

## **REPORT TO LICENSING COMMITTEE**

**Date of Meeting: 06 February 2018**

**Report of: Environmental Health and Licensing Manager**

**Title: Licensing Fees and Charges**

### **Is this a Key Decision?**

No

\* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

### **Is this an Executive or Council Function?**

Licensing is a Council function delegated to the Licensing Committee

#### **1. What is the report about?**

1.1 The purpose of this report is to establish the licensing fees and charges that should apply for 2018/19 for those activities where the Council has discretion.

#### **2. Recommendations:**

2.1 For the period from 1 April 2018 to 31 March 2019 it is recommended that the Licensing Committee set the fees as contained in Appendix B.

#### **3. Reasons for the recommendation:**

3.1 The statutory principle in relation to the setting of fees is that they should be reasonable and should relate to the costs of performing the function, including staffing, administration, testing, inspections, hearings, regulation and appeals.

#### **4. What are the resource implications including non financial resources.**

4.1 If there is no increase in fees there is a risk that the Council will not recover all of the costs for services or activities for which it is permitted to charge and increase the burden on the Council's general fund.

4.2 There will be a cost in adoption of fees, as some will require public notice to be given. However this cost will be met from the existing budgetary provision.

#### **5. Section 151 Officer comments:**

The proposed fees have been built into the Council's provisional 2018-19 budget that will be considered at Council in February 2019.

#### **6. What are the legal aspects?**

6.1 The Licensing Committee's responsibilities are set out in the Council's Constitution and include annual setting and reviewing of licensing fees other than those set centrally by statute. The statutory powers to set fees locally for individual licensing schemes are listed in Appendix A.

6.2 The European Services Directive (2006/123/EC) came into force in December 2009 through the Provision of Services Regulations 2009. Charges incurred by applicants 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 those procedures and formalities" (effectively the costs to run the licensing scheme). The Directive does not apply to Hackney Carriage and Private Hire Vehicle licensing. In cases where the Provision of Services Regulations 2009 apply a distinction must be made between application/renewal fees and monitoring/enforcement fees on the grant of a licence.

## **7. Monitoring Officer's comments:**

Each licensing regime has its own fee structure which is laid down by statute. All fee structures apart from those for Hackney Carriages and Private Hire Vehicles additionally are subject to the provisions of the European Services Directive 2006 as incorporated into domestic law through the Provision of Services Regulations 2009. Accordingly these provisions need to be reflected in the fee structure in order to comply with the Regulations.

## **8. Report details:**

8.1 Exeter City Council has statutory responsibility for the administration and enforcement of a wide range of licences, registrations and permits. Many of these schemes allow the Council to charge a fee, payable by an applicant for a licence, in order to cover the costs (or a proportion thereof) of the administration of those licence types. In some cases, costs are also permitted to cover other aspects of providing the regulatory scheme.

8.2 The basis in setting such fees is generally to ensure full cost recovery, or as close to it as possible. Licensing fees may not be used to generate a profit for councils, and fees must be reviewed and set annually to ensure that neither a significant surplus nor deficit is created. Surpluses must be carried forward and deficits may be carried forward to future years within each ring-fenced licensing budget). The Council is required to estimate the cost of running the particular licensing regime for the forthcoming year and then it must reduce that figure to take account of any surplus generated in the previous year and may add in a figure to recover any deficit generated in the previous year. The total is then divided by the number of licences within that particular licensing scheme to arrive at the fee for each licence.

8.3 The European Services Directive, as incorporated by the Provision of Services Regulations 2009 provides that fees and charges must "*be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities*". This principle was affirmed by the courts in *R (on the application of Hemming (t/a Simply Pleasure Ltd)) v Westminster City Council* which also decided that only administration fees can be charged on application for grant

or renewal and that monitoring/enforcement costs only become payable on grant of the licence Fees must reflect administrative, policy and compliance costs, and can include the costs of enforcement action against unlicensed operators.

8.4 Appendix A summarises the Council's powers to set its fees in respect of licensing applications, and any limitations on those powers.

8.5 A notice of any variation to vehicles and operator's licence fees will be advertised in a local paper and will be deposited at the council offices for a period of 28 days. Any objections received within 28 days of publication of the notice and not withdrawn will be considered at a meeting of the Licensing Committee in March 2018. If there are no objections to the variation in fees they will come into effect on 1 April 2018.

## **9. How does the decision contribute to the Council's Corporate Plan?**

9.1 The appropriate setting of Licensing Fees will contribute to a healthy and safe city, and lend support to a robust, business friendly economy.

## **10. What risks are there and how can they be reduced?**

10.1 The proposed fees have been calculated on a cost recovery basis, and projections show that if the revised fees are adopted the costs of administering licensing schemes should be recovered.

## **11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?**

11.1 Formulating a licensing fee structure that supports a strong licensing regime and recognises the key aims of the council will lead to a positive impact in creating a vibrant city to live, work and visit.

11.2 There are no identified equality concerns arising from this report.

## **12. Are there any other options?**

12.1 The Licensing Committee could decided to maintain fees and charges at the 2016/17 levels, however the service would not be recovering the full cost incurred to the authority for delivering the individual licence areas.

### **Environmental Health and Licensing Manager**

**Local Government (Access to Information) Act 1972 (as amended)**

**Background papers used in compiling this report:-**

The Gambling Act 2005.

Guidance issued under Section 25 of the Gambling Act 2005

The Police Reform and Social Responsibility Act 2011

The Licensing Act 2003

Guidance issued under Section 182 of the Licensing Act 2003

Local Government (Miscellaneous Provisions) Act 1982

Local Government (Miscellaneous Provisions) Act 1976

Scrap Metal Dealers Act 2013

## Appendix A - Summary of powers to set application fees

Section	Area	Power arises from
	General principle	Reg 18(4), Provision of Services Regulations 2009 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 those procedures and formalities.
2.1 – 2.5	Alcohol, entertainment, etc	Prescribed in regulations made by the Secretary of State under the Licensing Act 2003. Section 197A of that Act will allow licensing authorities to set fees locally on a cost-recovery basis, but is yet to be commenced.
3.1	Animal boarding	s.1(2), Animal Boarding Establishments Act 1963 Fee as may be determined by LA.
3.2	Dangerous wild animals	s.1(2)(e), Dangerous Wild Animals Act 1976 Sufficient to meet direct and indirect costs incurred
3.3	Dog breeding	s.3A(2), Breeding of Dogs Act 1973 Reasonable costs incurred in administration and enforcement.
3.4	Pet shops	s.1(2), Pet Animals Act 1951 Fee as may be determined by LA.
3.5	Riding establishments	s.1(2), Riding Establishments Act 1964 Fee as may be determined by LA. Cost of veterinary inspection.
3.6	Zoos	s.15(1), Zoo Licensing Act 1981 Sufficient to cover the reasonable expenditure incurred by the authority. Special provisions for inspections, closures, and direction making.
4.1, 4.3	Gambling notices, premises licences	Set on a cost recovery basis by the authority, up to maximum amounts prescribed in regulations made under the Gambling Act 2005. No fee chargeable for OUN's
4.2, 4.4	Gaming permits, lotteries	Prescribed in regulations made by the Secretary of State under the Gambling Act 2005
5.1, 5.2	Charity collections	No fees chargeable
6.1	HC/PH drivers	s.53(2), Local Gov't (Misc. Provisions) Act 1976 Recovering the costs of issue and administration. Refundable if licence not granted.
6.2, 6.3	HC/PH vehicles, PH operators	s.70(1), Local Gov't (Misc. Provisions) Act 1976 Sufficient to cover the cost of: inspection of vehicle for licensing purposes, providing hackney carriage stands, or other costs for administration and control/supervision of vehicles. Refundable if licence not granted. <i>Maximum fees must be advertised.</i>
7.1	Hypnosis	No fees chargeable (except by London boroughs)
8.1	Scrap metal	Sch 1 para 6, Scrap Metal Dealers Act 2013 Fee set by the authority, with regard to guidance <b>FEE-SETTING IS AN EXECUTIVE FUNCTION</b>
9.1	Sex establishments	Sch 3, para 19, Local Gov't (Misc. Pr'ns) Act 1982 Reasonable fee
10.1	Skin piercing, etc	s.14(6), 15(6) , Local Gov't (Misc. Pr'ns) Act 1982 Reasonable fee

## Appendix B – Proposed Fees and Charges compared with existing Fees and Charges

		2017-2018				2018-2019			
		Fee	VAT @ 20%	Total	VAT	Fee	VAT @ 20%	Total	VAT
		£ p	£ p	£ p	Code	£ p	£ p	£ p	Code
<b>LICENSING FEES - GENERAL</b>									
A NON RETURNABLE ADMINISTRATION FEE OF £50 INCLUDING VAT AT THE CURRENT RATE IS PAYABLE WITH ALL NEW APPLICATIONS (INCLUDES KNOWLEDGE TEST)									
<b>(1) Hackney carriage</b>									
Vehicle Licence (Incl Plate & Survey Charge)		340.00	-	340.00	9	350.00	-	350.00	9
<b>(2) Hackney Carriage</b>									
Driver's Licence and Identity card - 1 year		99.00	-	99.00	9	102.00	-	102.00	9
Driver's Licence and Identity card - 3 year		235.00	-	235.00	9	242.00	-	242.00	9
<b>(3) Private Hire Operators Licence</b>									
per annum		112.00	-	112.00	9	115.00	-	115.00	9
5 year licence		480.00	-	480.00	9	495.00	-	495.00	9
<b>(4) Private Hire Vehicle Licence</b>									
(Incl. Plate)		262.50	-	262.50	9	270.00	-	270.00	9
<b>(5) Private Hire Drivers</b>									
Driver's Licence and Identity card - 1 year		99.00	-	99.00	9	102.00	-	102.00	9
Driver's Licence and Identity card - 3 year		235.00	-	235.00	9	242.00	-	242.00	9
<b>(6) Vehicle Licences and Plate - Transfer Fees</b>		60.00	-	60.00	9	62.00	-	62.00	9
<b>(7) Additional Knowledge Test</b>		33.33	6.67	40.00	3	35.00	7.00	42.00	3
<b>(8) Miscellaneous fees</b>									
Replacement plate		30.00	-	30.00	9	31.00	-	31.00	9
Missed appointments		30.00	6.00	36.00	3	35.00	7.00	42.00	3
<b>(9) Consents to Street Trade</b>									
For up to 3 months		730.00	-	730.00	9	750.00	-	750.00	9
For up to 6 months		1,045.00	-	1,045.00	9	1,075.00	-	1,075.00	9
For up to 9 months		1,575.00	-	1,575.00	9	1,625.00	-	1,625.00	9
For up to 12 months		1,825.00	-	1,825.00	9	1,880.00	-	1,880.00	9
<b>Animal Welfare</b>									
<b>(10) Animal Boarding Establishment</b>									
Licence									
(a) New Licence (inclusive of vets fees)		218.00	-	218.00	9	225.00	-	225.00	9
(b) Renewal (inclusive of vets fees)		218.00	-	218.00	9	225.00	-	225.00	9
(c) Renewal (exclusive of vets fees)		86.00	-	86.00	9	90.00	-	90.00	9
<b>(11) Pet Animals Licence</b>									
(a) New Licence (inclusive of vets fees)		218.00	-	218.00	9	225.00	-	225.00	9
(b) Renewal (inclusive of vets fees)		218.00	-	218.00	9	225.00	-	225.00	9
(c) Renewal (exclusive of vets fees)		86.00	-	86.00	9	90.00	-	90.00	9
<b>(12) Riding Establishments Licence</b>									
Minimum charge (inclusive of vets fees)		500.00	-	500.00	9	0.00	-	-	9
per horse in excess of 10		7.25	-	7.25	9	7.50	-	7.50	9
<b>(13) Dog Breeding Establishments Licence</b>									
(a) New Licence (inclusive of vets fees)		218.00	-	218.00	9	225.00	-	225.00	9
(b) Renewal (inclusive of vets fees)		218.00	-	218.00	9	225.00	-	225.00	9
(c) Renewal (exclusive of vets fees)		86.00	-	86.00	9	90.00	-	90.00	9
<b>(14) Dangerous Wild Animals Act*</b>									
Licence Fee (inclusive of vets fees)		345.00	-	345.00	9	355.00	-	355.00	9

<b>(15) Sex Establishments Licence</b>			3,750.00	-	3,750.00	9	3,850.00	-	3,850.00	9
<b>(16) Small Lotteries</b>										
Statutory Charges										
(a) Registration			40.00	-	40.00	9	40.00	-	40.00	9
(b) Renewal			20.00	-	20.00	9	20.00	-	20.00	9
<b>(17) Gambling Act 2005</b>										
Statutory charges:										
<b>(i) Bingo</b>										
- Provisional statement			2,745.00	-	2,745.00	9	2,745.00	-	2,745.00	9
- New premises following provisional statement			1,060.00	-	1,060.00	9	1,060.00	-	1,060.00	9
- New premises without provisional statement			3,215.00	-	3,215.00	9	3,215.00	-	3,215.00	9
- Annual fee - First year only following fast track conversion			590.00	-	590.00	9	590.00	-	590.00	9
- Annual fee - other than above			765.00	-	765.00	9	765.00	-	765.00	9
- Variation			1,380.00	-	1,380.00	9	1,380.00	-	1,380.00	9
- Transfer			945.00	-	945.00	9	945.00	-	945.00	9
- Reinstatement			945.00	-	945.00	9	945.00	-	945.00	9
<b>(ii) Adult Gaming Centre</b>										
- Provisional statement			1,530.00	-	1,530.00	9	1,530.00	-	1,530.00	9
- New premises following provisional statement			1,178.00	-	1,178.00	9	1,178.00	-	1,178.00	9
- New premises without provisional statement			2,000.00	-	2,000.00	9	2,000.00	-	2,000.00	9
- Annual fee - First year only following fast track conversion			590.00	-	590.00	9	590.00	-	590.00	9
- Annual fee - other than above			765.00	-	765.00	9	765.00	-	765.00	9
- Variation			765.00	-	765.00	9	765.00	-	765.00	9
- Transfer			945.00	-	945.00	9	945.00	-	945.00	9
- Reinstatement			945.00	-	945.00	9	945.00	-	945.00	9
<b>(iii) Family Entertainment Centre</b>										
- Provisional statement			765.00	-	765.00	9	765.00	-	765.00	9
- New premises following provisional statement			1,120.00	-	1,120.00	9	1,120.00	-	1,120.00	9
- New premises without provisional statement			1,768.00	-	1,768.00	9	1,768.00	-	1,768.00	9
- Annual fee - First year only following fast track conversion			415.00	-	415.00	9	415.00	-	415.00	9
- Annual fee - other than above			590.00	-	590.00	9	590.00	-	590.00	9
- Variation			790.00	-	790.00	9	790.00	-	790.00	9
- Transfer			765.00	-	765.00	9	765.00	-	765.00	9
- Reinstatement			765.00	-	765.00	9	765.00	-	765.00	9
<b>(iv) Betting Track</b>										
- Provisional statement			710.00	-	710.00	9	710.00	-	710.00	9
- New premises following provisional statement			2,060.00	-	2,060.00	9	2,060.00	-	2,060.00	9
- New premises without provisional statement			2,060.00	-	2,060.00	9	2,060.00	-	2,060.00	9
- Annual fee - other than above			736.00	-	736.00	9	736.00	-	736.00	9
- Variation			1,000.00	-	1,000.00	9	1,000.00	-	1,000.00	9
- Transfer			710.00	-	710.00	9	710.00	-	710.00	9
- Reinstatement			710.00	-	710.00	9	710.00	-	710.00	9
<b>(v) Betting Other</b>										
- Provisional statement			2,142.00	-	2,142.00	9	2,142.00	-	2,142.00	9
- New premises following provisional statement			1,200.00	-	1,200.00	9	1,200.00	-	1,200.00	9
- New premises without provisional statement			3,000.00	-	3,000.00	9	3,000.00	-	3,000.00	9
- Annual fee - other than above			600.00	-	600.00	9	600.00	-	600.00	9
- Variation			1,075.00	-	1,075.00	9	1,075.00	-	1,075.00	9
- Transfer			860.00	-	860.00	9	860.00	-	860.00	9
- Reinstatement			860.00	-	860.00	9	860.00	-	860.00	9
<b>(vi) Miscellaneous Premises Licence Fees:</b>										
- Change of circumstances (statutory charge)			50.00	-	50.00	9	50.00	-	50.00	9
- Copy of Licence			27.50	-	27.50	9	27.50	-	27.50	9
<b>(vii) Unlicensed FEC permits</b>										
- Application fee			330.00	-	330.00	9	330.00	-	330.00	9
- Application fee - existing operator			110.00	-	110.00	9	110.00	-	110.00	9
- Renewal fee			330.00	-	330.00	9	330.00	-	330.00	9
- Change of name			27.50	-	27.50	9	27.50	-	27.50	9
- Copy of permit			15.00	-	15.00	9	15.00	-	15.00	9
- Temporary use notices						9				
- Occasional use notices						9				

<b>(viii) Automatic entitlement - Alcohol Licensed Premises</b>											
- Notification of two machines			50.00	-	50.00	9		50.00	-	50.00	9
<b>(ix) Permit for more than two machines - Alcohol Licensed Premises</b>											
- Application fee - existing operator			100.00	-	100.00	9		100.00	-	100.00	9
- Application fee other than as above			150.00	-	150.00	9		150.00	-	150.00	9
- Permit variation fee			100.00	-	100.00	9		100.00	-	100.00	9
- Permit transfer fee			25.00	-	25.00	9		25.00	-	25.00	9
- Annual fee			50.00	-	50.00	9		50.00	-	50.00	9
- Change of name			25.00	-	25.00	9		25.00	-	25.00	9
- Copy of permit			15.00	-	15.00	9		15.00	-	15.00	9
<b>(x) Prize Gaming</b>											
- Application fee			300.00	-	300.00	9		300.00	-	300.00	9
- Application fee - existing operator			100.00	-	100.00	9		100.00	-	100.00	9
- Renewal fee			300.00	-	300.00	9		300.00	-	300.00	9
- Change of name			25.00	-	25.00	9		25.00	-	25.00	9
- Copy of permit			15.00	-	15.00	9		15.00	-	15.00	9
<b>(xi) Club Gaming and Club Machine Permits</b>											
- Application fee - existing operator			110.00	-	110.00	9		110.00	-	110.00	9
- Application fee other than as above			220.00	-	220.00	9		220.00	-	220.00	9
- Permit variation fee			110.00	-	110.00	9		110.00	-	110.00	9
- Permit fee - fast track			110.00	-	110.00	9		110.00	-	110.00	9
- Renewal fee - other			220.00	-	220.00	9		220.00	-	220.00	9
- Annual fee			50.00	-	50.00	9		50.00	-	50.00	9
- Copy of permit			15.00	-	15.00	9		15.00	-	15.00	9
<b>(18) Scrap Metal Licences</b>											
- New Scrap Metal Site Licence			270.00	-	270.00	9		270.00	-	270.00	9
- New Scrap Metal Collectors Licence			128.00	-	128.00	9		128.00	-	128.00	9
- Scrap Metal Site Licence Renewal			180.00	-	180.00	9		180.00	-	180.00	9
- Scrap Metal Collectors Licence Renewal			95.00	-	95.00	9		95.00	-	95.00	9
- Vary Licence Holders Details			15.00	-	15.00	9		15.00	-	15.00	9
- Vary Licensed Sites			65.00	-	65.00	9		65.00	-	65.00	9
- Vary Site Manager			35.00	-	35.00	9		35.00	-	35.00	9
- Vary Change from Site to Collector Licence			35.00	-	35.00	9		35.00	-	35.00	9
- Vary Change from Collector to Site			120.00	-	120.00	9		120.00	-	120.00	9
<b>(19) Control of Skin Piercing etc</b>											
Registration Fee - premises (inc one person)			95.00	-	95.00	9		95.00	-	95.00	9
- extra person			45.00	-	45.00	9		45.00	-	45.00	9
<b>(20) Food Premises Register</b>											
Copy of whole Register			640.00	-	640.00	9		640.00	-	640.00	9
Copy of a section of Register			135.00	-	135.00	9		135.00	-	135.00	9
Copy of individual premises			16.00	-	16.00	9		16.00	-	16.00	9
<b>LICENSING FEES - LICENSING ACT 2003</b>											
Statutory charges:											
<b>(1) Premises Licence and Club Premises Certificates</b>											
Grant or variation											
Band A - No rateable value up to £4,300			100.00	-	100.00	9		100.00	-	100.00	9
Band B - Rateable value £4,301 to £33,000			190.00	-	190.00	9		190.00	-	190.00	9
Band C - Rateable value £33,301 to £87,000			315.00	-	315.00	9		315.00	-	315.00	9
Band D - Rateable value £87,001 to £125,000			450.00	-	450.00	9		450.00	-	450.00	9
Band C - Rateable value £125,001 and above			635.00	-	635.00	9		635.00	-	635.00	9
Annual fee											
Band A - No rateable value up to £4,300			70.00	-	70.00	9		70.00	-	70.00	9
Band B - Rateable value £4,301 to £33,000			180.00	-	180.00	9		180.00	-	180.00	9
Band C - Rateable value £33,301 to £87,000			295.00	-	295.00	9		295.00	-	295.00	9
Band D - Rateable value £87,001 to £125,000			320.00	-	320.00	9		320.00	-	320.00	9
Band C - Rateable value £125,001 and above			350.00	-	350.00	9		350.00	-	350.00	9
* An additional fee is payable for premises exclusively or primarily carrying on the supply of alcohol for consumption on the premises for events of 5,000 or more persons.											

<b>(2) Other charges</b>												
Temporary event notice				21.00	-	21.00	9		21.00	-	21.00	9
Theft, loss etc of premises licence or summary				10.50	-	10.50	9		10.50	-	10.50	9
Application for provisional statement				315.00	-	315.00	9		315.00	-	315.00	9
Notification of change of name and address				10.50	-	10.50	9		10.50	-	10.50	9
Variation to specify individual as premises supervisor				23.00	-	23.00	9		23.00	-	23.00	9
Transfer of premises licence				23.00	-	23.00	9		23.00	-	23.00	9
Interim authority notice				23.00	-	23.00	9		23.00	-	23.00	9
Theft, loss etc of certificate or summary				10.50	-	10.50	9		10.50	-	10.50	9
Notification of change of name or alteration of club rules				10.50	-	10.50	9		10.50	-	10.50	9
Change of relevant registered address of club				10.50	-	10.50	9		10.50	-	10.50	9
Theft, loss etc of temporary event notice				10.50	-	10.50	9		10.50	-	10.50	9
Grant or renewal of personal licence				34.00	-	34.00	9		34.00	-	34.00	9
Theft, loss etc of personal licence				10.50	-	10.50	9		10.50	-	10.50	9
Duty to notify change of name or address				10.50	-	10.50	9		10.50	-	10.50	9
Right of freeholder to be notified				21.00	-	21.00	9		21.00	-	21.00	9