

Summary of Authorization Late Payment and Inspection Cancellation Fees Stakeholder Consultation Feedback

TSSA has completed a consultation on authorization late payment and inspection cancellation fees. TSSA would like to thank all individuals who took part in the consultation. This is a summary of stakeholder feedback received during the consultation and information about how that feedback was incorporated, where applicable.

Background

Historically TSSA's fee structure did not include an authorization late payment or inspection cancellation fee.

TSSA proposed two new fees in February 2024 - an Authorization Late Payment Fee and an Inspection Appointment Cancellation Fee. These fees are aimed at encouraging timely compliance, reducing regulatory costs, and optimizing resource deployment for inspections and other regulatory activities.

TSSA proposed to implement an Authorization Late Payment Fee for late renewals of Authorizations (licenses, permits, registrations and certificates) to encourage on-time renewals and to recover the additional costs incurred to bring late renewing customers into compliance and ensure up-to-date customer data is received on time. Currently 20% of invoices are paid late.

TSSA proposed to implement an Inspection Cancellation Fee to recover costs due to the effort spent on trying to reschedule inspections and to reassign inspectors to alternate inspections. TSSA will not charge this fee if there are extenuating circumstances that lead to the cancellation.

Feedback Summary

The consultation was launched on April 22, 2024, and remained open for 30 days. It closed on May 21, 2024.

Authorization Late Payment and Inspection Cancellation Fees Consultation Highlights		
No. of Stakeholders Notified of Consultation	Visitors to Consultation Page	Engaged Participants
98,300	745	77



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More than two-thirds of respondents indicated they understood why TSSA is proposing the new fees.

Authorization Late Payment Fees Summary

- 68% of respondents understand why TSSA is proposing the authorization late payment fees, 23% did not understand why fees are necessary and 9% did not respond to this question.
- 53% of respondents indicated the fees for individuals would act as a deterrent to pay late, 36% indicated late fees would not act as a deterrent and 10% did not respond to this question.
- 31% of respondents indicated the fees for businesses would act as a deterrent to pay late, 34% indicated late fees would not act as a deterrent, 23% indicated they don't know and 12% did not respond to this question.

The consultation also proposed ranges for the late and cancellation fees. A majority of respondents indicated that TSSA should set the fee at the lower end of the proposed range (\$50 for individuals and \$75 for organizations) which will be implemented.

Inspection Appointment Cancellation Fees Summary

- 66% of respondents understood why TSSA is proposing the inspection cancellation fee, 23% did not understand why the cancellation fees are necessary and 11% did not respond.
- 39% of respondents indicated that the fees would help ensure their organization would be ready for an inspection or would cancel it with more than 2 days notice, 49% indicated fees would not help, and 12% did not respond.
- 42% of respondents indicated that a fee range of \$147 to \$192 would be appropriate for cancelling an inspection with less than 2 business days notice (excluding same day cancellation), 47% responded the range would not be appropriate, and 12% did not respond.
- 34% of respondents indicated that a fee range of \$163 to \$1,591 would be appropriate for a same day cancellation, or if customer is not ready for the inspection, 49% responded that "it should be lower", 4% responded "it should be higher" and 13% did not respond.

Feedback from the comments section on the fee proposals can be broadly categorized into five themes:

1. The need for accurate customer contact information and correct invoicing.



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- 2. A dispute resolution or appeals process to address special circumstances and accommodations for situations beyond one's control.
- 3. TSSA processes around inspections including the amount of time required to book an inspection and inspection cancellations by TSSA inspectors.
- 4. Impact of new fees in relation to inflation, economic challenges and burden on business.
- 5. Impact of late fees for customers with multiple invoices.

In response to requests for an appeal process to address special circumstances, customers can use the TSSA appeals process to dispute fees charged to them. A customer can make a request to waive the Authorization Late Payment Fee and/or the Inspection Appointment Cancellation by contacting TSSA's <u>Customer Contact Centre</u> and provide a valid reason. A decision will be made based on the reason as to whether the fee will be waived. Click here to learn about the fee appeal process.

Effective Date

TSSA will be introducing the new fees on November 4, 2024.
TSSA will provide customers with 60-days notice before introducing the new fees.