

11<sup>th</sup> January 2018

Report of	Richard Block Assistant Director	Author	Jon Ruder
Title	Environment		☎ 282840
Wards affected	Appeal against Fees and Charges for Taxi and Private Hire		
	Not applicable		

## 1. Executive Summary

- 1.1 On the 1<sup>st</sup> of January 2018 the new fees and charges for Licensing, Food and Safety Council come in to effect after being agreed by the Portfolio Holder and ratified by Full Council. This included increased Taxi and Private Hire fees and charges.
- 1.2 Under the Local Government (Miscellaneous Provisions) Act 1976 (LG(MP)A section 53, the fees set for Hackney Carriage and Private Hire vehicle licences and driver licences have to be reasonable, as in the Wednesbury principles. However, under section 70(2) the local authority can charge more than the fees laid down in the LG (MP)A 1976, provided that they are advertised for 28 days, giving the trade the opportunity to raise an objection. The fees were advertised in a local newspaper and placed on the Colchester Borough Council website with a closing date of 31 December 2017.
- 1.3 The fees must be based on cost recovery and are calculated for 2018 using recent and current Licensing workloads (the time it takes to carry out certain actions and by whom), departmental budgets, and 'on costs'. 'On costs' include the non-direct, or 'back office', costs involved in running the service which are proportionally split out to each department / team in the Council, which are required to be recouped for a chargeable service. This is the first time the fees have been costed to reflect the running of the service for four years, and which reflect an increased responsibility for safeguarding, an updated policy and a new data system to enable self-service in the near future.
- 1.4 If an objection is received and not withdrawn, the Council has a duty to consider it. We have received an objection from Colchester Hackney Carriage Association as detailed below.
- 1.5 *The Colchester Hackney Carriage Association would like to formally object to the proposed increases in licence fees. As proposed the £50 (almost 16%) increase in the Hackney Carriage vehicle licence fee is way above the current rate of inflation. If a driver renews his vehicle licence and his driver's licence and changes his vehicle next year he would face a total increase £100. There are currently 131 Hackney Carriages and 627 Private Hire cars, if you multiply them by the proposed £50 and £90 increases respectively you get a total increase of an amazing £62,980. We understand that this is the first time the fees have been fully costed but is it fair to ask us to make-up the shortfall all in one go, could it not be phased in?*
- 1.6 For information, the fees table is listed below

Hackney Carriage and Private Hire			

<b>Vehicle and Operators Licences</b>			
Hackney Carriage Vehicle	Annual / Renewal	315.00	365.00
Private Hire Vehicle	Annual / Renewal	275.00	365.00
Operator's Licence - 1-2 vehicles (PHV)	New / Renewal (5 years)	295.00	305.00
Operator's Licence - 3+ vehicles (PHV)	New / Renewal (5 years)	350.00	355.00
Category change fee		35.00	60.00
Operator's licence transfer fee		85.00	60.00
<b>Drivers Licences</b>			
Initial Licence valid for up to 3 years	New (3 years)	200.00	225.00
Renewal Licence valid for up to 3 years	Renewal (3 years)	135.00	170.00
Deposit - refunded if application proceeds		50.00	50.00
<b>Colchester Standard Oral test</b>	<b>New</b>	42.00	60.00
Knowledge Test - initial fee (offset against licence if licence applied for)	New	35.00	60.00
Knowledge Test – re-sit fee		35.00	60.00
<b>Failure to attend Appointment at Rowan House without prior notification</b>		30.00	60.00
<b>Licence Transfer Fees</b>			
Vehicle to vehicle (must always remain a licenced vehicle)		85.00	100.00
Person to person		85.00	100.00
Registration number change		30.00	40.00
<b>Vehicle Inspection Fees</b>			
HC Vehicle Inspection Fee (other than brand new) as MOT		50.00	50.00
HC Vehicle Inspection Fee (Brand new)		30.00	30.00
PH Vehicle Inspection Fee (other than brand new) as MOT		50.00	50.00
PH Vehicle Inspection Fee (Brand new)		30.00	30.00
Failure to attend Garage for appointment		30.00	60.00
<b>Replacement Equipment</b>			
Replacement Plates		25.00	25.00
Replacement Badges		17.00	17.00
Replacement vehicle window cards		5.00	5.00
Standard Roof Sign	At cost plus handling charge	10.00	10.00
Standard Door Signs	At cost plus handling charge	10.00	10.00
<b>Fees for drivers' licences do not include the £44.00 fee for a mandatory DBS check, which will be charged additionally.</b>	NOTE moving to Personal Checks Ltd		57.00
Plate Exemption			11.00
Transfer of PH vehicles to new Operator (per vehicle)			11.00
CSE, Dementia and Vulnerable Persons Training			19.00

## 2. Recommended Decision

### 2.1 To consider the following options:

- To dismiss the objection, accept the current fees and introduce them on a new date, (within two months of the original date: 1<sup>st</sup> of January 2018).
- Uphold the objection and phase in the increased fees over the next two years; this would mean 50% of the increase being applied in 2018 and the remaining 50% in 2019.
- Increase the fees over the next two year by a different percentage.

## 3. Alternative Options

### 3 No other options



#### **4. Background Information**

- 4.1 The new fees are currently suspended, pending a decision regarding the objection. The fees were agreed by the Council's Portfolio Holder for Licensing, before being agreed by full Council in autumn 2017, and as such the Portfolio Holder will decide on further action, if any, to be taken in response to the objection.
- 4.2 There have been no increases to the fees charged by the Council for Licensing services for several years. A thorough review breaking down the actual costs incurred by the Council through staffing and delivering Taxi and Private Hire Licensing, as well as all other types of Licensing activity, was deemed overdue. Following the review, it was decided to bring in fee increases immediately, versus a phased approach, as this would ensure that the entire shortfall can be addressed in the first year. This would mean that any fee increase in the future will be less noticeable. Without this immediate effect, the Council would risk a short-fall in income, due to the costs involved in delivering the service over the next few years.
- 4.3 The resources the Council needs to deploy for Taxi and Private Hire Licensing processes has substantially increased since the former schedule of fees were first set. This is due to a number of factors, including a greater awareness nationally for the need to implement active safeguarding policies in the area of Licensing, leading to more staff time required for background and DBS checks, including management time when necessary. The additional pressures have required more staff to be involved in the Licensing processes to meet demand, and in accordance with current legislation the Council recoups the actual costs of this workload via fee charging.

#### **5 .Financial Implications**

- 5.1 The budget for 2018/2019 has been set based on the new charges commencing from 1st April 2018. There will be cost implications with a phased introduction, however, it is not possible to quantify this until the exact proposals are known.

#### **7. Equality, Diversity and Human Rights Implications**

- 7.1 The response has been prepared in accordance with and taken account of, all relevant legislation.

#### **8. Standard References**

- 8.1 There are no particular references to the Strategic Plan, consultation or publicity considerations; community safety, health and safety or risk management implications.