

Appendices

[Insert number]



NORTHAMPTON
BOROUGH COUNCIL

Item No.

8

CABINET REPORT

Report Title	CONSIDERATION OF OBJECTIONS TO RAISE PRIVATE HIRE DRIVERS, HACKNEY CARRIAGE DRIVERS, PRIVATE HIRE OPERATORS AND VEHICLE LICENCE FEES.
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	20 May 2009
Key Decision:	NO
Listed on Forward Plan:	NO
Within Policy:	YES
Policy Document:	NO
Directorate:	Public Protection/Borough Solicitor
Accountable Cabinet Member:	Councillor T Crake
Ward(s)	All Wards

1. Purpose

1.1 The purpose of this report is to consider the objections to the Cabinet decision to increase fees for Private Hire Drivers, Hackney Carriage Drivers, Private Hire Operators and Vehicle Licences.

2. Recommendations

2.1 That Cabinet notes the full cost to the Council of providing the Private Hire and Hackney service. (Appendix 1)

2.2 That Cabinet rejects the objections contained in Appendix 2 for the reasons outlined in the letters of response.

2.3 Cabinet reaffirms its earlier decision and implements the following fees to take effect immediately.

Driver Licence fees	Current (£)	Proposed (£)
Private Hire / Hackney Renewal	40.00	45.50
Private Hire / Hackney Combined Renewal	50.00	57.00
Renewal of Licence with CRB	76.00	91.50
Replacement Private Hire / Hackney Badge	10.00	*15.00
Replacement Private Hire / Hackney Licence	15.00	20.00
Temporary Private Hire / Hackney Badge	0.00	*10.00
Replacement Condition Booklet	0.00	5.00
Failure to attend CRB Appointment	0.00	10.00
Hackney Carriage Written Test	15.00	**50.00
Recovery of Money when Cheque not Honoured	0.00	30.00

Vehicle Fees	Current (£)	Proposed (£)
New Private Hire / Hackney Application (inc bracket)	75.00	90.00
Private Hire / Hackney Renewal	75.00	85.00
Replacement Private Hire / Hackney Plate	10.00	15.00
Replacement Private Hire / Hackney Licence	15.00	20.00
Transfer of vehicle	0.00	10.00
Replacement Fixing Bracket	0.00	10.00
Recovery of Money when Cheque not Honoured	0.00	30.00

	Current (£)	Proposed (£)
New Applicant (dependent on vehicles)	200.00	300.00
Notification of change of named Operator	0.00	***200.00

Operator Renewal

Number of Vehicles	Current (£)	Proposed (£)
1	200.00	200.00
2-5	200.00	300.00
6-19	200.00	400.00
20-29	200.00	500.00
30-39	200.00	600.00
40-49	200.00	700.00
50-59	200.00	800.00
60-69	200.00	900.00
70 or more	200.00	1000.00

Issues and Choices

3. Report Background

3.1.1 The original report presented to Cabinet on 25 February 2009 set out the background to the proposed increase and the recommended fee structure.

- 3.1.2 The fees that may be charged for licenses are governed by legislation which requires that the Council sets fees intended to recover up to its reasonable costs and does not charge a fee which is intended to make a profit. The Council may therefore seek to charge less than cost but not seek to charge more than costs.
- 3.1.3 Fees were last increased for providing the service with effect from 1 January 2003 to their current level. They have not been increased since that date. However, since that time there has been a considerable increase in the amount of work required to administer these licenses. There has also been a significant rise in the number of licences issued.

3.2 Issues

- 3.2.1 The proposed fees were advertised in the Chronicle and Echo on Friday 6th March 2009. Following insertion of the advertisement, written objections were received from Mr John Kelly, Mr Kevin Willsher and Mr Shaun Walton. Mr Walton has since withdrawn his objection. The other objections raised have been considered and addressed by the Borough Solicitor. The responses, have already been communicated by way of letters, dated 28 April 2009 are attached. (Appendix 3).
- 3.2.2 Under Section 70 of the Local Government (Miscellaneous Provisions) Act 1976, Northampton Borough Council does have an obligation to consider the objections and this has been done. The fee increases are in Northampton Borough Council's considered opinion, justified and the objectors have therefore been advised to withdraw their objection.
- 3.2.3 If the objections are withdrawn further to our letters dated 28 April 2009 then the proposed fees come into force on 1 May 2009.
- 3.2.4 However if the objections are not withdrawn under Section 70(5) Local Government (Miscellaneous Provisions) Act 1976, the Council may vary the proposed fees or allow the fees to remain as proposed. The variation or the initial proposed fees must be introduced no later than two months after the first specified day (1 May 2009).
- 3.2.5 As two of the objections have not been formally withdrawn, formal consideration of the objections is required by Cabinet.

3.3 Choices (Options)

- 3.3.1 **To allow fees to remain unchanged.** This would not take into account the true cost of providing the service. This would mean that the Council Tax Payer meets a greater part of the costs than would be the case if these charges were raised now.
- 3.3.2 **Increase fees by less.** This would not take into account the increasing cost of providing the service. This would mean that the Council Tax Payer meets a greater part of the costs than would be the case if these charges were raised now.

- 3.3.3 **Delay implementation.** This could be done whilst a more detailed review is undertaken, but in the meantime the Council Tax Payer would need to provide more financial support that would be the case if the charges were raised now.
- 3.3.4 **Implement different increases.** It would be possible to vary the charges for individual elements in other ways, and it is suggested that the review will need to look closely at what costs actually attribute to what class of license. However the information needed to vary the pattern of charges is not yet available.
- 3.3.5 **Implement the proposed fees.** This is recommended in order to recover the full cost of administering the service.

4. Implications (including financial implications)

4.1 Policy

There are no new policy implications

4.2 Resources and Risk

- 4.2.1 The estimated increase in revenue if these proposals are adopted will pay for the increase in costs in both administration and enforcement. The proposed fees have been calculated to enable the true costs of providing the service to be recovered. The costs of providing the service include employee costs and support service costs such as Legal Services, accommodation and IT Systems and Support.

4.3 Legal

- 4.3.1 The Local Government (Miscellaneous Provisions) Act 1976, S53 (2) allows the Local Authority to set fees in respect of drivers licences for both Hackney Carriages and Private Hire vehicles.
- 4.3.2 The Local Government (Miscellaneous Provisions) Act 1976, S70 allows the Local Authority to set fees in respect of Hackney Carriage proprietors licences, Private Hire vehicle licences and Private Hire Operator's licences.
- 4.3.3 The cost of a licence has to be related to the cost of the licensing scheme itself, can be set to be subsidised by the Council but cannot be set to make a surplus.

4.4 Equality

- 4.4.1 There are no known equality and diversity issues in this report.

4.5 Consultees (Internal and External)

- 4.5.1 The Finance department
Other local authorities of a similar nature
Northampton Private Hire Association
Northampton Hackney Association

4.6 How the Proposals deliver Priority Outcomes

The proposals will ensure that the income generated will finance the administration of the service.

4.7 Other Implications

None.

5. Background Papers

- 5.1 Local Government (Miscellaneous Provisions) Act 1976.
- 5.2 Research/Consultation papers relating to Hackney and Private Hire fees.
- 5.3 Letters of Objection dated 19 March 2009,

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