

Report	Summary of key findings and recommendations	Recommendations			Status
		H	M	L	
<p>Subject: Licensing</p> <p>Category: Assurance – Cyclical</p> <p>Date issued: 19 July 2023 Draft 6 September Final</p> <p>Level of Assurance: Substantial for the processing of applications and evidence compilation and processes are in place to receive licence fee income at the appropriate rate. Limited for the governance arrangements in place to support the licensing activity and the ongoing risk-based monitoring arrangements.</p>	<p>The Midlothian Licensing Board are responsible for regulating the sale of alcohol to the public (under The Licensing (Scotland) Act 2005) and certain gambling activities (under The Gambling Act 2005). The Council's General Purposes Committee is responsible for the issue of most other licences such as those issued under the Civic Government (Scotland) Act 1982, the Housing (Scotland) Act 2006 (houses of multiple occupancy), The Caravan Sites and Control of Development Act 1960, and the various animal control licences. The Civic Government (Scotland) Act 1982 includes a wide range of activities such as taxi and private hire vehicles, taxi and private hire drivers, skin piercing, tattooing, second hand dealers, street traders, public entertainment, late hours catering, window cleaners, metal dealers, knife dealers and indoor sports entertainment.</p> <p>The Legal and Governance Manager acts as Clerk to the Licensing Board and has authority delegated by the board to grant certain types of routine licences where no objections have been received for the licence application. Similarly, the General Purposes Committee has granted delegated authority for other types of licences to be approved by senior management where no objections have been made.</p> <p>The day-to-day management of the Licensing Team sits within Protective Services under Health, Safety and Resilience. This team has responsibility for the administration of the majority of Civic Government (Scotland) Act 1982 and Licensing (Scotland) Act 2005 Licences, including the processing of applications, compilation and review of relevant evidence, coordination of responses from consultees, preparation of evidence to submit to the relevant committee (if required) and the issue of the approved licence to the applicant. Whilst Protective Services have been responsible for some licences such as Animal Licensing and Caravan licensing since the introduction of these licences, Civic Government Licensing and Licensing Scotland Act 2005 Licences only recently became Protective Services' responsibility this year. Protective Services have advised that they will review and improve the Council's licensing processes. The administration of Animal licensing and Caravan licensing are managed by Environmental Health Officers.</p>	0	1	13	Management have accepted the factual accuracy of the report and its findings, and agreed to implement the recommendations.

Report	Summary of key findings and recommendations	Recommendations			Status
		H	M	L	
	<p>Short term lets licensing is also managed under Public Health and Environmental Protection. A system (ESB provided by Pentagull Ltd) was procured to support the implementation of this new licence. The short-term lets licensing scheme is mandatory for all short-term let accommodation across Scotland. The Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2021 requires that anyone operating a short-term let before 1 October 2022 must apply for a licence by 1 October 2023 and those who want to set up and operate a short-term let for the first time need a licence issued by their relevant Local Authority before they take any bookings or accept any guests.</p> <p>Licence fee income in 2022/23 was £92,974 for the Licensing Board, £96,111 for Civic Licensing, and £5,423 for Animal Licensing. There was no income for Caravan Licensing in 2022/23 as the licence is for a 4 year period and was last paid by all relevant licensees in 2019/20.</p> <p>Internal Audit considers that the level of assurance is substantial for the processing of applications and evidence compilation and processes are in place to receive licence fee income at the appropriate rate. Assurance is limited for the governance arrangements in place to support the licensing activity and the ongoing risk-based monitoring arrangements. Internal Audit made the following recommendations:</p> <ul style="list-style-type: none"> • Licensing Board Committee papers should be published on the CMIS system and the Functions Report and Income & Expenditure Statement should be presented to the Board and published on the system. The statement should accurately reflect costs relevant to the LSA 2015. (Low) • Management should ensure the Licensing Forum is reconvened to ensure it is fulfilling its statutory duties. Consideration should be given as to how to manage potential conflicts of interest in terms of Protective Services management coordinating the Licensing Forum. (Low) • An online public register for licences should be established. Management should consider how the Idox Uniform system could be utilised to minimise administration and duplication of effort for the development of the register. (Low) 				

Report	Summary of key findings and recommendations	Recommendations			Status
		H	M	L	
	<ul style="list-style-type: none"> • There is a need to clarify some aspects of the roles and responsibilities for Protective Services and the Clerk of the Licensing Board. (Low) • Procedures should be developed for all licences issued by the Council and risk registers should be updated. (Low) • Licencing data should be reviewed to ensure it complies with the Council's retention policy. (Low) • Application forms should be updated with the Council's Privacy Policy and should be available online for all licences. (Low) • A consistent approach on when insurance is requested from applicants with regard to Civic Government licensing and Animal Licensing should be implemented and an audit trail of checks carried out for person fitness tests and licensing inspections should be retained. (Low) • The Topographical Test for taxi drivers should be reviewed and modernised including the use of online training. Fitness to Drive standards including the requirement to submit medical examinations should be reviewed. (Low) • Management should support the General Purposes Committee in considering whether there is overprovision for taxi drivers and HMOs given the length of time since this was last assessed. Private Hire overprovision should also be assessed as agreed by members of the General Purposes Committee in February 2020. (Low) • Management should review and update the Council's Civic Government licensing conditions and the Public Entertainment section 9 resolution. Appropriate periodic consultation should be established with relevant trades such as taxi and private hire drivers. (Low) • Animal Licencing fees should be reviewed to introduce a tiered approach depending on the complexity of the business. Caravan Licence Fees should be reviewed and included on Midlothian's Fees and Charges Schedule along with all of the Council's other Fees and Charges. (Low) • Review hearings should be held at the Licensing Board for premises that have not paid their renewal fees. (Low) • The role of the Civic Licensing Standards Officer should be delivered and adequate resource allocated to licensing monitoring and administrative 				

Report	Summary of key findings and recommendations	Recommendations			Status
		H	M	L	
	support. The scheme of delegation should be updated to include the Licensing Standards Officers for the Civic Government (Scotland) Act 1982 and the Licensing Scotland Act 2005. (Medium)				