

NORTH LINCOLNSHIRE COUNCIL

LICENSING COMMITTEE

**PRIVATE HIRE OPERATORS LICENCE
DEREGULATION ACT 2015**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider the proposed licence fees relating to Private Hire Operators Licences due to changes made by the Deregulation Act 2015, following the period of consultation.

2. BACKGROUND INFORMATION

- 2.1 The Deregulation Act 2015 received Royal Assent last year. Section 10 of the Act makes changes to the length of time that the Council may issue a Private Hire Operators Licence for.
- 2.2 Under section 55 of the Local Government (Miscellaneous) Provisions Act 1976 the Council could issue an operator's licence for up to five years. The change to the legislation is quite subtle in that the requirement is for the Council to issue a five year licence, save where it is deemed appropriate to issue a licence for a lesser period.
- 2.3 The current licence fee for a licence for one year is £72.00. When setting licence fees, there is a requirement for the Council to abide by the Provisions of Service Regulations 2009. These regulations state that the Council cannot charge more than it costs to administer and enforce the issue of the licence. The cost of processing a licence for one year is currently £142.54. This figure does not include an element for enforcement. On average, at least five hours is spent on enforcement per operator. Thus, the annual fee should be £317.54 and the fee for a five year licence should be £1017.54. Enforcement costs are based on £35.00 per hour which includes all costs, including Central Establishment Charges.
- 2.4 The proposed fee has been set to ensure that the service can be delivered effectively and to ensure that it is not a burden on the Council Tax payers. The fee will include the enforcement costs, which have been averaged across all operators. The fee for a five year licence equates to £203.00 per year.

- 2.5 It was agreed, subject to consultation, to offer businesses the choice of either a one or five year licence. The proposed fee for the one year licence was £315.00 and £1015.00 for a five year licence. These fees were proposed to ensure that the Council covers the cost of delivering the service. It was agreed to phase in the increase of the one year licence over three years.
- 2.6 The proposed fees were advertised in the Scunthorpe Telegraph on 3 December 2015.
- 2.7 One representation was received following the statutory consultation. A copy of this representation is attached as Appendix A. Following consultation with the Chairman of the Licensing Committee, the author of the representation has been invited to attend the hearing to make an oral representation.

3. OPTIONS FOR CONSIDERATION

- 3.1 Option 1 – To approve the proposed fees as advertised.
- 3.2 Option 2 – To set a fee other than the fee advertised, providing that it does not exceed the fee advertised.
- 3.3 Option 3 – To maintain the previous licence fees.

4. ANALYSIS OF OPTIONS

- 4.1 Option 1 – The proposed fees will enable the council to cover the cost of administering the issue and enforcement of a private hire operator's licence. The offer of a five year licence is in accordance with the Deregulation Act 2015, while the offer of a licence for a lesser period is not precluded providing that the applicant wishes to apply for it.
- 4.2 Option 2 – The fee cannot be set higher than it costs to issue the licence, therefore the fee would need to be less than proposed in this report. This could be achieved by reducing the number of hours enforcement per licence holder.
- 4.3 Option 3 – Maintaining the previous licence fee would result in a Private Hire Operators Licence being issued for five years at the cost of £72.00.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 There are no other financial, staffing, property or IT implications from this report.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 Statutory – Local Government (Miscellaneous) Provisions Act 1976 and Deregulation Act 2015.

6.2 There are no environmental, diversity, section 17, crime and disorder, risk or other implications from this report.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 Consultation has taken place with one representation being received. No conflicts of interest have been identified in this report.

8. RECOMMENDATIONS

8.1 That the Licensing Committee determine the proposed fees after consideration of the representation.

DIRECTOR OF PLACES

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Background Papers used in the preparation of this report – Hackney Carriage and Private Hire Policy

Scunthorpe And District Taxi Association

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FAO Peter Williams

Dear sir our association which comprises of around 120 taxi and private hire drivers are writing to you to object to the proposed price changes to the private hire operators licence from £72 for one year to a staggering £1015 for 5 years this works out at £203 per year almost 3 times the current cost.

This price would almost certainly put some people who work on their own or with 2 vehicles out of business and even for some of the larger companies would effect other operations.

How did you come to this staggering figure,our association has submitted a foi request to show how you work out this cost.

Having spoked to some surrounding councils I have found their prices for the same licence to be.

Lincoln	£308 for a 5 year licence =£61.60 per year
Hull	£56 per year +£9 for every additional vehicle over 1
Grimsby	£130 per year +£5 for every additional vehicle
west Lindsay	£186 per year

Having actually talked to the Lincoln licensing department they confirmed that when they switched to the 5 year operators licence costs were dramatically cut whereas your price indicates switching to a 5 year licence almost trebles the cost these figures don't add up whatsoever.

Taxis and private hire vehicles provide a essential service to the people of North Lincolnshire and the job is hard enough without these kind of costs been forced upon us.

The costs already forced upon the trade are very high for taxi tests, insurance costs, maintenance costs, cost of taxi badge, having to have every scratch and stone chip on your car fixed as any more than 4 stone chips is a fail which in itself is ridiculous we understand that they should be well presented but it seems like this council wants something representing the Carlsberg taxi advert unfortunately this is the real world.

All the people whom I have spoken to in the trade are totally against this rise which I must reiterate would quite possible put people out of work.

We will also be lobbying our local councillors on this matter.

Yours Sincerely
Stuart Commander
Scunthorpe And District Taxi Association

