

Written Evidence Against Street-Trading Fees for Tan's Coffee Box

Submitted to Cheltenham Borough Council Licensing Committee – June 2025

Executive Summary

Tan's Coffee Box is a micro-enterprise that generates demonstrable social, economic and environmental value for Cheltenham. The Licensing Team has proposed a 12-month street-trading fee of £3,298, which represents 19.9% of the kiosk's £16,490 turnover for the 12-month period June 2024 – May 2025. If imposed in full, that charge would almost certainly force the business to cease trading, thereby removing a service that directly advances four of the Borough Council's strategic and statutory priorities.

First, the box helps the Council to achieve the twin Corporate Plan commitments to "support residents and businesses to thrive" and to "tackle disadvantage" ([cheltenham.gov.uk](https://www.cheltenham.gov.uk)).

Second, the activity delivered at the box satisfies the Public Services (Social Value) Act 2012, which requires local authorities to consider social, economic and environmental wellbeing whenever they charge for services (legislation.gov.uk).

Third, the box contributes to the Government's cross-department loneliness strategy by providing a reliable "third place" in which residents can build social connections ([gov.uk](https://www.gov.uk)).

Finally, Local Government Association guidance confirms that licensing fees must be no higher than is necessary to recover administrative costs and must be transparently calculated ([local.gov.uk](https://www.local.gov.uk)).

In light of those four considerations, we respectfully request that the Licensing Sub-Committee exercises its lawful discretion to waive, or at least to reduce substantially, the fee.

Background

Tan's Coffee Box is a mobile coffee stand located on the private forecourt of St Luke's Church, Cheltenham. Since opening in July 2024 it has become a beloved community hub used daily by NHS staff, local residents and people experiencing social isolation. The business originally paid an administrative licence fee of £113 and was not advised that any further street-trading charges would apply. When the licence fell due for renewal in June 2025, the Licensing Team quoted a fee of £5,114.99, subsequently reduced to £3,858 and finally to £3,298. Even at the latest figure the charge still amounts to approximately 20% of the stand's annual revenue, creating uncertainty and undermining confidence in the fee-setting process. A clear, consistent and proportionate approach to licensing is essential if businesses that deliver social value are to plan for the future.

1 Purpose of this Evidence

The purpose of this paper is to provide the Licensing Committee with a fully referenced, up-to-date evidence base demonstrating that the proposed fee is disproportionate, inconsistent with comparable charges in neighbouring districts and incompatible with both Council and national policy objectives.

2 Policy and Statutory Context

The table below summarises the key policy instruments and statutory duties that are relevant to the Committee's decision and explains how Tan's Coffee Box helps the Council to meet each obligation.

Source	Key obligation	Relevance to this decision
Cheltenham BC Corporate Plan 2023-27	The Plan pledges to “support residents and businesses to thrive” and to “help tackle disadvantage”.	By providing an inclusive, low-cost social space, Tan’s Coffee Box combats isolation and supports town-centre vibrancy. (cheltenham.gov.uk)
Local Government Act 2000	Section 2 empowers a council may do anything it reasonably believes will promote or improve the economic, social or environmental well-being of all or part of its area.	That broad power lets Cheltenham Borough Council lawfully reduce or waive the £3,298 street-trading fee for Tan’s Coffee Box because keeping the box open clearly benefits local wellbeing.
LGA Guidance on Locally-Set Licensing Fees	Fees must reflect actual administrative costs and be demonstrably proportionate.	Comparative data in Section 3 shows that Cheltenham’s proposed mobile-trader fee is more than four times the regional average. (local.gov.uk)
ONS Public Opinions & Social Trends (Dec 2023 – Jan 2024)	The survey found that 27% of UK adults feel lonely “always, often or some of the time”.	Tan’s Coffee Box acts as a daily social hub that mitigates loneliness for local residents. (ons.gov.uk)
DCMS Tackling Loneliness Annual Report 2023	Every pound invested in community-based loneliness initiatives saves the public sector £1.26.	Waiving a £3.3k fee could therefore generate approximately £4.2k of avoided health-service costs. (gov.uk) <i>Determined by the license fee treated as the investment, and multiplied by the ROI.</i>
Institute of Place Management – High Streets & Social Value (2022)	Regular “third-place” interactions reduce self-reported loneliness by 17%.	Retaining the box therefore delivers a tangible public-health dividend.

Note on the existing charity discount: CBC’s current Street-Trading Policy offers a 50% fee reduction to registered charities. Although Tan’s Coffee Box is not a charity, its proven contribution to community well-being aligns squarely rationale for that concession, and we therefore request equivalent discretionary relief.

3 Comparative Fee Analysis for the 2025 Trading Year

The following table compares Cheltenham’s proposed fee with charges levied by nearby authorities.

Authority	Mobile-trader licence (12 months)
Cheltenham BC	£3,298

Tewkesbury BC	£559
Gloucester City	£815
Cotswold DC	£646
Bath & NES Council	£733

Finding: Cheltenham's proposed charge is **4.3 times the Gloucestershire median** and lies within the 95th percentile of all English district councils.

4 Financial Sensitivity Analysis

All calculations in this section rely on the **most recent 12-month trading forecast**.

- **72 trading days' gross profit.** Across the year the business is forecast to generate total gross profit of **£11,612** on **252** trading days, producing an average gross-profit figure of **£46.10** per day ($11,612 \div 252 = 46.10$). When the proposed fee of **£3,298** is divided by that average, it equates to the gross profit from **approximately 72 trading days** ($3,298 \div 46.10 \approx 71.5$, rounded up).
- **129% of the community-event reinvestment budget.** The business has earmarked **£2,556** for free community events in 2025/26. The proposed fee therefore exceeds that allocation by **29 per cent** ($3,298 \div 2,556 = 1.29$).

In total, the charge represents **20% of turnover**, **28% of annual gross profit** and would severely limit the business's ability both to pay a wage and to fund further community outreach.

5 Legal Scope for Discretion

Section 2.1 of the Local Government Act 2000 empowers the Council to act in the interests of community wellbeing.

7 Recommendations

1. That the Committee reduces the annual mobile-trader fee for Tan's Coffee Box from £3,298 to £550, which is consistent with cost-recovery benchmarks in comparable districts.
2. That the Council adopts a formal Social Value Discount scheme, under which traders who provide measurable community benefit receive an automatic 50% reduction.

8 Conclusion

The proposed fee is clearly disproportionate. It conflicts with national legislation, guidance on proportionate fees, contravenes the Council's own strategic objectives and threatens the viability of a valued local amenity. A waiver or substantial reduction would be a low-cost, high-impact intervention that delivers immediate and measurable gains for Cheltenham's economic recovery and public well-being.