



City of Canning

FOOD BUSINESS ANNUAL REGISTRATION SERVICE FEE EXPLANATION - INFORMATION SHEET – 2019/20

The Local Government Act 1995 provides for Councils as enforcement agencies to charge a fee for the Registration and monitoring of food businesses. This includes carrying out of food safety assessment/inspections of food premises.

What is the Annual Registration Service Fee for a Food Business?

	2019/2020 Annual Fee
High Risk	\$389.40
Medium Risk	\$295.80
Low Risk	\$190.75
Family Day Care	\$135
Child Care centre	\$295.80

What is the legal basis for charging service fees?

The Local Government Act 1995, section 6.16 enables the City to cover costs by imposing a service fee for providing food business inspections and assessments. The Act provides that fees and charges be imposed when adopting the annual budget, which the City does around July each year.

What does the fee cover?

Registration as well as inspections and other monitoring or sampling as required by the City's Environmental Health Officers to review compliance with the Food Act 2008.

What constitutes an Inspection?

The City carries out routine inspections, setting a frequency dependant on the risk classification of the food business as follows:

	Inspection Frequency
High Risk	6 monthly *
Medium Risk	6 monthly
Low Risk	12 monthly
Family Day Care	12 monthly

These inspections assess compliance with the Food Act, Regulations and Standards. The frequency of inspection for a food business may alter should the City receive complaints, recalls or other reason that may require additional monitoring.

High risk food businesses have food safety audits from an external provider and other additional requirements. The City will monitor these audits also as well as follow up actions.



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The City carries out follow up inspections, where the routine inspection identifies non-compliance. A follow up inspection will count towards the inspections covered by the annual fee, where; a follow up inspection requires 10 minutes or more on site attendance or where the inspection is following up on a serious non-compliance.

When might inspections in addition to the two annual inspections occur?

Where a follow up inspection is required the City will set the next inspection approximately 6 months from the follow up inspection date. This may result in a third inspection or more being required within the financial year. In this case, any additional inspections after the routine inspections will be charged separately at a cost of \$95.50 per hour, invoiced separately.

The City may also use its discretion and set a further inspection at a frequency less than 6 months, where the inspection revealed significant non-compliance or serious non-compliance.

What is a serious non-compliance?

A serious non-compliance is a situation that poses an immediate risk of unsafe food being sold or if allowed to continue will result in unsafe food being sold. Unsafe food is food that is likely to cause physical harm to a person who may later consume it.

The following situations may represent serious non-compliances depending on the circumstances but are not exhaustive:

- Unclean or unsanitised food contact surfaces have contaminated ready-to eat food.
- "Ready to eat" potentially hazardous foods out of temperature control for sufficient time to allow growth of pathogens to levels that may cause illness.
- Cooked potentially hazardous food left to cool at temperatures above 5 C for sufficient time to allow growth of pathogens to levels that may cause illness.
- Food premises, fixtures, fittings and equipment in a state of disrepair that will contaminate food.

How is the risk rating established?

Businesses are allocated a priority classification (High, Medium, Low) by the City through a desktop process linked to notification. Businesses are required to provide information regarding the nature of their business, prior to commencing or changing ownership in order to comply with the notification requirements of Standard 3.2.2 Food Safety Practices and General Requirements. The City uses this information to set the classification or risk.

What is a High risk food business?

A business that scores 65 or more, when using the priority classification system. Main characteristics of high risk food businesses are; directly supplies food to an at-risk group; High- and medium-risk ready-to-eat foods are handled during processing or manufacturing of food; High-risk foods that are ready-to-eat are provided.



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What is a Medium risk food business?

A business that scores 40-64 when using the priority classification system. Main characteristics of medium risk food business is that they do not cater solely for vulnerable populations and because of this they are not required by law to have a Food Safety Plan. Because of this the City has identified the medium risk food business category as being the category of food business with the greatest potential to cause food borne illness.

What is a Low risk food business?

A business that scores less than 39 when using the priority classification system. Main characteristics of low risk food business is that they do limited preparation of higher risk food types which from a process perspective results in a lower likelihood of creating food borne illness.

When does the City charge the \$52 monthly late fee for non-payment of the annual service fee?

Where payment of the annual invoice is not paid on time, a monthly late fee of \$52 will be applied for each month that the invoice is outstanding. Late payment requires additional resources to identify and follow up on non-payment.

What happens if there is no payment of Overdue Fees?

In accordance with the Food Act 2008 the City may cancel the registration of a Food Business should the annual fee or any other fee in relation to the registration of a food business not be paid within the nominated timeframe. It is an offence to conduct a food business at any premises unless the food business is registered with the City of Canning in respect of those premises. Therefore if a Food Business Registration is cancelled and it is found to still be conducting a food business unregistered, the business could be liable for a penalty of up to \$10,000 for an individual or a fine of \$50,000 for a body corporate.

Does GST Apply to the service fee?

Where the inspection is levied and performed by the City, it will be exempt from GST as the fee does not constitute consideration for GST purposes. This position is confirmed in Class Ruling 2013/41 where the Commissioner sets out the GST treatment of inspection fees.

Where to go for further information?

Please contact the City's Environmental Health and Compliance Administration Officer on 1300 422 664 or search 'food business' on the City's webpage.