

Report To: General Purposes Board **Date:** 9 March 2011

Report By: Head of Legal & Democratic Services **Report No:** HMcN/LA/654/11

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 by 60%;
- ◆ The increase be introduced over a maximum period of two years.

2.0 SUMMARY

- 2.1 At its meeting on 12 January 2011 the Board considered a report from the Head of Legal & Democratic Services recommending that the Board increase fees for applications for licences under the Civic Government (Scotland) Act 1982 to the average level charged by neighbouring authorities.
- 2.2 The Board decided to remit to the Head of Legal & Democratic Services to reconsider the recommendation and submit a further report to the Board with a revised recommendation. The principal concern of the Board was that increasing the fees to the average level charged by neighbouring authorities resulted in the fees for applications for some types of licence increasing by substantially greater percentages than for other types of licence.
- 2.3 Following reconsideration, it is the recommendation of the Head of Legal & Democratic Services that the Board increases fees by 60% for all applications for licences under the Civic Government (Scotland) Act 1982. It is further recommended that the increase be introduced over a maximum period of two years.
- 2.4 The Council has a statutory obligation 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. The increase in the fees for applications for licences under the Civic Government (Scotland) Act 1982 by 60% and the introduction of the increase over a maximum period of years are essential to ensure that the Council complies with its statutory obligations.

3.0 RECOMMENDATION

3.1 It is recommended that:

- ◆ The Board increases fees for applications for licences under the Civic Government (Scotland) Act 1982 by 60%;
- ◆ The increase be introduced over a maximum period of two years.

Elaine Paterson
Head of Legal & Democratic Services

4.0 BACKGROUND

- 4.1 At its meeting on 11 January 2011 the Board considered a report from the Head of Legal & Democratic Services recommending that the Board increase 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.
- 4.2 It was further recommended that the increase in fees be phased over a period of two years. The recommendation to phase the increase over two years was included following discussions between the Convener of the Board, the Corporate Director Regeneration & Environment and the Legal Services Manager (Courts and Litigation).
- 4.3 The Board expressed concern that increasing the fees for applications to the average level charged by neighbouring authorities resulted in the fees for some types of licence increasing by substantially greater percentages than for other types of licence. The Board therefore remitted to the Head of Legal & Democratic Services to reconsider the recommendation and to submit a further report to the Board.
- 4.4 Following reconsideration, it is now the recommendation of the Head of Legal & Democratic Services that:
- ◆ The Board increases fees for applications for licences under the Civic Government (Scotland) Act 1982 by 60%;
 - ◆ The increase be introduced over a maximum period of two years.
- 4.5 It should be noted that a suggestion was made at the meeting of the Board on 11 January 2011 that the increase could be phased over 3 years to reduce the impact on applicants. However, the strong recommendation of the Chief Financial Officer is that a three years' phasing would be inappropriate. The rationale for this is that the Council has a 2 years' budget and financial decisions should be based on this timeline.
- 4.6 Appendix 1 to this report details the effect the proposed increase would have.
- 4.7 As indicated in the previous report, 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 2 to this report contains an estimate of expenditure and income depending upon whether the 60% increase is introduced over one or two years. The 60% figure has been calculated on the basis of arriving at a position where the total amount of fees receivable by the authority will be sufficient to meet the expenses of the authority in administering its licensing functions

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 2011	After 30% increase (£35,900). After 60% increase (£70,800)	n/a	n/a

5.2 Personnel: None

5.3 Legal: None

Appendix 1

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

Three Year Licences

Licence	Current Fee	With 30% Increase	With 60% Increase
Metal Dealer	£140	£182	£224
Late Hours Catering	£277	£360	£443
Public Entertainment	£277	£360	£443
Skin Piercing/Tattooing	£205.50	£267	£329
Window Cleaner	£78	£101	£125
Market Operator	£277	£360	£443
Street Trader	£227.50	£296	£364
Secondhand Dealer	£90	£117	£144

One Year Licences

Licence	Current Fee	With 30% Increase	With 60% Increase
House in Multiple Occupation	£645	£839	£1032
Taxi Operator	£184	£239	£294
Private Hire Operator	£184	£239	£294
Taxi Driver	£39	£51	£62

NB All increased fees have been rounded up/down to the nearest pound

APPENDIX 1

ITEM 2

APPENDIX 2
CIVIC GOVERNMENT LICENCES
PROJECTED INCOME AND EXPENDITURE

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)	2,000
Accommodation (estimated)	5,000
Appeals (estimated)	6,000
TOTAL	£188,906

INCOME**Increase introduced in full 2011/12**

Estimated income 2011/12	
(before increase)	£118,000
Estimated income 2011	
(after 60% increase)	£188,800

Increase introduced over 2 years

Estimated income 2011/12	
(after 30% increase)	£153,400
Estimated income 2011/12	
(after 60% increase)	£188,800

ITEM 2

APPENDIX 1

Increase introduced over 3 years

Estimated income 2011/12

(after 20% increase)

£141,600

Estimated income 2012/13

(after 40% increase)

£165,200

Estimated income 2013/2014

(after 60% increase)

£188,800