

REPORT TO REGULATORY AND LICENSING COMMITTEE

Date: 6th February 2013

AGENDA ITEM NO: 7

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SUBMISSION BY ENVIRONMENTAL HEALTH MANAGER AND PRINCIPAL ENVIRONMENTAL HEALTH OFFICER.

HACKNEY CARRIAGE AND PRIVATE HIRE VEHICLE LICENSING

1.0 Purpose of Report

- 1.1 To further advise Members on matters relating to revised fees and charges for Hackney Carriage and Private Hire Vehicle licensing functions as set out in this report.

2.0 Recommendations

- 2.1 Members are requested to note the contents of the report.

3.0 Matters for consideration

- 3.1 On the 11th January 2012 the Council received a Freedom of Information request in two parts by email. This required:
- 3.1.1 details of the local newspaper if any that the recent rises in taxi licensing fees were advertised in and;
 - 3.1.2 the total amount of money raised in the last financial year from taxi licenses (driver, vehicle and operator licenses)
- 3.2 In respect of 3.1.1 - Licensing fees for taxi licensing matters are governed by a piece of legislation that is now 36 years old. The Local Government (Miscellaneous Provisions Act) 1976 enables Councils to charge a fee of up to £25 to license vehicle or operator and enables this fee to be varied above this limit subject to a requirement to advertising this proposal in a local paper for 28 days prior to introduction of amended fees.
- 3.3 We have increased the fees several times over the years, usually every 3-4 years to reflect changes in costs incurred and the current fee levels are within a range of £157 - £172 for vehicles and £50 per vehicle for operator licenses. Fees we amended in April 2006 and again in April 2009.
- 3.4 Following an investigation, records showed that the most recent time we advertised an increase in fees was in December 2005 which took effect from April 2006. Fees at April 2006 were then set at £150 for hackney / private hire and £35 per operator car.
- 3.5 Accordingly our fees were lawful until April 2009 when the fees were increased again but due to an administrative oversight were not advertised as required for the subsequent increase that came into effect from April 2009.

- 3.6 The resulting difference in fee is in most cases minimal being some £8 per year. Our overall financial liability is in the region of £4 -5 k with up to 123 individuals affected and £389 being the highest level of financial liability for an individual.
- 3.7 Other Councils have also made this technical error and we have used their intelligence and experiences to assist our own response and remedial actions to this oversight.
- 3.8 In respect of 3.1.2 - Income derived from taxi licensing must not to exceed the actual cost to the council of running the service (excluding some aspects of enforcement)
- 3.9 Financial Services have confirmed that the overall net cost to the Council for 2011/12 was over £33K. Accordingly the Council is able to demonstrate compliance with this requirement.

4.0 Resultant actions

- 4.1 Resulting from this request and investigation the following corrective actions were taken urgently:
- 4.2 An advertisement was placed in a local newspaper (Mercury) on the 8th March 2012 giving formal notice of the variation of Taxi licensing fees as required by statute. No objections were received and so accordingly the advised fees were able to be confirmed as lawful.
- 4.3 A letter was sent to all customers affected, inviting them to submit an application for a refund payment.
- 4.4 A special refund process was developed for customers in consultation with Financial Services and Audit. This required customers to provide specific information and supporting documents to support a claim and if eligible then allowing the refund to take place in the most efficient way using BACS.
- 4.5 We responded to the FOI request within the specified time limits.
- 4.6 Member Briefings have taken place with:
- Cabinet Member and Cabinet
 - Chair and Vice Chair of Regulatory and Licensing Committee
 - Regulatory and Licensing Committee Members
 - Leader of the Opposition
- 4.7 Progress on his matter has being ongoing and has been reported verbally to your Committee on the 19th June, 1st October and 28th November. This written report now concludes this process.
- 4.8 A Press response was also prepared by our Communications team in consultation with the Cabinet Member and Officers and submitted.
- 4.9 The matters detailed within this report have highlighted a number of general points which have been reviewed corporately. Corrective actions have included:

- 4.10 *A review of documented administrative processes* for Taxi licensing including advertisement of variation in fees thus ensuring compliance with relevant legislative requirements and reference made to such need within subsequent relevant reports.
- 4.11 Ensuring that we have in place robust *procedures for the retention and archiving of public notices*.
- 4.12 Ensuring that *appropriate and accurate cost accounting for Taxi licensing* is in place to ensure that the Council can demonstrate compliance with legislative requirements. These include ensuring that we recover all reasonable costs in administering Hackney Carriage and Private Hire Vehicle licensing functions. This has included improvements to the income receiving process to identify the specific type and purpose of the fee concerned e.g. Vehicle, Driver or Operator.

5.0 Financial Implications

- 5.1 The maximum liability to the Council was estimated to be in the region of £4-5K. So far to December 2012 we have refunded £1995 to 19 customers for 2012/13.

6.0 Strategic Plan Implication

- 6.1 None identified

7.0 Human Rights Issues

- 7.1 All applications for the refund of fees will be processed and customers refunded where qualifying.

8.0 Risk Management Issues

- 8.1 Improved procedures and processes have now been introduced to minimise risks associated with these matters.
- 8.2 Corrective actions have been taken or planned for the taxi licensing process.