

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO PUBLIC PROTECTION COMMITTEE**

12 October 2020

PRIVATE HIRE & HACKNEY CARRIAGE FEES & CHARGES 2021/2022

Submitted by: **Head of Environmental Health & Licensing Administration Team Manager**

Portfolio: **Finance & Efficiency**

Ward(s) affected: **All**

Purpose of the Report

To request the Public Protection Committee to consider the proposed taxi and private hire fees prior to consultation, as referred to in the report.

Recommendations

- a) That the Public Protection Committee considers the proposed fees.
- b) That the proposed fees be sent out for consultation.
- c) That following consultation a further report is brought to Committee.

Reasons

The setting of Private Hire and Hackney carriage fees is a Council function

1. **Background**

1.1 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 states the following in relation to Operator and Vehicle licence fees:

(1) Subject to the provisions of subsection (2), a district council may charge such fees for the grant of vehicle and operators' licences as may be resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part:

- (a) the reasonable cost of the carrying out by or on behalf of the district council of inspections of hackney carriages and private hire vehicles for the purpose of determining whether any such licence should be granted or renewed;
- (b) the reasonable cost of providing hackney carriage stands; and
- (c) any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles.

(2) The fees chargeable under this section shall not exceed—

- (a) for the grant of a vehicle licence in respect of a hackney carriage, twenty-five pounds;

- (b) for the grant of a vehicle licence in respect of a private hire vehicle, twenty-five pounds; and
- (c) for the grant of an operator's licence, twenty-five pounds per annum;

or, in any such case, such other sums as a district council may, subject to the following provisions of this section, from time to time determine.

(3) (a) If a district council determine that the maximum fees specified in subsection (2) of this section should be varied they shall publish in at least one local newspaper circulating in the district a notice setting out the variation proposed, drawing attention to the provisions of paragraph (b) of this subsection and specifying the period, which shall not be less than twenty-eight days from the date of the first publication of the notice, within which and the manner in which objections to the variation can be made.

(b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of twenty-eight days from the date of the first publication thereof be deposited at the offices of the council which published the notice and shall at all reasonable hours be open to public inspection without payment.

(4) If no objection to a variation is duly made within the period specified in the notice referred to in subsection (3) of this section, or if all objections so made are withdrawn, the variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.

(5) If objection is duly made as aforesaid and is not withdrawn, the district council shall 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 as decided by the district council after consideration of the objections.

(6) A district council may remit the whole or part of any fee chargeable in pursuance of this section for the grant of a licence under section 48 or 55 of this Act in any case in which they think it appropriate to do so.

1.2 Section 53(2) of the Local Government (Miscellaneous Provisions) Act 1976 states the following in relation to Driver licence fees:

(2) Notwithstanding the provisions of the Act of 1847, a district council may demand and recover for the grant to any person of a licence to drive a hackney carriage, or a private hire vehicle, as the case may be, such a fee as they consider reasonable with a view to recovering the costs of issue and administration and may remit the whole or part of the fee in respect of a private hire vehicle in any case in which they think it appropriate to do so.

1.3 The Deregulation Act 2015 amended the Local Government (Miscellaneous Provisions) Act 1976 in relation to the duration of licences for hackney carriage and private hire drivers and private hire operators.

Section 10, subsection 2 of the Deregulation Act 2015 changed the law in such a way as to establish a standard duration of three years for hackney carriage and private hire driver licences. The section specifies that a licence may be granted for a period of less than three year but only in circumstances of an individual case, not because of a blanket policy.

Subsection 3 of the Act changed the law in such a way as to establish a standard duration of five years for a private hire vehicle operator licence. The section specifies that a licence may

be granted for a period of less than five years but only in the circumstances of an individual case, not because of blanket policy.

2. **Proposal:**

2.1 The proposed fees and charges for 2021-22 are:

Private Hire/Hackney Carriage (subject to consultation)	Fee/Charge 2020-21 (£)	Proposed Fee/Charge 2021-22 (£)	% Change
<u>OPERATORS</u>			
PHO Application fee	£250.00	£266.00	6%
Add/Remove Director	£38.00	£41.00	8%
Copy/Replacement Licence	£6.00	£7.00	17%
Basic DBS	£23.00 (set by DBS)	£23.00	0%
<u>DRIVERS</u>			
Dual Driver Badge - 3 years	£257.00	£273.00	6%
Change of address	£16.00	£17.00	6%
Replacement badge	£12.00	£13.00	8%
Replacement vehicle badge	£12.00	£13.00	8%
Reissue/replacement badge (with amended details)	£26.00	£28.00	8%
DBS (CRB check)	£40.00 (set by DBS)	£40.00	0%
DBS (CRB check) online	£60.34 (set by DBS and provider)	£60.34	0%
Safeguarding training	£38.00	£39.00	3%
Fail to attend Safeguarding Training	£38.00	£39.00	3%
Exemption certificates	£12.00	£12.00	0%
Knowledge test	£25.00	£27.00	8%
Fail to attend Knowledge Test	£25.00	£27.00	8%
Replacement Safeguarding training certificate	£6.00	£7.00	17%
Change of Name	£16.00	£17.00	6%
Replacement vehicle badge holder	£5.00	£5.00	0%
Disability Training	£35.00+VAT	35.00+VAT	0%
Disability Training (fail to attend)	£35.00+VAT	35.00+VAT	0%
DE Training replacement cert	£0.00 (met by provider)	0.00 (met by provider)	0%
Copy of Paper Licence	£6.00	£7.00	17%
<u>VEHICLES</u>			
Transfer of vehicle	£38.00	£41.00	8%
Change of vehicle registration	£43.00	£46.00	7%
Failure to attend for vehicle test	£104.00	£104.00	0%
Retest	£42.00	£42.00	0%
Replacement plate carrier – front	£8.00	£9.00	13%

Replacement plate carrier – rear	£10.00	£11.00	10%
Replacement vehicle plate - front	£7.00	£7.00	0%
Replacement vehicle plate - rear	£10.00	£10.00	0%
Replacement vehicle sticker signage	£5.00	£5.00	0%
Copy of paper part of licence	£6.00	£7.00	17%
Change of Vehicle Colour	£43.00	£46.00	7%
HCV test	£108.00	£109.00	1%
HCV test 10yrs+	£108.00	£109.00	1%
PHV test	£108.00	£109.00	1%
PHV test 10yrs+	£108.00	£109.00	1%
HCV application fee	£230.00	£242.00	5%
PHV application fee	£228.00	£240.00	5%
Basic DBS	£23.00 (set by DBS)	£23.00	0%
Change of Name/Address	£38.00	£41.00	8%
Spot check	£25.00	£26.00	4%
Replacement Internal Plate	£7.00	£8.00	14%

2.2 It is recommended that the fees are set in line with the provisions of the 1976 Act, the Local Government Association Guidance on setting fees, the Council's newly implemented taxi licensing policy and the principles outlined in section 4.3 below. A number of new fees were introduced in 2020-21 to ensure that the Council was recovering costs for all applications that can be made.

2.3 The majority of the fees have increased but not substantially. This is primarily down to two factors, firstly that staffing costs have increased across the authority and secondly that the total number of licences have decreased.

3. **Reason for Proposed**

3.1 a) That the Public Protection Committee considers the proposed fees.

b) That the proposed fees be sent out for consultation.

c) That following consultation a further report is brought to Committee

4. **Options Considered**

4.1 The Council is required to set fees for private hire and hackney carriage licenses.

5. **Legal and Statutory Implications**

5.1 The Local Government (Miscellaneous Provisions) Act 1976 contains the legal provisions and process relating to the setting of fees, this is detailed in sections 1.1 and 1.2 of this report.

6. **Equality Impact Assessment**

6.1 Not applicable

7. **Financial and Resource Implications**

- 7.1 The legislative background in relation to this report can be found in the Local Government (Miscellaneous Provisions) Act 1976, sections 53(2) and 70.
- 7.2 There will be financial implications for the Council if full cost recovery is not achieved.
- 7.3 The fees can be used to cover the cost of the following:

Administration – This could cover basic office administration to process the licence application, such as resources, photocopying, postage or the cost of handling fees through the accounts department. This could also include the costs of specialist licensing software to maintain an effective database, and printing licences.

Initial visit/s – This could cover the average cost of officer time if a premises visit is required as part of the authorisation process. Councils will need to consider whether the officer time includes travel. It would also be normal to include ‘on-costs’ in this calculation. Councils will need to consider whether ‘on-costs’ include travel costs and management time.

Third party costs – Some licensing processes will require third party input from experts.

Liaison with interested parties – Engaging with responsible authorities and other stakeholders will incur a cost in both time and resources.

Management costs – Councils may want to consider charging an average management fee where it is a standard process for the application to be reviewed by a management board or licensing committee. However, some councils will include management charges within the ‘on-costs’ attached to officer time referenced below.

Local democracy costs – Councils may want to recover any necessary expenditure in arranging committee meetings or hearings to consider applications.

On costs – including any recharges for payroll, accommodation, including heating and lighting, and supplies and services connected with the licensing functions. Finance teams should be able to provide a standardised cost for this within each council.

Development, determination and production of licensing policies – The cost of consultation and publishing policies can be fully recovered.

Advice and guidance – This includes advice in person, production of leaflets or promotional tools, and online advice.

Setting and reviewing fees – This includes the cost of time associated with the review, as well as the cost of taking it to a committee for approval.

8. **Major Risks**

- 8.1 The Council will be open to challenge should the calculation of the fees and charges prove to be contrary to the Act.
- 8.2 Judicial Review of a decision may be made on the following grounds:
- Ultra vires – no power to levy a particular fee, or fees used to raise revenue unlawfully, or
 - Wednesbury rules – decision was unreasonable or irrational

9. **Sustainability and Climate Change Implications**

9.1 Not applicable

10. **Key Decision Information**

10.1 Not applicable

11. **Earlier Cabinet/Committee Resolutions**

11.1 Not applicable

12. **List of Appendices**

12.1 Not applicable

13. **Background Papers**

13.1 LGA Guidance on Local Fee Setting