



Committee	Licensing Committee
Date	15/04/2024
Subject	Setting of Fees for Vehicles, Operators and Drivers for 2024/25
Cabinet Member	Councillor Jan Candy Cabinet Member with responsibility for Community Health
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Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not Applicable
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Purpose/Summary

To set the Council's fees for Hackney and Private Hire Vehicles, Operators and Drivers in accordance with the Local Government (Miscellaneous Provisions) Act 1976.

Recommendation(s)

That the Licensing Committee approves and imposes the modified fee table at **Appendix A** with immediate effect.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	The proposed modified fee table seeks to incentivise the licensing of electric/hybrid vehicles as hackney carriage and private hire vehicles with a discount of 25 percent on the licensing of such vehicles.
Sustainable Housing	No Impact
Tackling Inequalities	<p>Hackney carriage and private hire vehicles are an important part of the public transport system, enabling people without access to private transport, or where there may be no other suitable public transport options, to attend appointments, access services and enjoy their leisure time.</p> <p>The proposed fee table seeks to incentivise the licensing of wheelchair accessible vehicles as hackney carriage and private hire vehicles with a discount of 50 percent on the licensing of such vehicles.</p>
Thriving Economy	Private hire operators and hackney carriage and private hire drivers support the local economy as employers and service providers.
Our Foundations / governance of the organisation	Licensing is a Council function exercised by Licensing Committee and Licensing Sub-Committees. The Terms of Reference for Licensing Committee provide for the licensing of hackney carriage and private hire vehicles, drivers of hackney carriage and private hire vehicles and operators of private hire vehicles.

Justification for recommendations

1. Background

- 1.1 East Suffolk Council, as the local licensing authority, is responsible for licensing hackney carriage and private hire drivers and vehicles, and private hire operators in East Suffolk. It has the power to set fees under the Local Government (Miscellaneous Provisions) Act 1976. Fees must be set on a cost recovery basis. The Council should not make a profit, nor a loss, from hackney carriage and private hire licensing.

2. Introduction

- 2.1 On 19 January 2024, notice of the Council's proposed licensing fees for private hire and hackney carriage vehicles and private hire operators for the financial year 2024/25 was placed in the East Anglian Daily Times and the Lowestoft & Beccles Journal (Appendix B). Licensees and the general public had the opportunity to submit an objection to the proposed fees variation by Friday 16 February 2024.
- 2.2 A copy of the notice was also placed in the two Council offices and sent to all the licence holders by email.
- 2.3 If no objections had been received, then the proposed fees would have come into force on 17 February 2024. However, during the consultation period, 14 objections were received from the licensed trade, a copy of these objections can be seen at **Appendix C**.
- 2.4 As objections were received during the consultation period, and not withdrawn, the Committee must consider the objections and set a further date, no later than 17 April 2024, on which the table of fees shall come into force, with or without modifications. The existing 2023/24 fees table (**Appendix A**) has remained in force pending the objections to the proposed fees table being considered and determined.
- 2.5 In response to the objections received during the consultation exercise, the Council's Licensing and Finance Teams have produced a modified fees table which is at **Appendix A**.
- 2.6 The proposed modified fees have been calculated to reflect officers time for processing applications, cost of materials for producing plates/badges, enforcement, website maintenance, policy development, software/systems for applying for applications, training, and legal advice. The modified fees do not factor in some costs incurred by the licensing authority, such as the cost of investigating reports of unlicensed drivers.
- 2.7 The fees set by other licensing authorities in Suffolk and Norfolk as a comparator, can be found at **Appendix D**.

Scrutiny Committee

- 2.8 Scrutiny Committee made a recommendation on 21 September 2023 that the Council should consider ways to alleviate the financial burden for drivers applying for a Licence which could include providing grants, loan pay back schemes or staggering payments etc. This recommendation was accepted by the Licensing Committee on the 16 October 2023.

- 2.9 It has been suggested by an operator that there is a shortage of taxi drivers in East Suffolk. Whilst some individual operators may experience difficulties recruiting drivers, there has, overall, only been a minimal decrease in licensed taxi drivers in East Suffolk over the last four years from 589 (352 Private Hire and 237 Hackney Carriage) in January 2020 to 580 (423 Private Hire, 157 Hackey Carriage) in March 2024.
- 2.10 Licensing Services is currently processing 51 new driver applications and is reaching its capacity to deal with new applicants in a timely manner. Further increases in new applicants may cause Licensing Services to need additional resource to maintain existing service levels.
- 2.11 Hackney carriage and private hire licensing needs to operate on a cost recovery basis, and the proposed modified fees have been calculated so that hackney carriage and private hire licensing breaks even, making neither a profit nor a loss. Therefore, any increase or decrease in one proposed modified fee, would need to be balanced by a corresponding increase or decrease in another proposed modified fee, so that there is no overall budget impact.
- 2.12 The Licensing team has prepared the proposed modified fee table (**Appendix A**), in consultation with Finance, to reflect the actual activity cost of processing each application or Licence. It is open to the Committee to reduce fees for, for example new applicants, however existing licence holders would then need to pay more to cover this reduction in fees.

3 Proposal

- 3.1 Licensing Committee could decide to keep the fees at the existing 2023/24 level, impose the fee table consulted on in January/February 2024 without modification which resulted in 14 objections, or implement the new modified fee table, with or without further amendment, produced in response to the objections received. The three options are set out in **Appendix A**.
- 3.2 The discounted fees for Electric/Hybrid and Wheelchair accessible vehicles have been considered in calculating the fees for vehicle licences to ensure that the vehicle fees operate on a cost recovery basis. It is assumed that for policy reasons that the Committee wishes for these discounted fees to continue.
- 3.3 Worked examples of the impact of the proposed modified fees table can be found at **Appendix A**.

4 Financial Implications

- 4.1 The Taxi and Private Hire Licensing must operate on a cost recovery basis, so as not to be subsidised by the taxpayer nor make a profit at the expense of drivers and operators. The proposed modified fees table should help to achieve this.

5 Legal Implications

- 5.1 The Council is responsible for licensing hackney carriage and private hire drivers and vehicles, and private hire operators. It has the power to set and vary fees for Hackney Carriage and Private Hire Vehicles and Operators under section 70 of the Local

Government (Miscellaneous Provisions) Act 1976. Fees must be set on a cost recovery basis.

- 5.2 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 allows a District Council to charge such fees for the grant of vehicle and operator's licences as may be sufficient in the aggregate to cover in whole or in part the reasonable cost of carrying out inspections on private hire and hackney carriage vehicles for the determination of granting or renewing a licence, the reasonable costs of providing hackney carriage stands and any reasonable administrative costs with the grant, renewal, the control and supervision of hackney carriage and private hire vehicles.

6 Risk Implications

- 6.1 The Council is not permitted to make a profit or loss for the provision of Licensing Services for Private Hire and Hackney Carriage Vehicles and Operators. Therefore, it is important that fees are set at the appropriate level to achieve a balanced budget for hackney carriage and private hire licensing.

7 Options

- 7.1 Licensing Committee can resolve to:
- 7.1.1 keep the existing 23/24 fees table; or
 - 7.1.2 impose the fees table, which includes the fees which were consulted upon, without modification; or
 - 7.1.3 impose the modified fee table with or without modification.

8 Recommendations

- 8.1 To approve and impose the modified fee table at **Appendix A** with immediate effect.

9 Reasons for Recommendations

- 9.1 To comply with the requirements to determine applications for a variation to the fees charges in accordance with the Local Government (Miscellaneous Provisions) Act 1976, in particular the principle that the fees should be set on a cost recovery basis.
- 9.2 To ensure that the objections have been properly considered.

10 Conclusions/Next Steps

- 10.1 If approved the proposed fee regime will come into immediate effect.

Areas of consideration comments

Section 151 Officer comments:

The Finance Team have worked with the Licensing Team to produce the modified table of fees in **Appendix A**.

Monitoring Officer comments:

The Council must set private hire and hackney carriage fees pursuant to Section 70 of the Local Government (Miscellaneous Provisions) Act 1976.

Equality, Diversity and Inclusion/EQIA:

The local licensing authority seeks to incentivise the licensing of wheelchair accessible vehicles as hackney carriage and private hire vehicles, with a discount of 50 percent on the licensing of such vehicles.

Safeguarding:

No Impact

Crime and Disorder:

No Impact

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

No Impact

Residents and Businesses consultation/consideration:

There were 14 consultation responses to the fee proposal which was consulted upon. These are attached at **Appendix C** to the report.

Appendices:

Appendix A	Current 2023/24 fee table Varied 2024/25 fee table consulted on in January/February 2024 Proposed new modified fee table in response to consultation responses
Appendix B	Press consultation Notice
Appendix C	Consultation Responses/Objections
Appendix D	Benchmarking with fees set by other local licensing authorities in Suffolk and Norfolk

Background reference papers:

Date	Type	Available From
None		