

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **17 November 2015**

Report of: **Director of Finance and Resources**

Subject: **SPENDING PLANS 2016/17**

SUMMARY

This report sets out the overall level of revenue spending on this Committee's services and seeks agreement for the revised revenue budget for 2015/16 and the base budget for 2016/17 before being recommended to Full Council for approval.

RECOMMENDATION

That the Licensing and Regulatory Affairs Committee agrees the revised budget for 2015/16, the fees and charges for 2016/17 and the base budget for 2016/17 and recommends the budget to Full Council for approval.

INTRODUCTION

1. The Council has a co-ordinated strategic, service and financial planning process and this report allows the Committee to consider in detail these plans for the provision of Licensing and Regulatory Affairs services during the next financial year.
2. This report and the revenue budgets have been prepared in accordance with the Medium Term Finance Strategy that was approved by the Executive on 12 October 2015 and will cover the capital programme, fees and charges and the revenue budget.

CAPITAL PROGRAMME

3. For this Committee there are no capital projects planned.

FEES AND CHARGES

4. The requirement to introduce 3 year licences for Private Hire and Hackney Carriage Drivers and 5 year licences for Private Hire Operators along with fee setting recommendations was reported to this Committee on 22 September 2015.
5. The current fees and charges, reflecting the changes approved on 22 September 2015, for Licensing and Regulatory Affairs services and the proposed charges for 2016/17 are set out in Appendix A.
6. The proposed discretionary licensing charges have been reviewed to achieve an increase in income wherever possible and desirable. It is proposed to maintain the majority of fees at the same level for 2016/17 for review once any reduction in the costs relating to the Environmental Health Partnership that are charged to this area are recognised.
7. Members may also wish to consider whether, for certain services, there could be scope to generate additional income to pay for service improvements.

REVENUE BUDGET

8. Appendix B analyses the overall budget total over the individual Licensing and Regulatory Affairs Committee services and by the different types of expenditure and income.

Base Budget 2015/16

9. The base budgets for 2015/16 were considered by this Committee in January 2015 and were confirmed by the Full Council on 20 February 2015.
10. The base budget for 2015/16 amounted to £490,200.

Revised Budget 2015/16

11. The overall revised budget for 2015/16 is £554,800, an increase of £64,600 or 13.2% from the base budget.

Base Budget 2016/17

12. The overall base budget for 2016/17 is £497,700, an increase of £7,500 or 1.5% from the base budget for 2015/16.

Revenue Budget Comparisons

13. The major variations in the individual service budgets are summarised in the following table:

	Revised Budget 2015/16	Base Budget 2016/17
	£	£
Base Budget 2015/16	490,200	490,200
Hackney Carriage & Private Hire Vehicles	5,300	2,100
Licensing	-2,700	-10,200
Health and Safety Enforcement	4,500	3,400
Election Services	57,500	12,200
TOTAL	554,800	497,700

14. Appendix B of this report shows the analysis of expenditure and income for individual services and the following paragraphs of this report set out issues affecting individual services that have arisen in the current year in order to explain the variations between the base and revised budgets for 2015/16 and the base budget for 2016/17.

SERVICE ISSUES

Environmental Health Partnership

15. From 1 April 2014 the Environmental Health service has been provided by way of a Partnership between Fareham and Gosport Councils in order to provide a more resilient service and to bring savings to both Councils under the control of the Environmental Health Panel.
16. Under this arrangement, the direct costs for the service have been combined into a single Trading Account. This is where expenditure under the headings of employees, premises, supplies and services and third party payments incurred by the Partnership are recorded, and recharged to both Fareham and Gosport Councils on the basis of a 50 : 50 split.
17. Support services and income attributable to Fareham and Gosport Councils are recorded directly in the respective service areas of the two local authorities, along with the cost of DVLA Licence checks under supplies and services.

Hackney Carriage Licences

18. There has been an increase in the budget for this service of £2,100. A budget of £7,000 has been re-introduced as the costs associated with DVLA Licence checks and direct legal costs are recorded in the respective area of the two local authorities. Third party payments have decreased by £5,900 and support services have decreased by £3,000. Overall budgeted income has fallen by £4,000 as the transition to 3 and 5 year licensing renewals comes into effect.

19. The revised fee structure will result in reduced income phased over a period of time. An overall reduction of £4,000 has been allowed for in the budget for 2016/17. It is anticipated that further reductions in income will be offset by future reduction in the costs relating to the Environmental Health Partnership that are charged to this area.

Licensing

20. There has been a decrease in the budget for this service of £10,200. Support services have decreased by £3,100 and third party payments have decreased by £7,200. No changes have been proposed for income from fees & charges and income was largely in line with the previous year's budget, and it is not proposed to increase the majority of fees and charges for this area into 2016/17.

Health & Safety

21. There has been an overall increase in the budget for this service of £3,400. Support services have decreased by £5,300 offsetting the increase of £8,700 within third party payments.

Election Services

22. There has been an overall increase in the budget for this service of £12,200. This is primarily as a result of increases in support services of £3,900 and an increase in employee costs of £8,300.
23. The increase in supplies and service for the revised budget is due to a carry forward of money received for use on the Individual Electoral Registration (IER) that wasn't spent during 2014/15.

RISK ASSESSMENT

24. There are no significant risk considerations in relation to this report.

CONCLUSION

25. A number of Licensing and Regulatory Affairs services are partly funded from fees and charges and other types of income. After taking service income into account, the following sources of income reduce the overall cost of services to be met by council tax payers:
 - Investment income;
 - General government grant; and
 - The Council's share of business rate income
26. These sources of income are generally outside the Council's control and do not reflect changes in the overall level of spending on local services. With these sources of income effectively "fixed", members need to be aware that, unless it can be matched by increased service income, additional spending on services has to be fully funded by council tax payers.
27. It follows that members must give full weight to the Council's overall position and future council tax levels when the revenue budgets for 2016/17 are considered.
28. The Committee is asked to review the revised budgets for 2015/16 and the base budgets and fees and charges for 2016/17 and consider whether it wishes to submit

comments for consideration by Full Council.

APPENDIX A - Fees and Charges 2016/17

APPENDIX B - Revenue Budget 2015/16 Revised & 2016/17 Base

Background Papers: None

Reference Papers: Report of the Director of Finance and Resources to the Executive on 12 October 2015 'Annual Review of the Council's Finance Strategy'

Enquiries:

For further information on this report please contact Neil Wood (Ext 4506).

LICENSING AND REGULATORY AFFAIRS COMMITTEE**LICENCES AND FEES**

Statutory Charges	Current Fee £
Lotteries - Registration	40.00
- Renewal	20.00

Gambling Act 2005

Charges available on application to the Head of Environmental Health.

LICENSING ACT 2003

The service is provided to ensure public safety through the licensing of regulated activities and to ensure that they are undertaken in accordance with the relevant licence conditions.

In addition the Council are the Licensing Authority under the Licensing Act 2003. The Act replaced existing licensing regimes concerning the sale of alcohol, public entertainment, theatres, cinemas and late night refreshment with a unified system of regulation. From February 2005 the Council has dealt with applications for premises and personal licences which took effect in November 2005. From this date the Council took over all the licensing functions some of which such as liquor licensing were previously undertaken by the Magistrates Court.

The Act requires that the Council carries out its various licensing functions so as to promote the following four licensing objectives:-

- The prevention of crime and disorder
- Public Safety
- The prevention of public nuisance
- The protection of children from harm

The Fees have been set by the Government and are detailed below:

Premises/Club Applications/Conversions

The Fees are based on rateable values of properties:

Rateable Value	Band	Initial License Fee £	Annual Fee £
£0 - £4,300	A	100.00	70.00
£4,301 - £33,000	B	190.00	180.00
£33,001 - £87,000	C	315.00	295.00
£87,001 - £125,000	D	450.00	320.00
£125,001 and over	E	635.00	350.00

A multiplier applied to premises in Bands D and E where they are exclusively or primarily in the business of selling alcohol (mainly large town and city centre pubs) as follows:

Rateable Value	Band	City/Town Centre Pub Application Fee £	City/Town Centre Pub Annual Charge £
£87,001 - £125,000	D	900.00	640.00
£125,001 and over	E	1,905.00	1,050.00

If in addition to the conversion application the conditions in respect of alcohol are to be varied then an addition Fee to those set out above becomes payable as follows:

Rateable Value	Band	Variation Fee £
£0 - £4,300	A	20.00
£4,301 - £33,000	B	60.00
£33,001 - £87,000	C	80.00
£87,001 - £125,000	D	100.00
£125,001 and over	E	120.00

Exceptionally large events

A fee structure also exists for exceptionally large events starting at capacity of 5,000 people. Please contact the Licensing Authority for details of these.

Personal Licences, Temporary Events and other Fees (Statutory)

Additional Fees are as follows:

Occasion on which Fee payable	Current Fee £
Personal Licence	37.00
Minor Variations	89.00
Temporary Event Notice	21.00
Application for copy of Licence or summary on theft, loss etc. of Premises Licence or summary	10.50
Notification of change of name or address	10.50
Applications to vary – to specify Individuals as premises supervisor	23.00
Application to transfer Premises Licence	23.00
The removal of conditions for community premises	23.00
Interim Authority Notice	23.00
Application for making a Provisional Statement	195.00
Application for copy of certificate or summary on theft, loss etc. of certificate or summary	10.50
Notification of change of name or alteration of club rules	10.50
Change of relevant registered address of club	10.50
Application for copy of licence on theft, loss etc. of temporary event notices	10.50
Application for copy of licence on theft, loss etc. of personal licence	10.50
Right of freeholder etc. to be notified of licensing matters	21.00

Exemptions

Applications for premises licences or club certificates which relate to the provision of regulated entertainment only and the application is from the following then NO FEES are payable, but applications must still be made:

An educational institution which is a school or college and the entertainment is carried on by the educational institution for and on behalf of the purposes of the educational institution.

OR

That the application is in respect of premises that are or form part of a church hall, chapel hall, or similar building or village hall, parish hall or community hall or other similar building.

OTHER LICENCES AND FEES - Discretionary

All Fees and Licences are exclusive of VAT unless stated

Other Licences and Fees	Current Fee £	Proposed Fee £	Increase %
Skin Piercers : Premises	79.00	79.00	NIL
Skin Piercers : Persons	68.00	68.00	NIL
Street Trading Consent : 12 months	1,680.00	1,760.00	4.8
Street Trading Consent : 6 months	945.00	990.00	4.8
Street Trading Consent : 3 months	525.00	550.00	4.8
Street Trading - Tables and Chairs			
New	290.00	290.00	NIL
Renewal	180.00	180.00	NIL
Dangerous Wild Animal Licences (note 1) :	128.00	128.00	NIL
Riding Establishment Licences (note 1) : Initial registration / renewal/variation –per horse	38.00	38.00	NIL
Animal Boarding Establishment Licences - (note 1)	165.00	165.00	NIL
Home (Domestic) Animal Boarding Establishment Licences	115.00	115.00	NIL
Pet Shop Licences - (note 1)	115.50	115.50	NIL
Dog Breeders Licence - (note 1)	173.25	173.25	NIL
Zoo : Initial Application (valid for 4 years) - (Note 1)	1,800.00	1,800.00	NIL
Zoo : Renewal (valid for 6 years) - (Note 1)	1,800.00	1,800.00	NIL
Sex Shops/Establishments: Initial Fee	1,800.00	1,800.00	NIL
Sex Shop/Establishments: Renewal Fee	1,800.00	1,800.00	NIL
Scrap Metal Dealer: New Application	237.00	237.00	NIL
Scrap Metal Dealer: Application Renewal	131.50	131.50	NIL
Mobile Collector: New Application	131.50	131.50	NIL
Mobile Collector: Application Renewal	94.50	94.50	NIL
Variation of Licence	131.50	131.50	NIL
Replacement Licence	21.00	21.00	NIL
Advice to commercial premises - charge per hour or part thereof	45.00	45.00	NIL
Note 1. All initial applications and subsequent renewals where appropriate will also include vets' Fees in addition to the charges above.			

HACKNEY CARRIAGE AND PRIVATE HIRE LICENCES – Discretionary –
No increase proposed

Hackney Carriage and Private Hire Licences -	Current Fee £
Vehicle Licence	
Hackney Carriage	185.00
Private Hire	185.00
Transfer of Licence (Note 2)	185.00
Temporary Transfer (Note 3,4)	185.00
Operator's Licence	
Private Hire Operators Licence 1 Year	185.00
Private Hire Operators Licence 3 Year	455.00
Private Hire Operators Licence 5 Year	825.00
Driver's Licence	
Hackney Carriage Drivers Licence 1 Year	60.00
Hackney Carriage Drivers Licence 3 Year	155.00
Private Hire Drivers Licence 1 Year	60.00
Private Hire Drivers Licence 3 Year	155.00
Dual Drivers Licence 1 Year	60.00
Dual Drivers Licence 3 Year	155.00
DVLA Drivers' Licence check (Note 5)	Actual Cost
Failure to attend appointment	34.00
Replacement Licence	10.50
Transfer of Ownership (Note 2)	25.00
Knowledge Test	
Per test	21.00
Driver's Badge	
Issue and Replacement (Note 1)	5.00
Vehicles	
Replacement plates and fixings (Note 1)	22.00
Replacement brackets	15.00
Interior windscreen plate	22.00
Other	
Criminal Records Bureau Fee	Actual Cost
Medical Consultation	Actual Cost

Notes:

1. Fee inclusive of VAT at the prevailing rate.
2. This charge has been set at a level to cover the cost of administering transfers. Transfers will only be permitted in March and April in exceptional circumstances. Transfers, in months other than March and April, will be charged at 50%.
3. This charge covers the cost of temporary transfers due to the use of loan cars for insurance purposes.
4. This charge has been set at a level to cover the cost of administering transfers.
5. This is the actual cost to the council.

ELECTION SERVICES

1. Returning Officer's Fees and disbursements: as determined by Hampshire Election Fees Working Party; available on request to Head of Democratic Services.

REGISTRATION OF ELECTORS (Statutory)

Item	Data	Printed
Sale of Edited Register	£20 plus £1.50 per thousand entries (or part)	£10 plus £5.00 per thousand entries (or part)
Sale of Full Register *	£20 plus £1.50 per thousand entries (or part)	£10 plus £5.00 per thousand entries (or part)
Sale of monthly update notices *	£20 plus £1.50 per thousand entries (or part)	£10 plus £5.00 per thousand entries (or part)
Sale of list of Overseas Electors	£20 plus £1.50 per hundred entries (or part)	£10 plus £5.00 per hundred entries (or part)
Sale of Marked Register *	Where available £10 plus £1.00 per thousand entries (or part)	£10 plus £2.00 per thousand entries (or part)

***Notes :**

1. Supply of the Full Register, monthly update notices and the marked register is restricted by the Representation of the People Regulations.
2. Packing and carriage costs will also apply where relevant.
3. A request for the same part of the register in both printed and data form will be treated as two separate requests.

LICENSING AND REGULATORY AFFAIRS COMMITTEE**ESTIMATE OF EXPENDITURE AND INCOME FOR THE COUNCIL TAX 2016/17**

	Actuals 2014/15	Base Estimate 2015/16	Revised Estimate 2015/16	Base Estimate 2016/17
	£	£	£	£
HACKNEY CARRIAGE LICENCES	-9,791	0	5,300	2,100
LICENSING	15,698	-8,000	-10,700	-18,200
HEALTH & SAFETY	196,006	148,700	153,200	152,100
ELECTION SERVICES	274,436	349,500	407,000	361,700
	476,349	490,200	554,800	497,700

SUBJECTIVE ANALYSIS

	Actuals 2014/15	Base Estimate 2015/16	Revised Estimate 2015/16	Base Estimate 2016/17
	£	£	£	£
EMPLOYEES	235,590	177,300	205,200	185,700
PREMISES RELATED EXPENDITURE	10,884	15,000	15,000	15,000
TRANSPORT RELATED EXPENDITURE	1,070	1,100	1,100	1,100
SUPPLIES AND SERVICES	176,650	238,700	271,700	245,700
THIRD PARTY PAYMENTS	27,1775	280,500	287,900	276,100
SUPPORT SERVICES	55,931	64,000	56,400	56,500
GROSS EXPENDITURE	751,900	776,600	837,300	780,100
GOVERNMENT GRANTS	-85,202	-110,000	-110,000	-110,000
SALES	-1,733	-1,800	-1800	-1,700
FEES AND CHARGES	-188,616	-174,600	-170,700	-170,700
GROSS INCOME	-275,551	-286,400	-282,500	-282,400
NET EXPENDITURE	476,349	490,200	554,800	497,700

<u>HACKNEY CARRIAGE LICENCES</u>	Actuals 2014/15	Base Estimate 2015/16	Revised Estimate 2015/16	Base Estimate 2016/17
	£	£		
SUPPLIES AND SERVICES	5,606	0	7,000	7,000
THIRD PARTY PAYMENTS	79,140	84,200	81,700	78,300
SUPPORT SERVICES	3,309	4,700	1,600	1,700
GROSS EXPENDITURE	88,055	88,900	90,300	87,000
SALES	-213	-300	-300	-200
FEEES AND CHARGES	-97,633	-88,600	-84,700	-84,700
GROSS INCOME	-97,846	-88,900	-85,000	-84,900
NET INCOME	-9,791	0	5,300	2,100

<u>LICENSING</u>	Actuals 2014/15	Base Estimate 2015/16	Revised Estimate 2015/16	Base Estimate 2016/17
	£	£		
EMPLOYEES	29965	5,100	5,300	5,200
SUPPLIES AND SERVICES	382	0	0	0
THIRD PARTY PAYMENTS	72,038	68,000	68,100	60,800
SUPPORT SERVICES	3,300	4,900	1,900	1,800
GROSS EXPENDITURE	105,686	78,800	75,300	67,800
FEEES AND CHARGES	-89,988	-86,000	-86,000	-86,000
GROSS INCOME	-89,988	-86,000	-86,000	-86,000
NET EXPENDITURE	15,698	-8,000	-10,700	-18,200

<u>HEALTH & SAFETY</u>	Actuals 2014/15	Base Estimate 2015/16	Revised Estimate 2015/16	Base Estimate 2016/17
	£	£	£	£
EMPLOYEES	55,423	2,800	2,800	2,800
SUPPLIES AND SERVICES	16,183	12,000	12,000	12,000
THIRD PARTY PAYMENTS	120,598	128,300	138,100	137,000
SUPPORT SERVICES	3,832	5,600	300	300
GROSS EXPENDITURE	196,036	148,700	153,200	152,100
FEEES AND CHARGES	-30	0	0	0
GROSS INCOME	-30	0	0	0
NET EXPENDITURE	196,006	148,700	153,200	152,100

<u>ELECTION SERVICES</u>	Actuals 2014/15	Base Estimate 2015/16	Revised Estimate 2015/16	Base Estimate 2016/17
	£	£	£	£

EMPLOYEES	150,202	169,400	197,100	177,700
PREMISES RELATED EXPENDITURE	10,884	15,000	15,000	15,000
TRANSPORT RELATED EXPENDITURE	1,070	1,100	1,100	1,100
SUPPLIES AND SERVICES	154,478	226,700	252,700	226,700
SUPPORT SERVICES	45,489	48,800	52,600	52,700
GROSS EXPENDITURE	362,123	461,000	518,500	473,200
GOVERNMENT GRANTS	-85,202	-110,000	-110,000	-110,000
SALES	-1,520	-1,500	-1,500	-1,500
FEES AND CHARGES	-965	0	0	0
GROSS INCOME	-87,687	-111,500	-111,500	-111,500
NET EXPENDITURE	274,436	349,500	407,000	361,900