

**Committee:** Licensing and Environmental Health Committee

**Date:**

1<sup>st</sup> February 2023

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

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

## Summary

1. The purpose of this report is to inform Members of the Licensing and Environmental Health Committee and thereby enable them to approve the proposed licence fees in respect of Hackney Carriage, Private Hire and Operator Licences with effect from 1 April 2023
2. 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.

## Recommendation

3. Members are asked to approve the fee structure proposed in Appendix B to come into effect as of 1 April 2023.

## Financial Implications

4. There are no cost implications to the Council in undertaking this legal duty and this is recognised in the legislation which provides that the Council may recover the costs of administering the scheme and to ensuring compliance therewith.

## Background Papers

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

### Appendix

- A. 1<sup>st</sup> consultation of fees – reviewed
- B. Recoverable administration costs of each licence – proposed
- C. Taxi Licensing income and expenditure – 3-year review
- D. Movement on the Licensing reserve
- E. responses to 1<sup>st</sup> consultation between 2/11/22 to 30/11/22
- F. responses to 2<sup>nd</sup> consultation between 9/12/22 to 13/1/23

## Impact

|                                 |  |
|---------------------------------|--|
| Communication/Consultation      | <p>Operators and Hackney Carriage proprietors and Trade Association were emailed as part of a 28 day consultation process. Advertisements were also placed in newspapers and communication using websites and social media were also used. During an on-line meeting representatives of the trade requested to meet in person. As a result, a second consultation was started and an offer to meet in person was extended.</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.</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.</p>  |
| Sustainability                  | N/A  |
| Ward-specific impacts           | N/A  |
| Workforce/Workplace             | N/A  |

## Situation

6. It is a statutory requirement for this Committee to approve the licence fees.
7. 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.
8. 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.
9. 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 the cost of each element of the licensing process. This review has been undertaken and it has been identified that the total time based costs associated with the licensing process are in line with the current fees charged.
10. An initial fees consultation was carried out with the trade between the 2<sup>nd</sup> of November 2022 and the 30<sup>th</sup> of November 2022 – Appendix A. Advertisements were placed in local papers, relevant websites and all drivers, operators and councillors were directly emailed. There were thirteen responses. Of these only four written responses were submitted, and these respondents requested to meet virtually with the licensing team. These are recorded at Appendix D.
11. A virtual meeting was held online with the trade on the 28<sup>th</sup> of November 2022. Three trade representatives attended this online meeting. Matters raised were:-
  - Level of some fees increasing by approximately 7%
  - Request to see more detailed accounts in face-to-face meeting

The fees were reviewed, and a second period of 28 days consultation started on the 9<sup>th</sup> December, ending on the 13<sup>th</sup> January – Appendix B. In order to go through the accounts in more detail operators and drivers were offered an opportunity to meet UDC officers including a representative from Finance in a face-to-face meeting on the 22<sup>nd</sup> December 2022. No one accepted that offer to meet, and no alternative dates were proposed. There were 4 respondents to the second consultation and their replies can be seen at Appendix F

12. Appendix C shows the forecast deficit/surplus over a three-year period 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 on application. 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.

13. The licensing reserve is seen at Appendix D

14. Members are asked to approve the fee structure proposed in Appendix B to come into effect as of 1 April 2023

## Risk Analysis

15.

| Risk  | Likelihood  | Impact  | Mitigating actions                                      |
|---|---|---|---|
| <p><b>3 = Significant risk or impact – action required</b></p> <p>There is a need for the council to ensure the fees that it sets are lawful and accurate</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.