

Licensing Committee

31 January 2017

Is the final decision on the recommendations in this report to be made at this meeting?

No

Hackney Carriage and Private Hire Licensing: Licence Fees and Charges Fees 2017/2018

Final Decision-Maker	Licensing Committee
Lead Director	Jonathan MacDonald, Director of Planning and Development
Head of Service	Gary Stevenson, Head of Environment and Street Scene
Lead Officer/Report Author	Claire Perry, Licensing Partnership Manager
Classification	Non-exempt
Wards affected	All

This report makes the following recommendation:

1. That the proposed fees and charges and associated costs for licences in respect of hackney carriage drivers and vehicles and private hire drivers, vehicles and operators, as set out in paragraph 2.10, be approved for formal consultation with the trade and with the public; and
2. That subject to the consideration of any unresolved objections, these be implemented with effect from 1 April 2017.

This report relates to the following Five Year Plan Key Objectives:

- A Prosperous Borough.

It is proposed to set fees which enable the authority to be self-financing with respect to this service.

Timetable

Meeting	Date
Licensing Committee	31 January 2017
Licensing Committee	6 April 2017 for consideration of any unresolved written objections

Hackney Carriage and Private Hire Licensing: Licence Fees and Charges Fees 2017/2018

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The authority is required to review the fees set for the administration of the Taxis and Private Hire Licensing. This ensures the Council complies with its statutory duty and that the licensing of Taxis and Private Hire vehicles, Dual Drivers and Private Hire Operators continues towards being self-financing over the medium term, in accordance with the Council's Medium Term Financial Strategy.
 - 1.2 A fees model, similar to the one used to first set the Gambling Act fees in 2007 was used to determine the proposed fees for 2017/2018.
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2. INTRODUCTION AND BACKGROUND

- 2.1 To date the Taxi Licensing service has always been at a cost to the Council. The taxi licensing service is working towards being self-financing over the medium term and the 2016/17 increases together with the proposed inflation increases to fees and charges for 2017/18 and the management of costs will ensure this progress is continued in line with the Council's Medium Term Financial Strategy.
- 2.2 Careful monitoring of income and expenditure has been carried out over the current financial year and the income from licence fees and associated costs, together with expenditure has been in accordance with the objectives laid out in the budget plan and the inflation rate. All other increases in cost of providing the service have been absorbed by efficiency savings as a result of the Licensing Partnership.
- 2.3 A fees model, similar to the one used to first set the Gambling Act fees in 2007 was used to calculate the proposed fees and charges. The fees have been calculated by examining the time it takes to carry out the various tasks in processing the application and who in the authority is likely to carry them out. The hourly rates of staff are fed in to a spread sheet (originally produced by the national support body for local authority regulators, LACORS, to calculate the Gambling Act fees) to calculate costs for each type of activity. The model also uses 2015/16 outturn figures for the income and costs associated with the service shown in the taxi accounts at Appendix A.
- 2.4 The type of tasks involved in taxi licensing applications include: assistance to applicant, checking of an application upon receipt, processing the application. Once processed determining the licence or arranging a hearing and holding a hearing, notification of the decision, prepare and issue the licence, update the records/register, appeal preparation and holding an appeal hearing. Compliance

tests of drivers, vehicles and operators. Training of Officers and Members has also been included, as well as the cost of consumables.

- 2.5 In September 2016 all Council Chief Executives were contacted by the Driver and Vehicle Standards Agency (DVSA) to advise them that they were withdrawing the service of testing the driving standards for new drivers. The Council found an alternative test which costs the applicant less money but maintains the standards of the previous test. The fee is now £70. All new drivers are required to take the test in accordance with the Council's 'Taxis and Private Hire Policy'. The fee is paid by the applicant directly to the service provider TGTraining.
- 2.6 The fee for the Disclosure Barring Service (DBS) Enhanced Search remains the same at £44. However, applicants can now register online when they apply for a DBS search. The registration lasts for one year and costs £13 per year going forward. This would save an applicant £5 over a three year period. It allows applicants to take their search certificate from one job to the next and removes the need for an enhanced search to be carried out upon renewal. The Licensing Team promotes the uptake of the online checking service as it assists in streamlining the online form application process.
- 2.7 The fee for the Hackney Carriage vehicles includes the surcharge for year 1 of the cost of Unmet Demand Survey which was carried out in 2016. The cost is spread over the forthcoming three years (beginning April 2017).
- 2.8 The Deregulation Act 2015 introduced the requirement for Licensing Authorities to issue Private Hire Operator licences for 5 years. There is nothing to prevent the Licensing Authority from issuing Private Hire Operator licences for less than five years.

Public Notice to advertise proposed variation to licence fees

- 2.9 Officers from the licensing department will email those Hackney Carriage Proprietors, Private Hire Operators and Drivers where we have their email addresses after this Licensing Committee meeting to give them the opportunity to make comment. A Notice will also be placed in a local paper and will be available on the Council's website.
- 2.10 Proposed Hackney Carriage and Private Hire Licensing fees from 1 April 2017 are:

	Existing Fees	Proposed Fees
<u>Dual Driver Licence (Hackney Carriage and Private Hire)</u>		
On initial application	£234 for three years	£239 for three years
Disclosure Barring Service search fee	£44 every three years or £13 per year if they sign up to the DBS online service	£44 every three years or £13 per year if they sign up to the DBS online service

	Existing Fees	Proposed Fees
Total (including DBS fee)	£278 for three years	£283 for three years
On renewal	£198 for three years	£202 for three years
Disclosure Barring Service search fee	£44 every three years or £13 per year if they sign up to the DBS online service	£44 every three years or £13 per year if they sign up to the DBS online service
Total (including DBS fee)	£242 for three years	£246 for three years
<u>Hackney Carriage Vehicle Licence</u>		
On initial application	£359 for one year (which includes £30 towards the Unmet Demand Survey)	£366 for one year (which includes £30 towards the Unmet Demand Survey)
On renewal	£341 for one year (which includes £30 towards the Unmet Demand Survey)	£348 for one year (which includes £30 towards the Unmet Demand Survey)
<u>Private Hire Operator Licence</u>		
On initial application – 5 year licence	£493 for five years	£503 for five years
On renewal – 5 year licence	£487 for five years	£497 for five years
On initial application – 3 year licence	£325 for three years	£332 for three years
On renewal – 3 year licence	£310 for three years	£316 for three years
On initial application – 1 year licence	£180 for one year	£184 for one year
On renewal – 1 year licence	£165 for one year	£170 for one year
<u>Private Hire Vehicle Licence</u>		
On initial application	£328 for one year	£333 for one year
On renewal	£310 for one year	£315 for one year
<u>Other Costs</u>		
Change of licensed private hire vehicle (where there is more than six months left from the original licence)	£218	£222
Change of licensed hackney carriage vehicle (where there is more than six months left from the original licence)	£249	£254
Change of ownership of licensed vehicle	£69	£69
Change from Hackney Carriage to Private Hire	£70	£70

	Existing Fees	Proposed Fees
Change from Private Hire to Hackney Carriage	£90	£90
Replace external vehicle plate	£23	£23
Replace driver badge	£9.50	£10
Replace vehicle plate holder	£18	£18
Replace internal plate holder	£1.75	£1.75
Attempting "Knowledge Test" after two failure	£50	£50
Door transfers PHV only (per transfer)	£7.70	£7.70
Copy of existing paper licence	£11	£12
Change of address details for a replacement licence	£11	£12
Change of name for a vehicle or operator licence	£11	£12
Change of name and address for a driver badge	£20	£21
Vehicle exemption certificate or general administration fee	£44	£45
<ul style="list-style-type: none"> Hackney carriage vehicles are subject to additional fee of £30 for demand survey. However a change of vehicle where the expiry date remains the same as the original licence will not be charged this fee. Insurance plates – where a plate has been issued for a year to an Accident Management Company (Cab Aid etc.). A reallocation of the vehicle to a different driver will necessitate a change of plate number. (for example, originally INS 123 but on reallocation becomes INS 678 		

3. AVAILABLE OPTIONS

- 3.1 The fees and charges need to be reviewed to ensure that they are set at appropriate levels to recover the costs associated with providing the service. Having reviewed the income and expenditure the options available are:
- 3.2 To propose no changes or reductions to the existing fees. This would mean there would be a shortfall in income against the budget set for the function.
- 3.3 To approve the fees as set at in paragraph 2.10.
- 3.4 To propose, where possible and appropriate, fees higher than the cost of delivering the service. However, if the Council were subject to Judicial Review it would not be in a position to justify the fees that have been set.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 To approve the fees set out in paragraph 2.10 to ensure that the fee income reflects the cost of providing the service.

5. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 5.1 Officers from the licensing department will consult with members of the public and the trade via public consultation process e.g. an email to all drivers and vehicle proprietors where we have their email address, Tunbridge Well Borough Council website and a newspaper advert. The decision will be published on Tunbridge Wells Borough Council's website.

6. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Legal including Human Rights Act	Should parts of industry believe the authority's fees are at a level which is greater than the costs of the statutory functions then it would be open to them to undertake judicial review proceedings. Should this arise, the authority would need to evidence how it arrived at the fee levels to demonstrate that they have been calculated on a cost recovery basis only.	Jayne Bolas Solicitor Team Leader (Contentious) 23/1/17
Finance and other resources	The Council now has a policy of "user pays" and this report explains how Taxi and Private Hire licensing is working towards this financial objective. Constant reductions in government funding mean that it is not possible to subsidise the provision of such services and the fee increases proposed here should move the service close to financial self sufficiency in 2017/18	Jane Fineman Head of Finance and Procurement 24/1/17
Staffing establishment	The report does not propose any changes to staffing	Claire Perry Licensing Partnership Manager 23/1/17
Risk management	No significant risks identified	Claire Perry 23/1/17
Environment and sustainability	No issues identified.	Claire Perry 23/1/17

Community safety	No issues identified.	Claire Perry 23/1/17
Health and Safety	No issues identified.	Claire Perry 23/1/17
Health and wellbeing	No issues identified.	Claire Perry 23/1/17
Equalities	The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.	Claire Perry 23/1/17

7. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

Appendix A: Tunbridge Wells Borough Council's Taxi Accounts 2013/14 - 2015/16

8. BACKGROUND PAPERS

None