

Taxis Committee – 27th April 2011

Report of the Director of Corporate Resources

Revision of Licence Fees

Purpose of Report

1. To consider the objections made by the Dudley Taxi Alliance to the revision of fees charged in relation Private Hire Operator and Private Hire Vehicle and Hackney Carriage Licences resolved by the Taxis Committee at their meeting of the 16th of February 2011.

Background

2. The fees for private hire and hackney carriage licences administered by the Committee were last revised with effect from April 2010.
3. Fees received in respect of private hire and hackney carriage licences are not refunded if the application is withdrawn or refused.
4. On the 16th of February 2011 the committee considered a report of the Director of Corporate Resources on the proposed revision of fees fro private hire and hackney carriage licences administered by the committee.
5. The financial information contained within the report was that the budget strategy for the 2011/12 assumed an increase 5%.
6. In considering the revision of licence fees, the committee took into account the comparable fees charged by neighbouring council's.
7. 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 2011-12 has been set based on 5% (ie. Column (5)).The following table shows the 2011/12 budget requirement (being £436k) against current and previous year taxi licensing income:

Actual (£'000)			Budget (£'000)
08/09	09/10	10/11 (forecast)	11/12
413	404	415	436*

* Note: the budget 2011/12 represents a 5% increase on our forecast 10/11 income levels.

TABLE A

	Fees currently charged	Increase @ 2%	Increase @ 3%	Increase @ 4%	Increase @ 5%
Hackney Carriage Vehicle	207.16	211.3	213.37	215.45	217.52
Plate Hire	36.05	36.77	37.13	37.49	37.85
Vehicle Re-Test	44.56	45.45	45.9	46.34	46.79
4/6 Months Test	137.67	140.42	141.8	143.18	144.55
Private Hire Vehicle	207.16	211.3	213.37	215.45	217.52
Plate Hire	36.05	36.77	37.13	37.49	37.85
Bracket	13.77	14.05	14.18	14.32	14.46
Replacement Plate	14	14.28	14.42	14.56	14.7
Replacement Plate Fixings	0.5	0.51	0.52	0.52	0.53
Roof Labels	5.52	5.63	5.69	5.74	5.8
Vehicle Re-Test	44.56	45.45	45.9	46.34	46.79
4/6 Months Test	137.67	140.42	141.8	143.18	144.55
Special Event Vehicles	289.67	295.46	298.36	301.26	304.15
Retest	68.72	70.09	70.78	71.47	72.16
Plate Hire	38.6	39.37	39.76	40.14	40.53
Seating Check	121.34	123.77	124.98	126.19	127.41
Production of Insurance cover note	31.99	32.63	32.95	33.27	33.59
Mid-term Vehicle Licence (necessary when cover note produced)	76.11	77.63	78.39	79.15	79.92
If application not made 48 hours before expiry of licence	44.12	45	45.44	45.88	46.33
Cancelled Lister Road	85.82	87.54	88.39	89.25	90.11
Disability Course	24.27	24.76	25	25.24	25.48
Disability Course Non Attendance Fee	8.27	8.44	8.52	8.6	8.68
Administration Fee	33	33.66	33.99	34.32	34.65
Private Hire/Hackney Carriage Enhanced Disclosure Fee	52.95	54.01	54.54	55.07	55.6
Repeat knowledge test for Hackney Carriage/Private Hire Drivers Fee	69.49	70.88	71.57	72.27	72.96
Private Hire Driver					
One Year Grant	178	181.56	183.34	185.12	186.9
Three Year Grant	335	341.7	345.05	348.4	351.75
Badge Deposit	9.46	9.65	9.74	9.84	9.93
One Year Renewal	107.48	109.63	110.7	111.78	112.85
Three Year Renewal	267	272.34	275.01	277.68	280.35
DVLA Mandate	5	5.1	5.15	5.2	5.25
Hackney Carriage Driver					
One Year Grant	178	181.56	183.34	185.12	186.9
Three Year Grant	335	341.7	345.05	348.4	351.75
Badge Deposit	9.46	9.65	9.74	9.84	9.93
One Year Renewal	107.48	109.63	110.7	111.78	112.85
Three Year Renewal	267	272.34	275.01	277.68	280.35
DVLA Mandate	5	5.1	5.15	5.2	5.25
Hackney Carriage & Private Hire Driver applied for together					
One Year Grant	224.41	228.9	231.14	233.39	235.63
Three Year Grant	475	484.5	489.25	494	498.75
Badge Deposit	22.06	22.5	22.72	22.94	23.16
One Year Renewal	148.29	151.26	152.74	154.22	155.7
Three Year Renewal	407	415.14	419.21	423.28	427.35
DVLA Mandate	5	5.1	5.15	5.2	5.25
Private Hire Operator					
Grant and Renewal	376.17	383.69	387.46	391.22	394.98

8. 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.
9. 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.
10. Having given careful consideration to all the information the committee resolved that approval be given to an increase in respect of the fees for private hire and hackney carriage licences, of 5% as set out in Table A of this report.
11. In pursuance of the Local Government (Miscellaneous Provisions) Act 1976 section 70, a notice was posted in the Express and Star on the 4th of March 2011 setting out the proposed variation of fees in respect of the :-
 1. Grant of Hackney Carriage Vehicles
 2. Grant of Private Hire Vehicles
 3. Grant of Private Hire Operator's Licence.

and inviting anyone who has objections to the variation of the above fees to make them in writing to the Director of Corporate Resources.

12. On the 31st March 2011 a letter was received from the Dudley Taxi Alliance giving notice that they wished to lodge formal objections to the variation of the grant of both hackney carriage and private hire vehicles and private hire operator's fees as approved by the committee on the 16th of February 2011. A copy of that letter is attached at Appendix 1 of this report.

Finance

13. 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 2011/12 assumes an increase of 5%.

	Licensing Administration and other licensing	Hackney Carriage/Private Hire			
		£'000	£'000	£'000	£'000
Fee increase option:		2%	3%	4%	5%
Cost of licensing function:					
Salaries	413				
Other	70	113			
Internal recharge*	(386)	386			
Gross costs	97	499			
Licensing Income:					

Taxis		(423)	(427)	(432)	(436)
Street trading	(10)				
Betting and Gaming	(5)				
Gambling Act	(43)				
Liquor	(249)				
Contributions					
Dudley College	0				
Children's Directorate (internal only)	(36)				
Sub Total 'Income'	(343)	(423)	(427)	(432)	(436)
Net cost/(surplus)	(246)	76	72	67	63

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.

14. The above shows that the Council currently subsidises the taxi licensing function by approximately £70k 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

15. Part II of the Local Government (Miscellaneous Provisions) Act 1976 regulates the grant of Private Hire and Hackney Carriage Licences.
16. 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.

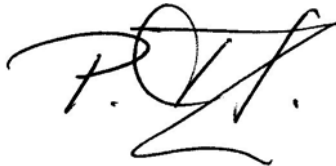
Equality Impact

17. The proposals take into account the Council's policy in relation to equal opportunities.

18. There has been no consultation or involvement of children and young people in developing these proposals.

Recommendation

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

A handwritten signature in black ink, appearing to be 'J. Elliott', written in a cursive style.

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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		£72.00 plus Theory test - £67.00 Driving Assessment - £62.00	1 year - £145.00 (inc CRB & DVLA) 3 year - £344.00 (inc CRB & DVLA) Knowledge retest - £30.00	£172.00 plus Knowledge test - £67.00 Folder - £17.00 Driving Test - £50.00 Retest - £50.00
Grant – - 1 year – - 3 year - - knowledge retest -	£178.00 £335.00 £69.49 after 3 rd test			
Renewal 1 year – 3 year -	£107.48 £267.00	£72.00	£104.00 £140.00 (every 3 years)	1 year - £86.00 2 year - £172.00 3 year - £258.00
When applied for together				
Grant 1 year – 3 year -	£224.41 £475.00		1 year - £196.00 inc CRB & DVLA) 3 year - £495.00 inc CRB & DVLA)	
Renewal 1 year – 3 year -	£148.29 £407.00		1 year - £155.00 Dual renewal 3 year app - £490 in line with CRB & medical	
Disabled training	£24.27		-	£50.00
Disabled training admin fee	£8.27		-	
Private Hire Operator's Licence	£376.17	<u>Private</u> Initial - £1050.00 Renewal - £765.00	Application (one year) - £624 Renewal (one year) - £520 Application (3 years) - £1650.00 Renewal (3 years) -£1450.	<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	£207.16	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 New £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)	£44.56	or 1 st 6 months - £272.00 2 nd 6 months - £272.00	£55.00	£50.00
4/6 months test (PHV and HCV)	£137.67	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	£85.82	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	£289.67			
Retests	£ 68.72			
Plate	£ 38.60			
	Enhanced			
CRB	£52.95		£36.00	£38.00
DVLA	£5.00		£5.00	
Badge Deposit	£9.46 – Private Hire £9.46 – Hackney Carriage £22.06 – Dual		£30.00	
Bracket	£13.77		£13.00	