

COMMITTEE	GENERAL LICENSING COMMITTEE
DATE:	11 JUNE 2018
TITLE:	PROPOSED TAXI LICENCE FEES 2018/19
PURPOSE:	APPROVE PROPOSED FEES TO BE IMPLEMENTED FROM 1 OCTOBER 2018
AUTHOR:	HEAD OF ENVIRONMENT DEPARTMENT

1.0 BACKGROUND INFORMATION

- 1.1 The Council is required to review its fees in respect of taxi licensing (i.e. hackney carriage licences, private hire vehicle licences, private hire operator licence and driver licences) on a regular basis. On 24 June 2013, this Committee resolved to review taxi fees annually.
- 1.2 Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 provide that fees may be charged at a level sufficient to recover reasonable costs -
- for granting a driver's licence for a hackney or private hire vehicle – costs associated with processing, administration and issuing licences.
 - For granting a vehicle and operator's licence – inspection costs, hackney carriage stand, public notices, control and supervision of vehicles and any other costs associated with processing an application.
- 1.3 The fees charged must be reasonable and it is the Council's decision whether or not the fees are set at a level which will allow for the reclamation of costs in full or in part. **On 24 June 2013, this Committee resolved that taxi licensing fees would have to be revised to fully recover costs.**
- 1.4 Taxi fees were increased by 25% in 2013 and 19.78%, and 10.78% in 2015 in order to fully recover the costs. The fees were not increased at all in 2016/17 or in 2017/18

2.0 IMPACT OF RECENT LEGISLATIVE CHANGES ON LICENSING PROCESSES

- 2.1 The fees have not been changed since the 2015 Deregulation Act introduced the right to apply for taxi driver licences that remain valid for three years, and operator licence that are valid for up to three or five years. Most taxi drivers decided to apply for three year driver licences when it was time for them to renew. The Licensing Unit continues to use the discretion provided through the Act to approve one year licences for drivers under specific circumstances.
- 2.2 As we approach the end of the term of the first three year licences issued since the Deregulation Act came into force, the fees assessment has shown that the cost of the current three year licence is insufficient to recover the true costs of administrating these licences.
- 2.3 The experience of administrating three year licences over the past two and a half years has shown that a great deal of time is spent on obtaining and checking that the necessary documents, such as a medical and DBS certificates; as well as checking to ensure that they remain valid for the duration of the licence. This has been taken into consideration in this review.

2.4 The 2016 Immigration Act has also introduced additional checks into the process of applying for a taxi driver's licence. Every applicant now has to visit the council office to apply in person and bring original documents to be verified by officers so that the individual's identity and right to work in the UK can be established. Officers are also required to check documents in detail in order to ensure that no fake documents are produced. These requirements are relevant to every applicant requesting a licence for the first time and to every first application for renewal since the relevant commencement orders within the 2016 Immigration Act came into force.

3.0 FINANCIAL ASSESSMENT AND PROPOSAL FOR 2018-19

3.1 The Treasurer's Department has assessed the proposed fees and has concluded that the proposed increase is reasonable to recover the costs incurred when processing an application, in accordance with what is permitted within the Act. The percentage increase reflects the average percentage increase across the different licences. Some fees have lesser or greater increase than the average percentage depending on the additional effort involved in the processes. The table below outlines the current costs and the proposed costs. The proposed fees also include costs associated with sending renewal reminder letters, and administrative work associated with advising and communicating before and during the application process. Such costs have not been included previously.

3.2 TABLE OF CURRENT AND PROPOSED FEES

proposed taxi licence fees 2018	current fee £	proposed fee £ 2018/19
one year driver licence	136	233
driver licence 3	174	270
new HACKNEY carriage licence	204*	232*
renew HACKNEY carriage licence	169.2*	197*
Transfer of HC Licence to new proprietor	74.60	75
new PH licence	240.5*	269*
Renew PH licence	169.2*	197*
Transfer of PH licence to new proprietor	74.60	75
Conditional PH carriage licence	89.6	171
One year operator licence	180.8	236
three year operator licence	238.7	275
five year operator licence	297.8	329

*Total includes internal and external plates (hackney and private hire) , and sticker (for private hire)

3.3 In order to fully recover the costs, the fees must be increased by an average of 28%

4. CONSULTATION WITH THE INDUSTRY

- 4.1 Following this committee's decision on the proposed fees, a full public consultation will be held in accordance with the statutory requirements.
- 4.2 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 states that a public notice of the proposed fee changes must appear in the local press. There is a specific timetable for public consultations and no proposed changes will come into force until any response to the formal consultation has been considered by this Committee at a later date. There will be a direct consultation by letter before the date the notice appears in the local press in order to allow enough time for the industry to highlight any concerns.
- 4.3 This notice in the press will include a date upon which the fees would come into force, 28 days after the date of the notice, on condition that there is no objection to the fees. Any objections to the fees would have to be considered by the Committee at its next meeting in September 2018, and a decision would have to be made on fee levels accordingly. The new fees would not come into force until a final decision is made by this Committee.

RECOMMENDATION

That the Committee approve the proposal to raise the fees to the levels recommended; subject to consultation with the taxi industry and consultation through public notice.