

TRAFFORD COUNCIL

Report to: Public Protection Sub-Committee
Date: 21st July 2022
Report for: Decision
Report of: Head of Regulatory Services

Report Title

Private Hire and Hackney Carriage Licence Fees and Charges 2022/2023

Summary

Legislation permits the Council to set driver, vehicle and operator licence fees to recover costs. After carrying out a fees analysis using the Greater Manchester model the Council is proposing to increase fees to ensure cost recovery.

The Council is required to prepare, consult on and publish any proposed changes to vehicle and operator fees.

The Public Protection Sub-Committee is asked to consider the summary of any responses received following the consultation.

Recommendation(s)

It is recommended that the Public Protection Sub-Committee:

- 1. Agrees to the publication of the consultation notice for the increase in driver, vehicle and operator fees as set out in Appendix 2 and in accordance with the process set out in section 70 of the Local Government (Miscellaneous Provisions) Act 1976 in relation to vehicle and operator fees.**
- 2. If no public objections are received within the consultation period, or are later withdrawn, then the Public Protection Sub-Committee agrees to the implementation of (on the date of the expiration of the period specified in the notice or the date of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), the fees as set out in Appendix 1.**
- 3. Delegates to the Licensing Team Leader to record the date upon which the licence fees will come into operation in the event that no public**

objections are received or any objections are withdrawn, such date being dependent on paragraph 2 above.

Contact person for access to background papers and further information:

Name: Clare Whittle – Regulatory Services Manager (Trading Standards and Licensing)

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Background Papers:

Relationship to Policy Framework/Corporate Priorities	<i>This report accords with the Council's policy and budget framework and supports the development of an effective and efficient council. A robust fees analysis process and time analysis across the licensing team ensures fees are cost recovery making the processing of existing and new applications and dealing with complaints and referrals to committee more efficient. By using the GM fees analysis model it reflects the common approach across all 10 Greater Manchester Authorities.</i>
Financial	<i>The increase in fees will ensure full cost recovery across the 'taxi' licensing service</i>

Legal Implications:	<i>Section 70 of the LG(MP)Act 1976 requires a notice of proposed fees to be published for vehicles and operators where the proposal is over £25</i>
Equality/Diversity Implications	<i>There are no identified equality / diversity implications arising from this report.</i>
Sustainability Implications	<i>None</i>
Staffing/E-Government/Asset Management Implications	<i>None</i>
Risk Management Implications	<i>If there is no increase in fees the Council will not recover all the costs which it is permitted to charge which could result in an increase in burden on other services which is not permitted in the licensing fees regime and reputational risk to the service due to lack of resources.</i>
Health and Safety Implications	<i>None</i>

1.0 Background

- 1.1 'Taxi' licence fee setting is a function of the Public Protection Sub-Committee. The Local Government (Miscellaneous Provisions) Act 1976 permits the Council to set driver, vehicle and operator licence fees to recover the costs of the licensing service they provide. The effect of the legislation is that the service must not generate a profit to the Council.
- 1.2 In the case where it is proposed to vary vehicle and operator fees so that they exceed £25, a 28 day public notice of the proposed fee must be advertised within which time any person may object to the variations. Where no objections are made, or if all objections are withdrawn, the fees come into effect at the end of the 28 day period. Where objections are not withdrawn, the Council must consider the objections before determining the fee level and setting a further date, not later than two months after the first specified date, on which the new fees shall come into force.
- 1.3 In relation to all other taxi licence fees and charges (e.g. drivers' licences, knowledge tests, and ancillary items) there are no prescribed advertising or consultation requirements.

2.0 Proposals

- 2.1 In order to set fees at an appropriate level to recover the prescribed costs of issuing and administering licences (including enforcement), the costs of supervision of vehicle and operator licences and the costs of inspection of hackney carriage ranks, the Council has carried out a robust and detailed fees analysis using the Greater Manchester model for calculating fees. Costs have then been reviewed using a time analysis exercise carried out in the licensing team in March/April and May/June 2022.

- 2.2 These calculations have resulted in the fees outlined at Appendix 1 being calculated and proposed.
- 2.3 There has not been a fees increase since 2015. If fees had been increased year on year in line with the Council's Consolidated Fees and Charges this would have meant a 34% increase since 2015. The main increases relate to driver and vehicle renewals, however none of the increases equate to more than 34%. Other fees and charges have remained the same wherever possible to mitigate the impact on the trade.
- 2.4 It is now apparent that the current fees are not cost recovery and the current workload cannot be effectively discharged with the existing establishment of officers. This is resulting in delays for existing applicants, a waiting list for new applicants, delays in policy changes and overloading of existing officers.
- 2.5 Previously fees have not taken into account enforcement costs. Case law has ruled that enforcement costs can be recovered for all licence fees – drivers, vehicles and operators – provided there is no cross recovery. *R (on the application of Abdul Rehman, on behalf of the Wakefield District Hackney Carriage and Private Hire Association) v The Council of the City of Wakefield and The Local Government Association (Intervening) [2019] EWCA Civ 2166.*

3.0 Other Options

- 3.1 There are no other options. The proposed fees have been calculated in accordance with the requirements of the Provision of Services Regulations 2009, and they will be advertised as required by the legislation giving time for objections to be raised.
- 3.2 If any objections are raised a further report will be brought before the Committee for them to consider and modify the fees or not.
- 3.3 The proposed fees will ensure cost recovery and enable the licensing service to deal quickly and effectively with existing licence holders, new applicants, complaints and referrals to Committee, therefore reducing the risk of any reputational damage to the Council.
- 3.4 As already outlined above, the fees have not been recalculated since 2015. If the annual fees and charges increase had been added by the Council this would have been a total increase of 34%. It is intended to carry out the officer time analysis exercise annually and use this information and the GM fees model to recalculate the fees every year.

4.0 Consultation

- 4.1 Section 70(2) of the Act requires the Council to consult where it is proposed to vary vehicle and operator fees so that they exceed £25. Section 53 of the Act does not require consultation for a variation of driver fees, however it would be reasonable to follow the same procedure for all the proposed variations and consult with those persons who would be affected by an increase in fees.
- 4.2 The legal requirement to consult under section 70(2) (vehicles and operators) requires a notice to be published in the local newspaper giving at least 28 days for objections and for a copy of the notice to be available at the Council offices for at least 28 days for inspection at any reasonable time. If no objections are received, or if any objections received are withdrawn, the fees take effect from the date specified in the consultation notice attached at Appendix 2.
- 4.3 If objections are received and are not withdrawn the Local Authority must consider the objections and either modify the fees or not, the original fees or modified fees coming into effect within two months of the original date. In these circumstances a further report will be brought to Committee.
- 4.4 In addition to the above legal requirement, and also to ensure consultation with drivers, an email will be sent to all private hire operators and hackney carriage / private hire drivers and vehicle owners a week before the consultation starts. This email will outline the proposals in this report and the increases explained. It will ask recipients to put any objections in writing to the Council for them to be considered before the consultation period ends.
- 4.5 The Council will keep the fees under review every year - using the time analysis exercise within the licensing team and the GM fees model, making any amendments as it considers appropriate.

5.0 Recommendation

- 5.1 It is recommended that the Public Protection Sub-Committee:
1. Agrees to publication of the consultation notice for the driver, vehicle and operator fees as set out in Appendix 2 and in accordance with the process set out in section 70 of the Local Government (Miscellaneous Provisions) Act 1976 in relation to vehicle and operator fees.
 2. If no public objections are received within the consultation period, or are later withdrawn, then the Public Protection Sub-Committee agrees to the implementation of (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), the fees as set out in Appendix 2.

3. Delegates to the Licensing Team Leader to record the date upon which the licence fees come into operation in the event that no public objections are received or any objections are withdrawn, such date being dependent on paragraph 2 above.

Appendices Attached:

Appendix 1 – Proposed Licence Fees and Charges

Appendix 2- Consultation notice for hackney carriage and private hire vehicles and private hire operator licences