

LICENSING REGULATORY COMMITTEE

PROPOSED LICENSING FEES 2012/13

16 February 2012

Report of Licensing Manager

PURPOSE OF REPORT

The report is to enable Members to consider the level of fees for 2012/13.

This report is public.

RECOMMENDATIONS

That for the financial year 2012/13, there be no increase in the fees charged by the Council for fees relating to hackney carriages and private hire vehicles, and miscellaneous licences.

1.0 Introduction

- 1.1 The report is concerned with the setting of the licence fees for Hackney Carriage and Private Hire licences and miscellaneous licences issued by the Council. As Members will be aware, licences issued under the Licensing Act 2003 and the Gambling Act 2005 fall within the remit of the Licensing Act Committee and not this Committee, but in any event these fees are fixed or influenced by central Government. Members are reminded that for the purpose of the 2011/2012 budgetary process the Council was satisfied that there should be an increase in licensing fees for Hackney Carriages and Private Hire licences of 10%, but no increase for miscellaneous licences. Prior to that there had been no increases in fees for either of the above categories since April 2005. Even with the increase in hackney carriage and private hire fees in 2011/2012 there was still a predicted shortfall of £70,300 due to the disproportionate amount of time that officers had to allocate to this function. It was recommended in last years report that the situation be closely monitored.
- 1.2 As Members are aware, it has for many years been the policy of the Council for the licensing service to be self-financing. However, it has always been acknowledged that there are some licences or permits, for example street collection permits, where no fee may be charged. As a consequence, there will inevitably be a deficit in respect of these miscellaneous licences.
- 1.3 The annual revision of fees seeks to ensure that the costs of the service will, so far as possible, be met from the income. However, it is not lawful for the Council to seek

to make a profit from licence fees that are within its discretion. In particular, with regard to Hackney Carriage and Private Hire licensing, Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 provides that a District Council may charge such fees for the grant of vehicles and operators licences as may be sufficient to cover in whole or in part the reasonable costs of carrying out inspections of Hackney Carriages and Private Hire vehicles, the reasonable costs of providing Hackney Carriage stands, and any reasonable administrative or other costs in connection with the control and supervision of Hackney Carriages and Private Hire vehicles. Fees charged for drivers' licences may also be set at an appropriate level to cover the cost of issue and administration.

- 1.4 There has recently been a restructure within the licensing department and the disestablishment of 2 posts has been approved. Following a financial assessment of time allocations for licensing staff taking into account the new structure, internal departmental recharges together with other costs borne by the licensing service, the current fees charged for hackney carriages and private hire vehicle licensing and miscellaneous licensing have been reviewed. As a result of this exercise, it has been calculated that for 2012/13 the budgeted cost of the hackney carriage and private hire licensing function will be £215,900, and for miscellaneous licensing £16,800.
- 1.5 It is of course impossible to estimate with any degree of certainty the amount of income from licence fees, given that some licence holders may decide not to renew their licence, and there may or may not be a number of new applications for licences. However, on the basis of the best possible estimate of numbers of licences that will be issued in 2012/13, it is estimated that, if the fees remain at the same levels as in 2011/12, income from hackney carriage and private hire licensing will be £164,200 and for miscellaneous licensing £13,600
- 1.6 With regard to hackney carriage and private hire licensing, on the basis of the above projections it is clear that even following the restructure and the disestablishment of the 2 posts within licensing that the level of income generated through licence fees is not sufficient to cover the costs in providing the function and would still leave a shortfall of £51,700, however, officers do not consider that it is necessary to increase the hackney carriage and private hire licensing fees at this time, as they are looking at all of our procedures in an attempt to reduce the cost related this function. It is also difficult to see what the full effect of the restructure in the licensing department will have, and the proposed introduction of a 3 year drivers licence if approved. It is recommended that the situation be closely monitored throughout 2012/2013, and if the trend continues an increase may be recommended in 2013/2014. Miscellaneous licensing shows a deficit of £3,200 but it is felt that this properly reflects the work undertaken in respect of licences where a fee cannot be recovered, (e.g. street collection and house to collections). For Members' information, the above two categories of fees are attached to this report at Appendices A and B.
- 1.7 Members may be aware that as of 1st December 2011 the responsibility for carrying out the licensing function in relation to animal welfare has been transferred to Health and Housing, however the Head of Health and Housing has requested that the fees in relation to that function be considered within this report, and has recommended that there be no increase in the fees charged for 2012/2013.

2.0 Options and Options Analysis

- 2.1 The options are as follows :-

Option 1 – to approve that there be no increase in the existing fees for hackney carriage and private hire licensing and for miscellaneous licences as set out in Appendix A.

Option 2 – to approve an alternative fee structure, which will recover the cost in full of the taxi and private hire licensing function

2.2 The Officers preferred option is Option 1, as the existing fees reflect the cost of providing the service, in accordance with the statutory provisions on licence fees.

3.0 Conclusion

3.1 Members are recommended to approve that there be no increase in the fees for hackney carriage and private hire licensing and for miscellaneous licences for 2012/13.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

None.

FINANCIAL IMPLICATIONS

Financial Services have been consulted and have assisted the Licensing Manager in the preparation of the report. The fees recommended agree with the income included in the proposed 2012/13 budget for hackney carriage and private hire licensing and for miscellaneous licences and these will continue to be monitored as part of the 2012/13 budget process.

LEGAL IMPLICATIONS

Legal Services have been consulted and their comments have been incorporated in the report.

MONITORING OFFICERS COMMENTS

The Monitoring Officer has been consulted and has no further comments.

S. 151 OFFICERS COMMENTS

The S. 151 officer has been consulted and has no further comments.

BACKGROUND PAPERS

None

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