

REPORT

To: GENERAL PURPOSES COMMITTEE		Subject: REVIEW OF CIVIC GOVERNMENT LICENSING FEES	
From: DIRECTOR OF ADMINISTRATION			
Date: 27 July 2006	Ref: WBK/MK		

1. PURPOSE OF REPORT/INTRODUCTION

- 1.1. The purpose of the report is to propose a review of fees for certain activities licensed by the Council under the provisions of the Civic Government (Scotland) Act 1982.

2. BACKGROUND

- 2.1. A comprehensive review of the various fees levied by the Council for activities licensed under the Civic Government (Scotland) Act 1982, including provision for enforcement, was undertaken during 2001.
- 2.2. At that stage it was noted that for future longer term budget strategy across the Council's services the Director of Finance had proposed that the Council give consideration to up-rating the level of discretionary fees and charges annually in line with inflation rates to maintain their value in real terms.
- 2.3. Since April 2002 inflationary increases have been applied in line with the recommendation of the Director of Finance to Civic Government Act fees, typically at the rate of 3%.

3. CONSIDERATIONS

- 3.1. Members will be aware that Section 10(3) of the 1982 Act allows a Licensing Authority to refuse a taxi licence for the purpose of limiting the number of taxis, provided that they are satisfied that there is no significant unmet demand for taxis in their area.
- 3.2. Traditionally the approach taken by Licensing Authorities to testing the matter of demand for taxis is to instruct an independent survey. Such surveys within North Lanarkshire have been undertaken and reported in 2001 and 2005.
- 3.3. There has been recent litigation in the Sheriff Court as to the regularity of surveys in the context of whether the information provided is sufficiently up-to-date as to be able to properly inform the Licensing Authority at any given time on the "significant unmet demand" test. Whilst the Sheriff Court has not prescribed what might be termed a "timetable" for the conduct of surveys it is evident from the deliberations and findings of the court that the interval between surveys should be somewhat less than the number of years which had passed prior to the 2005 survey.

- 3.4. Whilst the position of the Licensing Authority is considered to be safeguarded at present by the existence of the 2005 survey it is suggested that for future purposes a more systematic approach is taken. In the absence of express guidance from the shrieval bench it is suggested that an independent survey of demand for taxis be conducted at eighteen month intervals. This would equate to two surveys in each licensing cycle.
- 3.5. The issue has been discussed with the representatives of the local taxi trade as there are clear implications in relation to the costs associated with the instruction of a survey of demand. Whilst there is a not unexpected reticence on the part of members of the trade that fees will be required to increase by a rate greater than inflation, there is a recognition that the cost of any future surveys should be borne by existing operators.
- 3.6. Should approval be granted to a proposal to conduct two surveys over the three year licensing cycle, the anticipated costs based on past experience would be £20,000. An increase on the present renewal fee for a taxi operator licence of £316 at the rate of 13% would achieve the additional income required. This would result in a new taxi operator renewal fee of £357.
- 3.7. If the proposal is approved it would be intended to instruct a further survey of demand in early 2007. It is therefore suggested that the new fee of £357 is introduced for all renewals occurring after 1 January 2007.
- 3.8. Historically there has been a differential between the fee charged for the new grant of a taxi operator licence and for the renewal of that licence. The higher figure for grant reflects additional administration required to undertake any ballot and Committee process where a vacant licence becomes available for allocation, together with securing compliance with the policy requirement that a new operator must provide a purpose built or purpose adapted vehicle. Whilst it is not anticipated that there will be any significant level of new grant applications, it is proposed that the differential be retained and that the taxi operator grant fee be increased by the same 13% which would create a new fee of £406.
- 3.9. When the comprehensive review of fees was undertaken in 2001 that review took cognisance of the cost of advertising in the local press applications for the new grant of activities to be conducted in premises (e.g. late hours catering, second hand dealers, market operators, static snack vans). The Committee had recognised and agreed that the placing of an advertisement for such applications provided a safeguard to ensure that local residents would have the opportunity to respond to any application within their area if they considered it appropriate to do so.
- 3.10. A review has recently been undertaken of the current costs associated with advertising premises – based applications in the local press. Costs vary between the different local newspapers and range from £173 to £276 at an average of £233. These figures represent an average increase of 22% on the outlays identified in 2001, when the average advertisement cost was £190.
- 3.11. It is proposed that these additional outlays are recovered from licence applicants as the outlays are not part of the administrative costs for which provision is made in the annual inflationary increases applied to all fees. It should be noted that, if approved, the increases would apply to new applicants only and would not apply to existing licence holders, except in the limited circumstances narrated in paragraph 3.12 below. If approved, it is suggested that the increases be effective from 1 September 2006.
- 3.12. It is additionally the practice to advertise in the local press applications for temporary licences for activities to be conducted in premises. It is proposed that the same rate

of increase be applied to any new applications for a temporary licence. Similarly an application for the variation of an existing licence for a premises – for example where a snack van seeks to move its pitch or where a late hours premises seeks to increase trading hours – will incur advertising costs and it is proposed that this fee is also increased at the same rate of 22%.

3.13. The current fees and proposed new fees for premises based activities are shown in the table appended to this report.

4. **CORPORATION CONSIDERATIONS**

4.1. The review of licence fees detailed in this report is consistent with all current policies.

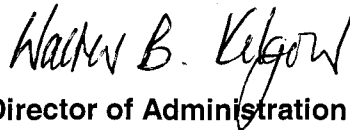
5. **RECOMMENDATIONS**

5.1. The Committee is asked to agree to an increase in the fee for the renewal of a taxi operators licence at the rate of 13%, effective from 1 January 2007.

5.2. The Committee is asked to agree to an increase in the fee for the new grant of a taxi operators licence at the rate of 13%, effective from 1 January 2007.

5.3. The Committee is asked to agree to an increase in the fees for the new grant of late hours catering, street trader employer static, second hand dealers, public entertainment, indoor sports entertainment and metal dealers licences at the rate of 22%, effective from 1 September 2006.

5.4. The Committee is asked to agree to an increase in the fee for the new grant of a temporary licence and in the fee for the variation of an existing premises licence at the rate of 22%, effective from 1 September 2006.


D. **Director of Administration**

(Members seeking further information on the contents of this report are asked to contact Mitch Kerr, Chief Solicitor (District Courts and Licensing) on extension 2371).

**REVIEW OF CIVIC GOVERNMENT
LICENSING FEES**

APPENDIX

ACTIVITY	CURRENT FEE (£)	PROPOSED NEW FEE (£)
Taxi Operator (Grant)	359	406
Taxi Operator (Renewal)	316	357
Late Hours Catering (Grant)	288	351
Street Trader Employer Static (Grant)	202	246
Second Hand Dealers (Grant)	216	264
Public Entertainment (Grant)	216	264
Indoor Sports Entertainment (Grant)	216	264
Metal Dealers (Grant)	216	264
Market Operators (Grant)	216	264
Temporary Licence	216	264
Variations (Premises)	202	246