

**Telford & Wrekin Council**

**Licensing Committee - 12th March 2014**

**Licence Fees**

**Report of: Service Delivery Manager - Public Protection**

**1. Purpose**

- 1.1 For Members to consider proposed level of Licence Fees and charges affecting the Hackney Carriage, Private Hire trades, Gambling and other licences.

**2. Recommendations**

**2.1 It is recommended that Members**

- 2.1.1. Approve the level of proposed fees to come into force on 1<sup>st</sup> April 2014 subject to any consultation responses received.**

**3. Summary**

- 3.1 The level of fees and other charges for Hackney Carriage, Private Hire, Gambling and General Licences were last reviewed in 2012/2013 and implemented on 1<sup>st</sup> May 2013

**4. Previous Minutes**

- 4.1 LC-38 – Licensing Committee 26<sup>th</sup> March 2013  
4.2 LC08 – Licensing Committee 18<sup>th</sup> September 2013

**5 Information**

**5.1 Background**

- 5.1.1 The current level of fees and other charges for Hackney Carriage, Private Hire, Gambling and General Licences were implemented by the Licensing Authority on 1<sup>st</sup> May 2013.
- 5.1.2 A local authority may recover the costs of administering Hackney Carriage/Private Hire, Gambling and other licences. When setting fees the Council must have regard to the impact that any increase may have upon the livelihood of licence holders. However, it is also important not to subsidise this service area to the detriment of front line services that are in line with other Council priorities.

However, the Licensing Team owe it to licensees that its service is as efficient and effective as it can be to reduce the burden on business. in these difficult economic times.

- 5.1.3 The Licensing Service is not able to fully recover the costs of delivering the Licensing Service. Only certain statutorily defined costs can be recovered, for example the service cannot recover the costs of enforcement except in relation to Hackney Carriage/Private Hire Vehicle Licensing Cinema Licensing or Gambling Licensing.
- 5.1.4 There are also permits, registrations and licences where the level of fees are either set by statute or statutory instrument and many of these have not historically recovered the Council's cost of administering the service..
- 5.1.5 An extensive review of Licence fees was carried out following discussions with, particularly the taxi trade, and in the light of a review of administrative processes in 2012/2013.
- 5.1.6 Following the review in 2012/2013 a report was considered by Members of the Council's Licensing Committee on 26<sup>th</sup> March 2013 and the proposed level of licence fees was implemented on 1<sup>st</sup> May 2013. Attached at appendix A.
- 5.1.7 The level of fees which Members resolved to implement in 2013 proposed a budget shortfall of £178.7k against the numbers of licences.
- 5.1.8 Also during 2013 Public Protection underwent a restructure which made further savings and which affected the Licensing Service. This restructure came into effect in October 2013.
- 5.1.9 As reported to Members on 26<sup>th</sup> March 2013 the Council had for several years, been losing taxis, drivers and operators to a neighbouring Council. During 2012, 2013 and continuing into 2014, officers have been engaging with the trade and have undertaken work to address the concerns of the trade. An extensive review of the Council's policy and conditions of licence was undertaken and the subsequent changes were implemented on 2<sup>nd</sup> January 2014. It is hoped that the significant reduction in fees in 2013, together with service improvements in 2013 and the implementation on 2<sup>nd</sup> January 2014 of revised Hackney Carriage and Private Hire conditions, that drivers and operators will be encouraged to return to be locally regulated and the numbers of licences increase as a result.
- 5.1.10 The matter of licence fees has been reviewed and in light of 5.1.7, 5.1 8 and 5.1.9, it is proposed to keep licence fees at the current level for the forthcoming financial year to allow the changes mentioned above to take effect. A further review of licence fees will be undertaken at the end of 2014 and the beginning of 2015 when a fuller picture of the effect those changes might have on the cost of administering licences against income received will be able to be seen.

## **5.2 Equal Opportunities**

- 5.2.1 A Community Impact Assessment has been carried out on the review of Licence fees and charges. A copy is attached at Appendix B.

### **5.3 Environmental Impact**

5.3.1 Not applicable for the purposes of this report.

### **5.4 Legal Comment**

5.4.1 Any licence fees that are set at the discretion of the authority should be reasonable and proportionate.

5.4.2 Section 53(2) Local Government (Miscellaneous Provisions) Act 1976 deals with Licence fees for drivers of hackney carriages and private hire vehicles. A council may demand and recover for the grant to any person of a licence to drive a hackney carriage or a private hire vehicle such fee as they consider reasonable with a view to recovering the cost of issue and administration.

5.4.3 Section 70 Local Government (Miscellaneous Provisions) Act 1976 deals with licence fees for the grant of vehicle and operators' licences as may be resolved from time to time and as may be sufficient to cover in whole or in part the reasonable costs of

- a) carrying out the inspections of hackney carriages and private hire vehicles for the purpose of determining whether any such licence should be granted or renewed
- b) the reasonable cost of providing hackney carriage stands; and
- c) any reasonable administrative or other costs in connection with the above and with the control and supervision of hackney carriages and private hire vehicles.

5.4.4 Section 6 Local Government (Miscellaneous Provisions) Act 1982 deals with applications for licences for sex establishments. Section 19 deals with fees in relation to grant, variation, renewal or transfer which shall be reasonable as determined by the appropriate authority.

5.4.5 Section 8 Local Government (Miscellaneous Provisions) Act 1982 Part III deals with street trading consents. A council may charge such fees as they consider reasonable for the grant or renewal of a street trading consent.

5.4.6 Section 184 Gambling Act 2005 deals with annual fees. An annual fee means a fee of such amount as may be prescribed and "prescribed" means prescribed by regulations made – a) in relation to premises licences issued by authorities in England and Wales, by the Secretary of State. Regulations prescribing the annual fee may, in particular, make different provision for – (a) licenses authorising different classes of activity, or (b) different circumstances.

5.4.7 Section 1(2) Animal Boarding Establishments Act 1963 deals with applications for boarding establishments for animals for which there is provision for payment of such fee as may be determined by the local authority.

5.4.8 Section 1(1) Breeding of Dogs Act 1973 deals with applications for the licensing of breeding establishments for dogs for which there is provision for payment of such reasonable sum as the authority may determine .

5.4.9 Section 2 Pet Animals Act 1951 deals with applications for licensing pet shops for

which there is provision for payment of such fee as may be determined by the local authority.

- 5.4.10 Section 2 Performing Animals (Regulation) Act 1925 deals with applications for registration to exhibit or train any performing animals for which there is provision for payment of such fee as appears to the authority to be appropriate.
- 5.4.11 Section 1(2) Dangerous Wild Animals Act 1976 deals with applications for a Licence for which there is provision for such fee as the local authority may stipulate.
- 5.4.12 Section 1 Zoo Licensing Act 1981 deals with applications for grant, renewal, alteration and transfer which there is provision of such reasonable fee as they determine and reasonable expenses.
- 5.4.13 Section 1 Riding Establishments Act 1964 deals with applications to keep a riding establishment for which there is provision for such fee as may be determined by the local authority.
- 5.4.14 Vehicle (Crimes) Act 2001 deals with registration for motor salvage operators. A local authority may set the level of fees to be charged in respect of applications—
  - (a) with a view to recovering the reasonable costs incurred by them in connection with the administration; and
  - (b) so that different fees are payable in different circumstances.
- 5.4.15 Section 94 Public Health Acts Amendment Act 1907 deals with the licensing of pleasure boats and pleasure vessels and the local authority may charge for each type of licence such annual fee as appears to them to be appropriate.
- 5.4.16 Only administration and issue costs can be recovered (not enforcement) R (app Simply Pleasure and Ors) v Westminster City Council [2012] EWCH 1260 Admin for licences which are part of the EU Services Directive. This does not apply to Hackney Carriage/Private Hire Licensing, Cinema Licensing or Gambling Licensing which are not covered by the EU Services Directive.
- 5.4.17 A Council cannot make a profit from its Licence fees R v Manchester City Council ex parte King 89 LGR 696 and R (app Simply Pleasure and Ors) v Westminster City Council [2012] EWCH 1260 Admin.

## **5.5 Links with Corporate Priorities**

- 5.5.1 This report has links to the following priorities :

Protect and Support our Vulnerable Children and Adults  
Protect and create jobs as a “Business Supporting, Business Winning Council”

## **5.6 Financial Comment**

- 5.6.1 As stated in this report a detailed review of license fees was undertaken during 2012/13 which resulted in revised license fees being implemented from 1<sup>st</sup> April 2013. The cost of a license is based on the principles of full cost recovery. In

2013/14 £190k income has been received as at the end of January 2014 in respect of licenses.

- 5.6.2 The overall licensing income budget for 2014/15 has been reduced by £188k from 2013/14 budget levels, through the delivery of savings, in order to address the shortfall against historic income targets arising from taxi licenses. It is anticipated that income targets of £187k for 2014/15 will be achieved.  
MLB 13.02.14

## **5.7 Risks and Opportunities**

- 5.7.1 The following key risks and opportunities associated with this report have been identified and assessed and arrangements will be put in place to manage them.
- The level of fees set being unreasonable arising to a challenge by judicial review.

## **6. Ward Implications**

- 6.1 This report has Borough wide Implications

## **7. Background Papers**

- 7.1 Local Government (Miscellaneous Provisions) Act 1976
- 7.2 Local Government (Miscellaneous Provisions) Act 1982
- 7.3 Town Police Clauses Act 1847
- 7.4 Transport Act 1981
- 7.5 Gambling Act 2005
- 7.6 Animal Boarding Establishments Act 1963
- 7.7 Breeding of Dogs Act 1973
- 7.8 Pet Animals Act 1951
- 7.9 Performing Animal's (regulation) Act 1925
- 7.10 Dangerous Wild Animals Act 1976
- 7.11 Zoo Licensing Act 1981
- 7.12 Riding Establishments Act 1970

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