



Uttlesford District Council

Chief Executive: Dawn French

Licensing and Environmental Health Committee

- Date:** Tuesday, 6th November, 2018
Time: 7.30 pm
Venue: Committee Room - Council Offices, London Road, Saffron Walden, Essex CB11 4ER
- Chairman:** Councillor R Chambers
Members: Councillors A Anjum, G Barker, J Davey, M Foley, A Gerard, T Goddard (Vice-Chair), J Gordon, E Hicks and S Morris
- Substitutes:** Councillors H Asker, J Freeman, R Freeman, D Jones and J Loughlin

AGENDA PART 1

Open to Public and Press

- 1 Apologies for Absence and Declarations of Interest**
To receive any apologies for absence and declarations of interest.
- 2 Fees for Drivers, Hackney Carriage and Private Hire Vehicles and Private Hire Operators** 3 - 12
To consider the Fees for Drivers, Hackney Carriage and Private Hire Vehicles and Private Hire Operators report.

For information about this meeting please contact Democratic Services

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Committee:	Licensing & Environmental Health	Date:
Title:	Fees for Drivers, Hackney Carriage and Private Hire Vehicles and Private Hire Operators	6 November 2018
Report Author:	Amanda Turner, Licensing Team Leader	Item for decision: Yes

Summary

1. The purpose of this report is for Members of the Licensing and Environmental Health Committee to review and approve the licence fees in respect of Hackney Carriage, Private Hire and Operator Licences with effect from 1 April 2019.
2. Increases in respect of Hackney Carriage and Private Hire Vehicle Licences and Private Hire Operators Licences must be advertised for a period of 28 days and if any objections are received, they will be reported back to this Committee for consideration.

Recommendation

3. Members are asked to approve the licence fee structure in respect of Hackney Carriage, Private Hire and Operator Licences proposed in Appendix B to come into effect on 1 April 2019.

Financial Implications

4. There are cost implications to the Council in undertaking this duty and this is recognised in the legislation which gives provision for the Council to recover the costs of administering the scheme and to ensure compliance.

Background Papers

5. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.
 - None

Impact

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Communication/Consultation	Operators and Hackney Carriage proprietors and Trade Association will be emailed and advised of proposed fee structure and it will be advertised in 2 local newspapers circulating the District of Uttlesford and also on our Uttlesford website.
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Community Safety	All drivers licensed by the Council are subject to series of checks in order to determine that they are fit and proper and do not pose an unacceptable risk to the safety of the travelling public
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	As set out in the body of this report
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	The cost of running the taxi and private hire licensing service is met by appropriate fees and charges

Situation

7. It is a statutory requirement for this Committee to review and approve the licence fees.
8. The Council are legally entitled to charge such a fee for licences and they consider reasonable with a view to recover the costs of the issue and administration of the licence.
9. Under the provisions of the Local Government (Miscellaneous Provisions) Act 1976 the cost of a licence must be related to the cost of the licensing scheme itself. It is therefore appropriate for a local authority to recover their administrative and other associated costs. The fees charged should be capable of withstanding legal challenge, should the need arise.
10. The fees for Hackney Carriage, Private Hire and Operator Licences are reviewed by officers on an annual basis to determine whether the income received from the previous year has been in line with the cost of delivering the service. This review has been undertaken and it has been identified that the projected income received for the financial year 2019 - 2020 will not cover the costs of delivering the service.
11. A detailed review of the actual and projected expenditure and income relating to the issue and the administration of licences for Hackney Carriage and Private Hire vehicles, Drivers and Operators has identified that the fees charged do not recover the costs incurred by the service in issuing licences. At the present fee structure, for the current financial year (2018-19) it is anticipated that there will be an under recovery of costs relating to taxi licensing of over £100,000. This is shown in Appendix A.
12. Appendix B shows the increase in licence fees required in order to fully recover the underlying costs associated with each licence. Appendix A shows the forecast income and expenditure for the next 3 financial years (2019/20 to 2020/21) assuming these new fees are charged. The overall surplus observed for

these 3 years occurs because some of the costs relating to income are incurred in subsequent years. Over the medium to long term the fees should balance to the costs of issuing the licences.

13. The proposed fees set out in Appendix B are considered appropriate to recover the administration and associated costs of the service and reflect the increased resource requirements imposed on local authorities by the Deregulation Act 2015 which enables applicants who reside in and outside of Uttlesford to apply for a driver licence from the Council.
14. Deregulation has resulted in a large increase in the numbers of applications received and in the type and variance of checks that need to be carried out uniformly across the service. Fees reflect the additional staffing resource required to carry out these checks and monitor and manage the timely return of information against the application.
15. It is essential that the Council undertakes a proper assessment of applications it receives to ensure that the safety of users of hackney carriages and private hire vehicles is not potentially compromised. This is particularly important as the users are likely to include vulnerable persons such as children under school transport contracts, or older persons.
16. The basis of the costing review for licences fees consisted of an analysis of the time taken and/or cost for each element of the licensing process.
17. A table showing fees and charges from Essex and neighbouring Authorities is attached for information as Appendix C.
18. Members are asked to approve the fee structure proposed in Appendix B to come into effect on 1 April 2019 and that the fees in respect of Hackney Carriage and Private Hire Vehicle Licences and Private Hire Operators Licences are advertised for a period of 28 days in at least one local newspaper circulating in the district.
19. If any objections are received then Members will need to meet to consider the same and must then set a further date (not being later than two months after the first) on which the variation to fees will come into force with or without modification. They will be reported back to this Committee for consideration.

Risk Analysis

20.

Risk	Likelihood	Impact	Mitigating actions
Fees are not set at a level that enables the council to carry out necessary checks on applications	2 – The current level of checks barely meets minimum statutory requirements	3 – There is a significant risk that without additional resources the safety of users could be	The necessary level of resources is kept under review and adjusted as necessary

received and ensure that the safety of users is adequately safeguarded.		compromised. This represents a significant corporate reputational risk to the council	
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- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.

Appendix A : Forecast expenditure and income for Taxi licensing (Note a) and movement on the licensing reserve.

	Forecast 2018/19 £	Forecast 2019/20 £	Forecast 2020/21 £	Forecast 2021/22 £
Expenditure (b)	464,658	565,183	586,720	680,698
Income (c)	359,249	600,606	580,401	699,615
Deficit/Surplus (-ve is deficit)	-105,409	35,423	-6,319	18,917
Reserve balance b/f	0	0	35,423	29,104
Reserve balance c/f	0	35,423	29,104	48,021

Notes

- (a) The expenditure relates to the costs incurred in year processing and issue of applications and also includes control and supervision costs relating to vehicles
- (b) i) Assumption of 2% annual inflation on supplies and services, 2% pay awards and contractual salary increments
 ii) Staffing costs are based on surveyed number of hours spent on processing licence applications and, in the case of vehicles only, certain elements of enforcement activity
 iii) Expenditure includes overhead costs for the licensing department allocated on fair and proportionate bases i.e. office accommodation costs are based on square footage occupied and ICT costs are allocated on basis of software/hardware used etc.
 iv) In computing the expenditure a churn rate of 10% has been used i.e. an assumption that 10% of driver licences are given up in the following year.
- (c) Income forecast assume the following estimated number of licences

Estimated number of licences

	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22
New vehicle licences	1291	1291	1291	1291
Renewal licences	779	779	779	779
Transfer licences	80	80	80	80
New driver licences	654	685	685	685
Renewal driver licences	800	1054	660	1310
New Operator licences	8	8	8	8
Renewal Operator licences	0	0	100	8

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Appendix B :Proposed new licence fees from 1st April 2019

	CURRENT	PROPOSED	INCREASE	INCREASE
	£	£	Note 1 £	PER WEEK £
DRIVER NEW LICENCE – 3 years	173	216	43	0.83
DRIVER RENEWAL LICENCE – 3 years	160	215	55	1.06
DRIVER NEW LICENCE – 2 years	127	199	72	1.39
DRIVER RENEWAL LICENCE – 2 years	114	198	84	1.62
DRIVER NEW LICENCE – 1 years	91	182	91	1.75
DRIVER RENEWAL LICENCE – 1 years	77	181	104	2.00
VEHICLE NEW LICENCE – 1 year	58	108	50	0.96
VEHICLE RENEWAL LICENCE – 1 year	47	96	49	0.94
VEHICLE TRANSFER LICENCE	40	100	60	1.15
OPERATOR NEW LICENCE – 5 years	427	478	51	0.98
OPERATOR RENEWAL LICENCE - 5 years	420	476	56	1.08

Note 1: The reasons for the increase in the licence fees are as follows :

- i) Safeguarding officer post - increase in time allocated to taxi licensing activities
- ii) Detailed review of time spent has resulted in an overall increase in the timings used for costing purposes

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		Uttlesford		Harlow		Chelmsford		Braintree		Colchester	
		New	Renewal	New	Renewal	New	Renewal	New	Renewal	New	Renewal
Driver	HC	£173	£160	£396	£287	N/A	N/A	£274	£274	£279	£179
	PHV	£173	£160	£396	£287	N/A	N/A	£274	£274	£279	£179
	Joint	£173	£160	N/A	N/A	£219	£212	£274	£274	£279	£179
	Hackney	£58	£47	£290	£290	£527	£371	£323	£323	£315	£315
	PHV	£58	£47	£290	£290	£317	£309	£267	£267	£279	£275
Operator		£427	£420	£710	1 to 2 £1,690 3 to 5 £3,260 6 to 10 £5,225 11 to 15 £7,972 16 +	£743	1-3 £2,599 4+	£486	£486	£295	1 vehicle £350 2+

		Southend		Brentwood		Castle Point		Tendring		South Cambs	
		New	Renewal	New	Renewal	New	Renewal	New	Renewal	New	Renewal
Driver	HC	£357	£248	£456	£406	£310	£140	NA	NA	£220	£120
	PHV	£357	£248	£456	£406	£310	£140	£274	£274	£220	£120
	Joint	£357	£248	£456	£406	£375	£178			N/A	N/A
	Hackney	£285	£285	£243	£243	£450	£300	£334	£334	£145	£100
	PHV	£252	£252	£225	£225	£250	£200	£334	£334	£145	£100
Operator		£1,045		325 1 1085 2 to 5 1345 5 +		500 1 1000 2+				£430 1 vehicle £780 2+ £1,020 3 to 5 £1,290 6 to 10 £1,520 11 to 20 £2,175 21+	

		Cambs City		East Herts		Epping Forest		Rochford		Thurruck	
		New	Renewal	New	Renewal	New	Renewal	New	Renewal	New	Renewal
Driver	HC	£240		N/A	N/A	£186	£186	£160	£140	£340	£300
	PHV	£240	£220	£384	£277	£186	£186	£160	£140	£268	£228
	Joint	N/A	N/A	£384	£277					£445	£405
	Hackney	£280	£235	£371	£291	£277	£277	£280	£280	£217	£217
	PHV	£270	£220	£286	£280	£277	£277	£225	£225	£313	£313
Operator		£860		£295	£289	£105 1 vehicle £405 2 +		£80 1 vehicle £120 2 to 4 £200 5 plus		£350 1 vehicle £1,205 2 to 5 £2,490 6 to 10 £3,690 11 to 20 £4,590 21 plus	

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