

**Report of** Head of Licensing and Registration

**Report to** Licensing Committee

**Date:** 15 October 2013

**Subject:** Budget and Fees for Entertainment Licensing and Taxi & Private Hire Licensing

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. At its last meeting, Licensing Committee requested an overview of the budget for both licensing sections covering expenditure and income from fees.
2. This report provides an overview of the budget for 2013/14 for both sections, and details of the current fees set in each section. Some fees are set by statute and some are discretionary.
3. The licence fees set for Entertainment Licensing do not fully cover the cost of providing the service, and the council subsidises the service by a small amount and incurs costs relating to environmental health officer time and expenditure.
4. By law, the licence fees set for Taxi and Private Hire Licensing have to be ring-fenced to the service and therefore have to cover the cost of providing the service.

### Recommendations

5. That Members note the information in this report.

## **5 Purpose of this report**

- 1.1 To provide an overview of the current budget for both licensing sections and the current fees charged for different licences.

## **6 Background information**

- 2.1 There are two separate budgets for each licensing section. A copy of the budget for 2013/14 for each section is included in Appendix 1.
- 2.2 By law, the budget for the Taxi and Private Hire Licensing section must be ring-fenced in that the revenue generated from licence fees can only be used for taxi and private hire licensing purposes and cannot be used to fund other services within the council. Any surplus generated at the end of the financial year must be carried forward to the following year. A ring-fenced account is in operation for taxi and private hire licensing in Leeds. The licence fees for this area are all discretionary and cover the costs of providing the service.
- 2.3 No such ring-fenced account is required for Entertainment Licensing. However, the current statutory fees set by the government do not fully cover the costs associated with providing the service and there is a deficit which must be made up from Council funds. There is a mix of statutory and discretionary fees for Entertainment Licensing. Where the authority has a discretion for the licence fee set, the fee has to be set to recover the costs of the licensing function only.

## **7 Main issues**

### Entertainment Licensing

- 5.1 Appendix 1 shows the 2013/14 budget for Entertainment Licensing. Appendix 2 shows the current Licence fees. Each licence fee shows whether it is statutory or discretionary.
- 5.2 Where a licence fee is discretionary the fee includes the costs associated with processing the application and any associated inspections. The authority cannot include the costs for enforcement against unlicensed operators (case of Hemming v Westminster Council (Simply Pleasures) ).
- 5.3 Where a licence fee is statutory this is set by the government and the authority has no opportunity to change the fee.
- 5.4 The licence fees set for Entertainment Licensing do not fully cover the cost of providing the service, and the council subsidises the service by a small amount and incurs costs relating to environmental health officer time and expenditure. Officers have been working towards reducing the subsidy in Entertainment Licensing over recent years. In 2010/11 the level of subsidy was £635k. Through careful budget management and the introduction of more efficient ways of doing things, the subsidy has been reduced to £256k.
- 5.5 The main outstanding area of subsidy is the £250k recharge in respect of environmental health support. This is a recharge for the time and expenditure of environmental health officers involved across the whole range of licensing issues. Where we have discretion on fees, we are reviewing them to ensure that that EHO

component is included. The level of recharge will also be discussed in detail with Environment and Neighbourhoods as part of the 2014/15 budget setting process.

### Taxi and Private Hire Licensing

- 5.6 Appendix 1 shows the 2013/14 budget for Taxi and Private Hire Licensing. Appendix 3 shows the current licence fees. For taxi and private hire licensing, all fees are discretionary.
- 5.7 By law, the licence fees set for Taxi and Private Hire Licensing have to be ring-fenced to the service and therefore must cover the cost of providing the service.

## **6 Corporate Considerations**

### **6.1 Consultation and Engagement**

- 6.1.1 Where fees are discretionary the service has complied with all requirements for consultation before the fee was set.

### **6.2 Equality and Diversity / Cohesion and Integration**

- 6.2.1 These issues are considered during the policy and fee setting process.

### **6.3 Council policies and City Priorities**

- 6.3.1 The licensing function contributes to the following council aims:

#### **Best Council Plan 2013 -17**

#### **Towards being an Enterprising Council**

#### **Our Ambition and Approach**

**Our Ambition** is for Leeds to be the best city and Leeds City Council to be the best council in the UK – fair, open and welcoming with an economy that is both prosperous and sustainable so all our communities are successful.

**Our Approach** is to adopt a new leadership style of civic enterprise, where the council becomes more enterprising, business and partners become more civic, and citizens become more actively engaged in the work of the city.

#### **Our Best Council Outcomes**

Make it easier for people to do business with us

#### **Our Best Council Objectives**

Promoting sustainable and inclusive economic growth – Improving the economic wellbeing of local people and businesses. With a focus on:

- Helping people into jobs;
- Boosting the local economy; and
- Generating income for the council

Ensuring high quality public services – improving quality, efficiency and involving people in shaping their city. With a focus on: -

- Getting services right first time; and
- Improving customer satisfaction

6.3.2 Licensing policies contribute to priorities: -

- Reduce crime levels and their impact across Leeds; and
- Effectively tackle and reduce anti-social behaviour in communities

#### **6.4 Resources and value for money**

6.4.1 To minimise expenditure the service has to balance the costs of administration together with continuing demands for more enforcement activity.

6.4.2 The full cost of the licensing regime should be covered by the income from all fees. However this is difficult to achieve due to the careful balancing act that is required between statutory and discretionary fees, whilst ensuring fees remain realistic and affordable.

#### **6.5 Legal Implications, Access to Information and Call In**

6.5.1 As this is an information report there are no issues to consider.

#### **4.6 Risk Management**

4.6.1 Any risks are considered during the policy and fee setting process.

### **7 Conclusions**

7.1 The current budget and fee setting process meets the requirements of the legislation and council policy.

7.2 Good progress has been made on reducing the subsidy in Entertainment Licensing, the main outstanding area is the level of recharge for environmental health services and officers will continue to work on this with Environment and Neighborhoods in the future.

### **8 Recommendations**

6.1 That Members note the information in this report.

### **7 Background documents**

7.1 None

### **Appendices**

1. 2013/14 Budget for Entertainment Licensing and TPH Licensing
2. Entertainment Licensing fees
3. Taxi and Private Hire Licensing fees

## Appendix 1

### Entertainment Licensing and Taxi & Private Hire Licensing – 2013/14 Budget

	Entertainment Licensing	Taxi & Private Hire Licensing
<b>Staffing</b>		
Salaries	690,920	902,560
Other Staffing	8,070	33,770
<b>subtotal Staffing Costs</b>	<b>698,990</b>	<b>936,330</b>
<b>Other Running Costs</b>		
Premises	0	62,090
Office	46,780	218,930
Transport	21,100	11,200
Legal Advice	51,300	36,240
Litigation	29,980	47,480
Prudential Borrowing Costs	0	51,000
Internal Overheads	184,500	252,110
Other	1,300	4,360
<b>subtotal Other Running Costs</b>	<b>334,960</b>	<b>683,410</b>
<b>Total Costs</b>	<b>1,033,950</b>	<b>1,619,740</b>
<b>Income</b>		
Licences	-1,027,180	-1,615,140
Employee contribution to Parking	-1,070	0
Other	-150	-2,300
<b>Total Income</b>	<b>-1,028,400</b>	<b>-1,617,440</b>
<b>Net Cost</b>	<b>5,550</b>	<b>2,300</b>
<b>Other Non Recoverable Costs</b>		
Environmental Health Inspections	250,000	0
Capital Charges	540	16,120

**Licensing and Registration - Entertainment Licensing - Fees and Charges****Licensing Act 2003**

Fees are set by statute - The Licensing Act 2003 (Fees) Regulations 2005. There is a possibility that authorities may be able to increase their fees to reflect true cost recovery, subject to a cap but this will not happen before 2013/14.

Fees for the Grant or Variation of a Premises Licence/Club Premises Certificate

<u>Non domestic rateable value premises licence</u>	<u>Application Fee</u>	<u>Annual Fee</u>
Band A	£100.00	£70.00
Band B	£190.00	£180.00
Band C	£315.00	£295.00
Band D	£450.00	£320.00
Band E	£635.00	£350.00

Multiplier for premises used exclusively or primarily for the supply of alcohol:

Application fee Band D	£900.00	£640.00
Application fee Band E	£1,905.00	£1,050.00

Additional fee for large scale events

5000-9999 in attendance	£1,000.00	£500.00
10000-14999 in attendance	£3,000.00	£1,000.00
15000-19999 in attendance	£4,000.00	£2,000.00
20000-29999 in attendance	£8,000.00	£4,000.00
30000-39999 in attendance	£16,000.00	£8,000.00
40000-49999 in attendance	£24,000.00	£12,000.00
50000-59999 in attendance	£32,000.00	£16,000.00
60000-69999 in attendance	£40,000.00	£20,000.00
70000-79999 in attendance	£48,000.00	£24,000.00
80000-89999 in attendance	£56,000.00	£28,000.00
90000 and over in attendance	£64,000.00	£32,000.00

Miscellaneous Fees

Application for the grant or renewal of a personal licence	£37.00
Temporary event notice	£21.00
Theft, loss etc of premises licence or summary	£10.50
Application for a provisional statement where premises being built etc	£315.00
Notification of change of name and address	£10.50
Application for transfer of premises licence	£23.00
Application to vary licence to specify individual as premises supervisor	£23.00
Interim authority notice following death etc of licence holder	£23.00
Theft, loss etc of certificate or summary	£10.50
Notification of change of name or alteration of rules of club	£10.50
Change of relevant registered address of club	£10.50
Theft, loss etc of temporary event notice	£10.50
Theft, loss etc of personal licence	£10.50
Duty to notify change of name or address	£10.50
Right of freeholder etc to be notified of licensing matters	£21.00

## **Gambling Act 2005**

The legislation provides a capped fee system - The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007. Leeds City Council has charged the maximum allowable since 2007.

### Large Casino

New Application	£10,000.00
Annual Fee	£10,000.00
Application to Vary	£5,000.00
Application to Transfer	£2,150.00
Application for Re-instatement	£2,150.00
Application for Provisional Statement	£10,000.00
Licence Application (provisional statement holders)	£5,000.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

### Existing Casino

Annual Fee	£3,000.00
Application to Vary	£2,000.00
Application to Transfer	£1,350.00
Application for Re-instatement	£1,350.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

### Bingo Club

New Application	£3,500.00
Annual Fee	£1,000.00
Application to Vary	£1,750.00
Application to Transfer	£1,200.00
Application for Re-instatement	£1,200.00
Application for Provisional Statement	£3,500.00
Licence Application (provisional statement holders)	£1,200.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

### Adult Gaming Centre

New Application	£2,000.00
Annual Fee	£1,000.00
Application to Vary	£1,000.00
Application to Transfer	£1,200.00
Application for Re-instatement	£1,200.00
Application for Provisional Statement	£2,000.00
Licence Application (provisional statement holders)	£1,200.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

### Tracks

New Application	£2,500.00
Annual Fee	£1,000.00
Application to Vary	£1,250.00
Application to Transfer	£950.00
Application for Re-instatement	£950.00
Application for Provisional Statement	£2,500.00

Licence Application (provisional statement holders)	£950.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

#### Family Entertainment Centre

New Application	£2,000.00
Annual Fee	£750.00
Application to Vary	£1,000.00
Application to Transfer	£950.00
Application for Re-instatement	£950.00
Application for Provisional Statement	£2,000.00
Licence Application (provisional statement holders)	£950.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

#### Betting premises (excluding tracks)

New Application	£3,000.00
Annual Fee	£600.00
Application to Vary	£1,500.00
Application to Transfer	£1,200.00
Application for Re-instatement	£1,200.00
Application for Provisional Statement	£3,000.00
Licence Application (provisional statement holders)	£1,200.00
Copy Licence Notification	£25.00
Notification of Charge	£50.00

#### Unlicensed Family Entertainment Centre Permit

Application for Grant	£300.00
Application for Renewal (10 years)	£300.00
Application to Change Name of Permit Holder	£25.00
Copy Permit Notification	£15.00

#### Prize Gaming Permits

Application for Grant	£300.00
Application for Renewal (10 years)	£300.00
Copy Permit Notification	£15.00
Application to Change Name of Permit Holder	£25.00

#### Alcohol licensed premises gaming machine permits

Notification of 2 or less machines	£50.00
Application for a Licensed Premises Machine Permit	£150.00
Conversion of a S34 into a Licensed Premises Machine Permit	£100.00
Variation of a Licensed Premises Machine Permit	£100.00
Transfer of a Licensed Premises Machine Permit	£25.00
Duplicate copy of a Licensed Premises Machine Permit	£15.00

#### Club Gaming or Club Machine permit (for holders of club premises certificates)

New application for a Club Machine or Gaming Permit	£200.00
Conversion of a Part II or III into a Club Machine or Gaming Permit	£100.00
Renewal of a Club Machine or Gaming Permit	£100.00
Fast Track Club Machine or Gaming Permit (existing club prem)	£100.00
Duplicate copy of a Club Machine or Gaming Permit	£15.00
Variation of Club Machine or Gaming Permit	£100.00



## **Miscellaneous**

The majority of the miscellaneous fees and charges are set on a "reasonable" basis. Sex establishment fees were reviewed last year.

Marriage Act grant/initial application less than 600 capacity	£868.91
Marriage Act grant/initial application more than 600 capacity	£1,102.31
Marriage Act review	£385.12
Sex establishment new, renewal, transfer	£2,884.00
Sex establishment variation	£927.00
Motor Salvage Operator (3yrs)	£70.00

**Effective from 1st October 2011**

## **Appendix 3**

### **Licensing and Registration – Taxi & Private Hire Licensing - Fees and Charges**

<b>Licence or Service Item</b>	
<b>Private Hire only</b>	<b>Fee</b>
Driver Application	£120
Driver Renewal	£115
Missed Driver Application Appointment	£30
Vehicle Application	£120
Vehicle Renewal	£115
Operator Application	£400
Operator Renewal	£300
Knowledge Training Pack	£15
1st Driver knowledge Re-Test	£20
2nd Driver Knowledge Re-Test	£90
Set of vehicle stickers (no bonnet)	£55
Set of vehicle stickers (with bonnet)	£70
Door sticker only	£25
Rear sticker only	£20
<b>Hackney Carriage only</b>	
Driver Application	£100
Driver Renewal	£115
Vehicle Application	£120
Missed Driver Application Appointment	£30
Vehicle Renewal	£115
Local Knowledge Re-Test	£50
Disability Discrimination Awareness Training	£40
Vehicle Livery	£40
Rear Metal plate	£15
Meter check & seal	£10
<b>Other Fees</b>	
DBS Check	£60
English comprehension Test	£25
Vehicle Inspection (incl. Failure to Attend)	£30
Vehicle Transfer (incl. inspection)	£60
Vehicle Transfer	£30
Duplicate Driver Badge	£10
Duplicate Vehicle Disc	£10
Duplicate Licence	£5