

SETTING OF FEES, CHARGES AND PENALTIES

for 2024-2025

Date: 13 Dec 2023
Agenda Item:
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Key Decision? YES/NO (delete as appropriate)
Local Ward N/A
Members



REGULATORY & LICENSING COMMITTEE

1. Executive Summary

- 1.1 The Council's Regulation & Enforcement Service imposes a wide range of fees, charges and penalties on people and businesses under a variety of circumstances. These should be reviewed periodically.
- 1.2 Officers have consolidated all fees, charges and penalties from across the Service. They have then been reviewed based on the actual cost to the Council, benchmarking against the amounts set by other local authorities, and the impact of inflation.
- 1.3 The proposed changes to fees and charges would see forecasted revenue increase by approximately £22,000 per year. 100% of this will be reinvested into the Service, particularly to increase compliance and enforcement activity, in order to better meet the licensing objectives, improve the level of service, facilitate a fair-trading environment, and to ultimately to protect the public.

2. Recommendations

- 2.1 The committee is recommended to approve the revised fees, charges and penalties outlined at Appendix 1 ready for them to come into force on 1 April 2024. These amounts are set by the Council.
- 2.2 The committee is recommended to note the revised fees, charges and penalties outlined at Appendix 2 ready for them to come into force on 1 April 2024. These amounts are set in law.
- 2.3 The committee is recommended to approve that the Chair and Assistant Director of Operations, Regulation & Enforcement confirm the fees for taxi vehicles and taxi operators following a period of statutory consultation, and to make minor amendments to other fees, charges and penalties to reflect future changes, particularly in legislation, where necessary.
- 2.4 The committee agree a delegation to the Assistant Director of Operations, Regulation and Enforcement to apply CPI increases annually for application on 1 April each year. Any amendment to fees, charges and penalties outside of CPI will be subject to committee review.

3. Background

- 3.1 Officers have consolidated all fees, charges and penalties imposed by the Regulation & Enforcement Service into one document. There are more than 200 that apply to our Licensing, Environmental Protection and Private Sector Housing, Food Safety and Health & Safety, and Planning Enforcement teams.

- 3.2 The last time a proportion of these fees, charges and penalties were set by committee was 2018. Some are believed to have not been reviewed for more than twenty years.
- 3.3 In terms of setting fees, charges and penalties, there are three types for members to note:
- a. Those where the Council is free to set the amount (Appendix 1).
 - b. Those where a range is set in law, within which the Council may determine the amount that will be set locally (Appendix 1).
 - c. Those where the amount is set in law. The Council has no discretion to deviate from this amount (Appendix 2).
- 3.4 All the fees, charges and penalties listed are exempt from VAT.
- 3.5 For some fees and charges, the law and/or guidance directs what the Council may seek to recover when setting the amount. For example, for some types of licence the Council is only permitted to recover the costs incurred in processing that individual licence, whereas for others the Council can incorporate the costs associated with monitoring compliance with the licence and taking action against those operating without a licence. Fees and charges have been set based on the premise of recovering all the costs that the Council is entitled to so that the function is not subsidised by the general taxpayer.
- 3.6 Key to setting these amounts has been calculating an accurate hourly rate for officers. This has been done based on salaries, national insurance and pension contributions, and overheads relating to providing office space etc. These rates will be used independently in a range of circumstances, such as calculating prosecution costs or recovering the costs involved in executing works in default of a notice. All Regulation & Enforcement officers have been placed into one of three groups:
- a. Administrators
 - b. Officers
 - c. Managers
- 3.7 Inflation has also been considered. For example, a fee of £400 set in 2003 would be £699.15 today. Our intent for the future is that all fees and charges will be reviewed annually and adjusted in line with the CPI where appropriate.
- 3.8 An extensive benchmarking project has been undertaken to consider the fees, charges and penalties set by all nine local authorities that share a border with Lichfield District Council. Although it is proposed that some increase considerably, they remain comparable to those set by other local authorities and are based on cost recovery calculations. For fees and charges that are proposed to increase by 50%, the range and median of the nine local authorities has been included in Appendix 1.
- 3.9 Some fees and charges have been reduced to better reflect the true costs involved whilst the majority have increased for the reasons outlined above.
- 3.10 Penalties exist as a punishment, a deterrent to others, and to divert cases away from the courts. Where a penalty may be set within a range prescribed in law, for example for criminal offences relating to fly tipping or litter, officers have proposed setting the maximum possible. Although this is expected to have some impact on payment rates, it is expected to increase the deterrent and reduce overall offending. Those that are not paid will proceed to prosecution, as they do currently, and the fixed penalty amount should be taken into account during sentencing decisions.
- 3.11 Fees and charges relating to taxi vehicles and taxi operators are subject to advertising and consultation. This will be done following the committee meeting, and it is requested that the Chair and Assistant Director for Operations, Regulation & Enforcement officers review responses out of committee to finalise these fees and charges so that they are ready to come into force on 1 Apr 24.
- 3.12 All revised fees, charges and penalties will be published online prior to them coming into force on 1 Apr 24.

3.13 There are proposed increases to fees and charges relating to taxis in order to recover costs and allow for greater compliance and enforcement activity. Whilst it is anticipated that some drivers will raise objections to this increase, the Council will concurrently consult on a range of changes to the Council's Taxi Policy which will include options to increase the age of vehicles that can be licensed.

3.14 In terms of licensing activity, if the number of licences remain the same, overall revenue is expected to increase by approximately £22,000. 100% of this additional revenue will be invested into the service, in administering and processing licences and undertaking related compliance and enforcement work, in order to improve outcomes.

- a. Taxi licensing: +£7,900
- b. Animal activity licensing: +£3,100
- c. Scrap metal licensing: +£600
- d. Sex establishment licensing: no change
- d. Special treatment registrations: +£200
- e. HMO licensing: +£1,300
- f. Street trading consents: +£8,700
- g. Camping, caravan and mobile home licensing: Subject to further review due to the age and validity of some licences.

Alternative Options	<ol style="list-style-type: none"> 1. The Council could maintain the current fees, charges and penalties although it is accepted that these do not reflect the true costs involved in many cases which has resulted in the Council unable to take sufficient compliance and enforcement activity.
Consultation	<ol style="list-style-type: none"> 1. Only fees and charges relating to taxi vehicles and taxi operators are subject to advertising and consultation. This will be done following the committee meeting as outlined in 3.11.
Financial Implications	<ol style="list-style-type: none"> 1. The activity to which the majority of fees and charges relate to are delivered on a cost recovery basis so that they are not subsidised by the general taxpayer. 2. Penalties are imposed as a punishment and a deterrent to others and in many cases are offered as an alternative to prosecution. In the majority of cases, penalty revenue is required to be invested in the service to fund like activity. 3. Although some fees and charges have reduced, the majority have increased and therefore overall revenue will increase. 4. Where appropriate, any increased revenue will be reinvested into supporting enforcement activity to identify unlicensed operations and bring them into the regulatory framework.
Approved by Section 151 Officer	Yes
Legal Implications	<ol style="list-style-type: none"> 1. Increasing fixed penalty amounts is expected to result in a small increase in people choosing instead to have the matter heard in court. This will increase the number of prosecutions, but not above a manageable amount. 2. Fees and charges could be challenged via judicial review. However, the benchmarking exercise has demonstrated that the amounts are comparable to other Council's.

Approved by Monitoring Officer	Yes
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Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> 1. Effective setting of fees, charges and penalties supports the Council to be financially sound, and by bringing them before committee, transparent and accountable. 2. Many of the fees, charges and penalties relate to keeping Lichfield clean, green and safe, to preserve the characteristics of the District, and to enable people to live healthy lives.
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Equality, Diversity and Human Rights Implications	<ol style="list-style-type: none"> 1. EIA to be reviewed and updated.
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EIA logged by Equalities Officer	Yes
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Crime & Safety Issues	<ol style="list-style-type: none"> 1. Many of the fees, charges and penalties are relating to activity aimed at reducing crime and improving safety.
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Data assessment	<ol style="list-style-type: none"> 1. N/A
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Environmental Impact (including Climate Change and Biodiversity).	<ol style="list-style-type: none"> 1. Some of the fees, charges and penalties are relating to activity aimed at protecting the environment.
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GDPR / Privacy Impact Assessment	<ol style="list-style-type: none"> 1. N/A
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	Increased charges mean reduction in applications	Yellow	Annual review of charges Benchmarking with neighbouring Council's	Green
B	Increased charges mean additional financial pressure for start-up or independent businesses	Yellow	Provide ED support grants to smooth fees	Green
C	Increased fixed penalty amounts result in fall in payment and unable to resource necessary prosecutions	Yellow	Annual review of fixed penalties Minimise time involved in building prosecution cases	Green
D				
E				

	Background documents
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	Relevant web links
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