

1401CITY OF CARDIFF COUNCIL

**Agenda No.
CYNGOR DINAS CAERDYDD**

PUBLIC PROTECTION COMMITTEE: 8th September 2015

Report of the Head of Regulatory Services

HACKNEY CARRIAGE & PRIVATE HIRE DRIVER LICENCE FEES

1. Background

- 1.1 The Deregulation Act 2015 amends the section of the Local Government (Miscellaneous Provisions) Act 1976 that deals with the duration of drivers' licences for hackney carriage and private hire vehicles. The present practice in Cardiff is to grant these licences for a period of one year only.
- 1.2 The amendments made by the Deregulation Act establish a standard duration for a driver's licence of 3 years. A licence may be granted for a shorter period where there is a justifiable reason. This reason would be related to the circumstances of an individual case and could not flow from a blanket policy. The commencement date for these measures is 1st October 2015.
- 1.3 The purpose of this Report is to recommend new licence fees for hackney carriage and private hire drivers to reflect the change in the duration of a licence.

2. Proposed Fees.

- 2.1 The table below shows the existing fees compared with the proposed new fees.

	Existing Fee	Proposed 1 Year Fee	Proposed 3 Year fee
Driver Grant	£249	£124	£165
Driver Renewal	£43	£60	£100

- 2.2 New drivers are required to undertake both a written and oral knowledge test before being granted a licence. The charges for these tests are **currently** included in the fee for the licence. However, a number of applicants fail the knowledge tests and are required to retake the test. The number of re-tests is difficult to factor into the fee so it is proposed to charge for knowledge tests **separately** before the grant of a licence.

The proposed charges for knowledge tests are:

- Written Knowledge Test £37
- Oral Knowledge Test £50 (1st and 2nd attempt)
- Oral Knowledge Test £91 (3rd attempt)

The fee for the 3rd attempt of an oral test is higher due to 2 Officers being present at the test to provide additional invigilation.

- 2.3 Although the legislation states that a driver's licence should be granted for 3 years there may be circumstances in which it may be appropriate to grant a licence for a shorted period e.g. where a driver requests a 1 year licence, or the licence holder has a pending conviction. Therefore a 1 year fee has also been calculated for approval.
- 2.4 It has been calculated that for the last financial year of 2014/15, in terms of income, there was a deficit of £8,876 in respect of drivers' licences. This is mainly due to procedural changes which have been introduced such as the introduction of DVLA checks and additional time spent ensuring DBS certificates are returned. The fee for undertaking a DVLA check has also been absorbed into the proposed licence fees rather than imposed as a separate £2.10 charge.
- 2.5 It is proposed that the full deficit will be taken into account when setting the new fees.
- 2.6 The fees have been calculated using a toolkit developed by the Wales Licensing Expert Panel. The toolkit is being used by all Welsh local authorities and has been approved for use by numerous accountants and licensing solicitors. The methodology used to calculate the fees and details of the figures are shown in Appendix A.

3. **Disclosure & Barring Service (DBS) Checks**

- 3.1 All new taxi drivers are required to produce an enhanced DBS certificate prior to grant of their licence. Once licensed, drivers are required to produce an enhanced DBS certificate on a triennial basis.
- 3.2 The Licensing Authority requires an enhanced DBS certificate to check for any criminal convictions/cautions in order to determine whether an applicant or an existing licence holder is a fit and proper person to hold a hackney carriage/private hire driver's licence.
- 3.3 From 1st October 2015 drivers can be issued with a 3 year licence. This will result in the majority of drivers being required to produce a new DBS certificate at some point between licence renewals. This is considered to be costly and bureaucratic for both the driver and Licensing Authority.

- 3.4 Allowing all drivers to renew with a 3 year licence from October onwards will also produce 3 year peaks in income and resource demand. This will create difficulties in terms of financial budgeting and allocating resource.
- 3.5 In order to synchronise DBS checks with licence renewals and reduce costs for both drivers and the Licensing Authority it is proposed that drivers are offered a 3 year licence but must provide an enhanced DBS Certificate regardless of whether it is due. If drivers do not wish to pay for an additional DBS Certificate (currently £44) they can have a one year licence renewal until their DBS Certificate is due.

4. Changes to Policy & Conditions

- 4.1 The change in licence duration will require amendments to be made to the current Taxi Licensing Policy and Hackney Carriage and Private Hire Driver Conditions as both refer to a licence duration of 12 months.
- 4.2 Condition 1 of the Hackney Carriage and Private Hire Driver Licence Conditions will need to be amended to the following:

‘On payment of the necessary fee, the licence remains in force for a maximum of 3 years.’

- 4.3 Paragraph 5.1 of the Policy will need to be amended as follows:

‘The licensing authority requires both hackney carriage and private hire drivers to meet the same standard and issues a licence which permits the holder to drive both hackney carriage and private hire vehicles. Applicants will be expected to be a minimum of 21 years of age and a licence will be issued for a maximum of three years.’

- 4.4 Paragraph 5.2 of the Policy will need an additional requirement. Following the statement ‘An applicant for renewal of a licence is required to:’, the following requirement needs to be added:

‘Authorise a check on their criminal conviction history’

5. Consultation

- 5.1 The trade consultation procedure was undertaken in accordance with the consultation procedure on any policy matters. The draft reports intended for consideration were made available at the licensing offices for any interested party to provide written submissions. Responses to the consultation are detailed in Appendix B.

6. Achievability

This report contains no equality personnel or property implications.

7. Legal Implications

- 7.1 Sections 53 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to charge fees in respect of hackney carriage and private hire drivers' licences. The Council must set the fees for these licences on the basis that it only recovers costs which it is entitled statutorily to recover.
- 7.2 In respect of drivers' licences the Act states that the Council may charge such a fee as it considers reasonable with a view to recovering the costs of issue and administration associated with the grant of Hackney Carriage and Private Hire drivers' licences. Consequently enforcement costs in relation to drivers' licences cannot be recovered through the licence fee.
- 7.3 Case law has established that when the Council makes a surplus in respect of licence fees it should give account for that the next time that the fees are set; and if it incurs a deficit it may also take that into account.

8. Financial Implications.

- 8.1 The report sets out the proposed fee change to take effect from 1st October 2015.
- 8.2 Should a surplus or deficit accrue as part of the final outturn position for 2015/16, this will be taken into account when setting the fees in the next financial year.
- 8.3 As detailed in paragraph 2.3 above, a deficit of £8,876 from the 2014/15 financial year has been taken into account in the calculation of the proposed driver's licence fees.

9. Recommendation

- 9.1 That the Committee approve the proposed licence fees outlined in this Report with an implementation date of 1st October 2015
- 9.2 That on 1st October 2015 paragraph 5.1 of the Taxi Licensing Policy be amended to:

'The licensing authority requires both hackney carriage and private hire drivers to meet the same standard and issues a licence which permits the holder to drive both hackney carriage and private hire vehicles. Applicants will be expected to be a minimum of 21 years of age and a licence will be issued for a maximum of three years.'

9.3 That on 1st October 2015, following the statement ‘An applicant for renewal of a licence is required to:’ in paragraph 5.2 of the Taxi Licensing Policy, the following requirement is added:

‘Authorise a check on their criminal conviction history’

9.4 That on 1st October 2015 Condition 1 of the Hackney Carriage and Private Hire Driver Licence Conditions be amended to:

‘On payment of the necessary fee, the licence remains in force for a maximum of 3 years.’

Dave Holland
HEAD OF REGULATORY SERVICES

13 August 2015

This report has been prepared in accordance with procedures approved by Corporate Managers.

Background Papers: None