

City of London Corporation Committee Report

Committee(s): Port Health and Environmental Services	Dated: 07/01/2025
Subject: The setting of Street Trading Fees for 2025/26	Public report: For Decision
This proposal: <ul style="list-style-type: none">• provides statutory duties	Licensing authority duty under The City of London (Various Powers) Act 2013 to set fees for street trading licences
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	Katie Stewart, Executive Director of Environment
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Summary

The City of London Corporation may set annual fees for issuing a licence to those persons wishing to participate in Street Trading in Middlesex Street and for those persons wishing to apply for a temporary street trading licence elsewhere in the Square Mile. Approval of these fees falls to this Committee.

The matters considered by the licensing service in setting the proposed fees are discussed in this report and include all aspects of the licensing process on a cost recovery basis.

Recommendation(s)

Members are asked to:

- Agree the proposed fees for 2025/26 as set out in Appendix 1
- Delegate authority to the Executive Director Environment to approve future annual fees on a full cost recovery basis, including adjustments for prior years' under/over recovery where relevant, and subject to any statutory limits that may apply.

Main Report

Background

1. Street Trading within the City of London is permitted on a temporary basis in addition to those trading on a Sunday in Middlesex Street Market. The City of London (Various Powers) Act 2013 (the Act) permits temporary Street Trading licences to be granted for up to 21 days in the City of London providing any application complies with the criteria laid down in the Street Trading Policy and the requisite fee is paid.
2. The Act also permits the City Corporation to recover charges from those trading in Middlesex Street for:
 - The removal of refuse or other services rendered by the City Corporation to licensees; and
 - Expenses incurred by the City Corporation in the administration concerned with granting and issuing of the licence, ensuring compliance with relevant byelaws and in the cleansing of that part of Middlesex Street in the City where street trading takes place.
3. A High Court case held on 16 May 2012 (*R (Hemming and Others) v Westminster City Council*) concluded that the amount of the fee is required to be determined every year and further that a local authority was precluded from making a profit from the licensing regime. A full account of the fee income and expenditure would therefore need to be considered to ensure a surplus is not being made.
4. Successive appeals/decisions in the Court of Appeal, The Supreme Court and the European Court of Justice decided that the fee can include administrative costs involved, the costs of vetting the applicants (in the case of applications for a licence) and the costs of investigating/enforcing the licensing scheme including costs involved in enforcement against those premises that are not licensed

Current Position - Calculation of Fees for 2025/26

5. To avoid possible complications arising from non-compliance with the Hemming decision, the licensing service has carried out an in-depth examination of the processes that are undertaken to administer licence applications/renewals, the costs of investigating compliance with any licence conditions/byelaws and the cost of cleaning the area in Middlesex Street where street trading takes place.

Middlesex Street Traders

6. In determining the proposed fee structure, the following factors have been considered:
- Officer time spent on processing applications and the issue of any licence.
 - Officer time spent on the development and maintenance of processes and guidance notes.
 - Training of staff as necessary.
 - A percentage of the service costs such as accommodation and equipment.
 - Administration cost and inspections to ascertain compliance with byelaws.
 - Costs connected with cleaning the area in Middlesex Street and associated areas, but only in relation to Middlesex Street Traders licensed by the City Corporation.
7. Costs for 2025/26 have been calculated on the above basis assuming an average occupancy of 40 pitches. These costs can be seen in the table below.

	Number of Pitches	Annual Cost £	Annual Cost per trader £	Weekly Equivalent per trader £
Cost of cleaning Middlesex Street	40	35,000	875	16.83
Administration/compliance costs of Middlesex Street	40	15,000	375	7.21
TOTAL	40	50,000	1,250*	24.04

*This does not incorporate the statutory £5 application fee.

8. Street Trading Licences for Middlesex Street Market are valid for up to twelve months from the date of grant unless revoked. The licence fee is due for payment quarterly and all licences expire on 31 December each year. Any increase in fee will take effect from 1 April 2025.

Temporary Street Trading Licences

9. Temporary Street Trading Licences can be granted for up to 21 days in the City of London providing any application complies with the criteria laid down in the Street Trading Policy. The licence fee is due for payment as and when an application is submitted.

10. The City Corporation granted 49 temporary licences during 2023/24 many of which were to regular small markets, and some to one off events such as the London Marathon. The regular markets are based at Monument (25 licences) and in Paternoster Square (11 licences)
11. The type and style of the temporary trader can vary, and the circumstances associated with each application numerous. Consequently, the fee for a temporary licence is calculated separately for each application. The fee is based on the number of officer hours required to manage the application process and ensure licence conditions are being adhered to. Typically, this is between 1 to 4 hours per application. The cost of processing these applications in 2023-24 was £15,120.00
12. It is anticipated that a similar number of applications will be made in 2025-26.

Options

13. If fees are set lower than those recommended the result will be a deficit for 2025/26 as costs of administering the licences will not be fully met from income received.
14. Fees set higher than those recommended will result in a surplus i.e. an income which exceeds the cost of providing the service.
15. Any such under or over recovery of costs from 2024/25 will be calculated after the end of that financial year and be carried forward to be taken into consideration in setting the fees for 2026/27. Ignoring a surplus or deficit could result in the City Corporation being subject to legal challenge.

Proposals

16. It is recommended that fees for temporary street trading licences will be calculated as outlined in paragraph 11 of this report and Middlesex Street Market fees are calculated as outlined in the table in paragraph 7 of this report. Both fees are summarised in Appendix 1.
17. It is further recommended that authority be delegated to the Executive Director Environment to approve future annual fees in accordance with the existing methodology of full cost recovery including adjustments for under/over recovery from prior years where relevant, subject to any statutory limits on fees that may apply.

Corporate & Strategic Implications

18. **Dynamic Economic Growth:** The proposed fees are calculated by assessing officer time spent on each step of the process, enabling the City Corporation to recover its costs in administering the scheme and ensuring compliance within

the licensing regime. The process is reviewed annually to ensure the fees support businesses and attract investment into the Square Mile.

19. **Providing Excellent Services:** Protecting and promoting public safety and consumer protection at markets and licensed events.
20. **Strategic implications** –The proposals within this report support the outcomes of the Corporate Plan 2024-29 to provide excellent services and drive economic growth. The proposals meet the requirement to set fees for the licensing of activities as set out in The City of London (Various Powers) Act 2013.
21. **Financial implications** : Setting the recommended fees will result in an estimated income from street trading fees for 2025/26 of £65,000 in line with the budgeted income. Setting fees above or below those recommended will have the implications as set out in paragraph 13-15 above
22. **Resource implications** : none identified
23. **Legal implications** : The City Solicitor has reviewed the statutory obligations and related fees and charges and has recommended the above proposal
24. **Risk implications:** none identified
25. **Equalities implications** – none identified
26. **Climate implications:** none identified
27. **Security implications:** none identified

Conclusion

28. The annual review of street trading charges takes into consideration all the necessary administrative, compliance and enforcement costs required for the City Corporation to deliver its statutory licensing function as defined in The City of London (Various Powers) Act 2013.

Appendices

- Appendix 1 – Proposed Fees for 2025/26

Background Papers

None

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