



# KOMITI ITI WHAKAWĀ HEARINGS SUBCOMMITTEE

20 September 2024

Order Paper for the hearing to be held in the  
Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,  
on:

**Thursday 26 September 2024 commencing at 9:00 am**

The hearing will be livestreamed on Council's YouTube page.

The purpose of the hearing is to consider submissions on the review of the  
Alcohol Fees Bylaw.

## **Membership**

	Cr S Edwards (Chair)
Cr B Dyer	Cr K Morgan
Cr N Shaw (alternate)	

For the dates and times of Council Meetings please visit [www.huttcity.govt.nz](http://www.huttcity.govt.nz)

**HUTT CITY COUNCIL**

**KOMITI ITI WHAKAWĀ | HEARINGS SUBCOMMITTEE**

Meeting to be held in the Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt  
on  
Thursday 26 September 2024 commencing at 9:00 am.

**ORDER PAPER**

**PUBLIC BUSINESS**

**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Whakataka te hau ki te uru  
Whakataka te hau ki te tonga  
Kia mākinakina ki uta  
Kia mātaratara ki tai  
E hī ake ana te atakura  
He tio, he huka, he hau hū  
Tihei mauri ora

Cease the winds from the west  
Cease the winds from the south  
Let the breeze blow over the land  
Let the breeze blow over the ocean  
Let the red-tipped dawn come with a  
sharpened air.  
A touch of frost, a promise of a  
glorious day.

**2. APOLOGIES**

No apologies have been received.

**3. CONFLICT OF INTEREST DECLARATIONS**

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

**4. HEARING OF SUBMISSIONS - REVIEW OF THE ALCOHOL FEES BYLAW**

Report No. HSC2024/4/281 by the Senior Policy Advisor

## 5. HEARING OF SUBMISSIONS

The schedule for the submitters giving oral presentations is as follows:

Time	Submitter	Representing
9.10	Darshan Bhalani	Pepe's Pizza Parlour
9.15		
9.20	Garth Rosson	Cutlers Bar
9.25	Hellen Swales	Jackson Street Programme
9.30	Pete Matcham	
9.35		
9.40	Shane Phillips	Hospitality New Zealand
9.45	Andrew Galloway and Jennifer Lamm	Alcohol Healthwatch
9.50	Laura Shaw	Cosmo Business Services
9.55	Anna Boyack	Viva Mexico Petone (TBC)
10.00	James Scott	Southend Business Group
10.05	Patrick McKibbon	Hutt Valley Chamber of Commerce

## 6. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!	Release us from the supreme
Unuhia!	sacredness of our tasks
Unuhia i te uru-tapu-nui	To be clear and free
Kia wātea, kia māmā	in heart, body and soul in our
Te ngākau, te tinana,	continuing journey
te wairua i te ara takatū	Oh Rongo, raise these words up high
Koia rā e Rongo	so that we be cleansed and be free,
whakairihia ake ki runga	Yes indeed, we are free!
Kia wātea, kia wātea!	Good and peaceful
Ae rā, kua wātea!	
Hau, pai mārīre.	

Vanessa Gilmour  
**DEMOCRACY ADVISOR**

15 September 2024

Report no: HSC2024/4/281

## Hearing of submissions - Review of the Alcohol Fees Bylaw

### Purpose of Report

1. To report on the results of the public consultation on the proposal to changes to alcohol licensing fees in the Alcohol Fees Bylaw (the Bylaw).

### Recommendations

That the Subcommittee:

- (1) agrees to accept the late written submission from Viva Mexico Petone;
- (2) receives and notes a Survey Response Report and copies of all written submissions can be viewed here:  
[https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/\\_mtgmngmnt/6565289b65d2524a3394d2ddc21da83dc4](https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/_mtgmngmnt/6565289b65d2524a3394d2ddc21da83dc4)
- (3) notes that written copies of verbal submissions can be viewed here:  
[https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/\\_mtgmngmnt/3f6a862f66054541ff9cb87f1a25d88a4b](https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/_mtgmngmnt/3f6a862f66054541ff9cb87f1a25d88a4b)
- (4) notes the Statement of Proposal attached as Appendix 1; and
- (5) notes that a copy of the Draft Alcohol Fees Bylaw is attached as Appendix 2 to the report.

For the reason that the Subcommittee has the authority to hear submissions in relation to the Alcohol Fees Bylaw.

### Background

#### *Legal Framework*

2. Under the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, councils can make bylaws setting the fees payable to territorial authorities with respect to the functions of their licensing committees and the inspection and enforcement functions of territorial authorities, under the Sale and Supply of Alcohol Act 2012 (the Act).
3. Currently Council's fee setting in the Bylaw aims to recover 90% of all costs associated with alcohol-related work carried out by Council. At the time, Council acknowledged that premises such as sports and community clubs provide a valuable service to the community and that cafes, restaurants and other licensed premises also help to make Lower Hutt a vibrant place to live.

For this reason, it was accepted at that time that 10% of the costs of licensing activities would be funded by rates.

4. Section 402(1)(b) notes that costs include the total costs to Council of:
  - a. the performance by its district licensing committees of their functions;
  - b. inspectors employed or contracted by Council (or, where inspectors employed or contracted perform both the functions of an inspector and other functions, the appropriate proportion of the total costs of those inspectors); and
  - c. Council's undertaking (directly or by agents or contractors) of enforcement activities under the Act.
5. A cost recovery of 93% was achieved in the 2022/23 financial year but will not be achieved in 2023/24 or 2024/25 due to increasing costs and the need to review the Bylaw before further fee increases can be made. The remaining costs are covered by Council rates revenue.
6. Through the Long-Term Plan (LTP) 2024-2034 process, Council increased the projected annual alcohol licensing revenue in line with Consumer Price Index increases. These revenue projections were predicated on 100% cost recovery in line with LTP decisions. This higher level of recovery was set in the broader context of concerns about rates affordability and the need to find offsetting mechanisms to fund cost pressures and reduce the impact on ratepayers.
7. On 25 July 2024, Council approved public consultation on the review of the Bylaw from 26 July 2024 to 25 August 2024.

## **Discussion**

### *Proposed changes to the Bylaw*

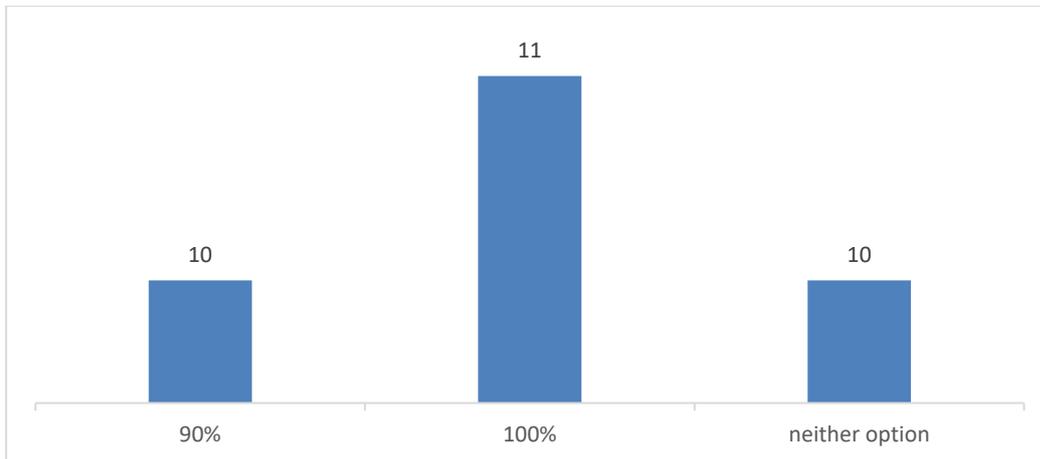
8. Public consultation on proposed changes to the Bylaw were to:
  - a. maintain fees to recover either 90% of costs; or
  - b. set fees to recover 100% of costs related to alcohol licensing.
9. No changes were proposed to how Council attributes risk to each licence type. The risk categories are defined in the legislation based on the risk attributed to each licence. The lower the weighting and risk rating, the lower the fee category.

### *Analysis of public consultation*

10. A Survey Response Report and copies of all written submissions can be viewed here:  
[https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/\\_mtgmngmnt/6565289b65d2524a3394d2ddc21da83dc4](https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/_mtgmngmnt/6565289b65d2524a3394d2ddc21da83dc4)
11. The public consultation survey asked respondents to indicate which option of alcohol fee increases they supported – 90% cost recovery from licensing fees with 10% from general rates or 100% cost recovery from alcohol licensing fees.

12. 33 responses were received, 15 from organisations and 18 from individuals. Two individuals did not respond to this question so there are 31 responses represented in Chart 1 below.
13. Although only two options were included in the survey, nine respondents did not support either option, as shown in Chart 1 below.

*Chart 1: breakdown of responses for support of cost recovery of alcohol licensing*



14. For those who chose the 90% recovery option (three individuals and seven organisations), most did not support any fee increase. The comments received in submissions indicate the following concerns:
- the increases are excessive;
  - fees are higher than other councils in the region; and
  - Council should cover a portion of costs from general rates, particularly those related to staff wages and broader governance functions.
15. 11 respondents supported 100% cost recovery (nine individuals and two organisations). The two organisations that opted for the 100% recovery options were Alcohol Healthwatch and the National Council of Women of New Zealand. Comments from these submissions included:
- an excellent way of recovering costs;
  - a risk-based approach to the level of fees is sensible and appropriate;
  - a bylaw is a prudent option given that fees set under the Sale and Supply of Alcohol (Fees) Regulation 2013 have not kept pace with costs; and
  - rates should not be used to cover any shortfall in the cost of alcohol licensing.
16. While the public consultation put forth two options, some respondents (five individuals and five organisations) expressed support for a third option – no increase to alcohol fees. Status quo fees are not an option because the increase in alcohol licensing fees is necessary to recover costs.

*Verbal submissions*

17. 11 respondents have requested to present their verbal submissions to the subcommittee – three individuals and eight organisations. Copies of verbal submissions can be viewed here:

[https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/\\_mtgmngmnt/3f6a862f66054541ff9cb87f1a25d88a4b](https://hccpublicdocs.azurewebsites.net/api/download/2657e0a4b3614301b65dd99406a07ad2/_mtgmngmnt/3f6a862f66054541ff9cb87f1a25d88a4b)

*Late submission*

18. One written submission from Viva Mexico Petone was received late but has been considered in the calculations and comments covered in this report.

*Written submissions*

19. Since three public consultations on alcohol were running consecutively, some written submissions covered more than one consultation. In these cases, the text pertaining to the Alcohol Fees Bylaw consultation has been indicated in the submission.

*Statement of Proposal*

20. To support the Subcommittee in deliberations and questions arising from verbal submissions, a copy of the Statement of Proposal is attached as Appendix 1 to the report.

**Options**

21. As noted above, fee options put out for public consultation on the Bylaw were to:

- a. maintain fees to recover either 90% of costs; or
- b. set fees to recover 100% of costs related to alcohol licensing.

22. Fee tables for these options are included in the Statement of Proposal attached as Appendix 1 to the report.

*Option to stagger 100% cost recovery option over three years*

23. During the consultation process, officers received a request from licensees in Petone to stagger the fee increase. This request is aimed at helping businesses mitigate the impact of other cost pressures experienced by licensed venues, such as increases in rates.

24. Table 1 below shows fees for all risk categories for on-, off-, and club licences over the next three financial years demonstrating 90%, 95% and 100% cost recovery from fees if staggered over three years.

**Table 1: Fee increases for 100% cost recovery implemented over three years**

<b>Risk Category for on-, off- and club licence</b>	<b>Current application fee</b>	<b>Proposed Increase</b>	<b>New Fee 25/26 (90% cost recovery)</b>	<b>New Fee 26/27 (95% cost recovery)</b>	<b>New Fee 27/28 (100% cost recovery)</b>
Very Low	\$699.20	20%	\$840	\$910	\$979
Low	\$1,158.05	30%	\$1,505	\$1,621	\$1,737
Medium	\$1,531.35	40%	\$2,143	\$2,297	\$2,450
High	\$1,944.65	50%	\$2,916	\$3,111	\$3,306
Very High	\$2,294.25	60%	\$3,670	\$3,900	\$4,130
<b>Risk Category for on-, off- and club licence</b>	<b>Current annual fee</b>	<b>Proposed increase</b>	<b>New Fee 25/26 (90% cost recovery)</b>	<b>New Fee 26/27 (95% cost recovery)</b>	<b>New Fee 27/28 (100% cost recovery)</b>
Very Low	\$305.90	20%	\$367	\$398	\$428
Low	\$742.90	30%	\$965	\$1,040	\$1,114
Medium	\$1201.75	40%	\$1,682	\$1,803	\$1,923
High	\$1966.5	50%	\$2,949	\$3,146	\$3,343
Very High	\$2731.25	60%	\$4,370	\$4,643	\$4,916
<b>Special licences</b>	<b>Current application fee</b>	<b>Proposed increase</b>	<b>New Fee 25/26 (90% cost recovery)</b>	<b>New Fee 26/27 (95% cost recovery)</b>	<b>New Fee 27/28 (100% cost recovery)</b>
Special Class 1	\$1092.5	60%	\$1,748	\$1,858	\$1,967
Special Class 2	\$393.3	50%	\$589	\$629	\$669
Special Class 3	\$120.15	10%	\$132	\$138	\$144
<b>Other</b>	<b>Current other fees</b>	<b>Proposed increase</b>	<b>New Fee 25/26 (90% cost recovery)</b>	<b>New Fee 26/27 (95% cost recovery)</b>	<b>New Fee 27/28 (100% cost recovery)</b>
Temp Authority	Application fee \$563.75	40%	\$639	\$714	\$789
Permanent Chartered Club	Annual fee \$632.5	20%	\$674	\$716	\$759

*Long-Term Plan revenue projections*

25. If the Subcommittee supports the option of implementing a three-year staggered approach to achieve 100% cost recovery, it will result in a shortfall in revenue in the 2025/26 financial year. Still, it would achieve revenue projections by 2027/28 (as shown in Table 2). Actual results will depend on internal costs and the volume of applications and licences in force, which vary from year to year. The revenue shortfall in 2025/26 is relatively minor, at about \$11k.

**Table 2: Estimated revenue from a staggered implementation of fee increases**

	2025/26	2026/27	2027/28
Projected revenue from new alcohol licensing fees (assumed phasing of fees)	431,844	459,251	486,456
LTP projected Revenue (assumed 100% recovery)	442,568	452,744	463,181
Expenditure	(466,366)	(471,574)	(474,228)
Costs Recovery	Achieves 93% cost recovery	Achieves 97% cost recovery	Achieves 103% cost recovery

**Next Steps**

26. The Draft Alcohol Fees Bylaw is attached as Appendix 2 to the report. Following the hearings and deliberations, officers will update the Bylaw to include the Subcommittee's fee recommendations.

**Climate Change Impact and Considerations**

27. There are no climate change considerations.

**Consultation**

28. Targeted engagement was undertaken with current alcohol licensees, with messages also sent to the Hutt Valley Chamber of Commerce and Jackson Street Programme before the start of formal consultation.

**Legal Considerations**

29. Council must comply with the following legislation:

- a. Sale and Supply of Alcohol Act 2012;
- b. Sale and Supply of Alcohol (Fees) Regulations 2013;
- c. Sale and Supply of Alcohol (Fees-setting Bylaws) Order 2013; and
- d. Local Government Act 2002.

**Financial Considerations**

30. Financial considerations are outlined in the report.

## Appendices

No.	Title	Page
1↓	Statement of Proposal - Alcohol Fees Bylaw	11
2↓	Draft Alcohol Fees Bylaw	21

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**Reviewed By:** Bradley Cato  
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**Approved By:** Jarred Griffiths  
Director Strategy and Engagement



## Statement of Proposal

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# Draft Alcohol Fees Bylaw 2024

### Summary of Proposal

Council adopted the Alcohol Fees Bylaw in 2019 pursuant to the Sale and Supply of Alcohol Act 2012 (the Act). The fees setting in this bylaw aimed to recover 90% of all costs associated with alcohol-related work undertaken by Hutt City Council such as maintaining licensing application processes, alcohol licence monitoring and enforcement duties, and activities of the District Licensing Committee. The increases were phased in over three years, ending in 2022.

A cost recovery of 93% was achieved in 2022/23 financial year but will not be achieved in 2023/24 or 2024/25, due to the need to review the bylaw before further increases can be made. The remaining costs are covered by Hutt City Council rates.

Through the 2024-2034 Long-Term Plan process, Hutt City Council has increased the projected annual alcohol licensing revenue in line with Consumer Price Index increases.

We have reviewed the fee settings in the bylaw and would like feedback on two options:

- Option 1: 90% cost recovery; or
- Option 2: 100% cost recovery.

## How to have your say

We want your feedback on the proposed Alcohol Fees Bylaw.

You can provide feedback in multiple ways:

- Make an online submission at [hutt.city/alcohol](https://hutt.city/alcohol).
- Email your submission to [alcohol.feedback@huttcity.govt.nz](mailto:alcohol.feedback@huttcity.govt.nz) with 'Alcohol Fees Bylaw' in the email subject line.
- Drop off a submission at the front counter at our office at 30 Laings Rd.

## Timetable for consultation

The consultation is open from **26 July to 25 August 2024**.

## Questions to consider

- Should Hutt City Council maintain a goal of recovering 90% of alcohol licensing costs through fees, or change to a goal of recovering 100%?

## Privacy Statement

We require your name, contact details and the suburb you live in as part of your feedback. All feedback will be published on our website with your name. All other personal or commercially sensitive information (including your email address and suburb) will be removed. Publishing feedback in full supports a transparent process and will assist in the public hearing process.

If you have specific reasons for not wanting your feedback publicly released, please contact [alcohol.feedback@huttcity.govt.nz](mailto:alcohol.feedback@huttcity.govt.nz).

The feedback form asks for the suburb you live in to better understand how you are impacted by the changes happening in your suburb.

### *Public Hearings*

The feedback form also asks if you want to present directly to Councillors at a hearing. If you state that you do want to present to Councillors, you will be contacted by council staff to arrange a time for you to speak.

Feedback will be considered by Council regardless of whether you wish to present your views at a hearing or not. Final decisions will be made in September 2024 and the Alcohol Fees Bylaw will be adopted in December 2024.

### *Storing personal information*

Council stores information with reasonable safeguards against loss and disclosure. Reasonable safeguards include physical and technological protections. Personal information is accessible to staff who have a legitimate reason to access it. Council has a code of conduct where unauthorised disclosure of confidential information or records in accordance with the provisions of the Public Records Act, which includes the authorised destruction of records once they are no longer required to be kept for legislative compliance or business purposes.

### *Access to your information*

The information you provide will be accessible only by Council staff and is not shared with any third party. You have the right to ask for a copy of any personal information we hold about you, and to ask for it to be corrected if you think it is wrong. If you'd like to ask for a copy of your information, or to have it corrected, please contact us at [policy@huttcity.govt.nz](mailto:policy@huttcity.govt.nz), or 04 570 6666, or 30 Laings Road, Lower Hutt 5010.

### **What does an Alcohol Fees Bylaw do?**

Under the Sale and Supply of Alcohol Act 2012, councils are able to set prescribed alcohol licensing fees through the implementation of an alcohol fees bylaw.

Entities who wish to obtain a licence for the sale and supply of alcohol in Lower Hutt can make an application to the District Licensing Committee (DLC) within Hutt City Council. The DLC will consider and decide on all applications.

Applicants can seek an on-licence, off-licence, club licence or a special on- or off-licence to sell and supply alcohol. All application fees are paid to Hutt City Council for each licence type. The fee amount depends on the risk category of the relevant premises. The cost/risk category of premises is determined by three factors:

- type of premises;
- latest alcohol sales time; and
- number of recent enforcement actions.

We are not proposing any changes to the way Council attributes risk to each licence type. The risk categories are outlined in the Act and are based on the risk attributed to each licence. The lower the weighting and risk rating, the lower the fees category.

#### *Premise type*

The Act recognises that there are certain premises that have a higher risk which require more resources to licence, monitor and enforce. Each licence type has a number of types of premises, each with an assigned weighting.

<b>Licence type</b>	<b>Factor 1: type of premise</b>	<b>Weighting</b>
On-licence	Class 1 restaurant, night club, tavern adult premise	15
	Class 2 restaurant, hotel, function centre	10
	Class 3 restaurant, other	5
	BYO restaurant, theatres, cinemas, winery cellar doors	2
Off-licence	Supermarket, grocery store, bottle store	15
	Hotel, tavern	10
	Class 1, 2 or 3 club, remote sale premise, other	5
	Winery cellar doors	2
Club licence	Class 1 club	10
	Class 2 club	5
	Class 3 club	2

#### *Hours of business*

The Act also recognises that licenced premises that are open later attract a higher risk. Hutt City Council's Local Alcohol Policy already restricts businesses' opening hours further than the default maximum trading hours that are provided in the Act.

Licence type	Latest trading hour	Weighting
On-licence or Club licence	2am or earlier	0
	Between 2:01 and 3am	3
	After 3am	5
Off-licence (excluding remote sales premises)	10pm or earlier	0
	Any time after 10pm	3
Remote sales premises	Not applicable	N/A

### *Enforcement actions*

If a licenced premise has been issued with an enforcement action (as defined under the Act), this recognises that the licensee has broken the law under the Act and attributes this to a higher risk rating depending on the number of enforcement actions taken.

Licence type	Number of ARLA enforcements actions recorded in the last 18 months	Weighting
All types	None	0
	1	10
	2 or more	20

*Risk rating*

Adding up the weighting from each of these factors allows Council to attribute a risk rating to each licence and determine the appropriate fee category as outlined in the table below. This table also outlines the numbers of licence types issued in Lower Hutt over the past five financial years.

Risk category and current fees	Numbers of licences				
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
<b>Application fees</b>					
Very low - \$699.20	22	10	8	13	6
Low - \$1158.05	38	30	28	42	31
Medium - \$1531.35	42	39	40	38	44
High - \$1944.65	6	3	6	2	1
Very high - \$2294.25	0	0	1	0	0
<b>Annual fees</b>					
Very low - \$305.90	24	29	38	28	26
Low - \$742.90	47	69	80	69	86
Medium - \$1201.75	53	64	94	78	82
High - \$1966.50	6	5	7	2	1
Very high - \$2731.25	0	2	2	0	0
<b>Other fees</b>					
Temporary Authority \$563.75	12	11	8	16	11
Manager Certificate \$316.25	322	254	258	280	282
<b>Special licence fees</b>					
Class 1 \$1092.50	13	13	4	2	3
Class 2 \$393.30	41	26	28	20	48
Class 3 \$120.15	83	73	79	62	71

### Recoverable costs

Costs that Council can recover through alcohol fees are covered in Regulation 19 of the Sale and Supply of Alcohol (fees) Regulation 2013 and are reported annually. The table below outlines what is included in each of the categories of recoverable costs.

#### *Recoverable costs through alcohol fees revenue*

<b>Personnel costs</b>	The costs of people, including DLC members, inspectors or other staff. This includes salaries, allowances, leave (annual and wellness), ACC costs, kiwi saver contributions, training and development, stationery, printing, equipment (computers / IT etc) and any other staff-related costs.
<b>Disbursements to Alcohol Regulatory and Licensing Authority</b>	This disbursement should be offset by TA licence revenue, which includes the amount which is remitted to ARLA.
<b>Overhead costs</b>	Finance, corporate services, human resources, IT, legal, accommodation (rent, maintenance, utilities).
<b>Overhead allocation</b>	The allocation of overheads is generally applied in relation to full-time equivalent staff (FTE) or unit expenditure.

### Options for consideration

In 2019, Council increased fees evenly across all risk categories in order to achieve 90% cost recovery. The options below provide for higher percentage fee increases as the risk category increases.

There are two options being considered for alcohol licensing fee increases:

- Option 1: 90% recovery of costs, with 10% of costs covered by Hutt City rates; or
- Option 2: 100% recovery of costs.

Option 1 – 90% recovery of costs

<b>Risk Category for on-, off- and club licence</b>	<b>Current application fee</b>	<b>Proposed Increase</b>	<b>New Fee 25/26</b>
Very Low	\$699.20	20%	\$840
Low	\$1,158.05	30%	\$1,505
Medium	\$1,531.35	40%	\$2,143
High	\$1,944.65	50%	\$2,916
Very High	\$2,294.25	60%	\$3,670
<b>Risk Category for on-, off- and club licence</b>	<b>Current annual fee</b>	<b>Proposed increase</b>	<b>New Fee 25/26</b>
Very Low	\$305.90	20%	\$367
Low	\$742.90	30%	\$965
Medium	\$1201.75	40%	\$1,682
High	\$1966.5	50%	\$2,949
Very High	\$2731.25	60%	\$4,370
<b>Special licences</b>	<b>Current application fee</b>	<b>Proposed increase</b>	<b>New Fee 25/26</b>
Special Class 1	\$1092.5	60%	\$1,748
Special Class 2	\$393.3	50%	\$589
Special Class 3	\$120.15	10%	\$132
<b>Other</b>	<b>Current other fees</b>	<b>Proposed increase</b>	<b>New Fee 25/26</b>
Temp Authority	Application fee \$563.75	40%	\$789
Permanent Chartered Club	Annual fee \$632.5	20%	\$759

*Option 2 – 100% recovery of costs*

<b>Risk Category On- and off- and club licences</b>	<b>Current application fee</b>	<b>Proposed Increase</b>	<b>New Fee 25/26</b>
Very Low	\$699.20	40%	\$979
Low	\$1,158.05	50%	\$1,737
Medium	\$1,531.35	60%	\$2,450
High	\$1,944.65	70%	\$3,306
Very High	\$2,294.25	80%	\$4,130
<b>Risk Category On- and off- and club licences</b>	<b>Current Annual Fee</b>	<b>Proposed Increase</b>	<b>New Fee 25/26</b>
Very Low	\$305.90	40%	\$428
Low	\$742.90	50%	\$1,114
Medium	\$1201.75	60%	\$1,923
High	\$1966.5	70%	\$3,343
Very High	\$2731.25	80%	\$4,916
<b>Special licences</b>	<b>Current Application fee</b>	<b>Proposed Increase</b>	<b>New Fee 25/26</b>
Special Class 1	\$1092.5	80%	\$1,967
Special Class 2	\$393.3	70%	\$669
Special Class 3	\$120.15	20%	\$144
<b>Other</b>	<b>Current other fees</b>	<b>Proposed Increase</b>	<b>New Fee 25/26</b>
Temporary Authority	Application fee \$563.75	40%	\$789
Permanent Chartered Club	Annual fee \$632.5	20%	\$759

The fees adjustment would commence on 1 July 2025, with a further proposed fee increase of 3% each following year across the risk categories until 2035.

An increase of 3% each year achieves the previously desired 90% cost recovery, however only the 100% cost recovery option will achieve Long Term Plan projected revenue.

### **Reducing expenditure**

All applications for on-, off- and club licences must be publicly notified. Council provides for the publishing of public notices on the Hutt City Council website. This currently costs \$155 per notice and generates revenue of approximately \$10,000 per annum.

A new non-refundable administrative fee of \$120 has been proposed for late special licence applications (less than 20 working days' notice) from 1 July 2024.

While both of these fees contribute to cost recovery, they are not within the scope of the alcohol fees framework, and therefore cannot be considered in determining the annual revenue versus expenditure for alcohol related work. This is reported to Council's Infrastructure and Regulatory Committee in September of each year and published on the Hutt City Council website.

### **Reporting requirements**

Under the Sale and Supply of Alcohol (Fees) Regulations 2013, councils must prepare and make publicly available annual reports that outline income from alcohol fees in relation to:

- the performance of the function of its licensing committee under the Act;
- the performance of the functions of its inspectors under the Act; and
- undertaking enforcement activities under the Act.

Please note that the Draft Alcohol Fees Bylaw has been removed from this Statement of Proposal for the purposes of the Infrastructure and Regulatory Subcommittee Hearings.

# Draft Alcohol Fees Bylaw 2024

Division	Strategy & Engagement
Date created	Month Year
Publication date	Month Year
Review period	Month Year
Owner	Name
Approved by	Name

Version	Author	Date	Description
V 1.0	Name	Month Year	Insert brief description here
V 2.0	Name	Month Year	Insert brief description here

# Alcohol Fees Bylaw

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## 1. Purpose

1.1 The purpose of this bylaw is to prescribe fees for all matters for which fees payable to Hutt City Council are prescribed in the Sale and Supply of Alcohol Act 2012.

## 2. Interpretation

2.1 In this bylaw, unless the context otherwise requires, the following definitions apply:

- **Act** means the Sale and Supply of Alcohol Act 2012.
- **Application Fee** has the meaning given by the Sale and Supply of Alcohol (Fees) Regulations 2013 and means any of the following:
  - an application for an on-licence, off-licence or club licence;
  - an application to vary an on-licence, off-licence or club licence; and
  - an application to renew an on-licence, off-licence or club licence.
- **Licence** has the meaning given by the Sale and Supply of Alcohol Act 2012 and means any of the following:
  - a licence issued under the Act that is in force, and
  - in relation to any licenced premises, means the licence issued for them (or, in the case of premises that 2 or more licences have been issued for, any of those licences).
- **Regulations** means the Sale and Supply of Alcohol (Fees) Regulations 2013.
- **Permanent Club Charter** means a charter, granted under section 260(3) of the Licensing Act 1908 (or a corresponding provision of any earlier former licensing Act), that was in force immediately before the commencement of this section.
- **Special licence** means:
  - **Off-site special licence** which allows for the sale or supply of alcohol for consumption elsewhere, or the supply of alcohol free as a sample for consumption on the premises; or
  - **On-site special licence** allows for the sale or supply of alcohol for consumption on the premises to people attending an event described on the licence.
- **Temporary authority** means a temporary authority order issued and in force under the Act.

### 3. Fees payable

3.1 The table below sets out the fees payable to Council for alcohol related fees including annual licence fees and applications. Fees for licensing are determined under the Sale and Supply of Alcohol Act 2012 and the Sale and Supply of Alcohol (Fees) Regulations 2013. *(To be updated following Subcommittee Hearings)*

### 4. Fees setting

4.1 Fees can be set by Council to recover the costs of alcohol licensing and monitoring in the community through the implementation of this Bylaw.

### 5. Legislation

5.1 Legislation relevant to this Bylaw includes:

<b>Sale and Supply of Alcohol Act 2012</b>	The purpose of this Act is to provide a legal framework for the sale, supply and consumption of alcohol and the associated systems of control and licensing.
<b>Sale and Supply of Alcohol (Fees) Regulation 2013</b>	These regulations provide for the fees that can be charged and how fees are established for alcohol licensing related function of Local Authorities.
<b>Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013</b>	Every territorial authority is authorised to prescribe, by bylaw, fees for any matter for which a fee payable to territorial authorities can be prescribed by regulations made under the Sale and Supply of Alcohol Act 2012.