

REPORT TO:	LICENSING COMMITTEE 14 JULY 2021
SUBJECT:	LONDON LOCAL AUTHORITIES ACT 1990 (as amended) Review of trading pitch licence fees - Surrey Street
LEAD OFFICER:	Sarah Hayward, Interim Executive Director, Place
CABINET MEMBER:	Councillor Manju Shahul-Hameed Cabinet Member, Communities, Safety and Business Recovery
WARDS:	Fairfield
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:	
FINANCIAL IMPACT	
<p>This report concerns a review of street trading pitch licence fees in Surrey Street and a proposal to increase them. In summary, the Council is entitled to calculate fees so that the estimated income for the year covers the estimated costs to the Council of providing the service. The report identifies the current fees, which were set in 2006, the current estimated costs and the proposed revised fees. It is estimated that the additional income from the revised fees will be sufficient to balance current costs to the Council of providing a street trading service in Surrey Street.</p> <p>The implications of this report generate an additional £44k of income in a full year to mitigate the net cost of street trading in Surrey Street and contribute towards the savings relating to Fees and Charges set out in the Medium Term Financial Strategy approved in March</p>	

<p>1. RECOMMENDATIONS</p> <p>The Licensing Committee is asked to:</p> <p>1.1. Consider the comments received in response to the giving of notice of the proposed new fees.</p> <p>1.2. Determine that for the reasons detailed in paragraphs 4.2 & 4.3, the revised fees for trading pitch licenses on Surrey Street as set out below be adopted and agree the giving of public notice for these to be brought into effect on 1 August 2021:</p> <ul style="list-style-type: none"> • £95 per week per trading pitch measuring 3m x 3m for permanent annual licence holders trading six days a week Monday to Saturday • £10 per day per trading pitch measuring 3m x 3m for the first four weeks
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- of trading for new casual (start-up) temporary licence holders
- £20 per day per trading pitch measuring 3m x 3m after the first four weeks of trading for casual temporary licence holders including Sunday (this would also apply to any permanent licence holders who wish to apply for a temporary licence to trade on a Sunday).

2. EXECUTIVE SUMMARY

- 2.1 Under the London Local Authorities Act 1990 (as amended) a street trading licence, issued by the Council, is required to display goods for sale or to supply a service for gain, such as the placing of tables and chairs, on the public highway, including the pavement, or any other area that is within seven metres of any public highway. This includes stalls displaying goods for sale and mobile vehicles trading from a fixed position, such as food vendors. The Act allows the Council to charge fees to cover the costs of providing a street trading service.
- 2.2 In Surrey Street, the Council currently charges a fixed fee of £75.10 per week for an annual street trading licence and this permits the licence holder to trade six days a week, Monday to Saturday from a fixed pitch measuring 3m x 3m. In addition, casual traders are permitted to apply for temporary licenses to trade for one or more days per week on a 3m x 3m pitch at a cost of £10 per trading day for the first four weeks of trading (where they are new) and £15 per day thereafter. Temporary street trading licenses are also available to permanent and casual traders to trade on Sunday at £15 per day.
- 2.3 This report details the process followed by the Council in accordance with the London Local Authorities Act 1990 (the Act) to give notice of the proposed new fees, the comments received in response to the giving of that notice and the proposals for the new charges being recommended.

3. DETAIL

- 3.1 Surrey Street is long established as a location for street trading from stalls, primarily for the display of goods for sale, such as fresh fruit and vegetables and those who trade there are issued with annual street trading licenses by the Council as the local authority for the purposes of the London Local Authorities Act 1990 (as amended). In more recent years, a number of hot food vendors have also started trading in Surrey Street and these tend to operate as casual traders under a temporary street trading licence.
- 3.2 The Act allows the local authority to charge such fees for the grant or renewal of a street trading licence or for the grant of a temporary licence so that the fees are sufficient in aggregate to cover in whole or in part the reasonable administrative or other costs to the Council in connection with their functions under the Act. Other costs may include enforcement and compliance, the cleansing of streets in which street trading takes place and the collection and disposal of refuse.
- 3.3 Licenses are issued at the Councils discretion but there are fixed criteria for refusing an application and there are rights of appeal to the magistrates' court

where an application for a licence is refused. Street trading licenses in Surrey Street are granted for a year and then may be renewed. They renew on the anniversary of the grant and currently, all annual licenses expire on 31 March each year. The majority of the permanent traders in Surrey Street are long established.

- 3.4 The current fee charged for an annual licence to trade from a pitch measuring 3m x 3m in Surrey Street is £75.10 per week and this permits the licence holder to trade six days a week, Monday to Saturday. This fee was set in 2006 and has not been increased since. The current fee charged to 'casual' traders for a temporary licence to trade one or more days a week between Monday to Saturday is £10 per day for the first four weeks of trading (for new traders effectively as a business startup incentive) and £15 per day thereafter. In addition, temporary licenses are available to permanent and casual traders to trade on Sunday at a rate of £15 for the day. The market has been allowed to remain open throughout the covid-19 pandemic with traders classified as providing essential retail.
- 3.5 There are 67 available trading pitches on Surrey Street. There are currently 17 permanent licence holders trading over a total of 36.5 pitches and a further 8 casual traders who currently trade for an average of three days per week. There are a further small number of casual traders who trade on a more occasional basis.

4. CONSULTATION

- 4.1 In line with Section 32 of the London Local Authorities Act 1990 (as amended), following a review of the current fees charged, on 3 June 2021 the Council wrote to all permanent and casual traders to make them aware of the fee review and to invite their comments on the proposal to increase fees. A copy of that letter and the accompanying breakdown of income and costs is attached at Appendix 1. On the same day, a public notice was placed in the Croydon Guardian in connection with the fee review and proposals. A copy of that notice is attached at Appendix 2.
- 4.2 The current income from fees does not equal the costs the Council incurs in respect of the administrative, enforcement and compliance, cleansing and the collection and disposal of refuse duties in providing a street trading service in Surrey Street.
- 4.3 The administrative functions include raising invoices and receipting payments, taking payments over the phone, issuing pitch agreements, issuing licenses, issuing reminders, amending licenses, dealing with enquiries from potential traders and licence holders and also from other businesses in the vicinity of Surrey Street and members of the public, liaising with colleagues within the Council including the corporate debt recovery team and waste contract management officers and colleagues outside the Council such as staff at the Council's waste contractor. Enforcement and compliance functions include ensuring compliance by traders with licence terms and conditions, dealing with complaints and concerns from license holders, dealing with disputes between licence holders, investigating complaints from members of the public and other businesses in the vicinity about trading in Surrey Street or about a particular

trader and ensuring the general environment in Surrey Street is maintained to ensure trading can be conducted by traders safely and without interruption to them or the general public.

- 4.4 Administrative and enforcement/compliance duties also include ensuring as diverse a range of goods as possible are available but at the same time ensuring the market retains its traditional, historic role. Cleansing and refuse disposal duties focus on street sweeping and clearing landfill waste throughout the day, distributing bins and waste bags to traders, taking bins to the bin area, litter picks, monitoring waste bins, cleaning food waste bins, the attendance of a refuse lorry to remove all waste from bins and assisting in the final clearance of the market at the end of each trading day.
- 4.5 The Council received two written comments during the consultation period and copies of these are attached in the table at Appendix 3, together with advisory comments to assist members in respect of the proposals.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Revenue Budget available				
Expenditure	205	205	205	205
Income	161	205	205	205
Effect of decision from report				
Expenditure	205	205	205	205
Income	161	205	205	205
Remaining budget	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Budget available				
Expenditure	0	0	0	0
Effect of decision from report				
Expenditure	0	0	0	0
Remaining budget	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

2 The effect of the decision

Should the decision be approved then there will be no change to the current budgets but it will ensure that the income budget should be met each financial year as opposed to the current yearly shortfall the council has. It should be noted that the new charges are not being introduced to increase the income budget but to ensure that the income achieved matches the expenditure incurred.

The setting of fees and charges at level to recover cost was included as a saving proposal approved as part of the MTFs approved in March. This proposal contributes to the delivery of that target

3 Risks

If the recommendations in this report are not approved the Council will continue to bear the additional costs of providing the service. This should be a cost neutral cost centre.

4 Options

This is a cost recovery exercise to ensure the Council recovers its expenditure incurred in providing the service so there are no additional options.

5 Future savings/efficiencies

As this service should be a net neutral position for the Council there are no further savings efficiencies planned as this report will achieve the cost neutral position.

Approved by: Matthew Davis, Deputy S.151 Officer

6. LEGAL CONSIDERATIONS

- 6.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that, as set out in Part 3 of the Constitution, the Licensing Committee is responsible for all licensing, registration and related functions as set out in Schedule 1 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended. The functions relating to street trading licensing under the London Local Authorities Act 1990, as amended (“the Act”) are such licensing functions.
- 6.2 Street trading fees are governed by Part 3 of the London Local Authorities Act 1990, section 32.
- 6.3 The Council may charge such fees for the grant or renewal of a street trading licence under this Part of this Act, the grant of a temporary licence or for the variation at the request of the licence holder of the conditions of a street trading licence as they may determine and as may be sufficient in the aggregate to cover in whole or in part the reasonable administrative or other costs in connection with their functions under this Part 3 of the Act, not otherwise recovered. The Council may recover from licence holders such charges as may be sufficient in the aggregate taking one year with another to cover the reasonable costs, not otherwise recovered, of –
- (a) the collection, removal and disposal of refuse or other services rendered by them to such holders; and
 - (b) the cleansing of streets in which street trading takes place in so far as that cleansing is attributable to such trading; and
 - (c) any reasonable administrative or other costs incurred in connection with the administration of this Part of this Act; and
 - (d) the cost of enforcing the provisions of Part 3 of the Act.

- 6.4 The Council may determine the fees to be charged on the grant of a temporary licence under [section 31](#) (temporary licences) of this Act, and in doing so they shall have regard to the matters specified in 6.3 above.
- 6.5 Before determining charges to be made (whether originally or by way of variation of charges previously determined) the Council is required to give notice of the proposed charges to licence holders or to a body or bodies representative of them; and to publish notice of the proposed charges in a newspaper circulating in the area in which the licence street or streets in respect of which the charges will be applied is situated. Compliance with these requirements is detailed within the body of the report and in the appendices.
- 6.6 The Council is required to consider any such representations which are made to them within the period specified in the notice.
- 6.7 When the Council have determined fees or charges (whether originally or by way of variation of fees or charges previously determined) the Council must give notice of the fees or charges so determined and of the date on which those fees or charges are to be brought into effect.

Approved by Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 The purpose of this report is to ensure income from fees balances the current costs to the Council. It is intended that current levels of staff resource be maintained and focused on providing the street trading service.

Initially there are no HR impact issues to consider, if any should arise these will be managed under the Council's Policies and Procedures.

(Approved by: Jennifer Sankar, Head of HR Place & Housing for and on behalf of Sue Moorman, the Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 The Equality Act (2010) requires public bodies to have due regard to the need to:
- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - foster good relations between people who share a protected characteristic and people who do not share it.
- 8.2 The protected characteristics covered by the Act are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 8.3 There is no indication that the recommendations will have a disproportionate

impact on any individuals or groups with a shared protected characteristic. Public consultation was undertaken with no equality concerns raised.

Approved by: Gavin Handford, Director of Policy and Partnership

9. ENVIRONMENTAL IMPACT

- 9.1 There are no perceived environmental implications associated with this report, though it is important that suitable and sufficient cleansing and refuse collection & disposal measures are in place to limit the possibility of litter and pest (vermin) issues.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no perceived crime and disorder implications arising from this report.

11. DATA PROTECTION IMPLICATIONS

- 11.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

(Approved by: Steve Iles, Director of Public Realm)

CONTACT OFFICER: Michael Goddard, Head of Environmental Health, Trading Standards and Licensing

APPENDICES TO THIS REPORT

- Appendix 1 – Consultation letter and breakdown of income & costs
Appendix 2 – Consultation newspaper advert
Appendix 3 – Table detailing comments received during consultation

BACKGROUND DOCUMENTS: *[Complete for Part A reports only - list documents which have not been published previously]*