

<b>Report to:</b>	<b>Licensing Committee</b>
<b>Date:</b>	<b>17 January 2022</b>
<b>Title:</b>	<b>Approval of Licensing Fees 2022/2023</b>
<b>Report of:</b>	<b>Director of Service Delivery</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of report:</b>	<b>To recommend the licensing fees proposed within Appendix 1 to apply from 1 April 2022.</b>
<b>Officer recommendation(s):</b>	<b>To recommend to Full Council to approve the licensing fees proposed within Appendix 1 to apply from 1 April 2022.</b>
<b>Reasons for recommendations:</b>	<b>To ensure that the licensing fees are approved by the Licensing Committee.</b>
<b>Contact Officer(s):</b>	<b>Rebecca.Wynn@lewes-eastbourne.gov.uk Regulatory Services Lead 07920 251841</b>

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## **1 Introduction**

- 1.1 Licensing fees should be considered by the Licensing Committee and then recommended to Full Council. The table at 2.2 summarises the predicted income for 21/22 together with the estimated financial impact of the fees proposed to apply from 1 April 2022 as detailed in Appendix 1.
- 1.2 The current financial year has been extremely challenging following a nationwide lockdown as a result of the Covid-19 Pandemic. Not only has this impacted many businesses adversely but it has had an impact on the service we offer with all face to face contact ceasing for a period of time.
- 1.3 Issues were experienced with the hackney carriage and private hire trade as the ability to access garages for MOT's, vehicle suitability tests and drivers' medical checks were problematic due to many of these services temporarily closing. The majority of these services have subsequently restarted but it is taking time to collect fees as a result from the suspension of these activities.

## **2 Financial Overview**

- 2.1 The table shows the estimated financial impact of changes in usage levels experienced during the current year, which has been impacted due to the global coronavirus pandemic however there has been an increase in income compared to the previous financial year.

<b>Eastbourne Borough Council Services</b>	<b>Budgeted income estimate for 2021/22</b> £	<b>Additional income forecast 2022/23</b> £	<b>2022/2023 indicative income forecast</b> £
<b>Discretionary charges (i.e. where fees are set by Eastbourne Borough Council)</b>			
Taxi Licensing	84,550	-12,250	72,300
Environmental Health (Scrap Metal & Street Trading)	2,000	0	2,000
Gambling Act 2005	12,900	650	13,550
Animal Welfare	1,000	0	1,000
<b>Total Discretionary Charges</b>	<b>100,450</b>	<b>-11,600</b>	<b>88,850</b>
<b>Statutory charges (i.e. where fees are prescribed by Government)</b>			
Licensing Act 2003	103,300	0	103,300
Environmental Protection	3,200	0	3,200
Miscellaneous Licences	6,300	0	6,300
<b>Total Statutory Charges</b>	<b>112,800</b>	<b>0</b>	<b>112,800</b>
<b>Total income estimates</b>	<b>£213,900</b>	<b>£23,900</b>	<b>£237,800</b>

### 3 Financial Impact

- 3.1 The taxi licensing service operate on a self-financing, year-by-year basis. Street trading and scrap metal licensing 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 years.
- 3.2 Since 2017 the income received for taxi and private hire licensing has reduced however the expenditure has increased i.e. the cost of providing the Service has gone up. However, the Authority are still carrying a surplus at year end 2020/21 of £56,339.

- 3.3 A number of measures are now being taken to address the surplus which includes the following: additional staff to increase and improve administration; a new bespoke licensing software package to improve efficiencies and mobile work solutions and training for current drivers on the new upcoming guidance.
- 3.4 In addition to this the income from Private Hire Operators Licence is showing the largest surplus so these fees have been reduced for 2022/23 – see lines 34-43 in Appendix 1.
- 3.5 It is anticipated that the above measures will reduce the surplus. The effectiveness of these measures shall be brought back to committee in future fees and charges reports.
- 3.6 Members are asked to note that over the last year there has been an extensive internal review of taxi and private hire licence fees to ensure that they are correctly accounted for and to confirm that the fees relate to the costs of the service.
- 3.7 The number of gambling premises operating in Eastbourne has increased slightly but not to the levels of 2019/20.
- 3.8 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. The Government has not announced any change in these fees for 2022/23.
- 3.9 Members are asked to note that there is a proposal for a substantial increase in the licence fees relating to a Dangerous Wild Animal Licence. In Appendix 1 at line 25 these fees fall under the heading of Miscellaneous Licences but in fact it is a discretionary fee. There are currently no Dangerous Wild Animal Licences in Eastbourne, but if such an application were to be received, it is anticipated that the current fee would not cover Council's costs. The proposed new fees are in line with those of neighbouring Local Authorities.
- 3.10 The proposed changes are detailed in Appendix 1.

#### **4 Financial appraisal**

- 4.1 Should the revised fees be approved, then the anticipated increase in budgeted income of £23,900 will be reflected in the final 2022/23 budget to be approved by Council in February 2022.

#### **5 Legal implications**

- 5.1 Licensing fees must be charged in accordance with the requirements of the particular legislation and the relevant case law. Members are asked to note that for licensing fees some fees are set by central Government and some are locally set. For example, the Local Government (Miscellaneous Provisions) Act 1976 section 53(2) controls the fees of hackney and private hire drivers' licences and

states that the Council may demand such fees as they consider reasonable with a view to recovering the costs of issue and administration and section 70 of the 1976 Act provides a similar provision in relation to vehicle and operators licences.

- 5.2 For those fees that are locally set there are some limitations. In deciding what is reasonable case law has clarified that reasonable does not imply a wide discretion but that the fees and charge shall relate to the levels of costs reasonably incurred in providing the service. Further, Members must take account of the European Services Directive 2006 (which does not strictly apply to private hire/hackney and gambling licences) which reinforces the principles to be applied to the setting of local fees and charges in that such a process shall be reasonable, proportionate, non-discriminatory, justifiable, clear and transparent.
- 5.3 Members should note that case law has established that if there is any surplus or deficit in the fees generated in the previous financial year that must be taken into account when setting the following year's fees. Any surplus should be carried forward and applied to the same account in the following year.
- 5.4 The Legal Section considered this Report on 6 January 2022 (Iken-10727-MW).

## **6 Risk management implications**

- 6.1 If the Council does not have an effective fee setting process that is subject to proper oversight by Councillors it will not be able to demonstrate that it has in place adequate means to safeguard council assets and services, and it could be subject to criticism from the council's external auditor or the public.

## **7 Equality analysis**

- 7.1 It is not expected that the proposed amendments to fees and charges will impact on protected characteristics.

## **8 Environmental sustainability implications**

- 8.1 There are no significant sustainability implications as a result of this report.

## **9 Appendices**

- 9.1 Appendix 1 – Proposed Licensing Fees and Charges 2022/23.

## **10 Background papers**

- 10.1 None.