

**REPORT TO:** LICENSING COMMITTEE

**DATE:** 8 JULY 2014

**TITLE:** REPRESENTATION AGAINST PRIVATE HIRE FEES 2014-2015

**LEAD OFFICER(S):** MICHAEL PITT, ENVIRONMENT AND LICENSING MANAGER (01279) 446114

**CONTRIBUTING OFFICER:** PAULINE WRIGHT, SENIOR ENVIRONMENTAL HEALTH OFFICER (1279) 446148

**RECOMMENDED that the Committee:**

- A** considers the representations and recommend to Full Council that the revised fees as determined at Full Council on 6 February 2014 be confirmed, OR
- B** the revised fees as determined at Full Council on 6 February 2014 be confirmed, subject to removal of the separate £5 fee for random drug testing.

**BACKGROUND**

1. The Local Government (Miscellaneous Provisions) Act 1976 permits local authorities to licence private hire drivers, vehicles and operators; it also allows local authorities to levy a fee.
2. The legislation allows for a fee of £25 unless the local authority chooses to calculate its own fee, providing that it publishes the proposed fee; Harlow Council calculates and publishes its own fee.
3. On 6 February 2014 a fee for 2014-2105 was agreed by Full Council; this was duly advertised in the Harlow Star and on the website Appendix 1.
4. On 13 March 2014 a representation was made against the proposed increase by the Private Hire Trade Association. Appendix 2.
5. Representatives of the Private Hire Trade Association met with Council officers to discuss the representation.

## ISSUES/PROPOSALS

6. The objection to the fee increase has been set out point by point. The trade representatives requested no increase in fees for this year.

### **Question 1:**

Harlow Council has publicly stated they feel that a 1:49% increase in community tax is a fair and acceptable figure. Why is an increase average 3% to be imposed on the Private Hire Trade?

### **Response:**

Council officers advised that licence fees are calculated separately and as such, may be subject to a different increase from that of Council tax.

### **Question 2:**

In January 2014, you made a statement to Harlow Council that you were restructuring the licensing department. Was this done to stabilise or reduce costs?

### **Response:**

The department was not restructured but some changes were made to working arrangements to ensure service continuity after a licensing officer left Harlow Council earlier in the year.

### **Question 3:**

Why have the large operators fees been reduced by approximately £1500 per annum when compared to 2013.

### **Response:**

This referred to an error in information displayed on the Council website and was not an actual decrease in fees for operators. The error has now been rectified.

### **Question 4:**

Why has the paragraph on refunds been omitted from the 2014 fees?

### **Response:**

Although this was not discussed during the meeting, there is no policy providing for automatic refunds where licenses are terminated before they expire.

### **Question 5:**

Why have some miscellaneous fees been omitted?

Note that some of these miscellaneous fees increase annually i.e. medical, signs and plates.

Should Harlow Council put these items out to tender to obtain the best possible price as for example compliance tests?

**Response:**

Information on such costs is freely available from the Licensing team. They do not comprise part of the Licensing fee and are therefore not included in the advertisement of proposals to increase the Licence fee.

Licensing officers are seeking to source cheaper alternative suppliers for such items as driver's badges and licence plates. Officers agreed to remove any fee for door stickers in line with a previously Licensing Committee decision.

**Question 6:**

VEHICLE LICENCE

When the Local Government (Miscellaneous Provisions) Act 1976 was introduced the maximum charge for this licence was £25. Using the Bank of England Historic Inflation Table this equates to £152:60 ( the average for Essex authorities) . How can Harlow Council justify the fee of £290?

**Response:**

The Local Government (Miscellaneous Provisions) Act 1976 allowed for a fee of £25 for a licence, however, it also allowed Local Authorities to charge their own fee provided that this is advertised. This is the option followed by Harlow Council and therefore departs from the £25 fee and any inflationary comparison in relation to this fee is not relevant in this case.

**Question 7:**

DRIVERS LICENCE

The fee of £132 is the most expensive in Essex . Consequently a growing number of drivers/vehicles are being operated in Harlow that are licensed by other cheaper authorities.

Harlow Council claim they have no control or enforcement responsibility on these driver/vehicles.

By increasing licensing fees they are opening the door to an increase in this situation and raise the question of their Duty of Cars and Public Safety.

**Response:**

Officers advised that fees need to be calculated on a cost recovery basis therefore comparisons with other authorities isn't necessarily relevant. Offices will take enforcement action should this become necessary but cannot prevent hackney carriage drivers licensed with other authorities from undertaking private hire bookings in Harlow.

**Question 8:**

This fee includes a £5 charge for drugs testing. This is the only trade or

organisation in Harlow that has this condition imposed on it. This is a clear case of discrimination and has no supportive evidence to substantiate for this condition to be imposed on the Private Hire Trade.

When this condition was introduced in 2011 the Licensing Committee asked for a more random type testing, therefore it is an enforcement issue. In 2011 The Minister for Transport Mr Norman Baker in evidence to the House of Commons Transport Committee stated " There are NO powers to charge enforcement on drivers or operators".

Harlow Councils own figures raise concerns that we feel could be questioned by the Audit Commission .

PH licences 2013. 200 x £5 = £1000  
Drugs Test. 2013. 12x £35= £420

Harlow Council should review for the following reasons this drug test condition .

Is it a reasonable condition  
Is it a necessary condition  
Is. this condition discrimination  
Is this condition legal

**Response:**

Officers agreed that the drugs test can be looked into again to see if it is still relevant or necessary and acknowledge that this is a condition for private hire drivers only and does not include hackney carriage drivers.

7. Officers agreed to propose that the equivalent of the fee for drugs testing should be removed from the fee for 2014-2015, subject to approval by Committee.

**IMPLICATIONS**

**Regeneration (includes Sustainability)**

None specific.

Author: **Graeme Bloomer, Head of Regeneration**

**Finance (Includes ICT)**

Subject to the decision taken by the Committee the income budget for 2014/15 may be impacted on.

Author: **Simon Freeman, Head of Finance**

**Housing**

None specific.

Author: **Andrew Murray, Head of Housing**

**Community Wellbeing (includes Equalities and Social Inclusion)**

Regulating Private Hire Vehicles protects the travelling public including vulnerable members of the community. Collection of fees judged to be appropriate by the Council offsets the cost of regulation thereby avoiding adverse impact on other valued Council services..

Author: **Michael Pitt, Environment & Licensing Manager on behalf of Graham Branchett, Chief Operating Officer**

**Governance (includes HR)**

The Council must have due regard to the representations received in order to minimise the risk of legal challenge to the Council.

Author: **Dimple Roopchand, Assistant Solicitor on behalf of Brian Keane, Interim Head of Governance**

**Background Papers**

None.