



<u>Committee and Date</u>

Economic Growth and Scrutiny Committee
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2 February 2017

<u>Item</u>

<u>Public</u>

Licensing and a Prosperous Economy

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1. Summary

- 1.1** This report provides an overview of the Licensing Service and draws attention to the specific licensing regimes that are most likely to have the greatest impact in terms of supporting a prosperous economy in Shropshire, including the growing night-time economy in a number of Shropshire's market towns.
- 1.2** The report highlights the balance that needs to be undertaken by the Council when discharging statutory responsibilities under regulatory licensing regimes at the same time as encouraging and focussing on outcomes that aim to achieve both a prosperous economy and healthy people.
- 1.3** The report also draws attention to the significant role that licensing has in improving public safety, which has direct relevance to the Council's ongoing safeguarding responsibilities. This role has the potential to adversely impact on the Council's ability to fully support the prosperous economy outcome.

2. Recommendation

- 2.1** That Committee scrutinise the key areas highlighted within the report and, where appropriate, feedback areas, if any, for further consideration to be reported back to the Committee at a future date.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1** The Council has a wide range of statutory duties relating to a variety of licensing functions. Of these functions, the licensing of the sale and supply of alcohol, regulated entertainment, late night refreshment and temporary events together with the licensing of hackney carriages (taxis) and private hire vehicles, drivers and operators are likely to have the greatest impact on the economy in Shropshire, including the growing night-time economy in a number of Shropshire's market towns.

- 3.2** The Council's approach to the licensing of the sale and supply of alcohol, regulated entertainment, late night refreshment and temporary events is set out in the Statement of Licensing Policy ('the Licensing Policy') and for the licensing of hackney carriages (taxis) and private hire vehicles, drivers and operators in the Hackney Carriage and Private Hire Licensing Policy ('the HCPH Policy').
- 3.3** The HCPH Policy recognises the importance of a thriving hackney carriage and private hire trade to the growth and prosperity of Shropshire's local economy but also makes it very clear that the safety and welfare of the public is the overriding principle that will be considered when matters are dealt with under the Policy. Of note, is the significant work that has been undertaken to improve public safety and which directly enhances the Council's response in relation to its safeguarding responsibilities, particularly around ensuring hackney carriage and private hire drivers are 'fit and proper' persons. The safeguarding principles that were developed under the HCPH Policy have been built into other licensing policies; this continues as existing policies are revised and new policies created.
- 3.4** There is a recognised need for additional hackney carriage and private hire drivers and vehicles to operate in Shropshire, particularly to satisfy night-time economy demand. This issue was raised by the Shrewsbury Business Improvement District (BID) with a view to seeking ways in which the licensing process for new drivers and vehicles could be fast-tracked or incentivised by the Council. Whilst appreciating the desire for such an approach, it is not regarded as acceptable in terms of ensuring public safety and particularly given the Council's safeguarding responsibilities.
- 3.5** At a national level the Deregulation Act 2015 introduced changes to hackney carriage and private hire legislation which came into effect on 1 October 2015. As a result, the duration of certain licences has been extended to reduce the burden on businesses; hackney carriage and private hire joint driver's licences and private hire operator licences are now issued for a standard duration of three years and five years respectively.
- 3.6** The Licensing Policy promotes a more permissive approach, i.e. providing an applicant adequately sets out how the operation of the premises/activity in question will promote the four licensing objectives (see paragraph 5.5), options to grant rather than refuse a licence are generally sought with the use of appropriate conditions to address concerns where necessary. Nevertheless, the licensing objectives do not specifically require the Council or applicants to consider the impact on the economy. However, if the licensing objectives are satisfied, it is suggested that this promotes a positive environment that encourages a prosperous economy to develop.
- 3.7** As town centres change in response to the increasing shift from high street to online retailing there is a rising trend in applications for licensed premises such as restaurants, takeaways, pubs and convenience stores that supply alcohol. From a public health perspective, the concerns about increasing levels of obesity and excess alcohol consumption are potentially exacerbated where a locality is overly populated with these types of premises.
- 3.8** The Licensing Act 2003 does not currently include an objective to protect and improve public health (although the Government is considering this) making it difficult

to directly utilise public health evidence to justify refusing applications. Whilst this could be considered a positive benefit for the economy in terms of not hindering business development, it does little to reduce the rising obesity levels or help to reduce alcohol related harm or alcohol fuelled anti-social behaviour, both of which can have a negative impact on the economy.

- 3.9** Well-designed local planning policies and effective development management implementation and enforcement can help to manage and mitigate potential detriment to the economy. This is likely to be most effective where the licensing and planning regimes are working to mutual benefit; however, it must be recognised that there are circumstances where the primary purpose of each regime will result in conflicting outcomes.
- 3.10** The Licensing Service is working closely with colleagues in Public Health to address alcohol related harm and will be considering ways in which the Statement of Licensing Policy can be revised to support the Council's Strategy to reduce alcohol related harm. This may result in the Council taking a more robust approach in the future insofar as licences for the sale and supply of alcohol are concerned, which may impact adversely on the economic prosperity of town centres.
- 3.11** The statutory licensing regimes do not operate in isolation. Clearly, the direction set by strategic planning and implemented through development management are significant factors that drive the economy. However, the licensing and planning regimes are legally separate and, for example, there is no legal basis for the Council to refuse a licence application because the applicant does not have planning permission and vice versa. This can lead to conflict between the regimes, frustration for business owners and ultimately impede efforts to enhance the local economy.
- 3.12** Officers provide practical advice and negotiate to manage the licensing and planning regimes on an ongoing basis. In addition, specific guidance [Evening and Night Time Economy Planning Guidance (ENTEPPG)] is currently being developed to establish a framework for planning decisions relating to premises associated with the evening and night time economy whilst taking into account licensing provisions. This will initially focus on Shrewsbury town centre but has the potential to be a framework for other market towns.
- 3.13** There are further examples that demonstrate the holistic approach that is being taken by the Council to promote a prosperous economy. This includes retention of Purple Flag status, the operation of a Site Management Agreement (SMA) with the Public Fundraising Association (PFRA), consultation on the introduction of a Public Space Protection Order (PSPO) including working with the BID and, linked to University Centre Shrewsbury, the introduction of a student accommodation accreditation scheme. These initiatives collectively aim to reduce anti-social behaviour and increase the positive opportunities that encourage economic growth in a way that is not so readily or directly achieved through the relevant licensing regimes.

4. Financial Implications

- 4.1** There are no direct financial implications associated with this report.

5. Background

- 5.1** The core Licensing Service consists of a Team Manager and 9 officers (FTE 8.46) who operate at different levels of responsibility from apprentice to professional officer. The service is overseen by an Operations Manager.
- 5.2** The Council has a number of licensing responsibilities that are dealt with through the Licensing Service. These relate to:
- sale and supply of alcohol, regulated entertainment, late night refreshment and temporary events
 - hackney carriages (taxis) and private hire vehicles, drivers and operators
 - a range of gambling and gaming premises, permits and small lotteries
 - scrap metal dealing
 - sex shops, sex establishments and sexual entertainment establishments
 - skin piercing
 - animal boarding/breeding, pet shops, riding establishments, dangerous wild animals and zoos
 - caravan sites (non-residential)
 - street trading, street collections and house to house collections
 - distribution of free printed matter
 - pleasure boats and vessels
 - pavement permits
 - explosives (fireworks)
- 5.3** Due to the wide range of expertise that is required to effectively deliver the licensing function, the core Service is supported by officers from a number of other teams who provide expertise in the areas of public health, animal health, health & safety, housing, product safety, parking and investigations.
- 5.4** Most licensing responsibilities are discharged by way of delegated authority to the Strategic Licensing Committee and its two Sub-committees and also to Officers. There are a small number of responsibilities that are reserved either in law or by virtue of the Council's Constitution to Cabinet or full Council. The delegated authority to the Team and Operations Managers results in a significant operational work load for these Managers, particularly in relation to the hackney carriage and private hire licensing regime.
- 5.5** The licensing of the sale and supply of alcohol, regulated entertainment, late night refreshment and temporary events is controlled by the Licensing Act 2003. The Act has four objectives: the prevention of crime and disorder, public safety, prevention of public nuisance, and the protection of children from harm.
- 5.6** The licensing of hackney carriages (taxis) and private hire vehicles, drivers and operators is controlled by the Local Government (Miscellaneous Provisions) Act 1976 and the Town Police Clauses Act 1847.
- 5.7** A review by the Law Commission in 2012 recognised that the law on taxis and private hire vehicles is outdated and in need of fundamental revision. The Government has not yet acted on the Law Commission's recommendations. This

leaves the Council working with archaic legislation, some of which dates back to Victorian times, which is simply not fit for 21st Century needs.

6. Additional information

- 6.1** A presentation will be provided to Committee on the work that has been taking place, particularly in relation to the initiatives referred to in paragraphs 3.12 and 3.13. This will provide further context to the report and the opportunity to scrutinise the activities being undertaken.

<p>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</p>
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Shropshire Council Statement of Licensing Policy 2014 – 2019
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Shropshire Council Hackney Carriage and Private Hire Licensing Policy 2015 - 2019

<p>Cabinet Member (Portfolio Holder)</p>

Cllr Malcolm Price - Portfolio Holder for Planning, Housing, Regulatory Services and Environment
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<p>Local Member</p>

All – report has county wide application
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<p>Appendices</p>

None
