

## REVIEW OF HACKNEY CARRIAGE AND PRIVATE HIRE LICENCE FEES

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### WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS?

None directly. The proposal will reduce the burden on the Council's revenue budget in respect of the cost of operating the licensing function.

### WHY HAS THIS REPORT COME TO THE LICENSING COMMITTEE?

(eg Key Decision, Policy recommendation for Full Council, at request of Council, etc.)

The Licensing Committee is delegated with power to review licensing fees. Council on the 21<sup>st</sup> February 2013 as part of the budget process approved increases in fees for hackney carriage and private hire driver licences and these came into effect on the 1<sup>st</sup> April 2013. Vehicle and operator licence fees are subject to statutory consultation and this process needs to be dealt with this Committee.

### RECOMMENDATIONS:

- (a) that the fee chargeable for a Criminal Records Bureau disclosure be increased from £36.00 to £44.00 with immediate effect;
- (b) that the fees shown in column B of the table at paragraph 3.4 of the report be varied to those shown in column C of that table and that such proposed increase be consulted upon and, if no objections are received, implemented, in accordance with section 70 of the Local Government (Miscellaneous Provisions) Act 1976; and
- (c) if objections are received to the consultation at (b) above that those objections be considered at a further meeting of the Licensing Committee.

## 1. INTRODUCTION

- 1.1 The Council as part of the budget process considered increasing various fees which the Council charges. Many increases were approved by Full Council on the 21<sup>st</sup> February 2013. Fees for hackney carriage and private hire driver licences were approved increasing the licence fee from £62 to £70 for a 12 month licence. No increase was recommended in respect of gambling fees and

liquor/late night refreshment licence fees are fixed by law. Vehicle transfer fees were endorsed as remaining at £15.

- 1.2 The report to Council suggested that an increase in vehicle and private hire operator fees should also occur. However such an increase is subject to a statutory process. The report highlighted that this Committee would deal with the proposed increase in vehicle and operator licence fees.

## **2. DISCUSSION**

- 2.1 The provisions of the Local Government (Miscellaneous Provisions) Act 1976 ('the Act') do not allow the Council discretion to charge whatever it likes for a licence. The cost of a licence has to be related to the cost of the licensing scheme itself.

- 2.2 The fees for hackney carriage and private hire vehicle licences and private hire operators licences are controlled by section 70 of the Act. This states that:

“a district council may charge such fees for the grant of vehicle and operators' licences as may be resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part—

(a) the reasonable cost of the carrying out by or on behalf of the district council of inspections of hackney carriages and private hire vehicles for the purpose of determining whether any such licence should be granted or renewed;

(b) the reasonable cost of providing hackney carriage stands; and

(c) any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles”.

- 2.3 If the Council determines that such fees should be varied it is required, at the level of fees currently charged, to publish a notice in at least one local newspaper circulating in the district setting out the variation proposed and specifying the period, which shall not be less than twenty-eight days from the date of the first publication of the notice, within which and the manner in which objections to the variation can be made.
- 2.4 If no objections are received or if all objections are withdrawn the variation comes into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.

- 2.5 If objection is made and is not withdrawn, the Council shall set a further date, not later than two months after the first specified date, on which the variation shall come into force with or without modification as decided by the district council after consideration of the objections.

### 3. PROPOSAL TO INCREASE THE FEES

- 3.1 The Council currently grants the following licences at the fees shown below:

Licence	Number of licences	Fee	Income per annum
Hackney carriage vehicle	148	£101	£14,948
Private hire vehicle	73	£95	£6,935
Private hire operator	13	£120 (3 year licence)	£1,560
Hackney carriage driver	197	£62 (now £70)	£12,214 (now £13,790)
Private hire driver	138	£62 (now £70)	£8,556 (now £9,660)
Total			£44,213 (now £46,893)

- 3.2 There is a charge for vehicle licence plates of £8.00 per plate and for hackney carriage stripes at £11 per set. These have not been included in the above figures as they are charged for at cost.
- 3.3 Vehicle testing is provided by the Council's contractor, May Gurney Fleet and Passenger Services Limited. Fees are paid direct by proprietors to that company. The fees are £30 per vehicle test, £15 for a vehicle retest, £23 for a trailer test and £11.50 for a trailer re-test. The fees were set in October 2007 when the contract with that company was entered into. The company has now indicated that it would like to increase the fee charged from £30 to £35 with all other fees remaining the same. This is based on the fact that operational costs have increased. It is timely and more cost effective in terms of the statutory process, to deal with the company's request now.
- 3.3 The cost of administering taxi licence is estimated at approximately £90,000. Income is therefore significantly less than income.

3.4 To recover some of the cost it is also proposed to increase vehicle and operator licence fees as follows:

Column A – type of licence	Column B – current fee	Column C – proposed fee
Hackney carriage vehicle	Cost of inspections: £30 x 2/year = £60 Administrative costs: £101 Plate fee £8 Stripes £11 Total: £180.00  (Part of stripes: £2.75 for one)	Cost of inspections: £35 x 2/year = £70 Administrative costs: £123 Plate fee £8 Stripes £11 Total: £212.00  (Vehicle retest fees, trailer test fees and trailer retest fees remain the same)  (Part of stripes: £2.75 for one)
Private hire vehicle	Cost of inspections: £30 x 2/year = £60 Administrative costs: £95 Plate fee £8 Stripes £11 Total: £174.00	Cost of inspections: £35 x 2/year = £70 Administrative costs: £117 Plate fee £8 Stripes £11 Total: £206.00  Vehicle retest fees, trailer test fees and trailer retest fees remain the same
Private hire operator	Administrative costs: £120/ 3 year licence	Administrative costs: £180/ 3 year licence

3.5 It is also proposed, in respect of hackney carriage and private hire driver licences, that the fee charged for a Criminal Records Bureau conviction disclosure/check is increased from £36 to £44 in line with the increase made by the Bureau. Like plate and stripe fees this is charged at cost.

#### **4. CONCLUSIONS**

- 4.1 It is recommended that the licence fees as specified in the table at paragraph 3.4 are increased as set out therein and the procedure for implementation as set out in paragraph 2.3 to 2.5 is now followed. These proposals (and the increase in drivers' licence fees referred to in paragraph 1.1) will increase annual licensing income by an estimated total of £8,322.
- 4.2 It is recommended that the recharge set out in paragraph 3.5 is implemented with immediate effect. This increase does not have to be advertised.

#### **5. STATUTORY OFFICER COMMENTS**

- 5.1 The Monitoring Officer's comments are: the legal requirements are set out in the report.
- 5.2 The Section 151 Officer's comments are:
- 5.3 EIA Comments: There are no EIA impacts at this stage.
- 5.4 Policy Framework: The revenue budget proposals 2013/14 are key to the Council's new corporate plan and policy framework.
- 5.5 Other consultee comments, if any: None.

#### **6. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?**

Not applicable.

#### **7. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?**

Increased income, as set out paragraph 4.1, less the cost of statutory advertising in the first year.

#### **List of Appendices:**

None.

**List of Background Documents:**

Papers relating to budget breakdown based on 2012/13 licensing accounts.