

COMMITTEE	GENERAL LICENSING COMMITTEE
DATE:	15 March 2021
TITLE:	PROPOSED TAXI LICENCE FEES 2021/22
PURPOSE:	APPROVE PROPOSED FEES PRIOR TO PUBLIC CONSULTATION
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 licences and drivers' licences) on a regular basis. This Committee resolved back in 2013 that taxi fees would be reviewed 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 cover 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, management 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 to set the fees at a level which will allow for the recovery of costs in full or in part. **This Committee resolved in 2013 that taxi licensing fees must be revised to fully recover costs.**
- 1.4 Taxi fees were increased by 25% in 2013 and 19.78% in 2014, 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, and it was agreed to increase the fees at an average of 28% across the various taxi licensing fees for 2018/19.

2 THE EFFECT OF THE PANDEMIC ON THE TAXI INDUSTRY

- 2.1 As we know, since the first lockdown was introduced back in March 2020 the Covid-19 Pandemic has had a far-reaching impact on the public and private sectors; and the taxi industry is no exception to this.
- 2.2 As schools have been closed, and people have stayed at home with no visitors travelling to the county, the taxi industry has witnessed a significant reduction in the demand for their services.
- 2.3 Income losses have been substantial, which has meant that some drivers have decided to quit the work and not renew their licences. Others have requested that the renewal of their licences be deferred until business picks up when the latest lockdown starts to gradually relax. We have offered some flexibility in this respect; and have also offered alternative payment options so that taxi drivers can pay for their licences in instalments, for example.

- 2.4 Requests have been received from taxi firms in the Bangor and Llanberis area, asking this Committee to consider offering a discount on taxi licensing fees during this financial year because of the huge impact of the Covid crisis on the industry. A copy of the e-mail has been sent to you as members, and I attach a copy of the e-mail received, together with my response to it, in the appendices to this report.
- 2.5 The Covid pandemic has affected the industry in several other ways too. Medical evidence shows that the risks of contracting Covid-19 is higher for taxi drivers than amongst the general population; and there are increasing calls for workers in the industry to be classed as key workers and be prioritised for the vaccine.
- 2.6 Furthermore; it is noted that many taxi drivers have been operating Transport contracts for hospitals, schools, social services - as well as transporting key workers such as Health and Care workers to their place of work during the pandemic.
- 2.7 The Council's Licensing Unit and the Economic Development Department have attempted to support the Industry throughout the Pandemic by offering guidance on the Covid restrictions and precautions, and ensuring that businesses have access to the latest information on applying for financial support.
- 2.8 Recently, a list of all taxi licence holders was issued to the Welsh Government so that taxi drivers can claim PPE packs free of charge from the Government.

3. FINANCIAL ASSESSMENT AND PROPOSAL FOR 2021-22

- 3.1 The fees have not been changed since 2019. It was decided to keep the fees unchanged for 2021/21 when the situation was reviewed in March 2020; as the effects of Covid on the industry were starting to emerge then. The crisis is continuing to affect the industry now of course; but with the national Vaccination Programme underway, there is hope that the situation will improve over the coming months, as different sectors are gradually opened up; provided the infection rates in the population continue to fall.
- 3.2 The Council suffered a substantial decrease in income during the first half of the current financial year, but income levels from taxi licences have now increased; with the income against February 2021 standing at approximately 16% lower than at the end of the 2019/20 financial year.
- 3.3 We must bear in mind of course, as already noted; that we cannot increase taxi fees for the purpose of raising income; only for the purpose of recovering the costs of receiving, processing and administering licences.
- 3.4 No legislative or policy changes have taken place recently which means that the costs of processing these licences have not increased over the past two years. There are changes on the horizon next year, such as completing the review of the Combined Taxi Policy, which will adopt the recommendations of the Department for Transport's National Statutory Hackney and Private Hire Vehicle Standards; together with any new guidelines that will be introduced by the Welsh Government.

3.5 Having considered all the factors noted, we do not believe there is justification for increasing the taxi licence fees significantly for the next financial year. We therefore propose that you consider a proposal that all Taxi Licensing fees are increased in accordance with the increase in inflation over the past two years. This equates to a 2.56% increase on all licence fees as follows -

3.2 TABLE OF CURRENT AND PROPOSED FEES

Proposed taxi fees	Current fee £	Proposed fee for 2020/21 - inflation increase of 2.56%
one year driver's licence	233	239
3 year driver's licence	270	277
new HACKNEY vehicle licence	232*	238
renewal of HACKNEY vehicle licence	197*	202
Fee for transfer of HV licence to a new owner	75	77
New PH licence	269*	276
Renewal of PH licence	197*	202
Fee for transfer of PH licence to a new owner	75	77
Provisional PH vehicle licence	171	175
One year operator's licence	236	242
3 year operator's licence	275	275
5 year operator's licence	329	337

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

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 the public consultation; 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 The notice in the press will include the date upon which the fees will come into force, 28 days after the date of the notice, providing there are no objections to the fees. Any objections to the fees must be considered by this Committee at its next meeting, and a decision will have to be made on the fee levels accordingly. New fees will not come into force until a final decision is made by this Committee.

RECOMMENDATION

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