



Statement of Proposal

AMENDMENTS TO THE ENVIRONMENTAL HEALTH FEES AND CHARGES

Commencing 1 July 2021

1. Nelson City Council's proposed amendments to the Environmental Health Fees and Charges

Nelson City Council (**Council**) would like to know what you think of the proposed amendments to the fees and charges relating to Council's environmental health activities such as animal control, registration of hairdressers, offensive trades, and oil spill contingency plan approval costs. These activities are administered under the Local Government Act 2002 (LGA), Health Act 1956 (and associated Regulations), Impounding Act 1955 and the Maritime Transport Act 1994.

The environmental health fees and charges have not changed since 1 July 2016. These fees and charges should be appropriate, reasonable and relate to the costs for providing the service.

Council has reviewed these fees and charges and is proposing some changes as described below. We want to know what you think of the proposed changes. In making decisions on this proposal, Council will be taking account of all submissions made.

The proposed Environmental Health Fees and Charges are attached to this Statement of Proposal, with the changes underlined. Paper copies of this document are available at the Council's Customer Service Centre and in Nelson libraries.

2. The Proposal

Detailed analysis of the issues and options is provided in section 4 of this proposal. The fees and charges schedule with proposed changes are included in Attachment 1 and are outlined below:

- a) Increase the hairdressers annual licence fee from \$155 to \$162 and if paid after 31 July increase from \$186 to \$194
- b) Increase the offensive trades annual licence fee from \$236 to \$243 and if paid after 31 July increase from \$283 to \$292
- c) Increase the hourly charge out rate for animal control (other than dog control) from \$125 per hour to \$162 per hour
- d) Identify the staff hourly rate for processing Site Marine Oil Spill Contingency Plans as being \$162 per hour
- e) Identify the staff hourly rate for maritime oil spill responses is \$162 per hour and other disbursement charges will apply at cost

Process for consideration

This Statement of Proposal to amend the Environmental Health (including Maritime) fees and charges has been prepared in accordance with the following legislation:

- Health Act 1956 sections 120 and 120B and the Health (Registration of Premises) Regulations 1966
- Impounding Act 1955 Parts 4 and 7
- Maritime Transport Act 1994 sections 33R, 270 and Part 130B of the Maritime Protection Rules
- Local Government Act 2002 (LGA), sections 83 and 150

Council has chosen to use the special consultative procedure for amending the fees and charges under the Health Act, the Impounding Act and Maritime Transport Act because a number of changes are increases above the Consumer Price Index December 2020 rate of 1.4%, the consistency of timing and process with fee changes for other

activities and for ease of understanding by the public.

This Statement of Proposal has been prepared in accordance with sections 83 and 150 of the Local Government Act 2002 (LGA), sections 83 and 150. The LGA provides that the special consultative procedure must include:

- a) A statement of proposal (and a summary of it if required) being made as widely available as practicable as a basis for consultation section 83(1)(c)). The statement of proposal must include a statement of the reasons for the proposal, an analysis of the reasonably practicable options and any other information the local authority identifies as relevant (section 87(3)).
- b) An identified consultation period of at least one month during which feedback on the proposal may be provided to Council (section 83(b)(iii)).
- c) An opportunity for people to present their views to the Council (section 83(d)) and a description of how Council will provide persons interested in the proposal with an opportunity to present their views (section 83(b)(ii)).

Special Consultative Procedure

Outcomes of this special consultative procedure could include:

- Retaining the existing fees and charges
- Adopting the proposed amendments outlined in this Statement of Proposal, or a variation of these, based on community feedback
- Adopting a higher increase to Food Act fees and charges

3. Criteria for Fixing Fees and Charges

Health Act 1956

The Health (Registration of Premises) Regulations 1966 is relevant to the registration of hairdressers (see also section 120(2)(f) of the Health Act 1956) and offensive trades (see also section 54 and 120(2)(d) of the Health Act 1956). The purpose of the regulations is to provide a uniform procedure for the registration of all premises required or permitted to be registered by the Council under the Health Act 1956 or under any regulations made under that Act.

Fees and charges the Council can fix:

- a) The Council may charge an appropriate fee when it receives an application for the registration of any premises (Regulation 4).
- b) The Council may charge an appropriate fee for the issue of certificate of registration (Regulation 5(1)).
- c) On the renewal of the registration of any premises the Council may charge an appropriate fee (Regulation 5(4)).
- d) If the premises subject to registration have a new occupier, that occupier is required to apply to the Council to have the change noted in the record of registration and on the certificate of registration. The Council may charge a fee in respect of such noting (Regulation 6).

Regulation 7 allows these fees to be set by the Council, by resolution.

Impounding Act 1955

This Act provides powers for local authorities to manage wandering stock through the provision of public pounds and poundkeepers. Part 4 identifies fees and charges in relation to poundage fees, driving charges and trespass rates. Part 7 enables the stock to continue

to be detained until all charges are paid.

Section 14 allows these fees to be set by the Council, by resolution publicly notified.

Maritime Transport Act 1994

Section 33R of the Maritime Transport Act 1994 allows for the regional council to prescribe fees and charges for any function, duty, power, or service performed, exercised, or provided by the council in respect of any ship, maritime facility, offshore installation, pipeline, oil transfer site, navigational aid, or marine farm and any maritime-related activities it undertakes. It allows for the regional council to fix such fees and charges on any differential basis (for example, based on the size of a ship, or on the basis of the nature, the location, and use of a facility). Section 33R does not provide any further criteria for the setting of fees and charges.

Under the Maritime Protection Rules, Rule 130B.4, no person may operate an oil transfer site without the Director's written approval of a site marine oil spill contingency plan that complies with the requirements of the Schedule. The Council has been delegated the power to approve a site marine oil spill contingency plan by the Director pursuant to sections 270 and 444 of the Maritime Transport Act and Part 130B of the Marine Protection Rules.

4. Issues and Options

Actual times to complete tasks are known or can vary depending on the complexity of the activity. It takes officers on average one hour to process hairdresser registrations including an inspection, and about 1.5 hours to process offensive waste registrations. The proposed minor increase for the hairdresser licence fee from \$155 to \$162 reflects the time required to process the applications. The increase proposed for the offensive trades from \$236 to \$243 also recognises the time taken to process the applications.

Additional inspections, animal control or non-compliance follow ups take a range of time depending on the issues. It is appropriate this is charged at an hourly rate rather than a fixed fee. An hourly rate of \$162 is proposed for additional inspections or compliance activities. It is seldom that the hourly rate is charged for these services and the rate at \$162 is consistent with other regulatory services charge out rates.

Processing marine contingency plans and responding to pollution incidents also take a range of time depending on the complexity and nature and scale of the incident. An hourly rate for staff time is appropriate plus on-charging any disbursements such as replacing materials used in an oil spill clean-up. This ensures those receiving the benefit of Council services pays the reasonable cost for that service. The rate of \$162 per hour is proposed and consistent with other regulatory services charge out rates. This covers all overheads associated with providing the service.

Options Analysis

Option 1 — No changes

Likely to require larger increases in the future. The income received for these activities are currently not meeting Council's costs and non-users are currently subsidising these regulatory activities.

Option 2 — Amend fees and charges as proposed

Amending charges as proposed in Attachment 1 better reflects the actual time taken to perform tasks, clearly identifies charges and reduces the potential for larger increases in the future. The more complete and compliant an application and business is, the lower

the costs associated with inspection and compliance duties since these are based on an hourly rate. The \$162 hourly rate is consistent with other regulatory activity hourly rates.

Option 3 — Increase the staff hourly rate at a lower rate of \$150 per hour

The hourly rate for animal control is currently \$125. The proposed rate of \$162 per hour is a 28% increase. Having a lower hourly rate will lessen the impact on users of these activities. The impact of the large increase will not actually be realised by applicants or owners as animal control and compliance services are seldom needed. In addition this lower rate will not be consistent with other regulatory services hourly rates and will likely require larger increases in the future.

Preferred Option

Option 2 — Amend Environmental Health fees and charges as proposed in Attachment 1 and outlined in section 2 above.

Reasons

The proposed increases better cover the actual costs for the service and are a small and reasonable increase compared to existing charges and charges. The identification of charges under the Maritime Transport Act improves the transparency of costs associated with these activities or incidents. Is also consistent with other regulatory hourly rates.

Submissions

Anyone may make a submission about any aspect of the proposed amendments to the Food Act fees and charges and any other operations that have been considered. Council, in making its decision, will take account of all submissions made.

All submissions, including the name and contact details of the submitter, will be made available to the public and media on Council's website, unless you specifically request that your contact details be kept private and explain why it is necessary to protect your privacy. Council will not accept any anonymous submissions.

Submissions can be made:

- online at nelson.govt.nz/council/consultations
- by post to Food Act Fees and Charges Amendments, PO Box 645, Nelson 7010
- by delivering your submission to Civic House, 110 Trafalgar Street, Nelson.

Submissions must be received no later than 16 April 2021.

Any person who wishes to speak in support of their submission will be given the opportunity to address the Council at a hearing on **11 May 2021**.



Attachment 1

Proposed Environmental Health Fees

Environmental Health Licence and Activity Fees	\$ if paid on or before 31 July	\$ if paid after 31 July
Hairdressers	162.00	194.00
Offensive trades	243.00	292.00
Animal Control (other than dogs) time taken at hourly charge out rate	162.00 per hour	162.00 per hour
Processing Site Marine Contingency Plans	162.00 per hour	162.00 per hour
Pollution response – hourly charge out rate - disbursements	162.00 per hour	162.00 per hour cost

