



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Setting of Licensing Fees and Charges 2024/2025	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team 14 August 2024	X
	Pre Cabinet [DATE]	
	Leader's / Leader of the Opposition's Advisory Group [DATE]	
	Cabinet [DATE] / Council [DATE]	
	Licensing Committee 3 September 2024 5.30pm Licensing Committee 13 November 2024 5.30pm	



<p>Is this an Executive Decision:</p>	<p>NO</p>	<p>Is this a Key Decision:</p>	<p>NO</p>
<p>Is this in the Forward Plan:</p>	<p>YES</p>	<p>Does this report contain Confidential or Exempt Information:</p> <p>If the report Contains Confidential Information, please provide reason.</p> <p>If the report contains Exempt Information, please state relevant paragraph from Schedule 12A LGA 1972:</p>	<p>NO</p> <p>[]</p> <p>[]</p>

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE



Monitoring Officer: **John Teasdale**

Date Signature

Chief Finance Officer: **Lloyd Haynes**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Licensing Committee

Date: 3rd September 2024

REPORT TITLE: Setting of Licensing Fees and Charges 2024/2025

PORTFOLIO: Communities and Regulatory Services

CHIEF OFFICER: John Teasdale

CONTACT OFFICER: Margaret Woolley

WARD(S) AFFECTED: NA

1. Purpose of the Report

1.1. This report brings forward for consideration, a proposed Schedule of Licensing Fees and Charges in respect of the Council's licensing activities.

2. Executive Summary

2.1. The Council has a wide range of responsibilities in relation to the licensing and registration of certain activities that are prescribed in a variety of statutes.

2.2. In many cases, the Council are empowered to recover certain elements of the costs that it incurs by providing such services. In other cases licence fees are set centrally.

2.3. **It should be noted that there has not been a rise in licensing fees for approximately 9 years.**

2.4. The fees are required to be consulted upon. For some fees, this is prescribed by legislation and in other instances it is simply deemed good practice.

2.5. Responses to the consultation will then be collated and the Licensing Committee will be advised of the comments received. A notice will then be prepared confirming changes to the licensing fees.

3. Background

- 3.1. The Council is obliged to provide a wide range of licensing and registration services in respect of certain activities, usually concerned with public protection.
- 3.2. Whilst some licensing fees and charges are set centrally, in many cases the applicable legislation provides for the Council to set fees locally. In cases of locally set fees and charges the Council is only able to recover certain elements of the costs associated with the provision of the respective licensing activity. In most cases this relates to the administrative, inspection and decision making processes associated with individual licence applications. Enforcement costs for example cannot be taken into account when calculating licensing charges except in certain circumstances.
- 3.3. The Council may elect to subsidise licensing fees and charges but cannot raise revenue through its licensing activities. In previous years, the Council has sought to recover its reasonable costs through its licensing fees and charges.
- 3.4. An exercise has been undertaken to calculate the costs incurred by the Council associated with each of its licensing activities, and this has been used to inform the development of a proposed Schedule of Licensing Fees and Charges.
- 3.5. The proposed Schedule of Licensing Fees and Charges is set out at **Appendix 1** of this report.
- 3.6. Some, but not all, of the relevant statutory provisions require that where it is proposed to revise Licensing Fees and Charges, the Council publish a notice of its intention and afford a reasonable time for representations to be made and considered before proceeding. In any event, it is considered good practice to 'consult' on the setting of all licence fees and charges.
- 3.7. The Licensing Committee have delegated powers to consider the proposed fees, and agree they are suitable for the purposes of a consultation exercise. Following the consultation exercise, any representations can be considered by the Licensing Committee prior to adoption.
- 3.8. Pavement Licensing – The Levelling Up and Regeneration Act 2023, makes permanent the provisions set out in the Business and Planning Act 2020 that streamlined the process to allow business to secure these licences quickly.
- 3.9. A new fee has been set for Pavement Licences as part of the proposed fees.
- 3.10. The permanent pavement licences process retains the streamlined consent route for businesses to obtain a licence to place removable furniture, such as tables and chairs outside of cafes, bars, and restaurants quickly. Local authorities may charge up to £500 for first-time applications and £350 for renewals. Licences can be granted for up to 2 years.

4. **Contribution to Corporate Priorities**

4.1. Creating a prosperous East Staffordshire.

5. **Report**

5.1. A review of the licensing fees and charges has been undertaken in line with the Council's agreed methodology for conducting charging reviews.

5.2. As a result of that review, a proposed Schedule of Licensing Fees and Charges have been prepared and are set out at **Appendix 1** of this report.

5.3. The proposed fees and charges, are based on the actual costs incurred by the Council and have been calculated using time analysis data relating to typical administrative, inspection and decision making tasks for each category of licensing activity. The proposed fees and charges, are in accordance with applicable legislation.

5.4. In July 2020 the Department for Transport (DfT) introduced The Statutory Taxi and Private Hire Vehicle Standards which, have been absorbed into the licensing processes and procedures. Officer time has been reapportioned, to take into account the additional resource required to administer the requirements of the standards. Some of the standards have had an impact on time taken to process new and renewal applications.

5.5. The DfT document, brought forwards recommendations for all licensing authorities to make available a cohesive policy document that brought together all their procedures on taxi and private hire licensing.

5.6. The schedule, details the current licence fees and charges for comparison purposes. It should be noted that there has not been an increase in fees since 2015.

5.7. Most notable in the fees, are a new Private Hire Operator fee for below 10 vehicles and over 10 vehicles being operated.

5.8. Pavement licence fees have also been re calculated, following the changes brought about by the Levelling Up and Regeneration Act 2023 which makes permanent the provisions set out in the Business and Planning Act 2020.

5.9. The act allows for fees to be set locally, and it's for Licensing Authorities to determine the appropriate charge. Fees are capped at £500 for first application and £350 for renewals. The expectation is that Local Authorities will grant licences for a period of 2 years.

5.10. The proposed Pavement Licence fees, have been calculated at £300 for a new 2 year licence and £200 for a renewal licence as set out by legislation and below the capped fee.

- 5.11. The Licensing Committee have delegated powers to consider fees suitable for consultation purposes and approve their suitability for adoption.

6. Financial Considerations

This section has been approved by the following member of the Financial Management Unit: [Daniel Binks / PF]

- 6.1. The main financial issues arising from this Report are as follows:
- 6.2. The proposed fees in Appendix 1 have been calculated using the hourly rate of the Licensing Officers and the Licensing Apprentice role, multiplied by the number of hours taken to undertake the work in issuing the license on a full cost recovery basis. A small number of charges such as for equipment, or for charges passed on to third party providers and are not subject to hourly rate calculations. All charges are deemed to be fair and reasonable for the 2024/25 financial year.
- 6.3. The current fees have been in place for a number of years, and have increasingly not covered the full costs of providing these services, with the Council Tax payer effectively part subsidising the service recipients, as deficits have been recognised against Licensing Income budgets.
- 6.4. A large number of discretionary licensing fees and charges have not been uplifted since 2016, accordingly increases in price should be viewed in the context of CPI inflation having increased by 33% between April 2016 and April 2024 (Source Office of National Statistics).
- 6.5. The current 2024/25 budget for discretionary fees and charges, including discretionary license fees, were set based on demand estimations and the Council's Fees and Charges Policy, and approved on the basis of them being uplifted. Accordingly if they are not increased it is expected that an underachievement of the income budget would result, contributing towards financial pressure to both the service and the Council.

7. Risk Assessment and Management

- 7.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 7.2. **Positive** (Opportunities/Benefits):
- 7.2.1. Adopting the proposed Schedule of Fees and Charges ensures that the Council has in place a clear and transparent fee structure based on the recovery of reasonable costs and enables the Council to demonstrate their validity in the event of any challenge from a licensee or applicant.

7.2.2. The Council's fee structure will be brought in line with comparable authorities.

7.3. **Negative** (Threats):

7.3.1. By not adopting the revised fees and charges the Council would not be fully recovering its reasonable costs for providing its licensing services.

7.3.2. Accordingly if they are not increased it is expected that an underachievement of the income budget would result, contributing towards financial pressure to both the service and the Council.

7.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

8. **Legal Considerations**

*This section has been approved by the following member of the Legal Team:
[John Teasdale]*

8.1. The main legal issues arising from this Report are as follows.

8.2. Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 allow the Licensing Authority to charge fees for the grant of licences in respect of hackney carriage and private hire drivers, vehicles, and operators.

8.3. Section 53 relates to fees for drivers licences. Section 70 relates to fees for vehicle and operator licences

8.4. The fees for these licences must be set on the basis that it only recovers costs, which it is entitled statutorily to recover.

8.5. It should be noted that there is no statutory duty on the Council to consult when setting or revising licensing fees with the exception of those fees relating to hackney carriage, private hire vehicles and operators' licences under Section 70 of the Local Government (Miscellaneous Provisions) Act 1976.

8.6. Historically, the Council has also consulted on driver licence fees and it is considered good practice to continue with this. With respect to the remaining discretionary fees, it is suggested that publishing the Council's intentions prior to the fees coming into force, is sufficient.

8.7. The Licensing Committee are being asked to approve the revised schedule of fees and charges 2024/2025 (appendix 1) as suitable to be published for the purposes of a consultation exercise.

8.8. The consultation will take place over a 28 day period.

8.9. Following the conclusion of the consultation, responses to the consultation will then be collated and presented to the Licensing Committee for consideration

as part of the approval process.

9. Equalities and Health

9.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised.

9.2. **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed.

10. Data Protection Implications – Data Protection Impact Assessment (DPIA)

10.1. A DPIA must be completed where there are plans to:

- use systematic and extensive profiling with significant effects;
- process special category or criminal offence data on a large scale; or
- systematically monitor publicly accessible places on a large scale
- use new technologies;
- use profiling or special category data to decide on access to services;
- profile individuals on a large scale;
- process biometric data;
- process genetic data;
- match data or combine datasets from different sources;
- collect personal data from a source other than the individual without providing them with a privacy notice ('invisible processing');
- track individuals' location or behaviour;
- profile children or target marketing or online services at them; or
- process data that might endanger the individual's physical health or safety in the event of a security breach

10.2 Following consideration of the above, there are no Data Protection implications arising from this report which would require a DPIA.

11. Human Rights

11.1 There are no Human Rights issues arising from this Report.

12. Environmental Impacts

Consider impacts related to the Climate Change & Nature Strategy aims:

- Reducing greenhouse gas emissions (climate change mitigation)
- Preparing for future climate change (adaptation)
- Protecting and enhancing nature
- Using resources wisely and minimising waste and pollution

12.1. Does the proposal have any positive or negative environmental impacts? No

13. Recommendation(s)

- 13.4 That the Licensing Committee approve the revised schedule of fees and charges 2024/2025 (appendix 1) as suitable to be published for the purposes of a consultation exercise.
- 13.5 That consultation take place over a 28 day period in accordance with legal requirements.
- 13.6 Note that the results of the consultation exercise following its conclusion will then be presented to the Licensing Committee for consideration.

14. Appendices

- 14.1. Appendix 1: Proposed Schedule of Fees and Charges 2024/2025