

CHESHIRE EAST COUNCIL

LICENSING COMMITTEE

Date of meeting: 7th March 2011

Report of: Head of Safer & Stronger Communities

Title: Licence fees - hackney carriage and private hire vehicles, drivers and operators.

1.0 Report Summary

- 1.1 The purpose of the report is to provide the Licensing Committee with information in relation to the current fees charged for hackney carriage and private hire licences. The report suggestions options open to the Licensing Committee in relation to the possible variation of the fees.

2.0 Recommendations

- 2.1 The Licensing Committee is requested to determine whether any variation should be made to the fees charged by Cheshire East Borough Council in relation to the issue of hackney carriage and private hire vehicles, drivers and operators licences.
- 2.2 If the Licensing Committee resolves that a variation should be made to the fees referred to in 2.1 above, the Committee is requested:
- 2.2.1 subject to statutory consultation, to approve the amount of the variation to be applicable in relation (i) to fees for licences relating to private hire vehicles and operators across the Borough; and (ii) to fees applicable to hackney carriage proprietors (vehicle) and joint drivers licences in each of the three hackney carriage zones;
- 2.2.2 to authorise the Borough Solicitor, or officer acting on her behalf, to publish notice of the proposed variation in accordance with statutory requirements;
- 2.2.3 to note that if no objections are received in response to publication of the notice (or if any objections received are withdrawn), the variation to the fees will take effect on the expiration of the period specified in the notice or, if later, the date that the last objection is withdrawn; and
- 2.2.4 to note that if objections are received in response to the publication of the notice, that these will be reported to a subsequent meeting of the Licensing Committee for consideration.

3.0 Reasons for Recommendations

- 3.1 The fees currently charged by the Council for licences relating to hackney carriage and private hire vehicles, drivers and operators were set by the Licensing Committee on 20th July 2009. Fees and charges are reviewed corporately on an annual basis as part of the budget setting process, however as the fees in relation to hackney carriage and private hire vehicles and private hire operators are subject to a statutory consultation process, the function of setting these fees is delegated to the Licensing Committee.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications including - Climate change - Health

- 6.1 None

7.0 Financial Implications 2010/11 and beyond (Authorised by the Borough Treasurer)

- 7.1 The increase to fees suggested within paragraph 10.4 reflects the CPI (Consumer Price Index) figure for December 2010, i.e. 3.7%
- 7.2 There will be a cost implication relating to the publication of the statutory notices. The publicity costs relating to the statutory notices are estimated to be in the region of £1,500. These costs will be met from the Licensing Section's budget, by virtue of a virement from the budget heading relating to printing and stationary to the budget heading relating to advertising.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The statutory authority for the Council to make a charge in relation to the issue of hackney carriage and private hire licences emanates from sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 ('the 1976 Act').
- 8.2 Section 53(2) of the 1976 Act provides that the 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.."
- 8.3 Section 70(1) of the 1976 Act states:

“Subject to the provisions of subsection (2) of this section, a district council may charge such fees for the grant of vehicle and operators’ licences as resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part –

- (a) the reasonable cost of 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 the control and supervision of hackney carriages and private hire vehicles.”

8.4 Section 70(3) of the 1976 Act prescribes that fees in relation private hire and hackney carriage vehicle licences and private hire operator’s licences must be subject to statutory publication in a local newspaper with provision made for representations to be made within twenty-eight days of publication of the notice. If no objection is made within the period specified within the notice, or if all such objections are withdrawn, the variation to the fees will come into operation on the date of the expiration of the notice, or the date of the withdrawal of the last objection, whichever is the later. Where objections are received the Council must consider these representations and set a further date, not later than two months after the first date, on which the variation will come into force with or without modifications.

8.5 Whilst there is no statutory requirement to consult in relation to fees for drivers licences, it is considered best practice to adopt the consultation process set out within section 70(3) of the 1976 Act.

8.6 By virtue of regulation 2(6) of the Local Authorities (Functions and Responsibilities)(England) Regulations 2000, the function of setting the fees in relation to hackney carriage and private hire vehicles, drivers and operators is a non-executive function.

9.0 Risk Management

9.1 Full consideration of any objections received in response to the publication of the notice would mitigate the risk of challenge to any decision taken.

10.0 Background and Options

10.1 The existing fees relating to the licensing of hackney carriage and private hire vehicles, drivers and operators were set at the meeting of the Licensing Committee on 20th July 2009. The existing fees are shown within column 2 of the table at Appendix A.

10.2 As Members will be aware, the fees charged by the Council are reviewed annually as part of the budget setting process. The function of setting fees in relation to hackney carriage and private hire licences is delegated to the Licensing Committee.

- 10.3 The Licensing Committee is requested to determine whether any variation should be made, and if so the amount of the variation, in relation to the fees charged by Cheshire East Borough Council for the issue of hackney carriage and private hire vehicles, drivers and operator licences. As the licensing of hackney carriages within the Borough remains on a zoned basis, the fees in relation to hackney carriages must be determined in relation to each of the individual zones.
- 10.4 If Members are minded to increase the fees payable, it is suggested that an appropriate figure to use is the increase in the Consumer Price Index. The figures in column 3 of the table at Appendix A represent the application of the CPI for December 2010 (3.7%) to the existing fees (rounded to the nearest whole pound); this is in line with the corporate approach relating to the setting of fees and charges. It should be noted that the 3.7% multiplier has only been applied, in relation to the fee for drivers licences, to that element of the fee which constitutes the Council's charges and not the CRB element (i.e. £36).
- 10.5 Officers are aware of the possibility that in the future Criminal Records Bureau applications may be submitted electronically rather than in hard copy. It is understood that there would be an additional cost (in the region of £3) associated with electronic applications. If this system were to be introduced, a further report would be brought before Members in order to consider whether fees relating to drivers licences should be increased to take account of this additional cost.
- 10.6 There are additional miscellaneous fees in relation to taxi licensing, including the cost of replacement badges and plates etc. These items are not dealt with within this report as they will be reviewed as part of the corporate budget setting process.
- 10.7 The options open to the Committee are:
- (a) not to vary the existing licence fees;
 - (b) subject to statutory consultation, to vary the existing licence fees on the basis of the calculation referred to in paragraph 10.4 (and illustrated in column 3 of Appendix A); or
 - (c) subject to statutory consultation to vary the existing licence fees in a manner other than that referred to in paragraph 10.4.

11.0 Access to Information

Appendix A – Table of fees

The background papers relating to this report can be inspected by contacting the report writer:

Name: Kate Khan

Designation: Solicitor, Legal Services (Regulatory)

Tel No: (01270) 68847

Email: kate.khan@cheshireeast.gov.uk

APPENIDX A

Fee Type	Existing Fee	Fee increased by 3.7% (rounded to nearest whole pound)
Hackney carriage proprietor (vehicle) licence – (annual)	£290	£301
Private hire vehicle licence – (annual)	£290	£301
Hackney carriage vehicles six month test (vehicles over seven years old)	£75	£78
Private hire vehicles six month test (vehicles over seven years old)	£75	£78
Joint hackney carriage and private hire drivers licence – (3 year duration) (including CRB fee)	£210	£216
Renewal of joint hackney carriage and private hire drivers licence – (3 year duration) (including CRB fee)	£150	£154
Private hire operator's licence – (5 year duration)	£335	£347