WAVERLEY BOROUGH COUNCIL

<u>LICENSING AND REGULATORY COMMITTEE</u> <u>26 JANUARY 2017</u>

Title:

FINANCIAL STRATEGY LICENSING FEES AND CHARGES 2017/2018

[Wards Affected: All]

[Portfolio Holder: Cllr Ged Hall]

Summary and purpose:

The purpose of this report is to seek the Committee's approval for the schedule of Licensing and Regulatory Fees and Charges for 2017/18 as part of the Budget process.

How this report relates to the Council's Corporate Priorities:

A robust budget setting process is required to deliver the Council's Corporate Priorities.

Resource/Value for Money implications:

All decisions made with regard to the Budget will impact on Waverley's resources.

Legal implications:

Reg 18(4)Provision of Services Regulations 2009 provides that charges under an authorisation scheme must be reasonable and proportionate to, and not exceed, the cost of the procedures and formalities under the scheme.

The Westminster case refers to the wording of the above regulation, and is very clear on what the cost of procedures under the scheme includes. The fee charged cannot exceed the cost of the procedures, i.e. the steps which an applicant for a licence has to take if he wishes his application to be granted or his licence to be renewed. What a fee can include is the administrative costs involved, and the costs of vetting the applicants (in the case of applications) and the cost of investigating compliance with licence terms (in the case of renewals). Recent advice is that a fee can now also include the costs of enforcement, which was not permissible previously.

The Regulations apply to "Service activities," which means any self-employed economic activity normally provided for remuneration. So, if a service activity requires authorisation, the fee charged by an authority for authorising the activity must be reasonable and proportionate to the cost of the procedures and formalities under the scheme, and cannot include enforcement costs.

Introduction

1. This report sets out the proposed fees and charges for the licensing service for 2017/2018.

- 2. In most years the proposed increases to taxi licences are less than the guideline of 3.5% but for this year, there is no clear percentage increase. A comprehensive review has been carried out to ensure that every fee can be broken down and justified as a true reflection of the time and processes required to administer each of the licences.
- 3. The taxi and private hire licensing fees for 2017/18 were considered by this Committee at its meeting on 29 November 2016, and have since been advertised in the local press. The intention of undertaking this earlier in the process was to enable the new fees and charges to be implemented on 1 April 2017. No representations were received to the advertisement.

Proposed Increases in Fees and Charges

- 4. A schedule of the proposed Licensing fees and charges from 1 April 2017 is shown at Annexe 1. For taxi and private hire licensing, there are a number of new fees that have been introduced which cover areas where there has not previously been a charge but where there is quite a demand for the service, such as change of address and reissuing of licences.
- 5. In addition, it is proposed that the charging structure for Operator licences should be more fairly applied depending on the size of the business and the number of vehicles they operate. You will therefore see a number of different fees payable dependent upon the size of the operation, split between 1-5 vehicles and then greater than 5. There is also a distinction between an application for a new operator licence from someone who is not currently licensed as a driver because the usual checks for fitness and propriety will not have been carried out and it is proposed that the fee reflects this.

Liquor Licences

6. The charges for Liquor Licences were set under the Licensing Act 2003 and remain imposed by statute. However, there have been indications that the Government may empower Licensing Authorities to determine local charges based on cost-recovery based on the same format and justification used for taxi licensing, but this has not yet come to fruition. In this event, a future report would be brought before this Committee.

Environmental Health Licences

7. The Environmental Health (EH) Service is responsible for a number of regulatory functions which incorporate Licences, Registrations, Consents or Permits. Many of these require applicants to pay a fee – some of which are set in primary legislation or by Regulations whilst others are at the discretion of the Council. Basic rules of accountability and transparency apply when licence and other fees are set and, where discretion is available, there is case law and guidance about what levels are reasonable and the elements that may or may not be recovered.

Recommendation

It is recommended that the Committee recommends the level of Fees and Charges for 2017/18 for Licensing in accordance with the schedule at <u>Annexe 1</u> to the Council for approval.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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