

Licensing Committee

28 January 2016

Is the final decision on the recommendations in this report to be made at this meeting?

No

Hackney Carriage and Private Hire Licensing: Licence Fees and Charges Fees 2016/2017

Final Decision-Maker	Licensing Committee
Lead Head of Service	John Littlemore, Head of Housing and Community Services
Lead Officer/Report Author	Claire Perry, Licensing Partnership Manager
Classification	Non-exempt
Wards affected	All

This report makes the following recommendation:

1. That the proposed fees and charges and associated costs for licences in respect of hackney carriage drivers and vehicles and private hire drivers, vehicles and operators, as set out in paragraph 2.13, be approved for formal consultation with the trade and with the public; and
2. That subject to the consideration of any written objections, these be implemented with effect from 1 April 2016.

This report relates to the following Five Year Plan Key Objectives:

- A Great Place

It is proposed to set fees which enable the authority to be self-financing with respect to this service.

Timetable

Meeting	Date
Licensing Committee	28 January 2016
Licensing Committee	31 March 2016 for consideration of any representations

Taxis and Private Hire Fees and Charges 2016/17

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The authority is required to review the fees set for the administration of the Taxis and Private Hire Licensing. This ensures the Council complies with its statutory duty and that the licensing of Taxis and Private Hire vehicles, Dual Drivers and Private Hire Operators continues being self-financing, in accordance with the Council's Financial Strategy.
 - 1.2 A fees model, similar to the one used to first set the Gambling Act fees in 2007 was used to determine the proposed fees for 2016/2017.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The Taxi Licensing service is required to be self-financing and the proposed increases to fees will ensure this is maintained.
- 2.2 Careful monitoring of income and expenditure has been carried out over the current financial year and the income from licence fees and associated costs, together with expenditure, has been in accordance with the objectives laid out in the budget plan and the inflation rate. All other increases in cost of providing the service have been absorbed by efficiency savings as a result of the Licensing Partnership.
- 2.3 A fees model, similar to the one used to first set the Gambling Act fees in 2007, was used to calculate the proposed fees and charges. The fees have been calculated by examining the time it takes to carry out the various tasks in processing the application and who in the authority is likely to carry them out. The hourly rates of staff are fed in to a spread sheet (originally produced by the national support body for local authority regulators, LACORS, to calculate the Gambling Act fees) to calculate costs for each type of activity.
- 2.4 The type of tasks involved in taxi licensing applications include: assistance to the applicant, checking of an application upon receipt, and processing the application. Once processed, types of tasks include: determining the licence or arranging a hearing and holding a hearing, notification of the decision, preparation and issuing of the licence, updating the records/register, appeal preparation and holding an appeal hearing, as well as compliance tests of drivers, vehicles and operators. Training of Officers and Members has also been included, as well as the cost of consumables.
- 2.5 The outputs from the modelling for some of the licences are shown in Appendix A. This more detailed assessment of activity and cost from using this method results in fee changes that are not wholly due to inflationary pressures.

- 2.6 The Driving Standards Agency (DSA) fee for its 'taxi driver test' that new applicants are required to take in accordance with the Council's 'Taxi Licensing Policy' is currently £79.66 payable (weekday fee) directly to the DVSA by the applicant.
- 2.7 The fee for the Disclosure Barring Service (DBS) Enhanced Search remains the same at £44. However, applicants can now register online when they apply for a DBS search. The registration lasts for one year and costs £13 per year going forward. This would save an applicant £5 over a three year period. It allows applicants to take their search certificate from one job to the next and removes the need for an enhanced search to be carried out upon renewal. The Licensing Team promotes the uptake of the online checking service as it assists in streamlining the online form application process.
- 2.8 The fee for the Hackney Carriage vehicles includes the surcharge for year 1 of the cost of the proposed Unmet Demand Survey due to take place during 2016. It is proposed to spread the cost of the Unmet Demand Survey over the next 3 years for the Council to recoup the cost.
- 2.9 The Deregulation Act 2015 introduced the requirement for Licensing Authorities to issue Private Hire Operator licences for 5 years. There is nothing to prevent the Licensing Authority from issuing Private Hire Operator licences for less than five years.
- 2.10 By using the fees model it is no longer necessary to differentiate on cost between the number of vehicles on the Private Hire Operators licence. Therefore, due to the proposed fee structure for Private Hire Operator licences 3 different periods of duration will be available to applicants – 1, 3 and 5 years.
- 2.11 There has not been an increase to the fees at Maidstone Borough Council for taxis and private hire services for at least 5 years.

Public Notice to advertise proposed variation to licence fees

- 2.12 Officers from the licensing department will email those Hackney Carriage Proprietors, Private Hire Operators and Drivers where we have their email addresses after this Licensing Committee meeting to give them the opportunity to make comment. A Notice will also be placed in a local paper and will be available on the Council's website.
- 2.13 Proposed Hackney Carriage and Private Hire Licensing fees from 1 April 2016 are:

	Existing Fees	Proposed Fees
<u>Dual Driver Licence (Hackney Carriage and Private Hire) and Hackney Carriage Driver Licence</u>		
On initial application	£463 for three years	£315 for three years

	Existing Fees	Proposed Fees
	£329 for one year	£185 for one year
Disclosure Barring Service search fee	£44 every four years or £13 per year if they sign up to the DBS online service	£44 every three years or £13 per year if they sign up to the DBS online service
Total (including DBS fee)	£507 for three years £373 for one year	£359 for three years £229 for one year
On renewal	£300 for three years £125 for one year (due to age or medical) £410 for three years – late renewals	£260 for three years £130 for one year (due to age or medical) Not being charged
Disclosure Barring Service search fee	£44 every four years or £13 per year if they sign up to the DBS online service	£44 every three years or £13 per year if they sign up to the DBS online service
Total (including DBS fee)	£344 for three years £149 for one year (due to age or medical)	£304 for three years
<u>Private Hire Diver's Licence</u>		
On initial application	£265 for three years £165 for one year	£255 for three years £170 for one year
Disclosure Barring Service search fee	£44 every four years or £13 per year if they sign up to the DBS online service	£44 every three years or £13 per year if they sign up to the DBS online service
Total (including DBS fee)	£309 for three years £165 for one year	£299 for three years £214 for one year
On renewal	£199 for three years £83 for one year (due to age or medical) £274 for three years – late renewals	£220 for three years £120 for one year (due to age or medical) Not being charged
Disclosure Barring Service search fee	£44 every four years or £13 per year if they sign up to the DBS online service	£44 every three years or £13 per year if they sign up to the DBS online service
Total (including DBS fee)	£243 for three years £83 for one year (due to age or medical)	£264 for three years

	Existing Fees	Proposed Fees
	£318 for three years – late renewals	
<u>Hackney Carriage Vehicle Licence</u>		
On application	£259 for one year	£295 for one year (which includes £30 towards the Unmet Demand Survey)
<u>Private Hire Operator Licence</u>		
On initial application – 5 year licence	Not previously issued	£475 for five years
On renewal – 5 year licence	Not previously issued	£400 for five years
On initial application – 3 year licence	Not previously issued	£335 for three years
On renewal – 3 year licence	Not previously issued	£275 for three years
On initial application – 1 year licence	£63 per vehicle licensed	£190 for one year
On renewal – 1 year licence	Not previously issued	£130 for one year
<u>Private Hire Vehicle Licence</u>		
On initial application	£256 for one year	£250 for one year
<u>Other Costs</u>		
Change of ownership of licensed vehicle	Not previously issued – was transfer	£69
Replace external vehicle plate	£23	£23
Replace driver badge	£9	£9.50
Replace internal plate holder	£1.75	£1.75
Copy of existing paper licence	£8	£12
Change of address details for a replacement licence	£10.50	£12
Change of name for a vehicle or operator licence	£10.50	£12
Change of name and address for a driver badge	£20	£21
Vehicle exemption certificate or general administration fee	£44	£44
Vehicle re-test	£48	£48
<ul style="list-style-type: none"> • Hackney carriage vehicles are subject to additional fee of £30 for demand survey. However a change of vehicle where the expiry date remains the same as the original licence will not be charged this fee. 		

3. AVAILABLE OPTIONS

- 3.1 The fees and charges need to be reviewed to ensure that they are set at appropriate levels to recover the costs associated with providing the service. Having reviewed the income and expenditure the options available are:
- 3.2 To propose no changes or reductions to the existing fees. This would mean there would be a shortfall in income against the budget set for the function.
- 3.3 To approve the fees as set at in paragraph 2.13.
- 3.4 To propose, where possible and appropriate, fees higher than the cost of delivering the service. However, if the Council were subject to Judicial Review it would not be in a position to justify the fees that have been set.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 To approve the fees set out in paragraph 2.13 to ensure that the fee income reflects the cost of providing the service.
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5. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 5.1 Officers from the licensing department will consult with members of the public and the trade via public consultation process e.g. an email to all drivers and vehicle proprietors where we have their email address, posting on the Maidstone Borough Council website, and preparing a newspaper advert. The decision will be published on Maidstone Borough Council's website.

6. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
Impact on Corporate Priorities	No implications have been identified	[Head of Service or Manager]
Risk Management	No implications have been identified	[Head of Service or Manager]
Finance and other resources	It is necessary for the Council to deliver a balanced budget and cover the costs of providing this service.	[Section 151 Officer & Finance Team]

Staffing	No implications have been identified	[Head of Service]
Legal	This report has not been reviewed prior to publication	Legal reviewers
Equality Impact Needs Assessment	No implications have been identified	[Policy & Information Manager]
Environmental/Sustainable Development	No implications have been identified	[Head of Service or Manager]
Community Safety	No implications have been identified	[Head of Service or Manager]
Human Rights Act	No implications have been identified	[Head of Service or Manager]
Procurement	No implications have been identified	[Head of Service & Section 151 Officer]

7. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

Appendix A: Summary of licence costs from fee model

8. BACKGROUND PAPERS

None