

WRS Board: 30th September 2021

Information Report – Taxi Fees

Recommendation	Members are asked to note the report.
Introduction	<p>This report has been provided in response to a request from Members for information on the comparison of Taxi Fees across Worcestershire.</p> <p>In doing so and to help Members consideration of the matter, the report provides an outline of the National Picture and the fee structures for each district.</p>
Background	<p>As part of the legal agreement established with the formation of Worcestershire Regulatory Services, Licensing remains a reserved matter. As a reserved matter all policy decisions, income and fee setting remain the responsibility of each District Council. The WRS Board therefore has no role in licensing matters beyond ensuring that services delivered meet the requirements of each partner. Indeed, there are certain areas of licensing policy like alcohol and gambling where local authorities are specifically preventing from discharging their policy duties via a joint committee.</p> <p>It is the role of each District Council to review and set its licensing fees and charges on an annual basis. Worcestershire Regulatory Services Licensing and Support Services Manager works closely with each District Director and each Council's finance department in establishing accurate details of how much it costs each partner to deliver all elements of licensing activity from administration through to committee processes, to ensure that charges are as near as possible to full cost recovery for each partner.</p> <p>A copy of each Districts taxi fees and charges for 2021/22 can be found on each districts website page.</p> <p>Members should note that Alcohol and Entertainment (Licensing Act 2003) licensing fees are set nationally by Central Government. Gambling fees must fall within a range, also set by Government, for each type of license or permit. All other licensing fees must remain cost neutral in relation to service delivery.</p>
Report	<p><u>The National Picture</u></p> <p>There had been no update to Taxi and Private hire guidance since the Taxi and Private Hire Vehicle Licensing: Best Practice Guidance of 2010 until last year saw the publication of the Statutory Taxi and Private Hire Vehicle Standards. These are currently out for consultation in each district. This means that currently the requirements that licensing authorities set for the grant of a taxi or private hire driver, vehicle or operator licence vary considerably across all districts. This does not mean that</p>

the six councils do not expect the highest standards of drivers and their conduct, however, there are differences in delegation of decision making and some processes that mean there is not a uniform approach. This is particularly true in terms of vehicle licenses.

The national variance in fees and standards took on greater relevance following the introduction of the Deregulation Act 2015. Along with the use of digital technology, this has undoubtedly led to a radically new approach to running private hire businesses and has enabled a new era of cross-border hiring across the private hire industry. An operator can now subcontract a booking either to an operator licensed in another district or to one of their own offices in another district where they hold an operator's license. This allows an operator to license their private hire resources in one area but carry out work in other areas either by taking subcontracted work or subcontracting from one of their own licensed operator offices to the one where the drivers and vehicles are licensed.

This change in the law, alongside changes in technology has brought a new commercial edge to the taxi trade and created a threat to the traditional approach taken by some operators and particularly to the hackney carriage trade. With many people now running their lives through a mobile telephone, the convenience of booking a private hire pick-up, wherever they happen to be, can be seen as an improvement on walking to a rank and waiting for the next cab to be available.

Even prior to the Deregulation Act, it was already widely recognised that legislation governing taxi and private hire licensing was antiquated and not fit for purpose. This has been pointed out by the Law Commission but Government has not responded with new legislation.

Taken together, the impacts of the Deregulation Act, the new, technologically enabled business models used by some private hire operators and a lack of legislative reform, means that larger towns and particularly cities like Worcester with vibrant night time economies, have experienced an influx of private hire vehicles and drivers licensed by other local authorities, working in their districts. It is not within our gift to prevent these vehicles coming into each district as it is primary legislation that facilitates this activity; current legislation also does not allow any local authority to cap the number of private hire licenses it issues (this can only be applied to Hackneys). Obviously illegal plying for hire is something that the service will tackle, but the majority of vehicles observed are operating legitimately without the need to resort to such practices.

Variations in Local Process

The process to obtain a taxi or private hire driver licence varies slightly between districts. However, the pandemic has allowed WRS to better align and streamline the processes, which has been welcomed by drivers and operators across all districts. The service has encouraged applicants to:

- Apply online where possible or email applications into the team
- Attend a thorough ID/right to work/DBS check appointment
- Submit an enhanced DBS application
- Have DBS certificate and DVLA records checked against the relevant districts convictions policy, as certain convictions will result in an attendance at a Licensing Sub-Committee for a decision to refuse or proceed with their application,
- Knowledge and skills test where appropriate
- Obtain a Group II medical certificate (from their own GP or a GP with access to their full medical history)

All drivers have also been encouraged to sign up to the DBS update service to make maintaining updated records easier for all concerned.

We have two dedicated teams of officers that are split East (Redditch, Bromsgrove, Wychavon) and West (Worcester, Wyre Forest, Malvern) to maintain resilience and therefore allowing each officer to take part in proactive compliance and enforcement activity.

Vehicle Licences

There are two types of vehicle licence, a Hackney Carriage licence and a licence for Private Hire vehicles.

The main difference between the two types of vehicle is that a Hackney Carriage can be flagged down and can wait at designated taxi ranks whereas a Private Hire vehicle must be pre-booked by telephone or personal call.

The following table outlines a comparison of the headline fees charged by each district for vehicles, operators and drivers.

Table 1

Licence Type	BDC	RBC	WDC	WC	WFDC	MHDC
Hackney Carriage Vehicle Licence	£248.00	£264.00	£236.00	£420.00	£430.00	£285.00
Hackney Carriage Vehicle Licence RENEWAL				£360.00		
Private Hire Vehicle Licence	£230.00	£264.00	£213.00	£390.00	£430.00	£285.00
Private Hire Vehicle Licence RENEWAL				£330.00		
Temporary Replacement Hackney Carriage or Private Hire Vehicle (excluding plates and decals)					£108.00	
Private Hire Operator Licence (1 year)	£296.00	£167.00	£111.00	£260.00	£477.00	
Private Hire Operator Licence (3 year)(1 vehicle)		£402.00				£461.00
Private Hire Operator Licence (5 year)	£1,124.00	£637.00	£486.00	£990.00	£1,810.00	£730.00
Private hire operator licence (all durations) per additional vehicle		£17.00				£41.00
Private Hire Drivers Licence				£275.00		£256.00
Private Hire Drivers Licence (Renewal)				£115.00		
Hackney Carriage / Private Hire Driver Licence (1 year)	£97.00	£61.00	£124.00			
Hackney Carriage / Private Hire Driver Licence (1 year) RENEWAL			£92.00			
Hackney Carriage / Private Hire Driver Licence (3 year)	£233.00	£150.00	£324.00	£275.00	£426.00	
Hackney Carriage / Private Hire Driver Licence (3 year) RENEWAL			£245.00			
Dual Hackney Carriage and Private Hire Driver Licence (Initial Application) includes DBS check and DVLA check)				£275.00		
Dual Hackney Carriage and Private Hire Driver Licence RENEWAL				£115.00		
Dual Hackney Carriage and Private Hire Driver Licence						£256.00

The table illustrates there are differences in both the Hackney Carriage and Private Hire vehicle fee across all districts.

Operator Licenses

All districts offer a 5 year operating licence and five of the six offer a 1 year operating licence as an alternative. Two districts charge an additional fee for an operator to add a vehicle to their fleet. Currently Wychavon have the highest number of operators with Malvern and Redditch in second and third position.

Driver licenses

Driver licenses tend to be either one year or three years in duration, and again fees vary depending on the authority. Some councils only offer a three-year license. The cost of dual driver

licenses also vary in cost from district to district.

What is included in each district's fee can vary from partner to partner, as to whether elements like vehicle testing and knowledge and skills tests are covered in the initial fee. For example, Malvern Hill's knowledge test fee is part of the licence fee and they only charge for re-takes, whereas an applicant for a license with Worcester City will take a knowledge test with Worcestershire County Council and pay for this separately. Vehicle testing is an area where we have worked with partners to achieve more consistency, working towards two tests for each vehicle per year. The vehicles travel significantly further than a domestic vehicle so tests can be seen as a safety requirement to ensure vehicles are well maintained given how far they travel. For vehicle testing you will note that Wyre Forest's fee includes two vehicle tests and renewal plates.

Licensing Numbers

The two Districts that historically and continue to maintain the highest number of licenses for taxis are Redditch and Wychavon. It is evident from looking at historical numbers this has been the case for many years. Table 2 shows a comparison of this year to date and a similar point in time last year.

Table 2

Number of Licenses - Sept 21						
Licence Type	BDC	RBC	MHDC	WC	WDC	WFDC
Dual Driver	124	138	64	342	104	222
Hackney Carriage Driver	1	133	0	0	0	0
Hackney Carriage Vehicle	98	184	31	46	71	0
Hackney Carriage Vehicle WAV	4	5	2	214	2	56
Private Hire Driver	12	231	83	0	275	0
Private Hire Operator	14	24	28	13	49	5
Private Hire Vehicle	16	209	56	32	192	72
Private Hire Vehicle WAV	1	28	19	24	58	0
TOTALS	270	952	283	671	751	355
Number of Licenses - Oct 20						
Licence Type	BDC	RBC	MHDC	WC	WDC	WFDC
Taxis - Dual Driver	130	139	69	364	109	225
Taxis - Hackney Carriage Driver	1	138	0	0	0	0
Taxis - Hackney Carriage Vehicle	106	185	38	256	82	61
Taxis - Private Hire Driver	15	244	65	2	296	0
Taxis - Private Hire Operator	14	22	25	11	51	5
Taxis - Private Hire Vehicle	24	269	64	57	271	72
Totals	290	997	261	690	809	363

Observations

There are clear variations in the way each district operates its taxi licensing policy and this contributes to the variation in fees across the six partners. In the absence of a universal approach to delegations, committee processes and what is included in the fee, WRS continues to work with the six partners to ensure that fees are not excessive and can be justified against the activity required by each regime.

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