

PUBLIC PROTECTION COMMITTEE: 27 July 2022

Report of the Head of Shared Regulatory Services

HACKNEY CARRIAGE AND PRIVATE HIRE LICENCE FEES

1. Background

1.1 The Public Protection Committee authorised the current fees and charges for taxi and private hire licences on the following dates:

- Hackney Carriage & Private Hire Vehicle Licence – July 2018
- Hackney Carriage/Private Hire Driver's Licence – July 2018
- Private Hire Operator Licences – July 2018

1.2 The purpose of this report is to seek approval of new fees for Hackney Carriage vehicle licences, Private Hire vehicle licences, Private Hire Operator licences and Hackney Carriage/Private Hire Driver licences.

2. Proposed Fees.

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

Licence type	Existing Fee	Proposed Fee	Difference
12 Month Hackney Carriage Grant*	N/A	£201	N/A
12 Month Hackney Carriage Renewal	£160	£184	+ £24
6 Month Hackney Carriage Grant*	N/A	£115	N/A
6 Month Hackney Carriage Renewal	£92	£98	+ £6
12 Month Private Hire Grant	£103	£92	- £11
12 Month Private Hire Renewal	£86	£77	- £9
6 Month Private Hire Grant	£70	£66	- £4
6 Month Private Hire Renewal	£52	£51	- £1
3 Years Driver Grant	£159	£163	+ £4
3 Years Driver Renewal	£89	£97	+ £8
1 Years Driver Grant	£117	£123	+ £6
1 Years Driver Renewal	£46	£57	+ £11
5 Year PH Operator Grant	£434	£429	- £5
5 Year PH Operator Renewal	£350	£350	£0

1 Year PH Operator Grant	£98	£100	+ £2
1 Year PH Operator Renewal	£74	£80	+ £6

* Whilst we are not currently able to grant Hackney Carriage licences (due to the moratorium) should this position change the proposed fee is as stated.

2.2 During the financial year 2020/2021 the government placed restrictions on the public including the taxi trade and local authority due to the Covid 19 pandemic. Consequence to this, the Licensing Department operated at a reduced capacity in some areas for example, enforcement.

In calculating the proposed new fees, the full surpluses from the year 2020/2021 have been taken into account.

2.3 The proposed fees have been calculated using a toolkit developed by the Wales Licensing Expert Panel. The toolkit is being used by all Welsh local authorities. The method used to calculate the fees and details of the figures are shown in **Appendix A**.

3. Additional charges

3.1 In addition to the licence fees, additional charges for driver knowledge tests have also been calculated using the same method. The proposed fees are as follows:

	Existing charge	Proposed charge	Difference
Written Test	£42	£41	-£1
1 st /2 nd Oral Test	£55	£57	+£2
3 rd Oral Test	£99	£100	+£1

4. Legal Implications

4.1. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

4.2 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to charge fees for the grant of licences in respect of hackney carriage vehicle, private hire vehicles and private hire operators. The Council must set the fees for these licences on the basis that it only recovers costs which it is entitled statutorily to recover.

In respect of vehicle and operators' licences the Act states that the Council may charge such fees as may be sufficient in the aggregate to cover in whole or in part:

- The reasonable cost of inspecting Hackney Carriages and Private Hire vehicles to ascertain whether any such licence should be granted or renewed.
- The reasonable cost of providing Hackney Carriage stands (which has not been included in the proposed fees)
- Any reasonable administrative or other costs in connection with the above and with the control and supervision of Hackney Carriages and Private Hire vehicles.

4.3 The Act, which dates from 1976, also states that the fee for vehicle and private hire operator licences shall not exceed £25 or such other sum as the Council may from time to time determine. In the light of current costs, £25 is not seen as a realistic fee.

4.4 Section 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 statutorily entitled to recover.

4.5 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.

4.6 The recent judgement *Rehman v Wakefield* has confirmed that enforcement costs associated with enforcing the behaviour of licensed drivers can be recovered in the driver's licence fees.

Prior to this judgement it was not thought that driver enforcement fees were recoverable and therefore the last time the driver licence fees were calculated costs associated with driver behaviour was not included in the calculations. This has led to a rise in the driver licence fees.

4.7 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 makes a deficit, it may also take that into account. The calculations in respect of each type of licence issued by the Council should be kept separate.

4.8 When the Council proposes to set new fees for vehicles and private hire operator licences it is required by Section 70 of the 1976 Act to publish notice of the proposed variation in a local newspaper stating that

objections may be made within a period of not less than 28 days. If objections are received and not withdrawn the Council must consider them and set a further date on which the variation shall come into force with or without modifications.

5. Financial Implications

The report sets out the proposed fee structure to take effect from 12 September 2022. The method adopted in calculating the fees is shown in **Appendix A** with all relevant costs having been included.

Should a surplus accrue as part of the final outturn position for 2021/22, this will be considered when setting the next fees.

6. Recommendations

- 6.1 That the Committee approve the proposed licence fees outlined in this Report with an implementation date of 12 September 2022.
- 6.2 That the Committee authorise the Head of Shared Regulatory Services to carry out the necessary public notice procedure.
- 6.3 If objections are received within 28 days of the publication of the notice of the proposed changes to the fees, the matter come back before the next appropriate Committee meeting so that any such objections can be considered, modifications be considered, and a new date for the introduction of the variations can be set.

Helen Picton
Head of Shared Regulatory Services

30 May 2022

Background papers: Financial calculations