

**BROMSGROVE DISTRICT COUNCIL**

**LICENSING COMMITTEE**

**17<sup>th</sup> March 2014**

**HOME OFFICE CONSULTATION ON FEES UNDER THE LICENSING ACT 2003**

Relevant Portfolio Holder	Councillor Kit Taylor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Steve Jordan – Head of Worcestershire Regulatory Services
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 On 13<sup>th</sup> February 2014, the Home Office launched an eight week consultation on the implementation of locally set fees under the Licensing Act 2003. Officers from Worcestershire Regulatory Services have drafted a response to this consultation on behalf of the six licensing authorities in Worcestershire.

**2. RECOMMENDATIONS**

**Members are asked to RESOLVE;**

**That the consultation response at Appendix 2 is noted and that approval is given to the Licensing and Support Services Manager of Worcestershire Regulatory Services to submit this response on behalf of Bromsgrove District Council.**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 The centrally set fees under the Licensing Act 2003 have remained unchanged since 2005. The implementation of locally set fees will enable licensing authorities to achieve full cost recovery in delivering their functions under the Licensing Act 2003.

**Legal Implications**

- 3.2 The existing fees under the Licensing Act 2003 were set centrally by the Government in the Licensing Act 2003 (Fees) Regulations 2005, which came into force on 7<sup>th</sup> February 2005. Section 121 of the Police Reform and Social Responsibility Act 2011 introduced a power for the Home Secretary to prescribe in regulations that these fee levels should instead be set by individual licensing authorities.

**Service / Operational Implications**

**3.3 Background**

- 3.4 Since the implementation of the Licensing Act 2003, Bromsgrove District Council has been responsible for a number of duties and functions in its capacity as a licensing authority. These duties and functions include the processing of applications and granting of authorisations in relation to the provision of licensable activities.
- 3.5 The Licensing Act 2003 and associated regulations provided that the fees payable by applicants were set centrally by Government. Fees were initially set by the Secretary of State in the Licensing Act 2003 (Fees) Regulations 2005, which came into effect on 7<sup>th</sup> February 2005. These regulations have not been amended by any Secretary of State subsequently and therefore the fees payable today are the same as they were nine years ago when the Act came into force.
- 3.6 part of the Coalition Government's commitment to "rebalance the Licensing Act" the Government recognised arguments from some licensing authorities that they face significant deficits in carrying out their licensing functions, given that fee levels have been unchanged since they were set in 2005. The Government therefore introduced provisions in the Police Reform and Social Responsibility Act 2011 to enable locally-set fees based on cost recovery.
- 3.7 The Government could have set fees centrally, but recognised that costs vary for legitimate reasons in different areas, so that raising fees to recover costs in one area would mean fee payers paying too much in another.
- 3.8 Locally-set fees cannot be used to raise extra revenue, nor are they tools to tackle crime. Fees must be based on recovering the costs that licensing authorities incur in carrying out their licensing functions. Fee payers need to know that locally-set fees will be set transparently and be based on evidence.
- 3.9 Additionally, the Government intends to introduce caps on the level of each fee to reassure fee payers. The Government are consulting on the level of each cap, which is intended to represent the maximum costs of licensing authorities. They will not be a "guide" to fee levels. Nor should they prevent licensing authorities from recovering legitimate costs.
- 3.10 The Home Office is now moving towards the implementation of locally set fees and on 13<sup>th</sup> February 2014, launched a consultation on the issue. The consultation paper can be seen at Appendix 1. The consultation runs for eight weeks and responses have to be submitted by 10<sup>th</sup> April 2014.
- 3.11 Officers from Worcestershire Regulatory Services have drafted a response to this consultation on behalf of the six licensing authorities in Worcestershire. The response can be seen at Appendix 2.

- 3.12 Members are asked to note the response that has been drafted and to give approval to the Licensing and Support Services Manager of Worcestershire Regulatory Services to submit this response on behalf of Bromsgrove District Council.

**Customer / Equalities and Diversity Implications**

- 3.13 There are no specific implications arising from this report.

**4. RISK MANAGEMENT**

- 4.1 None

**5. APPENDICES**

Appendix 1 – Consultation Paper  
Appendix 2 – Draft Response

**6. BACKGROUND PAPERS**

Licensing Act 2003  
Licensing Act 2003 (Fees) Regulations 2005  
Police Reform and Social Responsibility Act 2011

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