



TAXI AND GENERAL COMMITTEE – 31ST MAY 2018

SUBJECT: TAXI AND GENERAL LICENSING / REGISTRATION / PERMIT FEES – 2018/19

REPORT BY: INTERIM CORPORATE DIRECTOR OF COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To recommend general Licensing/Registration/Permit Fees for the next financial year. To seek the views of Members and to make recommendations to Council on them.
- 1.2 Subject to paragraph 1.1 the proposed fees for hackney carriage/private hire vehicle licences for 2018/19 be advertised and the Taxi and General Committee be given delegated powers to consider any objections received and to determine the fees to be charged and the date on which any variations should come into force.
- 1.3 To ask Council to note that in accordance with the existing powers contained in the terms of reference for the Taxi and General Committee in future years the decisions in respect of fees which are set out in this report will be made by the Taxi and General Committee without further reference to full Council.

2. SUMMARY

- 2.1 All locally set Licensing fees are reviewed annually to recover reasonable costs of providing the service and this report recommends changes in fees where appropriate for a number of general fees such as Animal Premises and Hackney Carriage and Private Hire Drivers licences.
- 2.2 The report also recommends that for future years the fees are set by the Taxi and General Committee in accordance with existing powers contained within the terms of reference of the Taxi and General Licensing Committee.

3. LINKS TO STRATEGY

- 3.1 The annual review of Licensing fees contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
 - A prosperous Wales
 - A resilient Wales
 - A more equal Wales

4. THE REPORT

- 4.1 The authority has a statutory duty to administer certain licences, registrations and permits. The review of fees charged, involves consideration of the cost to the Authority in providing the service. Some fees are set centrally by government, some permits such as street collections for charities etc are free of charge and the remaining we can determine locally in order to recover the cost of providing that particular service.

- 4.2 There have been a number of important cases before the High Court regarding the setting of licensing fees and the Local Government Association (LGA) have issued guidance to local authorities, the latest in November 2015. The underlying principle in setting fees is that Councils must not use fees to make a profit or act as an economic deterrent to deter certain business types from operating in an area. Charges must be reasonable and proportionate to the cost of the processes associated with the licensing regime.
- 4.3 The all Wales Licensing Expert Panel devised a fee calculator toolkit that has been approved by the Directors of Public Protection in Wales. In principle the toolkit calculates two elements, which cover the costs to the authority for the provision of the service and the cost of processing and producing a licence. The cost of provision of the service increases proportionally dependant on the period of the licence, whereas the licence processing cost is not affected by the period of the licence. A separate toolkit has been developed for the majority of licences issued and these have been used to review and set the fees for 2018/19.
- 4.4 The fee review process for 18/19 indicated that some current fee levels are not meeting the cost of providing the service, for example Pet Shop licences, Riding Establishments, Boarding Establishments, Hackney Carriage and Private Hire Vehicle licences and Taxi driver licences. These have been increased accordingly in an effort to cover costs. In other areas, improved cost information, streamlining of processes etc has resulted in costs remaining static or reducing.

The toolkit spreadsheet comprises a number of worksheets covering several factors relevant to the calculation of fees as follows:

- Cost summary – calculates the hourly rate chargeable for each officer based on the Council's agreed annual productive hours.
- Other charges –
 - (i) Total charges for time based on functions associated with the service provision.
 - (ii) Total specific costs including surplus or deficits in provision of service, costs of changes/amendments to licences.
 - (iii) Relevant applications, based on the number of renewal and new licences issued at the time of calculation.

4.5 Appendix 1 to this report sets out the existing general fees and those proposed for 18/19. For the ease of calculation and collection, all these fees have been rounded to the nearest pound.

4.6 Whilst the Authority acknowledges the difficulties faced by local businesses in the current economic climate, it has a duty to recover fees that are proportionate to the level of cost incurred in administering the licensing service.

4.7 **Taxi Driver / Vehicle Licences**

4.7.1 The Council is entitled to set fees that cover the reasonable costs of providing these services. It is noted that current fee levels are not meeting the cost of providing the service in respect of Vehicle and Driver Licences. Full deficit recovery would require increases of £41 for a 3 year driver licence and £32 for an annual vehicle licence. It is believed that such a large increase in fees would have considerable impact on the trade in the current economic climate. The reasons for the above can be attributed to the large reduction in the number of driver and vehicle licences over the last 2 years following the implementation of the council's 'Intended Use' policy which requires drivers to predominantly work in this administrative area. The effects of the Deregulation Act 2015 in increasing the duration of driver licences from 2 years to 3 years have also had an impact. Members will note that there was no increase in Driver and Vehicle fees in 2017/2018.

4.7.2 The proposed increases are detailed in Appendix 1 and recommend an increase of £16 for a 3 year driver's licence and a £7 increase for a one year vehicle licence. The proposed fees fall short of full recovery but are believed to be a realistic increase in the current climate. The Vehicle and Operator Fees are subject to statutory consultation under the Local Government Miscellaneous Provisions Act 1976. Any objections received must be considered and historically the Taxi and General Licensing Committee has been given delegated authority to do this and to determine the date on which any fee variance should come into force, with or without modification.

4.8 **Street Trading**

4.8.1 The fees for Street Trading were reviewed by this Committee in 2017/18 and set by Full Council on the 2nd March 2017. The latter approved a staged approach to increasing renewal fees over a three year period to bring them into line with the new application fee. The process for both are now standardised and so the cost to the authority in providing the service is the same. The fees have therefore already been set by Council as £617 in 2018/19 and £674 in 2019/20 but are included in Appendix 1 for information and completeness.

4.9 **Tattooing/Piercing**

4.9.1 A large number of registrations for Personal Licences received each year relate to students training at local colleges in the Borough. The fees in respect of Personal Licences have been revised following a review of time monitoring, stream lining of processes and economies of scale due to the increase in number of such applications. This has resulted in a decrease for costs for this one off registration. The fees for Premises Licences have undergone a similar review and are proposed to be maintained at their existing level.

4.10 **Civil Marriages**

4.10.1 The application fee for a new premises is currently £1089 and a renewal £769. Members on the 20th April 2018 determined that new and renewal application processes were to be standardised following amendments to the application procedure. The fee for new and renewal premises will therefore also be standardised. The reduction in fee income will be offset by savings in officer and Member time.

4.11 The majority of locally set Licensing fees are local choice functions and historically have been determined by Full Council after consideration and recommendation by the relevant Licensing Committee. Current exceptions are the setting of Dog Breeding and Scrap Metal licence fees which are an Executive function. Fees for Hackney Carriage and Private Hire Vehicle and Operator licences are subject to statutory advertising and consultation requirements. Under the current system where objections to such fees are received the Taxi and General Licensing Committee are given delegated powers by Council to consider the objections and set the fees. In practice this would mean two Taxi and General Committee meetings and consideration at full Council.

4.12 However under the existing Terms of Reference, the Taxi and General Committee has the power to set the fees the subject of this report. As such Council is asked to note that in future years the decisions in respect of such fees will be made by the Taxi and General Committee without further reference to full Council.

4.13 This will result in a more streamlined and responsive process and mirrors similar processes operated in other local authorities. Members of the Licensing Committee have more detailed knowledge of the large number of types of licences administered by the service and the time and resources associated with the licensing process.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This report and associated proposals contributes to the Well-being Goals as set out in Links to Strategy above. They are consistent with the five ways of working as defined within the sustainable development principle in the Act. There is an emphasis on prevention as the licensing process ensures that a number of checks and safeguards are in place before a licence is granted. There is also involvement particularly through the consultation process for applications allowing other agencies and the community to input into the decision making process.

6. EQUALITIES IMPLICATIONS

- 6.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the category identified in Section 6 of the Council's Strategic Equality Plan. There is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report. The Council ensures that it treats all individuals who are renewing or making new applications for licenses, with equal respect in line with the Council's Strategic Equality Plan 2016 to 2020.

7. FINANCIAL IMPLICATIONS

- 7.1 The authority must balance the cost of providing the service with the impact any increases may have on businesses and the local economy. The Authority has a duty to rate payers to recover true costs and to manage its services efficiently. Any delay in implementing increases in the short term would increase the current gap between the cost of providing the service and income generated from Licensing Fees and result in even larger increases in future years.

As set out at 4.2 above recent rulings on fees and Local Government Association guidance clearly sets out that income from one licence type cannot support or fund other licence types, Councils cannot over-recover and fees must reflect the true cost of administration and the provision of the service.

Following review of all locally set fees, the predicted income for the period 2018 to 2019 will be dependent on the aggregation of fees for different licence types. It is difficult to accurately predict income arising from licensing applications as numbers of applications is subject to variation. The main impact in respect of this report will arise from the level of fees adopted in respect of Taxi driver / vehicle licences, Pet Shops and Riding Establishments. Adopting the fee levels recommended in this report will generate an increased income of £3247.00.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications.

9. CONSULTATIONS

- 9.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

10. RECOMMENDATIONS

- 10.1 That the Committee
- a) Consider and offer any comment on the level of fees proposed for 2018/19 as outlined in Appendix 1.

- b) The proposed fees for hackney carriage/private hire vehicle licences for 2018/19 be advertised and the Taxi and General Committee be given delegated powers to consider any objections received and to determine the fees to be charged and the date on which any variations should come into force.
- c) To ask Council to note that in accordance with the existing powers contained in the terms of reference for the Taxi and General Committee in future years the decisions in respect of fees set out in this report will be made by the Taxi and General Committee without further reference to Council.

10.2 To refer the above recommendations to Council on 5th June 2018.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To recover a reasonable level of costs incurred by the Council in administering the licensing service. To implement a more streamlined and responsive process for fee setting that mirrors similar processes operated in other local authorities.

12. STATUTORY POWER

12.1 Local Government Act 1972; Local Government (Miscellaneous Provisions) Act 1976; Local Government (Miscellaneous Provisions) Act 1982; This is a Council function.

Author: Lee Morgan, Licensing Manager
Consultees: Cllr, Denver Preece Chair, Licensing Committee
Cllr J Simmonds, Vice Chair, Licensing Committee
Cllr Eluned Stenner, Cabinet Member for Environment and Public Protection
Mark S. Williams, Interim Corporate Director Communities
Robert Hartshorn, Head of Policy and Public Protection
Jacqui Morgan, Trading Standards, Licensing and Registrars Manager
Mike Eedy, Finance Manager
Lisa Lane, Interim Monitoring Officer
James Williams, Senior Solicitor
Anwen Rees, Senior Policy Officer (Equalities and Welsh Language)
Shaun Watkins, HR Manager
Della Mahony, Superintendent Registrar

Background Papers:

Open for business LGA guidance on Licensing fees Nov 2015 -
<https://www.local.gov.uk/open-business-lga-guidance-locally-set-licence-fees>
Minutes of Full Council 2nd March 2017
Minutes of Taxi and General Licensing Committee 20th April 2018

Appendices:

Appendix 1 Existing and proposed fees for 2018/19