

## LICENSING (TAXI AND MISCELLANEOUS) PANEL

Date: 22 September 2014

Venue: East Northamptonshire House, Cedar Drive, Thrapston

Time: 9am

Present: Councillors: -

Tony Boto  
Andy Mercer

Pauline Bradberry

### 1. APPOINTMENT OF CHAIRMAN

#### RESOLVED

That Councillor Andy Mercer be appointed Chairman for the Hearing.

### 2. APOLOGIES

There were no apologies for absence..

### 3. DECLARATIONS OF INTEREST

No interests were declared.

### 4. HOUSE TO HOUSE COLLECTIONS – DECISION TO GRANT OR REFUSE APPLICATION

The Health Protection Manager reported on an application made on 22 July 2014 from Mrs Dovice Stasiuleviciene of Audosta Ltd., on behalf of Woodlands Cancer Care, to operate house to house collections for a week in October 2014.

The Panel heard that the application had been assessed by officers against East Northamptonshire Council's (ENC) House to House Collections Policy. A letter was sent to the applicant on 12 August 2014 advising that ENC was minded to refuse the application due to the total amount likely to be applied for charitable purposes as the result of the collection (including any amount already so applied) is inadequate in proportion to the value of the proceeds likely to be received (including any proceeds already received).

In the information that Audosta Ltd. provided they stated that they receive around £1150 per tonne for the clothes they sell. It was understood that they gave the Charity £500 per month from all the collections nationwide, plus £100 per tonne for any amount collected above this.

At question 19 of the application, Mrs Stasiuleviciene stated that 8-10% of the value of the goods collected was given to the Charity. ENC policy states that 70% of the value of the goods collected should be given to the Charity.

A letter was then received from Audosta Ltd. to advise that the company would be appealing

the decision and that SIS Global would be representing them.

It was noted that Audosta Ltd. had previously been investigated for carrying out a collection in the East Northamptonshire area without the appropriate licence.

The Panel had no questions to ask of the Health Protection Manager.

Prior to the Hearing the Panel were provided with references for Audosta Ltd. from various benefactors.

The Chairman then gave Audosta Ltd's representative an opportunity to address the Panel.

Mr Bryan Cooper of SIS Global thanked Members of the Panel for giving him the opportunity to put Audosta Ltd's account. Audosta Ltd. held around 200 licences throughout the UK and particularly supported four charities. Mr Cooper explained that Audosta Ltd. found it difficult to reach the level of donations which the Council had specified because of huge overheads, and they could not match the requirements. Around 17-20 people were employed in offices and warehouses, and only if volunteers were used, would they be able to reach the figure of 70%. Audosta Ltd. had provided independent audited accounts.

Mr Cooper also noted the unlicensed collection earlier in the year. He confirmed that the matter had been dealt with and that the guilty party had left the employ of Audosta Ltd.

Mr Cooper provided the Panel with further publicity regarding a "Rags to Riches" campaign.

The Panel questioned Mr Cooper about the figures supplied with the application. There were concerns that the figures did not equate, in particular around the arrangements for the bags used for collections; a figure of £1,138,678 was noted for 'purchases' and Mr Cooper confirmed that the figure referred to the purchase of bags.

Mr Cooper was also questioned on the amount of money the collectors earned. Mr Cooper had no detailed information and could only rely on the information provided about the audited accounts.

The Panel gave Mr Cooper the opportunity to make a final statement in which he stated that he believed there was no good reason to turn the application down.

The Panel then retired to make their decision at 9.28am.

The Panel reconvened at 10.35am

#### **RESOLVED:**

In their consideration of this application the Panel had regard to:-

- the House to House Collections Act 1939,
- the House to House Collection Regulations 1947 (SR&O 1947 No 2662, as amended by Statutory Instrument 1963 No 684),
- East Northamptonshire Council's House to House Collections Policy revised December 2011,

- The Charities Act (1992).
- Oral evidence given by Mr Bryan Cooper of SIS Global during the Hearing. Mr Cooper stated that he was the agent for Audosta Ltd and was accepted by the Panel as their representative.
- The report of the Licensing Enforcement Officer to the Panel dated 1 September 2014.
- The application by Audosta Ltd for a House to House Collection Licence dated 21 July 2014.
- The agreement between Woodlands Cancer Care, a registered charity, and Audosta Ltd.

The Panel has reached the following decision.

**To refuse the grant of a Licence**

The Applicant did not attend the hearing, but was represented by Mr Bryan Cooper of SIS Global who answered the detailed questions put by the Panel.

The Panel asked Mr Cooper about the profit and loss account of Audosta Ltd for the year ended 30 September 2012. This was the most recent set of accounts available to the Panel.

Specifically the Panel asked about the amount donated to charities during the year. Mr Cooper confirmed that the figure of £28,795 was the amount donated.

The Panel also asked about the line item entitled Purchases which was £1,138,678 (pounds). Mr Cooper stated that this was for the purchase of bags. In the letter of 26 February 2014 from Mr Barry Tanner he provided the information that Audosta Ltd pay £45 per 1,000 for bags. This implies that Audosta Ltd purchase and deliver approximately 25,303,960 bags per year.

Mr Cooper stated that Audosta Ltd usually have around 200 collectors working. That implies that each collector delivers approximately 500 bags per working day.

The turnover in the year ended 30 September 2012 was £2,109,206. Given that £28,795 was donated to charity, this means that 1.36% of turnover was donated to charity. The Panel feels that this percentage given to charity is disproportionate to the overhead costs.

The Panel asked Mr Cooper about the payments made to collectors of £450 per tonne. As it is stated in the documentation from Mr Barry Tanner that a collector can expect to collect around 1.5 tonnes per week, giving a gross income of £675.00 per week. The Panel were particularly interested in how this figure broke down in the costs associated with the collections and the income expected by each collector. Mr Cooper was unable to provide clarification of this point.

### **Reasons for Refusal**

The Panel Members noted East Northamptonshire Council's House to House Collections Policy Section 3.2 (legal reasons for refusal A and F.).

This section reads: -

*The total amount likely to be applied for charitable purposes as the result of the collection (including any amount already so applied) is inadequate in proportion to the value of the proceeds likely to be received (including any proceeds already received).*

As stated above, the 2012 accounts of Audosta Ltd indicate that they donate typically less than 2% of their turnover to charity. The Panel concluded that this amount was inadequate.

*The applicant or holder of the Licence has refused or neglected to furnish to the Authority such information as they may have reasonably required for the purpose of informing themselves as to any of the matters specified in the foregoing paragraphs*

The Panel asked Mr Cooper on several occasions for information that they believed was necessary for their decision. Mr Cooper stated that he was unable to provide that information.

The Applicant is advised that if they are aggrieved with this decision they have the right to appeal, to the Secretary of State, within 14 days from the date on which Notice is given.

**Chairman**