
Hackney Carriage and Private Hire Licence Fees Consultation Responses – Supporting Information

1. Introduction/Background

- 1.1 This report is to present the Committee with fees and charges for private hire and hackney carriage vehicles, and private hire operators.

2. Supporting Information

Hourly Rate

- 2.1 The hourly rate that has been agreed by the Joint Public Protection Committee is made up of the following:

70.5% - employee costs (wages, pensions, National Insurance, etc.)

22% - Total support service recharge (collectively referred to as overheads, such as customer services, ICT, HR, legal services, property costs, etc.)

7% - supplies and services (such as equipment purchases, books and publications, postage, print and stationary, etc.)

0.5% - transport costs (such as mileage, train fares, etc.)

- 2.2 This is the rate that has been used to calculate fees on a cost recovery basis.

Private Hire and Hackney Carriage Vehicle Fees

- 2.3 The proposed fees for vehicles are laid out at Appendix D.

- 2.4 The 'standard' vehicle fee (i.e. not a dispensation vehicle or temporary vehicle) has been calculated based on five hours at the PPP's hourly rate. This time breaks down as follows:

Time	Covers
3.5 hours	<ul style="list-style-type: none"> • Logging applications • Processing of payments • Plate and licence materials • Checking expired documents • Driver enquiries, such as checking the status of an application • 'Overheads' such as building costs, IT equipment, heating and lighting, etc. • Licence database programs • Trade communications, such as newsletters, renewal reminders • Checking of authorised garages. • Staff training • Maintenance of registers and government returns.

1.5 hours	<ul style="list-style-type: none"> • Compliance checks and enforcement action such as multiagency checks (checks carried out with other agencies such as Police or HMRC), school drop off checks, rank checks, checks at Newbury race course events • Panel hearings and appeals • Chasing expired documents • Policy and governance, such as policy development, committee meetings, report writing, fees and charges, strategy meetings, etc.) • Member training • Prosecutions • Investigating complaints
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2.5 It is worth noting that there are currently 322 vehicles licensed by West Berkshire. Therefore the 1.5 hours of enforcement and compliance as outlined above equates to 483 hours annually across the district.

Dispensation Vehicles

2.6 There is an additional charge equating to approximately one hour of work in relation to applicants who wish for their vehicle to have a dispensation, allowing them to not display a plate on the rear of the vehicle. Such vehicles are expected to working on account, i.e. not ‘cash work’ where the driver is paid then and there for the journey.

2.7 The additional fee is to cover the extra work associated with reviewing booking records, client lists, etc., to ensure compliance with the requirement that the vehicle is only being used for account work.

Temporary vehicles

2.8 Temporary vehicle licences are issued in cases where the original licensed vehicle is off the road due to accident damage or other repairs. This is to allow the driver to continue to work whilst repairs are carried out or insurance investigations are conducted.

2.9 A fee lower than the standard private hire or hackney carriage fee is proposed, equating to approximately one hour of work less than a regular vehicle. Whilst the licence is valid for a shorter period of time than a regular private hire or hackney carriage vehicle licence, meaning the associated compliance and enforcement costs to the authority are reduced, there are additional costs such as reviewing accident damage and suspending licences for the vehicle that is off the road.

Private Hire Operators Fees

2.10 The private hire operator fees as proposed at the meeting of 11/02/2019 were developed from figures that had originally been set by Bracknell Forest Council. These fees include an administration cost (amount to process and issue the application) and a fee per vehicle to be included on the licence. The three and five year licences were multiples of the one year figure, with a percentage discount to reflect the reduced cost for licences lasting three or five years.

2.11 The cost to PPP to process and issue a licence, as well as the ongoing enforcement costs, are broadly the same across the three constituent areas and consequently

there is a move to align fees across the these areas. As the previous fees set were based on old figures for the cost of providing the service, the new aligned fees resulted in a significant increase to the fees chargeable to West Berkshire licence holders and applicants.

- 2.12 Taking into consideration the comments raised at the meeting on 11/02/2019, it is clear that further discussion with the trade and Members needs to take place to develop a set of fees that are both representative of the authority's costs, and also clear and acceptable to members and the trade.
- 2.13 It is therefore proposed that the fees for operator's licences to take effect from 01/04/2019 remain as per the present fees, listed at Appendix E, with a 2.5% inflationary rise and rounded to the nearest whole pound.
- 2.14 These fees, like the vehicle fees outlined above, are based on calculations around the amount of time spent on the application and associated compliance and enforcement, and policy work, such as the checking of business premises, checking the operator has all the relevant paperwork for their vehicles and drivers, the review of booking records, etc.

Future fees

- 2.15 It remains the case that the existing operator licence fees are based upon a set of figures that no longer reflects the cost of providing the service. Additionally, in order to increase the enforcement presence, as called for by the trade, fees will increase inevitably need to increase.
- 2.16 In order for Members and the trade to be satisfied with the operator licence fees and how they have been calculated, it is proposed to establish a working group to develop the fees to be introduced next year.
- 2.17 It is proposed that this working group should comprise of Committee members, officers, and trade representatives, and that it is established to work together to establish a clear methodology to set a new schedule of operator licence fees, potentially including new tiers (e.g. 6-10 vehicles, etc.) or potentially based on a 'per vehicle' fee, to take effect from 01/04/2020.
- 2.18 The working group can also review the existing hackney carriage fare tariff and whether there is justification for increasing fares, as well as simplifying the distance increments.
- 2.19 Any Member or trade representative who wishes to be involved in this working group is requested to contact the licensing team or the Committee Chair.

3. Options for Consideration

- 3.1 The Committee must, taking into consideration the objections received, as detailed in the report papers presented to the meeting on 11/02/2019, agree fees with or without modification, to proceed to Council to be set.

4. Consultation and Engagement

- 4.1 The proposed fees were advertised in line with the legal requirements as laid out at section 70 of the Local Government (Miscellaneous Provisions) Act 1976. Seven

objections were received during the notice period, the wording of these is included within the report presented to the Committee meeting on 11/02/2019.

Background Papers:

Licensing Committee Agenda 11 February 2019

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 Commission or associated Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

Officer details:

Name: Charlie Fletcher
Job Title: Acting Principle Licensing Officer
Tel No: 01344 352550
E-mail Address: Charlie.fletcher@westberks.gov.uk

Appendix D

Existing and proposed licence fees - vehicles

Type of vehicle licence	Existing / £	Proposed / £
Hackney Carriage Vehicle	161.00	282.00
Private Hire Vehicle Licence	161.00	282.00
Private Hire Vehicle Licence with dispensation	207.00	328.00
Temporary vehicle licence	162.00	226.00

Appendix E

Existing and proposed licence fees – operators

Type of operator licence / £		
	Existing	Proposed (+2.5%)
1-4 vehicles (5 years)	545.00	559.00
5-9 vehicles (5 years)	870.00	892.00
9+ vehicles (5 years)	1356.00	1390.00