

<b>General Licensing Committee Meeting</b>		<b>Agenda Item: 6</b>
<b>Meeting Date</b>	12 September 2017	
<b>Report Title</b>	Hackney Carriage Revised Fees and Charges	
<b>Cabinet Member</b>	Cllr Alan Horton, Cabinet Member for Safer Families and Communities	
<b>SMT Lead</b>	Mark Radford	
<b>Head of Service</b>	Mark Radford	
<b>Lead Officer</b>	Della Fackrell	
<b>Key Decision</b>	Yes	
<b>Classification</b>	Open	
<b>Forward Plan</b>	<b>Reference number:</b>	
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To approve the modified proposed fees and charges detailed in this report in paragraph 3 and Appendix II with effect from 18 September 2017.</li> <li>2. To approve the proposal to review the taxi fare tariff</li> </ol>	

## **1 Purpose of Report and Executive Summary**

- 1.1 This report is the final part of the consultation process to review Taxi Fees and Charges.
- 1.2 The Committee are requested to review the consultation responses shown in Appendix I and summarised in this report in Paragraph 3 and Appendix II to agree the modified proposed revised fees and charges and future work to consider the current taxi fares following the responses.

## **2 Background**

- 2.1 A review as part of the Council's normal business and transformation programme took place. Proposed revised Taxi Fees and Charges were put to Council on 23 November 2016 as part of the council wide review of fees and charges. This review followed up on an initial benchmarking exercise undertaken by the Transformation Team which indicated that a more detailed analysis was required. Further work has been undertaken to ensure that the charges proposed reflect the actual costs incurred in providing the service.
- 2.2 The initial report outlined that several new charges were being considered for elements of the service that the council does not currently charge for. It also noted that within the wider context of Kent fees and charges the proposed increases, whilst reflecting the true costs to the Council, would be comparable with the Kent average.

- 2.3 The report stated that specific consultation was required on changes to the taxi charges.
- 2.4 It also confirmed that the proposals would be considered by Scrutiny Committee on 16 November 2016 before submission to Council on 23 November 2016.
- 2.5 During the Scrutiny meeting on 16 November 2016 concern was raised that the increases may result in the increase being reflected on the cost to the customer. The Cabinet Member for Safer Families and Communities explained that the maximum fare was set and an operator could charge up to, but not beyond that maximum.
- 2.6 It was also explained at this meeting that the Transformation team had identified areas in Licensing fees that had been undercharging for some years and the current proposed increases were necessary to provide an effective and efficient service.
- 2.7 The Scrutiny Committee agreed that an increase was appropriate to meet costs.
- 2.8 All of the proposed Fees and Charges for the taxi licensing service have been considered on the basis of running a professional and thorough service to ensure the safety and integrity of Swale taxis. This is particularly important from a safeguarding perspective and the service has been refocused around this purpose of safe cars, safe drivers and safe journeys. It is inevitable as a consequence that we need to be charging additional and higher fees to provide this enhanced service.
- 2.9 A new computer system has been purchased and populated with the necessary driver and operator data. The Licensing department is in the final stages of setting up the required template documents and will be further developing the system with document management software.  
Establishing new working practices and systems requires investment in staff and equipment.
- Once the transformation is complete however it is anticipated that the more effective and efficient Licensing function will yield savings. If that is the case we expect to be able to reflect this in future reviews.
- 2.10 To reinforce the emphasis on public safety the revised service will also be carrying out increased compliance checks which previously have been at the minimum level. This will incur a cost to the service in officer time and communication so is also reflected in the proposed fees and charges.

### **3 Proposals**

- 3.1 During the consultation, many comments were received. These are listed in Appendix I. These comments have been further categorised in to the themes shown in the table over the page:

**Table 1: Fees and Charges response themes**

<b>Fees and Charges response to consultation August 2017</b>	
<b>A - Themes directly linked to Fees and Charges</b>	
1	Economic Climate
2	Cost of running service (system and resources)
3	Specific fees
<b>B - Themes indirectly linked to Fees and Charges</b>	
4	Fare increase
5	Consultation process for fees and charges
6	Taxi ranks
7	New proposed policy

3.2 The themes have been separated in to two types of themes. The first (A) are those that are directly linked to the fees and charges consultation and are reflected in the following paragraphs in this report.

The second (B) are those that are related to concerns raised on other elements of the taxi licensing function and will be included in a separate consultation process.

3.3 Following the consultation, officers have reconsidered the proposed fees and charges and suggest making the following modifications in response to the feedback which are also shown in a table format in Appendix II.

### **3.3.1 Dual badge for One Year**

This licence is issued to provide a probationary licence to new drivers, current drivers who only want to pay for one year or for drivers over the age of 70 or with medical conditions that require a yearly medical.

Following the consultation, officers have reviewed the requirement for this licence and consider that it is no longer necessary for new or existing drivers. It was felt to aid a probationary period for new drivers but any breaches to the policy and conditions will result in penalty points, statutory revocations or suspension. We therefore propose that this licence is only available to drivers that have a statutory need for a yearly licence due to age or medical restrictions.

### **3.3.2 Charges that relate to replacements/updates**

These charges are: Dual Driver Badge replacement,  
Change of address,  
Replacement paper licence.

Following the consultation comments we propose to modify this charge to £10.00 per item to better reflect the work required. The cost for a replacement vehicle plate will remain at £15.00 due to the additional cost of the plate.

### **3.3.3 Plate deposit**

Currently we take a deposit of £100.00 for a plate which is refundable when the plates are returned and no longer required.

We propose to modify this charge to a set non-refundable fee of £50.00 for the plate which will only be issued once. An individual driver will receive a unique number which they will retain for the rest of their time in business. The plate will be transferrable with the Change of Ownership fee. This will reduce the amount the drivers will need to pay up front and save the council processing time in refunding the deposit.

### **3.3.4 Change from Private Hire to Hackney Carriage and Change from Hackney Carriage to Private Hire**

We have reviewed the process and calculations for both of these functions and have found there is no discernible difference in the tasks so it is not justifiable to have different charges. Therefore the proposal is to set the fee at £80 for both.

- 3.4 We have also reviewed the following fees that have either increased or are new and consider that the amount that was proposed is correct for the following reasons:

#### **3.4.1 Dual Badge for one year**

This fee was significantly under charged previously for the work and resources required to deliver a thorough process and record the details on an appropriate system. This fee is however recommended under section 3.3.1 to be removed save for statutory requirements.

#### **3.4.2 Dual Badge for three years**

This charge was much more realistic so has only required a small increase for it to meet the costs involved.

#### **3.4.3 Knowledge test and Knowledge test re-sit**

This fee has only increased by a small amount but is no longer refundable against the issue of the first badge. It is a cost to the council to facilitate the Knowledge tests which we currently offer on a monthly basis. In comparison to some of our neighbouring authorities this is much more frequent than is offered by them. We are able to offer this regular service at the moment but clearly this takes officer time to deliver. An online test is being considered which will enable us to continue to offer the monthly opportunity which is better for taxi operators and drivers.

We currently restrict the number of re-sits that potential drivers can take to three, by introducing this fee it will allow them to take as many as they require. This is assisted by an online test which will have a larger pool of questions.

### **3.4.4 Vehicle licence for one year**

Following a breakdown of the costs to deliver this licence which was also compared against other local councils it was found that it had been significantly undercharged. This new fee is still below some neighbouring authorities so we are confident that this is at the correct level and covers the costs of administering the process.

### **3.4.5 Change of Ownership of the Licensed Vehicle**

This is a new fee that is required to cover officer time and a small charge for consumables.

### **3.4.6 Private Hire Operator Licence valid for 5 years**

This fee has been significantly undercharged for many years. The current fee equates to £20.00 per year and the proposed fee equates to £86.00 per year. The £86.00 per year is a realistic charge to cover the cost of yearly compliance checks with the operators by the Licensing Officers. In addition to this is the cost of administration, system and support costs.

This amount is still lower than the majority of the neighbouring authorities but we consider that the revised charge sufficiently covers the cost of producing and maintaining this licence.

## **4 Alternative Options**

- 4.1 If the modified proposals are not considered suitable then members could revert to the original proposed Fees and Charges. Members could also make any other modifications having considered representations as they think appropriate. These could be trialled through the next 12 months to then review them again in readiness for the 2018/19 budget.
- 4.2 The proposed fees could be considered to be brought in on a phased basis. This is not recommended as the taxi Licensing function is improving but is not as effective and efficient as the transformation team have considered it could be. The increase is therefore necessary to facilitate this change. This loss could be recouped by adding to future years but bringing the increases in in smaller amounts.

## **5 Consultation Undertaken or Proposed**

- 5.1 A formal consultation has taken place and began in June 2017.
- 5.2 This included writing to all drivers and operators to explain the consultation process. They were advised that any objection to the revised published fees and charges proposed must be put in writing setting out the reason for any objection. Objections had to be received within 28 days from the publication of the notice to be considered, therefore by 19 July 2017.

- 5.3 A public notice outlining the proposed fees was published from Wednesday 21 June 2017 in the Faversham News, Sheerness Times Guardian and Sittingbourne News Extra. It was also available on Swale Borough Council's website and at Swale House, Sittingbourne to provide maximum notice of these proposed changes and allow people to make objections should they wish to.
- 5.4 For any objection made and not withdrawn, the council were required to set a further date, not later than two months after the completion of the 28 day consultation period, when the licence fees proposed will come into force with or without modifications, as decided by the Council after consideration of the objections. This date is therefore 18 September 2017 as the consultation closed on the 19 July 2017.
- 5.5 The taxi policy is being reviewed and will take in to account the comments that have been submitted through the Fees and Charges consultation process. Once the final draft is complete the Licensing team will meet with the drivers and operators to discuss the proposed policy before it goes through the official consultation process. Following the consultation a final draft will be brought to the Licensing Act 2003 Committee for approval.
- 5.6 Another of the key elements raised during this consultation was the request for the taxi fares to be reviewed. We would therefore request that Committee authorise the Licensing section to begin a review of the taxi fare tariff.

## 6 Implications

Issue	Implications
Corporate Plan	The service is an important regulatory function undertaken to ensure safety of the private hire and hackney carriage vehicles used in the Borough and supports the achievement of corporate priorities, including "A council to be proud of".
Financial, Resource and Property	In implementing the new charges the income level will support the service in delivering its duties and satisfy the requirements to cover the costs of providing the service..
Legal and Statutory	All proposals for charges reflect the relevant legislation.
Crime and Disorder	None identified at this stage
Environmental Sustainability	None identified at this stage
Health and Wellbeing	Arrangements to recognise and consider less able members of the community.
Risk Management and Health and Safety	The main purpose of our policy is to deliver a safe taxi service to the public.
Equality and Diversity	Where there are underlying policy issues to any proposed changes in charges, these will be supported by a service equality impact assessment, and any necessary mitigation undertaken.
Privacy and Data Protection	None identified

## **7 Appendices**

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Fees and Charges consultation comments
- Appendix II: Proposed Fees and Charges table - modified

## **8 Background Papers**

8.1 None