

**Report for:** Licensing Committee 6<sup>th</sup> January 2025

**Item number:** 7

**Title:** Review of Fees and Charges 2025-26 - Licences

**Report**

**authorised by :** Eubert Malcolm – Assistant Director – Environment

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**Ward(s) affected:** All

**Report for Key/  
Non Key Decision:** Non-Key

## **1. Describe the issue under consideration**

1.1 The Council's income policy requires an annual review of the level of the fees and charges levied upon service users. The aim of the review is to ensure that income generated ensures full cost recovery and that charges remain in line with increases being experienced in the cost of delivering services.

1.2 A small number of items relating to certain approvals, consents, permits and licences cannot be made by the Executive and are therefore reserved for consideration and decision by the Council's Licensing Committee. That committee is being asked to approve the fees and charges for 2025 - 26

This report proposes an increase of fees for those licensing regimes where the council has the power to set its own fees for 2025 – 26. The fee increases will enable the council to recover its costs in managing and administering these licensing regimes. There is one new charge "promotional activity/product sampling" proposed for administrative procedures for these matters.

## **2. Recommendations**

2.1 That the licensing committee approve fees set out in appendix 1:

- i) An increase of 5% on existing discretionary fees for 2025 - 26
- ii) The introduction of promotional activity fees as set out in section 5.7 of the report.

2.2 Note Licensing Act and Gambling Act premises fees are already set at statutory maximums and make up a significant proportion of the fees collected.

2.3

## **3. Reasons for decision**

3.1 It is a requirement of the Council's income policy to review fees and charges annually. The financial position of the council supports the view that levels of fees and charges should be

maximised commensurate with full cost recovery of costs taking into account all relevant factors including the effect on service users and any consequent demand for services. A licensing scheme must be reasonable and proportionate to the cost of all the procedures and formalities under the scheme.

- 3.2 The Supreme Court case of *Hemmings and others v Westminster City Council* concluded that the amount of the fee is required to be determined every year and further to that a local authority was precluded from making a profit from the licensing scheme. Furthermore, where a fee covers the costs both of application and of subsequent administration including enforcement, separate fees should be set for each activity.

#### **4. Alternative options considered**

- 4.1 Do nothing - this has been discounted as our costs have not disproportionately reduced and if we were not to increase fees we would be subsidising the licensing process.
- 4.2 Reduction in discretionary fees - consideration has been given to reducing the discretionary fees such as street trading and special treatment but this has been discounted as our costs have not disproportionately reduced and if we were to reduce fees, we would therefore be subsidising this expenditure, which is not permitted.
- 4.3 A significant increase in fees has been considered but discounted due to this not being cost neutral and would be likely to result in a surplus which is not permitted and may impact negatively on businesses during the current financial climate.

#### **5. Background information**

- 5.1 There are general principles applied to the setting of licence fees:
- they cannot be used to generate a profit, in some cases costs are also permitted to cover other aspects of providing the regulatory scheme, such as enforcement, and fees should be reviewed regularly, any surplus should be identified and carried over to the following year
  - it is acceptable to carry forward deficits from previous years
  - income from licence fees may only be spent on the specific regime from which they were generated
  - fees may not be discriminatory or to be used as an economic deterrent. When not prescribed by statute, licence fees are set on a cost-recovery basis.
- 5.2 Below are details of the statute and restrictions that apply:
- Pavement licensing - reasonable charges may be made for the cost of administering and enforcing the regime, up to a statutory maximum £500 for new applications and £350 for renewals.
  - Licensing Act 2003 – centrally set out in regulations by Parliament.
  - Gambling Act 2005 – decided by the Council subject to statutory maxima.
  - Street trading fees – reasonable charges may be made for the cost of administering and enforcing the regime in relation to licensed traders.
  - Sex establishment fees – reasonable charges may be made for the cost of administering the regime and enforcing it in relation to licensed traders.
  - Leaflet distribution – reasonable charges may be made for the cost of administering the regime and enforcing it in relation to licensed distributors.
  - Animal welfare and licensing – cost recovery fee calculation regime set out in government guidance.
- 5.3 The proposed schedule of fees and charges is set out in appendix 1.

5.4 Where fees are calculated on a cost recovery basis, the proposed fees have been increased by approximately 5% to account for rising service delivery costs. The Council on the whole is under increased pressure from rising inflation and other pressures such as nationally agreed wage increases, energy price increases etc that are having an impact on the price of consumables and the cost of delivering services. Some licensing fees are statutory, but as detailed in section 4.4 above, most other licensing functions are subject to operating under cost recovery in charging reasonable charges, and as such are not immune to the pressures of rising costs.

## **6.0 Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes.**

### **6.1 Placemaking and Economy**

6.2 **High level 1 - Towards an Inclusive Economy** - Haringey has a thriving and fair economy from which everyone benefits, supported by a community wealth building approach

6.3 **High Level outcome 2 - High Streets, Town Centres & Businesses** - Haringey's economy has resilient high streets & town centres at its heart, and businesses are supported to start and grow. The income from fees and charges help to manage demand and cover costs for providing services.

## **7.0 Carbon and Climate Change**

7.1 The Council is committed to updating its standard street trading conditions, so the following matters are included:

- Ban on single use plastic and polystyrene in street trading;
- Ban on the sale of plastic and helium balloons;
- Requirement and guidance on the use of sustainable food packaging, utensils, drinks containers and bags
- Traders encouraged to make use of litter bin for recycling.
- Commits to encouraging and providing guidance to street traders:
- Encourage traders to use sustainable sourcing of food and drink;
- Encourage traders to use sustainable sources of energy for their trading activities;
- Traders to have adequate receptacles in place to deal with customers' rubbish responsibly.

## **8. Finance**

8.1 The recommendation is that for all discretionary fees and charges to apply a 5% increase in line with the wider Council's Fees & Charges for the year 2024-25. The council in addition seeks to introduce a new Market operator licence application fee.

For all statutory fees and charges there is no increase in-line with the council not being able to vary/set price under legislation.

## **9. Head of Legal & Governance**

9.1 The Head of Legal and Governance has been consulted in the preparation of this report and comments as follows:

9.2 There are a variety of legislative powers that entitle the Council to charge fees for different licensing activities. In some instances, the Council has no discretion as to the

level of the charge. In other cases, the specific legislative provisions allow authorities to decide whether to charge and how much.

9.3 Regulation 18(4) of the Provision of Services Regulations 2009 requires that any discretionary charges that the Council imposes must be reasonable and proportionate to the costs, the procedures and formalities under the licensing scheme and must not exceed the cost of those procedures and formalities.

9.4 Regulation 2 and Schedule 1 of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 provide that decisions on certain approvals, consents, permits and licenses (for example premises licences; licenses for street trading) cannot be made by the Executive. Likewise, fees and charges for such approvals, consents, permits and licenses may not be determined by the Council's Executive.

9.5 In accordance with Part Three Section B of the Constitution, the Licensing Committee has responsibility for the determining fees and charges under the Licensing Act 2003 and the Gambling Act 2005. In addition, the Committee exercises the functions which are stated not to be the responsibility of The Executive/Cabinet In Regulation 2 and Schedule 1, Paragraph B (Licensing and Registration) of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) and in any Statute or subordinate legislation further amending these Regulations. This includes the fees and charges that are the subject of this report.:

9.6 The fees and charges for 2024-25 are being increased by inflation reflecting the increased cost of service provision.

9.7 There is no legal reason why the Committee should not adopt the recommendations in this report..

## **10. Equality**

10.1 The council has a Public Sector Equality Duty (PSED) under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

10.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

10.3 An EQIA screening tool has been prepared. These changes will have a low impact overall and are not expected to have a disproportionate impact on any protected groups. The London Local Authorities Act itself does not allow authorities to issue street trading to licenses to any one under the age of 17. The Council has no discretion in this regard.

## **11 Use of Appendices**

- 11.1 Appendix 1 -List of fees and charges showing 5% increase on discretionary fees.  
A new fee proposed for promotional activity on the public highway.  
Appendix 2 – EQIA Screening tool