

Decision Maker: Public Protection and Safety Policy Development and Scrutiny Committee

Date: 26 July 2011

Decision Type: Non-Urgent Executive

Title: REVIEW OF LICENSING FEES

Contact Officer: Paul Lehane, Head of Food, Safety & Licensing
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Chief Officer: Nigel Davies Director of Environmental Services

Ward: All Wards

1. Reason for report

To review the Councils current licensing fees, benchmark against the fees charged in other London Boroughs and to ensure our fees are set at an appropriate level.

2. **RECOMMENDATION(S)**

Members are asked to :-

Endorse the Portfolio Holders recommendation that

- 1. The fees for Gambling Act 2005 licences and permits are set at the level suggested in appendix 1.**
- 2. Other licence fees are set at the level suggested in appendix 2.**
- 3. Refer to General Purposes and Licensing Committee on 28 Sept 2011 for information**
- 4. Agree that the fees suggested in appendices 1 & 2 be effective from 1 Oct 2011**

Corporate Policy

1. Policy Status: N/A.
 2. BBB Priority: Vibrant Thriving Town Centres. Safety Bromley and Excellent Council
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Financial

1. Cost of proposal: Estimated cost Cr £25k
 2. Ongoing costs: N/A. as additional income would offset current shortfall of income
 3. Budget head/performance centre: Public Protection & Safety Portfolio budget
 4. Total current budget for this head: £3.7m
 5. Source of funding: Existing revenue budget 2011/12
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Staff

1. Number of staff (current and additional): 59
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 Cllr Stevens (Portfolio Holder for Public Protection & Safety) has requested this report following the identification of a need to review licence fees proposed in the Service Review undertaken by the Organisational Improvement Team and reported to Cabinet on 13 May 2011.
- 3.2 Numerous licences and permits are granted, renewed and varied through the Public Protection Division. All of these are statutory schemes designed to protect people, property or animals. Provision is made in each Act to make a charge for the grant of a licence or permit.

The cost of providing the Licensing Service has been calculated at £355k per annum. If Members agree to the fees as set out in appendices 1 and 2 the total income, including that from the statutory fees from the Licensing Act 2003 is expected to be in the region of £329k per annum.

There are three approaches to setting fees.

a. **Statutory Fees** set centrally by Government. The Council has no discretion to vary these fees. Fees under the Licensing Act 2003 fall in this category

b. **Fees set in bands.** The Gambling Act 2005 sets fee bands for various licences / permits and the Council has the discretion to set its own fees within the band.

c. **Discretionary Fees.** Where the Council can set its own fees, subject to the overriding principle that fees are based on the recovery of the costs of providing the service and are not used to deter applications.

3.3 **The following licences and permits are covered by statutory fees and will not be considered further in this report.**

1. Licensing Act 2003 – Premises licences, Club Premises Licences, Personal Licences and Temporary Event Notices

2. Fireworks / Explosives licences

3. Environmental Protection Act Part 2 authorisations

4. Motor Salvage Operators

5. Gaming Machines

3.4 **Fees Set In Bands**

This only applies to certain Gambling Act 2005 fees. (see appendix 1)

3.5 **Discretionary Fees**

All the other licences and permits set out in appendix 2 are discretionary.

- 3.6 Fees have been benchmarked with our adjoining Boroughs (Croydon, Bexley, Greenwich, Lewisham & Southwark) and 5 other London Boroughs (Westminster, Redbridge, Kingston, Barnet and Hillingdon)

Gambling Act 2005

- 3.7 In Bromley there are two main types of premises that apply for licenses under the Gambling Act 2005 – betting shops and amusement centres, of which there are 48 and 5 respectively. It is proposed to increase these fees to the maximum benchmark fee in order to maximise income as shown in Appendix 1. This will result in an increase in annual income of approximately £15k.

Other Licence Fees

- 3.8 Appendix 2 sets out the suggested fees based on an increase of 20% for a range of other type of licences. The suggested fees should raise an additional income of £10k

4. FINANCIAL IMPLICATIONS

Charging the fees for the various licences as suggested in appendices 1 and 2 should result in around £25k additional income towards the cost of the Licensing Service. Members should note that we only have control over approx 25% of the licence fee income budget, the remaining 75% is based on statutory fees. Statutory fees have not increased each financial year whereas budgets have increased in line with inflation. This has now led us to a position where actual income is below budget. Any increase in income resulting from this report will only be used offset this shortfall.

5. LEGAL IMPLICATIONS

This report only considers increasing fees where there is a legal right for the Council to set them. The review has been conducted under the general principles that licence fees recover the cost of providing the service and are not set at such a level as to deter applications.

Non-Applicable Sections:	POLICY IMPLICATIONS, PERSONNEL IMPLICATIONS
Background Documents: (Access via Contact Officer)	[Title of document and date]