

<b>Report to:</b>	<b>Licensing Committee</b>
<b>Date:</b>	<b>27<sup>th</sup> January 2025</b>
<b>Title:</b>	<b>Approval of Licensing Fees 2025/26</b>
<b>Report of:</b>	<b>Chief Executive</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of report:</b>	<b>For the Licensing Committee to review the licensing fees proposed within Appendix 1 to apply from 1 April 2025</b>
<b>Officer recommendation(s):</b>	<b>That the Licensing Committee reviews and agrees the licensing fees proposed within Appendix 1 to apply from 1 April 2025, and then recommend these to Full Council for approval.</b>
<b>Reasons for recommendations:</b>	<b>To ensure that the licensing fees are agreed by the Licensing Committee ahead of being taken to Full Council.</b>
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## **1 Introduction**

- 1.1 Licensing fees should be considered by the Licensing Committee and then be recommended to Full Council. The table at 2.5 summarises the predicted income for 2025/26 together with the estimated financial impact of the fees proposed to apply from 1 April 2025 as detailed in Appendix 1.
- 1.2 The Council as the Licensing Authority is responsible for administering a number of statutory and discretionary licensing regimes. Certain licensing fees and charges are prescribed by Central Government, as highlighted in the table below (section 2.4). Changes to the level of fees and charges set by Central Government are implemented as and when issued by the appropriate Department and communicated to service users through appropriate channels e.g. the Council's website. Central Government has not, to date, announced any change in these fees for 2025/26. Other fees, as highlighted in the table below are set locally by Members.
- 1.3 Some general principles apply to those fees set locally:
- they cannot be used to generate a profit, and any surplus should be identified and carried over to the following year
  - it is acceptable to carry forward deficits from previous years
  - income from licence fees may only be spent on the specific regime from which they were generated
  - fees may not be discriminatory or to be used as an economic deterrent.

## **2 Financial Overview**

- 2.1 2024-2025 has proved challenging for the Licensing Authority to meet the demand of delivering a broad service within Eastbourne Borough Council.

2.2 There has been a further increase in demands particularly arising from the Hackney and Private Hire Guidance changes and CCTV implementation as well as work to tackle challenges relating to the night time economy.

2.3 Members are asked to consider an increase in some fees to meet the increased costs of delivering service. The proposed schedule of fees and charges is set out in Appendix 1.

2.4 **Estimated financial impact of the fees proposed to apply from 1 April 2025 – 31 March 2026**

<b>Eastbourne Borough Council Services</b>	<b>Budgeted income estimate for 2024/2025 £</b>	<b>Additional income forecast 2025/2026 £</b>	<b>indicative income forecast 2025/2026 £</b>
<b>Discretionary charges (i.e. where fees are set by Eastbourne Borough Council)</b>			
Taxi Licensing	274,904	-29,202	245,702
Environmental Health ( Includes Skin Piercing)	8715.00	872	9587
Gambling Act 2005	13550	1355	14905
Animal Welfare	1155	55	1210
Miscellaneous Licences (Street Trading)	2520	252	2772
HMO Licences	47,000	2,000	49,000
<b>Total Discretionary Charges</b>	<b>347,844</b>	<b>-24,669</b>	<b>274,176</b>
<b>Statutory charges (i.e. where fees are prescribed by Government)</b>			
Licensing Act 2003	103,300	0	103,300
Miscellaneous Licences (Scrap Metal)	5100	0	5100
<b>Total Statutory Charges</b>	<b>108,400</b>	<b>0</b>	<b>108,400</b>
<b>Total income estimates</b>	<b>£409,244</b>	<b>-£26,669</b>	<b>£382,576</b>

### **3 Financial Significant Changes Impact**

3.1 The fees and charges were increased last year to meet inflation and the costs for the service.

3.2 The Authority is carrying a deficit with the taxis budget at year end 2023/24 of £164,440.

3.3 It is proposed that the majority of fees will be increasing by 10% taking into account the continued increasing costs of the service to meet demand and inflation.

#### **3.4 Pavement Licences**

The Council has been responsible since 2020 on a temporary basis for the processing and determination of applications for Pavement Licences under the Business and Planning Act 2020. In 2024, this process has become a permanent licensing function of Eastbourne Borough Council. It is now permissible to charge a maximum of £500 for new applications and £350.00 for renewal applications.

#### **3.5 Taxi Licensing**

For taxi licensing there has been a significant uplift in operating costs to meet the additional requirements of becoming the data controller for CCTV. The proposal is an increase of 50% to meet the costs of running the service.

#### **3.6 Introduction of New Fees to Support Applicants and Businesses**

It is proposed to offer a discretionary service to those individuals and business who request the same, as below:

- A counter service for hackney and private hire applicants or drivers renewing whereby additional support in person is available to advise and support them in submitting their applications or renewals
- A one to one service remotely to provide advice and support in submitting Pavement Licence applications
- A one to one service to provide advice and support in submitting Temporary Event Notices
- Pre application advice and support for Licensing Act premises applications on a one to one basis either remotely over teams or in person onsite
- New food business advice and support on a one to one basis either remotely over teams or in person onsite

3.7 Members are asked to note that on 12<sup>th</sup> December the introduction of a Food Hygiene Re-rating request scheme was agreed.

#### **3.8 House in Multiple Occupation (HMO) Licensing**

HMO licence fees must be levied in 2 parts:

- Part 1 – a fee levied at the point of application to cover the costs of the scheme's 'authorisation procedure and formalities,' i.e. the costs of processing the application.
- Part 2 – if the application is successful, a further fee to cover the costs of running and enforcing the scheme.

The present scheme is currently not a 2 part structure and the fees are based on the number of occupants. It is proposed the fees will remain relevant to the number of occupants but the total fee payable will be split into 2 parts as above. A new charge of £100 will be put in place for background checks and inspection of HMOs suspected to be operating without a licence (this would be in addition to any subsequent enforcement costs) and a new charge of £50 if Landlords request a paper application form rather than the online application. Licences are issued for either 1, 3 or 5 years depending on risk.

3.9 The proposed charges are detailed in Appendix 1.

#### **4 Financial appraisal**

4.1 The Council as the Licensing Authority is responsible for administering a number of statutory and discretionary licensing regimes. Certain licensing fees and charges are prescribed by Central Government. However, a number of discretionary charges and fees must be set annually at a level that it is reasonably believed will cover the costs of providing the service, and in accordance with the legal principles involved. The proposed fees which will be implemented from 1st April 2025 take account of the significant inflationary pressures incurred by the Council ensuring that costs incurred in delivering the service are fully recovered. This is necessary to ensure that council taxpayers are not subsidising work concerning licensing administration.

#### **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 some fees are set by Central Government, and some are locally set – as indicated in this Report.

5.2 Members are asked to note that case law has established that if there is any surplus or deficit in the fees generated then that must be taken into account when setting the following year's fees.

5.3 The Legal Section considered this Report on 13 January 2025 (IKEN 13569-EBC-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 2025-2026.

## **10 Background papers**

- 10.1
- None.