



**URN: 24-002**

**Report Title: Licence Fees – Hackney Carriage and Private Hire**

**Report to: Cabinet**

**Council**

**Date of meeting: 12 February 2024**

**22 February 2024**

**Responsible Cabinet Member: Cllr Paul Wells**

**Responsible Director / Officer : Denise Wilby – Licensing and Election Manager**

**Is this a Key decision ? No**

#### **SUBJECT MATTER AND DECISION REQUIRED**

**Council are asked to consider the proposed Hackney Carriage and Private Hire licence fees (as part of fees and charges setting process) for 2024/2025 as a result of comments received.**

**That COUNCIL :**

**Approve the proposed fees without modification for 2024/2025.**

#### **Background**

- 1.1 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 provides that "a District Council may charge such fees for the grant of vehicle and operator 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; and
  - (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.
- 1.2 Section 53 (2) of the Local Government (Miscellaneous Provisions) Act 1976 provides that "a District Council may demand and recover for the grant to any person of a licence to drive a Hackney Carriage or 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".
- 1.3 Should the Council choose to increase the fees it is required in law to publish such proposals and in the event of objections to such increases must consider such objections before implementing the revised fee (with or without modification).

## 1. Current situation

- 2.1 The fees and charges have been calculated to ensure that they are set at an appropriate level to support the recovery of the cost associated with providing the service.
- 2.2 In arriving at the proposed fee levels, officers considered the steps required for each licence type in order to process, validate, review and grant or refuse a licence including external cross-check requirements such as Disclosure and Barring Service checks, immigration checks, NR3 database checks, checks with other authorities, knowledge tests and mechanical vehicle checks.
- 2.3 A breakdown of how these costs were calculated can be found in Appendix 1.
- 2.4 As is required in legislation, a notice of the intended fees was published in the local paper which allows for a 28-day representation period. This began on 8 December 2023 and ended on 8 January 2024.
- 2.6 Where objections are received to the proposed advertised fees, under Section 70 of the Local Government Miscellaneous Provisions Act 1976 the council can either approve the fees as proposed or modify the fees after consideration of the objections.
- 2.7 The proposed fees are as follows:

<b>Licence</b>	<b>2023/2024 Existing fee</b>	<b>2024/2025 Proposed fee</b>
Hackney Carriage Vehicle Licence	£252	<b>£280</b>
Private Hire Vehicle Licence	£252	<b>£280</b>
Second class Hackney Carriage vehicle licence	£273	<b>£300</b>
Private Hire Operators Licence (5 year licence)	£368	<b>For 1 – 10 vehicles £390 For 11 – 20 vehicles £490 For 20+ vehicles £710</b>
Driver's Licence (3 year licence)	£174	<b>£220</b>
Transfer of vehicle	£67	<b>£75</b>
Knowledge Test	£20	<b>£25</b>

## 3. Representations received

- 3.1 Several comments have been received from the trade, a summary of these can be found in Appendix 2.
- 3.2 Some of comments from the trade relate to their ability to increase their fares to cover the costs of these fees increase. A fare increase was agreed at licensing committee with the fare increase

starting in October 2022. It was also agreed these could be reviewed again in 2 years' time, so there will be an opportunity for fare increase to be put before licensing committee in October 2024.

#### 4. Conclusion

- 4.1 Although there have been some concerns raised by the Taxi trade, there is an opportunity for them to review their fares within 24/25 financial year, to ensure the Council is covering its costs of officer time to administer and enforce this area of work it is essential that the Council agrees the proposed fees for 2024/2025 and approve.

*Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?*

Area for consideration	Comment
Monitoring Officer Consultation:	No comment
Section 151 Officer Consultation:	In line with fees and charges policy
Existing Council Policies:	Fees and Charges policy and cost recovery
Financial Implications (including VAT and tax):	Increased income to cover officer time
Legal Implications (including human rights):	None
Risk Implications:	None
Equality Issues/EQIA assessment:	None
Crime & Disorder:	None
Every Child Matters:	None

### Hackney Carriage/Private Hire Driver's Licence (3 year Licence)

Processes	No of mins	Cost
<b>Admin inc:</b> Immigration checks, advice DBS check initial application and ID check check NR3/ dvla check/ tax code check Process and Issue licence and badges	150 mins	<b>116.11</b>
<b>Compliance over 3 years inc:</b> 6 monthly checks of DBS Annual DVLA checks Medical certificates	120 mins	<b>83.46</b>
<b>ID Badge x 2</b>		<b>20.00</b>
<b>Stationery/printing</b>		<b>5.00</b>
<b>Total Cost</b>		<b>£224.57</b>

<b>Knowledge Test</b>	35 mins	<b>£27.50</b>
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### Hackney Carriage/Private Hire Vehicle Licence

Processes	No of mins	Cost
Admin inc: Enquiries and issue of paperwork, validating and processing application, processing payment, issue of licence and make up of plate/fare card/crests. Face to face advise Chase of outstanding paper work including 6 monthly vehicle tests	210 mins	<b>146.06</b>
Back plate/fare cards/crests		<b>50.00</b>
Compliance and Enforcement	120 mins	<b>94.20</b>
<b>Total Cost</b>		<b>£290.26</b>

### Second Class Hackney Carriage Vehicle Licence

Processes	No of mins	Cost
Admin inc: Enquiries and issue of paperwork, validating and processing application, processing payment, issue of	210 mins	<b>146.06</b>

licence and make up of plate/fare card/crests. Face to face advise Chase of outstanding paper work including interim vet checks		
Back plate/fare cards		<b>40.00</b>
Compliance and Enforcement	120 mins	<b>94.20</b>
Maintenance of ranks		<b>20.08</b>
Total Cost		<b>£300.34</b>

### Transfer of Vehicle

Admin process inc Send and receipt of application and documents Check details	90 mins	<b>62.50</b>
Fare card		<b>10.00</b>
Stationery/printing		<b>5.00</b>
Total Cost		<b>£77.50</b>

### Private Hire Operators Licence (5 Year Licence)

Processes	No of mins	Cost
Admin inc: Enquiries and issue of paperwork, validating and processing application, processing payment, issue of licence. Face to face advise Chase of paperwork eg DBS certificates	180 mins	<b>125.19</b>
Compliance and Enforcement including inspections and follow up advice (over 5 years)	750 mins (20 + vehicles)	<b>588.75</b>
	475 mins (11 – 20 vehicles)	<b>372.90</b>
	350 mins (1 – 10 vehicles)	<b>274.75</b>
Total Cost	20+ vehicles	<b>£713.94</b>
	11 – 20 vehicles	<b>£498.06</b>
	1 – 10 vehicles	<b>£399.94</b>

## Summary of Representations received

Name	Comments
Simon Kitchen Driver/Plate Holder	Totally Object unless we have a rate increase prior to this!! Minimum wage has increase twice since our last rate increase. If your fees are going up to cover your costs its only fair the Drivers are able to earn more as they are suffering the same problems in line with you.
Scott Hooley Driver	I object to the new rate increases as you've put rates up on taxis once in years yet the minimum wage gone up twice in space of a year but don't put our rates up so I object and so will many others
Paul Smith Driver	I disagree with the license increase as it is meant to be non profit and cant see how this is so
Stuart Bulloch Driver	I would like to comment on the planned proposal that you issued to all Operators and Drivers. Firstly, I am only a driver so only two parts affect me. However those two sections have the largest % increase; 3year licence up by 26.4% Knowledge Test up by 25% The other increases are all between 9.9% & 11.9%. The 25% increase on the knowledge test is fine as in monetary terms it is a small number. The 26.9% on the other hand for the 3 year licence is not it's an increase of £46. Maybe you could look at decreasing this and take it from the Operators ?.
Jamie Skinner Driver	I wish to object to the fee increase for hackney carriages.  The industry still has not fully recovered from COVID, with overall passenger journeys still lower than pre-pandemic levels. This has been worsened by the £2 cheap bus fare incentive by the government, Huge losses were made in the industry with many operator drivers hanging up their keys for the final time.  The actual cost of running a vehicle has already increased. Fuel is still in excess of £1.50 per litre, with new parking/drop-off charges at various airports too this results in having to raise pre-booked airport run prices - with many customers saying "it's too expensive". Vehicle Excise Duty or "road tax" is still increasing, certainly in the case of older custom made vehicles such as wheelchair accessible vehicles. Many drivers are also now doing county council school contracts as the likelihood of a regular income from the ranks is so low, the contracts themselves have not taken into consideration any cost increases in the past few years either, so the profit margin is getting increasingly tighter. To add to this by raising all applicable fees would make the squeeze even worse.  Another point is vehicle stock. Newer vehicles with lower

	<p>emissions and lower tax bands have simply not been available to purchase due to a national shortage.</p> <p>Those vehicles that are available are often older, and are sold at a premium price. So many are hanging onto their older vehicles as they cannot simply afford to replace them. Again this increases running costs as tax is more and so is fuel consumption.</p> <p>Furthermore, the increase in drivers licence fees, and the testing fees means that the job role is even more unattractive. The industry is facing a huge shortage of drivers, especially new recruits. I myself am still the youngest licence holder in the borough, having gained my hackney at 21. With no new recruits, and the average age increasing, many older drivers simply won't bother to renew and will retire. In my opinion this is a bad move. People are starting to look into alternative work, again since COVID. Many former office works hitting the roads as HGV Drivers, parcel drop drivers etc,</p> <p>We want to be attracting more to the industries to reduce the extreme workload many are facing - not the opposite! This is not going to attract new drivers to the borough, and ultimately this will result in LESS revenue for yourselves.</p> <p>Hopefully you take my comments into consideration.</p>
Andrew Smith Driver	Absolutely disgusting
Neil Sherrington Driver	I would like to object to the price increase
Roland Kitchen Driver/Plate Holder/Operator	<p>I'd like to object to the increase in fees.</p> <p>The new operators license fee that is separated into the amount of cars is ridiculous. The price difference from the original price of £368.00 and the higher price for 20+ is £342 . This penalises those who have a bigger fleet and those who provide larger employment opportunities in the area. This also creates questioning such as what if a business grows within the 5 years, does their existing license becomes invalid, or what if a business drops a couple of vehicles and drops a level will they get a refund on their license fee.</p> <p>Also the price increase on the driver's license is nearly £50.00, this will discourage new drivers from joining. How are you expecting people to pay out when they are already unemployed? The industry is calling out for more drivers and yet you are putting a barrier in place to prevent this.</p> <p>I am also unhappy about the price increase on the vehicle licenses, although it seems £28 may not be a lot but this cost adds up on our current fleet to £588.00 a year. With this extra money, what do we receive in return for this, as it seems we will be receiving the same service as just a back plate.</p>

	<p>When thinking about the price increases did you think about how as business we will be able to afford the new costs. This will only lead to us needing a new tariff rates which will fuel inflation. I also would like to mention this is the first time in two years where you have contacted licence holders in regards to price increases, meaning we have been blindsided into new costs that we have not been able to factor in.</p>
<p>Steve Spearman Driver</p>	<p>Although I do not expect a response I would be grateful if someone could tell me the justification of a 26% increase in the driver's licence especially at this time with a cost of living crisis in this country, It's bad enough that we have to pay to go to work. I do not understand why there is such a big increase this is way above the rate of inflation. My thoughts are that GYBC are losing revenue from other sectors and we as drivers are a captive audience and have to pay to work, therefore easy targets Personally I only work the school runs therefore work approximately 36 weeks of 52 at just above minimum wage this I do from personal choice to suit my own lifestyle, I look forward to approaching my employer for a 26% increase in salary. Yes a ridiculous comment how ever I think this proposed increase is also ridiculous and unfair and as stated unjustifiable...</p>
<p>Peter Holland Driver</p>	<p>Hello, can I please register my opposition to the increase to the driver's licence for hackney carriage. How can a 26% increase be justified in current circumstances with cost of living etc?</p>
<p>Andrew Ellis Driver</p>	<p>We are in the middle of a financial crisis. This is not the time to be draining money from those already working for a living. Should you do so, it will eventually become unviable to work and then becoming part of the unemployed, and subsequently adding to the councils growing benefit list</p>
<p>Simon Tilley Driver/Plate Holder</p>	<p>I object to the proposal for an increase in Hackney Carriage related fees. I should not have to remind you of the financial crises many families are facing on a national level. Who proposed such a ridiculous motion? Was this proposed by Borough councillors? I find it insulting and utterly immoral to propose any increase during this period of central government mismanagement.</p>
<p>Ian McHugh Driver/Plate Holder</p>	<p>The Hackney carriage should be 3 years if going up same for second class .vechical licence should be 3 operators should be 6 or even 8 its like you council itself shops bills petrol stationd answer two the living crises is put everything up or are you trying to put the single owner driver out of work so the bigger firms like albies and ocean can stay note there brothers.drivers licence fee should be 5 years and the dsb check should be 3 to 5 years.</p>



<p>Tracey Wells Driver/Plate Holder</p>	<p>I am objecting to your proposal to increase all fees for the taxi and private hire vehicles as I feel that this is very unacceptable. Since covid came along and through this NO self employed taxi and private hire business have not managed to get back to some sort of normal. We lost so much time with no earnings whatsoever but still had to manage with our life savings to keep the bills paid. You have no idea what it was like for us it was sole destroying so now I feel that you are taking as all to the core asking for a very large increase in all the fees. As you are all aware of the very high extra bills that every house hold is having to find each month the government seems to think we are all a bottom less Pitt. I hope this aires my view</p>
<p>Matthew Yaxley Driver/Plate Holder</p>	<p>Further to your email in December 2023 outlining the proposed review of associated fees for Hackney Carriage and Private Hire from April 2024 please accept this email as a formal objection for logging and consideration. As I am sure you will be aware since the COVID Pandemic the taxi trade in Gt Yarmouth has not recovered as an industry for both driver availability and the trade in general. I am sure you would have seen the recent publication in the National press there are over 3,500 taxi driver shortages in the UK of which the borough of Gt Yarmouth is no different along with the lack of trade available in the town. It must be noted that GYBC have increased fees charged for the last 2 years and to add a further increase for another year in a trade that has not recovered, nor is indicating any immediate signs of recovery even for the summer trade, and the fact the charges that are set by GYBC that we can charge the customer (Meter Prices) have only been increased once in over 10 years the proposed level of increases from April is unfair and excessive in my view. Whilst I understand that all local authorities are facing a deficit in the upcoming year's budgets, and all areas are being reviewed, to increase fees to potentially recover some of the shortfall to the level of the proposed increases is not the answer. What could be deemed as a short-term fix end up being a longer-term pain for everybody. Whilst I appreciate fees charged, budgets and expenditure should be reviewed by any local authority but to simply increase fees for the services that they offer, and to the level of that proposed, in my view is excessive as already stated. As you are aware being a multi operator within the borough and having struggled for a significant amount of time attracting new drivers with vehicles being parked up regularly whilst trying to obtain and secure drivers, by proposing to increase fees at that level could only hamper everybody in the trade further. The levels of increases you are proposing, which are not exhaustive, increase the knowledge test by <b>25% to £25</b>, increase the Drivers licence by <b>26% to £220</b> for the 3-year period will only make the process of attracting existing drivers to renew and</p>

attract new blood to the trade even more difficult at a time when we have a cost of living crises. Every penny is being counted, and in a town where local trade has not recovered since the pandemic even over the summer period being a holiday resort. We are a small seasonal seaside town and not a city location which will have consistent daily work including the nightlife of which we have little now again since the pandemic, and the percentage of increase is excessive for all areas proposed in my view.

As the owner of the vehicles the proposed increase of **11%** to the Hackney Carriage & Private Hire Vehicle License to £280 could force a number of businesses to review the business model they operate and review those that drive the vehicles and the potential impact this could have on any business and those that work within it doesn't bare thinking about. Things are extremely tight for everybody and to propose the level of increase being proposed again, in my view is excessive.

I trust the above makes sense, but should you have any questions please do not hesitate to contact me further and I await the outcome of the meeting with the Cabinet in February.

Great Yarmouth Borough Council

- 5 JAN 2024

Customer Services

January 4th 2024

Licensing Department  
Great Yarmouth Borough Council  
Town Hall  
Great Yarmouth  
Norfolk  
NR30 2QF

Dear Sirs,

**Ref: Hackney Carriage and Private Hire Fees 2024**

Reference your letter received 15<sup>th</sup> December 2024 regarding the above, I have the following questions and comments.

1. What prompts an automatic increase each year in fees to our trade? If it is due to inflation then the percentage increase is galloping and beyond what should reasonably be expected.
2. Since the Covid 19 pandemic we have witnessed first-hand a decline in our general customer base, especially the rank work and more particularly in my case, the evening/night work. It is not unusual to sit for two hours without an opportunity of work as the evening economy has changed beyond recognition. Night-clubs, restaurants and pubs have changed their operating criteria to such a degree that some people either don't socialise as before or choose to venture further afield (eg Norwich).
3. Although I applaud the government incentive to cap local bus fares, it has affected our takings. Our trade receives no subsidies, indeed during lockdown when we couldn't work we still had to pay Council fees when some other Councils actually gave their drivers a financial helping hand!
4. Many taxi drivers are self-employed and the proposed increase in fees are out of proportion. The last increase in our fare tariff took ten years to achieve and implement so if we asked for another increase to counter these charges it would not be passed without full consultation and therefore your proposal should be scrutinised in the same way with full disclosure of the facts to support your case for arriving at these figures.

Yours faithfully,

  
G Brown,  
