

**Agenda Item No: 8** **Report No: 164/15**

**Report Title: Approval of Licensing Fees**

**Report To: Licensing Committee** **Date:**

**Cabinet Member: Councillor Franklin**

**Ward(s) Affected: All**

**Report By: Director of Service Delivery**

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**Purpose of Report:**

1. To approve the scale of licensing fees proposed within Appendix 1 to apply from 1 April 2016.

**Officers Recommendation(s):**

1. To approve the scale of licensing fees proposed within Appendix 1 to apply from 1 April 2016.
  2. That the Licensing Committee recommends to Council that it formally ratifies the new fees.
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**2 Reasons for Recommendation**

- 2.1 To ensure that the licensing fees are approved by the Licensing Committee.

**3 Information**

- 3.1 Councillors will be aware that for a few years now following certain legal challenges to certain local authorities, licensing fees should be set by the Licensing Committee and then ratified by the Council. If the Licensing Committee approves the fees set out in Appendix 1 these will be reported to Cabinet and reported to Council for ratification. The table below summarises the estimated financial impact of the fees proposed to apply from 1 April 2016 as detailed in Appendix 1. The table also shows the estimated financial impact of changes in usage levels experienced during the current year, which are expected to continue into 2016/17.

| <b>Lewes District Council Services</b>   | <b>Budgeted income estimate for 2015/16<br/>£</b> | <b>Additional income forecast 2015/16<br/>£</b> | <b>2016/17 indicative income forecast<br/>£</b> |
|--|---|---|---|
| <b>Discretionary charges (i.e. where fees are set by Lewes District Council)</b> |   |   |   |
| Taxi Licensing   | 102,400   | 1,000   | 108,400   |
| Scrap Metal Licensing  | 0   | 0   | 0   |
| Consent Streets (Street Trading)   | 12,000  | 0   | 6,000   |
| Gambling   | 6,000   | 0   | 6,000   |
| Caravan Site Licensing   | 1,000   | 0   | 1,000   |
| Animal Control   | 4,500   | 0   | 5,000   |
| <b>Total Discretionary Charges</b>   | <b>125,900</b>                                    | <b>1,000</b>                                    | <b>126,400</b>                                  |
| <b>Statutory charges (i.e. where fees are prescribed by Government)</b>          |   |   |   |
| Licensing  | 80,000  | 0   | 80,200  |
| <b>Total income estimates</b>  | <b>205,900</b>                                    | <b>1,000</b>                                    | <b>206,600</b>                                  |

- 3.2 In setting the licensing fees Officers have had particular regard to balancing the need to maintain charges at a level to recover any increase in costs (e.g. contractor and supplier inflation, pay inflation, fuel inflation) against the need to protect income levels in an economic environment that has led to a reduction in the usage of some of the Council's discretionary services.
- 3.3 The Committee are reminded that the Taxi Licensing service operate on a self-financing, year-by-year basis. Street Trading and Scrap Metal Licensing arrangements operate on a similar basis. This means that the Council has the discretion to set fees for these services on a cost recovery basis with appropriate adjustments for any over or under spend from the previous year. In the event that any one of these best estimates proves to be too wide of the mark revised fees will be calculated in order to comply with the requirements of the various Acts of Parliament, and these would be brought back to the Licensing Committee. We are unable to draw any conclusions from scrap metal as they have only just completed a full year and licenses are issued on a 3 year cycle.

- 3.4 Street Trading has now completed its full year pilot and a review of this is contained in a separate report. It is recommended that street trading revert to its previous position and just the precincts in Lewes and Newhaven remain consent streets. It is proposed that fees are reduced to increase the use of the precincts, particularly Newhaven to support new businesses. It is not thought necessary to reintroduce the prohibition zone in Falmer as we haven't had enquiries about trading where the consent system is currently operating. An administration fee has been added to process an application to ensure that costs of administration are covered even when the license isn't issued.
- 3.5 It is predicted that Taxi Licensing will have a financial underspend this year. Following a restructure within the organisation in early 2015 some staff left the authority and their work has been reallocated to other staff members. A review of cost allocation is being undertaken to ensure that full costs of all licensing activities are calculated. It is recommended that the Licensing Committee use any underspend in Taxi Income 2015/16 to invest in the service with a modernised plate system and provide additional administrative support therefore improving service to the trade.
- 3.6 The table above also lists those statutory services where fees and charges are prescribed by Government. Changes in the level of fees and charges set by Government are implemented as and when they are issued by the appropriate Department and communicated to service users through appropriate channels, e.g. through the Council's website.
- 3.7 Motor salvage operators have been removed from the list as this has been replaced by the new scrap metal licensing regime. Scrap metal licensing operates on a 3 year cycle and was introduced in 2014/15.
- 3.8 Animal Control Licensing has been reviewed and priced to ensure administration and processing costs are covered. This has included working out an hourly price for an Animal Control Officer and timing the processing of different types of licence application. The prices of licences have not been reviewed for some time so the increases on some may seem significant but these have been benchmarked against other Local Authorities and reflect the actual cost of processing.
- 3.9 It is proposed to put a nominal £1 increase on some fees to account for contractor and supplier inflation, pay inflation, fuel inflation and increased costs. The majority of fees were not subject to any increase last year. Officers are aware that in difficult financial times we need to ensure that businesses are not disadvantaged by overly high charges and that the Council can justify any fees and charges should it be challenged. Members will see from Appendix 1 the proposed fees for 2016/17.

#### **4 Financial Appraisal**

- 4.1 The Licence fees set out here will form part of the overall fees and charges setting process, which will be reported to Cabinet.

#### **5 Legal Implications**

5.1 The Legal Services Department were not able to comment on the report at the time of circulation.

## **6 Sustainability Implications**

6.1 I have not completed the Sustainability Implications Questionnaire as this Report is exempt from the requirement because it is a budget report.

## **7 Risk Management Implications**

7.1 I have completed the Risk Management questionnaire and this report does not require a risk assessment because the issues covered by the recommendations are not significant in terms of risk.

## **8 Equality Screening**

8.1 Equality analysis of our services is undertaken on a regular basis as part of a scheduled programme.

## **9 Background Papers**

9.1 There are no background papers to this report.

## **10 Appendices**

10.1 Appendix 1 - Proposed Licence Fees and Charges 2016/17.