

LICENSING AND REGULATION COMMITTEE

27 January 2009

FEES AND CHARGES 2009/10

REPORT OF HEAD OF LEGAL SERVICES

Contact Officer: Howard Bone Tel No: 01962 848 552 hbone@winchester.gov.uk

RECENT REFERENCES:

LR264 - Fees and Charges 2008/09 - 5 February 2008

EXECUTIVE SUMMARY:

This report sets out proposals for fees and charges in respect of the Licensing functions of the Council for 2009/10. The report does not cover fees under the Licensing Act (which are fixed by legislation), and in respect of fees under the Gambling Act 2005, increases are proposed for certain fees (where these are below the statutory ceilings).

The fees for hackney carriage and private hire licences are proposed to be increased by 8% in order to fund additional enforcement and reflect other additional costs.

RECOMMENDATIONS:

- 1 That the Head of Legal Services be authorised to give public notice of the proposed increases in hackney carriage/private hire vehicle and operators' licences as set out in Appendix 1 to come into effect at the end of the objection period if the Head of Legal Services considers that there are no material objections and in the event of material objections being received the matter be brought back to the Committee.
- 2 That the Head of Legal Services be authorised to increase fees and charges for other licensing functions with effect from 1 April 2009, as set out in Appendix 2.
- 3 That the Head of Legal Services be authorised to increase fees for licences and permits under the Gambling Act with effect from 1 April 2009 by an average of 3% (subject to the statutory maxima) as set out in Appendix 3.

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DETAIL:

1 Introduction

- 1.1 This report gives details of proposals for those fees and charges which are set by the City Council in respect of its licensing functions.
- 1.2 An increase of 8% in hackney carriage and private hire fees is proposed, to cover additional costs, including enforcement and replacement of equipment.
- 1.3 Fees under the Licensing Act 2003 are fixed by legislation, and are not therefore included in this report.
- 1.4 The report also reviews fees for other licensing functions, and sets out proposals for setting fees under the Gambling Act 2005.

2 Hackney Carriage and Private Hire Fees.

- 2.1 The statutory framework allows the Council to set fees so as to recover its reasonable administrative costs. Public advertisement has to be given of any changes to the operators and vehicle licence fees and any public comments considered before a final decision is made. This requirement does not extend to drivers' licences.
- 2.2 Members will note from report LR290 elsewhere on this agenda that there has been an increase in enforcement work in 2008/09, including investigating complaints and spot tests on the ranks. It is intended to carry out additional enforcement work in 2009/10, and additional funds will be required to cover this, in order to maintain the basis of cost recovery. An increase of 8% in fees is therefore proposed, covering inflation and these additional costs. Appendix 1 shows the fees (both current and proposed).
- 2.3 Historically, the fee for a Hackney Carriage Drivers Licence has been greater than that for a Private Hire Drivers Licence. However, changes in the administration of applications for these licences (e.g. introduction of knowledge tests for all drivers) means that the costs of administering the two types of application are now virtually identical. It is therefore proposed to bring the two fees into line with each other, and at the same time apply an additional uniform increase between the two to reflect the additional enforcement work being undertaken, as mentioned above.

- 2.4 Under Section 75(3) of the Local Government (Miscellaneous provisions) Act 1976, the Council may, where private hire vehicle licence is in force, issue a notice under the Section waiving the requirement to display a vehicle licence plate, either on certain occasions specified in the notice, or on occasions when the notice is carried in the vehicle. Such an exemption is normally sought by operators of chauffeur services or “executive hire” vehicles. Processing a request for such a notice involves officer time and the cost of producing the notice (which is in the form of a laminated miniature plate carried inside the vehicle) and it is therefore proposed that where such applications are made, an additional licence fee of £12 should be required.
- 2.5 A representation has been received from Mr. Rob Parker of XL Cars, a copy of which is included at Appendix 4. Mr. Parker comments in 2008/09, fees were increased by 8% when inflation was 3% with no explanation for this. Report LR264 (which proposed the fees for 2008/09) explained that additional enforcement was planned, and a fee increase towards this was therefore being sought. Enforcement activity has increased in 2008/09, and additional enforcement is proposed in 2009/10. He goes on to state that insurance, servicing and repairs have increased in the past year, although as set out in the recent Fares report (report LR285 3 December 2008 refers), insurance costs appear to have remained static, and indeed since the Fares report, fuel costs have reduced. Mr. Parker proposes that fees should be frozen for 2009/10. However, fees are a small part of the overall costs of operating a taxi/private hire vehicle, and in that context the monetary increases sought are considered reasonable.
- 2.6 Last year, the possibility of carrying out a formal survey of demand for taxis in Winchester was under consideration. Such a survey would be essential before any limitation on the numbers of licences issued could be introduced. Following an informal Working Group of Members, it was decided that a survey should not be undertaken for the time being, pending the issuing of further guidance from the Department for Transport. This guidance is still awaited, and the issue of a survey will be reviewed when the guidance is published. If a survey were to be carried out, it is anticipated that the cost could be up to £15,000, for which there is no budget provision. If it is concluded that a survey should be carried out, a further fee increase would be required to cover the costs of this.

3 Other Licensing

- 3.1 The budget excludes the base budget for the Licensing Act 2003 which is now treated as a separate account as the fees will be set by the Government.
- 3.2 However, “other licensing” includes a number of licences which are administered by the Head of Legal Services.
- 3.3 The fee for booking of St. Maurice’s Covert has been increased by 3% to cover increased costs. The fee for the Banner booking service has been reviewed in comparison to the fee for booking of St. Maurice’s Covert, and revised to reflect the fact that the administration work for the banner is slightly greater than that for the Covert.

- 3.4 Fees for Street Trading Permits and Tables and Chairs licences have been increased by 8% to cover inflation and increased enforcement costs.

4 Gambling Act 2005

- 4.1 The Gambling Act 2005 has now been fully implemented.
- 4.2 The Act allows the Secretary of State to prescribe fees, but also allows flexibility for the Secretary of State to devolve the power to set fees to licensing authorities. The mechanism chosen by the Government is for licensing authorities to fix fees, on a cost-recovery basis only, and subject to prescribed maxima.
- 4.3 In 2008, the Department for Culture, Media and Sport conducted a review of fees charged by Licensing Authorities under the Gambling Act 2005. This review found that between 20% and 30% of authorities had set fees at the maxima levels, 15% and 21% for betting application and annual fees respectively and about a third in the Family Entertainment Centre sector. The conclusion of the review was that there was no justifiable concern about the level of the fee maxima set by DCMS from either an industry or licensing authority perspective, and the City Council has not received any comments itself on the level of fees which have been set.
- 4.4 An inflation increase of approximately 3% is proposed to cover increased costs, for those fees which are below the prescribed maxima.

OTHER CONSIDERATIONS:

5 CORPORATE STRATEGY (RELEVANCE TO):

- 5.1 The licensing functions relate to the priorities of "Safer and more inclusive communities", and "Safeguarding our high quality environment for the future".

6 RESOURCE IMPLICATIONS:

- 6.1 These fees and charges have been set on the basis of maintaining the policy of cost recovery across those areas of the licensing function where the City Council has the power to set fees.

BACKGROUND DOCUMENTS:

None

APPENDICES:

Appendix 1 – Hackney Carriage and Private Hire Fees

Appendix 2 – Other Fees

Appendix 3 – Gambling Act Fees

Appendix 4 – Letter from Mr Rob Parker of XL Cars

Appendix 1**WINCHESTER CITY COUNCIL****FEES FOR HACKNEY CARRIAGES AND PRIVATE HIRE VEHICLES 2008/09**

| LICENCE | EXISTING FEE 2008/09 | PROPOSED FEE 2009/10 |
|--|---|---|
| Private Vehicle Hire Operator * | £204 + £26 for 2nd and each subsequent vehicle | £220 + £28 for 2nd and each subsequent vehicle |
| Private Hire Vehicle * | £212 | £230 |
| Hackney Carriage Vehicle * | £212 | £230 |
| Hackney Driver | £104 Initial £77 Renewal | £112 Initial £84 Renewal |
| Missed appointment fee | £50 | £54 |
| Retest fee for Hackney Carriage/Private Hire Vehicle | £20 if retested within three working days £55 for all other retests | £22 if retested within three working days £59 for all other retests |
| Hackney Driver and Private Hire Knowledge Re-Test | £26 | £28 |
| Private Hire Driver | £91 Initial £77 Renewal | £112 Initial £84 Renewal |
| Replacement Plate | £25 | £27 |
| Transfer of Licensed Vehicle (including test) | £94 | £101 |
| Transfer of Licensed Vehicle (no test required) | £35 | £38 |
| Replacement of Lost/damaged licence | £11 | £12 |
| Issue/replacement of Permit Exemption | | £12 |

* fees subject to public advertisement prior to coming into effect, as set out in the Report.

Appendix 2**WINCHESTER CITY COUNCIL****OTHER LICENSING FEES 2009/10**

| LICENCE | EXISTING FEE 2008/09 | PROPOSED FEE 2009/10 |
|---|---------------------------------|-------------------------------------|
| St Maurice Covert | £33 | £34 |
| Street Trader Permit | £92 | £99 |
| Tables and Chairs on Highway | £195 | £210 |
| Banner Hiring (NB additional fee (currently £76) payable to Serco for erection/removal) | £27 | £37 |
| Street Collections, Carol Singing, House to House Collections | NO FEE | NO FEE |

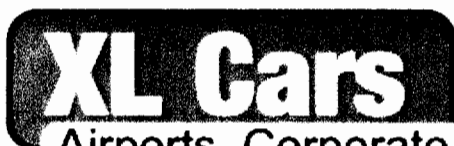
Appendix 3**Proposed Gambling Act 2005 Fees 2009/10**

(existing fees in brackets)

* = maximum fee

| Permit Type | New Application | Annual Fee | Application to Vary | Application to Transfer |
|---|------------------------|-------------------|----------------------------|--------------------------------|
| Bingo Club | (2070) 2130 | (1000) 1000 * | (875) 900 | (625) 645 |
| Betting premises (Excluding Tracks) | (3000) 3090 | (600) 600 * | (875) 900 | (625) 645 |
| Tracks | (2350) 2420 | (1000) 1000 * | (875) 900 | (625) 645 |
| Family Entertainment Centre | (2000) 2000 * | (750) 750 * | (875) 900 | (625) 645 |
| Adult Gaming Centre | (2000) 2000 * | (1000) 1000 * | (875) 900 | (625) 645 |

| Permit Type | Application for Re-Instatement | Application for Provisional Statement | Licence Application (Provisional Statement Holders) | Copy Licence | Notification of Change |
|---|---------------------------------------|--|--|---------------------|-------------------------------|
| Bingo Club | (645) 690 | (810) 835 | (925) 950 | 25 | 50 |
| Betting premises (Excluding Tracks) | (645) 690 | (810) 835 | (925) 950 | 25 | 50 |
| Tracks | (645) 690 | (810) 835 | (925) 950 | 25 | 50 |
| Family Entertainment Centre | (645) 690 | (810) 835 | (925) 950 | 25 | 50 |
| Adult Gaming Centre | (645) 690 | (810) 835 | (925) 950 | 25 | 50 |



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24th October 2008

John Myall
Licensing and Registration Manager
Winchester City Council
City Offices
Colebrook Street
Winchester
SO23 9LJ

Dear Mr Myall

Private Hire and Hackney Carriage Licence fees 2009/10

I would be grateful if you would make this letter available to the Licensing Committee when they sit to decide upon the above licence fees for the year 2009/10.

Licence fees for the current year 2008/09 increased by more than 8% at a time when the official inflation rate was around 2.4%. This above inflation increase was never explained to us and we were all expected to grin and bear it.

However, this year has also seen unprecedented price rises in fuel costs for petrol and diesel which the private hire and hackney drivers have had to bear as well. With the credit crunch, and looming recession, we have all been very aware that business will drop away and we have not increased our prices for this reason. Indeed, the Winchester hackney drivers have turned down increases on their metered rates.

Currently, inflation is around 5.2% but inflation for small businesses is nearly 10%. Nearly every aspect of running a vehicle based business has increased including insurance, servicing, repairs and replacements. The situation can only get worse over the coming year or more.

Therefore, I would ask that the licensing committee take all these factors into account when considering licence fees for the coming year. My personal view is that they should be frozen at the current level because they were increased by such a large percentage in 2008/09 and because of the economic difficulties

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faced by the private hire and hackney drivers at the present time, and for the foreseeable future. All respected commentators are forecasting that the situation will worsen still further in the coming months and so both operators and drivers will need all the help we can get.

Yours sincerely

Rob Parker