

<b>Report To:</b>	<b>LICENSING COMMITTEE</b>	<b>Date:</b>	<b>15<sup>TH</sup> JUNE 2021</b>
<b>Heading:</b>	<b>PROPOSED REVISIONS TO TAXI LICENSING FEES &amp; CHARGES</b>		
<b>Portfolio Holder:</b>	<b>REGULATORY SERVICES</b>		
<b>Ward/s:</b>	<b>ALL</b>		
<b>Key Decision:</b>	<b>YES</b>		
<b>Subject to Call-In:</b>	<b>NO</b>		

### **Purpose of Report**

Following a review of the fees and charges relating to the Taxi Licensing function, it is proposed to revise some of the current fees and charges, in light of efficiency savings made by the Licensing Team, that will help reduce costs faced by new applicants and existing licence holders relating to Taxi & Private Hire services, whilst also ensuring full cost recovery for the services provided by the Licensing Authority.

### **Recommendation(s)**

#### **The Licensing Committee is recommended to:**

- 1) Approve the proposed fees and charges in relation to the Taxi Licensing function;
- 2) Request that the Licensing Manager carry out a public consultation for a period of 28 days seeking the views of current licence holders (drivers, vehicles and operators);
- 3) And should any valid representations be received during the consultation period, bring this matter back to the Licensing Committee to consider such responses.

### **Reasons for Recommendation(s)**

The powers to set fees and charges for the Taxi Licensing functions carried out by the Council are conferred by Section 70 of the Local Government (Miscellaneous Provisions) Act 1976. Taxi Licensing fees and charges were last fully assessed in 2016 and whilst further reviewed annually as per statutory requirements have not been amended.

A recent full review of the Taxi Licensing fees and charges has been undertaken by the Licensing Manager, and in light of the economic pressures faced by the Taxi & Private Hire Trade, and those looking to enter this Trade, the Council is able to make some amendments to the existing fees and charges, in order to reduce the financial burden such applicants and existing licence holders face, whilst also ensuring the Licensing Authority fully recovers the costs incurred in carrying out the Taxi Licensing functions.

## **Alternative Options Considered**

**Do nothing:** Not recommended as this would mean that potential new avenues to provide appropriate fees for the Taxi & Private Hire Trade would be closed. The Covid-19 pandemic has had a significant financial impact on the local Taxi & Private Hire Trade. Not seeking appropriate amendments to our fees and charges would reduce options and flexibility for drivers, vehicle proprietors and operators, and could result in a stagnation of applications and renewals, and a failure to compete to retain and increase Trade numbers leading to a potential shortfall in revenue to carry out the Taxi Licensing Service.

## **Detailed Information**

The Licensing Manager has recently completed a full review of the current Taxi Licensing function fees and charges, in order to fully assess how the revised procedures introduced since mid-2017 (including the structuring of the demands placed on the Taxi Licensing Service by way of promoting a “one-stop-shop” application processing system) have impacted on the costs incurred by the Licensing Authority in carrying out the Taxi Licensing functions.

When the fees and charges were last fully reviewed in 2016, the procedures that were in place at that time were not as efficient as those introduced since mid-2017, nor had the costs incurred by the Council in carrying out its safeguarding duties in relation to the Taxi Licensing functions been included in the total fees and charges set in 2016.

Whilst the fees and charges have not been amended since 2016, the Licensing Team has been able to offset any increases in its own costs due to the increased volume of new driver and new vehicle applications, through efficiencies, whilst not increasing staff numbers.

However, statutory requirements recently placed on the Taxi Licensing Service require an increase in staff numbers to be able to manage the tripling of driver and vehicle numbers since the changes to the way the Taxi Licensing Service carries out the function took effect in May 2018, and to ensure the appropriate staffing level within the Licensing Team in order to service the other Licensing functions allocated to it.

Having now carried out a thorough review of the costs incurred by the Taxi Licensing Service, whilst the costs associated with 3-year driver licences exceed what is currently charged, the costs associated with offering a 1-year driver licence have been reduced. It is therefore proposed to adopt the new 1-year driver licence fee, whilst updating the current 2-year and 3-year driver licence fees to ensure full cost recovery (such increases have been kept to an absolute minimum by further efficiency savings). The offer of a 1-year new driver licence, and 1-year renewal licence may help those tentatively taking their first steps into becoming licensed drivers, and allow those who do not necessarily view being a licensed driver as a full-time occupation, to apply with a lower up-front fee being paid.

Such an option may also suit the Operators for whom the drivers will work, as the up-front cost is reduced, and neither the Operator nor driver are tied to a 3-year licence (should they so wish).

All drivers are required to apply for an Enhanced DBS Check as part of the application process. No licence can be issued without all of the necessary background checks having been fully completed. But to offer an incentive to those who reside within the Ashfield District, it is proposed that the £40.00 Enhanced DBS Check fee be waived (and the cost be borne by the Licensing Service). The intention of this waiver of charge is to assist local residents who may be seeking employment and as such further reduce the financial costs associated with the new driver application.

Such a waiver of charge is only applicable to the required Enhanced DBS Check as part of the new driver application process, as it is a condition of any licence granted that the applicant enrol with the DBS Update Service (an Enhanced DBS Check must be applied for to enable a person to then be able to enrol with the DBS Update Service), and as such further Enhanced DBS Disclosures will not be required as the person's status can be accessed via the DBS Update Service. All applicants are required to meet the costs themselves of joining the DBS Update Service and maintaining their subscription to the Update Service (currently £13.00 per annum).

The costs of carrying out the Knowledge Test and the Safeguarding Vulnerable Passengers Course and Test have also been able to be reduced, owing again to the efficiency savings brought in over the last 3 years.

The costs relating to the grant, administration and enforcement of vehicle licences (including the 2 x Compliance Test required throughout the term of the licence) have also been reduced through the adoption of highly efficient procedures. It is proposed to reduce both the Hackney Carriage Vehicle and Private Hire Vehicle licence fees accordingly. Drivers need vehicles to drive, and if there is a significant increase in new drivers (due to the introduction of a reduced 1-year driver licence fee), there is also a potential increase in new vehicle licence applications.

The costs relating to the grant and administration of a Private Hire Operator Licence have increased when looking at licences granted for periods of 4 or 5 years but decreased for licences granted for a shorter period. A slight amendment to the current fees is proposed in order to ensure such licences are priced to reflect current "full cost recovery".

Presently, Operators are also required to pay an annual charge of £30.00 per vehicle that receives bookings from the Operator (this fee is waived for each low emission vehicle that receives bookings). This charge appears unnecessary in light of having reviewed the true costs associated with the Private Hire Operator Licence, and places a financial burden on the Trade, as well as it costing the Taxi Licensing Service a lot of time and resource in administering this charge.

It is proposed to increase the cost of the Private Hire Operator licence fee to reflect the true costs incurred by the Taxi Licensing Service, but to remove the annual £30.00 charge per vehicle, and instead offer a £30.00 discount on the vehicle licence fee for any low emission vehicle and / or wheelchair accessible vehicle, in order to place the incentive on purchasing a green and / or full accessible vehicle onto the vehicle purchaser, who will then benefit from the further discount.

The aims of the above detailed proposals are:

- **To enhance the licensing options available to new applicants and existing licence holders;**
- **To promote the opportunity to become a licensed driver for those living within the Ashfield District Council Council Tax Band area;**
- **To promote the purchase of green / and or wheelchair accessible vehicles;**
- **To reduce the financial burdens on the Taxi Trade and those seeking to enter it: and**
- **To further enhance Ashfield District Council as an Authority that is attractive to new business, safeguards existing business, and is forward-thinking in the way it considers the needs of the an ever changing economic landscape.**
- **To provide a financial contribution to the Council's Transport function, which is responsible for carrying out checks and MOTs on Licensed vehicles.**

It is intended that by approving the fees and charges detailed within this report that whilst cheaper fees are being introduced that more new business will be attracted to Ashfield. It is expected that existing licence holders will recognise the Council understands the financial pressures they face and has taken steps to assist them.

## Proposed Licence Fees

The tables below provide details of the current, and proposed Taxi Licensing fees, and a full list of the proposed fees and charges associated with the Taxi Licensing Service can be found at **Appendix One**):

### Driver Licence Fees (not including cost of Enhanced DBS Application currently £44.00):

DRIVER LICENCE	CURRENT	PROPOSED
1 YEAR (NEW)	£217.90	<b>£180.00</b>
2 YEAR (NEW)	£232.55	<b>£220.00</b>
3 YEAR (NEW)	£247.20	<b>£260.00</b>
1 YEAR (RENEWAL)	£183.49	<b>£160.00</b>
2 YEAR (RENEWAL)	£198.14	<b>£200.00</b>
3 YEAR (RENEWAL)	£212.80	<b>£240.00</b>
KNOWLEDGE TEST	£44.00	<b>£25.00</b>
SAFEGUARDING COURSE & TEST	£30.00	<b>£15.00</b>
ENHANCED DBS APPLICATION FEE (WAIVED FOR ADC RESIDENT NEW DRIVER APPLICATION)	£44.00	<b>£40.00</b>

### Vehicle Licence Fees:

PERIOD OF LICENCE	CURRENT	PROPOSED
1 YEAR HACKNEY CARRIAGE (NEW / RENEWAL / CHANGE OF VEHICLE)	£359.90	<b>£320.00 *</b>
1 YEAR PRIVATE HIRE (NEW / RENEWAL / CHANGE OF VEHICLE)	£344.10	<b>£300.00 *</b>

\* Discount of £30.00 to be applied to vehicle licence applications for a low emission vehicle and / or wheelchair accessible vehicle.

### Private Hire Operator Licence Fees \*:

PERIOD OF LICENCE	CURRENT	PROPOSED
1 YEAR (NEW)	£288.44	<b>£210.00</b>
2 YEAR (NEW)	£366.37	<b>£320.00</b>
3 YEAR (NEW)	£444.29	<b>£430.00</b>
4 YEAR (NEW / RENEWAL)	£522.22	<b>£540.00</b>
5 YEAR (NEW / RENEWAL)	£600.14	<b>£650.00</b>

\* Deletion of existing £30.00 charge per non-low emission vehicle per annum taking bookings for the Private Hire Operator.

## Consultation

Should the Licensing Committee agree to the proposed fees and charges contained within this report, the Council is then required by law to carry out a 28 day consultation by way of a Public Notice if it intends to vary the licence fees for Vehicle Licences and Private Hire Operator Licences. In order to ensure best practice is carried out, it is proposed to include the amendments to the Driver Licence fees within the consultation.

In order to promote transparency, the consultation will also include a Newsletter to all current licence holders as to the proposed variations and will also be placed on the Council website and on the Council Noticeboard outside of the Urban Road offices.

Should no valid responses be received by the end of the consultation period, then the proposed fees automatically come into force.

Should valid responses be received by the end of the consultation period, then such responses will need to be put before the Licensing Committee for consideration. Such a Licensing Committee meeting must be held before the fees come into effect automatically at the end of a 2-month period following the consultation closing. Such responses will need to be considered by the Licensing Committee, where the Committee may either confirm the fees (at which point they come in automatically after the 2 month date) or seek amendments to the proposed fees and the consultation process will be restarted.

A copy of the Public Notice that will form the consultation is attached at **Appendix Two**.

### **Implications**

#### **Corporate Plan:**

#### **Legal:**

The Council has discretion to set fees and charges for the Taxi Licensing functions by way of Section 70 of the Local Government (Miscellaneous Provisions) Act 1976. The process to be followed has been detailed within this report.

#### **Finance:**

The Licensing function must operate on the basis of full cost recovery across the Council it is important that Fees and Charges are monitored regularly, so that full cost recovery is maintained.

This report is effective from 15<sup>th</sup> June 2021 and has the following financial implications.

<b>Budget Area</b>	<b>Implication</b>
General Fund – Revenue Budget	None
General Fund – Capital Programme	None
Housing Revenue Account – Revenue Budget	None
Housing Revenue Account – Capital Programme	None

#### **Risk:**

<b>Risk</b>	<b>Mitigation</b>
The Council has a statutory duty to carry out its licensing functions.	Approved processes, procedures and policies are in force to ensure that the Licensing Authority minimises any risks it may be exposed to when carry out its licensing functions and decision-making processes.

## **Human Resources:**

There are no Human Resources implications contained within this report.

## **Environmental/Sustainability**

By approving the proposed fees & charges, the Council is promoting the use of both environmentally friendly and fully accessible transport services, whilst reducing the financial barriers to local persons from seeking a career within the Taxi & Private Hire Trade and to existing licence holders.

## **Equalities:**

There are no diversity or equality implications contained within this report.

## **Other Implications:**

None

## **Reason(s) for Urgency**

Not applicable

## **Reason(s) for Exemption**

Not applicable

## **Background Papers**

**Appendix One:** Full list of current and proposed Taxi Licensing Fees & Charges

**Appendix Two:** Public Notice for consultation

## **Report Author and Contact Officer**

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