
Report To:	General Purposes Board	Date: 12 January 2011
Report By:	Head of Legal & Democratic Services	Report No: LA/495/10
Contact Officer:	Howard McNeilly	Contact No: 01475 712117
Subject:	Fees for Applications for Licences under the Civic Government (Scotland) Act 1982	

1.0 PURPOSE

1.1 The purpose of this report is to request that:

- the Board increases fees for applications for licences under the Civic Government (Scotland) Act 1982 to the average level charged by neighbouring authorities as identified in appendix 1 to this report.
- the increase be phased over a period of two years to the levels identified in Appendix 2 to this report.

2.0 SUMMARY

2.1 Fees for applications for licences under the Civic Government (Scotland) Act 1982 were set by the former Licensing & Registration Panel in 1996. These fees have been increased in line with inflation since that time. However, there has not been an in-depth review of the fees during that time.

2.2 The Head of Legal & Democratic Services has conducted an in-depth review of the fees currently charged. A comparison of the fees charged by Inverclyde Council with the fees charged by a number of other authorities in Scotland forms appendix 1 to this report.

2.3 The review has disclosed that fees charged by Inverclyde Council are generally amongst the lowest.

2.4 In order to bring the fees up to a level more comparable with the general level of fees charged by other authorities, it is proposed that the fees charged in Inverclyde be increased to the average level charged by neighbouring authorities as identified in appendix 1 to this report.

2.5 Given the level of increase, it is proposed that the increase be phased in over a period of two years. The level of increase which would apply in each of the two years is identified in appendix 2 to this report.

3.0 RECOMMENDATION

3.1 It is recommended that the Board increases the fees charged by the Council for applications for licences under the Civic Government (Scotland) Act 1982 to the average level charged by neighbouring authorities as identified in appendix 1 to this report.

- 3.2 It is further recommended that the increase in fees be phased over a period of two years to the levels identified in appendix 2 to this report.

Elaine Paterson
Head of Legal & Democratic Services

4.0 BACKGROUND

- 4.1 Fees for applications for licences under the Civic Government (Scotland) Act 1982 were set by the former Licensing & Registration Panel in 1996. These fees have been increased in line with inflation since that time. However, there has not been an in-depth review of the fees during this time.
- 4.2 The Head of Legal & Democratic Services considered that, given the passage of time, it was appropriate to carry out an in-depth review of the fees currently charged. This review included carrying out a comparison between the fees charged by Inverclyde Council and fees charged by other authorities in Scotland. The results of this comparison are detailed in appendix 1 to this report.
- 4.3 The comparison with fees charged by other authorities has disclosed that Inverclyde Council is generally amongst the lowest.
- 4.4 Given the outcome of the review carried out by the Head of Legal & Democratic Services, the Head of Legal & Democratic Services considers that it would be appropriate to recommend to the Board that the Board increases the fees charged by Inverclyde Council for applications for Licences under the Civic Government (Scotland) Act 1982 to the average level charged by neighbouring authorities as identified in appendix 1 to this report.
- 4.5 The level of increase is such that it is proposed that the increase be phased over two years. Appendix 2 to this report identifies the level of increase which would apply in each of the two years.
- 4.6 The licences affected by the proposed increase are issued under the provisions of the Civic Government (Scotland) Act 1982. The 1982 Act requires licensing authorities when setting fees to seek to ensure that the total amount of fees receivable by the authority is sufficient to meet the expenses of the authority in administering its licensing functions. Appendix 3 to this report contains an estimate of expenditure and income for years 2011/12 and 2012/13. It can be seen that income following the first year's increase remains significantly below expenditure and that income following the second years increase is in balance with expenditure.
- 4.7 It is the total of fees receivable that requires to be looked at in setting fees. The Council does not require to look at each type of licence individually to determine if the fees for that particular licence are sufficient to meet the administrative expenses of that licence. However, it is of interest to note that there are licences where the fees clearly do not meet costs. For example, the current fee for a taxi driver's licence is £39. A significant number of taxi drivers require to be sent for medicals and the cost of a medical is £60. It can be seen that in this case the Council's costs are clearly not being recovered.
- 4.8 In all the circumstances the proposed phased increase is an appropriate response to the Council's statutory duty to seek to ensure fees income is sufficient to meet the Council's administrative expenses.

5.0 IMPLICATIONS

5.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

Financial Implications - Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
General Purposes Board	Civic Government Licensing	1 April 2010	(£33,500) 2011/12 £67,000) 2012/13	N/A	N/A

5.2 Personnel: None

5.3 Legal: None

**CIVIC GOVERNMENT LICENCE FEES
COMPARATIVE FEES**

Licences issued by Inverclyde Council for three years										
Licence	Inverclyde	Renfrewshire	Argyll & Bute	North Ayrshire	West Dunbartonshire	East Renfrewshire	South Ayrshire	Average		
Metal Dealer	£140	£587	£425	£105	£605	£350	£191	£343		
Late Hours Catering	£277	£712	£425	£160	£270	£350	£545	£390		
Public Entertainment	£277	£474	£425	£320	£732	£500	£313	£433		
Skin Piercing/ Tattooing	£205.50	£486	n/a	£315	n/a	£500	£309	£362		
Window Cleaner	£78	£169	£220	n/a	£77	£350	n/a	£178		
Market Operator	£277	£941	£425	£340	£605	£500	£945	£575		
Street Trader	£227.50	£188	£220	£240	£270	£325	£552	£288		
Second Hand Dealer	£90	£389	£425	£110	£732	£325	£287	£336		
Licences issued by Inverclyde Council for one year										
Licence	Inverclyde	Renfrewshire	Argyll & Bute	North Ayrshire	West Dunbartonshire	East Renfrewshire	South Ayrshire	Average		
House in Multiple Occupation	£645	£883	£666	£800	£831.50	£522	£1,020	£761		
Taxi Operator	£184	£240	£220	£315	£143	£100	£420	£230		
Private Hire Operator	£184	£240	£220	£295	£143	£90	£420	£226		
Taxi Driver	£39	£90	£92	£55	£63	£58	£166	£80		

Appendix 2

Current and Proposed Fees for Applications for Licences under the Civic Government (Scotland) Act 1982

Licence	Three Year Licences				
	Current Fee	Proposed Fee 2011/12	Amount of Increase	Proposed Fee 2012/13	Amount of Increase
Metal Dealer	£140	£239.50	£99.50	£343	£103.50
Late Hours Catering	£277	£329.50	£52.50	£390	£60.50
Public Entertainment	£277	£351	£74	£433	£82
Skin Piercing/Tattooing	£205.50	£280.50	£75	£362	£81.50
Window Cleaner	£78	£122	£44	£178	£46
Market Operator	£277	£422	£145	£575	£153
Street Trader	£227.50	£254.50	£27.	£288	£33.50
Secondhand Dealer	£90	£209.50	£119.50	£336	£124.50
Licence	One Year Licences				
	Current Fee	Proposed Fee 2011/12	Amount of Increase	Proposed Fee 2012/13	Amount of Increase
House in Multiple Occupation	£645	£693.50	£48.50	£761	£67.50
Taxi Operator	£184	£204	£20.00	£230	£26
Private Hire Operator	£184	£226	£42.00	£226	£24
Taxi Driver	£39	£59	£20.00	£80	£21

APPENDIX 3
CIVIC GOVERNMENT LICENCES
PROJECTED INCOME AND EXPENDITURE 2011/12 and 2012/13

EXPENDITURE

Staff (Legal and Democratic Services)	78,871
Oncosts @ 23.5%	18,535
Medicals (estimated)	2,500
Advertising (estimated)	6,000
Env.Health/Building Control/Planning/Roads(estimated)	70,000
Printing/Stationery/Postage (estimated)	2,500
Accommodation (estimated)	5,000
Appeals (estimated)	10,000
TOTAL	£193,406

INCOME

Estimated income 2011/2012 (before increase)	£118,000
Estimated income (after first phase of increase)	£151,500
Estimated income 2012/13 (after second phase of increase)	£185,000