

18th. March, 2009.

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

Local Government (Miscellaneous Provisions) Act 1976
Fees and associated charges for the Licensing of Vehicles, Operators and Drivers.

Dear Sirs,

We note the contents of the letter of 18th February, 2009 from Cheshire East Council advising the further period for the submission of Objections to the proposed fees for the licensing of vehicles, drivers and Operators for the new Cheshire East Council area to be effective from 1st April, 2009.

In order that the trade might consider the detailed terms of our objection to these proposed fees and charges we submitted a written request to the council on 6th March, under the Freedom of Information Act, seeking certain information to assist in preparing the substance of our Objection.

We received a confirmation of that request and were advised by Mr. Potts, Licensing Officer, that the information would be supplied in due course.

You will appreciate the limited amount of time allowed for the submission of objections and at present we must advise you that to date we have not received the information requested and therefore have been unable to consider and prepare a detailed statement in support of our Objection.

We set out below a number of observations in respect of the process by which the council has proposed the fees advertised. We would hope that it might be possible to prepare a further submission when we have received the information requested and that this might be considered by the Committee at its forthcoming meeting to be held on 30th March, 2009.

We note the report to the Licensing Committee held on 13th February, 2009 which includes recommendations to determine the fees for the grant and renewal of various licences, both those for holders of existing licences issued by the three constituent authorities of the new body and for new applicants after 01 04 09.

We are concerned that the total cost of licensing for a driver and vehicle proprietor is significantly higher than in many authorities and in particular the fees previously demanded by the current Macclesfield Borough Council.

We must note with concern that the proposed fee for the renewal of driver licences is considerably higher than that charged in many authorities.

We have shown below (Appendix A) a comparison of fees in a metropolitan authority in North East England, which indicates considerable differences.

Specifically, we would ask the council to note that the fee for the grant/renewal of Driver licences is stated in Section 53 (2) of the Act as being levied

‘with a view to recovering the costs of issue and administration’

In that respect we find it difficult to understand how the council will have such significantly greater costs associated with that activity.

We appreciate that almost all councils do not maintain subjective cost centre accounting for driver licences distinct from other taxi-related licensing: indeed, we are unaware of any council which accounts separately for driver licensing.

To submit any reasoned argument in relation to the overall cost of taxi licensing borne by the members of the trade, it is essential that we are able to consider the costs and staff time allocated and charged to the taxi licensing activities of the council.

The Report to the Committee did not provide members with any detailed financial forecasts or budgetary information.

The proposed level of fees has been advised to be based upon an ‘hourly rate’ for officers’ time associated with the administration of licences; this rate having been derived from direct and indirect cost data.

We believe the new Council should be establishing a Subjective Cost Centre for the administration of Taxi licensing from 01 04 09 and to that end the authority must necessarily have a draft budget to demonstrate that the income likely to be derived from the new fees proposed will not exceed the forecast costs of operating the licensing function for Taxis. Without such information the council could not comply with the requirement of S70 of the Act

We would wish to have sight of (as requested) the most recent annual accounts, current year budget and results to the last accounting period for each of the current authorities to the end of the last accounting period for which they might be available, and the budget for 2009/10, to assist in submitting a detailed commentary on the fees proposed.

Therefore, we ask the council to note that this statement from the trade has been prepared in the absence of the detailed information still awaited.

APPENDIX A

Cheshire East Council – Fees for the licensing of Hackney Carriages, Private Hire Vehicles, Drivers and Operators – from 1st April, 2009.

Appendix A to letter of 18th March, 2009,
Submitted by Macclesfield Hackney and Private Hire Association.

We set out below a comparison of the proposed fees for Cheshire East Council and a metropolitan district authority in North East England.

Comparative licence fees are:-

	North Tyneside MBC	Cheshire East	[Macclesfield.] (Current)
(Proposed from 01 04 09 all per annum)	£	£.	
Drivers Licence - Renewal /Grant			
Single - Hackney Carriage/PHV	42		[25 – single]
Combined Licence	54	68	
Vehicle licence fees			
Hackney Carriage/ PHV	236	300	210
Under 4 years – incl. 1 test			
Hackney Carriage/ PHV	274	375	310
Over 4 years old - incl. 2 tests			
Operator licences	350	345	330 [Five yrs]

All fees for vehicles in North Tyneside MBC include standard testing to the Council's desired frequency at the fees stated and carried out by the council's own transport department and are budgeted on a full cost basis..

What evidence has the Council to justify fees for the issue of drivers' licences substantially higher than those charged by many authorities in England and Wales?

Why does the Council assume there is benefit to drivers in issuing a 'universal' driver licence. Drivers of Hackney Carriages are subject to the bye-laws, PHV Drivers are subject to the council's Conditions of Licence. These are two distinct regimes. The use of combined licence fees does not mean that two licences are not in force.