

Meeting of:	Public Protection Licensing Committee
Date of Meeting:	Tuesday, 18 February 2025
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Hackney Carriage and Private Hire Licence Fees
Purpose of Report:	To seek approval for the proposed fees for hackney carriage vehicle licences, private hire vehicle licences, private hire operator licences and hackney carriage/private hire driver licences
Report Owner:	Miles Punter, Director of Environment and Housing
Responsible Officer:	Kirsty Evans, Licensing Team Manager
Elected Member and Officer Consultation:	None
Policy Framework:	This is a matter for the Public Protection Licensing Committee
Executive Summary:	<p>This report sets out the proposed new fees for hackney carriage vehicle licences, private hire vehicle licences, private hire operator licences and hackney carriage/private hire driver licences.</p> <p>The Committee is asked to approve the fees and if objections are received to the proposed changes after a 28-day consultation, by way of a public notice, then the matter be brought back before the next available Committee meeting so that any such objections may be considered.</p>

Recommendations

1. It is recommended:
 - a) That the Committee approve the proposed licence fees outlined in this report with an implementation date of 1 April 2025.
 - b) That the Committee authorise the Head of Shared Regulatory Services to carry out the necessary public notice procedure.
 - c) If objections are received within 28 days of the publication of the notice of the proposed changes to the fees, the matter come back before the next available 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.

Reasons for Recommendations

1.
 - a) To ensure that the Licensing Authority sets the fees on a cost recovery basis in accordance with Section 52 of the Local Government (Miscellaneous Provisions) Act 1976 and that the costs of such licensing, does not present a burden to local taxpayers.
 - b) To comply with Section 70 of the Local Government (Miscellaneous Provisions) Act 1976.
 - c) To consider any objections made during the consultation period in accordance with the 1976 Act.

1. Background

- 1.1 The Public Protection Committee authorised the current fees and charges for taxi and private hire licences on the following dates:

- Hackney carriage and private hire vehicle licences – June 2019
- Hackney carriage/private hire driver’s licences – June 2019
- Private hire operator licences – June 2019

- 1.2 The purpose of this report is to seek approval of new fees for hackney carriage vehicle licences, private hire vehicle licences, private hire operator licences and hackney carriage/private hire driver licences.

- 1.3 The table below shows a comparison of number of taxi related licences currently issued compared to the number issued in 2019 when the fees were previously set.

Licence Type	Number currently licensed	Number licensed in 2019
Private Hire Vehicles	176	169
Hackney Carriage Vehicles	76	116
Private Hire Operators	36	27

Hackney Carriage & Private Hire Driver's Licences	283	358
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2. Key Issues for Consideration

2.1 The table below shows the existing fees compared with the proposed new fees:

Licence Type	Existing Fee	Proposed Fee	Difference
Driver 1 Year Grant	£108	£141	£33
Driver 1 Year Renewal	£100	£115	£15
Driver 3 Year Grant	£224	£245	£21
Driver 3 Year Renewal	£212	£220	£8
Hackney 6 Month Grant	£160	£168	£8
Hackney 12 Month Grant	£242	£267	£25
Hackney 6 Month Renewal	£160	£158	-£2
Hackney 12 Month Renewal	£242	£257	£15
PHV 6 Month Grant	£160	£168	£8
PHV 12 Month Grant	£242	£267	£25
PHV 6 Month Renewal	£160	£158	-£2
PHV 12 Month Renewal	£242	£257	£15
Operator 1 Year Grant	£247	£253	£6
Operator 5 Year Grant	£625	£680	£55
Operator 1 Year Renewal	£240	£232	-£8
Operator 5 Year Renewal	£618	£659	£41

2.2 The proposed fees have been calculated using a toolkit developed by the Wales Licensing Expert Panel. The toolkit is being used by all Welsh local authorities.

2.3 In addition to the licence fees, additional charges for driver knowledge tests have also been calculated using the same method. The proposed knowledge test fees are:

	Existing Fee	Proposed Fee	Difference
Written Test	Included within driver application fee	£42	Now a separate fee

2.4 In relation to additional fees, plate deposits have been removed from the calculations and it is proposed they are no longer used due to the high-cost implications in processing the refunds.

2.5 For information, the table below shows a comparison of some of the proposed fees for various other local authorities in Wales.

It should be noted that it is difficult to make comparisons as fees are calculated using the toolkit which will have specific local staffing costs and on-costs, each authority will also factor in the number of licences issued; all these variables can fluctuate significantly between authorities.

Licence Type	VOG	NPT	Torfaen	Blaenau Gwent	Monmouth	Caerphilly	Merthyr	Wexham	RCT	Cardiff
Driver 1 Yr Grant	£141	£159	£323	N/A	N/A	£236	N/A	N/A	N/A	£123
Driver 1 Yr Renewal	£115	£89	£323	N/A	N/A	£236	N/A	N/A	N/A	£57
Driver 3 Yr Grant	£243	£282	£362	£264	£341	£316	£272	£295	£145	£163
Driver 3 Yr Renewal	£220	£225	£323	N/A	£341	£316	£230	£265	£145	£97
Hackney 12 Mth Grant	£265	£327	£245	£310	£220	£218	£154	£285	£290	N/A
Hackney 12 Mth Renewal	£255	£275	£205/ £252	£243	£286	£218	£154	£270	£290	£184
PHV 12 Mth Grant	£265	£327	£245	£310	£254	£218	£154	£285	£290	£92
PHV 12 Mth Renewal	£255	£275	£205/ £252	£243	£203	£218	£154	£270	£290	£77
Operator 5 Yr Grant	£680	£660	£709	£340	£1133	£792	£115	£615- £1710	£420	£429
Operator 5 Yr Renewal	£659	£650	£709	£312	£1153	£792	£115	£595- £1695	£420	£350

2.6 Many authorities do not have 6-month vehicle licences or 1 year operator licences and therefore these have not been included in the above table.

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

- 3.1** This report has been screened for evidence of the Five Ways of Working and how it may contribute to our Well-being Objectives.
- 3.2** Prevention and collaboration: the purpose of this regulatory function is to protect the public and ensure businesses comply with licence terms and conditions. The proposal supports a Welsh Government initiative.

4. Climate Change and Nature Implications

- 4.1** None.

5. Resources and Legal Considerations

Financial

- 5.1** The report sets out the proposed fee structure to take effect from 1 April 2025, the proposals are necessary to ensure a reasonable proportion of the Council's costs are recovered in relation to Licensing.
- 5.2** Should a surplus accrue as part of the final outturn position for 2025/2026, this will be considered when setting the next fees.

Employment

- 5.3** None.

Legal (Including Equalities)

- 5.4** All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. standing order and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable proper in all the circumstances.
- 5.5** Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to charge fees for the grant of licences in respect of hackney carriage vehicles, private hire vehicles and private hire operators. The Council must set the fees for these licences on the basis that it only recovers costs which it is entitled statutorily to recover.

In respect of vehicle and operator's licences the Act states that the Council may charge such fees as may be sufficient in the aggregate to cover in whole or in part.

- The reasonable cost of inspecting hackney carriages and private hire vehicles to ascertain whether any such licence should be granted or renewed.
 - The reasonable cost of providing hackney carriage stands (which has not been included in the proposed fees).
 - Any reasonable administrative or other costs in connection with the above and with the control and supervision of hackney carriages and private hire vehicles.
- 5.6** The Act, which dates from 1976 also states that the fee for vehicle and private hire operator licences shall not exceed £25 or such other sum as the Council may from time to time determine. In light of current costs, £25 is not seen as a realistic fee.
- 5.7** Section 53 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to charge fees in respect of hackney carriage and private hire driver's licences. The Council must set the fees for these licences on the basis that it only recovers costs which it is statutorily entitled to recover.
- 5.8** In respect of driver's licences, the Act states that the Council may charge such a fee as it considers reasonable with a view to recovering the costs of issue and administration associated with the grant of hackney carriage and private hire driver's licences.
- 5.9** The recent judgement *Rehman v Wakefield* has confirmed that enforcement costs associated with enforcing the behaviour of licensed driver can be recovered in the driver's licence fees.
- Prior to this judgement it was not thought that driver enforcement fees were recoverable and therefore the last time the driver licence fees were calculated costs associated with driver behaviour was not included in the calculations. This has led to a rise in the driver licence fees.
- 5.10** Case law has established that when the Council makes a surplus in respect of licence fees it should give account for that the next time the fees are set; and if it makes a deficit, it may also take that into account. The calculations in respect of each type of licence issued by the Council should be kept separate.
- 5.11** When the Council proposed to set new fees for vehicles 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 any 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.

6. Background Papers

None.