

Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

| ITEM | Yes / No | Date |
|---|-------------------------|---|
| Councillor engagement / input from Chair prior to briefing | Yes – no comment | 09.10.2025 & TBC |
| Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc) | Yes – no comment | 09.10.2025 |
| Relevant Group Head review | Yes (SM) | 05.11.2025 |
| MAT+ review (to have been circulated at least 5 working days before Stage 2) | Yes | 09.10.2025 05.11.2025 |
| This item is on the Forward Plan for the relevant committee | Yes | 08.10.2025 |
| | Reviewed by | |
| Finance comments (circulate to Finance) | Yes – no comment | 09.10.2025 & 05.11.2025 |
| Risk comments (circulate to Lee O'Neil) | Yes | 09.10.2025 |
| Legal comments (circulate to Legal team) | Yes | 09.10.2025 & 05.11.2025 13.11.2025 |
| HR comments (if applicable) | n/a | n/a |

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

| ITEM | Completed by | Date |
|---|---------------------|-----------------|
| Monitoring Officer commentary – at least 5 working days before MAT | L Heron | 13/11/25 |
| S151 Officer commentary – at least 5 working days before MAT | T. Collier | 12/11/25 |
| Confirm final report cleared by MAT | | |

Licensing Committee

24 November 2025

| | |
|----------------------------------|--|
| Title | Review and Setting of Fees & Charges for the licensing of Hackney Carriages, Private Hire, and Private Hire Operators |
| Purpose of the report | To make a decision |
| Report Author | Lucy Catlyn, Principal Licensing Officer |
| Ward(s) Affected | All Wards |
| Exempt | No |
| Exemption Reason | Not applicable |
| Corporate Priority | Environment Services |
| Recommendations | Committee is asked to: 1. Approve the proposed licensing fees and charges set out at Appendix B for consultation purposes and statutory advertising requirements. |
| Reason for Recommendation | In accordance with the Constitution, Committee is asked to approve the Licensing Fees for Taxi and Private Hire Licensing. Committee's approval is also sought to submit the fees for public consultation and statutory advertising requirements. |

1. Executive summary of the report

| What is the situation | Why we want to do something |
|---|--|
| <ul style="list-style-type: none">The fees for 26/27 need to be approved for public consultation by the Licensing Committee | <ul style="list-style-type: none">The Committee need to approve the fees before public consultation |
| This is what we want to do about it | These are the next steps |
| <ul style="list-style-type: none">The Licensing Authority asks the Committee to approve and/or make amendments to the fees. | <ul style="list-style-type: none">Following the Licensing Committee's recommendation if fees are approved consultation will commence |

2. Key issues

Taxi and Private Hire Licensing:

- 2.1 Spelthorne Borough Council in its role as the Licensing Authority (LA) is responsible for licensing Taxis and Private Hire drivers, vehicles, and operators.
- 2.2 The taxi licensing regime is a “two tier” system involving five categories of licence, hackney carriages, and private hire: -
- (a) Tier 1 – the licensing of hackney carriage drivers and hackney carriage vehicles.
 - (b) Tier 2 - the licensing of private hire drivers, vehicles, and operators.
- 2.3 Spelthorne Borough Council currently licenses the following: -
- a) 13 Operators
 - b) 55 Hackney Carriage Drivers (mixture of 3-year and 1-year licences)
 - c) 46 Private Hire Drivers (mixture of 3-year and 1-year licences)
 - d) 40 Hackney Carriage Vehicles
 - e) 42 Private Hire Vehicles

Taxi and Private Hire Licensing Fees:

- 2.4 This report seeks Licensing Committee’s approval to set 2026-2027 fees for hackney carriage vehicles and drivers and private hire licensing, and to initiate public consultation and statutory advertising.
- 2.5 The Council is entitled to recover costs associated with licensing hackney carriage (vehicle and driver), private hire (vehicle and driver), and private hire operator.
- 2.6 The proposed fees for 2026-2027 are provided in Table 1 below.

| Table 1 - Proposed licence fees for 2026/27 | | Licence fees - 2025/26 |
|--|--------|------------------------|
| Hackney Carriage | | |
| New Driver (1 year) | £275 | £249 |
| New Driver (3 year) | £464 | £429 |
| Renewal Driver (1 yr) | £260 | £233 |
| Renewal Driver (3 yr) | £505 | £468 |
| Upgrade private hire driver to a Hackney carriage driver | £246 | £234 |
| Vehicle licence | 287 | £260 |
| Private Hire | | |
| New Driver (1 year) | £280 | £253 |
| New Driver (3 year) | £466 | £429 |
| Renewal Driver (1 yr) | £262 | £236 |
| Renewal Driver (3 yr) | £494 | £457 |
| Vehicle licence | £270 | £257 |
| Operators | | |
| 1-Year | £385 | £367 |
| 3-Year | £1,082 | £1,030 |

- 2.7 The proposed fees consider the increase in costs of providing the service arising from: -

- (a) Full recovery of officer costs including salaries and on-costs, sundries (plates, computer & associated software, stationary, and sundries, and premises (heating, etc.) have been included within the fees proposed for 2026/27.
- 2.8 An increase in the provision of specialist independent medical advice to ensure drivers meet the Group 2 DVLA medical standard in respect of medical reports for hackney carriage and private drivers.

Independent medical advisor costs increased this year from £32.46 to £50.00 per review, with effect from 1 January 2025. Estimated annual cost of medical referrals to the Council is £1000 per year, giving an average cost of £9.90 per driver, which is reflected in the proposed driver badge fees for 2026-2027.

 - (a) The “Hackney Carriage Fare Chart” was reviewed this year and the methodology was approved by the Licensing Committee on 2 October 2025. The cost of performing this work (£3,198) can be recovered as part of the cost of providing the service and is included. To minimise the impact of recovering these costs from the trade, the cost has been spread over a five-year period at based on £14.21 per hackney carriage vehicle.
- 2.9 A list of the current 2025-2026 fees is attached at **Appendix A**, along with a list of the proposed fees which is attached at **Appendix B**.
- 2.10 If approved by Licensing Committee, the proposed fees will be subject to a full consultation process with the licensed trade and other relevant parties. The consultation period would begin following the Licensing Committee.
- 2.11 Following the statutory four-week consultation process, and if no objections are received, the fees will take effect on 1 April 2026.
- 2.12 If objections are received, a further report will be presented to the Licensing Committee meeting setting out the results of the consultation and any amendments made to the proposed fees as a result. The Licensing Committee will determine the fees as well as the date from which it will take effect.
- 3. Options appraisal and proposal**
 - 3.1 **Option 1** – to agree to consult with the taxi trade on the proposed fees. **(This is the preferred option)**
 - 3.2 **Option 2** – to agree the proposed fees with other amendments providing such amendments are permitted and do not take the budget beyond cost neutral.
 - 3.3 **Option 3** – not to agree the proposed fees - while this is an option the service will not be cost neutral if agreed.
- 4. Risk implications**
 - 4.1 Fees may be challenged in the High Court (Judicial Review). It is therefore important that the process the Council follows is fair, open, and transparent.
 - 4.2 In setting its fees and charges, consideration and attention have been made to relevant caselaw.
 - 4.3 To date, the Council has not been challenged on the setting of its fees for licensing. However, a comparable methodology is used for the setting of our

housing enforcement fees, which has been reviewed by the Housing Tribunal in a legal enforcement case and were found to be acceptable.

5. Financial implications

- 5.1 Table 2 below summarises the above-mentioned annual costs incurred by Spelthorne Borough Council in carrying out its duties for the licensing of hackney carriages, private hire vehicles, and operators.

| Table 2 | *Annual Cost | Notes |
|---|----------------|--|
| Officer salary & on-costs including premises and heating, etc | £41,520 | Officers spend 35% of their working time on licensing matters relating to hackney carriages vehicles & drivers, private hire vehicles & drivers, operators |
| Consumables, supplies, and external services | £2,400 | Including specialist medical advice |
| Total | £43,920 | |
| *Financial data provided by Centros (SBC financial database) | | |

- 5.2 Table 3 below provides a breakdown of the number of hackney carriage, private hire, and operators licensed by Spelthorne Borough Council, together with proposed licence fees. Also provided is the summation of the fees generated and then used to work towards cost neutrality for this service.

| Table 3 | No of licensees | Proposed licence fees for 2026/27 | Estimated licence fees to be recovered in 2026/27 |
|---|-----------------|-----------------------------------|---|
| Hackney Carriage | | | |
| New Driver (1 year) | 1 | £275 | £275 |
| New Driver (3 year) | 0 | £464 | £0 |
| Renewal Driver (1 yr) | 9 | £260 | £2,340 |
| Renewal Driver (3 yr) | 13 | £505 | £6,565 |
| Upgrade private hire driver to a Hackney carriage driver | 0 | £246 | 0 |
| Vehicle licence | 40 | 287 | £11,480 |
| Sub-total | | | £20,660 |
| Private Hire | | | |
| New Driver (1 year) | 3 | £280 | £840 |
| New Driver (3 year) | 0 | £466 | £0 |
| Renewal Driver (1 yr) | 14 | £262 | £3,668 |
| Renewal Driver (3 yr) | 7 | £494 | £3,458 |
| Vehicle licence | 42 | 270 | £11,340 |
| Sub-total | | | £19,306 |
| Operators | | | |
| 1-Year | 4 | £385 | £1,540 |
| 3-Year | 2 | £1,082 | £2,164 |
| Sub-total | | | £3,704 |
| Total of fees | | | £43,670 |
| * Data provided by Centros (SBC financial database) & Uniform (EH / licensing database) | | | |

- 5.3 Table 4 below provides a summary of the total costs to the Council in providing the Licensing service balanced against the fees for applications and renewal licences received from the trade.

| Table 4 | *Estimated Annual Cost | Notes |
|--|-------------------------------|--|
| Cost to Council to provide the service (for hackney carriages vehicles & drivers, private hire vehicles & drivers, operator licensing) (Total from table 2) | £43,920 | Officers spend 35% of their working time on licensing matters relating to hackney carriages vehicles & drivers, private hire vehicles & drivers, operators |
| Money received from licence fees (for hackney carriages vehicles & drivers, private hire vehicles & drivers, operator licensing) (Total from table 3) | £43,670 | |
| Difference | £250 | Estimate total shortfall between Council's expenses and fees charged for these licencing activities. |

- 5.4 As can be seen the balance is showing a shortfall of £250 on the recovery of the Council's expenses. This is because adhoc licence replacement requests (e.g. due to vehicle accidents) are random and cannot be included within accounting at this stage as the number varies from year to year. Should the council have any applications for these it would increase the cost recovery accordingly.
- 5.5 If the proposed percentage fee increase is not agreed, then the income from hackney carriage and private hire licensing will not cover the expected costs of running the service, and the additional cost will be met by the taxpayer.

6. Legal comments

- 6.1 Section 53 of the Local Government (Miscellaneous Provisions) Act 1976 ('the Act') enables the Council as licensing authority to recover the costs related to the grant of any hackney carriage or private hire drivers licence together with the costs of issue and administration of private hire vehicle licences can be recovered in driver's licence fees.
- 6.2 Section 70 of the Act enables the Council as licensing authority to charge such fees for the grant of vehicle and operators licences that the Council resolve may be sufficient in the aggregate to cover in whole or in part the reasonable cost of inspecting hackney carriage and private hire vehicle; of providing hackney carriage stands and any reasonable administrative costs in connection with the control and supervision of hackney carriages and private hire vehicles.
- 6.3 The legislation does not require the Council to make a precise calculation to arrive at an income which exactly meets the cost of the administration of the various licences. Councils are required, however, 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.

- 6.4 Although driver enforcement costs cannot be recovered by vehicle licences they can be covered by driver licence fees. This was established **Rehman (on behalf of the Wakefield District Hackney Carriage and Private Hire Association), R (On application of) v Local Government Association [2019] v Wakefield**. Similarly, enforcement activities against licensed operators can similarly be met. Under **R (on application of Cummings & others v Cardiff City Council [2014]** granted a claim for judicial review over the manner in which fees had been calculated. He made declarations that:
- (a) A local authority when determining hackney carriage and private hire licence fees under ss.53 and 70 of the LG(MP) Act 1976 must take into account any surplus or deficit generated from fees levied in previous years in respect of meeting the reasonable costs of administering the licence fees as provided by ss.53 and 70 above.
 - (b) A local authority must:
 - i) keep separate accounts for hackney carriage and PHV licence fees under ss.53 and 70 of the LG(MP) Act 1976;
 - ii) ensure that any surplus or deficit identified under each part of the hackney carriage and private hire licensing regimes is only applied to the part of the system from which it has been raised/lost; and
 - iii) ensure that any surplus from one licensing regime shall not to be used to subsidise a deficit in another.

Corporate implications

7. S151 Officer comments

- 7.1 The proposals meet the requirement to set taxi licencing fees based on a full cost recovery basis.

8. Monitoring Officer comments

- 8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

9. Procurement comments

There are no procurement implications in this report.

10. Equality and Diversity

- 10.1 An equality impact assessment has been carried out. No significant impacts were identified through the assessment.

11. Sustainability/Climate Change Implications

- 11.1 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. In addition, vulnerable and elderly persons are reliant on licensed vehicles. They can also help reduce emissions to the atmosphere by multiple people sharing vehicles and use of electric/hybrid vehicles. These are becoming increasingly common as licenced vehicles.

12. Other considerations

- 12.1 There are none.

13. Timetable for implementation

| | |
|--|---|
| Licensing Committee to agree proposed fees | 24 November 2025 |
| Public Consultation 13.1 Website 13.2 Notice board 13.3 Council Offices 13.4 Newspaper 13.5 Email to all licensed trade (hackney, private hire and operators) | 5 December 2025 for not less than 28 days but not including bank holidays. |
| End of Consultation | 7 January 2026 |
| If no objections fees take effect | 1 April 2026 |
| If objections received Licensing Committee to be convened | Within two months of 24 November 2025, so by or before 24 January 2026 Licensing Committee to determine when fees take effect. Fees must be implemented on or before |

14. Contact

Lucy Catlyn, Principal Licensing Officer

(01784 444295) l.catlyn@spelthorne.gov.uk or licensing@spelthorne.gov.uk

***Please submit any material questions to the Committee Chair and Officer
Contact by two days in advance of the meeting.***

Background papers:

LGA Guidance on locally set fees:

<https://www.local.gov.uk/open-business-lga-guidance-locally-set-licence-fees>

Appendices:

- **Appendix A – Current Fees & Charges 2025/2026**
- **Appendix B – Proposed fees for 2026/2027**