

Agenda Item

Executive Board

26 March 2008

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Private Hire and Hackney Carriage Licensing – Proposed Fee Increases

Summary

This report shows the current fee structure in respect of Private Hire and Hackney Carriage licensing fees charged by East Devon District Council and seeks authority to increase those fees from 1 June 2008 in order to continue to recover the cost to the Council for carrying out its responsibilities.

Recommendation

That the proposed licensing fees set out in Appendix A for Hackney Carriages and Private Hire Licences be recommended for approval by the Full Council and

- 1. that the proposed scale of fees be introduced from the 1 June 2008 for both private hire and hackney carriage licences;**
- 2. (a) that notice be given in accordance with Section 70(3) of the Local Government (Miscellaneous Provisions) Act 1976 of the proposed variation of licence fees determined by the Council for this year;**
(b) that should objection be received resulting from the notice and not withdrawn delegated authority be granted to the Chief Executive in consultation with the Leader of the Council
 - (i) to consider the objection(s) as provided by Section 70 and;**
 - (ii) to set a further date not later than two months after the first specified date on which the variation shall come into force with or without modification.**

a) Reasons for Recommendation

To enable the District Council to continue to recover the cost of carrying out its responsibilities concerning the licensing of Hackney Carriage and Private Hire vehicles, drivers and operators.

b) Alternative Options

To leave the charging structure unchanged which would mean that Hackney Carriage and Private Hire part of the licensing budget would have a deficit of approximately £3,000 for the 2008/2009 financial year.

c) Risk Considerations

None known

d) Policy and Budgetary Considerations

Set out in the report

e) **Date for Review of Decision**

N/A

1 Main Body of the Report

- 1.1 Under the provisions of current legislation the District Council has a statutory responsibility to administer the Private Hire and Hackney Carriage licensing process. The legislation permits the District Council to recover the costs of issue, administration, control and supervision of that licensing process but not to raise additional funds.
- 1.2 The projected cost for carrying out the Council's Private Hire and Hackney Carriage licensing role for 2008/2009 is approximately £83,000. (This figure does not include the cost of the Criminal Records Bureau checks which total approximately 5,000 per annum. These fees which the council has no control over are collected by the authority and paid to the CRB and for that reason have not been referred to in **Appendix A** [See Paragraph 1.9]). Based on the numbers of applications expected during the financial year 2008/2009 if no increase in fee revenue is made there will be an anticipated deficit of approximately £3,000 between the fee income and the cost to the Council of undertaking its statutory responsibilities for Private Hire and Hackney Carriage licensing.
- 1.3 All Private Hire Licences issued by this Council expire annually on the 31 May and all Hackney Carriage Licences issued by this Council expire annually on the 31 October. Renewal notices are normally posted in early May and September respectively to allow applicants adequate opportunity to compile and submit the necessary documentation.
- 1.4 An annual review of the fees charged by this Council has been undertaken with a view of recovering the cost to the Council of undertaking its statutory responsibilities for Private Hire and Hackney Carriage licensing. As part of that review fees currently charged by this Council were compared to those levied by other Councils within our family group. Whilst it may be useful to make this comparison there is little certainty that those fees are making full recovery of the cost of the taxi licensing function at the time of comparison. It also should be noted that with four exceptions (Caradon, Carrick, Lewes and North Cornwall) the fees shown are the fees currently being levied and therefore are a year out of date for the purposes of comparing proposed fees.
- 1.5 The councils used for comparison are Caradon District Council, Carrick District Council, Lewes District Council, North Cornwall District Council, North Devon District Council, North Norfolk District Council, Rother District Council, South Hams District Council, Teignbridge District Council, and Tendering District Council. Although not within the family group the fees charged by Exeter City Council are also included for comparison purposes as this was requested in 2006 by the Fees and Charges Task and Finish Forum. A comparison table is set out in **Appendix B** to this report.
- 1.6 With the intention of recovering the costs of issue, administration, control and enforcement of the Private Hire and Hackney Carriage licensing process it is recommended that the fees be amended in the following manner. Applications for the grant or transfer of licences for drivers, vehicles and operators be increased by 4.1%, the Retail Price Index rate for January 2008. The exceptions to this being the fees for the driver's licence badge deposit of £15 and the Criminal Records Bureau check administration charge of £23, which it is recommended, should remain unchanged. The proposed changes to the current fees are detailed at **Appendix A** and have been rounded to the nearest pound.
- 1.7 By increasing the fees as shown in **Appendix A** it is anticipated that the total income from Private Hire & Hackney Carriage Licences will increase by approximately £3,000.

- 1.8 The Board agreed to a 6% fee increase in March 2007 which has done a great deal to correct the budget deficit relating to taxi licensing however there remains the need to keep pace with inflation.
- 1.9 The Criminal Records Bureau has announced that the cost of all their checks are to remain unchanged through 2008/2009. The Enhanced check for taxi drivers will remain at £36. This does not affect the fee changes proposed in **Appendix A** because, as explained earlier, the CRB fee is charged separately and we merely pass on this fee when there is a requirement for an applicant to undertake a CRB check.
- 1.10 On the 1 March 2006 I presented a report to the Fees and Charges Task and Finish Forum on licensing fees including those for taxis. The Forum supported the principle of full recovery of the cost of operating the taxi licensing service and recommended that future charges rise by at least the retail price index inflation rate or 2% whichever is the greater. As explained at paragraph 1.6 the Retail Price Index inflation rate for January 2008 was 4.1%.
- 1.11 If the Board approves the licensing fees as shown in either **Appendix A**, the proposed fees will then go forward to full Council for approval. Following approval there is a legal requirement for the proposals to be advertised. Should there be representations received against the increases there is a further requirement for the proposed fees to be reconsidered in the light of those representations.
- 1.12 It is recommended that should any objections be received and not withdrawn that delegated authority be granted to the Chief Executive in consultation with the Leader of the Council to consider those objections as provided by the Local Government Miscellaneous Provisions Act 1976 Section 70(3)
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Legal Implications

The legal implications are as set out in the report and no further comment is necessary.

Financial Implications

No comments as details contained in body of report.

Appendices

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| <input type="checkbox"/> Licensing Fees Proposed Increase | Appendix A |
| <input type="checkbox"/> Comparison of Charges with other Local Authorities | Appendix B |

Background Papers

- Documentation from other authorities listing their fees and charges
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