

---

**TAXI LICENSING FEES AND CHARGES FOR 2018 - 2019**

---

**Purpose of the Report**

1. The purpose of this report is to invite Members to determine the licence fees relating to the licensing of hackney carriages and private hire vehicles, their drivers and operators. The fees are based on the cost recovery of administering and where appropriate enforcing the relevant legislation relating to such licences.

**Background**

2. The purpose of licensing hackney carriages and private hire vehicles, their drivers and operators is to ensure the travelling public of Darlington are provided with a safe and reliable service and are protected from all illegal activities that can be associated with the provision of a taxi service. The cost of administering and controlling this service may be recouped by the levy of fees as specified in the legislation governing this area of licensing
3. The legislation permits the Council to recover all or part of the costs of providing the taxi licensing service, including its administration and control (i.e. enforcement or supervision). It does not permit the Council to profit from its fees and charges thus ring fencing the income to the Taxi Licensing service. The Council may, however, choose to subsidise the service. **Appendix 1** to this report replicates the relevant sections of the Local Government (Miscellaneous Provisions) Act 1976 relating to the levy of fees and charges.

**Information and Analysis**

4. While Full Council previously determined the levy of all fees and charges in respect of the provision of the taxi licensing service, a report which invited Full Council to delegate the setting of those fees and registrations that are within the remit of the General Licensing Committee to that Committee was considered by Full Council at their meeting on 28 January 2016. Full Council duly approved the delegation and the Council's Constitution was amended accordingly.
5. This enables in depth consideration to be given by members in a specialist committee, whenever the need arises.
6. A review of the fees was undertaken in 2016/17 for the current financial year, and a report was presented to Members on 14 March 2017, the report identified a surplus income which resulted in the Authority being able to hold its licensing fees at 2016 levels for vehicles and operators and reducing the licence fees for drivers renewals from £125.00 to £76.00 in order to give a predicted surplus for 2017/18 of around £23k

7. In addition to the reduction of the driver licence fee, the taxi-licensing budget also provided 50% towards the employment of a temporary Licensing Support Officer post to assist in the introduction of the paperless office.
8. At the end of the 2016/17 financial year and reconciliation of the budgets showed that there was actually a surplus of £27,985 for the hackney carriage budget and £28,482 for the private hire budget, which resulted in £56,467 being carried over into 2017/18 financial year. This was due to an increase in income. Members should note that £20,000 of the surplus was set aside to subsidise the cost of driver licences and £11,245 for the additional member of staff.
9. A similar exercise has been undertaken with regard to anticipated income and expenditure, and once again, income is anticipated to be higher than the projected budget for this financial year.
10. This has enabled the Authority to maintain the current charge for each licence for a further year. Members will be aware that when estimating the income that may come into the Authority, it is very much a forecast based upon the numbers of current licences at that moment in time and may not be entirely accurate.
11. Members should note that holding the driver licence fee and all other fees at this rate seeks to achieve a reduction of the estimated surplus to be carried into 2019/20. Licence fees will most likely have to rise in 2019/20, unless there is a sustained realisation of income.
12. Due to technical issues beyond the Authority's control, it has not been possible to implement the processing of applications and associated paperwork electronically. Therefore, subject to Members approval and the realisation of the projected surplus income, it is proposed that a temporary officer will be employed for a further period of 12 months in order to complete this task.
13. The cost of salary, if approved, will be met on a 50% recharge to the taxi-licensing budget, the other 50% being assigned to the general licensing budget.
14. When the current fees were determined it was on the basis that during this financial year the service would see a reduction of income and thereby reduce the surplus carried over from 2016/17. On this basis, the fee for two and three year driver licences reflected this by only reducing the fee for one year, with years two and three being charged at a higher rate.
15. Because the surplus budget that was actually carried over from 2016/17 was higher than anticipated. The current licence fees will remain the same for the coming year. A number of drivers who have taken out a 2 or 3-year licence will be disadvantaged by the driver licence fees remaining at the same level. So subject to approval it is proposed that we will refund the excess paid in respect of the 2018/19 fee to each of these drivers. It should be noted that where a driver has taken a 3-year licence a refund can only be offered for 2018/19, as it is not possible to estimate income and determine fees for 2019/20.

16. The cost of the reimbursement of the drivers who have a two or three year licence is £179.50 and a breakdown of the costs is contained within **Appendix 2** of this report.
17. The complete 2018/19 proposed fees in respect of the taxi licensing service are detailed at **Appendix 3** to this report.
18. The estimated projected budget outturn for 2018/19 is **£153,445.37** and details of how the re-charges have been accrued to the taxi-licensing budget are attached at **Appendix 4**.
19. The estimated income for taxi licensing for 2017/18 is calculated to be £193,997.96, (which includes the surplus of £56,467 carried forward from 2016/17) and after deducting the costs of the service, yields an estimated surplus of **£40,569.59**. Details of the income breakdown are attached at **Appendix 5**.
20. The anticipated recharges to the taxi-licensing budget for 2018/19 are estimated to be **£162,328.00**. Members will appreciate that this is an initial forecast of recharges that are levied on a yearly basis. Details of the projected budget and outturn for 2018/19 are attached at **Appendix 6**.
21. The anticipated financial position for the taxi-licensing budget at 2018/19 year end shows an estimated surplus carry forward to 2019/20 of **£9,910.81**; details of the calculations are attached at **Appendix 7**.
22. Though not statutorily required, subject to Member's approval, Officers will inform each licence holder of the General Licensing Committees decision.

### **The Fees Proposal**

23. It is proposed that the fees in respect of driver licences and all other fees will be held at 2017/18 rate as detailed below:
  - (a) Grant Driver Licence will remain at their current level
  - (b) Renewal Driver Licence will remain at their current level
  - (c) Vehicle Licence will remain at their current level
  - (d) Operator licence fees will remain at their current level.
24. Members should note that keeping fees at this level will reduce the estimated surplus to be carried into 2019/20. Driver licence fees will most likely have to rise in 2019/20, unless extra income is realised

### **Recommendation**

25. Members are invited to :-

- i) Approve the fees as detailed in **Appendix 3** of the report will continue to apply from 1 April 2018.
- ii) Approve the partial refund of driver licence fees pertaining to those drivers who have taken a 2 or 3 year licence in 2017/18
- iii) Approve the notification of current licence holders of the decision.

## **Reasons**

26. The recommendations are put forward to ensure that the costs of delivering the taxi licensing service can be met directly from the relevant licence fees.

**Ian Williams**  
**Director of Economic Growth**

## **Background Papers**

The Local Government (Miscellaneous Provisions) Act 1976  
The Deregulation Act 2015

## **Appendices**

1. Extracts from 1976 Act pertaining to setting of fees
2. Breakdown costs of 2 and 3 year driver licence refunds
3. Proposed fees & charges for 2018/19
4. Anticipated budgetary outturn 2017/18
5. Estimated income 2017/18
6. Estimated budget 2018/19
7. Estimated projected income 2019/20

**APPENDIX 1**  
**THE LEGISLATIVE BASIS FOR SETTING FEES**

Section 53 (2) of the Local Government (Miscellaneous Provisions) Act 1976 states that:

“Notwithstanding the provisions of the Act of 1847, a district council may demand and recover for the grant to any person of a licence to drive a hackney carriage, or a private hire vehicle, as the case may be, such a fee as they consider reasonable with a view to recovering the costs of issue and administration and may remit the whole or part of the fee, in respect of a private hire vehicle in any case in which they think it is appropriate to do so.”

Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 states that:

1. Subject of the provisions of Sub Section (2) of this section, a District Council may charge such fees for the grant of vehicle and operators' licences as may be resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part:
  - a) the reasonable cost of the carrying out by or on behalf of the District Council of inspections of hackney carriages and private hire vehicles for the purpose of determining whether any such licence should be granted or renewed;
  - b) the reasonable cost of providing hackney carriage stands;
  - c) any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles.
  
2. The fees chargeable under this section shall not exceed:
  - (a) for the grant of a vehicle licence in respect of a hackney carriage, twenty five pounds;
  - (b) for the grant of a vehicle licence in respect of a private hire vehicle, twenty five pounds; and
  - (c) for the grant of an operator's licence, twenty five pounds per annum;

or, in any such case, such other sums as a District Council may, subject to the following provisions of this section, from time to time determine.
  
3.
  - (a) If a District Council determine that the maximum fees specified in Sub Section (2) of this section should be varied they shall publish in at least one local newspaper circulating in the district a notice setting out the variation proposed, drawing attention to the provisions of paragraph (b) of this subsection and specifying the period, which shall not be less than twenty eight days from the date of the first publication of the notice, within which and the manner in which objections to the variation can be made.
  
  - (b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of twenty eight days from the date of the first publication thereof be

deposited at the offices of the Council which published the notice and shall at all reasonable hours be open to public inspection without payment.

4. If no objection to a variation is duly made within the period specified in the notice referred to in subsection (3) of this section, or if all objections so made are withdrawn, the variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.
5. If objection is duly made as aforesaid and is not withdrawn, the District Council shall set a further date, not later than two months after the first specified date, on which the variation shall come into force with or without modification as decided by the district Council after consideration of the objections.
6. A District Council may remit the whole or part of any fee chargeable in pursuance of this section for the grant of a licence under section 48 or 55 of this Act in any case in which they think it appropriate to do so.

**APPENDIX 2**  
REFUND OF EXCESS LICENCE FEES

<b>Length of Licence</b>	<b>PHD</b>	<b>HCD</b>	<b>FEE PAID</b>	<b>REFUND DUE</b>
<b>2 year licence</b>	<b>2</b>	<b>1</b>	<b>£176.00</b>	<b>£24.00</b>
<b>*3 year licence</b>	<b>2</b>	<b>3</b>	<b>£271.00</b>	<b>£21.50</b>
<b>TOTAL REFUND</b>				<b>£179.50</b>

\*The refund due to those drivers who have taken a 3-year licence is a smaller amount than the 2-year licence holders due to the fact that it is not possible to predict income or expenditure at this time for 2019/2020. At the end of the financial year for 2018/19 this shall be reviewed and a further refund of licence fee will be offered if those drivers are at any financial disadvantage for taking a longer licence

**APPENDIX 3**

**PROPOSED TAXI LICENCE FEES AND OTHER CHARGES IN RESPECT  
OF ALL LICENCES DUE ON OR AFTER 01 APRIL 2018**

<b>Driver Licence Fees</b>		<b>Current £</b>	<b>Proposed £</b>
Driver Licence Grant	(1 year)	£161.00	No change
Driver Licence Grant	(3 years)	£356.00	No change
Driver Licence Renewal	(1 year)	£76.00	No Change
Driver Licence Renewal	(2 years)	£176.00	No Change
Driver Licence Renewal	(3 years)	£271.00	No Change
Change from Single Licence to Combined		£40.00	No change
Replacement Drivers Badge		£10.00	No change
Re-sit of Drivers Legislation Test		£35.00	No Change
Refused Application for Drivers Badge		£35.00	No Change
DBS Enhanced Disclosure		£44.00	No Change
<b>DBS Enhanced Disclosure On Line Service (optional)</b>		<b>£48.00</b>	<b>New Charge</b>

<b>Private Hire Operators</b>		<b>Current £</b>	<b>Proposed £</b>
Operators Licence <b>Grant</b>	(1 year)	£530.00	No Change
Operator Licence <b>Grant</b>	(5 years)	£1160.00	No Change
Operator Licence <b>Renewal</b>	(1 year)	£350.00	No Change
Operator Licence <b>Renewal</b>	(5 years)	£980.00	No Change
Operator Levy (Per PHV Operated)	(1 year)	£10.00	No Change
Operator Levy (Per PHV Operated)	(5 year)	£50.00	No Change
Admin charge for applications are refused by Committee		£35.00	No Change

<b>Vehicles – fees exclude plate, decal and tariff costs</b>		<b>Current £</b>	<b>Proposed £</b>
Hackney Carriage Vehicle Licence	<b>Grant</b>	£385.00	No Change
Hackney Carriage Vehicle Licence	<b>Renewal</b>	£355.00	No Change
WAV Hackney Carriage Vehicle Licence	<b>Grant</b>	£289.00	No Change
WAV Hackney Carriage Vehicle Licence	<b>Renewal</b>	£266.00	No Change
Private Hire Vehicle Licence	<b>Grant</b>	£370.00	No Change
Private Hire Vehicle Licence	<b>Renewal</b>	£340.00	No Change
WAV Private Hire Vehicle Licence	<b>Grant</b>	£277.00	No Change
WAV Private Hire Vehicle Licence	<b>Renewal</b>	£255.00	No Change



<b>Additional Charges</b>	<b>Current £</b>	<b>Proposed £</b>
Applications Assistance with Forms – per visit	<b>£39.50</b>	No Change
Knowledge test (re-sits and failure to attend for test only)	<b>£35.00</b>	No Change
Duplicate Driver Badge	<b>£10.00</b>	No Change
Plate (rear)	<b>£15.00</b>	No Change
Plate (front)	<b>£10.00</b>	No Change
Door discs (each)	<b>£5.00</b>	No Change
Tariff card	<b>£2.00</b>	No Change
Vehicle transfer of ownership	<b>£35.00</b>	No Change
Change of Operator	<b>£35.00</b>	No Change
Admin Charge - per hour or part	<b>£35.00</b>	No Change
Refer to drawer fee	<b>£15.00</b>	No Change

**APPENDIX 4**  
TAXI LICENSING (16009)  
ESTIMATED BUDGET AND PROJECTED OUTTURN 2017-18

		Original Budget £	Projected Outturn £
<b>Description</b>			
<b>Employee Costs</b>	Salaries and staffing costs	103,378.00	104,373.00
	Agency Staff	0	546.20
	Recruitment Advertising	0	200.00
	Training Expenses	650.00	<b>691.00</b>
	Employee Related Insurance	1,410.00	1,410.00
	<b>Total employees</b>	<b>£105,438.00</b>	<b>£107,220.20</b>
<b>Supplies &amp; Services</b>			
2003	CCTV Monitoring Charge	0	515.00
3001	Casual Mileage	710.00	822.60
3811	Hackney Carriage Inspection	0	100.00
4001	Books	100.00	200.00
4004	Commissions & Other services	0	192.90
4009	Equipment inc badges and plates	5,770.00	6,000.00
4018	Hospitality and Room Hire (inc Knowledge tests)	0	540.00
4021	ICT Hardware Purchase	440.00	2,482.75
4025	ICT Software Support & Maintenance	1,360.00	1,079.33
4030	Marketing & Advertising	1,540.00	1,540.00
4037	Professional Fees & Consultancy	1000.00	2,070.00
4045	Stationary	0	500.00
4046	Subscriptions	90.00	245.00
4083	Disclosure and Barring Certificate Checks*	0	0
4094	Printer Consolidation Charges	1,700.00	1,665.16
4115	Removal Costs	0	51.00
4122	Consultancy Fees	0	325.00
4125	Voice Telephone Mobile Costs	0	.43
4507	Protective Clothing and Equipment	100.00	200.00
7004	HR Support	2,660.00	2,660.00
7017	Legal Services	5,280.00	5,280.00
7031	Health and Safety	300.00	300.00
7801	Man and Admin Allocation	4,700.00	4,586.00
7811	Postage	630.00	630.00
7813	Operational Buildings Recharge	3,800.00	3,800.00
7831	Performance and Development	1,810.00	1,810.00
7832	Accounting Services	4,240.00	4,240.00
7836	Town Hall Support	1,290.00	1,290.00
7840	Occupational Health	190.00	190.00
7842	Xentrall – Development and Operations	2,260.00	2,260.00
7844	Xentrall – Transactional Finance	650.00	650.00
<b>Total Supplies and Services</b>		<b>£40,620.00</b>	<b>£46,225.17</b>

<b>Total</b>	<b>£146,058.00</b>	<b>£153,445.37</b>
--------------	--------------------	--------------------

\*Disclosure and Barring Certificates are a neutral cost to the Council

**APPENDIX 5**  
ESTIMATED INCOME AND SURPLUS 2017/18

**Hackney Carriage – Drivers / Vehicles / Plates**

Description	Projected income to 31 Mar 2018
Surplus carried forward from 2016/17	£27,985.48
Estimated income 2017/18	£89,688.00
<b>Total</b>	<b>£117,673.48</b>

**Private Hire – Operators / Drivers / Vehicles / Plates**

Description	Projected income to 31 Mar 2018
Surplus carried forward from 2016/17	£28,482.48
Estimated income 2017/18	£47,859.00
<b>Total</b>	<b>£76,341.48</b>

Total Income/Area	Projected income to 31 Mar 2018
Hackney Carriage* with surplus	£117,673.48
Private Hire* with surplus	£76,341.48
<b>Total Income</b>	<b>£194,014.15</b>
<b>Total Supplies and Services Costs</b>	<b>£153,445.37</b>

<b>Total Estimated Surplus</b>	<b>£40,569.81</b>
--------------------------------	-------------------

Licence numbers fluctuate on a monthly basis, the above figures have been calculated based upon one year licence renewals, generated on the number of current licences as of 31 October 2017 and as such they may be subject to change.

Such fluctuations mean that estimated income could always only be set based on the number of licences issued at the time of preparing the proposed increases.

**APPENDIX 6**  
TAXI LICENSING (16009)  
ESTIMATED BUDGET AND PROJECTED OUTTURN 2018/19

Description		Projected Outturn £
<b>Employee Costs</b>	Salaries	£106,732
	<b>Agency Staff/Temporary Staff (approx.)</b>	£11,250
	Training Expenses	£650
	Employee Related Insurance	£1,424
	<b>Total employees</b>	<b>£120,056</b>

Supplies and Services		
2003	CCTV Monitoring Charge	515.00
3001	Casual Mileage	717.00
4001	Books	100
4004	Commissions & Other services	0
4009	Equipment including badge and plates	5,770
4018	Hospitality and Room Hire	540
4021	ICT Hardware Purchase	440
4025	ICT Software Support & Maintenance	1,387
4030	Marketing & Advertising	1,540
4037	Professional Fees & Consultancy	204
4045	Stationary	0
4046	Subscriptions	92
4083	Disclosure and Barring Certificate Checks*	0
4094	Printer Consolidation Charges	1,700
4507	PPE Clothing and Equipment	100
4850	Other Supplies and Services	800
7004	HR	2,713
7014	Printing	0
7017	Legal Services	5,386
7031	Health & Safety	306
7801	Man & Admin Allocation	4,794
7811	Postage Recharge	643
7813	Operational Buildings Recharge	3,876
7831	Performance & Development	1,846
7832	Accounting Services	4,325
7836	Town Hall Support	1,316
7840	Occupational Health	194
7842	Xentrall It - Development & Operations	2,305
7844	Xentrall - Transactional Finance	663
<b>Total Supplies and Services</b>		<b>£42,272</b>

<b>Total</b>	<b>£162,328</b>
--------------	-----------------

\*Disclosure and Barring Certificates are a neutral cost to the Council

**APPENDIX 7**  
TAXI LICENSING (16009)  
ESTIMATED PROJECTED INCOME 2018/19

<b>Hackney Carriage Driver</b>	<b>£18,772</b>
<b>Hackney Carriage Vehicle</b>	<b>£64,610</b>
<b>Hackney Carriage Plates</b>	<b>£2,730</b>
<b>Total</b>	<b>£86,112</b>

<b>Private Hire Driver Licences</b>	<b>£13,832</b>
<b>Private Hire Vehicle Licences</b>	<b>£28,900</b>
<b>Private Hire Plates</b>	<b>£1,275</b>
<b>Private Hire Operator</b>	<b>£700</b>
<b>Private Hire Vehicle Levy</b>	<b>£850</b>
<b>Total</b>	<b>£45,557</b>

<b>TOTAL PROJECTED INCOME</b>	<b>£131,669</b>
-------------------------------	-----------------

**2018/19 ESTIMATED YEAR END POSITION**

<b>Total Projected Costs</b>	<b>£162,328.00</b>
<b>Total Projected Income</b>	<b>£131,669.00</b>
<b>Surplus from 2017/18</b>	<b>£40,569.81</b>
<b>Total Year End Surplus</b>	<b>£9,910,81</b>

Licence numbers fluctuate on a monthly basis, the above figures have been calculated based upon one year licence renewals, generated on the number of current licences as of 31 October 2017 and as such they may be subject to change.

Such fluctuations mean that estimated income could always only be set based on the number of licences issued at the time of preparing the proposed fees.