



## ALCOHOL HEARINGS SUBCOMMITTEE

23 August 2019

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

**Monday 26 August 2019 commencing at 11.00am**

This hearing has been reconvened from 6 August 2019. The purpose of the hearing is to consider submissions received for a proposed Alcohol Fees Bylaw

### **Membership**

Deputy Mayor D Bassett (Chair)

Cr G Barratt

Cr L Sutton

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



**HUTT CITY COUNCIL**

**ALCOHOL HEARINGS SUBCOMMITTEE**

Reconvened meeting to be held in the Council Chambers, 2nd Floor, 30 Laings Road,

Lower Hutt on

Monday 26 August 2019 commencing at 11.00am.

**ORDER PAPER**

**PUBLIC BUSINESS**

1. **RESPONSE TO QUESTIONS FROM MEMBERS OF THE ALCOHOL HEARINGS SUBCOMMITTEE MEETING HELD ON 6 AUGUST 2019 (19/1118)**

Report No. HSC2019/4/83 by the Team Leader Environmental Health

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Judy Randall  
COMMITTEE ADVISOR

23 August 2019

File: (19/1118)

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Report no: HSC2019/4/83

## **Response to Questions from Members of the Alcohol Hearings Subcommittee Meeting held on 6 August 2019**

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1. This report provides a response to questions from the meeting of the Alcohol Hearings Subcommittee (the Subcommittee) held on 6 August 2019 and reconvened to 26 August 2019.

### **Recommendation**

That the report be noted and received.

### **Background**

2. At the meeting of the Subcommittee held on 6 August 2019 the Subcommittee resolved the following:

**RESOLVED:** (Deputy Mayor Bassett/Cr Sutton) **Minute No. HSC 19401**

*"That the Alcohol Hearings Subcommittee:*

- (i) notes and receives the report;*
- (ii) considers the submissions received concerning the proposed Alcohol Fees Bylaw;*
- (iii) asks officers to review the Fees Reduction Policy with a view to assisting non-profit organisations including sports clubs;*
- (iv) asks officers to investigate the feasibility of making all applications and all supporting documentation available on-line;*
- (v) that a phase in period of three years be implemented; and*

(vi) *that the hearing be adjourned and reconvened at 11am on Monday 26 August 2019.*"

## Discussion

3. In response to questions from the Subcommittee, officers advise the following:
  - a. A revised Fee Reduction Guide (Guide) is attached as Appendix 1 to the report. This could be posted on Council's website, and could also be included in the information provided in application forms to raise awareness and encourage uptake. This Guide will provide for a fee reduction for non-profit organisations applying for a special licence or club licence.

It is noted that there are no similar fee reductions for non-profit organisations within the Environmental Consents Division, so this would result in inconsistency with that current situation.

There are 39 organisations holding club licences in Lower Hutt. There are no Class 1 Club Licences, 18 Class 2 Club licences and 21 Class 3 Club licences. The 21 Class 3 clubs are already in the lowest fee category; therefore, these clubs will not be eligible for a fee reduction. To attempt to do so would then make the fee regime inconsistent with the default fee framework. It is also noted that by offering this fee reduction, the 60/40 costs recovery model is unlikely to be met across the business.

The shortfall due to implementing this policy would be approximately \$10,000 per annum.

- b. Advertising On/Off and Club Licence applications on Council's website is certainly feasible, and is something that a number of Council's do, but not all. In some cases this is in place of a public notice in a newspaper. I would not recommend that option as it would potentially disadvantage those people that do not have computer, or internet access.

Some Councils offer the option of advertising on their website, or alternatively, via publication in the newspaper. This could create confusion by having two locations for people to check.

I would also recommend that only the public notice(s) be advertised on the website, rather than the complete application, as placing all of the documentation would require that it be redacted to remove any personal information. In any case, it is very rare for Council to receive requests to view applications, even when there are objections.

While some Councils provide the public notice advertisement on their website for free, others charge up to \$150 per application. The cost to Council for publishing on the website is estimated to be \$50 to \$80 per application (\$5,400 to \$8,640 per annum) and so again, by implementing this, the 60/40 costs recovery model is unlikely to be met across the business.

Should Council decide to adopt this change, I believe the service would need to be provided free of charge if Council were to continue to require publication in a newspaper (Hutt News). As noted above, it is recommended to continue with the publication of public notices in the newspaper.

- c. Revised fees table projected over three years.

Risk category	Fees to apply Year 1 (Date to be confirmed)		Fees to apply Year 2 (Date to be confirmed)		Fees to apply Year 3 (Date to be confirmed)	
	Application Fee	Annual Fee	Application Fee	Annual Fee	Application Fee	Annual Fee
Very Low	478.40	209.30	588.80	257.60	699.20	305.90
Low	792.35	508.30	975.20	625.60	1,158.05	742.90
Medium	1,061.45	822.25	1,306.40	1,012.00	1,551.35	1,201.75
High	1,330.55	1,345.50	1,637.60	1,656.00	1,944.65	1,966.50
Very High	1,569.75	1,868.75	1932.00	2,300.00	2,294.25	2,731.25

Special Licences	Fees to apply Year 1 (Date to be confirmed)	Fees to apply Year 2 (Date to be confirmed)	Fees to apply Year 3 (Date to be confirmed)
Class 1	747.50	920.00	1,092.50
Class 2	269.10	331.20	393.30
Class 3	82.20	101.20	120.15

	Fees to apply Year 1 (Date to be confirmed)	Fees to apply Year 2 (Date to be confirmed)	Fees to apply Year 3 (Date to be confirmed)
Temporary Authority	385.70	474.70	563.75

Manager's Certificates	316.25 (no change to fees)
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It was also discussed at the meeting whether financial incentives could be allowed for 'good operators'. This is not recommended by officers. The Sale and Supply of Alcohol Act 2012 contains various enforcement provisions, so the effect is that 'poor operators' are penalised with enforcement tools such as infringement fines, suspension or cancellation of licences.

In the past 12 months, 13 premises were visited as part of a controlled purchase operation resulting in two sales of alcohol to minors. These are typically dealt with by suspension of the licence. Three suspensions within three years will typically result in cancellation of the licence.

There has been one infringement fine issued during the past 12 months.

The fact is that there are very few operators that would be categorised as ‘poor’ using these criteria. It would therefore be detrimental to the proposed fees bylaw to incentivise ‘good operators’ as the majority would be considered ‘good operators’. To incentivise them would effectively defeat the purpose of this proposed alcohol fee bylaw, which is to recover the costs of alcohol licensing and enforcement activities. It would also be inconsistent with the regulatory framework across the Environmental Consents Division.

### Appendices

No.	Title	Page
<a href="#">1</a>	Revised Fee Reduction Guide for Alcohol Licences	8

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**Approved By:** Derek Kerite  
Acting Divisional Manager, Environmental Consents

# FEE REDUCTION GUIDE FOR ALCOHOL LICENCES

## REFERENCES

Sale and Supply of Alcohol (Fees) Regulations 2013

## REQUESTS TO REDUCE FEES BY ONE CATEGORY

When a request for a reduction in fees is received, and meets the particular circumstances below, either the Chief Licensing Inspector or a Senior Officer has delegated authority to decide – this will be dependent on the particular circumstances of the applicant and activity.

Requests must be made in writing at the time of application, with the reason for a fee reduction.

Any request outside of the below particular circumstances can only be decided by the Chief Licensing Inspector.

Sports Clubs and philanthropic organisations holding a club licence will automatically have their fee category reduced to 1 class lower than specified.

## SPECIAL LICENCES

The fee payable for any special licence application may be assigned a fees category that is 1 class lower than specified in Clause 10 (1) of the Sale and Supply of Alcohol (Fees) Regulations 2013.

The reduction is available only if:

- the application is for a Class 1 or Class 2 special licence;  
AND
- the event or series of events is a community or fundraising activity that will benefit the community or recognised charities;  
AND
- the special licence holder is not a commercial entity that will make any commercial gain from the event;  
AND
- no infringement notice has been issued for related events in the last year.

The lower fee will be paid upon application – if the request for a lower fee is declined, the applicant must pay the remainder before the licence will be issued.

For all premises requesting a lower fee, please ask the cashiers to place the fee in the holding account 1HE Licence.

## CLUB LICENCES

The fee payable for all Club licence applications may be assigned a fees category that is 1 class lower than specified in Clause 10 (1) of the Sale and Supply of Alcohol (Fees) Regulations 2013.

The reduction is available only if:

- the application is for a Class 1 or Class 2 club licence;  
AND
- the club is a non for profit organisation;  
AND
- no infringement notice or enforcement holding has been issued to the club in the previous licensing period.