

Delegated Licensing Arrangements with Yeovil and Wincanton Town Councils

Service Manager: Nigel Marston, Licensing Manager
Lead Officers: Nigel Marston, Licensing Manager
Emily McGuinness, Scrutiny Manager
Contact Details: Nigel.marston@southsomerset.gov.uk or (01935) 462150
Emily.mcguinness@southsomerset.gov.uk or 01935 462566

1. Purpose of the Report

To present to Council the findings of the Scrutiny Task and Finish Group established to investigate various aspects of South Somerset District Council's Licensing Service.

2. Public Interest

Scrutiny Task and Finish Groups are a way of allowing elected members of South Somerset District Council to consider policy matters in depth, gathering information and evidence, before making recommendations to District Executive. This report sets out the work carried out by such a group of members who looked at two aspects of the Council's Licensing function. Firstly, adopting a principle of total cost recovery where possible within the service and secondly, reviewing the current delegation arrangements with Town Councils.

3. Recommendation

That Council be recommended to give 6 months' notice to both Yeovil and Wincanton Town Councils, in accordance with the Delegation Agreement, to terminate all delegated Licensing function. Upon the expiry of the 6 month period, the relevant Licensing functions will be carried out by the Licensing Team of SSDC.

4. Background

On 3rd December South Somerset District Council's District Executive Committee met to consider a report of the Scrutiny Task and Finish Group established to review various elements of the authority's Licensing function. The Scrutiny report contained a number of recommendations, one of which was that District Executive recommend to Council that the current delegation of some Licensing functions to Yeovil and Wincanton Town Councils be terminated.

Members of District Executive endorsed that recommendation, hence the inclusion of this report in this agenda.

A Scrutiny Task and Finish Group was established by South Somerset Council's Scrutiny Committee and consisted of the following elect Members:

Councillors Martin Wale (Chair),

Jason Baker

Val Keitch

Mike Beech

Tony Lock

Gye Dibben

David Norris

The Task and Finish Group was commissioned to look into 2 specific elements of the authority's Licensing Service, namely:

- the potential of introducing a principle of total cost recovery where possible and to propose amendments to the current fee structure to reflect this ; and
- reviewing the current delegation arrangements that exist between South Somerset District Council (SSDC), Wincanton Town Council (WTC) and Yeovil Town Council (YTC).

As with all Scrutiny Task and Finish work, members first agreed their Terms of Reference, in this case, that they would:

- conduct the review as commissioned by the Scrutiny Committee;
- submit regular update reports to the Scrutiny Committee
- Conduct detailed research and analysis in order to make well-evidenced recommendations to the Executive, Licensing Committee and Council as appropriate;
- To engage members, officers, members of the community and external witnesses in the review as appropriate.

In addition to these more general Terms of Reference, members agreed the following specific review Aims and Objectives:

- To fully understand the proposals of the Licensing Service operating on a total cost recovery basis, to include the legislative framework and ethical implications.
- If the principle of total cost recovery is accepted, then this Task and Finish Group will aim to make evidence based recommendations to the relevant decision making bodies, outlining a schedule of fees for the Licensing Service that allows for total cost recovery, where possible. Members must ensure that the authority has robust evidence to show the exact cost and the correlation between service costs and the fees charged.
- To better understand the national picture in relation to setting fees for Licensing Services, such as government guidance and legislation, and to address any issues that may improve the experience of local authorities through bodies such as the LGA.
- To look at other areas of potential income generation such as introducing charges for pre-application advice and providing a 'check and send' service.
- The review will also look to address the recommendations of an Internal Audit report of the Licensing Service which indicated that the practice of delegating some licensing functions to Yeovil and Wincanton Town Councils should be reviewed. The review of this particular element should look to assess if this practice meets the needs and expectations of South Somerset District Council as well as those of our customers

Members were clear that this review did NOT include looking at the setting of Taxi Fares – this is an entirely separate issue.

Members of the Task and Finish Group decided to conduct the review in two phases – the first of which would consider the issue of Licensing fees and charges, the second would investigate the issue of licensing functions delegated to Town Councils.

5. Delegated Arrangements

The existing delegation arrangements with Wincanton and Yeovil Town Councils were last reviewed in 2005. Currently Wincanton and Yeovil Town Councils have delegated Licensing Arrangements – Wincanton have a delegated Taxi Licensing function whilst Yeovil Town Council have delegated authority for Taxis, Street Collections, house to house collections and Street Trading.

In April 2014 an Internal Audit report was produced by the South West Audit Partnership into Town Council Licensing – that review recommended that the agreement of delegation be reviewed to ensure that it is fit for purpose and cost effective to still delegate licensing functions. The Task and Finish Group used this as the basis for their work.

South Somerset District Council is the only authority in the country to delegate Licensing functions to Town Councils. When these arrangements were introduced, the Local Government landscape was very different to today and whilst members remain committed to the principles of empowered local communities, they are ever mindful of the need to deliver the best value for money to all residents.

Members of the Task and Finish Group wanted to hear the views of the two Town Councils before making any recommendations and so meetings were arranged with the Clerks of both authorities. Each Clerk was asked to provide the same information and full notes of the meetings can be found at Appendix 1 to this report. Members of the Task and Finish Group were very grateful to the Clerks for sparing the time to support this review.

Based on the information gathered members of the Task and Finish Group made the following conclusions:

6. Yeovil Town Council

Last financial year, their income figure for Taxi Licensing was £5,902.50 with a stated expenditure of £1,251. Street Trading income was £14,500. The interim Town Clerk was unable to provide further detail on expenditure for Street Trading.

Staff time administering the Licensing function at was estimated to be 500 hours p.a. – 50-60% of time. SSDC's Licensing Manager's view is that a figure of 10 hours a week for the number of licenses processed seemed a little high.

The Yeovil Town Council Clerk expressed no concerns about ceasing the delegated Taxi Licensing arrangements but expressed a preference to retain the Street Trading function citing potential impact on the budget. Members of the Task and Finish Group noted this, but were mindful of the fact that there should be no budgetary impact in ceasing the delegation arrangements as there can be no surplus generated through Licensing or cross subsidising.

7. Wincanton Town Council

Currently there are 34 drivers licensed by Wincanton Town Council (2 of which will not be renewing in 2016), there are 20 Hackney Carriage vehicles and 10 Private Hire vehicles. For the period April 2014 – March 2015 income was stated as being £10,167.50 with an

expenditure of £1,977. The Deputy Town Clerk, who has responsibility for Licensing, spends on average 4.38 hours per week on Licensing matters – 23% of her time.

8. Issues

Members were informed that there would be no staffing implications to either of the Town Councils should the delegated Licensing arrangements cease – this was confirmed by both Clerks when asked.

Wincanton Town Council expressed a strong preference for retaining the current delegation arrangements, citing high levels of customer satisfaction and the significant distance taxi drivers would be expected to travel from Wincanton to Yeovil should the arrangements end.

The Task and Finish group noted that SSDC's Area East office at Churchfields in Wincanton is open on weekdays from 9.00 a.m. to 1.00 p.m. Informal discussions with the largest private hire firm based in Wincanton indicated no serious concerns about dealing directly with SSDC via the Churchfields office or in Yeovil – all Taxi inspections are carried out in Yeovil anyway.

Members of the Task and Finish Group felt very strongly that any concerns about potential loss of income could not be taken into consideration as Licensing income can only be spent on administering the licensing function.

Members of the Task and Finish Group also considered the implications for any amendments to the delegation arrangements on South Somerset District Council's own Licensing Function, such considerations focused mainly on enforcement.

Fees taken by both Yeovil Town Council and Wincanton Town Council include an element for enforcement and compliance. YTC undertake some enforcement, however they no longer have a delegated enforcement officer, so SSDC pick up enforcement work on their behalf. There is currently no recharge made for this provision. WTC undertake no enforcement, all WTC enforcement is picked up by SSDC. No recharge is made for this provision.

If delegation arrangements ceased, the additional income returned to SSDC would be estimated to be approx. £27,000 which could be used to part fund a much needed additional Enforcement Officer post at a cost of approx. £35,000 (to include on-costs)

9. Conclusions regarding delegated arrangements

Members appreciated the points raised by both Town Councils relating to retaining some or all elements of the current delegation arrangements, especially around providing services within local communities. However, based on the financial evidence considered and the indication given by customers that there would be limited, if any, change to customer satisfaction, members of the Task and Finish Group agreed to recommend **that ALL delegated licensing functions should cease, with both Town Councils being given the required notice period of 6 months as soon as a final decision has been taken by full Council.**

Members of the Task and Finish Group felt that this was the most appropriate decision for the future provision of a consistent and compliant licensing service for all residents of South Somerset.

Members of the Task and Finish Group wish to thank Nigel Marston for the support, advice and guidance he has provided members with during this review.

10. Financial Implications

In relation to the matter of ceasing the current delegation arrangements with Wincanton and Yeovil Town Councils, it is estimated this will generate approximately £27,000 of additional income for SSDC, if realised, this will be contribute to additional enforcement capacity within the team. Any proposals for additional staff will be considered through the appropriate channels, with due regard to the principles of avoiding cross subsidisation or achieving a surplus.

11. Background Papers

Notes of meetings with Yeovil and Wincanton Town Council – Appendix A.
