

Taxis Committee – 10th February 2010

Report of the Director of Corporate Resources and Interim Director of Finance

Revision of Licence Fees

Purpose of Report

1. To consider to the revision of fees for private hire and hackney carriage licences administered by the Committee.

Background

2. The fees for private hire and hackney carriage licences administered by the Committee were last revised with effect from April 2009.
3. Fees received in respect of private hire and hackney carriage licences are not refunded if the application is withdrawn or refused.
4. Private Hire and Hackney Carriage Driver's badges are issued annually. All applicants for the renewal of these licences are required to submit a copy of their current driving licence.
5. The Taxi Focus Group have requested that in addition to the grant of an annual private hire/hackney carriage driver's licence the Council introduce an option for drivers to be granted a three year driver's licence in line with the government's best practice for the licensing of private hire and hackney carriage.
6. If the Committee were to grant this request it is suggested that the following procedure and charges be considered.

Grant of three year private hire/hackney carriage driver's licence	£335.00
When applied for together	£344.00
Any applicant issued with a three year hackney carriage/private hire driver's licence must submit a copy of his current driving licence to the Council annually on or before the anniversary of the date the private hire/hackney carriage driver's licence was issued.	
Failure to submit a copy of the current	The Licensing Office will issue a written

driving licence annually on or before the anniversary of the date the private hire/hackney carriage driver's licence was issued will mean suspension of the current private hire/hackney carriage driver's licence.	reminder to submit a copy of the current drivers licence to the Licensing Officer to all holders of 3 year private hire/hackney carriage driver's licences two months before the annual anniversary of the issue of the licence(s).
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7. In considering the revision of licence fees, the Committee may wish to compare the fees charged by the Council with those of neighbouring Councils. A table showing these comparisons is attached as Appendix 1.
8. Column (1) in Table A below represents the fees currently charged.

Column (2) to (5) show the effect of fees of various increases between 2% and 5%; the budget for 2010-11 has been set based on 2% (ie. Column (2)). The following table shows the 2010/11 budget requirement (being £415,000) against current and previous year taxi licensing income:

Actual (£'000)			Budget (£'000)
07/08	08/09	09/10 (forecast)	10/11
394	413	407	415*

* Note: the budget 2010/11 represents a 2% increase on our forecast 09/10 income levels.

TABLE A

	Fees currently charged	Increase @ 2%	Increase @ 3%	Increase @ 4%	Increase @ 5%
Hackney Carriage Vehicle	203.10	207.16	209.19	211.22	213.25
Plate	36.05	36.77	37.13	37.49	37.85
Bracket	13.50	13.77	13.90	14.04	14.17
Vehicle Retest	43.69	44.56	45.00	45.44	45.87
4/6 months test	134.97	137.67	139.02	140.37	141.72
Private Hire Vehicle	203.10	207.16	209.19	211.22	213.25
Plate	36.05	36.77	37.13	37.49	37.85
Bracket	13.50	13.77	13.90	14.04	14.17
Vehicle Re-test	43.69	44.56	45.00	45.44	45.87
4/6 months test	134.97	137.67	139.02	140.37	141.72
Mid term vehicle licence production of insurance	31.36	31.99	32.30	32.61	32.92
Admin fee if application not made 48 hrs before enquiry	43.26	44.12	44.56	44.99	45.42
Cancelled Lister Road	84.14	85.82	86.66	87.51	88.34
Admin Fee	32.45	33.00	33.42	33.74	34.07
CRB	51.91	52.95	53.46	53.99	54.50
Private Hire Driver Grant	174.58	178.00	179.81	181.56	183.30
Badge Deposit	9.27	9.46	9.55	9.64	9.73
Renewal	105.37	107.47	108.53	109.58	110.64

	Fees currently charged	Increase @ 2%	Increase @ 3%	Increase @ 4%	Increase @ 5%
Hackney Carriage Driver Grant	174.58	178.00	179.81	181.56	183.30
Badge Deposit	9.27	9.46	9.55	9.64	9.73
Renewal	105.37	107.48	108.53	109.58	110.64
Hackney Carriage/Private Hire driver applied together	220.01	224.41	226.61	228.81	231.01
Renewal	145.38	148.29	149.74	151.19	152.65
Badge Deposits	21.63	22.06	22.28	22.50	22.71
Private Hire Operator	368.79	376.17	379.85	383.54	387.23
Renewal	368.79	376.17	379.85	383.54	387.23
Repeat Knowledge/Driving Test	68.13	69.49	70.17	70.86	71.54
Disabled Training Course Fee	23.79	24.27	24.50	24.74	24.98
Disabled Training Course Admin	5.41	5.52	5.57	5.63	5.68
Disabled Course – Non-attendance fee	8.11	8.27	8.35	8.43	8.52
Special Events Vehicle	283.99	289.67	292.51	295.35	298.19
Retest	67.37	68.72	69.39	70.07	70.74
Plate	37.85	38.60	38.98	39.36	39.74

9. The Council is only permitted to set licensing fees for taxis and hackney carriages up to the amount that can be ascertained as being the cost of administering the licensing function. This includes enforcement, administration and ancillary costs relating to members meeting to determine certain licensing applications.
10. The cost of licence and administration stated in this report includes the enforcement and administrative costs of processing all licences including gaming and liquor but does not include any costs relating to Members.

Finance

11. The financial implications in respect of the fees for private hire and hackney carriage licensing (set out in Table A) are outlined below. For information, the budget strategy 2010/11 assumes an increase of 2%.

	Licensing Administration and other licensing	Hackney Carriage/Private Hire			
	£'000	£'000	£'000	£'000	£'000
Fee increase option:		2%	3%	4%	5%
Cost of licensing function:					
Salaries	434				
Other	86	111			
Internal recharge*	-410	410			
Gross costs	110	521			
Licensing Income:					
Taxis		(415)	(419)	(423)	(427)
Street trading	(10)				
Betting and Gaming	(5)				
Gambling Act	(42)				
Liquor	(245)				
Contributions					
Dudley College	(15)				
Children's Directorate (internal only)	(37)				
Sub Total 'Income'	(354)	(415)	(419)	(423)	(427)
Net cost/(surplus)	(244)	106	102	98	94

* the licensing administrative team supports all licensing functions. The above recharge represents an internal adjustment to demonstrate our estimated administrative cost for supporting (specifically) the taxi licensing role (estimated to be 80%), and to show more clearly the full cost of the taxi licensing service.

12. The above shows that the Council currently subsidises the taxi licensing function by approximately £100k per annum (exact amount dependent on the percentage increase decided by the Committee). The cost of licence administration is included in the Corporate Resources budget.

Law

13. Part II of the Local Government (Miscellaneous Provisions) Act 1976 regulates the grant of Private Hire and Hackney Carriage Licences.
14. In pursuance of Section 70 of the Local Government (Miscellaneous Provisions) Act 1976:

- (1) Subject to the provisions of subsection (2) of this section, 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 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.

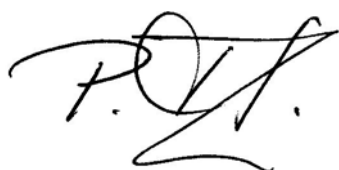
- (5) If objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the variation shall come into force with or without modification as decided by the district council after consideration 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.

Equality Impact

15. The proposals take into account the Council's policy in relation to equal opportunities.
16. There has been no consultation or involvement of children and young people in developing these proposals.

Recommendation

17. That the Committee consider the increase of licence fees.



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DIRECTOR OF CORPORATE RESOURCES



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List of Background Papers

LICENCE/PERMIT	DUDLEY	WOLVERHAMPTON	SANDWELL	BIRMINGHAM
Private Hire or Hackney Carriage Driver's Licence	£174.58	£122.00 plus Theory test - £67.00 Driving Assessment - £62.00	1 year - £145.00 3 year - £344.00 Knowledge retest - £30.00	£172.00 plus Knowledge test - £67.00 Folder - £17.00 Driving Test - £50.00
Grant				
Renewal	£105.37	£72.00 £122.00 (every third year)	£104.00 £140.00 (every three years)	1 year - £86.00 2 year - £172.00 3 year - £258.00
When applied for together				
Grant	£220.01		1 year - £196.00 3 year - £495.00	
Renewal	£145.38		1 year - £155.00 Every 3 years - £191.00	
Disabled training	£23.79		-	£50.00
Disabled training admin fee	£5.41		-	
Private Hire Operator's Licence	£368.79	<u>Private</u> Initial - £1005.00 Renewal - £765.00 <u>Company</u> Initial - £1050.00 Renewal - £765.00	Application (one year) - £624 Renewal (one year) - £520 Application (three years) - £1650.00 Renewal (three years) - £1450.00	<u>Grant</u> £1202.00 (over 5 vehicles) £686.00 (up to 5 vehicles) <u>Renewal</u> £686.00 (over 5 vehicles) £344.00 (up to 5 vehicles)

Hackney Carriage and Private Hire Vehicle Licence	£203.10	Hackney 0-6 years old 1 year - £343.00 or 1 st 6 months - £199.00 2 nd 6 months - £191.00 Over 6 years old and under 16 years old 1 year - £480.00 or 1 st 6 months - £272.00 2 nd 6 months - £272.00	New app Less than 5 years old £325.00/renewal £381.00 less than 5 years old New app/renewal (over 5 years old) - £399.00	HC - £200.00 PH - £172.00 PH with meter - £188.00 Renewal HC - £95.00 PH - £86.00 PH with meter - £101.00
Retest (PHV and HCV)	£43.69	or 1 st 6 months - £272.00 2 nd 6 months - £272.00	£55.00	£50.00
4/6 months test (PHV and HCV)	£134.97	Annual test and/or MOT - £62.00 Private Hire Up to 3 years old 1 year - £339.00 or 1 st 6 months - £195.00 2 nd 6 months - £185.00	<u>Over 5 years old</u> 1 st 4 months - £160.00 2 nd 4 months £157.00 3 rd 4 months - £157.00 <u>Less than 5 years old</u> 1 st 6 months tests - £218.00 2 nd 6 month tests - £216.00	
Plate (PHV and HCV)	£36.05	2 nd 6 months - £185.00	£30.00	
Cancelled Lister Road	£84.14	Over 3 years old and under 6 years old 1 year - £471.00 or 1 st 6 months - £267.00 2 nd 6 months - £267.00 Over 6 years old 1 year - £599.00 or 1 st 4 months - £236.00 2 nd 4 months - £236.00 3 rd 4 month - £236.00 Annual test and/or MOT - £57.00	£55.00	

Special Events Vehicles	£283.99			
Retests	£ 67.37			
Plate	£ 37.85			