

TRAFFORD COUNCIL

Report to: The Public Protection Sub-Committee
Date: 8th November 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.

A report was placed before the Public Protection Sub-Committee on 21st July 2022 seeking approval to prepare, consult on and publish the proposed changes to vehicle and operator fees. The Committee was also asked to consider the summary of any responses received following the consultation. A copy of the report and appendices is attached as Appendix 1.

The consultation is now complete and the purpose of this report is to put before the Public Protection Sub-Committee the summary of responses received following the consultation for their consideration and for them to either modify the fees or not.

The original fees or modified fees will then come into effect within two months of the date given in the consultation notice of 1st November 2022.

Recommendation(s)

It is recommended that the Public Protection Sub-Committee:

- 1. Consider the objections received as outlined in the table attached as Appendix 2.**
- 2. Modify the fees or agree the originally proposed fees.**
- 3. Set a date not more than two months after 1st November 2022 when the revised or originally proposed fees come into force.**

Contact person for access to background papers and further information:

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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.
- 1.4 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.
- 1.5 A report was placed before the Public Protection Sub-Committee on 21st July 2022 seeking approval to prepare, consult on and publish the proposed changes to vehicle and operator fees which the committee approved. The Committee was also asked to consider the summary of any responses received following the consultation. A copy of the report and appendices is attached as Appendix 1.
- 1.6 A consultation exercise has now been carried out via a notice outlining the proposed fees and charges being published in the local newspaper for 28 days asking for any objections to be made in writing before the date specified in the notice. A copy of this notice was also placed at the entrance to the Town Hall for 28 days. An email was also sent to all private hire operators and hackney carriage / private hire drivers and vehicle owners to outline the proposals and explain the increases. It asked recipients to put any objections in writing to the Council for them to be considered before the consultation period ends.

2.0 Consultation responses

- 2.1 A table outlining the responses received is attached as Appendix 2. A total of 15 responses were received (less than 1% of licence holders):
- A number of responses were related to the cost of living, fuel prices and affordability. Members will be aware that the hackney carriage trade have submitted a fare increase to reflect the cost of living. Reference was made by a few to the fact that private hire fares have not increased for quite some time. Unfortunately the Council do not have any control over the setting of private hire fares – any increase in private hire fares is down to the Private Hire Operator.

- Reference was made to the age policy and the move to electric vehicles. The Council will be reviewing the current implementation date for the age and emissions policy in the New Year.
- One of the responses queried why there had been another increase in the cost of a vehicle licence fee so soon after a previous increase however there has been no increase in fees since 2015. The cost of a PH/HC vehicle licence didn't increase from £98 to £142, but the means of recovery changed. Prior to November 2021 the £44 administration fee that has always been applicable was paid to the garages and the Council would have to invoice to get the fee back. From November 2021 (due to a change in garage providers and difficulty in getting the admin fees back from the garage) the fee has been paid directly to the council when a new or renewal licence is applied for.
- Some of the responses referred to the prevalence of 'out of area' vehicles in the Trafford area. Unfortunately the legislation as it currently stands permits this. It is hoped that the work of the GM authorities towards the minimum licensing standards will go some way to mitigating this risk but we cannot stop this completely.
- Two responses stated 'many thanks for this'.

3.0 Proposals

- 3.1 It is 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.
- 3.2 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.
- 3.3 It is proposed that the fees outlined at Appendix 3 be implemented. 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 fee increases equate to more than 34%. Other fees and charges have remained the same wherever possible to mitigate the impact on the trade.
- 3.4 The Provision of Services Regulations 2009 requires the recalculation of fees to be undertaken on an annual basis. It is proposed to carry out the officer time analysis exercise annually and use this information and the GM fees model to recalculate the fees every year. This should ensure continuing 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.

4.0 Recommendation

3.1 It is recommended that the Public Protection Sub-Committee:

1. Consider the objections received as outlined in the table attached as Appendix 2.
2. Modify the fees or agree the originally proposed fees.
3. Set a date not more than two months after 1st November 2022 when the revised or originally proposed fees come into force.

Appendices Attached:

Appendix 1 – Copy of report and Appendices from 21st July 2022.

Appendix 2 - Table outlining the objections received.

Appendix 3 - Proposed licence fees and charges.