

LICENSING REGULATORY COMMITTEE

Proposed Licensing Fees 2017/18 9th February 2017 Report of Food & Safety Manager

PURPOSE OF REPORT

The report is to enable Members to consider the level of fees for 2017/18

This report is public.

RECOMMENDATIONS

That for the financial year 2017/18, 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 2016/2017 budgetary process the Council approved substantial increases of some Hackney Carriage and Private Hire fees following a time monitoring exercise which was undertaken by the licensing manager. This was to ensure that the actual cost of the service could be met.
- 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 Following a financial assessment of time allocations for licensing staff, 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 were reviewed and revised for 2016/17. Members may recall that when doing so they were informed that, due to an amendment of the legislation, the default position would be that all drivers' licences would be issued for 3 years and operator licences would be issued for 5 years in most cases. Bearing in mind that we are still in the first year of the new fee levels it is difficult to test the full impact of these fees. Whilst annual reconsideration of fees and charges is necessary, a fuller review is proposed by officers every 3 years for driver licence fees and every 5 years for operator licences. These will establish more accurate financial positions on the impacts of respective fee increases taking effect from 2016/17.
- 1.5 With regard to Hackney Carriage and Private Hire licensing, future income from licence fees will depend on whether or not licence holders decide to renew their licences and on how many new applications for licences are received. On the basis of the projections, however, it is expected that the level of income generated through licence fees will be sufficient to cover the costs in providing the function. Therefore, officers do not consider that it is necessary to increase the Hackney Carriage and Private Hire licensing fees. The present fees in relation to Hackney Carriage and Private Hire licensing are listed in Appendix A.
- 1.6 Miscellaneous licensing shows a deficit of £10,800. The former Licensing Manager's advice was that that this sum properly reflects the work undertaken in respect of licences where a fee cannot be recovered, (e.g. street collection and house to house collections). The present fees in relation to Miscellaneous licensing are listed in Appendix B.

2.0 Options and Options Analysis

- 2.1 The options are as follows:

Option 1 – to approve (a) that there be no increase in the existing fees for Hackney Carriage and Private Hire licensing and (b) for Miscellaneous licences that the fees be approved, as set out in Appendices A and B.

Option 2 – to approve an alternative fee structure.

- 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 either for Hackney Carriage and Private Hire licensing or for Miscellaneous licences for 2017/18.

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 income for the current year and future year's costs and recharges will be reviewed during 2017, after the closure of accounts process. The budget projections for 2017/18 currently include a 2% increase (£2,900) in line with inflationary projections, however depending on uptake this could be met from new licence applications.

LEGAL IMPLICATIONS

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

BACKGROUND PAPERS

None

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