

Dear Sir Nicholas,

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Thank you for your recent letter which included a letter and agenda from Cheshire East Council.

I have several problems with the content of the letter from Cheshire East it seems apparent that there are Committee meetings taking place to discuss licensing fees which are not being held open to the public or the trade to which they account for, I was not made aware of the meeting that took place on the 19th December 08 and likewise the forthcoming one in March of this year, neither was I sent (in good time) a copy of the proposed fees which I became aware of via a local newspaper.

I would also like to refer to the "Charges" made by the Council that discovered were being made for a Licensing officer based on a per hour rate of £50ph ? Based on a 40 hour week that would mean that the officers income would be £104,000 pa ! (apart from wishing to apply for such a position I doubt that any officer is on this income level) which brings me to the legal element of what Councils are allowed to charge, in the Cheshire East letter they quote section 53 of the 1976 act " provides the Authority with the power to charge "such a fee as they consider reasonable with a view to recovering the costs of issue and administration" however the bit they left out reads "it does not allow for transferable surpluses of profit".

I give you the case of Manchester City Council V King (1991) LGR696 (QBD) in which it was held that the Act did not allow the Council to raise anything other than the costs of the scheme.

Therefore the fees could not subsidise any other Council function and were "ring fenced" for the purposes of the licensing section.

I would therefore like to see details of the "ring fenced income" and the number of licences issued for both PH and Hackney (including plates, licences, testing fees, etc) so that a gross income figure can be obtained with which to account for costs versus fees in order to ascertain whether there is an element of profit being made or foreseen in the licensing section of the Council.

I also would like to make a statement about the list of objectors to the Licensing increase in fees that was included in the letter, some 62 representations were received by the Council however they state that 46 of them were the same letter (this leaves a possible interpretation that all the letters were from the same person and it is not clear whether they were the same "Type" of letter from 46 individuals or from "One " person ?) Of course I was not surprised to find that my name was not in the list of objectors they provided, which begs the question as to how many "Actually" have made a complaint to the Council ?

One last point to make about the Licensing section of the Council is that they are not solely dealing with Taxi/PH licensing, they are also responsible for Public House, Street Traders, Events, Licensing etc,etc, so calculations as to costings cannot be based on the vehicle licensing section alone, I have yet to see a breakdown for this.

Yours faithfully

Dear Sirs,

I write in response to your letters of 20-1-09, and 18-2-09, re the proposed increase of Hackney Carriage and Private Hire licence fees to which I most strongly object to, and my reasoning is, as follows.

My background is that I am a Macclesfield Hackney Carriage owner/driver with over 20 years experience in the taxi trade during which time I have seen the number of taxis increase from (approx) 100 to the present figure of (approx) 400 Hackney Carriage and 120 Private Hire vehicles.

Last year (23rd April 2008) we had a new taxi-tariff introduced, which increased the initial minimum fare from £2.25 for the first 1,290.8 yards to £2.60 for the first 1,466.69 yards. At first glance it seems a reasonable increase of 35p (even if the distance was extended by 13.626%), but this was our first and only increase since 17th March 2005, over 3 years ago. During that time fuel has gone up from 83.9p/litre to 101.9p at the pumps today, but reaching a high of 133.9p/litre in July 2008 inbetween. This, together with all the other "cost of living" increases has seen my expenses go up from £10,350 in 2004/05 to approx. £14,000 this financial year. While my takings have gone down by over £3,000 in the last two years alone. Nowadays, like a lot of other drivers in the trade, to try and offset some of this loss in earnings I've increased my working week to approx. 75+ hours/week.

On top of this economic downturn, we are now being told of your proposed increases of;

- (i) Taxi Vehicle Test and License, from £210 to £300 per year,
- (ii) Hackney Carriage / Private Hire Drivers License, from £111.00 including the cost of a C.R.B., to £204.00 per 3 years, but now plus the cost of a C.R.B.

When you look at your proposed increases, to what increase we got to the taxi tariff, there is no comparison. I do understand that everybody's costs do go up and an inflation rate rise would certainly be a lot more readily accepted by the taxi trade in the present economic climate. My own costs would only be affected by "times one", but for companies their costs would be increased by many hundreds or thousands of pounds per year, causing hardship at best, or closure of business at worst.

I believe also, that one of the reasons these proposed fees are being introduced is to try and standardise into one set of charges for the new district of East Cheshire formed by the merger of Macclesfield, Congleton, Crewe and Nantwich Boroughs. Although you would have one set of fees, you would have three separate taxi tariffs, in regulated and deregulated areas, in three separate zones where drivers from one old borough area would not be able to work in any of the other two. In your proposal this situation would continue until a completely unknown date, to be decided upon sometime in the future. Surely common sense should prevail and that a common set of taxi tariffs be introduced as and only when the three different zones, tariffs and regulatory, or deregulatory conditions disappear and merge into one.

I thank you for your time in reading

Congleton Borough
16 MAR 2009
Council

16TH MARCH 2009

DEAR SIR/MADAM

I AM WRITING TO YOU REGARDING YOUR LETTER ABOUT PROPOSED INCREASES IN
PRIVATE HIRE & HACKNEY LICENSE FEES FROM 1ST APRIL 2009.
CONSIDERING THE PRESENT ECONOMIC CLIMATE I THINK THE PROPOSED INCREASES
ARE FAR TO EXCESSIVE

Licensing Section,
(Cheshire East Council),
c/o Congleton Borough Council,
Westfields,
Middlewich Road,
Sandbach,
CW11 1HZ.

Re: Proposed Fee Increase

On behalf of the M.H.P.H.A. members we write in response to your proposed increase in charges for joint hackney/private hire drivers badge and hackney/private hire vehicle license.

Firstly the present cost for our members for either a hackney or a private hire badge is £75.00 ,very few members have a desire for both badges therefore the proposal to only offer a joint badge at a cost of £204.00 incurs a massive hike of 172%.

We feel the proposal speaks for itself in terms of its audacity as a result of a merger. We strongly oppose the new increases as our trade has suffered dramatically over the past 12 to 24 months like many other trades. One only has to look at the boarded up public houses and shops in our town centre to see the decline in trade in general. We have no wish to propose an increase in tariffs as our customers are also blighted by the current economic situation.

Secondly we object to the proposed increase of 43% in the cost of an annual hackney/private hire plate on the above mentioned grounds. To our knowledge we are approaching an era of redundancies and many people accepting marginal or no increases in pay. This must apply to local councils also as its not only your workforce that you should be protecting but the community as a whole.

Yours Sincerely

To: LICENSING Cheshire East

Sent: Wednesday, March 18, 2009 12:18 AM

Subject: Representation - Proposed Hackney Carriage / Private Hire Licence Fees.

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The comments / objections relate to the results of the harmonising exercise rather than the principle of harmonisation, which is accepted.

(Reference is made to the figures in the attached file, which is a Microsoft Excel worksheet saved in HTML format, which should be capable of being read by any Windows (XP and vista) machine. PLEASE ADVISE IF ANY PROBLEM WITH THIS FORMAT AND I WILL SUPPLY ANOTHER FORMAT)

A. GENERAL PREAMBLE.

Whilst there are areas with an increase in revenue and a decrease in others, the preponderance is in the area of increase. Where a decrease is seen, the figures are relatively minor -10%, -13 % for vehicle licences in Crewe.

The apparent 15 % decrease for a Private Hire Operators licence in Congleton is misleading because it is calculated on the new 5 year basis when historically it has only been available on a 2 year basis. To be clear until now a Congleton operator has paid £163 for 1-4 vehicles for a 2 year licence but will now have to pay £345 for a 5 year licence i.e. an actual 112% increase in immediate expenditure.

Similarly the % increase for a Drivers Licence in Macclesfield is misleading because currently a Hackney Licence and Public Hire Licence are available on an individual basis at a cost of £75 for 3 years. This relates very well to business needs, where drivers tend to operate as PH drivers, e.g. Corporate/contract work and do not "work the ranks" can be obtained individually. The % increase in this case then becomes a staggering 172%!

The remaining percentages are equally frightening an increase of 87% for a Drivers licence in Congleton, 74% for a vehicle licence if over 7 years old. In Macclesfield Vehicle licences will increase by 43 % and Drivers at best 36% and at worst 172%.

It is not surprising that no objections come from Crewe as the costs will at best be lower and at worst be neutral. However for Congleton & Macclesfield the opposite is the case, very significant increased. See also point D below, which indicates Crewe have a higher charging tariff. They will be ecstatic!

It is noted that the proposed fees appear incomplete as no mention is made of the fees for vehicle Inspection on Vehicle replacement nor the fees for any retest following "Pink Remedial Ticket" on Vehicle inspection nor the fee for less than 7 days notice of test. **Can it be assumed that as Committee approval is not being sought that these fees have been abandoned?**

B. GENERAL OBJECTIONS / COMMENTS.

1. If approved, these fees will generate an INCREASE IN REVENUE for East Cheshire Council of at

19/03/2009

least 19.24% as to that received by the replaced councils, and this without any increase in service level or support! (This figure is based on the actual number of current licences, as informed by the 3 outgoing councils, and does NOT take into consideration revenue from the miscellaneous replacement/transfer fees.) **In the current economic climate and taking into consideration that an objective of LGR was a reduction in cost to consumers/customers, this is totally unjustifiable and unsupportable.**

Consideration must be given to producing a proposal which is NEUTRAL in terms of revenue to the council. This could be achieved by adopting fees as outlined in the counterproposal document. This allows for a small Inflationary Increase.

2. If approved this would leave East Cheshire as one of the most expensive areas in the region e.g. Stoke-on-Trent City Council proposed £240 for vehicle licence fees; Staffordshire Moorlands £171 for Private Hire Vehicle (PHV) licence and £125 for a Hackney Vehicle Licence; Vale Royal Borough Hackney £220, PHV £200, PHV Operators £220 (up to 9 vehicles). This would suggest that, with the exception of Crewe, the previous fees were in line with other authorities. It is difficult to accept that ALL these authorities were not covering their cost base.

3. The approach of establishing a "scientific" method to establish the costs is most welcome and should be applauded. However, the number of hours estimates used to support the fees would appear to be inflated. For example, experience of the vehicle testing function, including the test itself and the administration aspects of copying documentation, etc is that 1 hour is about correct and not 1.5. VOSA recommendations for an M.O.T test, which is no more and no less stringent than the council test is 45 mins. It is also difficult to understand, when considering the content of the applications forms how the estimates are justified. There is nothing in any of the forms which would require lengthy investigation. It should be a matter of following a simple checklist, e.g. Has the vehicle been tested by the council, is it insured, valid MOT, Operators licence in Force, CRB report O.K. Controversial and even cynical though it may be, perhaps an external work study engineer could help to ratify the work estimates and establish appropriate "check lists". Extreme care must be taken also to ensure that "management" overheads are not included as an apportionment unless they are relevant to the item in question and have not also been included in the "Labour Rate" calculation already. i.e. the £50 per hour.

4. Other authorities recognise that a renewal of a licence is less costly than an application for a new licence. i.e. licence renewals less costly than new licences. This is not reflected anywhere in the proposal. However the logic is sound a renewal takes less work than a new application, fewer new records to create on systems.

C, 6 MONTH TEST PROPOSED FEE.

1. The proposed fee £75 is excessive. This is 1.5 times as expensive as a VOSA M.O.T., and the council test is quite rightly no more and no less rigorous than a VOSA MOT. It would be less costly to use an outside agency, where a fee of £50 is the average payable. A VOSA M.O.T is very rigorous nowadays with computer controlled testing for most safety items, i.e. brakes, emissions and lighting. (The only major safety item not computer controlled is the seat belts.)

D. HACKNEY CARRIAGE VEHICLE LICENCE FEE.

IT IS TOTALLY AND ABSOLUTELY INEQUITABLE AND UNFAIR THAT THE HACKNEY FEES ARE NOT BEING "ZONED" IN THE SAME MANNER AS THE FARE STRUCTURE.

This proposal will lead to a totally indefensible situation where by "cabbies" in Congleton and Macclesfield will pay the same fees as their colleagues in Crewe & Nantwich, yet will have their earnings controlled AT A LOWER LEVEL than their colleagues in Crewe & Nantwich. Reminder; the Authority controls the Fare Tariffs, which sets the maximum amount which can be lawfully charged by Hackney carriages. It is these Tariffs which are automatically implemented in the Taximeters, which are legally obliged to be fitted to Hackneys. Whilst the current tariff 1's are stated in different ways the bottom line is Congleton £2.60 for first mile and £1.80 each subsequent mile; Macclesfield £2.80 for first mile and £1.70 each subsequent mile and Crewe £3.80 for first mile £1.80 each subsequent mile.

TO BE EQUITABLE, FOR BOTH PUBLIC, WHO PAY THE FARES, AND THE CABBIES, HARMONISATION SHOULD TAKE PLACE AT THE SAME TIME. THE HACKNEY LICENCE FEE PROPOSAL SHOULD BE ABANDONED AND INCLUDED AS PART OF THE "ZONING" STUDY.

As a point of interest in a "De-regulation Study" commissioned for Ellesmere Port & Neston in August 2007, from a total population of 377 authorities, Crewe & Nantwich ranked 84, Macclesfield ranked 224 and Congleton ranked 278 in terms of fares. I.E. Crewe & Nantwich ABOVE AVERAGE FOR WHAT IS TYPICAL ELSEWHERE ACROSS THE U.K. whilst Congleton & Macclesfield BELOW AVERAGE.

E. DRIVER LICENCE FEE.

It is accepted that IF THE FEE CAN BE SHOWN TO BE AN ACCURATE RECOVERY OF ACTUAL COSTS INCURRED, then grounds for a "cheaper" 1 year licence or a separate PHV licence for Corporate / Contract drivers, will be difficult to justify, ALBEIT that any cheaper option would be of benefit to the trade at the current time.

F. PRIVATE HIRE OPERATOR FEE.

Similar to (E) above, it is accepted that IF THE FEE CAN BE SHOWN TO BE AN ACCURATE RECOVERY OF ACTUAL COSTS INCURRED, then grounds for a "tiered licence, tiered either by number of vehicles or for annual, biannual, 5 year tiers, will be difficult to justify.

Best Regards