

REPORT TO LICENSING COMMITTEE



DATE	8th November 2023
PORTFOLIO	Community & Environment
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Taxi Licence Fees 2024

PURPOSE

1. To determine the level of taxi licence fees effective from January 2024.

RECOMMENDATION

2. To propose that taxi fees remain unchanged for 2024, and agree that costs incurred by the 6 monthly DBS update service checks through the year be built into next year's full review of fees, **OR**

To increase the fee for Private Hire and Hackney Driver licences by £15, effective from Jan 2024, to cover the cost of the 6 monthly DBS update service checks required in years 2 & 3 of the licence.

REASONS FOR RECOMMENDATION

3. Taxi fees are set to recover those costs which are permitted by legislation from the holders of taxi licences. The costs include issuing and administering all taxi licences, together with the costs of supervision and control of vehicle and operator licences, and the costs of inspection and provision of hackney ranks.

SUMMARY OF KEY POINTS

4. Taxi licence fee setting is a function of the Licensing Committee. Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 permit the Council to set driver, vehicle and operator licence fees to recover certain specified costs. The effect of the legislation is that the service must not generate a profit to the Council. There are some costs which cannot legally be recovered from fees and other costs that the Council chooses not pass to on via fees eg Democracy costs. Those costs are borne by the Council's general fund.

5. Whenever it is proposed to vary vehicle and operator fees so that the fees exceed £25, the legislation requires that a 28 day public notice of the proposed fee must be advertised. No advertisement is required for driver fees. As no variation to vehicle or operator fees is proposed at this time, no advertisement costs will be incurred.
6. In Burnley the vehicle test element is payable direct to one of the testing stations approved to carry out taxi testing, each testing station sets their own charges within a competitive marketplace. Pre-application training and assessment charges are also paid directly to the provider including initial DBS costs (which include the first year of DBS update service checks), safeguarding courses and medical checks. Other business overheads eg insurance, fuel & PDA rental are outside of the control of the Council.
7. In 2015 a framework methodology was agreed with the trade to recover appropriate costs from each regime via fees. It was agreed that there would be a full review of fees every three years, to correspond with the duration of a driver licence, and that a light touch review would take place each year so that any significant shifts in expenditure could be accommodated. This year is the second in the three-year cycle, so no increase is required at this time unless there is a compelling reason to do so.
8. A review of the income and expenditure with Finance colleagues shows the budget to be broadly in line with Q1 and Q2 expectations at the time of writing this report. However, a new expense will be introduced into the budget this year because 6 monthly DBS update service checks must be completed for drivers in line with the statutory standards. These checks highlight any change in the driver's convictions since the DBS certificate was issued when the licence was first granted. Driver licences usually run for three years, and whilst the first year of electronic checks is included within the fee, those in the second and third year have to be paid for by the Council. The annual cost of these checks is £7.50, so the cost to the Council for 2 years is £15. The options are to build the cost that accrues from these checks into the full fee review due next year, to set fees for 2025 onwards, or increase driver licence fees by £15 now, effective from Jan 2024.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

9. Fees seek to recover permitted costs in accordance with the Council's taxi fee policy.

POLICY IMPLICATIONS

10. None.

DETAILS OF CONSULTATION

11. Taxi Task Group
12. Councillors Ishtiaq, Lewis and Khan

BACKGROUND PAPERS

13. None

FURTHER INFORMATION**PLEASE CONTACT:****Joanne Swift****ALSO:****Karen Davies**