

# Regulatory Committee

9.30am, Monday, 9 March 2020

## Strategic Work Programme for Licensing

Executive/routine  
Wards  
Council Commitments

### 1. Recommendations

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- 1.1 It is recommended that the committee:
- 1.1.1 notes the significant work programme in relation to all licensing activity, parts of which are currently being delivered by the Directorate and the remainder of which are expected to be delivered within the next 12 months; and
  - 1.1.2 agrees the priorities within that programme as set out in section 4 and Appendix 1 of this report.

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# Report

## Strategic Work Programme for Licensing

### 2. Executive Summary

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- 2.1 The committee has executive responsibility for all licensing functions of the Council. The legislative framework in which the licensing functions are delivered is changing, with two further licensing schemes to be introduced by Summer 2021. Additionally, to reflect the priorities of the Council there are developments in licensing policies to be delivered. This report sets out the priorities for the Licensing Service in the year 2020/21.

### 3. Background

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- 3.1 The Council acts as Licensing Authority as required by a number of Acts and statutory instruments, the two most important being the Civic Government (Scotland) Act 1982 ('the 1982 Act') and the Housing (Scotland) Act 2006 ('the 2006 Act').
- 3.2 In addition, the Air Weapons and Licensing (Scotland) Act 2005 introduced changes to the 1982 Act, and further changes remain outstanding which will flow when further sections of this legislation are brought into force.
- 3.3 In addition to updating the existing legislation, it is likely that an additional licensing scheme will be brought forward by the Scottish Government, which will either give the Council discretionary powers to introduce additional licensing schemes or will oblige the Council to introduce a mandatory licensing scheme.

### 4. Main report

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#### Changes to Licensing Legislation

- 4.1 The Council is currently working through the steps necessary to introduce a new licensing scheme for Sexual Entertainment Venues (SEVs). This scheme is expected to come in to effect during 2021, depending on the committee's decisions.
- 4.2 More significantly, the Council will have to introduce a mandatory licensing scheme for Short Term Lets (STLs) as a result of a ministerial announcement in January 2020. The Council had expressed strong concerns about the lack of regulation in this sector and it is therefore expected that the committee will want to consider fully utilising the discretionary powers available. These powers will be available to the Council to allow it

to extend the scope of the current STL licensing scheme (the mandatory elements being the minimum required). This will be a significant piece of work and is explored in more detail in the future report to the committee.

### **Other Policy Priorities**

- 4.3 The House in Multiple Occupation ('HMO') licensing system will soon complete the first three year cycle of the scheme. A separate report on the committee's agenda outlines the review of how this has worked.
- 4.4 The service continues to move toward a risk-based assessment of HMO standards, with the clear message that all existing properties should be operating at the required standards outlined in the guidance to the Housing (Scotland) Act 2006. Three year licences will be issued to all properties that meet these standards. However, where the standards do not meet the guideline standards the length of the licence may be limited in duration or refused. This approach supports the Council's strategic priorities on housing within the city.

### **Taxi and Private Hire Car**

- 4.5 The Directorate is delivering the Age and Emissions Policy for all taxi and Private Hire Car ('PHC') vehicles licensed in Edinburgh.
- 4.6 This is a staggered implementation approach, which will ultimately have the effect of requiring all vehicles licensed by City of Edinburgh Council to be Euro 6 standard or above. The final date of implementation for this policy is 1 April 2023.
- 4.7 The existing legislation permits all licence holders to apply for an exemption to these restrictions. This has resulted in a significant increase of work for the Service, requiring staff to facilitate over 400 exemption applications and subsequent Licensing Sub-Committee hearings to determine applications.
- 4.8 The Service will continue to mitigate the impact of this policy on its workload, resources and the impact of this policy on its customers through effective communication and open engagement with affected licence holders.
- 4.9 In addition, the Council has committed to exploring potential overprovision of PHCs and is due to begin its three year taxi demand survey. This will entail an extensive period of consultation, information gathering and analysis by the service.

### **Public Space Protocol**

- 4.10 Public realm space continues to attract significant demand from street traders, market operators, parades and processions and event organisers. The City Centre Public Spaces Protocol approved by both the Economy Committee and the Transport and Environment Committees looks at the city's long term aspirations for use of public spaces.
- 4.11 A clear and transparent approach is required to establish a set of guidelines on the use and management of these spaces, and its development is ongoing. It is essential that policy development recognises that steps may need to be taken to ensure that the delivery of the licensing function in this area is consistent and supports the wider strategic aims of the Council, e.g. review of public spaces protocol and parks manifesto.

## **Organisational Structure**

- 4.12 The Licensing Service delivers all licensing functions of the Council, including the day to day functions of the City of Edinburgh Licensing Board.
- 4.13 In 2018/19 there were 20,294 licensing applications which is consistent with the previous year's volume. It is however worth noting that the Council is in year three of the three year HMO licence system. As such the number of HMO licences being processed is low. It is expected that more than 4,000 HMO licence applications will be received in 2020/21, taking the number to approximately 24,000. This is a significant increase since the current organisational structure was implemented in 2014. A similar increase in demand is anticipated year on year, assuming the economy of the city continues to expand.
- 4.14 The Directorate has resourced this increased workload by using additional temporary staff at peak periods, including agency staff where necessary. There has been no change to the structure of the Licensing Service since 2015 beyond this additional resourcing at peak times.
- 4.15 The testing and inspection of taxis and PHC vehicles is undertaken by the Taxi Examination Centre, which transferred from Police Scotland to the Council in 2015. A minor change in reporting lines for the Service took place on 6 January 2020 when management responsibility for the Taxi Examination Centre ('TEC') and the staff therein moved from Fleet Services to Regulatory Services.
- 4.16 Given the scale of work and anticipated increased demand for licences across a range of types, it is necessary to make changes to the way in which licensing functions are organised to deliver the necessary outcomes. The expected increase of applications may also affect the business schedule of the Licensing Sub-Committee. It is anticipated that a number of applications for short term lets would require committee scrutiny as a result of public objections being received. Accordingly this could affect the number of applications that the committee is able to consider.

## **Services to taxi and PHC customers**

- 4.17 There are approximately 9,800 customers in the taxi and PHC group.
- 4.18 The creation of a training centre to deliver on the Council's training requirement for licensed drivers and the change in line management at the TEC presents an opportunity for all staff delivering these functions (including processing, examination, training and enforcement) to be co-located. The movement of management of the TEC to Licensing will be consolidated by the amalgamation of all taxi and Private Hire matters away from the City Centre, to Murrayburn in the first instance, and ultimately to a permanent home likely to be at Russell Road.
- 4.19 The creation of a one-stop shop Centre of Excellence for customers will enable the Licensing Service to target and deliver improved service standards across the licensed hire fleet.

## **Services to Landlords**

- 4.20 House in Multiple Occupation ('HMO') and Landlord Registration functions are grouped together to focus on driving up standards in that sector and to prepare for the necessary steps for the implementation of a STL licensing scheme.
- 4.21 The inspection team transferred into the Licensing Service in 2017. A review of the inspection and enforcement activities will be carried out in 2020/21. Any resulting changes will be in place for the introduction of the STL licensing scheme and will reflect the need to find additional capacity to ensure that the introduction of a STL licensing scheme is a success.
- 4.22 The Licensing Service is creating a Centre of Excellence, with all of these functions grouped together. This will ensure that customers either delivering or affected by any of these functions are aware where responsibilities lie and who can assist. The Centre will be based at the City Chambers.

### **Services for other trading activity and events**

- 4.23 In practice these functions are already grouped together, with all temporary and alcohol licensing being supported by a team based in the City Chambers. Most temporary licensed events require a temporary alcohol licence, and management of the events together with alcohol licensing enables the organisers and Council teams to work together. This assists with the delivery of high volume, fast paced licensing requirements to effectively support the City's many festivals, events and community projects.

### **ICT and Infrastructure**

- 4.24 Further significant work is required, as the current version of the Service's Civica Authority Public Protection ('APP') database is approaching the end of its operational life. Planning has begun for APP's replacement with Civica Cx, which will deliver a web-based application system. This has been a long-standing aspiration of the Directorate and is necessary to a) manage the expected increase of licence applications overall and b) improve customer experience and the efficiency of the service.
- 4.25 The service has made improvements to ICT since 2012 - in particular the roll-out of iPads to allow staff carrying out HMO inspections to update records whilst in the field - and the introduction of APP.
- 4.26 The service will be required to review and update business processes so that any new ICT functionality is used to the maximum benefit for customers and efficiencies. The automation of the application process enables colleagues to focus on service delivery and removes the margin of error from manual input which causes delays. The efficiencies gained will provide a more streamlined service offering, and the system will allow a more accessible and informative overview of the complexities of multi-event and multi-licensed project planning.
- 4.27 Edinburgh is the largest Licensing Authority in Scotland. Focus over the next two years on the priorities described above will deliver improved service, knowledge and the ability to continue to deliver thousands of licensable activities in a fully coordinated, partnership-based model. The creation of Centres of Excellence will enable the Service to improve efficiency, increase capacity and deliver the planned additional licensing

scheme. However, this will mean that there will be limited scope to deal with additional ad hoc pieces of work without any increase in staffing resource within the service. These priorities are set out in more detail at Appendix 1.

## **5. Next Steps**

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- 5.1 The Service will prioritise the activity in set out in this report and will provide further progress updates to the committee.

## **6. Financial impact**

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- 6.1 The cost of Licensing functions are contained within the income received from applications fees. A separate report on a fee structure for Short Term Lets Licensing will be brought forward once the scope of the legislation implementing the scheme is known.

## **7. Stakeholder/Community Impact**

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- 7.1 The Service has undertaken customer research surveys to underpin stakeholder engagement. Additionally, the service has a number of consultative groups for stakeholders and the work programme will be shared with these groups.

## **8. Background reading/external references**

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- 8.1 None

## **9. Appendices**

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- 9.1 Appendix 1 - Licensing Strategic Workplan

## Appendix 1

Objective Strategy		Action	Target Date
Introduction of new Licensing Systems	Short Term Lets	Introduce a licensing system using new powers under the Civic Government (Scotland) Act 1982	Summer 2021
	Sexual Entertainment Venues	Complete introduction a licensing system using new powers under the Civic Government (Scotland) Act 1982	Dec 2020
Licensing Policies	Age and Emission Standards for Taxis and PHC	Implement agreed timeline for 10 year age limit and minimum Euro 6 Standard. Provide committee with annual progress report	Apr 2023
	Overprovision of PHC	Complete assessment of market to enable the committee to reach a policy decision.	Dec 2020
	Public Space Protocol	Review as required depending on decisions made by other Executive Committees of the Council.	Dec 2020
Service Improvement	Taxi Licensing	Multi functional service delivering processing, guidance, inspection, enforcement and complaints	Apr 2020
	HMO Licensing	Multi functional service delivering processing, guidance, inspection, complaints and preparing for short term lets licensing.	Feb 2021
	Civic/Alcohol and Temporary Licensing	Multi functional service delivering processing, guidance, complaints	Feb 2021
Accommodation	Taxi Examination Centre	Relocation from Murrayburn	Apr 2022
ICT	Introduction of Civica CX	Introduction of automated ICT system for applications and mobile working for inspection and enforcement	March 2021