

**Committee:** Licensing and Environmental Health Committee

**Date:**  
24 January 2022

**Title:** Licence Fees for Drivers, Hackney Carriage and Private Hire Vehicles and Private Hire Operators

**Report Author:** Russell Way, Licensing and Compliance Manager

## Summary

The purpose of this report is to enable Members of the Licensing and Environmental Health Committee to approve the proposed licence fees in respect of Hackney Carriage, Private Hire and Operator Licences with effect from 1 April 2022

The proposed increases in respect of Hackney Carriage and Private Hire Vehicle Licences and Private Hire Operators Licences have been duly advertised for the required period of 28 days and the representations received are referenced in this report.

## Financial Implications

There are no cost implications to the Council in undertaking this legal 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

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

Appendix

- A – Forecast deficit/surplus for 2021/2 to 2022/23
- B - Recoverable administration costs of each licence
- C - Fees and charges from Essex and neighbouring Authorities for information
- D – Breakdown of driver licence process internal and external cost

## Impact

|                            |  |
|----------------------------|--|
| Communication/Consultation | Operators and Hackney Carriage proprietors and Trade Association where |
|----------------------------|--|

|                                 |  |
|---------------------------------|--|
|                                 | <p>emailed as part of a 28 day consultation process. Advertisements in newspapers and communication using websites and social media were also used. There were no responses by the trade to the consultation</p>   |
| Community Safety                | <p>Uttlesford Licensing Committee have agreed to meet the Department of Transport's required Standards for the Hackney Carriage and Private Hire Vehicle industry as soon as possible. This will not be an easy journey.</p> <p>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.</p> <p>The basis of the costing review for licence 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 are in line with the current fees charged.</p> |
| Equalities                      | N/A  |
| Health and Safety               | N/A  |
| Human Rights/Legal Implications | <p>This is a proportionate response to ensure licensing authorities, including Uttlesford, carry out their own due diligence checks as required by law. This ensures Uttlesford does not licence drivers whose licences been revoked or an application refused for a licence by another licensing authority.</p>   |
| Sustainability                  | N/A  |
| Ward-specific impacts           | N/A  |
| Workforce/Workplace             | N/A  |

## Situation

- 1 It is a statutory requirement for this Committee to approve the licence fees.
- 2 The Council are legally entitled to charge a fee for licences at a level they consider reasonable, with a view to recovering 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 licence fees consists of an analysis of the time taken and/or cost of 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 are in line with the current fees charged.
- 5 The underlying costs associated with the issue of together with the 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 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 is received and when the costs are incurred for these licences, ie they last for a number of years and the fee is payable "up front". 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 other Essex and neighbouring Authorities is attached for information as Appendix C. This shows Uttlesford as still having the lowest vehicle licence fees and among the lowest driver and operator fees.
- 7 In order to streamline services and meet DfT Standards (see above) some changes are necessary regarding the external costs of the service. To speed up DBS and Driving licence checks the Council will be moving these services to Taxi Plus. This firm will also be conducting all DBS multichecks (the cost of which are included in the drivers' fee) which are necessary in order to meet DfT standards and UDC policy. There is also an additional cost for UDCs Occupational Health provider to carry out a second medical examination in cases of doubt, where independent medical advice is needed. A full breakdown of internal and external costs is shown in Appendix D
- 8 The 28-day consultation started on Thursday the 6<sup>th</sup> of January. It concluded on Thursday the 3<sup>rd</sup> February. During that time a meeting with the trade

occurred on Monday the 17<sup>th</sup> January. Trade representatives made the following points

- Showing fees from other councils may be misleading as it is not clear what cost is included in each.
- Overall cost of drivers licence (including internal and external costs) has increased by £9.80.
- The Licensing Manager re-iterated that these new processes (and with it small additional costs) were essential (not desirable) to meet DfT standards and UDC policy.

No written objections were received by the Council

- 9 Members are asked to approve the fee structure proposed in Appendix B to come into effect as of 1 April 2022

## Risk Analysis

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| Risk  | Likelihood  | Impact  | Mitigating actions                                      |
|---|---|---|---|
| <p>3 = Significant risk or impact – action required</p> <p>There is a need for the council to ensure it meet the Governemnt standards. Reputational damage could occur.</p> | <p>2 = Some risk or impact – action may be necessary.</p> | <p>3 = Significant risk or impact – action required</p> | <p>3 = Significant risk or impact – action required</p> |

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.

