

## Licensing and Regulatory Committee

4 September 2019

Report of the Assistant Director Planning and Public Protection

### Taxi Account up to 31 March 2019

#### Summary

1. This is an information only report giving Members details of the taxi licensing account as requested at the last Committee meeting.

#### Recommendations

2. There are no recommendations as the report is for information.

#### Background

3. The City of York Council holds a separate account for taxi licensing fees which *contribute* towards the running and administration of the taxi licensing service.
4. We collect separate fees for the different licences we administer i.e.
  - i) hackney driver (3 year duration)
  - ii) hackney vehicle (1 year duration)
  - iii) private hire operator (5 year duration)
  - iv) private hire driver (3 year duration) and
  - v) private hire vehicle (1 year duration)
5. Annex 1 shows how these fees compare to other licensing authorities in the area and some further afield. Fees are set on an assessment of the time involved in administering the licences (and other activities that may be recovered as stated within the Local Government Miscellaneous Provisions Act 1976). This is multiplied by a 'cost per hour' which includes staffing and running costs.

6. In addition we charge fees for a variety of other activities such as mandatory training and vehicle testing which are based on the costs set by the services that provide these functions.
7. The fees are approved annually by full council, and are published in the local press prior to implementation as required under the 1976 Act.
8. The table below shows a summary of the taxi account

<b>TAXI LICENSING ACCOUNT</b>		
	<b>2018/19</b>	<b>2017/18</b>
	<b>£'000</b>	<b>£'000</b>
Surplus Brought Forward	-65.3	-54.0
Expenditure	302.6	247.3
Income	-311.8	-258.6
Surplus Carried Forward	74.5	65.3
<b>NET COST OF TAXI LICENSING ACCOUNT</b>	<b>0.0</b>	<b>0.0</b>

9. The table above shows that all income is retained within the Taxi Licensing Account and year end surpluses are 'carried forward' into the next years account.
10. The account currently has a 'surplus' of £74,500. Some 'carry forward' is planned. For example, as some licences last for three to five years we collect income in year one but incur the expenditure in years two, three, four and five and we carry forward a proportionate amount accordingly. However, some surplus has not been 'planned' and has arisen as a result of carrying a staff vacancy as well having licensed more drivers/vehicles than anticipated in some years. Subject to council approval processes, it is proposed to use part of the surplus to help increase management capacity in the team, more information in relation to which is given below.
11. Annex 2 provides a more detailed breakdown of the actual expenditure and income for the last two financial years.
12. Some of the key points to note are as follows:-
  - i) Spending on temporary / agency staff has been high in the last two years. This is due to the fact that we have employed additional

temporary officers to assist in dealing with the 'criminal record check' backlog and covered vacant posts in this way due a recruitment freeze whilst we carried out a restructure.

- ii) In 2018-19 we contributed £5,000 to the cost of an officer to co-ordinate the harmonisation of standards across York and West Yorkshire. This was a one off cost.
- iii) We also contributed £1,800 to the marshalling of the taxi rank at Duncombe Place on a Friday/Saturday evening in support of a project initiated by the York Hackney Carriage Association and delivered by the York Business Improvement District.

13. Also of note:-

- i) We are only permitted to recover the cost of 'enforcement' in relation to our licensed *vehicles* (i.e not drivers or operators). There is therefore an element of recovery for enforcement built into the vehicle licence fees and deals with the process of ensuring *vehicles that we licence* are compliant including the suspension/revocation of vehicle licences.
- ii) 'Day to day' enforcement including dealing with complaints and investigations is financed through the wider the Public Protection budget. This is because it involves the conduct of drivers/operators that we licence, as well as vehicles and drivers which are not licensed by this authority (i.e. vehicles/drivers licensed by other licensing authorities operating in York)
- iii) We also provide an 'out of hours' patrol which is paid for through the Public Protection budget, much of which is concerned with dealing with taxi matters.
- iv) A further advantage of Public Protection meeting the majority of the wider enforcement costs is that it helps demonstrate the independence of enforcement (in that 'day to day' enforcement is not 'paid for' by York licensed drivers/operators).
- v) The taxi account includes a charge of £58k to cover management, central support costs and accommodation. However, the 'cost' of management support to the taxi trade has significantly increased in recent years and has not been reflected in an increase in the re-charge. The current management structure is not set up to deal with existing levels of demand and it is becoming increasingly difficult to

maintain this position particularly as this level of demand looks set to continue into the future. We are therefore considering introducing a specific post of 'Taxi Licensing Manager' to help address the position and bring about further improvements to service delivery. The post could be funded by 'running down' the existing surplus over the next 3 – 5 years as well as re-allocating a vacancy which exists in the team. Please note a small increase in fees may be necessary in future years, but any increase in fees would be reasonable and retain fees line with the licence charges of other licensing authorities.

### **Consultation**

14. No consultation is necessary in relation to this report.

### **Options**

15. There are no options to consider as this report is for information only.

### **Council Plan**

16. This report helps ensure the council is meeting its statutory duties.

### **Implications**

17. **Financial** – The report concerns the finances of the taxi licensing account.
18. **Human Resources (HR)** – Any recruitment, selection and appointment of a Taxi Licensing Manager would follow the Council's HR processes.
19. **Equalities** – There are no equalities issues directly associated with this report.
20. **Legal** – As described above, the income collected from certain taxi licences may only be spent on certain functions.
21. **Crime and Disorder** – There are no crime and disorder implications directly associated with this report.
22. **Information Technology (IT)** – There are no IT implications.
23. **Property** – There are no property implications.
24. **Other** – There are no other implications.

## Risk Management

25. There are no changes in risk to the council arising from this report.

## Contact Details

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**Report**  **Date** 22/08/2019  
**Approved**

**Specialist Implications Officer(s)** List information for all

N/A

**Wards Affected:** List wards or tick box to indicate all **All**

**For further information please contact the author of the report**

## Annexes

Annex 1 – Example fees charged by other licensing authorities

Annex 2 – Summary of accounts

Annex 1 Examples of local authority licence fees (other fees such as DBS checks and training may also be payable as part of the process)

Authority	Operator - 5yr (over 99 cars)	HC driver - 3yr	PH driver - 3 yr	HC vehicle	PH vehicle	Vehicle test
Bradford	£788	£199	£199	£165 / £240 (over 5 yrs old)	£165/ £240 (over 5 yrs old)	The vehicle license fee is inclusive of the vehicle test fee.
Calderdale	£1165	£239	£239	£166	£166	£48
East Riding	£1,110	£200	£200	£200(New) £150(Renew)	£200(New) £150(Renew)	To book a test the driver needs to contact a testing centre, fees on application.
Hambleton	£435 (New) £415 (Renew)	£205 (New) £180 (Renew)	£205 (New) £180 (Renew)	£370 (New) £305 (Renew)	£340(New) £285(Renew)	The vehicle test fee is up to the garage. A form is issued to the driver and they can go to any VOSA testing station in Hambleton
Harrogate	£1111	£370 (New) £245 (Renew)	£370 (New) £245 (Renew)	£290 (New) £226 (Renew)	£290 (New) £226 (Renew)	£42
Kirklees	£1166	£294.50	£294.50	£184.39	£184.39	£48
Leeds	£3,000	£390	£390	£135	£135	£110
Reading	£18,851 (New) £18,730 (Renew)	£328	£319	£400/ £346 (from 2020)	£307	To book a test the driver needs to contact a testing centre, fees on application.
Scarborough	£1,850	£267(New) £240(Renew) Inc DBS	£267(New) £240(Renew) Inc DBS	£270	£237	£54.85
Selby	(Any no. of vehicles) £266.20	£249.86 (New)/ £111.30 3 yr (Renew)	£249.86 (New)/ £111.30 3 yr (Renew)	£206	£192.30	£59.70
Wakefield	£1,450	£429 (New inc DBS)/ £337 (Renew)	£476 (New incl DBS) £384/ (Renew)	£186 (New) £171 (Renew)	£266 (New)/ £245 (Renew)	£55
York	£486	£227	£227	£193	£183	£64