

**AGENDA ITEM NO.**

**DUDLEY METROPOLITAN BOROUGH**

**TAXIS COMMITTEE**

**15<sup>TH</sup> FEBRUARY 2006**

**REPORT OF THE DIRECTOR OF LAW AND PROPERTY  
AND THE DIRECTOR OF FINANCE**

**REVISION OF LICENCE FEES**

**PURPOSE**

1. To consider 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 2005.
3. Fees received in respect of private hire and hackney carriage licences are not refunded if the application is withdrawn or refused.
4. 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.
5. Column (1) in Table A below shows the fees currently charged.

Column (2) in Table A shows the effect on fees of an inflation increase of 2%.

Column (3) shows the effect on fees of an increase of inflation plus 1%.

Column (4) shows the effect on fees of an increase of inflation plus 2%.

Column (5) shows the effect on fees of an increase of inflation plus 3%.

**TABLE A**

	(1) Fees currently charged	(2) Inflation 2.00%	(3) Inflation +1.00% = 3%	(4) Inflation +2.00% = 4%	(5) Inflation +3.00% = 5%
	£	£	£	£	£
Hackney Carriage Vehicle	164.00	167.00	169.00	171.00	172.00
Plate Deposit	33.00	34.00	34.00	34.00	35.00
Vehicle Re-Test	35.00	36.00	36.00	36.00	37.00
Four/Six Months Test	106.00	108.00	109.00	110.00	111.00
Private Hire Vehicle	164.00	167.00	169.00	171.00	172.00
Plate Deposit	33.00	34.00	34.00	34.00	35.00
Vehicle Re-Test	35.00	36.00	36.00	36.00	37.00
Four/Six Months Test	106.00	108.00	109.00	110.00	111.00
Mid-Term Vehicle Licence Production of Insurance	27.00	28.00	28.00	28.00	28.00
Admin fee if application not made 48 hours before expiry	37.00	38.00	38.00	38.00	40.00
Cancelled Lister Road	61.00	62.00	63.00	63.00	64.00
Admin Fee	28.00	29.00	29.00	29.00	29.00
CIB – (This is the corporate fee which has been agreed by all Councils to cover administration costs).	45.00	46.00	46.00	47.00	47.00
Private Hire Driver Grant	149.00	152.00	153.00	155.00	156.00
Badge Deposit	9.00	9.00	9.00	9.00	9.00
Renewal	88.00	90.00	91.00	92.00	92.00
Hackney Carriage Driver Grant	149.00	152.00	153.00	155.00	156.00
Badge	9.00	9.00	9.00	9.00	9.00
Renewal	88.00	90.00	91.00	92.00	92.00
Hackney Carriage/Private Hire driver applied for together					
Grant	187.00	191.00	193.00	194.00	196.00
Renewal	123.00	125.00	127.00	128.00	129.00
Badge	19.00	19.00	20.00	20.00	20.00
Private Hire Operator Grant	318.00	324.00	328.00	331.00	334.00
Renewal	318.00	324.00	328.00	331.00	334.00
Repeat Knowledge/Driving Test	59.00	60.00	61.00	61.00	62.00
Disabled Training Course Fee	20.00	20.00	21.00	21.00	21.00

6. The Council is only permitted to charge licensing fees up to the amount that can be ascertained as being the cost of administering the licensing function. This includes enforcement, the administrative and ancillary costs of issuing the licence and the ancillary costs relating to members meeting to determine certain licensing applications.
7. An extensive comparison of fees exercise was undertaken by the Licensing Officer as part of the Best Value Review process. This exercise highlighted differences in fees across approximately 30 neighbouring authorities. Dudley's licensing fees bore favourable comparison with all other authorities, although the fees in respect of private hire and hackney carriage drivers were above average in this comparison. As a result, the Head of Legal Services undertook to review the level of these fees as part of the Best Value exercise. It is important to note that the Best Value Review Team took the view that the fee comparison exercise did not reflect both quality and public safety issues.
8. The Committee did not increase the fees in respect of Hackney Carriage and Private Hire drivers for the year 2001.
9. The changes in vehicle testing policy which were implemented in July 2004 have cost implications. The costs of the awareness pack, the translation of the pack and the Enforcement Officers visiting Taxi/Private Hire Bases to assist in the understanding of the pack should be absorbed by the Licensing Department. However, from July 2004, vehicles over the age of 8 years old require mechanically testing at Lister Road three times a year, as follows:-

<u>Age of Vehicle</u>	<u>Number of Tests</u>	<u>Costs</u>
Up to 6 years old	1 Test	£164.00
Over 6 years old	2 Tests	1) £164.00 2) <u>£106.00</u>
		Total <u>£270.00</u>

From July 2004:-

Over 8 years old	3 Tests
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10. The third test is a comprehensive mechanical test as are the current first and second tests. Therefore the third test fee is charged at the same rate as the current second test fee.
11. The proposed Disability Hackney Carriage and Private Hire Driver Training Package will have an approximate cost to the trade of £20.00 per driver.

## PROPOSAL

12. That the Committee review the fees for those licences and consents set out in paragraph 5. of this report.

## FINANCE

13. The financial implications in respect of the fees for private hire and hackney carriage licences as set out in Table A above are as follows:-

14. 4.1.1 Option 1:

Present fee level increased by inflation (2%)

	£'000s	£'000s
Cost of Licence Administration		478
Less: Income:		
Hackney Carriage Licences	318	
Street Trading	3	
Betting and Gaming	8	
Public Entertainments	00	
Liquor	144	474
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Net cost of Licensing Administration		4
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15. 4.1.2 Option 2:

Present fee level increased by inflation plus 1% (3%)

	£'000s	£'000s
Cost of Licence Administration		478
Less: Income:		
Hackney Carriage Licences	321	
Street Trading	3	
Betting and Gaming	9	
Public Entertainments	00	
Liquor	145	478
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Net cost of Licensing Administration		00
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16. 4.1.3 Option 3:

Present fee level increased by inflation plus 2% (4%)

	£'000s	£'000s
Cost of Licence Administration		478
Less: Income:		
Hackney Carriage Licences	324	
Street Trading	3	
Betting and Gaming	9	
Public Entertainments	00	
Liquor	147	483
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Net cost (surplus) of Licensing Administration		( 5 )
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17. 4.1.4 Option 4:

Present fee level increased by inflation plus 3% (5%)

	£'000s	£'000s
Cost of Licence Administration		478
Less: Income:		
Hackney Carriage Licences	327	
Street Trading	3	
Betting and Gaming	9	
Public Entertainments	00	
Liquor	148	487
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Net cost (surplus) of Licensing Administration		( 9 )
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18. The net cost of licence administration is included in the Legal and Property Services budget. Following changes in legislation the 2005/6 budgets includes for the first time income and expenditure relating to the operation of liquor licensing.

**LAW**

19. Part II of the Local Government (Miscellaneous Provisions) Act 1982 regulates the grant of Private Hire and Hackney Carriage Licences.

**EQUALITY IMPACT**

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

**RECOMMENDATION**

21. That the Committee consider the revision of fees.

**BACKGROUND PAPERS**

22. None.

*John Poyellis*

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DIRECTOR OF LAW AND PROPERTY

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DIRECTOR OF FINANCE

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LICENCE/PERMIT	DUDLEY	WOLVERHAMPTON	SANDWELL	BIRMINGHAM
<b>Private Hire or Hackney Carriage Driver's Licence</b>  Grant   Renewal  <b>When applied for together</b>  Grant  Renewal  Disabled training	£149.00 (1 year) + £9.00 badge deposit   £88.00  £187.00 + £19.00 badge deposit  £123.00  £20.00	Hackney Carriage/Private Hire new/third renewal £110.00 Renewal £66.00 Knowledge Test £21.00  Application from unemployed £24.00 payable in 3 monthly instalments.	£133.00   £133.00	
<b>Mid-Term Vehicle Licence</b>	£27.00 production of cover note £28.00 admin fee  If application not made 48 hours before expiry of licence - £37.00		£50.00	
<b>Private Hire Operator's Licence</b>	£318.00 (1 year)	Initial fee <u>Private</u> <u>Company</u> £892            £933 Renewal           £680            £680	£443 1 year/£1190 3 years	
<b>Hackney Carriage Vehicle Licence</b>	£164.00 for 1 year + £33.00 plate deposit  4 month test - £106.00 6 month test - £106.00 Re-test - £35.00	<u>Hackney carriage up to 3 years old</u> 1 year £298 1st 6 months £170 2nd 6 months £170 <u>Hackney carriage over 3 years under 6 years</u> 1 year £414 1st 6 months £235 2nd 6 months £235 <u>Hackney carriage over 6 years</u> 1 year £526 1st 4 months £207 2nd 4 months £207 3 <sup>rd</sup> 4 months £207	Over 5 years old  Annual fee £443 Or 4 months fee £173  Under 5 years  Annual fee £382 Or 6 months fee £214 re test £39 plate £30	

<p><b>Private Hire Vehicle Licence</b></p>	<p>£164.00 for 1 year + £33.00 plate deposit if over 6 years old</p> <p>6 month test - £106.00 Re-test - £35.00</p>	<p><u>Private Hire up to 3 years old</u> 1 year £293 1st 6 months £165 2nd 6 months £165</p> <p><u>Over 3 years under 6 years</u> 1 year £404 1st 6 months £229 2nd 6 months £229</p> <p><u>Over 6 years</u> 1 year £510 1st 4 months £202 2nd 4 months £202 3<sup>rd</sup> 4 months £202</p>	<p>Over 5 years old Annual fee £443 Or 4 months fee £173</p> <p>Under 5 years Annual fee £382 Or 6 months fee £214 re test £39 plate £30</p>	
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