

North Yorkshire Council

Environment Executive Members

Review of Fees and Charges – General Licences

23 January 2026

Report of the Assistant Director –Regulation and Harbours

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the Corporate Director – Environment in consultation with the Executive Member – Managing our Environment with a proposal for the review of all fees and charges relating to the Council’s animal welfare, scrap metal, sex establishment, street trading and pavement licensing functions.

2.0 BACKGROUND

- 2.1 The Council may charge a reasonable fee to recover the costs associated with applications and licences in accordance with the following provisions:
- Regulation 13 of The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018
 - Section 15 of the Zoo Licensing Act 1981
 - Section 1 of the Dangerous Wild Animals Act 1976
 - Regulation 13 of The Animal Welfare (Primate Licences) (England) Regulations 2024
 - Schedule 1(6) to the Scrap Metal Dealers Act 2013
 - Schedule 3(19) to the Local Government (Miscellaneous Provisions) Act 1982
 - Schedule 4(9) to the Local Government (Miscellaneous Provisions) Act 1982
 - Section 2(1A) of the Business and Planning Act 2020
- 2.2 In the case of scrap metal dealers, the Council must set its fees with due regard to any guidance issued from time to time by the Secretary of State. In accordance with the guidance published by the Home Office in this regard, each local authority must ensure that the income from fees charged does not exceed the costs of providing the service.
- 2.3 Similar principles apply to fees and charges relating to animal welfare, sex establishments, and pavement licences.
- 2.4 Licence fees should be calculated on a cost-recovery basis in order for the associated costs of the service to be met by individuals and businesses benefiting from the licensed activity. Any failure to recover costs in this regard would result in a subsidisation of private enterprise at the expense of other services that the Council provides to its taxpayers.
- 2.5 The current fees relating to animal welfare, scrap metal, sex establishment, street trading and pavement licensing functions are attached and it is proposed the proposals to take effect from 01 April 2026. The proposed fees reflect an increase in some instances and a reduction in others to account for changes in personnel, salaries, overheads and operational service delivery (Appendix A).

3.0 PROPOSED LICENCE FEE REVIEW

- 3.1 It is essential to a well-functioning licensing service that those administering and enforcing the regime are well-resourced. Licensing authorities are expected to regularly review their fees to reflect changes to costs.
- 3.2 The cost of the service is determined by several factors including staffing (salaries, along with National Insurance and pension contributions), accommodation, utilities, IT support, legal costs, software, insurance, printing and postage. The licence fee for each application is then dependent on several other factors including, where applicable, the time spent on administration, inspections, complaints, compliance checks, committees and consultations.
- 3.3 The costs associated with animal welfare, scrap metal, sex establishment, street trading and pavement licensing functions in North Yorkshire have been calculated with due regard to the relevant legislation, case law and guidance, accounting for changes in personnel, salaries, overheads and operational service delivery. The relevant cost calculations are attached (Appendix B).
- 3.4 Prior to local government reorganisation in North Yorkshire, the seven district licensing authorities operated different street trading regimes, the cost of which was recovered from permit holders in accordance with district authority calculations. The different regimes for street trading remain in place at present and therefore it is proposed to apply an overall 3.4% increase to account for salaries and overheads. It has not been possible to harmonise street trading fees throughout North Yorkshire at this stage because this would require a full review of policy and other licensing arrangements, which may have a significant impact on the existing businesses. A harmonised street trading regime will be implemented in due course, at which point, the fees will be reviewed accordingly.
- 3.5 Fees for premises licences issued under the Gambling Act 2005 are already at the maximum fee permitted by regulations and are therefore not considered as part of this review.

4.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 4.1 The Council is committed to protecting communities, safeguarding children and ensuring the safety and wellbeing of the public.
- 4.2 A regular review of licence fees is essential to ensure that the licensing regime is adequately resourced to deliver its public protection functions. Effective delivery in this regard also supports economic growth.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The Council may consider retaining the existing licence fees. However, any failure to recover costs permitted by statute would require an unnecessary subsidisation of the licensing regime at the expense of the Council's taxpayers.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The proposed fees have been calculated with a view to recovering all costs associated with the applications concerned (where permitted by statute).
- 6.2 Any income received must only be used to fund service delivery relating to the relevant licensing functions and therefore it must be emphasised that a review of the fees will not lead to any additional revenue for the Council.

7.0 LEGAL IMPLICATIONS

- 7.1 The legislative framework for setting licence fees has been explored at paragraph 2.1 of this report.
- 7.2 In accordance with regulation 18(4) of the Provision of Services Regulations 2009, any relevant charges which applicants may incur under an authorisation scheme must be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities.
- 7.3 In accordance with *R (on the application of Cummings) v Cardiff City Council* [2014] EWHC 2544 (Admin), the Council must not use licence fees as an income-generating scheme. In the event of any surplus arising from income in relation to a particular licence type, the surplus must be used to reduce the relevant fees charged at the next review.

8.0 EQUALITIES IMPLICATIONS

- 8.1 No equalities implications have been identified in the proposed review of licence fees (Appendix C).

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 No climate change implications have been identified in the proposed review of licence fees (Appendix D).

10.0 POLICY IMPLICATIONS

- 10.1 In accordance with the Council's Fees and Charges Policy, the default charging method is to recover the full costs (including overheads, capital charges and recharges) with a view to ensuring no element of subsidy from local taxpayers. The Policy is attached (Appendix E).
- 10.2 HM Treasury's Managing Public Money publication promotes a standard approach to calculating costs and setting charges. Annex 6.1 of the document explores how to calculate the cost of public services. The relevant extract is attached (Appendix F).
- 10.3 The Local Government Association (LGA) has published guidance on locally set fees (December 2023) setting out the legislation, case law and details of the costs that may be recovered. The guidance is attached (Appendix G).
- 10.4 The Home Office has published guidance outlining the costs that can be charged in relation to scrap metal licence fees. The guidance is attached (Appendix H).

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 The Council is expected to conduct regular reviews of licence fees to ensure that, where statutory powers exist, the cost of the licensing regime is recovered from applicants and licence holders.

12.0 RECOMMENDATION

- 12.1 That the Corporate Director – Environment in consultation with Executive Member – Managing our Environment approve the proposed variation to fees and charges relating to the Council's animal welfare, scrap metal, sex establishment, street trading and pavement licensing functions, with or without amendments effective from 01 April 2026.

APPENDICES:

- Appendix A – Current licence fees and proposed licence fees
- Appendix B – Cost calculations
- Appendix C – Equalities Impact Screening
- Appendix D – Climate Impact Assessment
- Appendix E – North Yorkshire Council's Fees and Charges Policy
- Appendix F – Extract from 'Managing Public Money' (HM Treasury)
- Appendix G – Local Government Association guidance on locally set fees
- Appendix H – Home Office guidance on scrap metal licence fees

BACKGROUND DOCUMENTS: None

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