may have on the environment, which were not envisaged when the activity was approved, or resulting from the commercial recreation provider not complying with the conditions of their licence.

Officers did consider this issue, believing it better to include a trial licence period where the effects upon the environment of the proposed activity are not easily ascertained. During this trial period alterations to the licence will be able to be made at any time by the Council to mitigate the activities' effects upon the environment. It is also proposed in the policy to delegate to the Greenspace Manager the right to limit, or shift a commercial activity from one site to another site, if in their opinion the activity is causing damage to the environment, infrastructure of the park or reserve, or affecting the general public's rights to use an area. Where a commercial recreation provider has breached the conditions of their licence, the Council will have the right to withdraw the licence, should it decide to do so.

30.2 Four submitters, some of whom operate under a charitable trust deed, argue that they make little or no profit from their activities and therefore should not have to pay a licence fee.

This situation however, does not provide commercial equity with another entity that is trying to run a business providing the same or similar activities because this entity will be at a cost disadvantage. The reality of the situation is that the Council is legally able under the Reserves Act 1977, and under the powers of general competency of the Local Government Act 2002, to licence commercial operators where the service that is being provided is being paid for by the client. Commercial recreation providers undertaking their business activities on Council owned or administered land, without authorisation are in breach of occupation law and may expose the Council to risk. There is a need for the Council to satisfy itself that all commercial recreation providers, operating on Council owned or managed land, where the clients are paying a fee for the service provided, have the appropriate insurances, health and safety plans in place, and that they have the appropriate experience and qualifications to ensure that their customers receive a good

value experience. There is also the need for the Council to adequately balance the use of the resource by commercial recreation providers, which includes profit, and non profit motivated organisations, and educational institutions, with the rights of the general public to use the resource. There is also an equity situation that the non-profit organisation should not have a cost advantage over a profit motivated organisation who provide a similar service to the general public. It should be noted that officers are recommending that a Council cost recovery licensed based fee system be put in place, not a profit based system.

OPTIONS

31. General

- 31.1 Officers have examined the methods used by the Department of Conservation and the Auckland Regional Council to charge for commercial concessions on land under their control. In many cases, concessionaires are charged a percentage of their gross profits, accrued from their activity on the land, which in the case of the Department of Conservation is 7 percent.
- 31.2 The costs of putting the licence in place for the benefit of the commercial recreation provider would be paid by the applicant in accordance with the Council's policies relating to charging/quotations for the compilation of leases, licences, and easements as confirmed at the Council meeting of 28 June 2001. These costs would include the application processing costs (report preparation and meeting attendance), public advertising fee, hearing preparation and attendance costs if required, Minister of Conservation approval fee, Council legal and valuation fees if required.

32. **Apply a formal licensing process with the fees set at a level to cover Council costs only (the preferred option).**

- 32.1 Using this system will enable the commercial recreation provider to offer their activities to the general public at a lower price, this being of benefit to the public. The advantage to the licensee is that they will retain the maximum benefits of their endeavours. The licence fee will still need to be reviewed annually, to ensure that costs involved in administering the licence are properly covered in the fee, and that any additional costs incurred by the Council for maintaining the Council owned asset for the direct benefit of the licensee are recovered. There are two exceptions to this being:
 - 32.1.1 Where there are more applicants wishing to operate upon a particular site than the site can accommodate, in which case were a tender process is used, the price offered for a licence over the site is taken into account together with all the other requirements.
 - 32.1.2 Where there are commercial recreation providers providing a similar service on private land in the vicinity of Council managed or controlled park and reserve land.
- 32.2 Officers are of the view that while the Council has the responsibility to maintain reserves for the purpose for which they are held, that as a general guide it is not the Council's responsibility to provide the added value recreational component, which may expose the Council to a greater financial risk. This area of activity is seen as the domain of the private recreational provider, who is willing to take on the financial risks that such a venture entails. Sports Clubs also provide this service, but of course are not included in the definition of Commercial Recreation Provider. Consequently, officers are of the view that in the majority of cases, the costs associated with private enterprise providing this extra value, and accepting the financial risks involved should be minimal, covering the costs of Council, with a small percentage of this cost for profit, to ensure that no burden is placed upon the ratepayer. These costs should include, where possible, the additional expense incurred by the Council to maintain the public facility, where this additional expense can be directly attributed to the licensee's activities, for example, mountain bike track maintenance. The only exceptions to this rule should be when the provision of this added value by a commercial recreation provider is in direct competition with private recreation providers supplying the same recreation service on private land, where higher rentals are often paid, or where there are competing interests for a particular site. In these situations a fair rental for the use of the resource should be arrived at, using independent valuation methods, or tendering the opportunity to use the site.
- 32.3 Such a Council policy would be seen as business friendly by the business community.

33. **Maintain the status quo (no formal licensing process).**
- 33.1 With this option there is no control over the commercial recreation providers activities on Council owned, or managed park and reserve land. Congestion at some sites may mean that the general public are not able to use the resource at times, dangerous congestion situations may occur, eg on rock climbing resources etc.
- 33.2 The recreational resource may be damaged through over-use, or unique habitat damaged because of its presence in the area not being known, or understood.
- 33.3 Council maintenance costs may be increased by commercial recreation providers use of the resource, without the Council being able to recoup these additional costs from the commercial operators.
- 33.4 Council not being aware of commercial recreation providers use of sites which may be culturally sensitive to Maori.
34. **Apply a formal licensing process with fees charged as a percentage of gross profit.**
- 34.1 Officers are of the view that percentage-based payments are more difficult to police. It is acknowledged that while the Council may miss out on some revenue using a cost recovery rent system, the system will afford the licensee the maximum opportunity to establish their business, at no cost to the Council. This option will not be seen as business friendly as the recommended option.
35. **Apply a formal licensing process with two levels of licence fees charged. Organisations who operate for profit are charged a percentage of gross profit, while organisations operating on a cost recovery basis only are charged at a level to cover Council costs only.**
- 35.1 The Commercial Recreation Provider who is offering their services for profit will be at a cost disadvantage to other providers because they will need to charge customers more to cover costs.
- 35.2 This option does not provide for commercial equity between operators operating for profit, and those that operate to cover costs only.
- 35.3 Because of how different applicants' organisations are constituted, it is likely to be difficult to ascertain which category some of these organisations will fit into.
- 35.4 This option will not be seen as business friendly as the recommended option.
36. **Apply a formal licensing process with no fee or cost recovery.**
- This option was not considered for the following reasons:
- 36.1 The proposed Policy is recommending that the Council park or reserve that the applicant wishes to operate his business upon be provided at no cost to the Council, but that the applicant not be required to pay a percentage of his profits (except for the costs of administering the licence) to the Council for the privilege of doing so.
- 36.2 These applicants are commercial recreation providers, and therefore these costs are a legitimate cost the applicants should expect to pay when setting up their businesses that should not be subsidised by the ratepayer.
- 36.3 The Council has approved a policy based on a processing quotation/estimate being given to the applicant for the recovery of Council costs for processing commercial type applications to use Council owned or managed park and reserve land, (28 June 2001).

PREFERRED OPTION

37. Apply a formal licensing process where the fees are set at a level to cover Council costs only.

ASSESSMENT OF OPTIONS

The Preferred Option

38. Licence put in place for commercial recreation provider, the fees being set at a level to cover Council costs only.

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> Control over quality of service offered to the public. Enables potential congestion problems at popular sites that may cause antagonism between commercial operators and/or public to be removed. Ensures congestion which may lead to dangerous situations occurring between parties using the same resource (rock outcrops) does not occur. Minimises the fee the commercial recreation provider needs to charge to cover their costs, thereby enabling the public to participate in the activity at minimal expense. Ensures that the activity proposed is aligned to the management objectives for the park or reserve, complies with the relevant Acts of Parliament, and is aligned with the Councils goals and objectives. 	
Cultural	Enables the Council to exercise control over use of sites which may be sensitive to Maori, eg, the Port Hills.	
Environmental	Control is able to be exercised over activities at particular sites which may be ecologically sensitive, eg, plants and rock outcrops on the Port Hills, to ensure the resource is protected.	
Economic	<ul style="list-style-type: none"> The increased maintenance costs to Council because of commercial recreation providers activities taking place on park and reserve land are able to be reimbursed from the commercial recreation providers. Allow commercial recreation providers to add value to the park and reserve by providing the recreational component of the park and reserve at minimal cost to themselves and no cost to the Council. 	Council will forgo some revenue that could be gained using a percentage of gross profits gained by commercial recreation providers based system.
<p>Extent to which community outcomes are achieved: Because they are known, the applicants' proposals can be adjusted to ensure that community outcomes are maximised.</p> <p>Impact on Council's capacity and responsibilities:</p> <ul style="list-style-type: none"> If there are increased maintenance costs to Council, as a result of a commercial recreation providers activities, they are able to be recouped from that provider. The Council is able to put in place formal protection measures, or evaluation procedures to assess the impact of the commercial recreation activities on the environment, or culturally sensitive sites. <p>Effects on Maori: Formal protection measures and evaluation procedures are able to be put in place to access the impact, and gain Maori approval to allow commercial recreation providers to operate in culturally sensitive sites are able to be put in place.</p> <p>Consistency with existing Council policies:</p> <ul style="list-style-type: none"> There is consistency when assessing the proposed commercial recreation activity against Reserves Act 1977 requirements, management plan for the park or reserve, City Plan, bylaws, and other Acts of Parliament where appropriate. There is consistency in assessing the application for alignment to the vision, purpose and management objectives for the park or reserve where no management plan exists. There is consistency in assessing if the commercial proposal is aligned with the Council's goals and objectives. <p>Views and preferences of persons affected or likely to have an interest: By having the umbrella policy in place it will enable the Council to minimise the affects of the proposed activity on other parks users, and gauge the views and preferences of persons affected or likely to have an interest city wide.</p> <p>Other relevant matters:</p>		

Maintain The Status Quo (If Not Preferred Option)

39. No Licences put in place for commercial recreation providers, and consequently no fees charged.

	Benefits (current and future)	Costs (current and future)
Social		<ul style="list-style-type: none"> • No control over quality of service offered to the public. • Congestion at popular sites that may cause antagonism between commercial operators and/or public. • Congestion may lead to dangerous situations occurring between parties using the same resource (rock outcrops). • No way of ensuring that the activity proposed is aligned to the management objectives for the park or reserve, complies with the relevant Acts of Parliament, and is aligned with the Councils goals and objectives.
Cultural		No control over use of sites which may be sensitive to Maori, eg, the Port Hills.
Environmental		No control is able to be exercised over activities at particular sites which may be ecologically sensitive, eg, plants and rock outcrops on the Port Hills.
Economic		The increased maintenance costs to Council because of commercial recreation providers activities taking place on park and reserve land not able to be charged to commercial recreation providers.

Extent to which community outcomes are achieved: Because they are not known it is haphazard.

Impact on Council's capacity and responsibilities:

- There are increased maintenance costs to Council that are not able to be recouped from the commercial recreation providers.
- There are no formal protection measures, or evaluation procedures to assess the impact of the commercial recreation activities on the environment, or culturally sensitive sites.

Effects on Maori: No formal protection measures or evaluation procedures to assess the impact, or gain Maori approval to allow commercial recreation providers to operate in culturally sensitive sites.

Consistency with existing Council policies:

- There is no consistency when assessing the proposed Commercial Recreation Activity against Reserves Act 1977 requirements, management plan for the park or reserve, City Plan, bylaws, and other Acts of Parliament where appropriate.
- There is no consistency in assessing the application for alignment to the vision, purpose and management objectives for the park or reserve where no management plan exists.
- There is no consistency in assessing if the commercial proposal is aligned with the Council's goals and objectives.

Views and preferences of persons affected or likely to have an interest: There is no umbrella policy in place by which Council is able to minimise the affects of the proposed activity on other parks users, and gauge the views and preferences of persons affected or likely to have an interest city wide.

There is no umbrella policy in place by which the Council is able to minimise the affects on other parks users, caused by the activities of a commercial recreation providers activities.

Other relevant matters:

Option 3

40. License put in place for commercial recreation providers, the fees being charged as a percentage of gross profit.

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> Control over quality of service offered to the public. Enables potential congestion problems at popular sites that may cause antagonism between commercial operators and or public to be removed. Ensures congestion which may lead to dangerous situations occurring between parties using the same resource (rock outcrops) does not occur. Ensures that the activity proposed is aligned to the management objectives for the park or reserve, complies with the relevant Acts of Parliament, and is aligned with the Councils goals and objectives. 	<ul style="list-style-type: none"> The Commercial Recreation Provider will need to charge customers a higher price than under the preferred option to cover costs.
Cultural	Enables the Council to exercise control over use of sites which may be sensitive to Maori, eg, the Port Hills.	
Environmental	Control is able to be exercised over activities at particular sites which may be ecologically sensitive, eg, plants and rock outcrops on the Port Hills, to ensure the resource is protected.	
Economic	<ul style="list-style-type: none"> Allows the commercial recreation provider to provide the added value recreation component to Council owned and managed Parks. The Council will gain revenue to use elsewhere to assist it to run the city. 	<ul style="list-style-type: none"> Will add to the costs of the commercial recreation provider to provide the added value recreational component to Council owned and managed Parks and Reserves. This may discourage some potential commercial recreation providers.

Extent to which community outcomes are achieved: Because they are known, the applicants' proposals can be adjusted to ensure that community outcomes are maximised.

Impact on Council's capacity and responsibilities:

- There are increased maintenance costs to Council that are able to be recouped from the commercial recreation providers.
- The Council is able to put in place formal protection measures, or evaluation procedures to assess the impact of the commercial recreation activities on the environment, or culturally sensitive sites.

Effects on Maori: Formal protection measures and evaluation procedures are able to be put in place to assess the impact, and gain Maori approval to allow commercial recreation providers to operate in culturally sensitive sites are able to be put in place.

Consistency with existing Council policies:

- There is consistency when assessing the proposed commercial recreation activity against Reserves Act 1977 requirements, Management Plan for the park or reserve City Plan, bylaws, and other Acts of Parliament where appropriate.
- There is consistency in assessing the application for alignment to the vision, purpose and management objectives for the park or reserve where no management plan exists.
- There is consistency in assessing if the commercial proposal is aligned with the Council's goals and objectives.

Views and preferences of persons affected or likely to have an interest: By having the umbrella policy in place it will enable the Council to minimise the affects of the proposed activity on other parks users, and gauge the views and preferences of persons affected or likely to have an interest city wide.

Other relevant matters: This policy will not be seen to be as business friendly as the recommended policy.

Option 4

41. Licences being put in place for which two levels of license fees are charged. For commercial recreation providers, that provide their services for profit, they pay a percentage of gross profit. For commercial recreation providers, that provide their services at cost, they pay a licence fee to cover Council costs only.

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> • Control over quality of service offered to the public. • Enables potential congestion problems at popular sites that may cause antagonism between commercial operators and or public to be removed. • Ensures congestion which may lead to dangerous situations occurring between parties using the same resource (rock outcrops) does not occur. • Ensures that the activity proposed is aligned to the management objectives for the park or reserve, complies with the relevant Acts of Parliament, and is aligned with the Councils goals and objectives. 	<ul style="list-style-type: none"> • The commercial recreation provider who is providing their services for profit will need to charge customers a higher price than under the preferred option to cover costs. • This option does not provide commercial equity between commercial operators who operate for profit, and those that provide a similar service who operate to cover costs only. • Because of how different applicants organisations are constituted, it may be difficult to ascertain which category some of these organisations will fit into.
Cultural	Enables the Council to exercise control over use of sites which may be sensitive to Maori, eg, the Port Hills.	
Environmental	Control is able to be exercised over activities at particular sites which may be ecologically sensitive, eg, plants and rock outcrops on the Port Hills, to ensure the resource is protected.	
Economic	<ul style="list-style-type: none"> • Allows the commercial recreation provider to provide the added value recreation component to Council owned and managed Parks. • The Council will gain revenue to use elsewhere to assist it to run the city. 	Will add to the costs of the commercial recreation provider who operates for profit to provide the added value recreational component to Council owned and managed Parks and Reserves. This may discourage and thereby exclude some potential commercial recreation providers who operate for profit, because similar non-profit organisations have a cost advantage over profit motivated organisations.

Extent to which community outcomes are achieved: Because they are known, the applicants' proposals can be adjusted to ensure that community outcomes are maximised.

Impact on Council's capacity and responsibilities:

- There are increased maintenance costs to Council that are able to be recouped from the Commercial Recreation Providers.
- The Council is able to put in place formal protection measures, or evaluation procedures to assess the impact of the commercial recreation activities on the environment, or culturally sensitive sites.

Effects on Maori: Formal protection measures and evaluation procedures are able to be put in place to access the impact, and gain Maori approval to allow commercial recreation providers to operate in culturally sensitive sites are able to be put in place.

Consistency with existing Council policies:

- There is consistency when assessing the proposed Commercial Recreation Activity against Reserves Act 1977 requirements, Management Plan for the park or reserve City Plan, bylaws, and other Acts of Parliament where appropriate.
- There is consistency in assessing the application for alignment to the vision, purpose and management objectives for the park or reserve where no management plan exists.
- There is consistency in assessing if the commercial proposal is aligned with the Council's goals and objectives.

Views and preferences of persons affected or likely to have an interest: By having the umbrella policy in place it will enable the Council to minimise the affects of the proposed activity on other parks users, and gauge the views and preferences of persons affected or likely to have an interest city wide.

Other relevant matters: This option will in all probability be seen to be unfair by profit motivated organisations wishing to use council owned or managed park and reserve land to provide a commercial recreational opportunity to the public. This policy will not be seen to be as business friendly as the recommended policy.