

CHESHIRE EAST COUNCIL

LICENSING COMMITTEE

Date of meeting: 13th February 2009
Report of: Tony Potts, Community Safety Manager
Title: Fees and Charges

1.0 Purpose of Report

- 1.1 The purpose of the report is to provide the Licensing Committee with the responses to the consultation exercise on fees and charges and to seek a decision as to the fees to be charged by the Council in relation to the licensing of hackney carriage and private hire vehicles, drivers and operators.

2.0 Decision Required

- 2.1 The Licensing Committee is requested to:
- 2.1.1 Consider the consultation responses received from the licensed trade in relation to fees; and
- 2.1.2 To determine the fees to be charged by Cheshire East Council in relation to the licensing of hackney carriage vehicles and drivers and private hire vehicles, drivers and operators, with effect from 1 April 2009.

3.0 Financial Implications for Transition Costs

- 3.1 There are no significant costs involved in the implementation of the revised charging options.

4.0 Financial Implications 2009/10 and beyond

- 4.1 The harmonisation and review of fees and charges across Cheshire east does result in an increase in revenue in some areas, and to a decrease in others. However should the committee decide to change the proposed fees and charges then this will have an impact upon the 2009/10 budgets.

5.0 Legal Implications

- 5.1 Section 53 of the Local Government (Miscellaneous Provisions) Act 1976 ('the 1976 Act') provides the local authority with the power to charge "such a fee as they consider reasonable with a view to recovering the costs of issue and administration" for the grant of hackney carriage/private hire drivers licences. Section 70 of the Act provides the authority with a similar

power to make a reasonable charge for the grant of vehicle and operators licences.

- 5.2 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 prescribes that fees in relation private hire and hackney carriage vehicle licences and private hire operator's licences must be subject to a statutory publication requirement with provision for representations to be made within twenty-eight days of publication of the notice. Where objections are received the Council must consider these representations when coming to its determination as to the level of fees.

6.0 Risk Assessment

- 6.1 If no decision as to fees for Cheshire East were made by the Committee, the position would revert to that within the exiting three district authorities. It is suggested that leaving the charges as they (i.e. with differences between the three districts) would be inequitable.
- 6.2 Failure to carry out a consultation exercise or to consider the representations received as a result of the consultation would leave the local authority open to challenge on the fees.

7.0 Background and Options

- 7.1 As Members will recall, at its meeting on 19th December the Licensing Committee resolved to approve proposed fees in relation to taxi licensing so that these fees may be subject to statutory consultation. The fees that were proposed in the report are set out at **Appendix A**
- 7.2 In accordance with the requirements of section 70 of the 1976 Act, notice of the proposed fees were published in newspapers throughout the administrative area of Cheshire East during the week commencing 29th December. In addition correspondence advising of the proposals in relation to fees and providing details of how to make a representation was sent to all licensed drivers, operators and proprietors in mid January. The date by which representations were required to be submitted was 5th February 2009.
- 7.3 The Council has received 62 representations as part of the consultation exercise. A list of these is attached at **Appendix B**. As this is an excessive amount of representations, they are not included within in this report, as 46 of them are the same letter, signed individually. A summary of the main issues raised are attached at **Appendix D** they will however, be available at the meeting. Due to the timescales involved in the preparation of this report, there may well be additional ones to follow, as the closing date for all representations is the 5th of February 2009.

As set out above, section 53 of the 1976 Act provides that the authority may set fees in relation to drivers licences which they 'consider reasonable with a view to recovering the costs of issue and administration' of such licences. Section 70 provides that the authority may "charge such fees for the grant of vehicle and operators' licences as may be 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 the carrying out 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 of supervision of hackney carriages and private hire vehicles.'

7.4 For this reason, in determining the level of fee to be set, the Council must take into account the cost of providing the service to ensure that the fees are reasonable and relate to cost recovery.

7.5 The fees included at **Appendix A** were calculated based on an hourly rate of £50 per hour of officer time (which takes into account all direct and indirect costs including insurance, accommodation, telephones, IT, printing and stationery together with staffing costs such as salary and pension/NI contributions). A breakdown of officer time and other costs used to calculate the charges in relation to each licence type are set out at **Appendix C**.

7.6 The Licensing Committee is requested to consider the representations received, and to determine the fees to be charged in relation to taxi licensing by Cheshire East.

8.0 Overview of Day One, Year One and Term One Issues

8.1 It is suggested that the setting of fees for taxi licensing across Cheshire East is a Day One requirement to ensure that the same fee is charged to all applicants.

9.0 Reasons for Recommendation

9.1 The Licensing Committee is requested to consider the representations received and to take these into account when making its determination on the fees. The Committee is requested to decide the amount of the fees to be charged by Cheshire East so that this may be resolved and be in place for 1 April 2009.

For further information:

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Background Documents:
None

Fees proposed in relation to taxi licensing

Hackney Carriage (Annual)	£300
Private Hire Vehicle (Annual)	£300
6 month test (hackney carriage) (Vehicles over 7 years old)	£100
6 month test (private hire vehicle) (Vehicles over 7 years old)	£100
Joint Hackney Carriage/Private Hire fee) Drivers Licence (3 years)	£204 (not including CRB
Private Hire Operators Licence (5 years)	£345

Comments received in relation to proposed Cheshire East Licensing Fees

Date	Name	District	Appendix	
31 Dec 2008	Mr A T Hudson	Macclesfield	1	
2 Jan 2009	Mr T Marshall	Congleton	2	
6 Jan 2009	Mr K Shenton	Congleton	3	
7 Jan 2009	Mr K Shenton	Congleton	4	
9 Jan 2009	Mr A James	Congleton	5	
14 Jan 2009	George Bean	Macclesfield	6	
14 Jan 2009	Mr G Tompsett	Congleton	7	
14 Jan 2009	Mr J Ratcliffe	Congleton	8	
15 Jan 2009	Mr J Hanmer	Macclesfield	9	
15 Jan 2009	Mr P J Gillick	Macclesfield	10	
19 Jan 2009	Mr D C Lea	Macclesfield	11	
19 Jan 2009	Mr P Parker	Macclesfield	12	
19 Jan 2009	Mr J R Beresford	Congleton	13	
19 Jan 2009	Mr M Jarvis	Macclesfield	14	
19 Jan 2009	Mr J Sheen	Macclesfield	15	
19 Jan 2009	Mr M C Martin	Macclesfield	16	
20 Jan 2009	David Bradshaw	Macclesfield	17	*
20 Jan 2009	Vahid Pir-Siahbaz	Macclesfield	18	*
20 Jan 2009	Brett Warburton	Macclesfield	19	*
20 Jan 2009	Hazim Al-Mallak	Macclesfield	20	*
20 Jan 2009	I A Shewan	Macclesfield	21	*
20 Jan 2009	Mazin Al Mallak	Macclesfield	22	*
20 Jan 2009	Archange-Michel Gomath	Macclesfield	23	*
20 Jan 2009	Choudhry Babar	Macclesfield	24	*
20 Jan 2009	D Stennett	Macclesfield	25	*
20 Jan 2009	H Jupp	Macclesfield	26	*
20 Jan 2009	C J Hall	Macclesfield	27	*
20 Jan 2009	W Mahon	Macclesfield	28	*
20 Jan 2009	S Collins	Macclesfield	29	*
21 Jan 2009	G Mellor	Macclesfield	30	*
21 Jan 2009	E McCabe	Macclesfield	31	*
21 Jan 2009	C Larsen	Macclesfield	32	*
21 Jan 2009	T Carr	Macclesfield	33	*
21 Jan 2009	R Myers	Macclesfield	34	*
21 Jan 2009	Peter Howard	Macclesfield	35	*
21 Jan 2009	R Hewitt	Macclesfield	36	*
22 Jan 2009	D J Podmore	Macclesfield	37	*
21 Jan 2009	Milne	Macclesfield	38	*
22 Jan 2009	R Finney	Macclesfield	39	*
22 Jan 2009	Ms K Capper	Macclesfield	40	*
22 Jan 2009	Farzad Abdi	Macclesfield	41	*
22 Jan 2009	C Neokli	Macclesfield	42	*
22 Jan 2009	T Neokli	Macclesfield	43	*
22 Jan 2009	Faisal Nawaz	Macclesfield	44	*

22 Jan 2009	M C Martin	Macclesfield	45	*
22 Jan 2009	MT Fleming	Macclesfield	46	*
22 Jan 2009	E Hoyle	Macclesfield	47	*
22 Jan 2009	E Young	Macclesfield	48	*
22 Jan 2009	Carl Warburton	Macclesfield	49	*
22 Jan 2009	Kevin Whittle	Macclesfield	50	*
22 Jan 2009	L Rutter	Macclesfield	51	*
22 Jan 2009	Clive Mather	Macclesfield	52	*
23 Jan 2009	Mr P Barry	Macclesfield	53	*
23 Jan 2009	T R Barber	Macclesfield	54	*
23 Jan 2009	T Kashmiri	Macclesfield	55	*
23 Jan 2009	D V Frankling	Macclesfield	56	*
23 Jan 2009	Dave Goodall	Macclesfield	57	*
24 Jan 2009	Tony Bently	Macclesfield	58	*
24 Jan 2009	Jim Leonard	Macclesfield	59	*
26 Jan 2009	Rafique Ahmed	Macclesfield	60	*
22 Jan 2009	P Cheakley	Macclesfield	61	*
22 Jan 2009	M Murray	Macclesfield	62	
* Letters contain the same content				

Breakdown of costs by licence type**Hackney carriage/private hire vehicle licence (annual licence)**

Item	Number of hours	Cost¹
Initial processing of application	2.75	137
Vehicle test ² including administration	1.5	75
Issue of licence/plates	0.5	25
Cost of materials (plate/backing plate/rivets and seals etc)		23
Element for 'control and supervision'		40
TOTAL		300

Hackney carriage/private hire drivers licence (three year licence)

Item	Number of hours	Cost
Initial processing of application	3	150
Knowledge test		
Issue of licence/plates	0.5	25
Cost of materials (drivers badge etc)		10
Element re: Committee hearing		19
TOTAL		204

Operators' licence (five year licence)

Item	Number of hours	Cost
Initial processing of application	3	150
Issue of licence	0.5	25
Element for 'control and supervision' (Over 5 year period £34 per year)		170
TOTAL		345

¹ Based on an hourly rate of £50 per hour

² Based on an average over the three existing districts

Summary of Comments Received

- 87% increase for a drivers licence.
- Proposals are way above inflation and unacceptable
- Licences should be capped, and then the proposed increases would be more acceptable.
- 30% increase for a vehicle licence.
- Proposed increases are disgraceful and add yet another burden on operators, which will surely lead to fare, increases to the paying public.
- CBC reduced the operator's licence from 3 years to 2, why do we need a 5-year one?
- High fuel prices last year and with the current recession, this will leave businesses struggling and more people will be out of work.
- This will affect small businesses.
- It is felt that we do not receive a supportive service for our money now, so why should we pay more?
- The increased cost of operating a Hackney carriage vehicle by 43% is unfeasible and counter intuitive. In the current economic climate, central government is committed to making sure that small businesses can stay in business. The idea of increasing operating costs so dramatically without any added benefits to us as operators does not fit with this principle.
- According to the Local government (Miscellaneous provisions) act 1976 it is the council's responsibility to keep the cost of licences proportionate to the cost of administering the licences and the public ranks. We cannot see how this cost has shot up by 43% in the last 12 months.
- We would like to see the current proposals reconsidered and a more reasonable proposal put forward.