

Report of: Assistant Director of Environment and Regeneration – Public Protection

Meeting of:	Date	Agenda item	Ward(s)
Licensing Regulatory	1 October 2008	B1	All

Delete as appropriate		Non-exempt
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SUBJECT: Street Trading Account – Review of Fees and Charges

1. Synopsis

- 1.1 The report outlines proposals for changes to the Street Trading fees and charges with effect from 6 October 2008.

2. Recommendations

- 2.1 To agree the proposed increases to the fees and charges as outlined in Appendix 1.
- 2.2 To agree that the new fees come into effect from Monday 6 October 2008.

3. Background

- 3.1 The Street Trading Account is a ring-fenced account that must be used to finance all activities relating to that area.
- 3.2 Last year Members agreed a street trading fee increase which came into effect on the 1 April 2007. The fees were reviewed in the early part of 2008 and a proposed inflation increase to come into effect on 1 April 2008 was deferred following discussion with interested parties.
- 3.3 The account was reviewed again in August 2008 and it was decided that the proposed increases are necessary to ensure that the account does not go into deficit in the period 2008/9.
- 3.4 The fees outlined in Appendix 1 have in most cases been calculated by adding the Council Inflation figure of approximately 4.4% to the existing fees. For example for the most expensive

pitch in Chapel Market this equates to a weekly rise of £2.70 (45 pence per day for someone trading 6 days a week). The exceptions to the 4.4% rise are as follows:

- Whitecross Street – There has been significant investment in both time and money over recent years in order to regenerate Whitecross Street Market. There has been no fee increase at Whitecross Street since 2003. This has been a deliberate ploy, both to retain existing traders and also to attract new traders to the market. This plan has been successful and has resulted in new traders joining the market. We are keen to attract new food and non-food traders to the market, but we have, in our view, reached saturation point in relation to hot food sellers catering specifically to the office lunchtime trade. It is for this group of traders that we have made an increase well above the inflation figure. Although the price increase is significant, it is still in line with our other markets and very competitive with other boroughs. We have a full waiting list for these types of food sellers.
- Exmouth Market – We propose significant increases for Exmouth market for similar reasons to those for Whitecross Street. We have a waiting list for traders wishing to come to Exmouth Market. The proposed fees are in line with those charged at our other markets. We are also receiving complaints from restaurants and other catering premises in and around Exmouth market stating that the Council is subsidising these stalls to the detriment of their businesses.
- Camden Passage – Increases slightly above inflation, but traders are now supplied with a modern canopy and table as part of their pitch fee. They no longer need to hire these from the traders association, so the increase in rental is compensated by not having to pay a hire fee. Traders in Camden Passage have responded positively to the new canopies.

3.5 In accordance with Section 32(7) of the London Local Authorities Act 1990 (as amended) a notice giving details of the proposed charges was published in the Islington Gazette on Thursday 28 August 2008 - See Appendix 2. In addition to the Public notice each licensee was notified in writing of the proposed charges. - See Appendix 3

3.6 In response to the consultation, we received objections from the Chapel Market Traders' Association, one other trader in Chapel Market, a petition from traders in Exmouth Market, and one other trader in Exmouth Market (not included on the petition). We also received a response relating to Whitecross Street from Ward Councillors. Our main partners in the Whitecross Street regeneration had no adverse comments about the proposals. The objections letters and responses are attached as Appendix 4-7.

4. Implications

4.1 Financial implications

4.2 The report recommends an increase for Fees and Charges of approximately 4.4%. Exceptions to this are outlined within the report. This increase is expected to generate income amounting to £605k as set out in the Public Protection Estimates for 2008-09 for Street Trading.

4.3 This is a Trading Account and should therefore break even each year. If the income target is not reached, a review identifying savings within expenditure will have to be carried out.

4.4 Legal implications

- 4.5 A borough 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 of this Act, not otherwise recovered.
- 4.6 A borough 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 condition, 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 this Part of this Act
- 4.7 A borough council may determine:
- (a) that charges under subsection 4.6 above shall be included in a fee payable under subsection 4.5 above; or
 - (b) That they are separately recoverable.
- 4.8 A borough council may:
- (a) Require that every application for a licence under this Part of this Act be accompanied by the whole or part of the fee determined under subsection 4.5 above; and
 - (b) Determine that the fee may be paid by instalments.
- 4.9 Where a borough council refuse to renew a licence they shall repay to the person who made the application therefore the amount of such fee paid by him.
- 4.10 A borough 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 subsection 4.6 above and such fees shall be included in the computation for the purposes of determining the fees and charges under subsections 4.6 above.
- 4.11 Before determining charges to be made under subsection 4.6 above (whether originally or by way of variation of charges previously determined) a borough council:
- (a) Shall give notice of the proposed charges to licence holders or to a body or bodies representative of them; and
 - (b) Shall 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.

- (c) A notice under subsection 4.11(a) above shall be accompanied by a statement showing how the proposed charges have been computed; and any body representative of licence holders may request the borough council to supply such further information or explanation with regard to the proposed charges as the body may reasonably require in order to ascertain whether the proposed charges are reasonable and have been computed in accordance with the provisions of this section.

4.12 A notice under subsection 4.11(a) above shall specify a reasonable period being not less than 28 days from the date of publication of the newspaper referred to in subsection 4.11 (b) above within which written representations concerning the proposed charges may be made to the borough council

4.13 It shall be the duty of a borough council to:

- (a) Consider any such representations which are made to them within the period specified in the notice and (b) comply with any request made under subsection 4.11(c) above;
- (b) and where any such request is made the period so specified. If still current, shall be treated as extended by the number of days in the period beginning with the day on which the request is made and ending with that on which it is complied with.

4.14 When a borough council have determined fees under subsection 4.5 above or charges under subsection 4.6 above (whether originally or by way of variation of fees or charges previously determined) they shall 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 in the manner prescribed in subsection 4.11 above.

4.15 Equality impact assessment

An equalities impact assessment (EIA) on this proposal has been carried out. The EIA identified that there would be no differential impacts on different groups in Islington and no negative consequences for community cohesion. This conclusion was drawn because the fees increase will be applicable to all businesses operating in a commercial environment.

5. Conclusion and reasons for recommendation

5.1 The general percentage fee increase is necessary to ensure that the street trading account breaks even in 2008/09. The above inflation increases, particularly for Whitecross Street and Exmouth Market, in the main only affect hot food traders supplying the office lunchtime trade. The general view from officers and other professionals involved in the market is that the rentals for these types of stalls should now be on a par with similar markets in the borough. We have waiting lists for all commodities affected by the higher price increases.

Appendices

Appendix 1 – Proposed Fees

Appendix 2 - Notice in Islington Gazette

Appendix 3 – Letters to Traders notifying of increase

Appendix 4-7 - Objection letters received and responses.

Background papers:

London Local Authorities Act 1990 (as amended)

Equalities Impact Assessment

Final report clearance:

Signed by:

Received by: Assistant Director – Public Protection Date

Head of Democratic Services Date

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