

Meeting of:	<b>Public Protection Licensing Committee</b>
Date of Meeting:	<b>Thursday, 14 November 2019</b>
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Licensing Discretionary Fees 2019/2020
Purpose of Report:	To report back the outcome of a statutory consultation relating to proposed fee changes
Report Owner:	Director of Environment and Housing
Responsible Officer:	Miles Punter
Elected Member and Officer Consultation:	None
Policy Framework:	This is a matter for determination by the Public Protection Licensing Committee
Executive Summary:	<p>The Committee is recommended to set the fees and use the toolkit to do so. This is consistent with best practice. The fees reflect licensing activity planned for next year and any discrepancies, either through over or under recovery, will be addressed in the fee setting process for 2020/2021</p>

## **Recommendation**

1. Committee is requested to approve the vehicle and operator fees highlighted in Appendix A to this report.

## **Reason for Recommendation**

1. To ensure a reasonable proportion of the Council's costs are recovered in relation to Hackney Carriage, Private Hire and other non-statutory licensing fees and that the costs of such licensing does not present a burden on local taxpayers.

### **1. Background**

- 1.1 On 4 June 2019, the Committee received a report on proposed fee changes in respect of various licensing functions. The report outlined that the fees relating to hackney carriages, private hire vehicles and private hire operators were subject to a statutory consultation before implementation.
- 1.2 The report outlined that if objections were received within 28 days of the publication of the notice of the proposed changes to the above-mentioned fees, that the matter come back before the next appropriate Committee meeting so that any such objections can be considered, modifications be considered, and a new date for the introduction of the variations can be set.
- 1.3 A copy of the proposed fees relating hackney carriages, private hire vehicles and private hire operators are highlighted with the Table at Appendix A. All other fees were approved by the Committee on 4 June 2019.

### **2. Key Issues for Consideration**

Background to fee setting process

- 2.1 The All Wales Licensing Technical Panel is a sub group of the Welsh Heads of Environmental Health Group (WHoEHG). The membership includes Managers and Senior Officers from each of the local authorities in Wales that has responsibility for Licensing functions.
- 2.2 The proposed increase of fees reflects that the council is not in a financial position to subsidise licensing services and that the decision not to increase vehicle fees for nearly a decade is unsustainable.
- 2.3 The fee setting toolkit developed by the Technical Panel was used to set the discretionary licensing fees. The process included having regard to the legislation relating to a particular licence and whether legislation permitted costs to be factored into a licence. Changes in licensing processes, such as the introduction

of Right to Work checks also formed part of the review process.

- 2.4** The fee toolkit comprises three main parts within a spreadsheet calculator. Firstly a cost summary is prepared which identifies all costs connected with the service (central recharges, office accommodation, printing, training, stationery etc.) which generates an hourly rate for all the officers involved.
- 2.5** Secondly, time spent on tasks is entered into the spreadsheet. This includes time spent on enquiries, complaints, project work, general administration, committee work and compliance).
- 2.6** However, this time is only included where permitted by legislation, so time spent on freedom of information requests is not recoverable, and no time included on recovering the costs of any enforcement against licensed or unlicensed taxi drivers.
- 2.7** Other Charges specific costs such as advertising are also included and a pro rata formula undertaken based on the number of licences issued.
- 2.8** Finally, data is entered into the spreadsheet for each officer involved in the processing of the licence. The spreadsheet records the hourly rate of the officer involved and the time spent on the process. The processes will vary according to the type of licence. For example, in the case of vehicles the insurance and V5 documents will need to be checked to ensure the vehicle falls within the policy guidelines adopted by the authority. The processes include all stages from receipt of the application to the issue of the licence to an inspection if required. For all licences, time spent inputting data and production of licences will also be recorded.
- 2.9** The spreadsheet then adds the cost of the process to the pro rata Other costs to arrive at a licence fee. The process is repeated for the steps required to issue New and Renewal of the particular type of licence.
- 2.10** As outlined in the report, this is the first year where the toolkit principle has been applied to vehicle fees. The proposed fees are a calculated estimate of the costs for the next financial year, taking account of predicted expenditure, and planned enforcement exercises etc. A review of any surplus or deficit will be carried out to inform whether there should be a reduction or increase in fees the following year.

#### Responses

- 2.11** Mr Pope's response is attached at Appendix B. His objection only references the fee for a vehicle licence, which was last increased to £136 in 2010. The proposed fee of £160 reflects the licence fee to recover costs for the following year so will be reviewed against actual costs for the next financial year. In addition, best practice guidelines on fee setting have recommended that only those fees

applicable on the grant of the licence or specified in the legislation are included on the fee scales. As a result, ad hoc fees relating to the transfer of licences, replacement licences, changes of address etc have been phased out. To ensure cost recovery, the number of these transactions was recorded and included in the Other Charges calculations.

Mr Pope makes reference to the closing of the public counter on two afternoons per week. This is an operational decision which will be kept under review but does not form part of the fee setting process. Similarly, officers will arrange for the Council's Traffic Management department and the Taxi Association to be asked to comment on the issues he has raised.

- 2.12** Contract Travel Ltd's response is at Appendix C. No detailed information is provided relating to whether this relates to vehicle or operator fees or both.
- 2.13** Ms Ewington's objection on behalf of the Vale of Glamorgan Taxi Association is attached at Appendix D. The requests for more detailed information have been sent to Ms Ewington. This includes financial information, and the number of compliance inspections. This approach reflects the position adopted by partner Councils, mirroring the information provided to enquirers if requested, and has been tested in Cardiff Council by judicial scrutiny and found to be suitable and sufficient.
- 2.14** For information, the objections refer to changes to staffing levels, but does not identify the period to which this refers. New posts have been created since the inception of Shared Regulatory Services covering enforcement and policy development.
- 2.15** In conclusion, it is for the Council to set the fees and the use of the toolkit is consistent with best practice. The fees reflect licensing activity planned for next year and any discrepancies either through over or under recovery will be addressed in the fee setting process for 2020/2021.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** The setting of fees to reflect the cost to the authority of processing applications allows the Council to devote sufficient resource to ensure that the proper safety checks are undertaken in relation to applications and ensure compliance with the law which is in place to protect the environment and the general public.
- 3.2** The fee recovery process supports the well-being objectives - An Inclusive and Safe Vale and an Environmentally Responsible and Prosperous Vale.

## **4. Resources and Legal Considerations**

### **Financial**

- 4.1** The proposals are necessary to ensure a reasonable proportion of the Council's costs are recovered in relation to Licensing.

### **Employment**

- 4.2** None

### **Legal (Including Equalities)**

- 4.3** When the Council proposes to set new fees for vehicle and private hire operator licences it is required by Section 70 of the 1976 Act to publish notice of the proposed variation in a local newspaper stating that objections may be made within a period of not less than 28 days. If objections are received and not withdrawn the Council must consider them and set a further date on which the variation shall come into force with or without modifications.
- 4.4** The Notice was published in the Barry Gem from July 4 2019 with a 28 day period set for responses. A copy of the notice was also placed on deposit at the Civic Offices and made available free of charge where requested.

## **5. Background Papers**

None

APPENDIX A

SCHEDULE

	Existing Fee	Proposed Fee
<b>12 Month Private Hire Vehicle Grant</b>	242	<b>242</b>
<b>12 Month Hackney Carriage Grant</b>	242	<b>242</b>
<b>6 Month Hackney Carriage Grant</b>	136 (+12)	<b>160 (+12)</b>
<b>6 Month Hackney Carriage Vehicle Renewal</b>	136	<b>160</b>
<b>6 Month Private Hire Vehicle Grant</b>	136 (+12)	<b>160 (+12)</b>
<b>6 Month Private Hire Vehicle Renewal</b>	136	<b>160</b>
<b>5 Year Private Hire Operator Grant</b>	573	<b>625</b>
<b>5 Year Private Hire Operator Renewal</b>	580	<b>618</b>
<b>1 Year Private Hire Operator Grant</b>	218	<b>247</b>
<b>1 Year Private Hire Operator Renewal</b>	214	<b>240</b>

Dated: 4<sup>th</sup> July 2019

Dave Holland,  
**Head of Shared Regulatory Services**

**Witchell, Yvonne**

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**From:** Richie ██████████  
**Sent:** 09 July 2019 12:07  
**To:** Licensing  
**Subject:** Taxi licence fee increase

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

With regards to the recent proposals to vary taxi licensing fees, as a Hackney Carriage proprietor, I vehemently object.

I strongly feel that the proposed inflation busting rate of 17.64% for a 6 month licence is outrageous especially when licensing is closed from midday on Tuesday and Thursday.

This is very inconvenient for taxi operators. As a consequence, if a vehicle is not plated before 11am on these days, the licence plate cannot be collected until the following day, potentially resulting in loss of earnings.

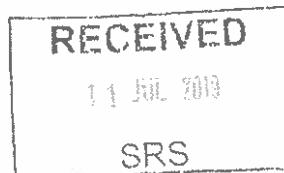
Furthermore another issue is the lack of rank space in the Broad Street area and only a 3 space taxi rank in Market Street that is totally inadequate.

Regards,  
Richard Pope.

# Contract Travel Services Ltd

Wimborne Road, Barry Docks, CF63 3RA  
 Tel: 01446 722296 Fax: 01446 722294  
 Mobile: [REDACTED]  
 email: [REDACTED]

8<sup>th</sup> July 2019



Head of Shared Regulatory Services  
 Civic Offices  
 Holton Road  
 Barry  
 CF63 4RU

Dear Sir/Madam

**RE: SCHEDULE RE PROPOSED PRICE INCREASE (ENCLOSED)**

With regard to the schedule for existing fees and proposed fees this is unjustifiable and should go to committee and consultative panel for discussion.

Yours faithfully

C Mort (Mr)  
 C J CONTRACT TRAVEL SERVICES LTD



Directors: Chris and Marie Mort  
 VAT No. 762 2580 30 Company Registration No. 05954813

Self Drive

**Witchell, Yvonne**

**From:** Amanda Ewington [REDACTED]  
**Sent:** 30 July 2019 11:36  
**To:** Licensing; Thomas, John W (Cllr)  
**Cc:** Steve Thomas; [REDACTED]  
**Subject:** Taxi Fee Increase  
**Attachments:** Appendix A.pdf; APPENDIX B.docx; APPENDIX C.docx

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

To the Head of Shared Regulatory Services,

It is with regret that the Taxi Association are not able to respond appropriately to the consultation in relation to the proposed taxi fees increase.

To date the Association have not been provided with the information, as agreed at the Public Protection Committee dated 4th June 2019.

**Minutes of the Public Protection Committee dated 4th June 2019**

*A Taxi Representative, with permission to speak, reiterated her and her colleague's role in making sure the Trade was treated fairly at these meetings. The Taxi Representative also wanted to see how the toolkit made its calculations and if this was a time and motion study. The Licensing Team Manager responded that the calculations were based on a review of processes. The Taxi Representative asked if she could have the details of these reviews, inspections and the toolkit. The Licensing Team Manager agreed to provide this information.*

I attach at Appendix A, an email from Yvonne Witchell ( Team Manager ) received on 1st July 2019.

I attach at Appendix B, the response to that email from the Association, dated 4th July 2019.

On the 15th July 2019, having not received a response to Appendix B, a request was sent to the Freedom of Information Officer for the information required.

Later on the 15th July a response, to Appendix B was received from the Team Manager. I attach that response at Appendix C.

Without the financial information requested it is difficult for the Association to justify the increase in the taxi fees.

The Association are aware that the staffing numbers within the Licensing section have substantially decreased over a period of time.

Many of the senior officers are shared between three Local Authorities, this fact alone would indicate a substantial saving to the Vale of Glamorgan Licensing Section.

The reduction of Licensing Enforcement Offices, from four to two must also indicate a saving.

The licensing section have not provided the number of licenses issued on a yearly basis since the last fee increase, these figures alone would provide a good indication in relation to how the current fees are coping.

If there has been a fall in the number of licenses issued, this could indicate that a fee increase is required, whereas if the number of licenses issued has increased then the fees could possibly stay the same or decrease depending on other expenditures.

What is very evident to the trade is the lack of compliance inspections, a percentage of each fee is attributed to inspections. The Trade are aware that those inspections have not taken place, so it has to ask where has that money gone?

A Private Hire Operators Licence alone, has a fee of around £50 included in the total fee for inspection of the operators records and premises, where the public have access.

These inspections have not taken place so again how can an increase in fees be justified?

This Council prides itself on its commitment to openness and transparency, a quote taken directly from the Web Site.

Yet on this occasion the openness and transparency has not been extended to the Vale of Glamorgan Taxi Trade.

Therefore it is with regret that the Vale of Glamorgan Taxi Association have no alternative at this stage but to strongly oppose the proposed taxi fees increase.

We ask the Public Protection Committee to defer their decision in relation to the proposed fee increase, until such time as the Association has received the information requested.

Could you please acknowledge receipt of this email.

cc. Cllr John Thomas

Kind Regards  
Mandy