

Licensing Committee - 8 December 2009

5. Sex Establishment Fees (Executive Decision / Key Decision)

Executive Portfolio Holder: Ric Pallister (Health, Housing, Inclusion and Revenues & Benefits)

Head of Service: Laurence Willis, Assistant Director - Environment

Lead Officer: Nigel J Marston, Licensing Enforcement Officer

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Purpose of the Report

To request that members consider changes to sex establishment fees with regard to the level of fees payable.

Recommendation

- (1) To adopt the proposed new structure for sex establishment renewal fees.

Background

The council has recently received correspondence from Miss May's in relation to the level of fees that we currently charge for renewal of their sex establishment licence (copies attached). Given the correspondence it was considered that a report should be brought before this committee to consider a reduction in the level of fees charged in relation to sex establishments.

Report Detail

The power to set a fee for Sex Establishment Licences is contained within schedule 3 of the Local Government (Miscellaneous Provisions) 1982 Act (LGMPA 1982). Paragraph 19 of schedule 3 states: -

"An applicant for the grant, renewal or transfer of a licence under this schedule shall pay a reasonable fee determined by the appropriate authority".

Such fees however must not be used to raise general revenue for the council; it may take into consideration the costs of operating a sex establishment-licensing scheme, including the costs of prosecuting unlicensed sex establishments. It may also take the costs of training its members and officers into consideration when setting the fees.

Research was conducted into the fees set by other councils to establish whether the current fees are set too high; however no two councils have the same fees for direct comparisons to be made. The table below shows the charges that other authorities are making in relation to sex establishments.

Council	Fee for Grant	Fee for renewal
Northumberland County	£2326	£2326
Rushmoor B C	£2000	£2000
South Cambs D C	£3500	£3500
Charnwood B C	£1250	£1250
Amber Valley B C	£2500	£2500
Hastings	£8140	£4070
Wyre B C	£1700	£1700
St Helens Council	£4500	£4500

Medway	£3765	£2365
Hull City	£7917	£7917
Cheshire West & Chester	£5150	£2800
Sedgemoor D C	£3000	£3000
West Somerset D C	£3270	£2946
East Devon	Not set	Not set
Taunton Deane	£12000	£6500
East Dorset D C	£500	£500

South Somerset currently charges £10,712 for the initial grant of a sex establishment licence and £5,616 for the renewal of a licence.

It is not proposed to alter the fee for the initial grant of a sex establishment licence as should an initial grant be challenged then any proceedings are likely to be costly and it is at this initial application stage where objections are more likely. Members may recall the application for a sex establishment licence in Princes St Yeovil, which generated more than 660 objections.

Once granted however sex establishments cause very few problems and to date there have been no objections to any renewal applications the authority has received. Miss May's has not caused us a great deal of work in enforcement terms and has not generated a significant number of complaints. The premise has been found to be compliant with operating conditions during inspection visits. It is therefore proposed that the renewal fee for sex establishments be reduced by 50% to £2808.

Financial Implications

A loss of income to the licensing team of £2808 per year, however this needs to be balanced against the fact that our renewal fee will now be less likely to be the subject of judicial review proceedings for being unreasonable. This lost of income will be absorbed within the current licensing budget.

Implications for Corporate Priorities

Increasing economic vitality and prosperity, this is achieved by supporting an established local business.

Delivering well managed and cost effective services valued by our customers. This proposal clearly demonstrates that we have listened to our customers needs and responded to them.

Other Implications

None

Background Papers: *Letter from Thomas Brown proprietor of Miss May's*
Letter from Dee Bailes manager of Miss May's
Letter from Mike McCann Chairman of AITA