
Consultation Responses: Fees for Taxi and Private Hire Vehicles, Drivers and Operators

Committee considering report:	Licensing Committee
Date of Committee:	31 January 2022
Portfolio Member:	Councillor Hilary Cole
Date Portfolio Member agreed report:	06 January 2022 and 20 January 2022
Report Author:	Moira Fraser
Forward Plan Ref:	LC4046 and LC4047

1 Purpose of the Report

- 1.1 To note that, save for the private hire operator and hackney carriage and private hire vehicle licence fees, the Committee has already agreed to recommend the fees and charges proposed at the November meeting to full Council for approval.
- 1.2 To consider the matters arising from the statutory 28 day consultation period relating to variations to operators and vehicle licence fees and their impact on the proposed fees and agree a recommendation to full Council.

2 Recommendations

The Licensing Committee is asked to:

- 2.1 **NOTE** the comments received during the statutory consultation on variations to operators and vehicle licence fees as set out in Appendix B to this report.
- 2.2 **CONSIDER** any amendments to the proposed operators and vehicle licence fees, arising from the consultation.
- 2.3 **RECOMMEND** that Full Council adopt the fees, with or without modification, as part of the annual fee setting process and that these fees come into effect as of the 01 April 2022.

3 Implications and Impact Assessment

Implication	Commentary
<p>Financial:</p>	<p>Discretionary fees and charges relating to licences and registrations are based on cost recovery, and should they not reflect the cost of providing the service, there is a risk of generating a surplus or deficit.</p> <p>Members have previously been made aware that the total lost revenue budget from the adjustments to all the 2022/23 fees will be in the order of £60K per annum across the PPP. It has previously been agreed that this loss of income will be managed through the reconfiguration process for the new two authority Public Protection Service.</p> <p>There will be additional financial implications if Members resolve to further modify the proposed fees as a result of this consultation. Modifications would need to take the form of a subsidy which will need to be met from the Council's budget and not from the Public Protection Partnership's budget.</p> <p>An example of the implications of a modification arising from the comments received are set out in paragraph 5.23 of the report.</p> <p>The financial implications of this report have been discussed with the Senior Finance Manager.</p>
<p>Human Resource:</p>	<p>Members have previously been advised that the projected loss of income associated with the fees as proposed will be managed through the service reconfiguration process for the new two authority Public Protection Service. Vacant posts have been held to assist with mitigation.</p> <p>Any additional changes to fees arising from this consultation will have to be met via a subsidy from the Council and will therefore not have an impact on staffing levels within the PPP.</p>
<p>Legal:</p>	<p>Fees for drivers licences</p> <p>Section 53 of the Local Government (Miscellaneous Provisions) Act 1976: "...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 or part of the fee in respect of a private hire vehicle in any case in which they think it appropriate to do so."</p>

Implication	Commentary
	<p>Section 53 above therefore limits the cost of a driver’s licence to the council’s administration costs associated with the “...the Licensing Fees and Charges 2022/23 Report West Berkshire Council Licensing Committee 8 November 2021 grant to any person of a licence to drive a hackney carriage, or a private hire vehicle...”.</p> <p>Fees for vehicle and operators’ licences Section.70 of the Local Government (Miscellaneous Provisions) Act 1976: “...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:</p> <p>(a) 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; (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.”</p> <p>The licensing costs recoverable by a district authority in respect of vehicles and operators is limited to vehicle inspection costs for the specific purpose of determining their suitability to be licensed, reasonable cost of providing hackney carriage stands, reasonable administration costs for processing the licence application and finally reasonable costs associated with “...control and supervision of hackney carriages and private hire vehicles.”</p> <p>The legal implications of the consultation were discussed with Laura Knowles (solicitor) prior to the consultation starting.</p>
Risk Management:	<p>The fees are potentially subject to legal challenge. It is therefore important that the fees and methodology are subject to ongoing review.</p>
Property:	<p>None</p>
Policy:	<p>The Joint Public Protection Committee (JPPC) is required every autumn to propose a budget to partner authorities. This includes proposals in relation to discretionary fees and</p>

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Implication	Commentary			
	<p>charges. The individual authorities are then required to make their own decisions in relation to the fees.</p> <p>It is not the role of this Committee to set the fees for 2022/23. The Committee is being asked to consider the comments made in relation to the operators and vehicle licence fees received during the statutory consultation and then make a recommendation which will be considered as part of the annual budget setting process culminating in a decision being made at the March Council meeting.</p> <p>The Committee may amend the proposals and put forward alternative fees for consideration.</p>			
	Positive	Neutral	Negative	Commentary
Equalities Impact:		✓		<p>No evident contribution to inequality</p> <p>The income received from licence applicants covers the cost of providing the statutory licensing function.</p>
<p>A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?</p>		✓		No impact
<p>B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?</p>		✓		No impact
Environmental Impact:	✓			If Members are minded to further vary the fees and the trade start making changes to

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Implication	Commentary		
			their vehicle fleet this might have a positive impact on the environment.
Health Impact:	✓		If Members are minded to further vary the fees and the trade start making changes to their vehicle fleet this might have a positive impact on air quality which could then have a positive impact on the health of residents.
ICT Impact:		✓	No impact
Digital Services Impact:		✓	This information will be included on the Public Protection Partnership Website using existing resources.
Council Strategy Priorities:	✓		<p>Support businesses to start develop and thrive in West Berkshire.</p> <p>The Council recognises the impact that Covid has had on the taxi trade during the pandemic and is pleased to note that the majority of the fees will be reduced during 2022/23 following the introduction of an IT system which will reduce the time taken to process activities associated with the fees.</p>
Core Business:		✓	No impact
Data Impact:		✓	No impact
Consultation and Engagement:	<p>Members of the Hackney Carriage and Private Hire trade as well as members of the public, Councillors and service users were consulted on the statutory fees as is required by the legislation. This was enabled via emails directly to Hackney Carriage and Private Hire vehicle licence holders and Private Hire Operators, a public notice in the Newbury Weekly News and the Reading Chronicle, a notice put on the main entrance to the Market Street Offices and a consultation notice added to the Public Protection Partnership website and the West Berkshire Council website for the mandatory 28 day consultation period. In addition an email notification was sent to the 1,061 members of the Community Panel.</p>		

4 Executive Summary

- 4.1 A set of fees, proposed by the Joint Public Protection Committee, were presented to the Licensing Committee at the 08 November 2021 meeting. It should be noted that a significant number of fees within the licensing field are set by Government Regulation and cannot therefore be changed by the Council. The Committee agreed that, save for the private hire operator, and hackney carriage and private hire vehicle licence fees, the discretionary fees as set out at Appendix A go forward for consideration as part of the Council fee setting process. The financial implications and the mitigation measures of that decision are set out in the financial implications to this report.
- 4.2 The Committee also agreed that the fees for Taxi and Private Hire Vehicles and Private Hire Operators be subjected to a twenty eight day statutory consultation period. If objections were received they be considered by the Licensing Committee at this meeting and that any changes arising from the consultation be recommended to full Council for approval. The fees, with or without variation would come into effect on the 01 April 2022.
- 4.3 As comments have been received the Committee is required to consider them and determine what, if any, changes to the proposed fees should be recommended to full Council for approval at the budget meeting in March.

5 Supporting Information

Introduction

- 5.1 In accordance with Section 70 (1) of the Local Government (Miscellaneous Provisions) Act 1976, the Council is required to undertake a statutory 28 day consultation when variations to operators and vehicle licence fees are proposed.
- 5.2 The proposed fees for 2022/23 were discussed at the Joint Public Protection Committee meeting held on the 13th September 2021. The Joint Public Protection Committee (JPPC) is required by the Inter-Authority Agreement (IAA) that set up the Public Protection Partnership (PPP) shared service to recommend a draft set of fees and charges to each of the member Councils. The individual authorities are then required to make their own decisions in relation to the fees.

Background

- 5.3 At the meeting of the Joint Public Protection Committee in [December 2017](#) it was agreed that as a matter of principle all fees and charges should be set on the basis of full cost recovery. For 2021/22 the full cost of the service, including internal support service re-charges and the current establishment lists were updated which resulted in a new rate of £59 p/h. It is proposed to maintain the hourly rate at £59p/h for 2022/23. Each year officers revisit the time taken to process the various activities associated with areas where fees are charged and these are then factored into the fee setting for the following year. All fees are set based on the time taken to process the matter multiplied by the hourly rate.
- 5.4 West Berkshire Council's Licensing Committee considered all the draft fees relating to Licensing at a meeting held on the 08 November 2021. The impact of the Covid

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pandemic on the trade was reflected in the discussions at this meeting and in other informal meetings held with the trade where fees have been discussed. The Committee therefore welcomed the proposals for an overall reduction in a number of these fees.

- 5.5 The proposed reductions are as a result of the introduction of a new IT system being implemented in 2022 which would allow for significant efficiencies to be made in some areas, and these efficiencies would be passed on to the trade. In addition members of the taxi trade had fed back that they had concerns about the additional cost of mandatory safeguarding and disability training. This training would be delivered by Officers in the 2022/23 year and the cost would therefore be included in the annual fee.
- 5.6 In terms of impact, when considering all Licensing fees the Licensing Committee is asked to note that the majority (43/68 or 63%) of the fees are proposed to decrease in 2022/23 for the reasons set out in paragraph 5.5. A further 9% (6/68) of the fees are proposed to stay the same. Only 19 of the 68 fees are proposed to increase. A total of 14 of these 19 fees relate to the renewal of eight or more vehicles in respect of the private hire operator fees. This increase ranges from 25p for eight vehicles to £30.25 for twenty or more vehicles. As at the 13 December 2021 the total number of Private Hire Operators in the District is 53 of which 45 are licensed for under eight vehicles and eight for over eight vehicles. Only three of those eight have operators have fifteen or more vehicles.
- 5.7 Members are also asked to note that although the cost of a new driver's licence appears to have increased by £30 and £21 respectively these fees now include the cost of the initial test as well as disability awareness (costs £40) and safeguarding training (cost £25). So in effect the overall effect is that these fees have come decreased by the equivalent of just over half an hour.
- 5.8 The other fees that are due to increase marginally are:

Fee	2021/22	2022/23	Increase
Temporary Vehicle Licence	£232	£236	£4
Driver Licence – Renewal	£271	£272	£1
Conversion of driver licence to another type	£80	£89	£9
Medical Exemption	£22	£30	£8
Disclosure and Barring Service Check (DBS)	£89.50	£94	£5.50

- 5.9 The DBS charges are based on cost recovery i.e. the cost of the charge to the Public Protection Service is passed on to the trade. Officers continue to explore ways in which this fee could be reduced.
- 5.10 In accordance with the legislation the Committee agreed that the fees for Taxi and Private Hire Vehicles and Private Hire Operators only be subjected to a twenty eight day statutory consultation period. The consultation took place between the 18 November 2021 and the 16 December 2021. Members of the Hackney Carriage and

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Private Hire trade as well as members of the public, Councillors and service users were consulted on the statutory fees as is required by the legislation.

- 5.11 This was enabled via emails directly to Hackney Carriage and Private Hire vehicle licence holders and Private Hire Operators, a public notice in the Newbury Weekly News and the Reading Chronicle, a notice placed in the main entrance to the Market Street Offices and a consultation notice added to the Public Protection Partnership website and the West Berkshire Council website for the mandatory 28 day consultation period. In addition an email notification was sent to the 1,061 members of the Community Panel.
- 5.12 Although the paragraphs above set out the background to all the licensing fees the statutory public consultation that the PPP undertook pertained to the following vehicle fees and private hire operator licences only:

Fee	Proposal
Hackney carriage vehicle new / renewal	Reduce from £290 to £266/ Reduce from £290 to £236
Private hire vehicle new / renewal	Reduce from £290 to £266/ Reduce from £290 to £236
Home to School vehicle new / renewal *	Remain at £148
Private hire vehicle with dispensation new / renewal	Reduce from £290 to £266/ Reduce from £290 to £236
Temporary Vehicle Licence (issued up to 3 months Maximum)	Increase from £232 to £236
Private hire operator licence new/renewal	See Appendix A for the full list

* Applicable to Bracknell Forest Only

- 5.13 We have had two responses to the consultation which were both submitted by members of the public. One member of the trade also sought reassurance that the home to school vehicle licences were not applicable in West Berkshire. The full set of comments are set out in Appendix B and a summary of the comments received are set out below:

5.13.1 The fee structure should assist the Council in meeting its climate action plan for the district.

5.13.2 The council should be radical and implement a licencing structure where zero emission taxis have a zero rated licence fee and the rating for other vehicles should be aligned so the biggest polluting vehicles pay the most.

5.13.3 WBC having declared a climate emergency, they should incentivise taxi companies to move their fleets to EVs. There should be zero charge for 100% electric taxis. If necessary the charges for petrol and diesel vehicles could be adjusted upwards to compensate.

5.14 As objections have been received, in accordance with the Act the Council is required to consider relevant objections and set a date on which any variation to the fees, with or without modification, shall come into force.

Recommendations

5.15 The Licensing Committee is asked to consider the comments received and then make a recommendation to Full Council that:

- (a) the fees consulted on be implemented on the 01 April 2022 without modification;
or
- (b) the fees consulted on be implemented on the 01 April subject to the inclusion of any modifications proposed at this meeting.

5.16 The Licensing Committee is asked to note that no objections to the proposed revised fees were submitted by the taxi trade despite letters being emailed to them all. Members are asked to note that any variations would need to be funded via a subsidy from the Council as set out in the financial implications to this report.

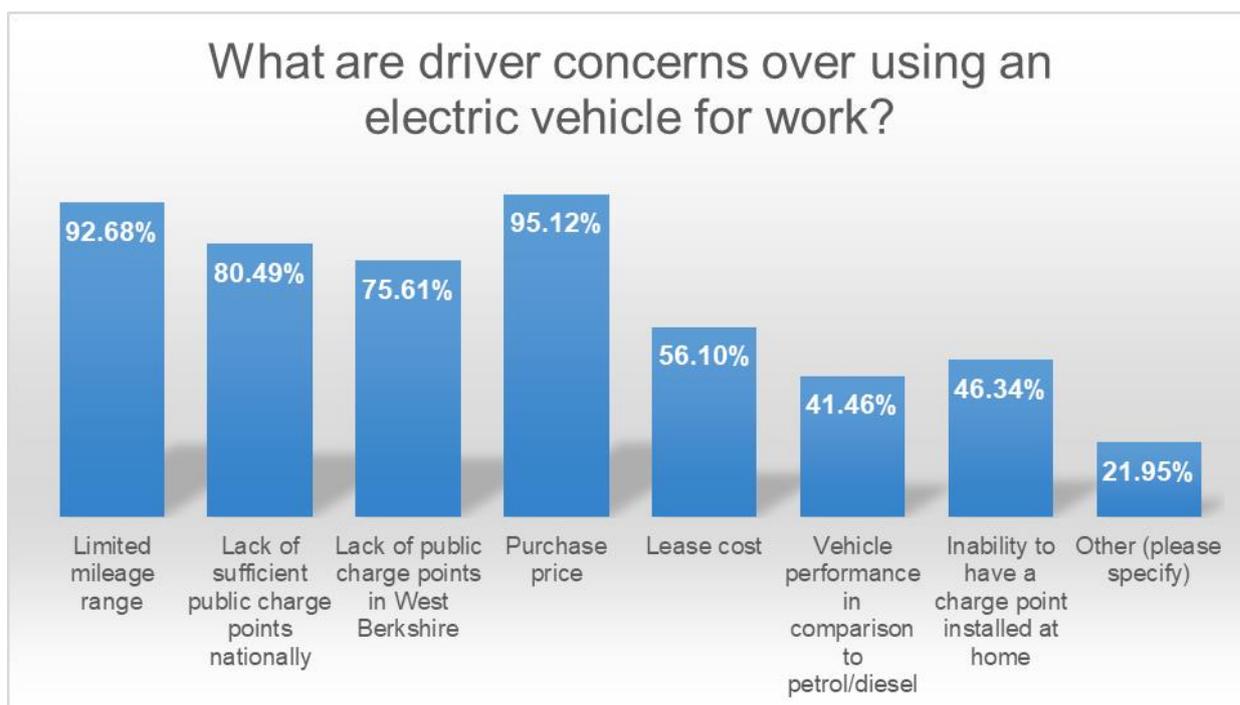
5.17 Members will also be aware that further discussions on electric vehicles took place at the Taxi Liaison Group meeting on the 17 January 2022 and that a motion on supporting the taxi trade to go greener was tabled at the Council meeting on the 18 January 2022. As a result of that motion Licensing and Environment Delivery Officers would be working together on a response to the motion that would be brought back to the July Licensing Committee meeting after discussions at the Environment Advisory Group.

Background to the ultra-low / low emission vehicles

5.18 In April 2021, West Berkshire Council undertook a Private Hire and Taxi Driver Survey to understand driver work routines and interest in ultra-low emission vehicles. The survey of Private Hire and Taxi Drivers received 72 responses. Drivers shared their concerns around going electric, what incentives would encourage them to do so, and also where they would like to see charge points installed.

5.19 Of those that responded to the consultation over 83% of the drivers owned their vehicles, with the remaining drivers leasing. Nearly all drivers have diesel vehicles (nearly 95%), there were no electric vehicles and just one non plug-in hybrid respondent. Around 60% of respondents were intending to change vehicles within the next three years.

5.20 The survey highlighted the following reasons for not using an electric vehicle for work:



5.21 When asked what would incentivise using an electric vehicle, avoiding congestion charges, free/reduced parking, government grants and tax incentives were high on the list of reasons. Assistance with the upfront cost of the vehicle was also another frequently stated desirable incentive.

5.22 As stated in paragraph 5.3, the Joint Public Protection Committee had previously determined that all fees and charges should be set on a cost recovery basis. If Council accept a revised charging structure, as proposed by the Joint Public Protections Partnership, as set out in Appendix A, this is expected to result in total loss of revenue income of around £60k per annum across the Public Protection Partnership. This loss of income will be managed through the reconfiguration process for the new two authority PPP shared service. Accordingly, no pressure/investment bid has been put forward for as part of the Council's 2022/23 budget setting proposals.

5.23 Should Members be minded to further modify fees in respect of zero/low emission vehicles in line with the consultation comments received then this would lead to an additional loss of income, the scale of which will depend on the changes to be adopted, as discussed in section 5.23 below. Members should note that such a cost would fall exclusively to the Council, and could not be shared as a cost to the Public Protection Partnership. The Joint Public Protection Partnership proposed these fees at their September 2021. Discretionary fees and charges relating to licences and registrations are based on cost recovery, and should they not reflect the cost of providing the service, there is a risk of generating a surplus or deficit.

5.24 If the Licensing Committee is minded to propose a subsidy they will need to determine what the level of subsidy should be, how long the subsidy should remain in place for, what criteria should be adopted (for example for saloon car with emissions less than 110g/km CO2 emissions, and wheelchair accessible vehicles less than 222g/km CO2 emission) and how the subsidy should be funded. By way of an example should the Council be minded to fully subsidise the vehicle fees for a three year period for the first

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ten adopters of low emission capable Hackney Carriage and Private Hire vehicles for each of the next three years up to and ending on 31st March 2025 this would require a subsidy as set out below, which would also be subject to any annual adjustment to the fees:

2022/23	2023/24	2024/25	2025/26	2026/27
£2700	£2700	£2700		
	£2700	£2700	£2700	
		£2700	£2700	£2700
£2700	£5400	£8100	£5400	£2700

5.25 It is not clear though that reducing vehicle fees would provide sufficient incentive to the trade to switch to these types of vehicles given that the main barriers they have identified relate to purchase price, vehicle range and lack of public charging points nationally.

6 Other options considered

6.1 There are no alternative options, as the consideration of the objections and setting of the fees are legal requirements as outlined above.

7 Conclusion

7.1 Officers recommend that the objections and comments received are considered, however given the small limited increase and the other support already made available to the trade to continue operating, that these fees are not modified further this year pending the outcome of the discussion at the July 2022 meeting. If the Licensing Committee agree to a modification of what was previously agreed then that will need to be offered as some form of subsidy by the authority and not at a cost to the Public Protection Partnership.

8 Appendices

8.1 Appendix A – Proposed Fees for 2022/23.

8.2 Appendix B – Comments Received During the Consultation.

Background Papers:

[Section 70\(1\) of the Local Government \(Miscellaneous Provisions\) Act 1976](#)

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

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-
- Delays in implementation could compromise the Council's position
- Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months
- Item is Urgent Key Decision
- Report is to note only

Wards affected: All

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