

Annual report of alcohol licensing income and costs for the year:

- 1st July 2019 to 30th June 2020

Under the Sale and Supply of Alcohol Act 2012 the fees regulations introduced a national risk based licensing fees framework for alcohol licensing.

The Ministry of Justice is the Government Department which administers the Sale and Supply of Alcohol Act 2012. The legislation aims for TAs to recover the costs incurred in administering the alcohol licensing system. The Regulation 19 report is a tool to help determine whether this is being achieved.

The fees regulations set default fees for on-licences, off-licences and club licences. They distinguish between application fees and annual fees. The Fees Regulations set fees for other licence types including manager certificates, temporary authorities, special licences, temporary licences and permanent club charters.

Regulation 19 reports provide information on costs, income and levels of cost recovery, and improve transparency and accountability. They are also intended to provide reliable data for the Ministry of Justice review of fees, which is required to be undertaken every 5 years.

Regulation 19 of the Sale and Supply of Alcohol (fees) Regulations 2013 requires that:

- (1) Every territorial authority must, each year, prepare and make publicly available a report showing its income from fees payable in relation to, and its costs incurred in,
 - (a) The performance of the functions of its Licensing Committee under the Act;
and
 - (b) The performance of its functions of its inspectors under the Act;
 - (c) Undertaking enforcement activities under the Act

The income and costs for Wellington City Council for this period is as follows:

Total fees received	902,050
Fees paid to ARLA* (Alcohol Regulatory Licensing Authority)	72,023
Cost of performance of the DLC functions (up to licence issue)	244,680
Cost of performance of inspectors functions (compliance activities)	754,325
Overhead costs (see table below for breakdown)	331,061
Cost of enforcement activities	0*
Total cost to Council	1,402,091
Cost recovery rate	64%

*NB: In Wellington, enforcement activities – ie issuing infringement notices is carried out by the police, not alcohol licensing inspectors

Breakdown of overhead costs	
Other employment costs	4,448
Staff recruitment costs	1,456
Direct IT costs	2,372
Telecommunication costs	2,889
Travel and accommodation costs	403
Administration costs	16,953
Campus overhead costs	60,559
IT overhead costs	241,981
Total	331,061