

**QLDC Council
17 August 2017**

Report for Agenda Item: 7

Department: Finance & Regulatory

Proposed Fees and Charges Review for Environmental Health Services

Purpose

To consider the adoption of the proposed fees and charges for Environmental Health Services.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Accept** the recommendation from the Hearings Panel that Council adopts the fees and charges as proposed in the review;
3. **Adopt** the proposed fees and charges for food businesses and Environmental Health Services [as per attachment B]; and
4. **Agree** that Council writes to the Ministry for Primary Industries to express concerns about the costs for small businesses to comply with the Food Act 2014.

Prepared by:



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2/08/2017

Reviewed and Authorised by:



Stewart Burns
Chief Financial Officer

4/08/2017

Background

- 1 On the 12 April 2017 Council resolved to undertake public consultation of the proposed Environmental Health fees and charges.
<http://www.qldc.govt.nz/assets/Uploads/Council-Documents/Committees/Community-and-Services-Committee/6-April-2017/Item-7.-Environmental-Health-Services-Fees-and-Charges-Review/7.-Environmental-Health-Services-Fees-and-Charges-Review.pdf>

- 2 This review was to provide a fairer method of charging businesses to reflect the work undertaken and promote improved performance.
- 3 Formal consultation was conducted from in May/June 2017, with four submissions being received.

Comment

- 4 The topics raised in the submissions included concerns that the fee structure and the costs to businesses were not clear and the time taken to implement the Food Act 2014 was causing problems for food businesses.
- 5 A hearing was conducted on the 17 July 2017, with one submitter appearing. At the hearing the submitter disputed the risk category that her business had been placed into and thus the fee that would be charged.
- 6 The hearings panel noted that implementation of the Food Act 2014, including the risk categories that a business must operate under, is determined by legislation and not by Council. The level a premises is charged recognises the risk category under which a food business operates.
- 7 The Hearings Panel acknowledged the frustration for this submitter having to operate in the risk category specified by legislation, but noted that this was not a matter that Council can address.
- 8 The Hearings Panel considered all the submissions and resolved to recommend to Council that it adopt the proposed fees and charges and that Council write to the Ministry for Primary Industries to express concerns about the costs for small businesses to comply with Food Act 2014.

Options

Option 1 Status Quo

Advantages:

- 9 Businesses will not be charged for registration or increased work undertaken.

Disadvantages:

- 10 If the fees and charges are not adopted, there will be areas of work that are not charged for and fees will not accurately reflect the work undertaken.

- 11 Option 2 Adopt the review of the Fees and Charges for Environmental Health Services.

Advantages:

- 12 The fees will more accurately reflect the true cost of the services provided, which are currently not charged. The redistribution of the fees which is based on performance encourages businesses to be compliant.

Disadvantages:

- 13 Businesses that require more Environmental Health input and time will pay increased fees.
- 14 This report recommends **Option 2** for addressing the matter because the proposed fees accurately reflect the work undertaken.

Significance and Engagement

- 15 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because the changes to the policy are minor and do not affect a large proportion of the community.

Risk

- 16 This matter relates to the strategic risk strategic risk, OR004 ('Serious injury to a member of the community'), as documented in the Council's risk register. The risk is classed as moderate. This matter relates to this risk because the agenda item relates to funding of the key services provided by the Council.
- 17 The recommended option considered above mitigates the risk by treating the risk - putting measures in place which directly impact the risk.

Financial Implications

- 18 The financial implications associated with the recommended course of action will be minimal, which will be met through existing resources and budgets.

Council Policies, Strategies and Bylaws

- 19 The following Council policies, strategies and bylaws were considered:
- The Food Grading Bylaw
 - Finance and Revenue Policy
- 20 The recommended option is consistent with the principles set out in the named policy/policies.
- 21 This matter is included in the 10-Year Plan/Annual Plan
- Community Outcomes – A safe and healthy community, that is strong, diverse and inclusive for people of all age groups and incomes.
 - Regulatory Functions and Services – Our Environmental Health Teams regulatory role is to promote, protect and improve the health of our community through the application of various legislative requirements.

Local Government Act 2002 Purpose Provisions

- 22 The recommended option:
- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory

functions in a way that is most cost-effective for households and businesses by ensuring that the performance of regulatory functions is undertaken in a way that is most cost effective for businesses and by helping to meet the true cost of providing core services which are consistent with the Regulatory Requirements.

- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

23 The persons who are affected by or interested in this matter are residents/ratepayers and visitors of the Queenstown Lakes District[

24 The Council Conducted formal consultation from 25th May 2017 – 30th July 2017 as required under the Local Government Act 2002. The appointed Hearing Panel considered the submissions and recommended that Council adopts the proposed in the review and recommends that Council write to the Ministry of Primary Industries to express concerns about the costs for small businesses to comply with Food Act 2014

Legal Considerations and Statutory Responsibilities

25 The Local Government Act 2002 and the Food Act 2014 require that charges made for regulatory services are adopted following a Special Consultative Procedure.

Attachments

- A Summary of Submissions
- B Proposed Fees and Charges
- C Full Submissions