



AGENDA ITEM: 8

Report for:	Licensing and Health & Safety Enforcement Committee
Date of meeting:	20 September 2016
PART:	I
If Part II, reason:	

Title of report:	Hackney carriage / private hire driver licence fees
Contact:	Ross Hill – Licensing Team Leader, Legal Governance
Purpose of report:	To amend the fees and charges payable in connection with licensing applications for hackney carriage and private hire driver licences fees for the remainder of the 2016-17 financial year, following procedural changes to the processing of such licences.
Recommendations	That the fees and charges payable in connection with relevant licensing applications are set at the levels proposed in para 2.3 with effect from the implementation of revised application procedures.
Corporate objectives:	Dacorum Delivers <ul style="list-style-type: none"> • VFM • Efficiencies
Implications:	<p><u>Financial</u> Resetting fees to the levels proposed will result in a reduction in Licensing service revenue of around £2,500 p/a. However, this will represent work which is no longer being carried out by licensing officers, freeing resources to work on other matters. There will also be some reductions in expenditure on ancillary items, such as printing and postage.</p> <p><u>Value for Money</u> Fees are being reduced by £17 for single licences, and £23 for dual licences (VAT-exempt). The proposed supplier will charge an admin fee of £15 plus VAT for the service, meaning costs to applicants will remain approximately the same.</p> <p><u>Risk / Community Impact / Health And Safety Implications</u> None</p>
Consultees:	n/a

Background papers:	n/a
Glossary of acronyms and any other abbreviations used in this report:	

1. BACKGROUND

- 1.1. Dacorum Borough Council has statutory responsibility for the administration and enforcement of a wide range of licences, registrations and permits. Many of these schemes allow the Council to charge a fee, payable by an applicant for a licence, in order to cover the costs (or a proportion thereof) of the administration of those licence types. In some cases, costs are also permitted to cover other aspects of providing the regulatory scheme, such as enforcement.
- 1.2. The basis in setting such fees is generally to ensure full cost recovery, or as close to it as possible. Numerous legal cases over the years have confirmed that licensing fees may not be used to generate a profit for councils, and that fees should be reviewed regularly (generally annually) to ensure that neither a significant surplus nor deficit is created. Surpluses or deficits may be carried forward to future years to be redistributed or recouped, as applicable.
- 1.3. Many licensing schemes fall within the definition of ‘services’, under the EU Services Directive, as incorporated by the Provision of Services Regulations 2009. For such schemes, fees and charges must “*be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities*”.¹ This principle was affirmed by the Supreme Court in *R (on the application of Hemming (t/a Simply Pleasure Ltd)) v Westminster City Council*.²
- 1.4. Fees for the current financial year were set by the Committee in October 2015. However, an impending change in how certain licence types relating to hackney carriage and private hire drivers licences are processed will change the Council’s costs, and thus necessitates the resetting of those fees.

2. PROPOSAL

- 2.1. Ahead of the Council’s move to The Forum early in 2017, officers have been reviewing various aspects of delivery of the licensing service. One of the most problematic relates to hackney carriage and private hire driver’s licences, which are currently administered at a face-to-face appointment by licensing officers at a dedicated desk in the Customer Service Centre, and require significant numbers of paper-based applications for licences and the prerequisite checks and criminal records, driving licence entitlement and medical fitness. Continuing to deliver the service ‘as is’ would prove challenging, at best, in the new environment.
- 2.2. Officers are therefore currently arranging for the delivery of a modified licence application service by an external provider. Under this proposal, applicants will make

¹ Reg 18(4), Provision of Services Regulations 2009 (S.I. 2009 / 2999)

² [2015] UKSC 25

an online application for their driver licence. The provider will facilitate digital checks of criminal record and driving licence data, and the applicant will pay them a fee representing the costs of these checks, plus an administration fee. The supplier will report the results of the checks to the Council for determination of the licence application. Prior to the issue of a licence, applicants will be required to pay a further fee to the Council, to cover applicable administration and policy costs.

- 2.3. As the current fees for these licences are based on council officers carrying out the work associated with DBS and DVLA checks which will shortly be moved externally and funded by way of a separate administration fee, it is necessary to recalculate and reset the attendant fees to exclude these costs. Costs have been calculated by officer, and it is now proposed that the following fees be charged for the grant or renewal of applicable licence, with effect from the implementation of revised application procedures:

Local Government (Miscellaneous Provisions) Act 1976, section 53(2)

Hackney carriage driver licence (3 years)	£128.00
Private hire driver licence (3 years)	£128.00
Dual driver licence (3 years)	£192.00

- 2.4. There is no public notice nor consultation requirement for these fees, which, with the administration fees to be charged by the supplier, will remain at a similar overall level as at present.

3. RECOMMENDATIONS

- 3.1. **In pursuance of the fee-setting powers specified above, that the Licensing, Health & Safety and Enforcement Committee set as the fees and charges payable by applicants in connection with applications and other processes for licences, registrations and permits the fees and charges as set out in para 2.3, with effect from the implementation of revised application procedures for the corresponding licence types.**