

GENERAL PURPOSES AND LICENSING COMMITTEE – 8 MARCH 2024

TAXI FEES AND CHARGES FOR 2024-2025

1. RECOMMENDATIONS

- 1.1 That Members of General Purposes and Licensing Committee consider the objections to the proposed fees raised during the public consultation period.
- 1.2 That the General Purposes and Licensing Committee set the level of taxi licensing fees for the financial year 2024/25 which are effective from 1 April 2024.

2. INTRODUCTION

- 2.1 As part of the annual review of budgets, decisions are required by the General Purposes and Licensing Committee to agree any non-statutory licensing fees and charges for the forthcoming financial year.

3. BACKGROUND

- 3.1 The Council has a statutory responsibility for the administration and enforcement of a wide range of licences including those for taxi and private hire vehicles.
- 3.2 At the General Purpose and Licensing Committee held on 5 January 2024, the taxi licensing fees proposed within the Fees and Charges for 2024-25 Report were approved for public consultation (in accordance with section 70 of the Local Government (Miscellaneous Provisions) Act 1976).
- 3.3 The proposed fees have been subject to a 28-day consultation period (from 12 January 2024 to 8 February 2024) following advertisement in the local newspaper. Notice of the proposed fees has also been posted on the Council's Taxi licensing web page and the notice board at the Council Offices at Appletree Court.
- 3.4 The proposed fees for taxi licensing which were consulted on are provided as **Appendix 1**.
- 3.5 During the consultation period a total of 17 responses were received, objecting to the proposed fees. These responses are provided as **Appendix 2**.

4. ISSUES FOR CONSIDERATION

- 4.1 The basis for setting taxi and private hire fees is to ensure cost recovery, or as close to it as possible. Legal challenges in the past, have confirmed that licensing fees may not be used to generate a profit for councils but the burden to support taxi fees should also not fall on residents in the district.
- 4.2 In order to support the trade in previous years, particularly during and after the covid pandemic, fees have not increased for 7 years. The last increase was in April 2017. Since the pandemic, the trade has been given time to recover and build up numbers of vehicles and drivers again.
- 4.3 The proposed fees for the taxi and private hire function have been increased following a detailed review of the Council's costs incurred to deliver each licence type, also taking

into account the cost of consumables (vehicle plates, brackets, driver badges) in addition to the revised cost of providing vehicle inspections.

- 4.4 The fee review also takes into account the updated Department for Transport Statutory Taxi and Private Hire Vehicle Standards, which requires Licensing Authorities to perform additional checks to promote public safety and best practice. These enhanced procedures require additional staff resource and have increased processing costs.
- 4.5 Fees have been benchmarked against neighbouring local authorities. The benchmarking document is provided as **Appendix 3** and whilst the fees vary, those proposed for NFDC are consistent and in many cases lower than neighbouring councils.
- 4.6 Driver and private hire operator licence fees are proposed to be increased; however, these are issued on a 3 and 5 yearly basis. The proposed increases of £20.00 and £11.00 would be spread over these time periods. Other fee increases are one off fees (Driver Knowledge tests for new applicants) or for discretionary items (vehicle stepped plate).
- 4.7 The annual vehicle licence fee has been increased to fully cover the costs of processing applications and as can be seen from the benchmarking data it is one of the lowest fees for this function across Hampshire.
- 4.8 A new annual application fee for executive vehicle exemptions has been introduced, to cover the costs of processing of applications and inspections, to ensure the vehicle meets the required standard and the nature of the business meets the exemption criteria.

5. OBJECTIONS RECEIVED

- 5.1 During the consultation period, 17 responses were received, objecting to the proposed fees, as provided at **Appendix 2**. Responses in the main, object to any increase in fees based on the current cost of living crisis and the increase in costs of running vehicles (fuel, insurance, car lease, maintenance, phone bills and fees paid to operators) along with living expenses such as mortgages, council tax and food.
- 5.2 Some objections fall outside the remit of this Fees and Charges report and relate to the consultation on the Draft Taxi Licensing Policy. The consultation period for the Licensing Policy runs until 15 April 2024 and responses will then be reviewed and considered.
- 5.3 An increase to the taxi tariff has been proposed by a couple of objectors to cover the cost of these increases. The last review of the tariff took place in 2022 and it was agreed to be introduced in June of that year. In addition, any increase to the tariff would only apply to hackney carriages, (110 hackney carriages out of the current licensed vehicle fleet of 551).

6. CONCLUSIONS

- 6.1 The setting of discretionary fees for licensing must be formally approved by the Council's General Purposes and Licensing Committee before they may be applied.
- 6.2 Taxi licensing fees have not been increased since April 2017, in order to support the trade during and after the covid pandemic, whereas other licensing fees have been reviewed on an annual basis and increased in line with inflation.
- 6.3 The setting of the proposed licensing fees and charges has been through a rigorous process, to cost the delivery of the service to businesses and members of the public.

6.4 Members must consider the objections received to the proposed fees, together with the requirement for the cost recovery of the service and determine the level at which to set the fees.

6.5 The agreed taxi and private hire fees are proposed to take effect from 1 April 2024.

7. FINANCIAL IMPLICATIONS

7.1 Any financial implications have been reported for budgetary control and as part of the financial plan.

8. CRIME & DISORDER AND DATA PROTECTION IMPLICATIONS

8.1 There are none.

9. APPENDICES

Appendix 1 - Proposed fees for 2024/25

Appendix 2 - Objections received

Appendix 3 - Benchmarking document

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Background Papers:

None