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## **Taxis Committee – 16<sup>th</sup> February 2022**

### **Report of the Acting Director of Public Realm**

#### **Revision of Licence Fees**

##### **Purpose**

1. To consider the revision of fees for private hire and hackney carriage licences administered by the Committee.

##### **Recommendation**

2. That the committee consider the information contained within this report and agree to officer's recommendation of no increase in fees to ensure the council maintains a neutral cost position in relation to the administration of private hire and hackney licensing.

##### **Background**

3. The fees for private hire and hackney carriage licences administered by Dudley MBC are set annually by the Taxi Committee. The fees for private hire and hackney carriage licences were last reviewed by the committee in February 2021.
4. The Council is only permitted to set licensing fees for hackney carriage and private hire 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.
5. Fees received in respect of private hire and hackney carriage licences are not refunded if the application is withdrawn or refused.
6. 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



7. The budget for 2022/2023 has been set based on a 0% uplift to charges, inflationary increases for salaries have been built in and operational efficiencies have been targeted to partly mitigate the impact of this. Over the last three-year cycle we are forecasting a deficit of £ 62k (Excluding 21/22 per Table A), during this period income levels have been fairly consistent but have been adversely affected by the impact of Covid 19 lockdowns during the first quarter of 21/22. The draft budget for 22/23 reflects the costs and income budgets set in 18/19 and therefore efficiencies have been generated to offset the rise in inflation over this four-year period. It is proposed that fees remain unchanged whilst an ongoing review of the impact upon the trade caused by Covid 19. The impact of differing % increases on individual fees is outlined for illustrative purposes in table B below.

Table A

	2018/19 Outturn £000's	2019/20 Outturn £000's	2020/21 Outturn £000's	2021/22 Forecast £000's	2022/23 Draft Budget £000's
Taxi Expenditure	697	697	756	686	692
Taxi Income	-691	-714	-504	-613	-692
<b>Net Position</b>	<b>6</b>	<b>-17</b>	<b>252</b>	<b>73</b>	<b>0</b>
<b>Deficit over 4 years</b>	<b>314</b>				
<b>Deficit excluding 20/21</b>	<b>62</b>				

In 21/22 - £252 deficit = £63k per qtr, 22/23 forecast deficit reflects a continuation into the first qtr of the year due to Covid 19.

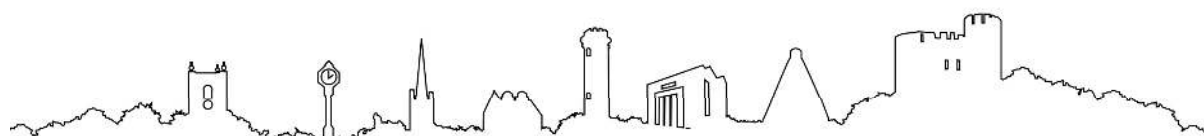
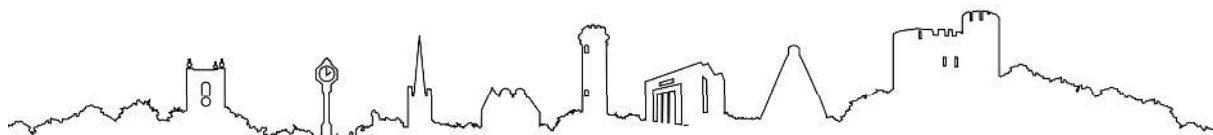
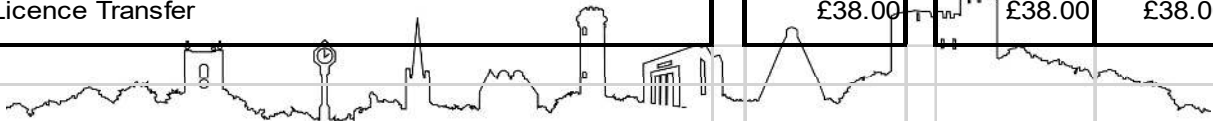


Table B

	Existing 21/2022 Fees	Revised Proposed 22/23 Fees	Revised Proposed 22/23 Fees	Revised Proposed 22/23 Fees
		0% Uplift £	1% Uplift £	2% Uplift £
<b>Private Hire or Hackney Carriage Driver New Application</b>				
One Year Grant	£252.00	£252.00	£255.00	£257.00
Three Year Grant	£475.00	£475.00	£480.00	£485.00
One Year Grant - Joint Application	£318.00	£318.00	£321.00	£324.00
Three Year Grant - Joint Application	£673.00	£673.00	£680.00	£686.00
<b>Private Hire or Hackney Carriage Driver Renewal</b>				
One Year Renewal	£126.00	£126.00	£127.00	£129.00
Three Year Renewal	£315.00	£315.00	£318.00	£321.00
One Year Renewal - Joint Renewal	£174.00	£174.00	£176.00	£177.00
Three Year Renewal - Joint Renewal	£480.00	£480.00	£485.00	£490.00
<b>Operators</b>				
Grant and Renewal	£445.00	£445.00	£449.00	£454.00
3 Year	£1,267.00	£1,267.00	£1,280.00	£1,292.00
5 Year	£2,001.00	£2,001.00	£2,021.00	£2,041.00
<b>Driver Badges, Signs &amp; Other</b>				
Private Hire or Hackney Carriage Driver Badge	£10.00	£10.00	£10.00	£10.00



	Existing 21/2022 Fees	Revised Proposed 22/23 Fees	Revised Proposed 22/23 Fees	Revised Proposed 22/23 Fees
		0% Uplift £	1% Uplift £	2% Uplift £
Private Hire / Hackney Carriage Driver Badge - Joint	£26.00	£26.00	£26.00	£27.00
DVLA Mandate	£1.00	£1.00	£1.00	£1.00
Disability Course	£29.00	£29.00	£29.00	£30.00
Disability Course Non Attendance Fee	£9.00	£9.00	£9.00	£9.00
General Admin Fee for changes or Adhoc requests	£39.00	£39.00	£39.00	£40.00
Private Hire/Hackney Carriage Enhanced Disclosure Fee	£62.00	£62.00	£63.00	£63.00
Repeat knowledge test for Hackney Carriage/Private Hire Drivers Fee	£82.00	£82.00	£83.00	£84.00
<b>Private Hire or Hackney Carriage Vehicle New Application</b>				
Hackney Carriage Vehicle or Private Hire Vehicle - New App	£250.00	£250.00	£253.00	£255.00
<b>Private Hire or Hackney Carriage Vehicle Renewal</b>				
Hackney Carriage Vehicle or Private Hire Vehicle - Renewal	£240.00	£240.00	£242.00	£245.00
4/6 Months Test	£159.00	£159.00	£161.00	£162.00
<b>Retests</b>				
Vehicle Re-Test	£51.00	£51.00	£52.00	£52.00
<b>Vehicle Plates, Brackets &amp; Other</b>				
Plate	£42.00	£42.00	£42.00	£43.00
Bracket	£15.00	£15.00	£15.00	£15.00
Replacement Plate	£16.00	£16.00	£16.00	£16.00
Door Signs – Magnetic x 2	£27.00	£27.00	£27.00	£28.00
Door Signs – Vinyl x 2	£17.00	£17.00	£17.00	£17.00
Special Event Vehicles	£342.00	£342.00	£345.00	£349.00
Retest	£81.00	£81.00	£82.00	£83.00
Plate	£45.00	£45.00	£45.00	£46.00
Seating Check	£143.00	£143.00	£144.00	£146.00
Production of Insurance cover note	£38.00	£38.00	£38.00	£39.00
Cancelled Vehicle Test	£101.00	£101.00	£102.00	£103.00
Internal Plate	£7.00	£7.00	£7.00	£7.00
Hackney Carriage Door Sticker	£1.00	£1.00	£1.00	£1.00
Driver Assessment	£83.00	£83.00	£84.00	£85.00
Licence Transfer	£38.00	£38.00	£38.00	£39.00



## Finance

8. The financial implications in respect of the fees for private hire and hackney carriage licensing (set out in Table B) are outlined below. For information, the budget strategy 2021/2022 assumes an increase of 0%.

Table C

	Licensing Administration and other licensing	Hackney Carriage/Private Hire			
		£'000	£'000	£'000	£'000
Fee increase option:		0%	1%	2%	3%
Cost of licensing function:					
Salaries	603,000				
Other *	126,700	132,300			
Internal recharge**	(559,600)	559,600			
<b>Gross costs</b>	<b>170,100</b>	<b>691,900</b>			
Licensing Income:	<b>(262,200)</b>				
Taxis		<b>(691,900)</b>	<b>(698,800)</b>	<b>(705,700)</b>	<b>(712,700)</b>
<b>Net cost/(surplus)</b>	<b>(92,100)</b>	<b>0</b>	<b>(6,900)</b>	<b>(13,800)</b>	<b>(20,800)</b>

\* other costs include direct costs of the testing function, premises costs and supplies & services which represents 19% of total costs. Other costs also include support services within the Council. For 2022/2023 these indirect costs represent 7% of the total cost of the licensing service. This proportion is reviewed annually and is based on relevant cost drivers.

\*\* 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 77% and to show more clearly the full cost of the taxi licensing service.



9. The cost of licence administration stated in this report includes the enforcement and administrative costs of processing all licences including gaming and liquor and also includes any costs relating to members.

## **Law**

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

11. In pursuance of Section 70 of the Local Government (Miscellaneous Provisions) Act 1976:

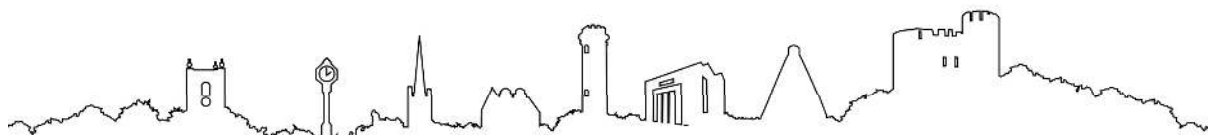
(1) Subject to the provisions of subsection (2) of this section, a district council may charge such fees for the grant of vehicle and operators' licences as may be resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part-

- (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.

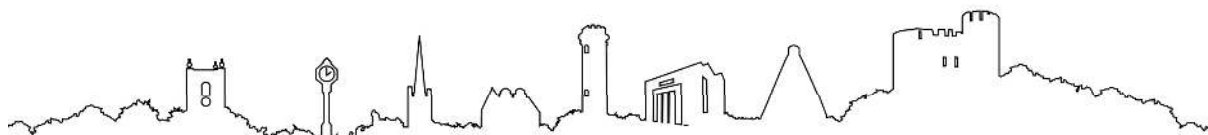


- (3) (a) If a district council determine that the maximum fees specified in subsection (2) of this section should be varied they shall publish in at least one local newspaper circulating in the district a notice setting out the variation proposed, drawing attention to the provisions of paragraph (b) 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.
12. Notwithstanding the provisions of the Act of 1847, a district council may demand and recover for the grant to any person of a licence to drive a hackney carriage, or a private hire vehicle, as the case may be, such a fee as they consider reasonable with a view to recovering the costs of issue and administration and may remit the whole part of the fee in respect of a private hire vehicle in any case in which they think it appropriate to do so.

### **Risk Management**

13. There are no risk management implications.

### **Equality Impact**



14. The proposals take into account the Council's policy in relation to equal opportunities.
15. There has been no consultation or involvement of children and young people in developing these proposals.

### **Human Resources/Organisational Development**

16. There are no Human Resources/Organisation Development implications.

### **Commercial/Procurement**

15. There are no commercial/procurement implications.

### **Council Priorities**

16. This application falls within the Council's responsibility for Licensing as a direct link to the Council's key corporate priority to support stronger and safer communities.



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### **Appendices**

Appendix 1 – Fees Comparison Neighbouring Authorities

### **List of background documents**

None

