

**London Boroughs of Brent and Harrow
Trading Standards Joint Advisory Board
11 May 2017**

FOR INFORMATION

TRADING STANDARDS FEES AND CHARGES 2017/18

1 SUMMARY

- 1.1 This report provides Members with information concerning the proposed level of fees and charges to be made by the Brent & Harrow Trading Standards Service during 2017/18.

2 RECOMMENDATIONS

- 2.1 That Members consider the report and make any recommendations where appropriate.

DETAILS

- 3.1 Paragraph 13(f) of the Consortium Agreement between the London Borough of Brent and the London Borough of Harrow states that the Joint Advisory Board 'should consider and make recommendations on the level of fees and charges to be made to the public in respect of any part of the service, for consideration by whoever is authorised to make fees and charges decisions by each respective council's constitution'.
- 3.2 Brent's Cabinet agreed on 13 February 2017, a new 'Fees and Charges Policy' which included delegated powers to vary fees within set parameters. This policy has been taken into account when recommending any changes to fees and charges detailed within this report.
- 3.3 A The Service's fee structure is applied at the same level for each borough.
- 3.4 Fees fall into three categories, as follows:
1. Statutory fees (Set by Statute)
 2. RPI linked fee (Agreed previously by Brent's Executive)
 3. Discretionary fees (Discretion to increase or decrease them)

3.4.1 **Statutory fees** are set nationwide by Government and accordingly, local authorities have no discretion to vary them. These fees apply to explosive (firework) licenses charged by the Harrow team. In Brent, this function is carried out by the Licensing Team and is not a Trading Standards responsibility. The fees are set by the Health and Safety Executive who applied a small rise in them from 6 April 2016 by virtue of the Health and Safety and Nuclear Fees Regulations 2016. This has seen fees rise typically between £1-10.00 as per the following table:

Service	Duration	Fee
Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed Explosives licence 251-2,000Kg (fireworks Harrow)	1 year	£185
	2 years	£243
	3 years	£304
	4 years	£374
	5 years	£423
Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed Explosives licence 251-2,000Kg (fireworks Harrow Renewal)	1 year	£86
	2 years	£147
	3 years	£206
	4 years	£266
	5 years	£326
Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed Explosives licence 1-250Kg (fireworks Harrow)	1 year	£109
	2 years	£141
	3 years	£173
	4 years	£206
	5 years	£238
Renewal of licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed Explosives licence 1-250Kg (fireworks Harrow Renewal)	1 year	£54
	2 years	£86
	3 years	£120
	4 years	£152
	5 years	£186
Varying the name of licensee or address of site		£36
Fireworks All Year Round licence - Fireworks Regulations 2004 Reg 9	1 year	£500
Any other kind of variation (we are able to charge any 'reasonable' cost to the licensing authority of having the work carried out (suggested fee per hour)		£36
Transfer of licence		£36
Replacement of licence if lost		£36

*VAT is not applied to these statutory fees

3.4.2 Another form of statutory fee is found under the Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014 which was subject to a report presented to the Joint Advisory Board in October 2016. This legislation states that a monetary penalty of up to £5,000 can be imposed in some circumstances where a breach has taken place, but gives the local authority the option to determine what level they wish to set the fee.

3.4.3 In the above mentioned report, it was recommend that the penalty imposed when a charge was made, is set at £5,000, reduced by 50% for an early payment made within 14 days, subject to any mitigating factors that the terms of the Order require us to consider. This proposal was agreed by Brent’s Cabinet at their meeting on 24 April 2017.

The penalty fee is the same in the London Borough of Harrow although Trading Standards have not yet been delegated permission by Harrow to enforce the provisions of this Order.

3.4.4 A **RPI escalator** applies to Primary Authority partnerships where we have partnered with businesses who work across the whole of the UK, who chose to receive their advice and guidance from one regulatory service as opposed to multiple authorities wherever they trade. Section 31 Regulatory Enforcement and Sanctions Act 2008 provides that a local authority is entitled to charge a business on a ‘cost recovery’ basis, for primary authority services supplied through the partnership. Brent’s Executive agreed a report titled “*Introduction of a Charge Based Regulatory Advice Service for Businesses*’ in June 2013, to increase the rates charged for primary authority advice, on an annual basis on 1st April each year by the annual change in the Retail Price Index (RPI) for January of the year concerned.

The Office of National Statistics assessed the RPI against a Code of Practice for official statistics and found it not to meet the required standards, so instead, use a variant of the RPI called RPIJ. Using this, at January 2017, the 12 month rise was 1.8%. In view of this, the table below shows the proposed increase to the hourly rates charged for our primary authority service.

Service	2016/17	2017/18
Primary Authority – fixed contract (per hour)	£54.90	£55.89
Primary Authority - pay as you go (per hour)	£68.68	£69.91

3.4.5 The remaining fees the Council has **discretion to determine annually**, with any change in the fee being set each year according to prevailing circumstances. In order to attract work, we need to remain competitive with fees charged by other local authorities or private businesses in some circumstances. The prevailing rate of RPIJ, i.e. 1.8% has been used to determine the suggested fees for 2017/18.

- 3.4.6 The exception to this, is the registration fee for a premises auction. S26(2) Greater London Council (General Powers) Act 1984 states that a 'reasonable fee must be paid to the council to cover administration and inspection costs'.
- 3.4.7 In relation to our fees for weights and measures work. S11(5) and S49(4) of the Weights and Measures Act 1985 stipulates that the local authority can charge 'such reasonable fees as we determine' for carrying out our duties under the Act. To assist setting these fees, we recommended following annual guidance issued by the Association of Chief Trading Standards Officers (ACTSO).
- 3.4.8 The table below shows the proposed increase to these fees:

Service	VAT	2016/17	2017/18	
			(excl VAT)	(incl VAT)
Registration of premises for auction	0%	321.22	327.00	No VAT
Verification of weights & measures equipment	20%	59.60	60.00	72.00
Calibration of eights for business	20%	59.60	60.00	75.00
Weights & measures testing for other local authorities (per item)	0%	59.60	60.00	No VAT
Additional officer testing assistance (per hour)	0%	35.87	36.12	No VAT
Use of safety lab (per hour)	20%	62.20	63.32	75.98
Officers working Stadium events (per hour) (see 3.4.9 below)	0%	35.00	£40Tbc	No VAT
Financial Investigator (per hour excluding share of any incentivisation scheme money) (see 3.4.10 below)	0%	35.45	36.09	No VAT

- 3.4.9 At the time of writing, we are currently in discussion regarding increasing the hourly rate for officers working at Wembley Stadium events up to £40 per hour. These discussions form part of the S106 Town and Country Planning Act 1990 (as amended) agreement, designed to mitigate the impact of the planning application, which if agreed, will see an increase of up to 28 events at the stadium each year.
- 3.4.10 The hourly fee quoted above for our financial investigation services, does not apply to any internal London Borough of Brent or London Borough of Harrow referrals. The hourly rate to be applied, is the rate on the date that any contract is made with an external authority as opposed to the applicable fee on the date a financial investigation may conclude. The hourly fee is in addition to any other agreement entered into which will detail our share of any Home Office incentivisation money received as part of the investigation.

4 FINANCIAL IMPLICATIONS

- 4.1 Fee income is a relatively small contributor to the Trading Standards Service budget, with budgeted fee income totaling £24,000 for 2016/17 (excluding Court costs awarded or proceeds of crime recovery). The 2016/17 income received from the fees amounted to £39,000. This figure was much higher than that budgeted, largely due to an unexpected contract we were awarded for a short term piece of administrative work for London Trading Standards, a small increase in primary authority custom and some financial investigation income separate to the Home Office incentivisation scheme funds.
- 4.2 We anticipate any rise in fees if agreed for 2017/18, will generate a small increase in income. However, there will be no income from London Trading Standards as per paragraph 4.1 above. With a continuing focus on generating additional revenue from our fee paying services, we budget for an income of £29,500 for 2017/1 (excluding Court costs awarded or proceeds of crime Home Office incentivisation scheme income).

5 STAFF IMPLICATIONS

- 5.1 There are no staffing implications arising from this report.

6 LEGAL IMPLICATIONS

- 6.1 There are no legal implications arising from this report.

7 BACKGROUND INFORMATION

- 7.1 Any person wishing to obtain more information should contact Simon Legg, Senior Regulatory Service Manager, Regulatory Services, Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 0FJ.

SIMON LEGG
SENIOR REGULATORY SERVICE MANAGER