



LICENSING COMMITTEE REPORT

Report Title	Street Trading Fees and Consents.
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AGENDA STATUS: PUBLIC

Committee Meeting Date:	30 April 2013
Policy Document:	Street Trading
Directorate:	Customers and Communities

1. Purpose

- 1.1 This report updates Committee on the consultation regarding the proposed increase in street trading fees and amendments to the street trading consent locations.
- 1.2 Committee is required to consider the two objections received in respect of these proposals.

2. Recommendations

- 2.1 Subject to due consideration of the objections detailed in Appendix D, to approve the following:-
- 2.2 Approve the three tier structure of the fees, to include a Standard, Premium and Town Centre category, in accordance with paragraph 3.1.16 to 3.1.18.
- 2.3 Approve the proposed increases in street trading fees, in accordance with paragraph 3.1.19.

3. Issues and Choices

3.1 Report Background

- 3.1.1 At its meeting of 11 December 2012, Licensing Committee agreed to consult on proposed increases in street trading fees and setting a new three tier structure.

- 3.1.2 At its meeting on 11 February 2013, Licensing Committee rejected the increase in street trading fees and asked officers to present a revised report indicating a more phased increase.
- 3.1.3 All street traders were notified in writing about the proposed increases and the statutory advertisement was placed in the local press setting out the proposed increases and new fee structure. A copy of the advert and notice to the traders is shown in Appendix A
- 3.1.4 Two objections to the proposed increase have been received and they are attached at Appendix D.
- 3.1.5 Committee also agreed to consult on proposals to adopt street trading pitches within the town centre; this is still pending further analysis to determine suitable locations and periods of trading, etc. This will be presented to Committee, once analysis and consultation has been completed. However, the proposed fee for a town centre premium pitch can be adopted now.
- 3.1.6 Street trading consents are regulated under Schedule 4 of the Local Government (Miscellaneous Provisions) Act 1982 (LGMPA) and authorise the selling, or offering for sale, of any article in a street. The term 'street' includes any road, footway or other area to which the public has access without payment.
- This includes all hot and cold food vendors, for example:
- all vendors of burgers, kebabs, doughnuts, ice cream, etc.
- It also includes:
- all vendors of non-food products who trade on static pitches from any vehicle, stall, barrow, trailer, or any other moveable construction.
- 3.1.7 The granting of street trading consents is a matter within the general discretion of the Authority.
- 3.1.8 All streets within Northampton Borough are prohibited streets, with specified pitches granted a street trading consent. There are currently 24 street trading pitches within the Borough, as detailed in Appendix B. At present 21 locations are occupied, with 3 pending occupation.
- 3.1.9 No street trading pitches exist within the immediate vicinity of the town centre.
- 3.1.10 Each street trading pitch is currently charged the same fee regardless of the location, calculated at a rate of £100 per annum for each day of the week of trading. For example a trader operating for 5 days per week would be calculated at $5 \times £100 = £500$ per annum.

3.1.11 Street traders are billed annually around September/October in time for renewal on 1 November, with a small percentage opting to pay by two instalments, part due in September/October with the balance payable in April/May, incurring a supplement of £25 on each instalment.

3.1.12 The current annual income calculations are as follows:-

Trading Days Per Week	Annual Fee £	Number of Pitches	Calculation	Total Income £
1 x 100	100	1	100 x 1	100
5 x 100	500	15	500 x 15	7,500
6 x 100	600	2	600 x 2	1,200
7 x 100	700	3	700 x 3	2,100
Total Income				10,900

3.1.13 Street trading fees have not been increased since regulation commenced in 2003.

3.1.14 It has been identified that under Schedule 4 of the LGMPA the Council could consider setting a different fee for premium areas, this being the fee structure adopted by many other towns and cities as indicated in the benchmarking exercise at Appendix C.

3.1.15 Therefore, in addition to increasing the current standard fees, it is proposed to adopt three different fee areas, creating a higher fee for pitches located within areas that have a higher footfall. The different fee areas are defined by the following categories:-

3.1.16 **Standard Fees** – Applicable to those pitches trading outside of the town centre premium area and falling within 15 metres of the public highway.

3.1.17 **Premium Fees** – To include any public park maintained by the local authority and any other street, road or highway or area falling within 15 metres of that street, road or highway located in the Borough of Northampton and deemed to be a premium pitch.

3.1.18 **Town Centre Premium Fees** – Suggested town centre pitches will be at specified locations on Abington Street, Mercers Row, George Row, Bridge Street, Gold Street, St Giles Street, Derngate, Wood Hill, and The Drapery. Please note that as the Market Square is covered by its own Market Charter it is not included within this fee setting process.

3.1.19 It is proposed to increase street trading fees in the next financial year by 40% for standard areas, with a further phased increase of approximately 20% each year, over a four year period, and to introduce two new premium rates as detailed in the table below.

	Annual Fee for each day of trading					
	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
Standard area	100	140	170	200	240	290
Premium Park Location	N/A	175	210	250	300	360

	Daily Fee for each day of trading					
	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
Premium Town Centre Location	N/A	30	35	40	45	50

3.1.20 At this time, the Premium Town Centre locations (to be identified) will only be utilised on occasions such as the St Crispin's Street fair. These events generate a high footfall and the opportunity for a trader to earn significantly more is increased. The proposed fee reflects the exclusivity of being licensed to trade in the Town Centre on these occasions.

3.1.21 The projected fees based on the new fee structure would bring in an annual revenue income for the next five years as detailed in the tables below, assuming the number of traders and the amount of trading days remains the same.

2013/14

Trading Days Per Week	Annual Fee £	Number of Pitches	Calculation	Total Income £
1 X 140	140	1	140 x 1	140
5 X 140	700	15	700 x 15	10,500
6 X 140	840	2	840 x 2	1,680
7 X 140	980	1	980 x 1	980
Premium Park Location 7 X 175	1,225	2	1,225 x 2	2,450
Premium Town Centre Location		TBC	TBC	TBC
Total Income				15,750

2014/15

Trading Days Per Week	Annual Fee £	Number of Pitches	Calculation	Total Income £
1 x 170	170	1	170 x 1	170
5 x 170	850	15	850 x 15	12,750
6 x 170	1,020	2	1,020 x 2	2,040
7 x 170	1,190	1	1,190 x 1	1,190
Premium Park Location 7 x 210	1,470	2	1,470 x 2	2,940
Premium Town Centre Location		TBC	TBC	TBC
Total Income				19,090

2015/16

Trading Days Per Week	Annual Fee £	Number of Pitches	Calculation	Total Income £
1 x 200	200	1	200 x 1	200
5 x 200	1,000	15	1,000 x 15	15,000
6 x 200	1,200	2	1,200 x 2	2,400
7 x 200	1,400	1	1,400 x 1	1,400
Premium Park Location 7 x 250	1,750	2	1,750 x 2	3,500
Premium Town Centre Location		TBC	TBC	TBC
Total Income				22,500

2016/17

Trading Days Per Week	Annual Fee £	Number of Pitches	Calculation	Total Income £
1 x 240	240	1	240 x 1	240
5 x 240	1,200	15	1,200 x 15	18,000
6 x 240	1,440	2	1,440 x 2	2,880
7 x 240	1,680	1	1,680 x 1	1,680
Premium Park Location 7 x 300	2,100	2	2,100 x 2	4,200
Premium Town Centre Location		TBC	TBC	TBC
Total Income				27,000

2017/18

Trading Days Per Week	Annual Fee £	Number of Pitches	Calculation	Total Income £
1 x 290	290	1	290 x 1	290
5 x 290	1,450	15	1,450 x 15	21,750
6 x 290	1,740	2	1,740 x 2	3,480
7 x 290	2,030	1	2,030 x 1	2,030
Premium Park Location 7 x 360	2,520	2	2,520 x 2	5,040
Premium Town Centre Location		TBC	TBC	TBC
Total Income				32,590

3.1.22 **Benchmarking** – The fee structure and regulation of trading varies considerably across authorities. This may be due to the different characteristics of the town or city centre.

3.1.23 The fees identified as higher than Northampton are primarily due to the location of street trading pitches, with higher fees being reflected in those towns or cities that have town centre pitches, or locations with a higher footfall.

3.1.24 Example 1 - Norwich has defined street trading areas within the town centre, alongside the permanent market stalls. These are charged at a premium fee, with the fee for some pitches including the use of the stall and electricity. A lower fee is charged for those traders who operate typically on industrial estates.

3.1.25 Example 2 - South Northamptonshire has stalls mostly in lay-bys or on industrial estates.

3.1.26 Example 3 - Bristol has a variety of street trading consents within the town centre location, defined by wards that are charged a premium of £20 per day. Burger vans and similar types of street trading on the city outskirts are charged at £10 per day. Bristol also allows mobile ice cream sellers in the city centre at a flat fee of £415 per annum; these are allowed in certain consent streets and with the permission of any land owners, etc.

3.1.27 The proposed premium street trading fees around the parks are comparable to the lease fees currently charged in the region of £3,000 by Northampton Borough Council's Asset Management Department, for similar type of vendors currently operating in park locations.

3.1.28 A summary of the benchmarking findings is detailed in Appendix C.

3.1.29 An analysis of service expenditure and income is attached at Appendix E. This shows that at current fee levels, income from street trading consents is less than the expenditure on the service.

3.1.30 Implementation of the new fee structure is planned for 1 May 2013.

3.2 Issues

There are two existing traders located on Park Avenue South, who will fall into the premium fee category and who will face a higher increase than other existing traders. This might result in a legal challenge and negative publicity.

3.3 Choices (Options)

- 3.3.1 Agree the increase in fees and a different fee structure for the premium areas.
- 3.3.2 Agree the increase in fees for standard areas to apply across the town, regardless of location and not adopt a different fee for premium areas.
- 3.3.3 Agree an increase in fees different to that proposed and start the consultation process again.
- 3.3.4 Take no action and leave the fees at current rates.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 There would be no change to the existing street trading policy regarding the prohibited streets and consent locations. There will be a change to the existing fee structure. The fee structure has not been increased since Street Trading Consents were introduced in 2003.

4.2 Resources and Risk

- 4.2.1 In the current economic climate and with some traders already deciding to reduce the number of days trading, it is a high possibility that the increase in fees will result in a decrease in the number of financially viable locations. This could impact upon the estimated income detailed above.
- 4.2.2 Not increasing fees now may result in Northampton Borough Council falling lower in future comparable reports, creating a bigger differential in the future to bring fees in line with other authorities.
- 4.2.3 Not increasing the current fees would retain the burden on the Council Tax Payer.

4.3 Legal

- 4.3.1 The designation of streets / roads as consented streets is lawful within the meaning of the LGMPA Schedule 4 Section 2 (1) (c).
- 4.3.2 The legislation under Schedule 4 of the LGMPA clearly states that the levying of fees must be reasonable and therefore in order to justify these increases and to minimise the legal challenge, a detailed rationale must be undertaken with finance to corroborate the basis of the increase, which is to optimise recovery of direct and indirect costs in delivering the street trading function.

4.3.3 It will be the Council's duty to consider any representations and take account of these when making the final decision, this decision must be reasonable/rational within the Wednesbury reasonableness principle;

"It applies to a decision which is so outrageous in its defiance of logic or of accepted moral standards that no sensible person who had applied his mind to the question to be decided could have arrived at it".

4.4 Equality

4.4.1 There are no known equality and diversity issues resulting from these proposals.

4.5 Consultees (Internal and External)

4.5.1 Street Traders, Finance, Legal

4.6 Other Implications

4.6.1 N/A

5. Background Papers

5.1 Local Government (Miscellaneous Provisions) Act 1982

5.2 Northampton Borough Council Street Trading Policy

**Report Author Louise Faulkner
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Julie Seddon
Director of Environment & Culture



NORTHAMPTON
BOROUGH COUNCIL

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Northampton
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Direct Line: 01604 838545
E-Mail: licensing@northampton.gov.uk
Date: 18 March 2013

Proposed Street Trading Fees
Street Trading Consent No: STC0001

Please find enclosed notice of the proposed increase to Street Trading Fees.

Any representations or objections must be made in writing to the Licensing Team within 28 days of this notice.

Yours sincerely,

Louise Faulkner
Senior Licensing Officer

Location of Existing Street Trading Pitches

1		Tweed Road
2		Rhossili Road
3	*	Abington Park, Park Avenue South
4		Rhossili Road
5		Tyne Road
6		Lodge Way, Lodge Farm Ind Estate
7		Stone Circle Rd, Round Spinney
8		Deer Park Road
9		Lower Farm Road, Lodge Farm
10		St Gregory's Road
11		St James Mill Road
12		Quarry Park Close
13	**	Lilliput Road, Brackmills
14		Salthouse Road, Brackmills
15		Fairground Way
16	*	Park Avenue South
17		Lodge Way
18		Gambrel Road
19		Gowerton Road, Brackmills
20		Crow Lane/Ravens Way
21	**	Bunting Road
22		Heathfield Way Gladstone Road
23		Bedford Rd Near Gt Houghton Turn
24	**	A45 Sandy Lane Upton

*Yellow = Existing Trading Locations falling into Premium Fees

**Grey = Pending New Trader Occupation

Benchmarking

Appendix C

Town/City	Charges Levied Per Day £	Charges Levied Per Annum £	Town Centre Fees Per Annum £	Out of Town Centre Fees Per Annum £	Additional Comments
Northampton	N/A	700.00	N/A	700.00	
Peterborough	8.80 – 15.80 Day 70.00 Night	Average 6,000.00	N/K	N/K	mobile ice cream traders £655.00 per annum
Norwich	10.00 – 15.00	Average 1,500.00	Average 5,500.00	Average 1,500.00	some pitches include cost of staff and electricity
North West Leicestershire	N/A	375.00	N/A	N/A	
Nuneaton	Average 40.00	N/A	4,000	N/A	
Bristol	10.00 – 20.00	N/A	Average 7 days trading 7,300.00	Average 3 days trading 1,400.00	allow mobile ice cream sellers, for example on tricycles in town centre locations at flat fee of 415.00
South Northants DC	N/A	900.00	900.00	900.00	
Corby	25.00	1,000.00	1,000.00	1,000.00	

NATIONAL AWARDS FOR ICE CREAM

SILVER MEDAL 1970	SILVER MEDAL 1987
BRONZE MEDAL 1971	SILVER MEDAL 1988
INTERNATIONAL AWARD 1974	SILVER MEDAL 1991
SILVER MEDAL 1978	SILVER MEDAL 1994
SILVER MEDAL 1980	SILVER CHALLENGE CUP 1995
SILVER MEDAL 1985	SILVER CHALLENGE CUP 1996
BRONZE MEDAL 1985	BRONZE MEDAL 1996
SILVER CHALLENGE CUP 1986	SECOND PRIZE 1997
SILVER CHALLENGE CUP 2000	BRONZE MEDAL 2001

VAT No:119-6824-49

Company Directors : A. Gallone, G. Gallone
L. Gallone

COMPANY No. 680619 ENGLAND

E Gallone Ltd

ICE-CREAM MANUFACTURERS

COMPANY No: 680619

REG. ADDRESS:

8 Welford Road, Northampton, NN2 8AG

Telephone: 01604/715371 Fax: 01604/721482

30/03/2013

Re: Increase in fees

Dear Sir,

We would like to place an objection to the fees, and would like to be considered as other sites in regards to any increases. This would be based on the Retail Price Index. It would put us in line with your other sites, and then these would also be transparent for all in regards to future increases and reviewed every five years.

We would also again like to object to us being moved from our traditional spot of over "80" years, and would like to attend your next committee meeting.

Many Thanks

Aldo Gallone

Keith Hills
2 Railway Cottages
Church Brampton
Northampton
NN6 8AR.

9th April, 2013

Northampton Borough Council
Licensing Team
The Guildhall
Northampton

For the Attention of Louise Faulkner

Re: Proposed Street Trading Fees.

Dear Sir,

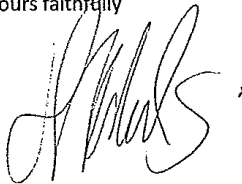
I am writing in regard to the proposed street traders license increase. I do understand that there has to be an increase as with everything in these tough economic times, but over the next 3 years the increase totals 190%, which is a very large increase.

Already small businesses are struggling as is myself, I am on a small industrial estate on the edge of Northampton and all around me businesses and factories are closing down. The cost of stock and fuel is rising which is making things even tougher.

This combined with the amount of mobile food vans that call to the estate is having a dramatic effect on business and as I understand, these mobile street traders that move from site to site need no license at all! During the summer months there's also ice cream vans that sell soft drinks and confectionary.

Can you please bear all this in mind when considering any future increases.

Yours faithfully



Keith Hills

