

24 January 2018

<b>Report title</b>	Review of Fees and Charges for Hackney Carriage and Private Hire Licensing Functions for 2018/19	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Kevin O'Keefe, Governance	
<b>Originating service</b>	Licensing Services	
<b>Accountable employee(s)</b>	Chris Howell	Licensing Manager
	Tel	01902 554554
	Email	chris.howell@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	None	

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## Recommendation(s) for decision:

The Licensing Committee is recommended to:

1. Approve the proposed fees and charges for Hackney Carriage and Private Hire Vehicle Drivers as set out in Appendix A with effect from 1 April 2018.
2. Approve the proposed fees and charges for Hackney Carriage and Private Hire Vehicles as set out in Appendix B with effect from 1 April 2018.

## 1.0 Purpose

- 1.1 To approve the proposed fees and charges for licences relating to hackney carriages, private hire vehicles, drivers, private hire vehicle operators and council approved VOSA testing stations for 2018/19

## 2.0 Background

- 2.1 The Council is empowered by statute to levy fees and charges in respect of licences for hackney carriages, private hire vehicles, drivers and their operators. The fees charged must be reasonable in relation to costs incurred in the issue, administration and enforcement of such licences. Council policy is that fees and charges should be reviewed annually and reflect the cost of providing the service.
- 2.2 A request from the trade had been received expressing a desire from the Council for reducing fees, in order to encourage the uptake, for hybrid, ultra low emission and wheelchair accessible vehicles. Following consideration it is deemed that this practice would not be permissible as the reduced fees would effectively be a subsidy funded by those paying the full fee.

## 3.0 Proposals for 2018/19 Driver fees

- 3.1 In September 2016 the online platform for new driver applications was launched, this was followed closely by new vehicle applications. Further development has enabled the renewal applications for drivers and vehicles to be made online. The online platform together with the council's business friendly approach has resulted in a large increase in the number of applications received and processed by Licensing Officers.
- 3.2 The Local Government (Miscellaneous Provisions) Act 1976 Section 53 refers to the driver licence fees and states that the fee must be based on the cost of issue and administration of a driver licence. This includes staffing, accommodation, stationery and other such associated costs.
- 3.3 In 2016/17 there was a surplus income for licensed driver and vehicles of £200K. This was placed in the licensing reserve account. It is proposed to leave £50K from the £200k in the reserve fund as a contingency. This enables £150K to be used to reduce fees for the coming year
- 3.4 The income split for drivers and vehicles is 40% driver generated. It is proposed that the excess driver income be used to reduce the cost of a driver application:

	No. Licensed as of 1 <sup>st</sup> January 2018	Reserve amount drivers	Proposed reduction: No licensed/Reserve (rounded up)
Driver	7807	£ 60K	£ 8

This reduction is carried through to the 3 years licences.

- 3.5 Online application facilities for dual applications have not yet been made available. Therefore, the savings made from streamlining application processes has not yet been achieved for dual driver licences, it is therefore proposed not to amend these types of fee.
- 3.6 On 8 February 2017 the Licensing Committee approved the introduction of a fast track option, at an additional fee, for anyone wishing to fast track a new/renewal driver application. This has proved very popular especially for drivers who forget to submit their renewal on time and could potentially be off the road for a period of time. There have been 46 fast track applications so far this year (Apr-Dec). This service is delivered outside normal office hours.
- 3.7 The £100 fee reflects additional costs incurred i.e. opening of the Civic Centre outside normal working hours, associated accommodation costs, staff overtime and all on costs. It is not proposed to change this fee.
- 3.8 The cost of new and third year Disclosure and Barring Service (DBS) checks are not covered by this report as they are determined by Disclosure and Barring Service (DBS) and our external providers.
- 3.9 Worcestershire County Council in partnership with Wolverhampton City Council have delivered the existing Driver Training Scheme for new hackney carriage and private hire vehicle driver applicants since 2008.
- 3.10 On 22 July 2015 the Licensing Committee approved and endorsed a revised driver training programme for hackney carriage and private hire vehicle driver applicants.
- 3.11 The training has been continuously rebalanced to focus on the safeguarding of children and the role taxi drivers can play in tackling child sexual exploitation issues.
- 3.12 Worcestershire County Council incur all the costs associated with the training and receive all the income from drivers.
- 3.13 On 29<sup>th</sup> November 2017 the Licensing Committee authorised the introduction of an administrative charge to recover costs for processing immigration requests on behalf of applicants who cannot provide documentation evidencing their right to work in the UK. The administrative charge commenced 1 January 2018 and it is not proposed to amend this charge.
- 3.14 The proposed fees and charges for Hackney Carriage and Private Hire Vehicle Drivers for 2018/19 is set out in Appendix A

#### **4.0 Proposals for 2018/19 Vehicle and Operator Fees**

- 4.1 The proposals for 2018/19 have been developed in accordance with Council policy and the desire to minimise costs to the private hire and hackney carriage trade whilst

ensuring that public safety is not compromised and the vehicle licensing function operates on a cost neutral basis.

4.2 The Local Government (Miscellaneous Provisions) Act 1976 Section 70 refers to the vehicle and operator licence fees and states that a district council may charge such a fee for the grant of a vehicle and operators' licence as may be resolved by them from time to time and may be sufficient to cover in whole or in part:

- 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;
- 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.

4.3 In 2016/17 there was a surplus income for licensed driver and vehicles of £200K. This was placed in the licensing reserve account. It is proposed to leave £50K from the £200k in the reserve fund as a contingency. This enables £150K to be used to reduce fees for the coming year

4.4 The income split for drivers and vehicles is 60% vehicle generated. It is proposed that the excess vehicle income be used to reduce the cost of a vehicle application:

	No. Licensed as of 1 <sup>st</sup> January 2018	Reserve amount drivers	Proposed reduction: No licensed/Reserve (rounded up)
Vehicle	5030	£ 90K	£ 18

4.5 Processing of dual licence applications is not yet available online, it is therefore not proposed to amend this category of fee.

4.6 The fees for vehicles over 10 years of age are not proposed to change.

4.7 On 8 February 2016 the Licensing Committee approved the introduction of a fast track option, at an additional fee, for anyone wishing to fast track a new/renewal vehicle application. This service has benefited the trade significantly by allowing new/renewal vehicles to be licensed within one working day. There have been 97 fast track applications so far this year (Apr-Dec). This service is delivered outside normal office hours.

4.8 The £180 fee reflects additional costs incurred i.e. opening of the Culwell Street outside normal working hours, associated accommodation costs, staff overtime and all on costs. It is not proposed to change this fee.

4.9 It is proposed not to amend the fees for Operators.

- 4.10 On 20 January 2016 the Licensing Committee approved that any garage registered with VOSA for a minimum of three years and is considered 'green' rated can become a council approved testing facility for the testing of Hackney Carriage and Private Hire Vehicles.
- 4.11 It is proposed that the approval fee for VOSA registered garages to be registered as a facility for testing hackney carriage and private hire vehicles remains unchanged for 2018/19.
- 4.12 The proposed charges for 2018/19 are detailed at Appendix B to this report.

## **5.0 Financial implications**

- 5.1 Should the Licensing Committee agree with the recommendations in this report it is anticipated that overall income from the proposed fees and charges in Appendices A and B will cover the estimated cost of providing the service. [SR/12012018/J]

## **6.0 Legal implications**

- 6.1 Section 53 of the Local Government (Miscellaneous Provisions) Act 1976 (LG(MP)A 1976) provides that a council may demand and recover for the grant to any person of a licence to drive a hackney carriage or private hire vehicle such a fee as they consider reasonable with a view to recovering costs of issue and administration.
- 6.2 Provisions relation to what fees can be charged under Section 70 of (LG(MP)A 1976) are outlined above. In addition, Section 70 provides that a public notice of the new charges in relation to operators and vehicles is required to be given in a local newspaper. The closing date for the receipt of objections must not be less than 28 days after the date of publication. Should objections be received, consideration must be given to them, and another date for implementation may have to be specified. Any objections received will be reported to the Committee for consideration. However, if there are no objections, the new charges will come into effect on the 1<sup>st</sup> April 2018. [SH/11012018/G]

## **7.0 Equalities implications**

- 7.1 There are no direct equalities implications arising from this report.

## **8.0 Environmental implications**

- 8.1 There are no direct environmental implications arising from this report.

## **9.0 Schedule of background papers**

- 9.1 Licensing Committee - 16 January 2013 - Fees and charges for hackney carriage and private hire licensing functions 2013/14.

Licensing Committee - 26 February 2014 - Fees and charges for hackney carriage and private hire licensing functions 2014/15.

Licensing Committee - 21 January 2015 - Fees and charges for hackney carriage and private hire licensing functions 2015/16.

Licensing Committee – 22 July 2015 – Revisions to hackney carriage and private hire vehicle, driver and operator criteria.

Licensing Committee – 20 January 2016 – Fees and charges for hackney carriage and private hire licensing functions 2016/17.

Licensing Committee – 8 February 2017 – Review of Fees and Charges for Hackney Carriage and Private Hire Licensing functions for 2017/18.

Licensing Committee – 29 November 2017 - Hackney Carriage and Private Hire Vehicle Driver's and Operator's Right to Work Checks

APPENDIX A

**PROPOSED FEES AND CHARGES FOR HACKNEY CARRIAGE AND PRIVATE HIRE LICENCES 2018/19**

	LICENCE TYPE/FUNCTION	CHARGES AGREED FOR 2017/18 £	PROPOSED CHARGES FOR 2018/19 £
1.	<b>DRIVERS</b>		
	(i) Hackney Carriage/Private Hire 1 Year New	77	69
	(ii) Hackney Carriage/Private Hire 1 Year Renewal	77	69
	(iii) Job Seekers Allowance 1 Year New	35	35
	(iv) Hackney Carriage/Private Hire 3 Year New/Renewal	194	175
	(v) New/Renewal Dual Hackney Carriage/Private Hire	105	105
	(vi) New 3 year Dual Hackney Carriage/Private Hire	240	240
	(vii) Conversion from Hackney Carriage/Private Hire to Dual Licence.	80 (plus testing fees)	80 (plus testing fees)
	(viii) Fast Track New/Renewal	100	100
	(ix) Hackney Carriage/Private Hire New Applicants One Day Driver Training Course/Test	40	40
	(x) Hackney Carriage/Private Hire New Applicants Driver Training Immediate Re- test	15	15
	(xi) Hackney Carriage / Private Hire New Applicants One Day Driver Training Re-sit	40	40
	(xii) Hackney Carriage/New Applicants Practical Driving Assessment	79	79
	(xiii) Immigration check	-	125

**APPENDIX B**

	<b>LICENCE TYPE/FUNCTION</b>	<b>CHARGES AGREED FOR 2017/18 £</b>	<b>PROPOSED CHARGES FOR 2018/19 £</b>
2.	<b>VEHICLES</b> <b>Hackney Carriage</b> (i) 0 to 10 yrs old 1 Year  (ii) Over 10 yrs old and under 16 yrs old 1 Year or 1 <sup>st</sup> 6 Months  (iii) Fast Track New/Renewal  (iv) Exceptional Condition Assessment required at 16 years and each subsequent 6 months	   225  299 169  180  120	   207  299 169  180  120
	<b>Private Hire</b> (i) 0 to 10 yrs old 1 Year  (ii) Over 10 yrs old and under 12 yrs old 1 Year or 1 <sup>st</sup> 6 Months  (iii) Fast Track New/Renewal	   225  299 169  180	   207  299 169  180
3.	<b>PRIVATE HIRE OPERATORS</b> (i) New 1 Year (ii) Renewal 1 Year (iii) New 5 Year (iv) Renewal 5 Year	 1077 785 3400 3140	 1077 785 3400 3140
4.	<b>HACKNEY CARRIAGE/PRIVATE HIRE VEHICLE TESTING FACILITIES</b> Council approved VOSA registered garages.	 150	 150