

## General Purposes and Licensing Committee - 6 March 2026

### Taxi Licensing Fees 2026 – 2027

Purpose	For Decision
Classification	Public
Executive Summary	<p>This report presents the objections received during the statutory consultation period for the proposed fees and charges for the taxi and private hire licensing function.</p> <p>The General Purposes and Licensing Committee is asked to consider the objections and set the scale of fees for 2026/27.</p>
Recommendations	<ol style="list-style-type: none"><li><b>1. That Members of General Purposes and Licensing Committee consider the objections made during the public consultation period in respect of the proposed fees for Hackney Carriage and Private Hire Licences.</b></li><li><b>2. That the General Purposes and Licensing Committee set the recommended scale of fees and charges for Hackney Carriage and Private Hire Licences for the financial year 2026/27, effective from 1 April 2026 as per Appendix 1.</b></li></ol>
Reasons for recommendation(s)	<p>The local authority is able to recover the costs associated with undertaking its licensing functions, where these fees are not statutorily set. The cost of providing these functions has been fully costed, and proposed fees have been adjusted where necessary.</p>
Ward(s)	All
Portfolio Holder(s)	Cllr Dan Poole
Strategic Director(s)	Peter Matthew - Strategic Director of Housing & Communities (Interim)

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## Introduction

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.

## Background

2. 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. The basis for setting taxi and private hire fees is to ensure they cover the full costs of performing the functions. 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. The proposed taxi and private hire fees follow a comprehensive review to include cost recovery for officer time, administration by licensing and other departments plus the cost of consumables (vehicle plates, brackets, driver badges, door signage etc). Process implications from the revised Taxi Licensing Policy, published in Spring 2025 were also considered.
5. The fee review also considers the Department for Transport Statutory Taxi and Private Hire Vehicle Standards and additional checks to promote public safety and best practice.

## General Purposes and Licensing Committee 9 January 2026

6. At the General Purposes and Licensing Committee held on 9 January 2026, fees for the taxi and private hire licensing function were

proposed within the fees and charges report for the financial year 2026/27. **(Appendix 1).**

7. The General Purposes and Licensing Committee approved the fees for the taxi and private hire function as proposed, for public consultation, in accordance with section 70 of the Local Government (Miscellaneous Provisions) Act 1976. Section 70 of the Act only requires consultation for increases to vehicle and operator licences, however, for transparency all fee proposals have been published.
8. The proposed fees have been subject to a 28-day consultation period which ended on 12 February 2026. A public notice with proposals was placed in a local newspaper, posted on the Council's taxi licensing web page and displayed at the Council Offices at Appletree Court.

### **Taxi licensing fees**

9. In order to support the trade in previous years, particularly during and after the covid pandemic, taxi licensing fees did not increase for 7 years. The last increase being in April 2024.
10. The table below shows the history of the licensing fees since 2017.

<b>Licence</b>	<b>01/04/2017</b>	<b>% increase</b>	<b>01/04/2024</b>	<b>% increase</b>	<b>01/04/2025</b>	<b>proposed %increase</b>	<b>Proposed 1/4/2026</b>
Vehicle Licence	£142.00	14	£162.00	0	£162.00	6	<b>£172.00</b>
Drivers Licence	£142.00	18	£167.00	0	£167.00	6	<b>£177.00</b>
Vehicle Inspection	£55.00	9	£60.00	0	£60.00	5	<b>£63.00</b>
Knowledge Test	£37.00	35	£50.00	0	£50.00	20	<b>£60.00</b>

11. The proposed fee for the annual vehicle licence is £172.00 with an increase of £10.00 to fully cover the costs of processing applications and producing licences, and to reflect the new policy requirement that all newly registered vehicles must meet Euro 6 emissions standards.
12. It is proposed that driver and private hire operator licence fees be increased by £10.00 to £177.00 and by £13.00 to £533.00 respectively. As these licences are issued on a three year and five year cycle, the impact of the increase would be spread over those periods.
13. The fee for the annual vehicle check has been reviewed to reflect the cost of employing trained mechanics and supplies and services at the Council depots in Hardley and Lymington. An increase of £3.00 per vehicle test is proposed taking the cost to £63.00.

14. The driver knowledge test fee has increased by £10.00, bringing the new cost to £60. This fee applies only to new applicants. Each application requires officers to take payment, process paperwork, arrange appointments, verify Right to Work documentation, print test materials, invigilate the test, mark completed papers, and issue results to applicants.
15. There has also been a minimal increase in the cost of replacement parts to vehicle plates.
16. A breakdown of costs to support the calculation of fees for these licences is provided as **Appendix 2**.

### **Objection to the Proposed Fees**

17. During the consultation period, one response was received, objecting to the proposed fee increases by the council. This objection can be found at **Appendix 3**.
18. The objection was submitted by Paul Osborne, Chair of the New Forest Taxi Operator and Driver Association. He states that as there have been no increase in taxi tariffs (the amount Licensed Hackney Carriage Drivers can charge per mile) for the past four years the proposed fee increases are considered to be excessive.
19. The objection highlights concern about the rising costs associated with driver and vehicle licences, driver knowledge tests, and vehicle inspections. The trade objects to any further fee increases being introduced before a taxi tariff uplift is agreed and suggests that vehicle re-tests should be provided free of charge.
20. The last taxi tariff review was undertaken in 2022 and an agreed increase in tariffs were introduced subsequently in June 2022. It is important to distinguish that tariff setting is a separate process to the fee setting proposed in this report. Furthermore, these tariffs only apply to hackney carriages, which are currently approximately 100 vehicles out of the current licensed vehicle fleet of 609.
21. The table of fares (taxi tariffs) can only be reviewed following a request for review (as stated in the Taxi Licensing Policy, Section 2.14 Additional Provisions for Hackney Carriages only). In addition, the request must be supported by at least 70% of hackney carriage proprietors.
22. Based on the request from the Chair of the New Forest Taxi Operator and Driver Association for a review of the taxi tariff, officers will now consult with all hackney carriage proprietors in due course to determine whether they support a review of the taxi tariff. Subject to securing support from 70% of hackney carriage proprietors, the

review will take into account fuel prices, licensing fees, and benchmarking against other Licensing Authorities.

23. A further consultation would be undertaken before the proposals are considered and approved by the General Purposes and Licensing Committee at a later date, but certainly not before September 2026. Therefore, it should be noted that this review will not be completed or implemented before 1 April 2026, when the new fees are scheduled to take effect.
24. This tariff review does not affect the 500 private hire vehicles who can set their own passenger fees.
25. The objection letter also proposes that vehicle re-tests should be free of charge. However, this would have a financial impact on the provision of the Transport Team to undertake the volume of tests and re-tests required. The onus is on the drivers to present a vehicle in a roadworthy and fare-ready condition, and to reduce the potential for a test failure. The absence of a fee could remove the incentive for proprietors to present vehicles in the best condition, resulting in more re-tests which would have an impact on the resource provided, availability of appointments and waiting times.
26. In addition, cancellations and no-show fees are a deterrent and support service efficiency. The vehicle test is not an MOT; it requires the time and expertise of an NFDC-trained mechanic, and the associated costs must be recovered to ensure the service remains viable and vehicles are safe and presentable.

### **Corporate plan priorities**

#### **Theme:**

27. Empowering our residents to live healthy, connected and fulfilling lives. Future New Forest. Transforming tomorrow, together.

#### **Corporate Plan Objective:**

28. Protect and improve the health and wellbeing of our communities.  Being financially responsible.

#### **Service Objective:**

29. Implementation of the Environmental and Regulation Service Plans.

### **Financial and resource implications**

30. There will be no additional costs in adoption of these fees and charges, and the new charges are likely to better offset the costs of the licensing work, therefore increasing income and closing the income-cost gap.

## **Legal implications**

31. The fees and charges review is undertaken in line with legislation and statutory guidance with the aim of ensuring full cost recovery.

## **Risk Assessment**

32. A formal risk assessment is not required.

## **Environmental / Climate and nature implications**

33. There are no direct climate implications.

## **Equalities implications**

34. Under the legislation, councils are permitted to set fees that reflect the actual costs of processing and issuing licences, ensuring that no profit is made. Any changes to fees and charges are communicated to licence holders, and a statutory consultation will be carried out in relation to taxi licensing fees and charges.

## **Crime and disorder implications**

35. There are no direct crime and disorder implications.

## **Data protection / Information governance / ICT implications**

36. There are no direct implications.

## **Conclusions**

37. 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.
38. Taxi licensing fees were not increased in 2025 whereas other licensing fees have been reviewed on an annual basis.
39. The setting of the proposed licensing fees and charges has been through a rigorous process, to cost the delivery of the service at a time when service costs are increasing.
40. 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.
41. Fees agreed at this meeting will take effect from 1 April 2026.

## **Appendices**

Appendix 1 – Proposed fees for 2026/2027 for the Taxi and private hire function

Appendix 2- Breakdown of costs

Appendix 3- Objection letter

## **Background Papers:**

[LGA guidance on locally set licensing fees | Local Government Association](#)