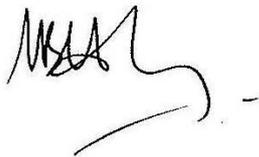




Report to:	Licensing Committee	Date:	8 March 2016
Report title:	Street Trading Options Report		
Report from:	Mary Morrissey, Strategic Director Environment, Housing and Regeneration		
Ward/Areas affected:	Borough Wide		
Chair of Committee/Lead Member:	Councillor Mary Burstow		
Author(s)/Contact Number(s):	Richard Winch, Licensing Manager, 020 8770 5622		
Corporate Plan Priorities:	<ul style="list-style-type: none"> • An Open Council • A Fair Council • A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	22 February 2016

1. Summary

- 1.1 Street trading is part of the fabric of urban life. Thriving markets add to the variety and vibrancy of town centres and the diversity of shopping opportunities. Street trading provides valuable employment opportunities for local people as well as promoting entrepreneurship and business interest in the local environment and an opportunity for small businesses to grow.
- 1.2 The council's street trading policy is subject to periodic review to ensure it meets the aspirations of the council to be an enterprising and enabling council which allows current and future businesses to thrive. This report sets out the options available for the operation and regulation of street trading across the borough.

2. Recommendations

It is recommended that the committee agrees to:

- 2.1 Introduce a speciality market fee structure based on numbers of stalls
- 2.2 Abolish the commodities list
- 2.3 Allow the sale of hot food in Sutton High Street
- 2.4 Extend the licensing hours of pavement cafes to 10pm 7 days a week
- 2.5 Introduce a time limit for street trading applications to be submitted.



3. Background

- 3.1 Street trading in Sutton is regulated under the London Local Authorities Acts which requires all traders to be licensed to trade in the street. There are two types of licences, an annual licence issued in designated streets only and a temporary licence issued to trade on any street in the borough for up to 6 months. There are currently only 3 designated streets in the borough, Sutton High Street, Woodmansterne Lane and Rosehill. It is an offence to trade in the street without a licence and if convicted carries a maximum fine of £1000.
- 3.2 The hub for street trading in the borough is around Sutton High Street. The north end of the High Street has designated pitches for street trading purposes and this area is occupied by the day market. These market traders pay for annual licences which require a minimum of 3 days trading throughout the year. However, the market has lost some of its vibrancy and is significantly under occupied with only sporadic trading on some days of the week. Speciality markets are attracted to the High Street during seasonal periods. There is also an increased demand for single day trading markets in the High Street but the current speciality market pricing structure does not encourage single day traders. There is also a demand for temporary street trading licences in the middle section of the High Street. However as these traders are sporadic the result is isolated pitches scattered throughout the area from time to time only. In order to deliver successful street trading in the borough we need to ensure that our street trading policy encourages maximum trading opportunities for all businesses.

4. Issues

Street Trading Licence Fees

- 4.1 The council charges a fee for a street trading licence. The annual fee setting process is prescribed in law and can be set to recover the full cost of delivering the service but must not make a profit. However, the cost of street trading must be affordable and this is reflected in the service costs that we choose to recover through our fees.
- 4.2 Subsidisation is not lawful; all applicants for the same licence type must pay the same fee. An application for a licence is not valid without the payment of the correct fee but if a licence is refused, the fee must be refunded in full to the applicant.
- 4.3 The annual review of the street trading licence fees are subject to a separate report to the Licensing Committee and therefore are not dealt with in detail as part of this report. However an issue has been raised with the council by several of our stakeholders that the cost of the speciality market fee is unaffordable.
- 4.4 The current fee for a speciality market is £1000 and covers any number of stalls for up to 7 days trading in Sutton High Street and £500 for other district centres across the borough. These fees were set back in 2008 when the large international markets first came to the borough to trade for 3 or 4 consecutive days. However recently there has been an increase in demand for smaller single day trading markets but the current fee structure is said to be prohibitively high and unaffordable for traders.
- 4.5 A new pricing structure could be introduced that takes into account the size of the market. The fee would still need to be set to recover administration and inspection costs and include the



increased cost of inspecting food stalls. The fees would still cover up to 7 days trading as the costs mainly relate to set up costs and initial inspections. The suggested fee structure is shown below.

Up to 10 stalls	£350
11 to 20 stalls	£600
21 to 30 stalls	£850
31 to 40 stalls	£1100
Over 41 stalls	£1350

- 4.6 It is not possible to compare our street trading fees with other boroughs as each borough operates in a slightly different way and as such we would not be comparing like with like.

Commodities List

- 4.7 Goods being offered for sale in Sutton can be regulated in one of two ways, either by a commodities list or by specifying what can be sold by each trader on their licence. Sutton currently operates a commodities list. Traders request to sell two categories of commodities from the list and are licensed to sell only those products unless they apply for a variation of their licence. Traders have requested that the Commodities list is abolished. They feel that this restriction does not allow them the freedom to react quickly to changes in supply or market demands. Goods offered for sale can be regulated through the terms of the licence. This will allow the traders more freedom to sell a variety of products. However, the council may want to consider introducing a "banned items" list so that the council can restrict items that are they feel are inappropriate to be sold on the borough's streets. It should be noted however that there is no law that specifically allows us to do this.

Hot Food

- 4.8 There is currently a restriction on the sale of hot food in Sutton High Street which was historically requested by ward councillors and retained on review by the licensing committee in 2011. Speciality food markets and hot food sales are very popular in other local authority areas and are very successful in attracting shoppers and trade to an area. The sale of hot food could be introduced as a licensable activity. However food traders require closer scrutiny and regulation for compliance with food safety laws and therefore the additional resource implications would need to be reflected in the licence fees.

Extending Hours for Pavement Cafe Licences

- 4.9 Premises such as pubs, bars and cafes in Sutton High Street that wish to sell from the street require a pavement cafe licence. The current licences allow food and drink to be sold up until 9pm on weekdays and Sunday and until 7pm on Saturdays. Representations have been made by several stakeholders requesting that the licence hours for pavement cafes are extended to 10pm 7 days a week. This approach would give a more cafe culture feel to the High Street and encourage a more family customer base to the area. No consultation has been carried out but an early discuss with the Police has indicated their support.

Application Process

- 4.10 There is no statutory time limit in legislation for submission of street trading applications. Whilst this provides flexibility for short notice trading, it places a burden on the Council to prioritise and issue the licences in time. This is particularly onerous when speciality markets with large numbers of stalls apply at the last minute and doesn't allow time for consultation. The council



could impose a time limit through the street trading policy to ensure completed applications are received in sufficient time for consultation with relevant parties and for processing of applications. A time limit of 10 working days would be sufficient for these purposes.

4.11 Consultation is undertaken with the Police only for applications in designated streets. Prescribed reasons for refusal are specified in the Act. New temporary licenses are sent to ward councillors and the Police for comments and if objections are received a hearing of the Licensing Sub-committee is held to determine the application. Uncontested applications are granted subject to standard licensing conditions. Renewals of temporary street trading licenses are not consulted on but a police check is undertaken.

5 Impacts and Implications

Financial

5.1 The recommended fees should ensure the full recovery of costs for the market trading account and the temporary traders account. This is in line with legislation that ensures a surplus or deficit is not generated for these trading accounts.

Legal

5.2 Street trading in Sutton is regulated under the London Local Authorities Acts which requires all traders to be licensed to trade in the street. The council charges a fee for a street trading licence. The annual fee setting process is prescribed in law and can be set to recover the full cost of delivering the service but must not make a profit. However, the cost of street trading must be affordable and this is reflected in the fees.

5.3 Subsidisation is not lawful; all applicants for the same licence type must pay the same fee. An application for a licence is not valid without the payment of the correct fee but if a licence is refused, the fee must be refunded in full to the applicant.

6 Appendices and Background Documents

Appendix Letter	Title	
A	Current Street Trading Policy	
Background Documents		
None		
Audit Trail		
Version	Final	22 February 2016
Consultation with other officers		
Officer	Comments Sought	Comments checked by
Finance	Yes	Christine Little
Legal	Yes	Saima Khan