

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **18 November 2014**

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

Subject: **SPENDING PLANS 2015-16**

SUMMARY

This report sets out the overall level of revenue spending on this Committee's services and seeks approval for the revised revenue budget for 2014/15 and the base budget for 2015/16.

RECOMMENDATION

- (a) That the revised budget for 2014/15 be approved;
- (b) That the fees and charges for 2015/16 be approved; and
- (c) That the base budget for 2015/16 be approved.

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 6 October 2014 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 current fees and charges for Licensing and Regulatory Affairs services and the proposed charges for 2015/16 are set out in Appendix A.
5. The proposed discretionary charges have been reviewed to move towards a consistent charging basis being applied across the Environmental Health Partnership wherever possible and where there will be no significant effect on income. The reduction in the charge for Skin Piercers is an example of this so there is consistency between the two authorities.
6. The charge for Dangerous Wild Animals has reduced to reflect the small administration time in providing these licences as the bulk of the charge would be for vet's fees which are additional to the licence.
7. The charge for tables and chairs has been included to formalise and standardise current charges being applied but not published.
8. There is no proposal to increase the fees for taxi licensing as with the recent employees' structure changes, it is too early for the actual cost of the service to be known. In addition the Council has made efficiencies in the way the service is delivered enabling the current charges to be maintained at existing levels, while still fully funding the service. This will be the sixth successive year where there has been no increase; the last increase in fees was in April 2009.
9. It is proposed that the hourly charge for technical advice to businesses for Licensing and Health and Safety advice should not be increased this year as this fee is still considered to be a fair reflection of the actual cost to provide the service and remains in line with the other technical advice charges in the Public Protection portfolio.
10. 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

11. 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 2014/15

12. The base budgets for 2014/15 were considered by this Committee in November 2013 and were confirmed by the Full Council on 21 February 2014.

13. The base budget for 2014/15 amounted to £503,400.

Revised Budget 2014/15

14. The overall revised budget for 2014/15 is £497,200, a decrease of £6,200 or 1% from the base budget.

Base Budget 2015/16

15. The overall base budget for 2015/16 is £477,500, a decrease of £25,900 or 5% from the base budget for 2014/15.

Revenue Budget Comparisons

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

	Revised Budget 2014/15	Base Budget 2015/16
	£	£
Base Budget 2014/15	503,400	503,400
Hackney Carriage & Private Hire Vehicles	1,600	1,000
Licensing	-2,900	-3,200
Health and Safety Enforcement	-1,400	-3,200
Election Services	-3,500	-20,500
TOTAL	497,200	477,500

17. 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 2014/15 and the base budget for 2015/16.

SERVICE ISSUES

Environmental Health Partnership

18. 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.

19. 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.
20. The apportionment of this recharge to Fareham is recorded as a third party payment in the individual service areas. It is based on time allocations of Fareham Borough Council staff, with an informed review of these to be undertaken at the end of the first full year of the new staffing structure and working arrangements.
21. Support services and income attributable to Fareham and Gosport Councils are recorded directly in the respective service areas of the two local authorities.

Hackney Carriage Licences

22. There has been an increase in the budget for this service of £1,000. Support services have decreased by £12,100 offsetting the increase of £13,100 within third party payments.
23. Although this heading shows a small surplus of income over expenditure it does not reflect the cost of providing member support to this committee. This cost is shown within the Executive's Policy and Resources Portfolio and has a cost for the whole council of over £1million in the base budget for 2015/16.

Licensing

24. There has been a slight decrease in the budget for this service of £3,200. Support services have decreased by £14,300 offsetting the small increase of £11,100 within third party payments. No changes have been proposed for income from fees & charges.

Health & Safety

25. There has been an overall decrease in the budget for this service of £3,200. Support services have decreased by £20,600, offsetting the increase of £17,400 within third party payments.

Election Services

26. There has been an overall decrease in the budget for this service of £20,500. This is primarily as a result of a decrease increases in support services of £19,300 and a reduction in employee costs of £1,200.

RISK ASSESSMENT

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

CONCLUSION

28. 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.
29. 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.
30. It follows that members must give full weight to the Council's overall position and future council tax levels when the revenue budgets for 2015/16 are considered.
31. The Committee is asked to review the revised budgets for 2014/15 and the base budgets and fees and charges for 2015/16 and consider whether it wishes to submit comments for consideration by Full Council.

APPENDIX A - Fees and Charges 2015/16

APPENDIX B - Revenue Budget 2014/15 Revised & 2015/16 Base

Background Papers: None

Reference Papers: Report of the Director of Finance and Resources to the Executive on 6 October 2014 'Annual Review of the Council's Finance Strategy'

Enquiries:

For further information on this report please contact Kate Busby (Ext 4685).

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 Director of Community.

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 is the Licensing Authority under the Licensing Act 2003. The Act replaced previous 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 Licence 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 additional 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	140.00	79.00	-43.6
Skin Piercers : Persons	82.00	68.00	-17.1
Street Trading Consent : 12 months	1,680.00	1,680.00	0.0
Street Trading Consent : 6 months	945.00	945.00	0.0
Street Trading Consent : 3 months	525.00	525.00	0.0
Street Trading - Tables and Chairs			
New	0.00	290.00	0.0
Renewal	0.00	180.00	0.0
Dangerous Wild Animal Licences (note 1) :	815.00	128.00	-84.3
Riding Establishment Licences (note 1) : Initial registration / renewal/variation –per horse	38.00	38.00	0.0
Animal Boarding Establishment Licences - (note 1)	165.00	165.00	0.0
Home (Domestic) Animal Boarding Establishment Licences	115.00	115.00	0.0
Pet Shop Licences - (note 1)	110.00	115.50	5.0
Dog Breeders Licence - (note 1)	165.00	173.25	5.0
Zoo : Initial Application (valid for 4 years) - (Note 1)	1,800.00	1,800.00	0.0
Zoo : Renewal (valid for 6 years) - (Note 1)	1,800.00	1,800.00	0.0
Sex Shops/Establishments: Initial Fee	1,800.00	1,800.00	0.0
Sex Shop/Establishments: Renewal Fee	1,800.00	1,800.00	0.0
Scrap Metal Dealer: New Application	225.00	237.00	5.3
Scrap Metal Dealer: Application Renewal	125.00	131.50	5.2
Mobile Collector: New Application	125.00	131.50	5.2
Mobile Collector: Application Renewal	90.00	94.50	5.0
Variation of Licence	125.00	131.50	5.2
Replacement Licence	20.00	21.00	5.0
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

Hackney Carriage and Private Hire Licences -	Current Fee £	Proposed Fee £	Increase %
Vehicle Licence			
Hackney Carriage	185.00	185.00	0.0
Private Hire	185.00	185.00	0.0
Transfer of Licence (Note 2)	185.00	185.00	0.0
Temporary Transfer (Note 3,4)	185.00	185.00	0.0
Operator's Licence			
Private Hire	185.00	185.00	0.0
Driver's Licence			
Initial Licence: Hackney Carriage	80.00	80.00	0.0
Initial Licence: Private Hire	80.00	80.00	0.0
Initial Licence: Dual Application	115.00	115.00	0.0
Subsequent Licence: Hackney Carriage	60.00	60.00	0.0
Subsequent Licence: Private Hire	60.00	60.00	0.0
Subsequent Licence: Dual Application	87.00	87.00	0.0
DVLA Drivers' Licence check (Note 5)	5.75	Actual cost	0.0
Failure to attend appointment	34.00	34.00	0.0
Replacement Licence	10.50	10.50	0.0
Transfer of Ownership (Note 2)	25.00	25.00	0.0
Knowledge Test			
Per test	30.00	21.00	-30.0
Driver's Badge			
Issue and Replacement (Note 1)	5.00	5.00	0.0
Vehicles			
Replacement plates and fixings (Note 1)	20.00	22.00	10.0
Replacement brackets	15.00	15.00	0.0
Interior windscreen plate	20.00	22.00	10.0
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

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 Open 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 2015/16

	Actuals 2013/14	Base Estimate 2014/15	Revised Estimate 2014/15	Base Estimate 2015/16
	£	£	£	£
HACKNEY CARRIAGE LICENCES	-5,603	-3,900	-2,300	-2,900
LICENSING	4,736	-7,200	-10,100	-10,400
HEALTH & SAFETY	173,149	147,600	146,200	144,400
ELECTION SERVICES	186,673	366,900	363,400	346,400
	358,955	503,400	497,200	477,500

SUBJECTIVE ANALYSIS

	Actuals 2013/14	Base Estimate 2014/15	Revised Estimate 2014/15	Base Estimate 2015/16
	£	£	£	£
EMPLOYEES	408,117	383,000	173,200	174,100
PREMISES RELATED EXPENDITURE	9,542	15,000	15,000	15,000
TRANSPORT RELATED EXPENDITURE	3,069	2,500	1,100	1,100
SUPPLIES AND SERVICES	130,439	255,900	255,800	238,700
THIRD PARTY PAYMENTS	7,819	3,100	272,700	271,000
SUPPORT SERVICES	131,092	130,300	65,800	64,000
GROSS EXPENDITURE	690,078	789,800	783,600	763,900
GOVERNMENT GRANTS	-140,373	-110,000	-110,000	-110,000
SALES	-1,644	-1,800	-1,800	-1,800
FEES AND CHARGES	-189,106	-174,600	-174,600	-174,600
GROSS INCOME	-331,123	-286,400	-286,400	-286,400
NET EXPENDITURE	358,955	503,400	497,200	477,500

	Actuals 2013/14	Base Estimate 2014/15	Revised Estimate 2014/15	Base Estimate 2015/16
<u>HACKNEY CARRIAGE LICENCES</u>	£	£		
EMPLOYEES	56,576	53,900	0	0
TRANSPORT RELATED EXPENDITURE	0	100	0	0
SUPPLIES AND SERVICES	12,817	14,200	0	0
THIRD PARTY PAYMENTS	1,269	0	81,800	81,300
SUPPORT SERVICES	17,495	16,800	4,800	4,700
GROSS EXPENDITURE	88,157	85,000	86,600	86,000
SALES	-104	-300	-300	-300
FEEES AND CHARGES	-93,656	-88,600	-88,600	-88,600
GROSS INCOME	-93,760	-88,900	-88,900	-88,900
NET INCOME	-5,603	-3,900	-2,300	-2,900

	Actuals 2013/14	Base Estimate 2014/15	Revised Estimate 2014/15	Base Estimate 2015/16
<u>LICENSING</u>	£	£		
EMPLOYEES	67,017	53,500	5,200	5,000
TRANSPORT RELATED EXPENDITURE	609	300	0	0
SUPPLIES AND SERVICES	2,210	2,700	0	0
THIRD PARTY PAYMENTS	6,550	3,100	66,000	65,700
SUPPORT SERVICES	23,464	19,200	4,700	4,900
GROSS EXPENDITURE	99,850	78,800	75,900	75,600
FEEES AND CHARGES	-95,114	-86,000	-86,000	-86,000
GROSS INCOME	-95,114	-86,000	-86,000	-86,000
NET EXPENDITURE	4,736	-7,200	-10,100	-10,400

	Actuals 2013/14	Base Estimate 2014/15	Revised Estimate 2014/15	Base Estimate 2015/16
<u>HEALTH & SAFETY</u>	£	£	£	£
EMPLOYEES	129,004	108,100	3,000	2,800
TRANSPORT RELATED EXPENDITURE	936	1,000	0	0
SUPPLIES AND SERVICES	15,815	12,300	12,000	12,000
THIRD PARTY PAYMENTS	0	0	124,900	124,000
SUPPORT SERVICES	27,424	26,200	6,300	5,600
GROSS EXPENDITURE	173,179	147,600	146,200	144,400
FEEES AND CHARGES	-30	0	0	0
GROSS INCOME	-30	0	0	0
NET EXPENDITURE	173,149	147,600	146,200	144,400

<u>ELECTION SERVICES</u>	Actuals 2013/14	Base Estimate 2014/15	Revised Estimate 2014/15	Base Estimate 2015/16
	£	£	£	£
EMPLOYEES	155,519	167,800	165,000	166,300
PREMISES RELATED EXPENDITURE	9,542	15,000	15,000	15,000
TRANSPORT RELATED EXPENDITURE	1,525	1,000	1,100	1,100
SUPPLIES AND SERVICES	99,597	226,700	243,800	226,700
SUPPORT SERVICES	62,709	68,100	50,000	48,800
GROSS EXPENDITURE	328,892	478,400	474,900	457,900
GOVERNMENT GRANTS	-140,373	-110,000	-110,000	-110,000
SALES	-1,540	-1,500	-1,500	-1,500
FEES AND CHARGES	-306	0	0	0
GROSS INCOME	-142,219	-111,500	-111,500	-111,500
NET EXPENDITURE	186,673	366,900	363,400	346,400