



AGENDA ITEM NO. x

Minutes of a meeting of the Licensing Committee facilitated via the Zoom Video Conferencing System at The Grange, Nutholt Lane, Ely on Wednesday, 11th November 2020 at 9:30am.

PRESENT

Cllr Julia Huffer (Chairman)
Cllr Christine Ambrose Smith (as a Substitute Member)
Cllr Lavinia Edwards
Cllr Simon Harries
Cllr Mark Inskip
Cllr Alan Sharp
Cllr Paola Trimarco (as a Substitute Member)
Cllr Gareth Wilson

OFFICERS

Stewart Broome – Senior Licensing Officer
Maggie Camp – Legal Services Manager and Monitoring Officer
Liz Knox – Environmental Services Manager
Adrian Scaites-Stokes – Democratic Services Officer
Angela Tyrrell – Senior Legal Assistant
Russell Wignall – Legal Assistant

26. **APOLOGIES**

Apologies were received from Councillors David Ambrose Smith, Sue Austen, Alec Jones and Jo Webber.

27. **DECLARATIONS OF INTEREST**

No declarations of interest were made.

28. **MINUTES**

It was resolved:

That the Minutes of the Licensing Committee meeting held on 14th October 2020 be confirmed as a correct record and be signed by the Chairman.

29. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made no announcements.

30. **REVIEW OF LICENSING FEES**

The Committee considered a report, V101 previously circulated, that detailed the statutory fees under the Licensing Act 2003 and Gambling Act 2005 and fees where the Authority had discretion to determine.

The Senior Licensing Officer reminded the Committee that the review of licensing fees was done on an annual basis and this report looked towards the 2021-2022 level of fees. The Council set its discretionary fees and charges for the licences that it had the administration for. The Council had to set those fees within the current legislation and in accordance with its Constitution, as set out under Appendix 7. Due consideration also had to be given to the European Court ruling in the Hemmings case. This meant that the Council could be challenged about its fee levels via a variety of routes, so it had to ensure that its fee levels were reasonable, proportionate and did not cross-subsidise other areas. To do that the work undertaken had to be analysed in each area, to ensure the service was as effective as possible. In 2015 a modelling tool had been created to help gauge this, to assist in getting costs recovered and this had been achieved by the end of 2019.

Councillor Paola Trimarco joined the meeting at this point.

Licensing procedures were considered from start to finish, including all aspects of the administration of licences, to determine the work required and assess the costs. Within the budget around 85% cost recovery annually was acceptable, as it was not possible to recover 100% of the costs. Table 1 showed that this year there had been increased income but also increased expenditure. Table 2 set out the work that was chargeable and that most time had been spent on dealing with taxi licences. The increased costs had been due to corporate and operational increases, following job evaluations that resulted in wage increases.

During the COVID pandemic businesses had been affected, meaning income was £15K down on last year. The main loss of this income was due to less alcohol and taxi licence applications, as there had been less event notices and licence transfers. Some taxi drivers had also been holding off acquiring new vehicles, resulting in less applications being made, and no new driver applications had come through.

During August and September the deficit was lower than previously, so things appeared to be settling down. In October the figures were more positive. Overall the number of applications was down by 315 compared to last year. Since those figures were put together, the Government had announced another 'lockdown'. The impact of this was not known, but a projected 15% decrease in income was estimated. It was hoped that the Government's grant to the Council could be used to cover the shortfall. Despite the costs increase, which had been more than expected, the income was only 4% down.

As the economy would take time to recover, any increase in fees would be likely to stifle recovery. It was therefore recommended that the fees remained at the current levels and the situation be reviewed in one year.

In response to the Committee's questions, it was revealed that the Hemmings case went to the European Courts and related to the charging of fees and what they were then used for. The process had to be open and transparent and Councils were expected to review fee levels annually. This would include checking legislative requirements, had to reflect the actual work carried out and account correctly.

A grant had been provided for the Council at the beginning of the pandemic crisis, to help alleviate loss of income. The Council had to justify any expenditure under this scheme, so losses could be covered by the sum awarded.

The Licensing Department's staff had not seen a drop in their workloads, although applications were down enquiries had gone up, due to Regulation changes. Therefore, the staff were still fully employed, as the level of work had not reduced, so they did not need to be re-allocated elsewhere. Some deficits in the statutory fee income would not be recovered. This situation would be monitored to assess exactly where those losses were, so Members could be informed when considering how to move forward.

Although discretionary fees were set within a location, licences could be obtained from other local authorities which allowed licence holders to ply their trade elsewhere, sometimes via sub-contracting services. The Council was not allowed to benchmark its fees by comparing with others. Increasing fees could lead to a downward spiral, meaning less people would want licences thereby making them more expensive leading to less people wanting them. Scrap metal licences had gone up, but this was due to the service being passed over from the Domestic Team and now included for inspections as well as administration.

In 2015 the cost recovery rate was only 50-55%, whereas now, even with the downturn, it was around 70%. Moving forward, there could be an argument to reduce fees to stimulate the licensing trades and this could lead to recovering losses. Income was only one part of the equation, as expenditure also needed consideration when finding cheaper suppliers. There were a number of options that could be considered, once the Council had a better idea what it was up against.

The Committee agreed that licence holders should not be overcharged, as they were suffering during this terrible time. Even with the good news about a possible vaccine, this would not impact the situation until next year. Although there would be a shortfall in income, the suggested strategy with the discretionary fees made sense. A lot of businesses had been impacted and would continue to struggle and would take a long time to recover. Next year would be economically difficult and a recovery plan would be needed for the whole district. It would not be a good argument to raise fees, even though this would lead to a deficit. A three-year view should be taken, so that the budget could be brought back to previous levels.

It was resolved:

- (i) That the statutory fees that East Cambridgeshire District Council was required to charge in respect of the specified licences under the Licensing Act 2003 and Gambling Act 2005 as set out in Appendix 1 and Appendix 2 be noted and it be agreed to implement those fees (or, if subject to statutory amendment, the relevant amended fees) on the 1 April 2021;

- (ii) That Officers be instructed to implement, as appropriate, any other statutory fees that may be brought into force during the 2020/2021 financial year;
- (iii) That Officers be instructed to include the agreed fees in the 2021/2022 annual fees and charges report that is presented to full Council.
- (iv) That the proposed fees relevant to those licences and licensing activities where the authority has the discretion to determine the fees, as set out in Appendix 3 and Appendix 4, be implemented on the 1 April 2021;
- (v) That the proposed fees relevant to Animal Welfare licensing, as set out in Appendix 5, be implemented on the 1 April 2021;
- (vi) That Officers be instructed to include the fees in 2021/22 annual fees and charges report that is presented to full Council;
- (vii) That the proposed fees relevant to hackney carriage, private hire and operator licensing, as set out in Appendix 6, be implemented on the 1 April 2021;
- (viii) That Officers be instructed to include the proposed fees, as set out in Appendix 6, in the 2021/2022 annual fees and charges report that is presented to full Council.

31. **LICENSING OFFICER UPDATE**

The Committee considered a verbal report that updated Members on the work of officers within the Licensing Department.

The Senior Licensing Officer advised the Committee that since last month a lot of time had been spent on implementing the changes to the Licensing Policy. Other work included dealing with enquiries generated by the recent government announcements, including the implications of 'Tiers 1, 2 and 3' relating to COVID, and preparing the options for the CCTV in taxis consultation.

32. **FORWARD AGENDA PLAN**

The Committee considered its Forward Agenda Plan.

The Senior Licensing Officer reminded the Committee that the CCTV consultation report would be considered at its December meeting. The Chairman would be happy to push that work back if needed, due to the pressure of work on the Department.

The meeting concluded at 10:15am.