

11 November 2014

Licensing Committee

Proposed General Licensing Fees and Charges for 2015/16

Report of: Ashley Culverwell - Head of Borough Safety, Health and Localism

Wards Affected: All

This report is: Public

1. Executive Summary

- 1.1** This report seeks Members agreement on the proposed budget and Schedule of fees and charges for 2015/16 in respect of the general licensing functions other than Hackney Carriage and Private Hire and any statutory or centrally set fees.

<p>2. Recommendation</p> <p>2.1 That Members agree to the proposed schedule of fees and charges as shown in Appendix A of this report to come into force on 1 April 2015.</p> <p>2.2 That a further report be presented to this Committee providing details of the outcome of the planned review of the current charging policies, which will then inform the 2016/17 charging levels.</p>

3. Introduction and Background

- 3.1** Whilst some of the fees and charges are statutory and therefore determined through legislation, the Council must review its discretionary charges for all services to ensure that they reflect the current cost of providing the service, including reasonable and recoverable running costs for administration and in some cases enforcement.

4. Issues, Options and Analysis of Options

- 4.1** The key principles in setting fees and charges are as follows:

- Discretionary Fees and Charges will be subject to a full project review prior to the Fees setting process for 2016/7.

- Until a firm basis for setting Fees and Charges is available it is recommended that the Fees and Charges for 2015/16 are frozen in order that the outcome of the review can better inform the 2016/17 budget setting.
- Fees and Charges should aim to recover the full cost of the service being provided (where the legislation permits), however it is not anticipated that the freezing of charges will adversely affect discretionary fees applicable to most licence types. The exception to this is Taxi licensing which is subject of ongoing cost analysis and included in a separate report.

4.2 The individual charges that are being proposed are set out at **Appendix A** of this report.

5. Reasons for Recommendation

- 5.1** General licences for which the Council have full discretion over fees and charges include, market and street trading, Scrap Metal, Pavement permits for Cafes or Restaurants, sex establishments, animal welfare such as dog breeding, dangerous wild animals and animal boarding and environmental health licences such as tattoo parlours, skin piercing and electrolysis.
- 5.2** There are also licensing functions that the Council are legally obliged to administer but cannot charge a fee for such as house to house and street collection permits.
- 5.3** Unless otherwise indicated all increases to the fees and charges set for next year will be frozen in line with the Councils undertaking of a full review to influence fee setting for 2016/17.
- 5.4** Licensing fees should be set on a cost neutral basis unless the controlling legislation allows otherwise. Fees are generally required to be set at a level where the Council can recuperate reasonable and recoverable costs in running the particular service or function. The Council is not permitted to make a profit from the fees.
- 5.5** Hackney Carriage and Private Hire Fees are detailed in a separate report within this agenda.

Scrap Metal Fees

- 5.6** The Scrap Metal Dealers Act 2013 (SMDA) came fully into effect on 1 December 2013. The fees under the SMDA were approved by Members at the Licensing Committee held on 12 November 2013.

- 5.7** Schedule 1(6) of the SMDA provides that an application must be accompanied by a fee set by the local authority. The power to raise a fee is designed to ensure that local authorities have the necessary funding to administer the regime and ensure compliance.
- 5.8** In setting a fee, the authority must have regard to any guidance issued by the Secretary of State with approval of The Treasury. Guidance on setting fees was published on 12 August 2013 and provides a general principle as to what can be included in the cost of a Licence.
- 5.9** The proposed fees have been set by applying the national guidance to estimate the Council's reasonable costs of administering, enforcing against licensed operators and hearing licence appeals under the new regime. An undertaking was given on 12 November 2012 that the fees would be reviewed to ensure that the fee is cost neutral to the licensing service.
- 5.10** The estimate of fees agreed on 12 November 2012 has proven to be accurate and therefore it is proposed that scrap metal fees should also be frozen for 2015/16. They will however, continue to be kept under review to ensure they are maintained at the correct level.

Statutory Fees

- 5.11** Fees for the various licences under provision of the Licensing Act 2003 are set by central government and whilst provision was made under S121 of the Police Reform and Social Responsibility Act 2011 for licensing authorities to set their own fees, this provision has not to date been enacted. It is anticipated that this is likely to come into force in April 2015 and will therefore be reported to members once the commencement order has been published.
- 5.12** Fees under the Gambling Act 2005 may be charged at the licensing authority's discretion up to a statutory maximum level. The fees for 2015/16 have been left at 75% of the maximum fees on the basis that an increase would exceed cost recovery levels.

6. Reasons for recommendation

- 6.1** The Council are required to review fees regularly to ensure that the Taxi licensing regime remains cost neutral. Should any surplus accrue this must be adjusted in the follow years licence fees.

7. Implications

Financial Implications

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- 7.1 Historically, the Council has increased fees and charges in line with inflation (currently projected at 2% per annum). This is to reflect that the costs of running the service will rise by 2% and therefore we try to maintain fees and charges at the same level. There is therefore a risk that there will be an implicit cost to a freeze since it will not keep pace with inflationary cost increases, however, this cannot be quantified or confirmed until such time as the review of the current charging policies has been undertaken.

Legal Implications – Monitoring Officer Comment

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- 7.2 There is a right of appeal against a decision taken by the Licensing Committee in respect of the proposed increases to the fees and charges as set out in this report. Any appeal would most likely be by way of judicial review of the Committee's decision and if successful could result in costs being awarded against the Council

Other Implications

Equality and Diversity

- 7.3 Most aspects of licensing are strictly governed by statute, which have undergone impact assessments at Central Government level. The Processes and Procedures have been designed to comply with legislative requirements and ensure that guidance and best practice are followed at all times. This allows for fair, open and transparent licensing processes with equality of access to licensing services for all.

8. Implications and References to Corporate Plan

- 8.1 The proposal contained within this report links directly to the following priorities of the corporate plan:

- ***A prosperous Borough - "Safeguarding public safety through a risk based regulation and licensing service"***

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