

BROMSGROVE DISTRICT COUNCIL

LICENSING COMMITTEE

29th JANUARY 2007

REPORT OF THE HEAD OF PLANNING AND ENVIRONMENT SERVICES **RELATING TO NON-CONFIDENTIAL AND NON-EXEMPT ITEMS**

1. **FEES FOR TAXI LICENCES**

Members may recall that the meeting of the licensing committee held on 18th December 2006, Members received the following report:

“Each year the Council reviews the charges which it makes for Hackney Carriage and Private Hire vehicle licences and other associated licences.

The cost of providing the service as stated in the budget for 2005/06 was approximately £47,000 (excluding establishments costs, such as heating, lighting etc) and approximately £46,000 was recouped in licence fees.

In accordance with Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976, a district council may charge such fees as they consider reasonable with a view to recovering the costs of issue and administration associated with taxi licences.

The Council’s present fees, together with the fees charged by other Council’s in this area are set out in Appendix ‘3’. Members may recall that last year the fees were increased by 15% so that they fell in line with those charged by neighbouring authorities as well as reducing our ‘subsidy’ and generating additional income.

This year it is suggested in view of the constraints of the legislation which allow LA’s to set the Taxi licence fees it is recommended that no increase is applied to the current fees as the income exceeds the current expenditure associated with taxi licensing, however, the increase of the taxi vehicle tests imposed by the depot (£12.50) and the meter tests should be incorporated in the fees for 2007/08. This has been necessary because the proposed increase brings the cost of the vehicle ‘MOT’ test up to the maximum fees set by the Department of Transport.

Furthermore, the Depot have also increased the cost to the Council of checking that taxi meters are properly calibrated to the Council’s approved table of fares for Hackney Carriages, from £17.00 to £21.00.

Taking these additional costs into account, this would give the following fees:

Licence Type	Current fee	0% increase*	2.5% increase	5% increase
Hackney Carriage Vehicle	£255.00	£267.50	£274.00	280.00

Licence				
Private Hire Vehicle Licence	£232.00	£244.50	£250.00	256.50
Mid term vehicle test	37.50	£50.00*	£50.00*	£50.00*
Vehicle Re-Test if MOT certificate is required (Minor or major items)		£50.00	£50.00	£50.00
Meter Test	£17.00	£21.00	£21.00	£21.00
Conversion of vehicle licence to Private Hire or Hackney Carriage	£20.00	£20.00	£20.50	£21.00
Replacement vehicle plate	£10.00	£10.00	£10.50	£10.50
Hackney Carriage/Private Hire Driver's Licence	£80.00	£80.00	£82.00	£84.00
Replacement Driver's Licence	£6.00	£6.00	£6.00	£6.00
Private Hire Operator's Licence	£253.00	£253.00	£260.50	£266.00
Trailer Test	£17.50	£17.50	£18.00	£18.50

* The mid term vehicle test has been increased by £12.50, this reflects the increase in cost of the Depot carrying out the 'MOT' vehicle test. The frequency that each vehicle has to undergo a mid term test depends on the age of the vehicle. At present, any vehicle aged over 4 years old has to have a test every six months; a vehicle over 7 years old has to have a test every four months.

The proposed fees relating to the vehicles licences, combined drivers licence and operator's licence will need to be advertised. All fees and charges will come into effect as soon as possible after 1st April 2007."

At the meeting held on 18th December 2006, the Committee agreed to defer consideration of the fees pending further information.

In view of this request, Appendix 'A' sets out the expenditure associated with taxi licensing; Appendix 'B' sets out the estimated income based on the current taxi licence fees, together with projected income levels of 2.5% and 5%.

Background Papers:

(1) None

2. HACKNEY CARRIAGE FARES

To consider increasing the fares charged by Hackney Carriage owners.

The Council carries out an annual review of the table of Hackney Carriage Fares, which applies in the District. This involves consultations with local taxi owners.

The current table of fares is set out at Appendix 'C'.

When the review was carried out last year, the following increases were applied, which was in accordance with the views expressed by most taxi owners:

- £1.00 - For hirings begun between midnight and 2.00 a.m. on days other than those specified;
- £2.00 – For hirings begun between 2.00 a.m. and 4.00 a.m. on days other than those specified; and
- £3.00 – for hirings begun between 4.00 and 6.00 a.m. on days other than those specified.

There are presently 29 individuals or firms in the District, which own Hackney Carriages. They have 47 vehicles between them. The results of this year's consultation are:

- 1 respondent (owning 1 vehicle) favour NO increase
- 1 respondent (owning 1 vehicle) favour an increase of 25% for the first mile.
- 1 respondent (owning 2 vehicles) favour an increase of 5%

The remaining owners have not responded to the consultation letter. The low level of response reflects the levels of responses received in previous years and it is not suggested that any further consultations should be undertaken.

Comparisons with other nearby Councils, based on the cost of a 2-mile journey, are as follows:

Bromsgrove	£4.60
Birmingham	£5.30
Dudley	£4.80
Malvern Hills	£5.20
Redditch	£4.12
Solihull	£5.30
Worcester	£4.20
Wychavon	£4.60
Wyre Forest	£4.00

The national average is £4.50 for a 2-mile journey.

Based on these comparisons, and on the views expressed by those owners who have responded to the consultation, and that the cost of 2-mile journey in Bromsgrove is just over the national average, Members may wish to consider not increasing the table of fares for 2007/08.

There are no direct financial implications arising from this report.

There is potential for those who are affected by the proposal to challenge the Council, by arguing that the proposed increases are unreasonable and that the Council has undertaken the exercise in an unreasonable way. It is felt that the likelihood of this is low and the risk can be accepted.

Background Papers:

Responses to consultation on fares letter sent in December 2006.

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