


<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET MEMBER DECISION</p> <p align="center">21st March 2016</p>	
<p align="center">MARKET AND STREET TRADING FEES AND CHARGES PROPOSALS 2016-17</p>	
<p>Report of the Cabinet Member for Environment, Transport and Residents Services</p>	
<p>Open Report</p>	
<p>Classification - For Decision Key Decision: No</p>	
<p>Wards Affected: All</p>	
<p>Accountable Head of Service: Mary Byrne, Head of Service</p>	
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AUTHORISED BY:

**The Cabinet Member for Environment,
Transport & Residents Services has
signed this report**

DATE: ...21/03/2016.....

1. EXECUTIVE SUMMARY

- 1.1. On 24th February 2016, Full Council agreed to a 1.1% inflationary uplift on all Street Trading fees and charges effective from 1st April 2016. In some cases the uplift was less than 1.1%, where charges were rounded down to sensible denominations.
- 1.2. This report proposes, from 1st April 2016:
- new charges for street trading administration services in order to recover processing costs; and
 - uplifts in charges for specialist markets to ensure the Council is achieving full market value.

2. RECOMMENDATIONS

- 2.1. It is recommended that the proposed fees and charges set out in Appendix A are agreed by the Cabinet Member for Environment, Transport and Residents Services.

3. REASONS FOR DECISION

- 3.1. To ensure that fees and charges are approved for 2016/17 that they are reasonable, competitive and provide good value for money for the Council.

4. INTRODUCTION AND BACKGROUND

- 4.1. On 24th February 2016, Full Council agreed to a 1.1% inflationary uplift on all Street Trading fees and charges effective from 1st April 2016. In some cases the uplift was less than 1.1%, where charges were rounded down to sensible denominations.

- 4.2. This report proposes, from 1st April 2016:
- new charges for street trading administration services in order to recover processing costs; and
 - uplifts in charges for specialist markets to ensure the Council is achieving full market value.

5. PROPOSAL AND ISSUES

- 5.1. The Markets and Street Trading service generates £359k of external income per annum for the Council. Street Trading legislation states that Council's should recover all operating costs from charges to traders. However, the Council's Markets and Street Trading service is currently operating at a net loss to the Council of £187k (before corporate overheads). A 1.1% uplift in fees and charges for 2016/17 has been agreed in order to begin to recover the deficit in a phased way.

- 5.2. In addition to this, in line with other Councils, new charges are proposed to cover the processing costs of delivering the following administrative services:

- Licence variation - £20.00
- Arrears letter - £5.00
- Reminder letter – £20.00
- Revocation notice - £30.00

- 5.3. There are a number of popular specialist markets in the borough (mostly Lyric Square and Jerdan Place), for which there is high footfall. Additional uplifts are proposed to the charges for these specialist markets in order for the Council to secure the full market rate, as follows:

- Lyric Square daily charge – from £50.00 to £55.00

- Lyric Square 4 week in advance charge (per pitch) – from £140.00 to £144.20
- Lyric Square operator run market – from £460.80 to £550.00
- Jerdan Place daily charge – from £50.00 to £51.50

5.4. To note the daily and weekly trading fees for the North End Road market have not been increased for approximately four years. The full schedule of existing and proposed fees and charges for the Markets and Street Trading service are set out in Appendix A.

6. CONSULTATION

6.1. Under the London Local Authorities Act 1990, local authorities are required to consult with traders on fees and charges for a period of 28 days and no consultation has as yet taken place.

7. EQUALITY IMPLICATIONS

7.1. There are no equality issues.

8. LEGAL IMPLICATIONS

8.1. The Council cannot make a profit when imposing fees and charges. The Council should also be wary about using terminology such as “market rates” when determining fees and charges.

8.2. The reasonable administrative and other costs of providing the street trading service can be recovered through fees and charges.

8.3. Section 32 of the London Local Authorities Act 1990 has been provided which states that a notice and publication in a local newspaper should be provided when advertising a consultation for increasing fees and charges.

8.4. A minimum period of 28 days from the date of publication in the newspaper should be provided for.

8.5. When publishing a notice the Council should also provide a statement of how the fees/charges are made up.

8.6. There is a statutory provision which provides that relevant traders, representatives of their group and other stakeholders can request a breakdown of how the fees and charges are made up and should be provided with these when asked. Any delay in providing these can mean an extension of the consultation process.

8.7. Legal Implications provided by Joyce Golder, Principal Solicitor. Telephone: 020 7361 2181.

9. FINANCIAL AND RESOURCES IMPLICATIONS

9.1. The proposals set out in this report will help to close the street trading deficit and generate additional commercial income for the Council.

9.2. Implications completed by Kellie Gooch, Head of Finance. Telephone: 020 8753 2203.

10. IMPLICATIONS FOR BUSINESS

10.1. A phased increase in charges to recover the existing street trading deficit will make the increases more affordable for businesses wishing to trade on the street.

11. RISK MANAGEMENT

11.1. With reduced budgets imposed on the Council by national government the importance of revised financial charges in this area is clear. The Shared Services Risk Manager agrees with the Head of Finance comments that additional commercial income would be of benefit. The increase, whilst undesirable, does contribute to reduction of street trading deficit, thereby contributing to the management of financial risk 1 on the Shared Services Risk Register.

11.2. Implications completed by: Michael Sloniowski, Shared Services Risk Manager. Telephone: 020 8753 2587.

12. PROCUREMENT IMPLICATIONS

12.1. There are no procurement related issues as the recommendations contained in this report relate to the Council's fees and charges.

12.2. Implications completed by: Joanna Angelides, Procurement Consultant. Telephone: 0208 753 2586.

13. COMMERCIAL IMPLICATIONS

13.1. Pricing is only one factor in determining overall revenue. The other is volume of sales. Whilst increasing prices may be the correct approach to reducing the operating deficit it is not the only approach. This report does not consider whether there is capacity to increase the volume of sales and, if there is, what impact a reduction in prices might have.

13.2. Whilst the service operates at a net deficit based on operating costs, the corporate overheads applicable to this service need to be included and should be understood by the service managers.

13.3. Implications completed by: Michael Hainge, Commercial Director.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.			

Appendix A

Markets and Street Trading Fees and Charges Proposals 2016/17

Markets and Street Trading Fees and Charges Proposals 2016/17

Description	Apr-15	Annual % Change	Apr-16
STREET TRADING CHARGES			
CERTIFICATE OF REGISTRATION			
Permanent Trader	£55.00	1.1%	£55.60
Temporary Trader	£55.00	1.1%	£55.60
Annual Renewal	£55.00	1.1%	£55.60
Licence replacement	£55.00	1.1%	£55.60
Licence variation	N/A	New Charge	£20.00
Arrears letter	N/A	New Charge	£5.00
Reminder letter	N/A	New Charge	£20.00
Revocation notice	N/A	New Charge	£30.00
LBHF STREET & MARKET TRADERS - Weekly charges			
1 day per week (Standard Stall)	£20.40	1.0%	£20.60
1 day per week (Extended)	£29.58	1.1%	£29.90
2 days per week (Standard)	£27.54	0.9%	£27.80
2 days per week (Extended)	£41.82	0.9%	£42.20
3 days per week (Standard)	£42.84	1.1%	£43.30
3 days per week (Extended)	£61.20	1.0%	£61.80
4 days per week (Standard)	£54.06	1.0%	£54.60
4 days per week (Extended)	£80.58	1.0%	£81.40
5 days per week (Standard)	£68.34	1.0%	£69.00
5 days per week (Extended)	£99.96	1.0%	£101.00
6 days per week (Standard)	£83.64	1.0%	£84.50
6 days per week (Extended)	£120.36	1.0%	£121.60
<i>An additional charge of £10 per day will be payable for trading on Friday and/or Saturday</i>			
LBHF SPECIALIST MARKETS			
Lyric Square daily charge (3 Sq Meter Pitch)	£50.00	10.0%	£55.00
Lyric Square four weeks in advance payment charge (3 Sq Meter Pitch)	£140.00	3.0%	£144.20
Lyric Square Thursday Operator Run Market (CCFM)	£460.80	19.4%	£550.00
Jerdan Place daily charge (3 Sq Meter Pitch)	£50.00	3.0%	£51.50
News Vendors (daily charges)			
Annual Charges	£3,053.00	1.1%	£3,086.50
Temporary Licences for casual traders at street markets (per day)			
Mon-Thurs (Standard)	£20.40	1.0%	£20.60
Mon-Thurs (Extended)	£29.58	1.1%	£29.90
Fri/Sat (Standard)	£30.60	1.0%	£30.90
Fri/Sat (Extended)	£39.78	1.1%	£40.20
<i>* An additional charge of £10 will be payable for trading on Friday and/or Saturday</i>			
Annual Charge per square metre	£404.50	1.1%	£408.90
DISTRIBUTION OF FREE LITERATURE LICENCES (Zero VAT)			
Standard Application Fee for each Site for 1 Distributor (A Site is a Street) for up to 1 Year	£300.00	1.0%	£303.00
Additional Distributor Badge	£50.00	1.0%	£50.50
Additional Zone	£50.00	1.0%	£50.50
Replacement Badge	£50.00	1.0%	£50.50
Licence variation	£25.00	0.8%	£25.20