

# Licensing Committee



22 March 2024

<b>Title</b>	Setting of Fees & Charges for the licensing of Hackney Carriages, Private Hire, and Private Hire Operators 2024-2025
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	Tracey Willmott-French, Senior Environmental Health Manager
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	NA
<b>Corporate Priority</b>	Resilience, Service Delivery
<b>Recommendations</b>	<p><b>Committee is asked to:</b>            Consider the proposed fees and trade representations, and either: -</p> <ul style="list-style-type: none"> <li>a) Confirm agreement with the proposed taxi and private hire fees and charges set out at Appendix A; or</li> <li>b) Agree amended fees following consideration of consultation feedback, as provided within the report and Appendix B.</li> </ul>
<b>Reason for Recommendation</b>	In accordance with the Constitution, Committee is asked to approve the Licensing Fees for Taxi and Private Hire Licensing.

## 1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>• The Council has a duty to consult with the public when they intend to amend their fees and charges in respect of taxi and private hire licensing.</li> <li>• The Council has received eight responses its consultation on the variations proposed changes to of taxi and private hire licensing fees for 2024/2025.</li> </ul>	<ul style="list-style-type: none"> <li>• Government policy guidance recommends that licence fees are based on full cost recovery, thereby ensuring that taxpayers are not subsidising licensed trades.</li> <li>• The Act specifies that the costs related to issue and administration of licences can be recovered in driver's licence fees.</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>• The Committee must therefore consider the objections.</li> </ul>	<ul style="list-style-type: none"> <li>• Committee to consider the objections and make a decision on the fees.</li> </ul>

- Committee must decide upon the fees, and set a date on which the fees shall come into force, with or without modifications

- The Licensing team shall take forward the actions outlined in sections 2.4 through to 2.11 of this report.

- 1.1 This report seeks to inform the Licensing Committee of the consultation responses to the proposed fees for 2023/24 following trade consultation.
- 1.2 Section 53 of the Act specifies that the costs related to the issue and administration of licences can be recovered in driver's licence fees in respect of vehicle and operator licences. In accordance with Section 70 (3) of the Local Government (Miscellaneous Provisions) Act 1976, the Council is required to undertake a statutory 28-day consultation when variations to operators and vehicle licence fees are proposed.
- 1.3 The proposed fees were considered by the Licensing Committee and were approved for consultation purposes at a meeting on the 5 December 2023. These fees have been set out, based on estimated officer time, and including permitted costs. The proposed fees for 2024-2025 are attached at **Appendix A**.
- 1.4 An advert was published in the Surrey Advertiser on 15 December 2023 to notify the public of the new proposed fees. The advert was also advertised at the Council Offices, and on the Council's website. Further, all licence holders were contacted by email on 21 December 2023 to seek their views on the proposed hackney carriage and private hire licence fees.
- 1.5 The last day for comments on the consultation was 19 January 2024.

## 2. Key issues

- 2.1 The Council received EIGHT objections from licence holders for consideration by the Committee. These are attached at **Appendix B**. No comments or objections were received from the public.
- 2.2 Several of the drivers strongly reject the fee increase and requesting to withdraw the proposal, and some have stated they will turn to Spelthorne's public for support and take legal advice if the price increase does go ahead.
- 2.3 A summary of the objections received is set out below: -

	The responder states: -	Objection from responder number							
		1	2	3	4	5	6	7	8
A	Spelthorne's policy prohibiting vehicles having tinted windows should be removed.	X		X	X		X	X	X
B	Spelthorne's policy prohibiting vehicles older than 10-years should be changed due to the financial burden it places on drivers.	X			X				
C	At present moment Spelthorne's fare is at - 33.5% in recession. The Council have not increased the hackney carriage meter tariffs since 2015.	X	X	X	X	X	X	X	X
D	The respondent states there is the taxi rank in Gresham Road is poor and needs new road markings and signage.	X			X				

	The responder states: -	Objection from responder number							
		1	2	3	4	5	6	7	8
E	The respondent states the Licensing service provided is not acceptable due to staff due to staff shortages, annual leave, or long-term sickness; and feel this must be investigated. Due to the poor service the respondent feels the price increase is unfair. The service must improve before fees are increased.		X	X			X	X	X
F	The respondent states that they have concerns about GDPR, and the length of time driver records are kept, how the data is stored, and who has access to it. The respondent has suggested a practical test of the GDPR system.		X						
G	The respondent states that during COVID the Council required drivers to pay the full licensing fee, while Runnymede Borough Council gave drivers £1500-£2000, and TFL gave support also.		X						
H	The work of Spelthorne's licensed trade has reduced by 70%+ due to UBER and BOLT, and they are struggling.		X				X		
I	Most of the drivers are paying £12.50 ULEZ daily charge from 29 August 2023, if a driver is working 6 days a week it's 107 days and he/she already paid £1337.50.  No action has been taken by the licensing department, while neighbouring councils support their drivers; increased the fare, removed some of the restrictions including tinted windows and age of the vehicles, and even provided some funds to their drivers.			X			X	X	X
J	Spelthorne is the only Borough which has only one Taxi rank which is 24hrs for about hundreds Hackney Carriage drivers and doesn't have a Taxi rank in the main side of the railway station. Also, missing taxi signage at Staines Railway station			X			X	X	X

#### Licensing responses to objections submitted: -

- 2.4 The Licensing Committee should note that there is no formal recognised trade association in the Borough.
- 2.5 The responses in the main relate to policy matters and matters of tariff, together with the national cost of living crisis and introduction of ULEZ; being outside of the scope of the fees associated with the fees attributable to the costs of the service.
- 2.6 Driver response line in table above (A and B): Requests for the Licensing Policy prohibiting vehicles having tinted windows, and vehicles being older than 10-years =

- The Taxi Licensing Policy will be reviewed in the 2024/2025 financial year and these issues will be reviewed.
- 2.7 Driver response line in table above (C): Request for a fare chart review - the Local Government (Miscellaneous Provisions) Act 1976 permits the Council to fix the fares charged by the trade =
- It was the Council's intention to review the hackney carriage fare tariffs in financial year 2023/2024. Unfortunately this was not possible due to staffing issues. This will now be brought to the Licensing Committee and public/trade consultation during the summer 2024.
- 2.8 Driver response line in table above (D): The taxi rank in Gresham Road is poor and needs new road markings and signage =
- The Council will review the condition of the Gresham Road taxi rank in the coming financial year.
- 2.9 Driver response line in table above (E): The staffing situation and the service provided must improve before fees are increased =
- The Licensing team have had issues with staff absence due to long-term illness and two vacant posts. The vacant posts have been advertised twice unsuccessfully, and we are currently going through the recruitment process a third time, changes have been made that may bring more success this time.
- 2.10 Driver response line in table above (F): Concerns about GDPR =
- Information addressing the concerns outlined in the driver's response is contained in the Council's Privacy Notice for Taxi Licensing, which can be found on the Council's website at [Privacy Notice - Taxi Licensing - Spelthorne Borough Council](#).
- 2.11 Driver response line in table above (G): During COVID Spelthorne Council required drivers to pay the full licensing fee, while other Council's provided their drivers with financial support =
- During COVID Spelthorne Borough Council took the following actions to provide support to its drivers: -
    - 29 January 2021 (12.19pm) the Licensing Team emailed all Spelthorne drivers informing them of a discretionary financial support grant scheme that they could apply for, along with details on how to apply.
    - Throughout the covid pandemic, the Licensing Team continued to provide drivers with appointments for vehicle inspection, and licence/badge renewal.
    - The Licensing Team provided support and guidance to operators and drivers on how to stay safe whilst working
- 2.12 Driver response line in table above (H): Concerns about Uber and Bolt operating in Spelthorne =
- It is the Licensing Authority's primary role to protect the public, however it can understand the drivers position. The Council cannot lawfully prevent operators such as Uber or Bolt Drivers from operating in the Borough of Spelthorne.

- 2.13 Driver response line in table above (I): Feel that the Council has not supported drivers with the impacts caused by the introduction of the ULEZ on the Spelthorne Boundary =
- Spelthorne Borough Council objected to the introduction of the ULEZ due to its financial impacts on businesses and residents within Spelthorne, including its licenced drivers.
  - Responses provided to driver's concerns regarding the issues of Licensing Policy and the tariff review have been addressed in sections 2.4 through to 2.12 of this report in respect of will be taken forward through 2024/2025.
- 2.14 Driver response line in table above (J): Regarding the missing taxi signage at Staines Railway station, and the installation of a taxi rank on the main side of station: -
- The land on the main side of Staines railway station is privately owned and not in the control or influence of Spelthorne Borough Council.
  - The Licensing team have contacted Southwest Trains asking about the missing signage, but they did not receive any replies. The officers subsequently visited the station and the station agreed to reinstate the signage but did not give any timescales. The Licensing team will approach the Railway Station to see if they would be willing to reinstate the taxi signage and if so when.
  - The Licensing team will also approach the Railway Station to see if they would be willing to install a taxi rank.
- 2.15 Objections have been made and not withdrawn. Therefore, the Committee must consider the objections and set a further date on which the fees shall come into force, with or without modifications.

### **3. Options analysis and proposal**

- 3.1 The Committee may after consideration of the objections: -
- 3.2 **Option 1** – to agree the proposed fees noting the consultation responses and undertake to bring forward reviews of the policies expressly referred within a reasonable timeframe pursuant to meaningful consultation and carry out a full review of fees in the 2024/25 municipal year. **(This is the preferred option)**
- 3.3 **Option 2** – to agree the proposed fees with other amendments provided that such amendments are permitted by legislation.
- 3.4 **Option 3** – not to agree the proposed fees - while this is an option it is not realistic considering the legal considerations outlined in section 7 below.

### **4 Financial management comments**

- 4.1 If the proposed percentage fee increase is not agreed, then the income from the hackney carriage and private hire regime will not cover the costs.
- 4.2 Government policy guidance recommends that licence fees are based on full cost recovery, thereby ensuring that taxpayers are not subsidising licensed trades.
- 4.3 Lower fees would mean that the Council is not recovering its costs associated with the provision of hackney carriages, private hire, and private hire operator

licensing, and the budget would be in deficit. Higher fees may result in a profit, and this would be potentially unlawful.

- 4.4 Further information regarding the calculation of fees is provided in section 7 below.

## **5 Risk management comments**

- 5.1 Fees may be challenged in the High Court (Judicial Review) or by complaint to the Local Auditor. It is therefore important that the process the Council follows is fair, open, and transparent.

## **6 Procurement comments**

- 6.1 There are no procurement issues associated with the setting of fees and charges for the licensing of hackney carriages, private hire, and private hire operators.

## **7 Legal comments**

- 7.1 The Council have fully reviewed the costs associated with granting, renewing, and maintaining compliance in line with legislation and case law.
- 7.2 Section 53 of the Act specifies that the costs related to the issue and administration of licences can be recovered in driver's licence fees in respect of vehicle and operator licences.
- 7.3 Section 70 specifies that the reasonable cost of inspecting vehicles, the reasonable cost of providing hackney carriage stands and any reasonable administrative costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles can be included in the fees.
- 7.4 The legislation does not require Councils to make precise calculations to arrive at an income which exactly meets the costs. However, Councils are required, to take a reasonable and proportionate approach and should aim to set a fee level that is sufficient to cover the cost but not make a surplus.
- 7.5 Taxi fees are required by law to be cost neutral thereby reducing the risk of local taxpayers subsidising businesses, and thus ensuring that businesses do not pay more than they should.
- 7.6 The fixing of fees proposed in the attached fee schedules at Appendix B for is a function of the Licensing Committee as laid out in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000.
- 7.7 Fees for vehicle and operators' licences – the Local Government (Miscellaneous Provisions) Act 1976 Section 70(5) states: "if objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the variation shall come into force with or without modification as decided by the district council after consideration of the objections".
- Objections have been made and not withdrawn. Therefore, the Committee must consider the objections and set a further date on which the fees shall come into force, with or without modifications.
- 7.8 Spelthorne's Legal Team has been consulted and involved in the drafting of this report.

## **8 Other considerations**

8.1 There are none.

## **9 Equality and Diversity**

9.1 An equality impact assessment has been carried out and these are attached at **Appendix C** and **D**. No significant impacts were identified through the assessment.

## **10 Sustainability/Climate Change Implications**

10.1 Taxi and Private Hire vehicles help reduce the need for private ownership of cars. They also play a pivotal role in transporting children to/from school and supporting the night-time economy. They can also help reduce emissions to the atmosphere.

## **11 Timetable for implementation**

11.1 The fees will take effect on the 1 April 2024.

## **12 Contact**

12.1 Tracey Willmott-French, Senior Environmental Health Manager, [t.willmott-french@spelthorne.gov.uk](mailto:t.willmott-french@spelthorne.gov.uk)

12.2 Lucy Catlyn, Principal Licensing Officer, [l.catlyn@spelthorne.gov.uk](mailto:l.catlyn@spelthorne.gov.uk) or [licensing@spelthorne.gov.uk](mailto:licensing@spelthorne.gov.uk)

**Background papers:** There are none.

### **Appendices:**

- **Appendix A** – Proposed fees
- **Appendix B** – Objections
- **Appendix C** – Equality and Diversity Assessment One
- **Appendix D** - Equality and Diversity Assessment Two
- **Appendix E** – Current fees