



## AGENDA ITEM: 7

### SUMMARY

<b>Report for:</b>	<b>Licensing, Health &amp; Safety and Enforcement Committee</b>
<b>Date of meeting:</b>	<b>27 October 2015</b>
<b>PART:</b>	<b>I</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Licensing fees and charges 2016-17</b>
Contact:	Ross Hill – Licensing Team Leader, Legal Governance
Purpose of report:	To set the fees and charges payable in connection with licensing applications for the financial year 2016-17
Recommendations	That the fees and charges payable in connection with licensing applications from 1 April 2016 to 31 March 2017 are set at the levels proposed in Annex B.
Corporate objectives:	Dacorum Delivers <ul style="list-style-type: none"> <li>• VFM</li> </ul>
Implications:	<p><u>Financial</u> There will be a small cost in adoption of fees, as some require public notice to be given. The proposed fee amendments are projected to result in an increase in Licensing service revenue of approximately 1.6% over the financial year.</p> <p><u>Value for Money</u> The proposed fees have been calculated using recent costs incurred by the Licensing service, with the aim of ensuring that administrative, processing and certain compliance costs are recovered in full.</p> <p><u>Risk / Equalities / Health and Safety</u> None</p>
Consultees:	See section 3 for commentary. Proposed fee levels have been discussed with the service accountant, for inclusion within 2016-17 budget-setting.

Background papers:	
Glossary of acronyms and any other abbreviations used in this report:	

## 1. BACKGROUND

- 1.1. Dacorum Borough 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, such as enforcement.
- 1.2. The basis in setting such fees is generally to ensure full cost recovery, or as close to it as possible. Numerous legal cases over the years have confirmed that licensing fees may not be used to generate a profit for councils, and that fees should be reviewed regularly (generally annually) to ensure that neither a significant surplus nor deficit is created. Surpluses or deficits may be carried forward to future years to be redistributed or recouped, as applicable.
- 1.3. Many licensing schemes fall within the definition of ‘services’, under the EU Services Directive, as incorporated by the Provision of Services Regulations 2009. For such schemes, 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*”.<sup>1</sup> This principle was affirmed by the Supreme Court in *R (on the application of Hemming (t/a Simply Pleasure Ltd)) v Westminster City Council*.<sup>2</sup>
- 1.4. The table at Annex A summarises the Council’s powers to set its fees in respect of licensing applications, and any limitations on those powers.

## 2. PROPOSALS

- 2.1. A proposed list of service-wide fees and charges (excluding those fees set by statute or under executive arrangements) for the period from 1 April 2016 to 31 March 2017, is appended to this report as Annex B.
- 2.2. The following comments are made on specific proposals:

**Section 3:** The review of animal licence application forms (see report earlier in this agenda) will mean a greater amount of information is provided at the time of application rather than being gathered during the site visit by the enforcement officer. This, in turn, will reduce the length (and thus cost) of inspections, hence a number of fees have been reduced. Moves continue to equalise the fees for new licences and renewals, as fee disparities are no

<sup>1</sup> Reg 18(4), Provision of Services Regulations 2009 (S.I. 2009 / 2999)

<sup>2</sup> [2015] UKSC 25

longer justified by a significantly differing amount of work involved in these two types of application.

**Section 4.3:** Gambling premises licence application fees had previously been estimated at a proportion of the maximum fee permitted under regulations, as the licensing authority had received too few applications of this type to enable an accurate calculation of time spent and costs incurred. An estimation of these costs has now been performed using data from comparable application types to enable more accurate application fees to be set. Although there are five licence types available, the costs incurred in dealing with applications for all types of licence are viewed as similar, meaning that fees for all five licence categories are proposed to be set at the same amount. The only fee type with differing fees are annual fees, due to the additional compliance costs incurred for three of the licence types (due to additional work typically relating to the larger gaming machine entitlements in bingo and AGC premises, or the typical size of track premises).

**Section 6.1:** From October 2015, a single licence duration / fee is payable in respect of driver licences, following statutory changes under the Deregulation Act 2015. Shorter licences may be granted by the Licensing Sub-Committee in response to specific circumstances, although as these fees do not include an ongoing enforcement component this will not reduce the application fee payable.

**Section 6.2:** At present, applicants undertaking the communication skills assessment only pay the cost of the assessment itself. From next year, it is proposed to levy an administration fee on top of this cost, to cover the cost incurred in delivering and invigilating the assessment.

**Section 6.3:** With the taxi testing station contract due for renewal in 2016, officers are currently examining whether an alternate approach to vehicle licence applications would be desirable and achievable. To provide maximum flexibility in this process, vehicle licence fees have been listed both including and excluding the cost of the MOT and compliance test.

- 2.3. In addition to the fees charged directly in connection with applications for licences and registrations, it is also intended to introduce a new paid-for pre-application advice service, similar to that already operated by Planning. This will remain an entirely-optional service, with applicants free to consult any adviser of their choosing for professional assistance should they so choose. The introduction of this service will require approval by Cabinet in due course.

### **3. CONSULTATION**

- 3.1. In previous years, fee proposals have been announced and published, and a consultation exercise run. This year, a different approach has been taken, and consultation has not been carried out prior to the decision to set fees.
- 3.2. Where a licensing authority is legally obliged to set its fees on a cost recovery basis, costs are the only factor it should consider, and comparisons with fees charged by other authorities, comparisons with inflation rates or other indices (including regulated taxi fares) or responses generally opposing an increase as it will raise costs for businesses should carry little weight. In

previous years almost all of the responses received to consultations have fallen under these descriptions, as it is very difficult for third parties to make any other comment on the costs incurred by the licensing authority.

- 3.3. The Committee will be only too aware that any increase in fees and charges will be unwelcome among licensed businesses, and for this reason any increases in fees have been minimized insofar as is possible. Licensing officers continue to investigate options to streamline procedures and reduce costs in future, such as a switch towards online applications and electronic communications, replacing many of the current paper-based forms and messages.
- 3.4. By continuing to publish this report and discussion by the Committee at a meeting which is open to the public, the aim of achieving transparency in the decision-making process will still be achieved.
- 3.5. For fees covered by a public notice requirement, an opportunity will be available to make representations on the proposed fees prior to their going live, following the publication of a public notice in a local newspaper. The authority must consider any representations received prior to deciding whether to go ahead with the proposed fee levels. Any other fee may be challenged by way of a judicial review.

#### **4. RECOMMENDATIONS**

- 4.1. In pursuance of the fee-setting powers conferred upon the Council as specified in Annex A of this report, that the Licensing, Health & Safety and Enforcement Committee set as the fees and charges payable by applicants in connection with applications and other processes for licences, registrations and permits the fees and charges as set out in Annex B, for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017; and**
- 4.2. That authority to consider any objections arising from statutory notices pertaining to these fees be delegated to the Group Manager (Legal Governance) in consultation with the Chairman of the Licensing, Health & Safety and Enforcement Committee.**

**Annex 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

**Annex B**  
**Proposed licensing fees and charges 2016-17**

Item		Current fee 2015-16	Proposed fee 2016-17	% change
<b>1.1 General service charges</b>				
Photocopies (per A4 side, at officers discretion, subject to legal restrictions)		0.20	0.20	0.0%
Copy of interview recording following PACE interview (per tape/disc)		15.00	15.00	0.0%
Copy of public register entry (where kept and made available by statute) (per entry)		15.00	15.00	0.0%
Request for duplicate copy of licence following loss/theft/damage (where not otherwise listed)		15.00	15.00	0.0%
Licensing pre-application advice (per whole or part hour)		-	42.00	
<b>3.1 Animal boarding</b>				
Application for new animal boarding establishment licence (up to 1yr)	<i>plus vet inspection</i>	320.00	287.00	-10.3%
Application to renew animal boarding establishment licence (1yr)	<i>plus vet inspection</i>	220.00	237.00	7.7%
Application to vary animal boarding establishment licence	<i>plus vet inspection</i>	145.00	145.00	0.0%
Application for new animal boarding establishment licence (home boarding) (up to 1yr)		180.00	193.00	7.2%
Application to renew animal boarding establishment licence (home boarding) (1yr)		120.00	140.00	16.7%
Application to vary animal boarding establishment licence (home boarding)		100.00	90.00	-10.0%
Veterinary inspection of premises		Recharged at cost		
<b>3.2 Dangerous wild animals</b>				
Application for licence to keep dangerous wild animals (2yr)	<i>plus vet inspection</i>	325.00	302.00	-7.1%
Application to renew licence to keep dangerous wild animals (2yr)	<i>plus vet inspection</i>	325.00	302.00	-7.1%
Application to vary licence conditions (new species/increased numbers of animals)		210.00	192.00	-8.6%
Application to vary licence conditions (administrative matters only)		65.00	62.50	-3.8%
Veterinary inspection of premises		Recharged at cost		
<b>3.3 Dog breeding</b>				
Application for new dog breeding licence (up to 1yr)		252.00	200.00	-20.6%
Application to renew dog breeding licence (1yr)		195.00	200.00	2.6%
Veterinary inspection of premises		Recharged at cost		
<b>3.4 Pet shops</b>				
Application for new pet shop licence (up to 1yr)		189.00	161.00	-14.8%
Application for new pet shop licence (fish only) (up to 1yr)		142.00	161.00	13.4%
Application to renew pet shop licence (1yr)		130.00	150.00	15.4%
Application to renew pet shop licence (fish only) (1yr)		95.00	120.00	26.3%
Veterinary inspection of premises		Recharged at cost		

Item		Current fee 2015-16	Proposed fee 2016-17	% change
<b>3.5 Riding establishments</b>				
Application for riding establishment licence (1yr)	<i>plus vet inspection</i>	318.00	295.00	-7.2%
Veterinary inspection of premises		Recharged at cost		
<b>3.6 Zoos</b>				
Application for new zoo licence (4yr)		2,000.00	1,805.00	-9.8%
Application to renew zoo licence (6yr)		1,600.00	1,325.00	-17.2%
Application to vary zoo licence		1,600.00	1,325.00	-17.2%
Application to transfer zoo licence		600.00	221.00	-63.2%
Veterinary inspection of premises		Recharged at cost		
<b>4.1 Gambling notices</b>				
Temporary use notice submission fee		350.00	355.00	1.4%
Duplicate copy of temporary use notice following theft/loss/damage		15.00	15.00	0.0%
Occasional use notice submission fee		No fee	No fee	0.0%
<b>4.3 Gambling premises licences</b>				
Application for new premises licence (without provisional statement)	<i>Adult gaming centre</i>	1,340.00	1,040.00	-22.4%
	<i>Betting (track)</i>	1,670.00	1,040.00	-37.7%
	<i>Betting (other)</i>	2,000.00	1,040.00	-48.0%
	<i>Bingo</i>	2,450.00	1,040.00	-57.6%
	<i>Family entertainment centre</i>	1,200.00	1,040.00	-13.3%
Application for new premises licence (with provisional statement)	<i>Adult gaming centre</i>	800.00	700.00	-12.5%
	<i>Betting (track)</i>	640.00	700.00	9.4%
	<i>Betting (other)</i>	800.00	700.00	-12.5%
	<i>Bingo</i>	840.00	700.00	-16.7%
	<i>Family entertainment centre</i>	570.00	700.00	22.8%
Application for provisional statement	<i>Adult gaming centre</i>	1,340.00	1,040.00	-22.4%
	<i>Betting (track)</i>	1,670.00	1,040.00	-37.7%
	<i>Betting (other)</i>	2,000.00	1,040.00	-48.0%
	<i>Bingo</i>	2,450.00	1,040.00	-57.6%
	<i>Family entertainment centre</i>	1,200.00	1,040.00	-13.3%
Application for variation of premises licence	<i>Adult gaming centre</i>	670.00	700.00	4.5%
	<i>Betting (track)</i>	840.00	700.00	-16.7%
	<i>Betting (other)</i>	1,000.00	700.00	-30.0%
	<i>Bingo</i>	1,225.00	700.00	-42.9%
	<i>Family entertainment centre</i>	600.00	700.00	16.7%
Application for transfer of premises licence	<i>Adult gaming centre</i>	800.00	300.00	-62.5%
	<i>Betting (track)</i>	640.00	300.00	-53.1%
	<i>Betting (other)</i>	800.00	300.00	-62.5%
	<i>Bingo</i>	840.00	300.00	-64.3%
	<i>Family entertainment centre</i>	570.00	300.00	-47.4%
Application for reinstatement of premises licence	<i>Adult gaming centre</i>	800.00	300.00	-62.5%
	<i>Betting (track)</i>	640.00	300.00	-53.1%

Item		Current fee 2015-16	Proposed fee 2016-17	% change
	<i>Betting (other)</i>	800.00	300.00	-62.5%
	<i>Bingo</i>	840.00	300.00	-64.3%
	<i>Family entertainment centre</i>	570.00	300.00	-47.4%
Annual fee (payable 30 days after the licence takes effect, and then annually on the anniversary of the grant of the licence)	<i>Adult gaming centre</i>	670.00	515.00	-23.1%
	<i>Betting (track)</i>	670.00	515.00	-23.1%
	<i>Betting (other)</i>	420.00	440.00	4.8%
	<i>Bingo</i>	700.00	515.00	-26.4%
	<i>Family entertainment centre</i>	450.00	440.00	-2.2%
Duplicate copy of licence following theft/loss/damage		15.00	15.00	0.0%
Change of name or address on premises licence		35.00	35.00	0.0%
<b>5.1-5.2 Charity collections</b>				
Application for street collection licence		No fee	No fee	0.0%
Application for house to house collection licence		No fee	No fee	0.0%
<b>6.1 Taxi and private hire drivers</b>				
Application for HC driver licence (3 years)		138.00	145.00	5.1%
Application for PH driver licence (3 years)		138.00	145.00	5.1%
Application for dual driver licence (3 years)		207.00	215.00	3.9%
Interim application for dual driver licence	<i>(+ £1/unexpired month)</i>	34.00	35.00	2.9%
Licence badge deposit (refundable on return of badge)		50.00	50.00	0.0%
Replacement licence badge		20.00	20.00	0.0%
Disclosure & Barring Service (DBS) enhanced disclosure *		44.00	Recharged at cost	
External identity check (where required for DBS route 2 verification) *		7.20	Recharged at cost	
Driving licence verification check *		6.90	Recharged at cost	
<b>6.2 Driver knowledge tests</b>				
Written local knowledge test (full test) (non-refundable)		40.00	45.00	12.5%
Written local knowledge test (conditions only) (non-refundable)		25.00	30.00	20.0%
Communication skills assessment (administration fee) (non-refundable)		-	11.40	-
Versant English language assessment *		30.60	Recharged at cost	
<b>6.3 Taxi and private hire vehicles</b>				
Application for HC vehicle licence (1 year)	<i>(including compliance test)</i>	258.00	264.00	2.3%
	<i>(excluding compliance test)</i>	-	210.00	-
Application for PH vehicle licence (1 year)	<i>(including compliance test)</i>	238.00	244.00	2.5%
	<i>(excluding compliance test)</i>	-	190.00	-
Application for PH vehicle licence (1 year) (Stretch limousines)	<i>(including specialist compliance test)</i>	185.00	190.00	2.7%
	<i>(excluding specialist compliance test)</i>	-	110.00	-
Licence plate deposit (refundable on return of plates)		50.00	50.00	0.0%
Replacement rear (external) licence plate		20.00	20.00	0.0%
Replacement front (internal) licence plate		20.00	20.00	0.0%
Replacement front (internal) licence plate holder		2.50	2.50	0.0%
Transfer of ownership of licence/vehicle		64.00	64.00	0.0%
Substitution of vehicle on licence (includes compliance test fee)		173.00	173.00	0.0%



Item		Current fee 2015-16	Proposed fee 2016-17	% change
Change of vehicle particulars (reg. no., colour, capacity)		55.00	55.00	0.0%
Vehicle compliance test *		54.00	Recharged at cost	
Specialist vehicle compliance test * (stretch limos)		80.00	Recharged at cost	
<b>6.4 Private hire operators</b>				
Application for PH Operator licence (5 years)	<i>1-3 vehicles</i>	378.00	388.00	2.6%
	<i>4+ vehicles</i>	636.00	647.00	1.7%
<b>6.5 Taxi and private hire – other fees</b>				
Duplicate copy of licence following theft/loss/damage		15.00	15.00	0.0%
<b>7.1 Hypnotism</b>				
Hypnotism authorisation		No fee	No fee	0.0%
<b>9.1 Sex establishments</b>				
Application for new sex establishment licence		2,775.00	2,670.00	-3.8%
Application for renewal of sex establishment licence		2,500.00	2,405.00	-3.8%
Application for variation of sex establishment licence		1,450.00	1,215.00	-16.2%
Application for transfer of sex establishment licence		440.00	430.00	-2.3%
<b>10.1 Skin piercing</b>				
Application for registration of skin piercing, etc, premises		200.00	200.00	0.0%
Application for registration of skin piercing, etc, operator		89.00	90.00	1.1%

### Key

\* Fee is rechargeable on a full cost recovery basis, and will be adjusted automatically in accordance with any variation of the fee charged by the council's supplier.

Fee prescribed in legislation

Fee set within prescribed maxima