

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

- 1st July 2018 to 30th June 2019

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	1,116,219
Fees paid to ARLA* (Alcohol Regulatory Licensing Authority)	82,800
Cost of performance of the DLC functions (up to licence issue)	1,214,802
Cost of performance of inspectors functions (compliance activities)	88,741
Overhead costs (see table below for breakdown)	320,684
Cost of enforcement activities	*zero
Total cost to Council	1,707,027
Cost recovery rate	65%

*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	22,998
Staff recruitment costs	314
Direct IT costs	7,734
Telecommunication costs	3,818
Travel and accommodation costs	1,228
Administration costs	15,531
Organisational overhead costs	(889)
Campus overhead costs	50,914
IT overhead costs	219,047
Total	320,684