
Licensing Fees and Charges 2023/24 Report

Committee considering report:	Licensing Committee
Date of Committee:	07 November 2022
Portfolio Member:	Councillor Tom Marino
Date Head of Service agreed report:	16 October 2022
Date Portfolio Member agreed report:	Emailed 20 October 2022
Report Author:	Moira Fraser
Forward Plan Ref:	JPPC4133

1 Purpose of the Report

- 1.1 This report sets out the Public Protection Partnership's Fees and Charges which have been proposed by the Joint Public Protection Committee at its meeting on the 05 October 2022.
- 1.2 Each partner Council is required to review the fees and charges on an annual basis. Appendix A details the fees and charges for 2023/24 proposed for the Public Protection Service.
- 1.3 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 **AGREES** that save for the private hire operator, and hackney carriage and private hire vehicle licence fees, the fees set out at Appendix A go forward for consideration as part of the Council fee setting process.
- 2.2 **AGREES** that the proposed charges for operators and vehicle licence fees are subject to a twenty eight day statutory consultation period from 17 November 2022 to 15 December 2022.
- 2.3 **AGREES** that 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.

- 2.4 **AGREES** that a consultation letter is posted to all Taxi and Private Hire Drivers and Private Hire Operators in the District and that 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.
- 2.5 **AGREES** if no objections are received, the charges for operators and vehicle licence fees are included in February 2023 Executive and March Council papers for approval; or if objections are received they be considered by the Licensing Committee at the meeting on 23 January 2023 and any changes be recommended to full Council for approval.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<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>
Human Resource:	<p>There are no HR implications associated with the production of this report.</p>
Legal:	<p>Fees for drivers licences</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>Fees for vehicle and operators' licences</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</p>

	<p>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"> (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>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>Risk Management:</p>	<p>The fees are potentially subject to legal challenge. It is therefore important the fees and methodology are subject to ongoing review.</p>
<p>Property:</p>	<p>None</p>
<p>Policy:</p>	<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 2023/24. 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</p>

	separate statutory consultation process that must be adhered to.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		There are no implications arising from the recommendation in this report.
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		There are no implications arising from the recommendation in this report.
Environmental Impact:	X			<p>If the taxi trade are incentivised to make changes to the vehicle fleet this might have a positive impact on the environment.</p> <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>

Health Impact:	X			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.
ICT Impact:		X		There are no implications arising from the recommendation in this report.
Digital Services Impact:		X		The consultations (budget and statutory) will be published on the Council's website. The statutory consultation will go onto the PPP website.
Council Strategy Priorities:		X		This work is business as usual within the service.
Core Business:		X		This work is business as usual within the service.
Data Impact:		X		Not applicable.
Consultation and Engagement:	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 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. 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 re-charges (as per Council budget build processes) and the current establishment lists were updated which resulted in a new rate of £59 p/h and these rates were retained for 2022/23.

- 4.4 In light of the current inflation rate it is proposed to increase the hourly rate to £64p/h for 2023/24 (increase of 8.47%), the first time the hourly rate has been increased in three years. In calculating this rate a range of factors have been considered including the wide variety of council overheads each of the partners must contribute to, the levels of staffing, their costs, contracts and the necessary training to maintain a competent workforce.
- 4.5 It is worth noting that due to the impact of Covid and fee alignment the Service has seen a significant fall off in fee income. At the time of writing the Service is expecting licensing income overall to be some 15% lower in real terms than 2019/20.
- 4.6 The implementation of the new single IT system for premises and licences was unfortunately delayed. It is now anticipated that the system will be in operation in autumn of 2022 and will improve efficiency in the licensing administration process by allowing on-line applications and automated reminders at key times. It will also allow for on-line payments at the time of application which will significantly reduce the amount of invoicing.
- 4.7 All discretionary fees are calculated based on the length of time taken to process the activity multiplied by the hourly rate. Once the new system is embedded officers will review the length of time taken to process applications and the fees will be adjusted accordingly for the next financial year (2024/25).
- 4.8 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 2.6 for Members to consider and approve.
- 4.9 The proposed fees were discussed at the Joint Public Protection Committee meeting on the 05 October 2022. Members raised a number of queries about specific fees:

Knowledge Test

- 4.10 Drivers are required to pass a knowledge test prior to a licence being issued which includes some map work and is relatively time consuming for officers to administer. Members noted that this test comprised two elements: the first part related to the laws relating to the licence that they have applied for and the conditions attached to that licence and the second part tested their geographical knowledge of locations in the area. The cost of a knowledge test is proposed to increase from £74 to £80.
- 4.11 Members of the JPPC queried if the second part of the test (i.e. the geographical knowledge) was still needed given the prevalence of satellite navigation systems available to drivers. They asked that consideration be given to removing this element of the test, thereby reducing the time needed for the test which would in turn mean that the cost could be reduced.

4.12 Officer Response: The fee for the first knowledge test is included in the application fee and therefore the knowledge test fee is only payable if they have to retake the test. On re-take the full fee is payable even if they only have to re-take one element of the test. Going forward it would be possible to remove the geographical element should Members be minded to agree this. It is proposed to bring forward options on the knowledge test and associated fees ahead of the next fee setting cycle.

Disclosure and Barring Service Check (DBS)

4.13 It is the policy of the Council that every application for a licence to drive a hackney carriage and/or private hire vehicle must be accompanied by satisfactory evidence of a number of matters which includes an enhanced criminal record check (DBS) and evidence that they are not on a child and/or vulnerable adult barring list. The proposal that went to the JPPC meeting was that the cost of a DBS check is proposed to increase from £79 to £81.

4.14 While it is possible to apply for a basic DBS check online (<https://www.gov.uk/request-copy-criminal-record>) at a cost of £18 the enhanced DBS checks have to be undertaken through the Council. The setting of this fee is based on a cost recovery model. The proposed cost of the DBS comprises the fee charged by West Berkshire Council (£49) plus a half hour charge for the PPP to administer the check (£32). It should be noted that drivers can also sign up to the DBS Update Service where they can register at a cost of £13 per annum (<https://www.gov.uk/dbs-update-service>). The service will continue to advise drivers to sign up for the update service to save money.

4.15 Members of the JPPC noted the Gov.UK website states that as of the 06 April 2022 an enhanced with Barred Lists DBS check would cost £38 and they therefore asked that the proposed fee be revisited.

4.16 Officers have confirmed that they are charged £49 by HR for the checks which includes their processing costs. It has been agreed that only one administration element of the fee will be charged and that the fee would therefore be revised to £70. This is lower than the 2022/23 fee of £79.

Change of Address

4.17 The proposal is to increase the fee for changing an address from £10.50 (2022/23 fee) to £16.00. This is based on the calculation that it takes around 15 minutes to process this work. The fee for 2021/22 was set at £14.

4.18 The process involves receiving an email/letter with details which needs to be scanned, the contact details are then amended on the system and the change scanned and then the amended licence needs to be sent back to the licence holder. This process takes approximately 15 minutes to complete. While the introduction of the new system may expedite some of this process we will not be able to quantify any time savings until the system is in place and fully operational. There will still be some element of input required from officers as the amended licence will still need to be produced and sent to the driver. It is proposed that this fee be amended in line with the inflationary uplift and that it be set at £11.50.

Electric and Hybrid Vehicles

- 4.19 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 .
- 4.20 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.
- 4.21 The fees and charges were discussed at the Taxi Trade Liaison Group meeting on the 24 October 2022. The trade did not make any comments on the proposed fees and charges. It was noted that in respect of the change of address fee that in most cases the change of address administration could take less than fifteen minutes to complete which was why this fee had been adjusted,

5 Proposals

- 5.1 The Licensing Committee is asked to comment on the proposed fees and 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 2.6 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 consider 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 2023/24

Background Papers:

Joint Public Protection Committee Report (05 October 2022) can be found here:

<https://decisionmaking.westberks.gov.uk/ieListDocuments.aspx?CId=449&MId=7177&Ver=4>

Subject to Call-In:

Yes: No:

- | | |
|--|-------------------------------------|
| The item is due to be referred to Council for final approval | <input checked="" type="checkbox"/> |
| Delays in implementation could have serious financial implications for the Council | <input type="checkbox"/> |
| Delays in implementation could compromise the Council's position | <input type="checkbox"/> |
| Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months | <input type="checkbox"/> |
| Item is Urgent Key Decision | <input type="checkbox"/> |
| Report is to note only | <input type="checkbox"/> |

Wards affected: All

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