

Gloucester City Council

Committee	: LICENSING AND ENFORCEMENT COMMITTEE
Date	: 16 th AUGUST 2011
Subject	: FEES FOR VEHICLES, OPERATORS AND DRIVERS LICENCES 2011/2012
Decision Type	: POLICY AND FRAMEWORK
Ward	: ALL
Report By	: GROUP MANAGER OF ENVIRONMENTAL HEALTH AND REGULATORY SERVICES
No. Of Appendices	: 1. PROPOSED FEES 2. OBJECTION FROM HACKNEY CARRIAGE ASSOCIATION 3. INCOME AND EXPENDITURE ACCOUNTS 4. DfT BEST PRACTICE GUIDANCE 2010
Reference No.	: ES21117

1.0 Purpose of Report

- 1.1 To determine the level of Hackney Carriage and Private Hire licence fees for 2011/12.

2.0 Recommendations

- 2.1 The Committee are recommended to increase all existing taxi fees and charges by 2.5% from 17th August 2011.

3.0 Background

- 3.1 Taxi licence fee setting is a function of the Licensing Committee. Legislation permits the Council to set **vehicle and operator** licence fees to cover the whole or part of:-
- the cost of carrying out inspections of hackney carriages and private hire vehicles to determine whether any such licence should be granted or renewed;
 - the reasonable cost of providing hackney carriage stands; and
 - any reasonable administrative or other costs in connection with the supervision of hackney carriages and private hire vehicles.
- 3.2 Where this fee exceeds £25, as is the case at Gloucester City Council, a 28 day public notice of the proposed fee must be advertised within which time any person may object to the variations.
- 3.3 If no objections are made or if all objections are withdrawn the fees come into effect at the end of the 28 day period. Where objections are not withdrawn, the Council must then consider the objections before determining the fee level and setting a further date, not later than two months after the first specified date, on which the new fees shall come into force. This date must not exceed 11th September 2011.

3.4 In relation to **other taxi licence fees and charges**, (e.g. drivers, knowledge tests) fees should recover reasonable expenses incurred to issue licences, administer and control the service. There are no consultation or advertising requirements.

3.5 The effect of the legislation is that the service must not generate a “profit” to the Council.

4.0 Progress

4.1 2011/12 fees have been calculated in accordance with our budget over a 3 yearly plan and in-line with the Council’s overall increase in fees and charges as agreed by Full Council.

4.2 Consultation with the trade has taken place. A Public Notice was published in the Citizen on Friday 10th June 2011. One objection was received from the Hackney Carriage Association, a copy of this e-mail can be found in Appendix 2.

4.3 Last year’s actual income and expenditure, together with this and next year’s budget are provided at Appendix 3. This information was shared with the Chair of the HCA on 12th July 2011. No further response has been received.

4.4 In 2010/11 fees were reduced by 5% post negotiation with the trade and following the introduction of 2 and 3 year drivers licences. Take up of the 2 and 3 year renewals were much higher than estimated in 2010/11 at the lower charge. This will impact 2011/12 income and year end position, as fewer drivers will be renewing their licence within that period.

4.5 The 2010/11 fee reduction was not in line with general Gloucester City Council fees and charges, which were increased by 5% as agreed by Full Council.

5.0 Future Work

5.1 A summary of proposed fees and charges as advertised in the Public Notice is provided at Appendix 1.

5.2 A comparative list of Hackney Carriage and Private Hire Licensing fees and charges from other Local Authorities can be provided on request. Members must note however, that any comparison does not reveal where that Authority sits in line with its overall income and expenditure accounts. For example, last year our fees were reduced by 5% to bring us back in line with our accounts.

5.2 In response to the Trade’s objection regarding the plan to conduct further scrutiny studies. The Licensing Authority have decided that if needed, conducting a scrutiny study every 3 years would be good practice to monitor the demand for Taxi’s in the City, especially as the trade have requested a restriction in the number of licensed Hackney Carriages. A study was conducted in 2010 and revealed no evidence of a significant unmet demand.

- 5.3 The Department for Transport best practice guidance indicates that a study every three years is good practice where the Local Authority has imposed a restriction on the number of licensed Taxis. However, where there is no quantity restriction, a study is not needed and the Department for Transport Best Practice Guidance 2010 recommends that licensing authorities do not impose restrictions on the number of licences issued.
- 5.4 The relevant guidance page can be seen in Appendix 4.
- 5.5 Section 161 of the Equalities Act 2010 which was viewed to come into force some time after April 2011 would restrict the ability of licensing authorities to control the number of Hackney Carriage Vehicles where the authority has relatively few numbers of wheelchair accessible vehicles.
- 5.6 The purpose of this is to ensure licensing authorities that have relatively few wheelchair accessible taxis operating in their area, do not refuse licences to such vehicles for the purposes of controlling taxi numbers. For section 161 to have effect, the Secretary of State must make regulations specifying:
- the proportion of wheelchair accessible taxis that must operate in an area before the respective licensing authority is lawfully able to refuse to license such a vehicle on the grounds of controlling taxi numbers; and
 - the dimensions of a wheelchair that a wheelchair accessible vehicle must be capable of carrying in order for it to fall within this provision.

6.0 Conclusions

- 6.1 Overall income is expected to be lower in 11/12 due to the increased income received in 10/11 from a large uptake of 2 and 3 year licences. Costs will also increase in 11/12 due to higher levels of work from other services contributing towards the licences.
- 6.2 The proposed fees are set at levels that recover the costs of issuing, administering and enforcing Licences. The Licensing Authority must not increase fees with a view to make a profit, however, where surplus income is received it is intended to bring income projections in line with expenditure over 3 yearly periods.
- 6.3 Members are referred to the recommendation noted in 2.0 of this report.

7.0 Financial Implications

- 7.1 The fee levels are set to ensure costs of issuing, administering and enforcing licences can be recovered. The proposed fee increase of 2.5% will ensure that the level of income in 2011/12 is nearer to budget and when set against expected higher costs for that year, this will mean that over a 3 year period the hackney carriages and private hire licenses should break even.
- 7.2 Fees would need to be set in line with the European Services Directive: Guidance for Local Authorities and LACORS Guidance on the impact of the Services Directive on Councils setting and administering local licence fees within the service sector.

8.0 Legal Implications

- 8.1 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 gives the Council powers to charge such fees for the grant of vehicle and operator licences as may be resolved by them from time to time. There are statutory procedures to be followed regarding advertisements, notices, consultation and representations.
- 8.2 Section 53(2) of the Local Government (Miscellaneous Provisions) Act 1976 provides that the fees for hackney carriage and driving licences have to be reasonable. There is no statutory requirement for advertisements, notices, consultation or representations. There is also no restriction on the number of times the Council can increase the fees, however, the Council's actions must be reasonable.

9.0 Risk Management Implications *(Authors to complete) Identify all key risks (scoring 8 and above) for the recommendation including the impact and likelihood of the risk occurring and what measures will be taken to mitigate the risk.*

- 9.1 The key risks arising from this relate to decisions taken by the Licensing and Enforcement Committee. Any decisions made which are unreasonable or unlawful could be open to legal challenge resulting in loss of image, reputation and potential financial penalty.

10.0 People Impact Assessment (PIA):

Please ensure you complete this section even if a PIA is not required.

Is a PIA required?	Yes	No	Explanation:
	x		
Has an initial PIA screening been completed?	Yes	No	Explanation:
	x		
Has a full PIA been completed?	Yes	No	Explanation: No negative impacts were identified
		x	
Is the PIA available?	Yes	No	Explanation:
		x	
Has the PIA identified any negative impacts on any protected characteristic or community cohesion?	Yes*	No	*Please ensure PIA is available
		X	

Any Further Relevant Information:

None

11.0 Other Corporate Implications (this may include Community Safety, Environmental, Staffing, Trade Union)

None

Background Papers : None

Published Papers : The Department for Transport Taxi and Private Hire Vehicle Licensing: Best Practice Guidance March 2010

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