



SHEFFIELD CITY COUNCIL Committee Report



Report of:	Chief Licensing Officer and Head of Licensing
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Date:	26 th July 2012
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Subject:	Licensing Fees Review (Determination of Fees)
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Author of Report:	Stephen Lonnia - 2053798
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Summary:	A report to members to review and determine a schedule of fees for the licensing service.
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Recommendations:	That members consider all the information provided in the report and those included in any attachments before determining whether to increase and maintain the licence fee(s) as set out in the report and detailed in the attachments.
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Background Papers:	Attached
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Category of Report:	OPEN
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REPORT OF THE CHIEF LICENSING OFFICER (HEAD OF LICENSING)
TO THE LICENSING COMMITTEE

No: 59/12

Licensing Fees Review (Determination of Fees)

1.0 PURPOSE AND OUTCOMES

1.1 The purpose of this report is for members to consider an increase in application fees etc. for the following licensing systems:

- Private Hire & Hackney Carriage Drivers and Vehicles etc;
- Animal Health (pets shops, animal boarding establishments, dangerous wild animals, riding establishments and breeders of dogs);
- Street Trading (football, static, mobile, schools, and short term consents);
- Motor Salvage Operators etc.

1.2 To consider and establish the fees for the following systems where we propose no increase at this moment in time:

- Sex Establishment Licensing (sex shops and sexual entertainment venues);
- Gambling Act 2005 (casino, bingo, betting and track premises etc.);
- Approved Marriage Premises (secular and religious)

1.3 To note the fee(s) that is statutory and are prescribed by the Secretary of State and can not be changed by the Local Authority. These include;

- Licensing Act 2003
- Gambling Act 2005 (certain fees)

1.4 To inform members of the systems that are administered by the licensing service, where the legislation states we are unable to charge a fee.

1.5 The outcomes of this report are to ensure that:-

- The Licensing Service recovers the reasonable costs for administering and enforcing the terms and conditions of certain licensing systems;
- That the Council fees and charges are set in accordance with the Councils Fair Charging principles set out in the Future Shape Policy Handbook and the Provision of Service Regulations 2009; and
- That all fees are determined on an annual basis. Whether they remain the same, increase or decrease.

2.0 FAIR CHARGING POLICY

- 2.1 It is agreed that fees and charges should be set in a consistent way across the Council and that we are transparent about the fees we expect people to pay.
- 2.2 Licence fees must also be set in accordance with the relevant legislation and the Provision of Services Regulations 2009.
- 2.3 We have set the proposed fees so that they do not prevent us from delivering on our priorities and also on the principle of the polluter pays where it is appropriate.
- 2.4 The Council intends to recover its reasonable costs of the Licensing Service with regards to the administration and enforcement of the terms and conditions of each of the above licensing systems. Each licensing system has its fee calculated separately to ensure we are only recovering the costs in relation to that individual system.
- 2.5 The Licensing Service has endeavoured to keep any increases as low as possible whilst ensuring we recover our reasonable costs.

3.0 THE LAW

- 3.1 It is clear from R v Manchester City Council. Ex p. King, The Times, April 3, 1991 that the power to set fees does not permit the Council to raise revenue generally.
- 3.2 It has also been established in many cases such as R-v-The Greater London Council Ex Parte The Rank Organisation Limited it was stated "the level of fees was a matter of policy and as long as the total fee income did not exceed the cost of the licensing system the court should not and could not see to interfere".
- 3.3 The Provision of Services Regulations 2009 which came into force on 28 December 2009, Para 18(4) states any charges provided for by a competent authority which applicants may incur under an authorisation scheme must be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of these procedures and formalities
- 3.4 With regards to private hire and hackney carriage licensing. A district council may charge fees in order to recover the reasonable costs incurred in operating the licensing function.
- 3.5 Any proposed variation to the fees for vehicles and operators must be advertised and objections received within 28 days of the advertisement considered. There is no requirement for drivers of other fees to be advertised or for objections to be considered.

- 3.6 Following the advertisement where no objections are received the new scale of fees comes in to effect on a specified date no less than 28 days after the advertisement appeared.
- 3.7 Should objections be received (that are not withdrawn) then those objections must be considered. After consideration of any objections by the Council the new scale of fees, whether modified or not, will come in to effect on a new date that is within two months of the original date.
- 3.8 Members should note that we can not recover enforcement costs from drivers licence applications. Any enforcement must be recovered through vehicle licence fees.
- 3.9 Members should note that it can only recover the actual costs of delivering each individual system from the fees it charges applicants / licensees. It can not make a surplus from fees and must not use fees to subsidise any other licensing system; to offset other budgets or raise income generally.

4.0 THE COSTS OF LICENSING

- 4.1 The cost of the Licensing Service has increased over the years mainly due to inflation and the cost of processing applications.
- 4.2 Licensing now operates as one service. However, it is divided in to four teams which work in specific areas (Alcohol & Entertainment, Taxis, Safety at Sports Grounds and Gambling / Street Trading etc.). Each team delivers that particular area/specialism of licensing, with staff moving across the four teams and undertake work throughout the service to give increased flexibility. The service has 24.3 full time equivalents (fte's), the allocation of staffing is split as follows;
- Chief Licensing Officer & Head of Licensing 1fte
 - alcohol team 8 fte's
 - gambling team 5.3 fte's
 - sports grounds team 1 fte
 - taxi team 9 fte's
- 4.3 The Licensing Service is permitted to recover the cost of certain enforcement activities (terms and conditions) via licence fees. This is only relevant to those systems that fall within the scope of the European Services Directive such as Sex Establishments and Street Trading etc.

5.0 PROPOSED INCREASES

5.1 Private Hire & Hackney Carriage Drivers, Vehicles and Operators etc.

- 5.1.1 The Licensing Service administers and enforces the licences for hackney carriage and private hire vehicles and drivers as well as private hire operators.
- 5.1.2 The fees in relation to these systems have not been increased now for several years. The last increase in this area was in 2007 some five years ago.
- 5.1.3 The proposed increases have been kept to a minimum and are necessary to ensure that we can maintain the right level of customer service and regulation in this area. The proposed increase(s) and the new fees are set out at **Appendix A**.
- 5.1.4 A full consultation will take place following this report if members accept the proposal to increase certain fees.

5.2 Animal Health

- 5.2.1 The Licensing Service also administer and enforce licences for pet shops, animal boarding establishments, dangerous wild animals, riding establishments and breeders of dogs.
- 5.2.1 The fees in these areas were last increased following consultation in April 2010.
- 5.2.2 The Licensing Service works closely with Animal Control in relation to all animal health licensing systems and the fee covers both services to recover their reasonable costs.
- 5.2.3 The current proposal refers only to an increase to the proportion of the fee for the Licensing Service. There is no proposed increase to cover the costs of Animal Control.
- 5.2.4 Animal Health licences are generally issued for a twelve month period.
- 5.2.5 The proposed increase(s) and the new fees are set out in the table at **Appendix B**. Increase in fees to commence as of the 1st August 2012.

5.3 Football Street Trading

- 5.3.1 The Licensing Service administer and enforce consents for street trading activities in the vicinity of Sheffield Wednesday and Sheffield United football grounds.
- 5.3.2 The fees were last increased following consultation in 2010.
- 5.3.3 The Licensing Service regularly undertake scheduled enforcement activity at Sheffield Wednesday and Sheffield United football grounds before, during and after home fixtures. We carry out approximately 10 football street trading exercises each season.

5.3.4 The nature of these consents also requires the section to undertake unscheduled enforcement activities following complaints about those trading. The fee ensures the recovery of the reasonable costs of this system.

5.3.5 Football Street Trading Consents allow traders to trade outside the football stadiums in a given location for a single season between August and May (10 months).

5.3.6 Consents are issued for hot food and for memorabilia sellers.

5.3.7 The proposed increase(s) and the new fees are set out in the table at **Appendix C**. Increase in fees to commence as of the 1st August 2012

5.4 Short Term Street Trading

5.4.1 Occasionally, the Licensing Service receive applications for short term street trading consents. These could be for a single day, weeks or months and for anywhere within the City.

5.4.2 This includes such as the roast chestnut seller on Fargate in December and individual traders that attend events etc.

5.4.3 The fee for this type of consent has not increased since the introduction of the new street trading scheme in Sheffield in 2002.

5.4.4 The proposed increase(s) and the new fees are set out in the table at **Appendix C**. Increase in fees to commence as of the 1st August 2012

5.5 Mobile Street Trading

5.5.1 These consents are generally issued to ice cream traders for vehicles to travel around the city selling ice cream. However, we do also issue consents to fruit and veg traders and other types of trading.

5.5.2 The fees for mobile consents have not increased since 2010.

5.5.3 We will be undertaking a further review of the policy and fees for mobile fruit and veg traders shortly. This report will be placed before committee in September.

5.5.4 The proposed increase and the new fee are set out in the table at **Appendix C**. Increase in fees to commence as of the 1st August 2012

5.6 Schools Street Trading

5.6.1 This is the smallest of the street trading systems, but it can be one of the more problematic for obvious reasons of child safety. The school consents are only to trade in ice cream at certain hours of the day.

5.6.2 The fees for school consents have not increased since 2010.

5.6.3 The proposed increase and new fee are set out in the table at **Appendix C**. Increase in fees to commence as of the 1st August 2012

5.7 Static Street Trading

5.7.1 Static street trading consents are the sites where traders park permanently to trade from that one site only.

5.7.2 We have approximately 46 static street trading consents that are charged various fees dependant upon the location, number of days trading, hours of trading and what the consent allows them to trade.

5.7.3 The fees for these consents have not increased since 2010 and the proposed increase has been kept to a minimum.

5.7.4 The proposed increase and new fees are set out in the table at **Appendix D**. Increase in fees to commence as of the 1st November 2012

5.8 Motor Salvage Operators

5.8.1 The motor salvage operators system has been in place now since the introduction of the legislation in 2001/2002.

5.8.2 The fees for this system have been reviewed annually. However, members should note that the Local Government Association (LGA) and the primary legislation suggest that fees should be set within the region of £40 to £70.

5.8.3 Members will be aware that we set our fees slightly higher than that recommended. The fee has not increased since 2002, but due to an increase in workloads in this area we are proposing a minor increase this year.

5.8.4 The proposed increase and new fee are set out in the table at **Appendix E**. Increase in fees to commence as of the 1st August 2012

6.0 NO INCREASE PROPOSED

6.1 The Licensing Service has undertaken an extensive review of fees with Corporate Finance. There are many fees that we are proposing no increase as we are satisfied that in these areas the fees already in place recover the reasonable costs of administering that system.

6.2 The areas in which we are proposing no increase are Sex Establishments and Sexual Entertainment Venues; Gambling Act 2005 and Approved Marriage Premises.

6.3 Members will note that fees are reviewed every year. The fees for sex established were considered in 2011 following changes made in 2010. With regards to sexual

entertainment venues the fees were determined alongside the policy and have only just come in to effect recently. See **Appendix F**

- 6.4 Gambling Act fees were set in 2005 when the new legislation came in to force. The fees have been reviewed on an annual basis and it has been determined to keep them the same. We are starting to undertake more work in this area of licensing and fees may be subject to a slight increase in 2013 if our costs increase. See **Appendix G**
- 6.5 Approved Marriage Premises (Religious and Secular) underwent a full review earlier this year following an amendment to the legislation. Therefore there is no need to make any changes to fees in this area. See **Appendix H**

7.0 STATUTORY FEES

- 7.1 The Licensing Service also administers several systems where the fee is determined by the Secretary of State through regulation. This includes all the fees under the Licensing Act 2003 and some fees under the Gambling Act 2005.
- 7.2 The Licensing Authority has no powers to change these fees. See **Appendix J**

8.0 NON FEE PAYING

- 8.1 The last few systems the service administers are ones which in accordance with the legislation the Licensing Authority are unable to charge a fee. These systems include duties that are placed upon us by statute and must be undertaken.
- 8.2 These systems include Safety at Sports Grounds, Charitable Collections (Street and House to House), Hypnotism, Commons Registration etc.

9.0 CONSULTATION

- 9.1 Letters have been sent to the relevant trades informing them of the proposed increases on Wednesday 18th July 2012. The letter also asked for comments and invited them to attend today's meeting
- 9.2 Members should note that for the vast majority of licensing systems there are no requirements to consult regarding fees. This is a legal requirement for taxi fees and details are set out in paragraphs 3.4 to 3.8 above.
- 9.3 Further consultation can be undertaken if members feel it would be beneficial.

10.0 FINANCIAL IMPLICATIONS

- 10.1 There are financial implications for the Council arising from this report. Should Members agree the increase in licence fees as detailed in the report above, the Council will recover its reasonable costs of the Licensing Service in relation to administering and enforcing the above licensing systems.

10.2 The Licensing Service has taken into account the current financial climate and has endeavoured to keep the increases to a reasonable level as a larger increase may have a negative impact on a number of small businesses that hold licences.

10.3 The increase in fees is required to enable the Licensing Service to continue to provide the current high level of service and to prevent a repeat of last years overspend.

11.0 RECOMMENDATIONS

11.1 That members consider all the information provided in the report and that included in any attachments before determining whether to increase the licence fee as set out in the report and detailed in the attachments.

11.2 That members agree the fee increase(s) proposed, agree the proposal to keep all remaining fees as they are and authorise the Chief Licensing Officer and Head of Service to begin the formal consultation with the taxi trade associations.

12.0 OPTIONS OPEN TO THE BOARD

12.1 To authorise the Chief Licensing Officer and Head of Service to increase the fees as detailed above and keep the remaining fees as they are currently.

12.2 To authorise the Chief Licensing Officer and Head of Service to increase the fees or maintain them as they are with amendments to the above.

12.3 To defer the decision to increase the fees for further consideration.

Stephen Lonnia
Chief Licensing Officer & Head of Licensing
Business Strategy & Regulation
Place

July 2012

APPENDIX A

HACKNEY CARRIAGE VEHICLES

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
Grant	£210	£5	£215
Renewal	£155	£5	£160
Transfer	£20	£1	£21

PRIVATE HIRE VEHICLES

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
Grant	£210	£5	£215
Renewal	£155	£5	£160
Transfer	£20	£1	£21

HACKNEY CARRIAGE & PRIVATE HIRE DRIVERS

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
Grant	£156:06	£5	£161:06
Renewal	£88:06	£5	£94:06

Note: The drivers figures above only includes administration (what is kept by licensing) it does not include the cost of CRB (£44) / DVLA (£7) checks or materials (£2:94).

REPLACEMENT PLATES

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
Replacement Plate	£20	£3	£23

APPENDIX B

ANIMAL HEALTH

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
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Pet Shops			
New	£152	£4	£156
Renewal	£131	£3	£134

Animal Boarding Est.			
New	£200	£5	£205
Renewal	£179	£4	£183

Dog Breeders			
New	£147	£3	£150
Renewal	£147	£3	£150

Riding Establishments			
New	£205	£5	£210
Renewal	£175	£4	£179

Dangerous Wild Animals			
New	£178	£4	£182
Renewal	£155	£4	£159

APPENDIX C

STREET TRADING

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
Mobile	£230	£6	£236
Football (hot & cold food)	£493	£12	£505
Football (memorabilia)	£98	£2	£100
Schools	£36	£1	£37
SHORT TERM CONSENT			
1 Month Consent	£115	£3	£118
1 Week Consent	£73	£2	£75
1 Day Consent	£47	£1	£48

APPENDIX D

STREET TRADING – STATIC FEES

STATIC	CURRENT FEE	INCREASE	PROPOSED FEE
N/A	£6,000	NIL	N/A
N/A	£6,000	NIL	N/A
N/A	£3,232	£25	£3,257
N/A	£2,595	£25	£2,620
N/A	£1,994	NIL	N/A
N/A	£1,552	£23	£1,575
N/A	£1,352	£23	£1,375
N/A	£980	£20	£1,000
N/A	£908	£20	£928
N/A	£892	£20	£912
N/A	£892	£20	£912
N/A	£892	£20	£912
N/A	£892	£20	£912
N/A	£880	£18	£898
N/A	£880	£18	£898
N/A	£811	£18	£829
N/A	£811	£18	£829
N/A	£800	£18	£818
N/A	£800	£18	£818
N/A	£800	£18	£818
N/A	£800	£18	£818
N/A	£782	£15	£797
N/A	£760	£15	£775
N/A	£728	£15	£743
N/A	£720	£15	£735
N/A	£712	£15	£727
N/A	£712	£15	£727
N/A	£712	£15	£727
N/A	£600	£12	£612
N/A	£576	£12	£588
N/A	£576	£12	£588
N/A	£532	£10	£542
N/A	£532	£10	£542
N/A	£444	£10	£454
N/A	£334	£7	£341
N/A	£320	£7	£327
N/A	£268	£7	£275
N/A	£268	£7	£275
N/A	£268	£7	£275

N/A	£268	£7	£275
N/A	£224	£7	£231
N/A	£160	£5	£165
N/A	£120	£5	£125
N/A	£114	£5	£119
N/A	£100	£2	£102
N/A	£100	£2	£102
N/A	£80	£2	£82
N/A	£60	£2	£62

APPENDIX E

MOTOR SALVAGE OPERATORS

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
Motor Salvage Operator	£75	£2	£77

APPENDIX F

SEX ESTABLISHMENTS

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
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SEX SHOPS			
Grant	£5,200	N/A	N/A
Renewal	£4,400	N/A	N/A
Transfer	£2,000	N/A	N/A
Variation	£1,000	N/A	N/A

SEXUAL ENTERTAINMENT VENUE			
Grant	£1,335	N/A	N/A
Renewal	£1,000	N/A	N/A
Transfer	£500	N/A	N/A
Variation	£1,000	N/A	N/A

SEX SHOP STAFF ASSISTANTS

Grant	£37	N/A	N/A
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APPENDIX G

GAMBLING ACT 2005
Table Of Fees - Premises Licences

Premises Type	Application To Vary	Application To Transfer	Application For Re Instatement	Application For Provisional Statement	Licence Application (by provisional statement holders)
Casinos	958	874	874	N/A	N/A
Bingo	774	690	690	1274	910
Betting	682	598	598	1182	818
Tracks	866	782	782	1366	938
Family Entertainment Centre	590	506	506	906	542
Adult Gaming Centre	710	626	626	1182	818
Premises Type	Copy of Licence	Notification Of Change Of Details	New Application	Annual Fee	First Annual Fee
Casino	15	25	N/A	1567	1097
Bingo	15	25	1274	709	496
Betting	15	25	1182	283	198
Track	15	25	1366	795	556
Family Entertainment Centre	15	25	906	428	299
Adult Gaming Centre	15	25	1182	491	343

APPENDIX H

MARRIAGE AND CIVIL PARTNERSHIPS

SYSTEM	CURRENT FEE	INCREASE	PROPOSED FEE
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Grant	£970	N/A	N/A
Renewal	£970	N/A	N/A

APPENDIX J
STATUTORY FEES

GAMBLING ACT 2005
LICENSED PREMISES GAMING MACHINES

Application Type	Fee	First Annual Fee	Annual Fee	Variation	Transfer
Notification of 2 or less gaming machines	£50				
Licensed premises gaming machine permit	£100 (existing operator) £150 (in all other cases)	£50	£50	£100	£25

CLUB GAMING / CLUB MACHINE PERMITS

Application Type	Application Fee	Renewal Fee	First Annual Fee	Annual Fee	Variation
New and premises that do not hold a Club Premises Certificate	£200	£200	£50	£50	£100
Holders of Club Premises Certificates or existing Part 2 or Part 3 permit holders	£100	£100	£50	£50	£100

APPENDIX J

LICENSING ACT 2003

FEE FOR NEW APPLICATIONS

Premises Licences and Club Premises Certificates

RATEABLE VALUE	BAND
No rateable value to £4,300	A
£4,301 to £33,000	B
£33,001 to £87,000	C
£87,001 to £125,000	D
£125,001 and above	E

Rateable Value Bands	A	B	C	D*	E*
Application Fee	100	190	315	450*	635*

BAND	D (x 2)	E (x 3)
FEE	£900	£1905

VARIATIONS

PREMISES LICENCES AND CLUB PREMISES CERTIFICATE VARIATION FEE

BAND	FEE
A	£100
B	£190
C	£315
D*	£450*
E*	£635*

BAND	D (x 2)	E (x 3)
FEE	£900	£1905

GRANT & VARIATION / ADDITIONAL FEE

Number	Additional Fee
5,000 to 9,999	£1,000
10,000 to 14,999	£2,000
15,000 to 19,999	£4,000
20,000 to 29,999	£8,000
30,000 to 39,999	£16,000
40,000 to 49,999	£24,000
50,000 to 59,999	£32,000
60,000 to 69,999	£40,000
70,000 to 79,999	£48,000
80,000 to 89,999	£56,000
90,000 and over	£64,000

ANNUAL FEE

BAND	FEE
A	£70
B	£180
C	£295
* D	£320
* E	£350

BAND	FEE
D x 2	£640
E x 3	£1,050

ANNUAL FEE / ADDITIONAL FEE

Column 1 Number	Column 2 Additional Fee
5,000 to 9,999	£500
10,000 to 14,999	£1,000
15,000 to 19,999	£2,000
20,000 to 29,999	£4,000
30,000 to 39,999	£8,000
40,000 to 49,999	£12,000
50,000 to 59,999	£16,000
60,000 to 69,999	£20,000
70,000 to 79,999	£24,000
80,000 to 89,999	£28,000
90,000 and over	£32,000

APPENDIX J

Licensing Act 2003 – Other Fees

Application or Notice	Fee
Section 25 (theft, loss, etc. of premises licence or summary)	£10.50
Section 29 (application of a provisional statement where premises being built etc.)	£315.00
Section 33 (Notification of change of name or address)	£10.50
Section 37 (application to vary licence to specify individual as premises supervisor)	£23.00
Section 42 (application for transfer of premises licence)	£23.00
Section 47 (interim authority notice following death etc. of licence holder)	£23.00
Section 79 (theft, loss etc. of certificate or Summary)	£10.50
Section 82 (notification of change of name or alteration of rules of club)	£10.50
Section 83 (1) or (2) (change of relevant registered address of club)	£10.50
Section 100 (Temporary event notice)	£21.00
Section 110 (theft, loss, etc. of temporary event notice)	£10.50
Section 117 (application for a grant or renewal of personal licence)	£37.00
Section 126 (theft, loss, etc of personal licence)	£10.50
Section 127 (duty to notify change of name or address)	£10.50
Section 178 (right of freeholder etc. to be notified of licensing matters)	£21.00
Section 41A (Application for minor variation of premises licence)	£89.00

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