

### Street Trading Consent Fee Rationale

The City of Wolverhampton Council Street Trading Policy was adopted 1 April 2023 following Regulatory Committee review and approval 11 January 2023

As part of the overall Street Trading review and with the return of the Promotional Spaces to the control of the Council, a thorough review of the existing consent application process was required to ensure the application criteria reflects the new policy and to determine if the existing fee adequately covers officer time to process an application.

The application processing tasks have been itemised based on the time required to undertake them. As a result, application processing tasks have been split into two parts, with a cost allocated to each based on the current officer hourly rate:

Part 1.           **Application processing time** (i.e., officer time to: review the application and all evidence, undertake Highways and Disability Access visits and in-person unit assessment, consult with local businesses) = **£363.58**

Part 2.           **Granting of consent processing time** (i.e., officer time to: set up applicant in all back-office systems, print consents and ID badges, undertake first compliance visit and review further evidential documentation. Includes all their subsequent annual compliance visits) = **£269.29**

The total cost for processing an annual or occasional consent application (Part 1) and subsequent granting of that consent (Part 2) has been calculated at £632.88.

Promotional space application processing time comprises only one part, with less processing tasks and calculated at £137.75. Registered Charities receive a 50% discount on this fee.

Officer time costs align to the hourly rates calculations in Appendix 3 - Commercial Regulation Cost Recovery Policy 2023-2024.

In addition, and as the fees have not been reviewed more than 8 years, it was determined appropriate to ensure the consent fee accurately reflects the location premium. For example, an A Type consent in Dudley Street, City Centre benefits from more footfall than other areas of the City, hence why it currently attains the highest fee of all consent types.

A Part 3 cost has therefore been determined, by using the Valuation Office Agency (VOA) business rates for 1 April 2023 as the source for comparing current business rates, against the existing street trading consent locations across Wolverhampton as listed in Figure 1.

Using Dudley St, City Centre as the baseline (prime) location, the other existing street trading consent locations then have either an increase or decrease calculation applied, against its comparable business rate in the same location.

## **Proposed Fees Summary**

The proposed fees for 2024 comprise:

- the application processing cost of £632.88 (Part 1 and Part 2); plus
- the appropriate location fee as determined by the relative business rates in the same location (Part 3)

However, it is acknowledged that in some cases the standard VOA calculation would increase some existing consent fees exponentially, which poses the risk of making consents too expensive for existing street traders to continue trading or alienating start-up businesses with a large upfront cost. Discretionary discounts have therefore been applied to selected consent types to encourage trade in Wolverhampton.

The total consent fee is then rounded down.

The key changes can be summarised as follows:

## **Annual Consents**

- I. Football / Match Day consents have increased by 87% to reflect the number of match / event days that annually take place at the Molineux
- II. Wednesfield Town Centre consents have decreased by 30% to reflect the comparable business rates 1 April 2023
- III. There has been no change to A Type City Centre consents on Dudley Street, Bilston Street, Queen Street, Skinner Street, Cleveland Street, Victoria Street as these are the existing City Centre premium consents
- IV. Evening consents have a discretionary discount of 50% applied (against the Dudley Street baseline location fee), to reflect the lower footfall in the evening economy
- V. Flower seller consents have increased by 14% to cover the cost of the application processing, but have a discretionary 25% discount applied to the overall cost to reflect the nature of their business and low footfall
- VI. Mobile consents and Private Land consents have increased by 44% and 565% respectively, to cover only the application processing time
- VII. Assistant Application Processing has increased by 11% to reflect the application processing time against the application criteria
- VIII. The Consent Variation Administration Fee has increased by 35% to reflect the processing time and hard costs for reprinting the two copies of consents

## **Occasional/Temporary Consents - Day Rates**

- I. The City Centre Day rate has been standardised to £55.00 per day, regardless of how many days booked (day rate discount previously provided for days booked in bulk). The appropriate application processing cost has been waived to encourage trade
- II. The Bilston and Wednesfield town centre day rate has been standardised to £30.00 per day, regardless of how many days booked (day rate discount previously provided for days booked in bulk). The appropriate application processing cost has been waived to encourage trade

- III. The day rate for other areas of the city have been standardised to £15.00 per day, regardless of how many days booked (day rate discount previously provided for days booked in bulk). The appropriate application processing cost has been waived to encourage trade
- IV. Special Outdoor Events (i.e., City Show, Vaisakhi, Steam and Vintage Rally, etc) have been reduced, by applying a 65% discount to the application processing cost to encourage events

### **Promotional Spaces – Day Rates**

- I. The Bilston town centre day rate has been frozen and standardised to £90.00 per day, regardless of how many days booked (day rate discount previously provided for days booked in bulk). The appropriate application processing cost has been waived to encourage trade
- II. The Dudley Street, City Centre Day rate has increased by 2% and standardised to £140.00 per day, regardless of how many days booked (day rate discount previously provided for days booked in bulk). The appropriate application processing cost has been waived to encourage trade
- III. The Queen Square, City Centre Day rate has been frozen and standardised to £225.00 per day, regardless of how many days booked (day rate discount previously provided for days booked in bulk). The appropriate application processing cost has been waived to encourage trade