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# Licensing Fees and Charges 2024/25 Report

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<b>Committee considering report:</b>	Licensing Committee
<b>Date of Committee:</b>	06 November 2023
<b>Portfolio Member:</b>	Councillor Lee Dillon
<b>Date Head of Service agreed report:</b>	02 October 2023
<b>Date Portfolio Member agreed report:</b>	02 October 2023
<b>Report Author:</b>	Moira Fraser
<b>Forward Plan Ref:</b>	JPPC4252

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## 1 Purpose of the Report

- 1.1 To note the Public Protection Partnership's Fees and Charges which have been proposed by the Joint Public Protection Committee at its meeting on the 02 October 2023 as each partner Council is required to review the fees and charges on an annual basis. **Appendix A** details the fees and charges for 2024/25 proposed for the Public Protection Service.
- 1.2 To consider the proposals for the statutory consultation associated with the fees and charges for private hire operator, and hackney carriage and private hire vehicle licence fees.

## 2 Recommendations

The Licensing Committee:

- 2.1 **NOTES** the 2024/25 fees and charges detailed in Appendix A
- 2.2 **AGREES** that the fees for Private Hire Operators and Hackney Carriage and Private Hire Vehicle licence fees are subjected to the statutory consultation period as described in [paragraph 4.12](#).
- 2.3 **NOTES** that statutory licensing fees have not increased since circa 2011 and **AGREES** that the Chairman of the Licensing Committee should write to Central Government to request that the statutory fees be revisited.

### 3 Implications and Impact Assessment

Implication	Commentary
<p><b>Financial:</b></p>	<p>The costs of producing this report and running the consultation exercise will be met from within the existing Public Protection Partnership budgets.</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><b>Human Resource:</b></p>	<p>There are no HR implications associated with the production of this report.</p>
<p><b>Legal:</b></p>	<p><b>Fees for drivers licences</b></p> <p>s.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> <p>Section 53 above therefore limits the cost of a driver's licence to the council's administration costs associated with the "...the grant to any person of a licence to drive a hackney carriage, or a private hire vehicle...".</p> <p><b>Fees for vehicle and operators' licences</b></p> <p>s.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> <ul style="list-style-type: none"> <li>(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;</li> <li>(b) the reasonable cost of providing hackney carriage stands; and</li> </ul>

	<p>(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>			
<b>Risk Management:</b>	The fees are potentially subject to legal challenge. It is therefore important the fees and methodology are subject to ongoing review.			
<b>Property:</b>	None			
<b>Policy:</b>	<p>The Joint Public Protection Committee is required every autumn to propose a budget to partner authorities. This includes proposals in relation to discretionary fees and charges.</p> <p>It is not the role of the Licensing Committee to set the fees for 2024/25. The Committee is being asked to consider the fees prior to them being considered by Executive and Council. The Committee may amend the proposals and put forward alternative fees for consideration. The fees, with the exception of the private hire operator, and hackney carriage and private hire vehicle licence fees would be subject to the Council's budget consultation process. The private hire operator, and hackney carriage and private hire vehicle licence fees have a separate statutory consultation process that must be adhered to.</p>			
	<b>Positive</b>	<b>Neutral</b>	<b>Negative</b>	<b>Commentary</b>
<b>Equalities Impact:</b>				

<p><b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?</p>		X		<p>There are no implications arising from the recommendation in this report.</p>
<p><b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?</p>		X		<p>There are no implications arising from the recommendation in this report.</p>
<p><b>Environmental Impact:</b></p>	X			<p>The service plays a significant role in the protection of the environment including air quality, land contamination, planning considerations and enforcement of green energy claims. The setting of fees on a cost recovery basis will help to maintain capacity in this area.</p> <p>The Council has previously agreed to the introduction of a subsidy for hybrid and electric hackney carriage and private hire vehicles.</p>
<p><b>Health Impact:</b></p>	X			<p>A significant number of the Partnership's Service Priorities relate to protecting and improving health. These included food safety and standards, health and safety, talking fraud, air quality and private sector housing. The setting of fees on a cost recovery basis should continue to have a positive impact on the health of residents and visitors to West Berkshire.</p>
<p><b>ICT Impact:</b></p>		X		<p>There are no implications arising from the recommendation in this report.</p>

<b>Digital Services Impact:</b>		X		The consultation will be published on the Council's website and the PPP website.
<b>Council Strategy Priorities:</b>		X		This work is business as usual within the service.
<b>Core Business:</b>		X		This work is business as usual within the service.
<b>Data Impact:</b>		X		Not applicable.
<b>Consultation and Engagement:</b>	The fees for Taxis and Private Hire Vehicles and Private Hire Operators will be subject to statutory consultation.			

## 4 Supporting Information

- 4.1 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.
- 4.2 It is noted that a significant number of fees within the licensing field are set by Government Regulation and cannot therefore be changed by the Council. These are identified in gold on the fee schedule at **Appendix A**.
- 4.3 Members are asked to note that a significant proportion of the statutory fees have not been uplifted for more than ten years whilst costs have been rising significantly for the Service. By way of contrast, as of the 01 April 2024, major planning application fees are due to rise by 35% and there will be an increase of 25% for all other applications. One of the recommendations in this report is that the Chairman of the Licensing Committee write to the relevant minister to request that these fees are increased in line with recent changes to planning fees.
- 4.4 At the meeting of the JPPC in December 2017 (when it considered the 2018/19 fees and charges) a number of matters were decided. It was agreed that as a matter of principle that all fees and charges should be set on the basis of full cost recovery. Fees are calculated based on the time taken to complete the activity multiplied by the hourly rate. In initially calculating the hourly rate a range of factors were considered including the wide variety of council support service costs, staffing and associated costs, democracy and governance, contracts and the necessary training to maintain a competent workforce.
- 4.5 In 2018/19 a generic hourly rate for the service was set at £55 p/h as the basis of cost recovery. This was increased in 2019/20 to £57 per hour and was held at this level for 2020/21. For 2021/22 the full cost of the service, including internal support service recharges (as per Council budget build processes) and the current establishment lists

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were updated which resulted in a new rate of £59 p/h and these rates were retained for 2022/23. The hourly rate was increased to £64p/h for 2023/24.

4.6 For the financial year 2024/25 the proposed hourly rate is £68.25. This increase is based on headline CPI for the year to August 2023 which was confirmed by the Office for National Statistics to be 6.7%.

4.7 The table below sets out the impact of the hourly rate on the vehicles and drivers licence fees since 2019/20. It should be noted that the fees were adjusted in 2022/23 in anticipation of the implementation of the new IT system and the anticipated savings that some of the automation should generate. It should also be noted that as of the 01 April 2022 a decision was taken to include the costs of the initial tests, safeguarding and disability training into the drivers three year fee.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
HC&PH Vehicle (New)	£282	£288	£290	£266	£288	£307
HC&PH Vehicle (Renewal)	£282	£288	£290	£236	£256	£273
HC&PH Driver (New)	£264	£269	£271	£301 *	£328*	£350*
HC&PH Driver (Renewal)	£264	£269	£271	£272*	£296*	£316*

4.8 The table shows that:

- the proposed cost of a new hackney carriage or private hire vehicle licence has increased from £282 to £307 over the past six years an increase of only 8.9%. This £25 increase in monetary terms equates to 48p per week for an annual licence.
- The cost of renewing a vehicle licence has decreased from £282 in 2019/20 to £273 in 2024/25.
- While the cost of a new drivers licence appears to have increased significantly from £264 to £350 (£86 or 55p per week for this three year licence) it should be noted that a decision was made to include the cost of the initial tests, safeguarding (£25) and disability awareness training (£40) in the fee in 2022/23. Drivers are also only charged for a knowledge test if they do not pass their first attempt.

4.9 Members will recall that the Council has also introduced a three year scheme that provided for a remittance for vehicle fees for fully electric and hybrid vehicles.

4.10 It is worth noting that due to the impact of Covid and competition on the licensed taxi and private hire trade and the alignment of street trading fees between the two authorities the Service has seen a significant fall off in fee income. As stated above this issue has been compounded by the stagnation on statutory fees. At the time of writing

the Service is expecting a licensing income shortfall of £80k-£98K when compared to the 2019/20 base. A review of the Service has taken place and a staffing structure has been put in place to reflect the fall in income.

- 4.11 It is not permissible for one aspect of the licensing regime to subsidise another.
- 4.12 The Council is required to undertake a statutory consultation in respect of the hackney carriage and private hire vehicles and private hire operator's fees. It is proposed that:
- a) the fees for Private Hire Operators and Hackney Carriage and Private Hire Vehicle licence fees are subjected to the statutory consultation period from 23 November 2023 to 21 December 2023.
  - b) a public notice pertaining to the Taxi and Private Hire Vehicles and Private Hire Operators fees be placed in the Newbury Weekly News and Reading Chronicle.
  - c) a consultation letter is posted to all Taxi and Private Hire Drivers and Private Hire Operators in the District.
  - d) a copy of the consultation is posted on the Public Protection Partnership website, on the West Berkshire Council Consultation Hub and in the reception area at the Market Street Offices.
  - e) If no objections are received, the charges for operators and vehicle licence fees are included in February 2024 Executive and March Council papers for approval; or if objections are received they be considered by the Licensing Committee at the meeting on 22 January 2024 and any changes be recommended to full Council for approval.
- 4.13 It is worth noting that there is a separate annual consultation on taxi fares and the increase in fees are considered as part of that process. In the last three years fares have increased as follows:

	2021	2022	2023
West Berkshire	5%	8%	7.5%

- 4.14 The proposed fees were discussed at the Joint Public Protection Committee meeting on the 02 October 2023. The Committee were supportive of the proposals set out in that report and reflected in **Appendix A**.

### Electric and Hybrid Vehicles

- 4.15 It should be noted that it was agreed at the 22 September 2022 Executive meeting that a fee based remittance scheme, subsidised by the Council, should be introduced from 01 April 2023 for both electric and hybrid taxi vehicle licences. The Executive agreed that a 100% remittance be applied to all electric vehicles. They also agreed that a 50% remittance would be applied to hybrid vehicles that are zero emission capable (ZEC). This term includes plug-in hybrid vehicles but sets a minimum distance or range that the vehicle must be able to be driven without any exhaust emissions of 30 miles (in accordance with the manufacturers specifications), as well as a maximum g/CO2/km of less than 50g/km.

- 4.16 It was decided that the number of vehicles that could apply for a subsidy should not be limited albeit that the scheme, which would be run for three years, would be subjected to an annual review. The funding required to support the project would be set aside from the Council's budget and drawn down as required.
- 4.17 The scheme was reviewed at the 10 July 2023 Licensing Committee meeting during the discussion on the annual report where Members agreed to retain the scheme in the current format.

## 5 Proposals

- 5.1 The Licensing Committee is asked to note the proposed fees and comment on the statutory consultation process.
- 5.2 The Council is required to undertake a statutory consultation in respect of the Hackney Carriage and Private Hire Vehicles and Private Hire Operator's fees and the proposed mechanism and timescales are set out in recommendations 2.2 to 2.5 for Members to consider and approve.

## 6 Other options considered

- 6.1 None. It is a requirement of the Inter Authority Agreement for the JPPC to consider the fees and charges and make a recommendation to the individual authorities. There is a requirement to set fees and charges annually and there is a statutory requirement to undertake consultation on the proposed charges for operators and vehicle licence fees.

## 7 Conclusion

- 7.1 Members of the Licensing Committee are asked to note the proposed fees and charges and the consultation proposals and agree a way forward.

## 8 Appendices

- 8.1 Appendix A – Proposed Fees and Charges for 2024/25

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### Background Papers:

Joint Public Protection Committee Report (25 October 2023) can be found here:

<https://decisionmaking.westberks.gov.uk/ieListDocuments.aspx?CId=449&MId=7410&Ver=4>

### 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
- 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

**Officer details:**

Name: Moira Fraser  
Job Title: Policy and Governance officer  
Tel No: 01635 519045  
E-mail: moira.fraser@westberks.gov.uk

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