

Committee:	Licensing and Environmental Health Committee	Date:
Title:	Fees for Drivers, Hackney Carriage and Private Hire Vehicles and Private Hire Operators	Tuesday 16 November 2021
Report Author:	Steve Mahoney, Senior Licensing and Compliance Officer	Item for decision: Yes

Summary

The purpose of this report is for Members of the Licensing and Environmental Health Committee to review and approve the licence fees for the purpose of consultation and advertising requirements in respect of Hackney Carriage, Private Hire and Operator Licences with effect from 1 April 2022 – 31 March 2023

If approved the proposed fees in respect of Hackney Carriage and Private Hire Vehicle Licences and Private Hire Operators Licences will be duly advertised for the required period, the cost of this will be met from the existing budgetary provision and a further report will be brought before this committee with a recommendation to implement the final proposed fees and charges, subject to any amendments following consultation.

Recommendations

To review and approve the licence fees in respect of Hackney Carriage, Private Hire and Operator Licences with effect from 1 April 2022 – 31 March 2023. If approved, the proposed fees will be subject to a full consultation process with the licensed trade and other relevant parties. Section 70 of the Act sets out statutory advertising requirements in relation to vehicle and operator licences, which require that an advert must be published within a local newspaper and at least 28 days provided for comments to be made. It is proposed that this consultation period will begin in January 2022, after the seasonal holiday period has ended.

Following the statutory consultation process, a further report will be presented to this committee at the next meeting, setting out the results of the consultation and any amendments made to the proposed fees as a result.

If approved, the final proposed fees will take effect from the 01 April 2022.

Financial Implications

There are cost implications to the Council in undertaking this legal duty and this is recognised in the legislation which provides for the recovery of the costs of administering the scheme and ensuring compliance, the relevant legal provisions are set out in the local Government (Miscellaneous Provisions) Act 1976 ("The Act") and specifically Section 53 of the Act specifies that the costs related to issue and administration of licences can be recovered in driver's licence fees. In respect of vehicle and operator licences, section 70 specifies that the reasonable cost of inspecting vehicles, the reasonable cost of providing hackney carriage stands and any reasonable administrative costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles can be included in the fees.

Until recently, the costs of enforcement could not be included in the calculation of fees for driver licences. The judgment in the Court of Appeal case of *R (app Rehman) v Wakefield City Council* [2020] R.T.R. 11 (2019), however, determined that “administration” can include the cost of enforcement or compliance against licensed drivers. The same principles also apply to the enforcement of vehicles and operators.

Licence fees cannot, however, be used for enforcement activities against unlicensed operators and it is therefore necessary for the cost of enforcement of unlicensed drivers, vehicles and operators to be met out of general funds. This work forms a very small part of the overall work of the taxi licensing service with the vast majority of activity directed at the licensed trade.

Background Papers

The following papers were referred to by the author in the preparation of this report and are available for inspection.

Appendix:

A – Forecast expenditure and income for Taxi licensing for 2022/ to 2023

B – Proposed new licensing fees from 1 April 2022

C – Detailed expenditure and income for Taxi licensing 2022 - 2023

D - Fees and charges from Essex and neighbouring Authorities for information

Impact

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.
Community Safety	None
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	As set out in the body of this report
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Situation

1. It is a statutory requirement for this Committee to review and approve the licence fees.
2. 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.
3. 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.
4. The fees for Hackney Carriage, Private Hire and Operator Licences are reviewed by the Council 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. The basis of the costing review for licences fees consists of an analysis of the time taken and/or cost for each element of the licensing process. This review has been undertaken and it has been identified that the total timings and costs associated with the licensing process is in line with the current fees charges. The proposed fee increase is therefore quite minimal reflecting inflationary increases. However, drivers will now be expected to pay for their own license checks so the driver fees proposed from 1st April 2022 are actually lower than the current fees.
5. The increase in licence fees is required in order to fully recover the underlying costs associated with the issue and recoverable administration costs of each licence type is shown in Appendix B. Appendix A shows the forecast deficit/surplus for 2021/22 to 2022/23 on the assumption that the fees are increased as proposed in Appendix B. The forecast deficits and surpluses in these years relate to the fact that there is a timing mismatch between when the income for driver and operator licences are received and when the costs are incurred for these licences. It is because of this 'timing mismatch' that the licensing reserve was established in order to hold some of the income received from driver and operator fees until the costs relating to this income have been incurred and the two can be offset against each other.
6. A table showing fees and charges from Essex and neighbouring Authorities is attached for information as Appendix D. This shows Uttlesford as still having the lowest vehicle licence fees and among the lowest driver and operator fees.
7. Members are asked to approve the fee structure proposed in Appendix B to allow the consultation with the trade to begin.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Fees are set as a level in excess of that required to cover the cost of the Licensing Authority	1 – in preparing the proposed fees officers have kept costs to an absolute minimum.	2 – a surplus would be generated which could be countered by a reduction in future years required	Fees are kept under constant review and adjusted as necessary.

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.