

NORTH LINCOLNSHIRE COUNCIL

LICENSING COMMITTEE

**LICENSING BUDGETS AND FEES
PROVISIONS OF SERVICE REGULATIONS 2009 & LICENSING LEGISLATION**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To review the budget of the Licensing function in light of the current legislation and Case Law.
- 1.2 To refer the changes in licences fees following the review to the licensing committee for determination.

2. BACKGROUND INFORMATION

- 2.1 The Licensing function is a statutory service delivered in accordance with various Acts of parliament. These activities cover a broad range, but can be grouped as follows
 - Alcohol and Entertainment
 - Gambling
 - Taxi and Transport
 - Street Trading, Highways Activities and Charitable Collections
 - General Licences and Registrations, including, Animal Welfare, Sex Establishments and Other Registrations and Authorisations
- 2.2 These activities are grouped together in the five budget areas, as indicated. Although each fee must be considered for the purpose of the Provisions of Service Regulations 2009, except for Gambling and Transport activities, having reviewed the fee for each activity, the types of licence have been brought together under the budget area. An additional code has been created to deal with High Street Activities so that costs and income can be identified separately.
- 2.3 The fees for licensable activities can be set in a number of ways. They can be determined by parliament, thus a statutory fee, be a maximum fee or the fee can be set at the discretion of the Council. In some cases, no fee can be charged, for example, charitable collections.

- 2.4 Applications under the Licensing Act 2003 and the Gambling Act 2005 are set by the legislation. The fee for an application under the Licensing Act 2003 is an actual fee, whereas the fees under the Gambling Act are a mixture of actual fees and maximum fees. No change can be made to the fees in these areas, therefore the only matter for consideration with Alcohol & Entertainment and Gambling is to ensure that income does not exceed the cost of delivering the service.
- 2.5 Where there is some discretion, the Council is bound by legislation and case law in how it sets the fees.
- 2.5 Looking at the fees and budgets for the licensing function, there are distinct elements the council needs to comply with, namely:
- 2.5.1 The council cannot budget to make a profit or surplus from the licensing function.
- 2.5.2 Income from one type of licence should not be used to subsidise another type of licence, save for applications relating to the same area, i.e. applications within Taxi Licensing can support other areas within Taxi Licensing.
- 2.5.3 Additional to paragraph 2.5.1, the licensing function can charge no more than it costs to process an application other than for licences where the fee is set by the legislation or there is an exemption from the Provisions of Service Regulations 2009.
- 2.5.4 The Council may set fees to attain full cost recovery. The Councils policy is to attain full cost recovery, where possible.
- 2.6 In accordance with the legislation, the Provisions of Service Regulation 2009 and the relevant case law, the cost of administering and processing each application has been considered. Where an element can be included for enforcement it has been included. The costs are based on the time each application takes to process and the costs of the licensing function. The revised fees following the review are attached as Appendix A. The review of the fees will allow the fees and charges to be robustly defended against any legal challenge. Fees have only been increased to encourage applicants renewing their licence to do it early, thus reducing the need to chase applicants. Where required to conform with the regulations, namely on sex establishments, approved premises for marriages and zoo licences, the fee has been reduced to ensure compliance.

- 2.7 Should the revised fees be agreed, then the projected income from the licensing function will be as per Table 1. These figures are approximate as there is no control of the workload.

Table 1			
Cost Centre	Current Income	Revised Income	Difference
Alcohol & Entertainment	£115,520	£115,520	No Change
Gambling	£24,020	£24,020	No Change
Taxis	£153,420	£153,420	No Change
Street Activities	£0	£11,950	£11,950
General Licensing	£48,770	£30,330	-£18,440
Total	£341,730	£335,240	-£6,490

- 2.8 If the council does not comply with the legislation and regulations, then it would be open to a legal challenge, which would have serious implications both financially and for the Councils reputation.
- 2.9 Information has been gathered from other authorities, which demonstrate that the fees for each authority differ considerably.
- 2.10 Should the proposed fees be agreed, then the Council will be compliant with current legislation and case law and will make any review of licence fees in the future to be easier.

3. OPTIONS FOR CONSIDERATION

- 3.1 Option 1 – To do nothing. Maintain the fees as they are now and accept the risk that the Council could be challenged.
3. Option 2 – To calculate the cost of each license category and change fees, if necessary, to demonstrate cost recovery within the overall category. In addition the budget would be required to be aligned with Table 1 to ensure the budget doesn't demonstrate planning for profit. In the event of a surplus this should be ring-fenced for future investment in the Service.

4. ANALYSIS OF OPTIONS

- 4.1 Option 1 – To do nothing would not address the issues arising from the report and would leave the Council open to legal challenge. This option would also mean that the fees and charges may be above the cost of processing the application and budgets are not addressed, thus meaning that there would still be an unrealistic expectation from income.
- 4.3 Option 2 – The preferred option. This option would take the overall cost of a license category and only apply an increase or decrease to fees where the category is required to demonstrate cost recovery, but can't currently do so. Where fees are currently compliant with legislation at

category level it is proposed that no changes are made to the current schedule. This option reduces the immediate impact on individual fees whilst being able to demonstrate cost recovery at category level. Advice from Legal Services suggests that demonstration of cost recovery at category level would fulfil our legal obligations.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 The net financial effect of implementing the proposed schedule of fees and charges will be a reduction in income of £6,490 based on current levels of service activity. The implications of this will be addressed within the approved budget of the Places Directorate.

5.2 The approved income budget for the Licensing function in 2013/14 is currently in excess of anticipated income for the year by some £39k. The reduction in income from the proposed implementation of this fee structure will increase this potential shortfall to £45k. This should be addressed within the Places Directorate approved budget.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

6.1 Reviewing the fees would ensure that the Council is compliant with the Provisions of Service Regulations 2009.

7. OUTCOMES OF CONSULTATION

7.1 Information is being sought from other Licensing Authorities regarding the fees set.

7.2 Legal Services have advised that the Licensing service cannot make a profit, and that the cost recovery as outlined is not prohibited.

7.3 Following approval, the fees will be advertised in accordance with any legal requirements. Any representations on the revised fees will be referred to the Chairman of the Committee for determination.

8. RECOMMENDATIONS

8.1 That fees & charges for 2013/14 are recommended to be set in accordance with Option 2, and as detailed in Appendix A. Subject to any advertising required.

8.2 That the income budget be reviewed to ensure targets are in line with expected levels and not in excess of anticipated cost.

DIRECTOR OF PLACES

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Date: 29 May 2013

Background Papers used in the preparation of this report – Above relevant
Regulations and Legislation

Appendix A

Legislation	Application Type	Statutory Fee Yes/No	Current Licence Fee	Proposed Fee
Alcohol and Entertainment				
Licensing Act 2003	Application/Variation for a Premises Licence Band A	Yes	£100.00	£100.00
Licensing Act 2003	Application/Variation for a Premises Licence Band B	Yes	£190.00	£190.00
Licensing Act 2003	Application/Variation for a Premises Licence Band C	Yes	£315.00	£315.00
Licensing Act 2003	Application/Variation for a Premises Licence Band D	Yes	£450.00	£450.00
Licensing Act 2003	Application/Variation for a Premises Licence Band E	Yes	£635.00	£635.00
Licensing Act 2003	Annual Fee - Premises Licence Band A	Yes	£70.00	£70.00
Licensing Act 2003	Annual Fee - Premises Licence Band B	Yes	£180.00	£180.00
Licensing Act 2003	Annual Fee - Premises Licence Band C	Yes	£295.00	£295.00
Licensing Act 2003	Annual Fee - Premises Licence Band D	Yes	£320.00	£320.00
Licensing Act 2003	Annual Fee - Premises Licence Band E	Yes	£350.00	£350.00
Licensing Act 2003	Minor Variation	Yes	£89.00	£89.00
Licensing Act 2003	Personal Licence	Yes	£37.00	£37.00
Licensing Act 2003	Change of DPS	Yes	£23.00	£23.00
Licensing Act 2003	Transfer of Licence	Yes	£23.00	£23.00
Licensing Act 2003	Duplicate Licence	Yes	£10.50	£10.50
Licensing Act 2003	Interim Authority Notice	Yes	£ 23.00	£ 23.00
Licensing Act 2003	Provisional Statement	Yes	£315.00	£315.00
Licensing Act 2003	Change of Name	Yes	£10.50	£10.50
Licensing Act 2003	Temporary Events Notice	Yes	£21.00	£21.00
Licensing Act 2003	Notification of Interest in Premises	Yes	£21.00	£21.00
Gambling				
Gambling Act 2005	Bingo Premises Licence (Conversion of Provisional Statement)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Bingo Premises Licence (Application)(£3,500*)	Yes	£2,975.00	£2,975.00

Gambling Act 2005	Bingo Premises (Variation)(£1,750*)	Yes	£1,487.50	£1,487.50
Gambling Act 2005	Bingo Premises (Transfer)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Bingo Premises (Reinstatement)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Bingo Premises (Provisional Statement)(£3,500*)	Yes	£2,975.00	£2,975.00
Gambling Act 2005	Adult Gaming Centre (Application)(£2,000*)	Yes	£1,700.00	£1,700.00
Gambling Act 2005	Adult Gaming Centre (Variation)(£1,000*)	Yes	£850.00	£850.00
Gambling Act 2005	Adult Gaming Centre (Transfer)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Adult Gaming Centre (Reinstatement)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Adult Gaming Centre (Provisional Statement)(£2,000*)	Yes	£1,700.00	£1,700.00
Gambling Act 2005	Betting Premises (Track) (Application)(£2,500)	Yes	£2,125.00	£2,125.00
Gambling Act 2005	Betting Premises (Track) (Variation)(£1,250*)	Yes	£1,062.50	£1,062.50
Gambling Act 2005	Betting Premises (Track) (Transfer)(£950*)	Yes	£807.50	£807.50
Gambling Act 2005	Betting Premises (Track) (Reinstatement)(£950*)	Yes	£807.50	£807.50
Gambling Act 2005	Betting Premises (Track) (Provisional Statement)(£2,500*)	Yes	£2,125.00	£2,125.00
Gambling Act 2005	Family Entertainment Centre (Application)(£2,000*)	Yes	£1,700.00	£1,700.00
Gambling Act 2005	Family Entertainment Centre (Variation)(£1,000)	Yes	£850.00	£850.00
Gambling Act 2005	Family Entertainment Centre (Transfer)(£950*)	Yes	£807.50	£807.50
Gambling Act 2005	Family Entertainment Centre (Reinstatement)(£950*)	Yes	£807.50	£807.50
Gambling Act 2005	Family Entertainment Centre (Provisional Statement)(£2,000*)	Yes	£1,700.00	£1,700.00
Gambling Act 2005	Betting Premises (Other) (Application)(£3,000*)	Yes	£2,550.00	£2,550.00
Gambling Act 2005	Betting Premises (Other) (Variation)(£1,500*)	Yes	£1,275.00	£1,275.00
Gambling Act 2005	Betting Premises (Other) (Transfer)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Betting Premises (Other) (Reinstatement)(£1,200*)	Yes	£1,020.00	£1,020.00
Gambling Act 2005	Betting Premises (Other) (Provisional Statement)(£3,000*)	Yes	£2,550.00	£2,550.00
Gambling Act 2005	Lottery (Application)	Yes	£40.00	£40.00
Gambling Act 2005	Lottery (Annual Fee)	Yes	£20.00	£20.00
Gambling Act 2005	Notification for Two Gaming Machines Permit	Yes	£50.00	£50.00
Gambling Act 2005	Alcohol Licensed Premises Gaming Machine Permit	Yes	£150.00	£150.00

Gambling Act 2005	Club Gaming/Gaming Machine Permit	Yes	£150.00	£150.00
Gambling Act 2005	Temporary Use Notice	Yes	£425.00	£425.00
Gambling Act 2005	Copy of Licence/Permit	Yes	£15.00	£15.00
Taxi and Transport				
LG(M)P Act 1976	Hackney Carriage Vehicle Licence (Vehicle under 1 year old)	No	£182.00	£182.00
LG(M)P Act 1976	Hackney Carriage Vehicle Licence (Vehicle over 1 year old)	No	£225.00	£225.00
LG(M)P Act 1976	Private Hire Vehicle Licence (Vehicle under 1 year old)	No	£176.00	£176.00
LG(M)P Act 1976	Private Hire Vehicle Licence (Vehicle over 1 year old)	No	£210.00	£210.00
LG(M)P Act 1976	Hackney Carriage & Private Hire Supplementary	No	£49.00	£49.00
LG(M)P Act 1976	Hackney Carriage and Private Hire Transfer	No	£46.00	£48.50
LG(M)P Act 1976	Meter Test	No	£27.50	£29.00
LG(M)P Act 1976	Vehicle Inspection	No	£23.00	£24.00
LG(M)P Act 1976	Hackney Carriage Vehicle Drivers Licence New Application (Includes CRB and 1 attempt at the Knowledge Test)	No	£190.00	£200.00
LG(M)P Act 1976	Hackney Carriage Vehicle Drivers Licence Renewal (Includes CRB)	No	£190.00	£190.00
LG(M)P Act 1976	Private Hire Vehicle Drivers Licence New Application (Includes CRB)	No	£190.00	£200.00
LG(M)P Act 1976	Private Hire Vehicle Drivers Licence Renewal (Includes CRB)	No	£190.00	£190.00
LG(M)P Act 1976	Hackney Carriage and Private Hire Vehicle Drivers Licence New Application (Includes CRB and 1 attempt at Knowledge Test)	No	£190.00	£200.00
LG(M)P Act 1976	Hackney Carriage and Private Hire Vehicle Drivers Licence Renewal (Includes CRB)	No	£190.00	£190.00
LG(M)P Act 1976	Hackney Carriage or Private Hire Vehicle Drivers Licence (Additional Licence where one is held and the person to hold both). Does not include CRB or Knowledge Test Resists	No	New Fee	£110.00
LG(M)P Act 1976	Replacement ID Badge	No	£17.00	£17.00
LG(M)P Act 1976	Duplicate Certificate of Compliance	No	£24.00	£24.00
LG(M)P Act 1976	Private Hire Operators Licence	No	£72.00	£72.00
LG(M)P Act 1976	Replacement Tariff Card	No	£2.80	£2.80
LG(M)P Act 1976	Replacement Door Panel (1)	No	£15.50	£15.50
LG(M)P Act 1976	Replacement Door Panel (2)	No	£31.00	£31.00
LG(M)P Act 1976	Replacement Internal Plate	No	£17.00	£17.00
LG(M)P Act 1976	Replacement Licence Plate (Theft or Loss)	No	£55.50	£55.50
LG(M)P Act 1976	Knowledge Test Re-test (3 Re-tests)	No	£27.50	£27.50

Transport Act 1985	Small Bus Permit Application	No	£32.50	£32.50
Street Activities				
LG(M)P Act 1982	Street Trading Consent New Application - Hot Food (Mobile Structure)	No	£460.00	£460.00
LG(M)P Act 1982	Street Trading Consent Renewal - Hot Food (Mobile Structure)	No	£460.00	£460.00
LG(M)P Act 1982	Street Trading Consent New Application - Hot Food (Mobile Structure) Quarter	No	£142.00	£150.00
LG(M)P Act 1982	Street Trading Consent Renewal - Hot Food (Mobile Structure) Quarter	No	£142.00	£142.00
LG(M)P Act 1982	Street Trading Consent New Application - Hot Food (Static Structure)	No	£615.00	£615.00
LG(M)P Act 1982	Street Trading Consent Renewal - Hot Food (Static Structure)	No	£615.00	£615.00
LG(M)P Act 1982	Street Trading Consent New Application - Hot Food (Static Structure) Quarter	No	£194.00	£204.00
LG(M)P Act 1982	Street Trading Consent Renewal - Hot Food (Static Structure) Quarter	No	£194.00	£194.00
LG(M)P Act 1982	Street Trading Consent New Application - Other Goods (Mobile Structure)	No	£227.00	£238.00
LG(M)P Act 1982	Street Trading Consent Renewal - Other Goods (Mobile Structure)	No	£227.00	£227.00
LG(M)P Act 1982	Street Trading Consent New Application - Other Goods (Mobile Structure) Quarter	No	£72.50	£77.00
LG(M)P Act 1982	Street Trading Consent Renewal - Other Goods (Mobile Structure) Quarter	No	£72.50	£72.50
LG(M)P Act 1982	Street Trading Consent New Application - Other Goods (Static Structure)	No	£301.50	£317.00
LG(M)P Act 1982	Street Trading Consent Renewal - Other Goods (Static Structure)	No	£301.50	£301.50
LG(M)P Act 1982	Street Trading Consent New Application - Other Goods (Static Structure) Quarter	No	£96.50	£102.00
LG(M)P Act 1982	Street Trading Consent Renewal - Other Goods (Static Structure) Quarter	No	£96.50	£96.50
LG(M)P Act 1982	Street Trading Consent Application - Occasional (Category 1)	No	£22.00	£22.00
LG(M)P Act 1982	Street Trading Consent Application - Occasional (Category 2)	No	£27.50	£27.50
LG(M)P Act 1982	Street Trading Consent Application - Special Event (Category 1)	No	£50.50	£50.50
LG(M)P Act 1982	Street Trading Consent Application - Special Event (Category 2)	No	£75.50	£75.50
LG(M)P Act 1982	Street Trading Consent Application - Special Event (Category 3)	No	£101.00	£101.00
LG(M)P Act 1982	Street Trading Licence New Application (Annual)	No	£1,890.00	£1,950.00
LG(M)P Act 1982	Street Trading Licence Renewal (Annual)	No	£1,890.00	£1,890.00

LG(M)P Act 1982	Street Trading Licence New Application (Quarter)	No	£525.00	£525.00
LG(M)P Act 1982	Street Trading Licence Renewal (Quarter)	No	£525.00	£525.00
LG(M)P Act 1982	Street Trading Licence Application (Month)	No	£189.00	£200.00
LG(M)P Act 1982	Street Trading Licence Renewal (Month)	No	£189.00	£189.00
LG(M)P Act 1982	Street Trading Licence Application (Occasional)	No	£31.50	£35.00
Highways 1980	Obstruction of the Highway Provision of Advice (Daily Fee)	No	£10.00	£25.00
Highways 1980	Obstruction of the Highway (Non-premises based) (Daily Fee)	No	£10.00	£18.00
Highways 1980	Obstruction of the Highway (Tables & Chairs) Application	No	£0.00	£0.00
Highways 1980	Obstruction of the Highway(Tables & Chairs) Renewal	No	£0.00	£0.00
House to House Collections Act 1939, etc	House to House Collection Licence	Yes	£0.00	£0.00
Charities Act 1992, etc	Charitable Collection	Yes	£0.00	£0.00
General Licences and Registrations				
Animal Boarding Establishment Act 1963	Animal Boarding Establishment Application	No	£148.50	£156.00
Animal Boarding Establishment Act 1963	Animal Boarding Establishment Renewal	No	£148.50	£148.50
Animal Boarding Establishment Act 1963	Animal Boarding Establishment (Home Boarding) Application	No	£86.00	£90.00
Animal Boarding Establishment Act 1963	Animal Boarding Establishment (Home Boarding) Renewal	No	£86.00	£86.00
Breeding of Dogs Act 1973 etc	Dog Breeding Licence Application	No	£336.00	£350.00
Breeding of Dogs Act 1973 etc	Dog Breeding Licence Renewal	No	£148.50	£148.50
Dangerous Wild Animals Act 1976	Dangerous Wild Animal Licence Application	No	£441.00	£463.00
Dangerous Wild Animals Act 1976	Dangerous Wild Animal Licence Renewal	No	£415.00	£415.00
LG(M)P Act 1982	Sex Establishment Licence (Grant)	No	£5,425.00	£5,425.00
LG(M)P Act 1982	Sex Establishment Licence (Renewal)	No	£3,620.00	£3,620.00

LG(M)P Act 1982	Sex Establishment Licence (Transfer)	No	£1,775.50	£1,775.00
LG(M)P Act 1982	Sex Establishment Licence (Variation)	No	£1,775.50	£1,775.50
LG(M)P Act 1982	Acupuncture Registration	No	£95.50	£95.50
LG(M)P Act 1982	Tattooing Registration	No	£95.50	£95.50
LG(M)P Act 1982	Body Piercing Registration	No	£95.50	£95.50
LG(M)P Act 1982	Electrolysis Registration	No	£95.50	£95.50
LG(M)P Act 1982	Skin Registration (Additional Name)	No	£25.00	£25.00
Marriage Act 1949	Approved Marriages Application	No	£1,475.00	£1,000.00
Marriage Act 1949	Approved Marriages Renewal	No	£1,475.00	£800.00
Marriage Act 1949	Approved Marriages Application (Religious Premises)	No	£600.00	£450.00
Marriage Act 1949	Approved Marriages Renewal (Religious Premises)	No	£600.00	£450.00
Notification of Cooling Towers Regulations 1992	Cooling Tower Registration	Yes	£0.00	£0.00
Pet Animals Act 1951	Pet Shop Licence New Application	No	£148.50	£156.00
Pet Animals Act 1951	Pet Shop Licence Renewal	No	£148.50	£148.50
Public Health Act 1925	Full Boatmans Licence	No	£60.00	£60.00
Public Health Act 1925	Restricted Boatmans Licence	No	£60.00	£60.00
Public Health Act 1925	Pleasure Boat Licence	No	£60.00	£60.00
Riding Establishments Act 1964	Riding Establishment Licence New Application	No	£334.00	£350.00
Riding Establishments Act 1964	Riding Establishment Licence Renewal	No	£334.00	£334.00
Scrap Metal Dealers Act 1964	Scrap Metal Dealers Registration	Yes	£0.00	£0.00
Scrap Metal Act 2013	Scrap Metal Dealers Site Licence	No	New Fee	N/A
Scrap Metal Act 2013	Scrap Metal Dealers Collectors Licence	No	New Fee	N/A
Vehicles (Crime) Act 2001	Motor Salvage Operators Licence	No	£91.00	£91.00
Zoo Licensing Act 1981	Zoo Licence Application	No	£1,507.00	£1100.00
Zoo Licensing Act 1981	Zoo Licence Renewal	No	£1,818.50	£1250.00

Appendix B

Cost Centre	Revised Income	Expenditure	Difference
Alcohol & Entertainment	£115,520	£141,800	£26,280
Gambling	£24,020	£20,920	-£3,100
Taxis	£153,420	£148,650	-£4,770
Street Activities	£11,950	£22,400	£10,450
General Licensing	£30,330	£31,900	£1,590
Total	£335,240	£365,670	-£30,450
Approved Budget (Including CEC Estimate)	£380,730	£365,670	-£15,060
Proposed Budget Adjustment	£45,490	£0	£45,490

Note: The fees for Alcohol and Entertainment and Gambling are Statutory Fees. The income from Street Activities includes non fee paying activities, such as the Charitable Collections, thus the expenditure is in excess of the income.