

**Review of Hackney Carriage (Taxi) and Private Hire (PH) Licensing fees
2022-2023**

Purpose

To consider the proposed revised Taxi and PH fees.

Wards Affected: All

Recommendation

The Licensing Committee is advised to resolve that:

- i. the contents of the report be noted, and
- ii. the proposed revised fees and charges for the Taxi and PH trade be recommended for approval by the Head of HR, Performance and Communication in consultation with the Strategic Director- Finance and the Finance Portfolio Holder, subject to the 28 day notice period.

1. Background

1.1 Surrey Heath Borough Council in its role as the local Licensing Authority is responsible for licensing Taxis and PH drivers, vehicles and operators.

1.2 The Local Government (Miscellaneous Provisions) Act 1976 (the Act) includes provisions that allow district and borough councils to recover such fees as they consider reasonable with a view to recovering the costs of issuing and administering driver's licences for both Taxis and PH vehicles. (Section53(2))

1.3 Section 70 of the Act allows the same for vehicle and operators' licences.

'A district** council may charge such fees for the grant of vehicle and operator licences sufficient in the aggregate to cover in whole or in part –

- 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
- The reasonable cost of providing hackney carriage stands, and

- Any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles.’

** This includes borough councils.

1.4 A list of the Council’s current Fees is attached as Annex A.

1.5 Section 70 of the Act sets out the steps we are required to follow when reviewing and varying proposed fees. These requirements have been taken into account as part of this work.

2. Revised fees

2.1 A report outlining the methodology for recalculating the fees was considered by the Licensing Committee on the 29th July 2021. A copy of this report is attached for reference. (Annex B)

2.2 The methodology used takes into consideration both the legislative requirements and the document ‘Open for business’: Local Government Association (LGA) guidance on locally set licence fees’ (updated in 2017). This guidance was used as a starting point only as it does not take into account the specific statutory restrictions applicable to Taxi and PH fees therefore not all of the costs listed as recoverable in the guidance will be included.

2.3 The LGA guidance acknowledges that the following principles should be applied:

Fees should be:

- non-discriminatory
- justified
- proportionate
- objective
- made public in advance
- transparent, and
- accessible

2.4 The LGA guidance sets out what costs may be included when setting fees. This guidance was used to produce a table of costs which was then used to calculate the revised fees. Where applicable this was calculated as an hourly cost this includes the cost of officer time (per hour).

2.5 To ensure that the fees are fair and transparent we carried out time recording for a three month period for each of the Licence types. Time recording covered all the activities involved in processing an application and issuing a licence. An example of the information collected is attached as Annex C

- 2.6 The information collected during the time recording has been used to inform the proposed revised fees.
- 2.7 A current list of licence types is attached as Annex A together with the current fee. During the time recording it became evident that there is no demand for some licence types and it is proposed that these be deleted from the list of fees and charges.
- 2.8 We currently license the following (November 2021):
- Operators -38
 - Combined PH Taxi Drivers - 195 (these are all 3 year licences)
 - Taxi Drivers - 6 (1 year licences)
 - PH Vehicles - 82
 - Taxi Vehicles - 80
- 2.9 Following Committee Meeting on the 29th July 2021 the methodology for calculating the revised fees was considered by the Executive Head of Community, as a result no changes were recommended or made.
- 2.10 These fees may be challenged either in the High Court (Judicial Review) or by complaint to the Local Auditor (formerly District Auditor). It is therefore important that the process the Council follows is fair, open and transparent.
- 2.11 Following a Committee resolution the Head of HR, Performance and Communication (as Interim Service Head for Licensing) will be asked to approve, in consultation with the Finance Portfolio holder and Strategic Director-Finance, the proposed fees in accordance with our Constitution and Financial Regulations.

3. Proposed Revised Fees

- 3.1 These have been calculated as follows:

Revised Taxi and PH Licensing Fees (with current fee in brackets)	
Taxi and PH Drivers Licence(1Year)*	£249 (£95)(to be deleted)
Taxi and PH Drivers Licence (3 Year)*	£249(£250)
Reissue Drivers Licence and Badge	£20(£20)
Taxi and PH Street Electronic Test	£60(£60)

Taxi Vehicle Licence**	£254(£295)
PH Vehicle Licence**	£242 (£265)
Transfer Vehicle Licence	£187 (£50)
Change Vehicle from PH to Taxi	£32(£35)
PH Exemption Certificate	£134 (£30)
Re-issue of Vehicle Plate with or without licence	£20(£20)
PH Operators Licence 1 Vehicle (1 year)	£113(£85)
PH Operators Licence more than 1 vehicle (1 year)	£140(£215)
PH Operators Licence 1 Vehicle (5 years)***	£329 (£425)(to be deleted)
PH Operators Licence more than 1 vehicle (5 years)***	£464(£1075)(to be deleted)

NOTES:

*It is proposed that in future the Council only issues three year Driver Licences. This will save on the cost of officer time etc. and should be more efficient for all involved.

Drivers with an existing notifiable medical condition will be required to provide an annual medical report and no other documents would be required after the licence has been issued.

Drivers who develop a notifiable medical condition during the life of a licence will be required to notify the Licensing Authority within 48 hours (section 5.6 *Surrey Heath- Hackney Carriage (taxi) and Private Hire Licensing Policy 2021-2026*), appropriate action would be taken as a result.

Drivers who surrender their licences due to serious illness or in the case where a driver unfortunately dies within the three year period may be offered a refund providing they have at least three months remaining on their licence. The refund may be subject to a small administration fee of £25.

**The difference between these two licences is due to the additional costs associated with the setting and regulating taxi fares and the provision and maintenance of Taxi Ranks which relates to solely to Taxis.

***It is proposed that these are deleted from the list of fees and charges as there is no demand for these. The figures in the table above are estimated.

- 3.2 Annex D provides details of neighbouring Councils' fees and charges for comparison and benchmarking.
- 3.3 Annex E sets out the estimated income based on Current Fees (2021/22) and Proposed Fees (2022/2023). This assumes the same level of licensable activity, but income will vary with demand for licences.

4. Public Notice Requirements

- 4.1 Where it is proposed to vary the fees section 70 of the Act requires the Council to publish in at least one local newspaper a notice setting out the proposed fees. (An example of a Notice to be placed in a local newspaper is attached as Annex F.)
- 4.2 In addition all Taxi and Private Hire licence holders will be informed of the proposed fees and they will be publish on the Council's web pages and shared on social media.
- 4.3 Once a Notice has been placed for the statutory 28 days if no objections are received or where objections are made but subsequently withdrawn the new table of fees comes into immediate effect.
- 4.4 If however objections are received these must be considered within two months following the end of the 28 day notice period given above. The proposed fees may be amended to reflect the objections after which the new table of fees comes into effect.
- 4.5 Where objections are received we propose to present the objections and amended fees to the Licensing Committee in February 2022. Final approval for the proposed fees rests with the Strategic Director- Environment and Community in consultation with the Finance Portfolio holder and Strategic Director- Finance.

4.6 The revised fees, once approved, will be applied with effect from 1st April 2022.

5. Resource Implications

5.1 The proposed revised fees, based on cost recovery, would generate an income in line with the current budget estimates for taxi licensing, 2021/22 and proposed 2022/23 assuming the existing level of licensable activity. The demand for licences will vary over time.

5.2 The Council is required to publish changes to the scheme of fees in a local newspaper. (Estimated cost £800) These costs will be met from within existing budgets.

6. Covid-19

6.1 Covid-19 continues to provide challenges to the Taxi trade and the Licensing Team.

6.2 The Team continue to undertake additional work keeping the trade updated on changes to advice and guidance.

6.3 As part of this we will ensure that the Taxi trade is updated and made aware of any new guidance that is likely to affect them or their passengers.

6.4 There has been a decrease in the number of applications for all types of licence. This trend will be kept under review to determine whether this is temporary or will become more permanent with a corresponding effect on income from this source.

6.5 This may be taken into account in future fee reviews.

7. Recommendation

The Licensing Committee is advised to resolve that:

- iii. the contents of the report be noted, and
- iv. the proposed revised fees and charges for the Taxi and PH trade be recommended for approval by the Head of HR, Performance and Communication in consultation with the Strategic Director- Finance and the Finance Portfolio Holder, subject to the 28 day notice period.

Annexes	<p>Annex A: Current Taxi and PH Licensing Fees.</p> <p>Annex B: Review of Hackney Carriage (Taxi and PH) Licensing fees 2022-2023 – report presented to the Licensing Committee on the 29th July 2021</p> <p>Annex C: Time Recording Details.</p> <p>Annex D: Table of Fees and Charges, surrounding Borough and districts.</p> <p>Annex E: Estimated Income Current and Proposed Fees</p> <p>Annex F: Example Notice to be placed in local newspaper.</p>
Background Papers	<p>Local Government Association- Open for business- LGA guidance on locally set licence fees.</p> <p>Surrey Heath –Hackney Carriage (Taxi) and Private Hire Licensing Policy 2021-2026.</p>
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