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MEETING: LICENSING AND REGULATORY (URGENT REFERRALS)
COMMITTEE

DATE: Wednesday 18th December, 2019

TIME: 9.00 am

VENUE: Members' Room 1 - Town Hall, Bootle

Member

Councillor John Kelly (Chair)
Councillor Keith
Councillor Brenda O'Brien

Substitute

Councillor Carragher
Councillor Dodd
Councillor Friel

COMMITTEE OFFICER: Ruth Appleby
Democratic Services Officer

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A G E N D A

1. Apologies for Absence

2. Declarations of Interest

Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda.

Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation.

Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.

3. Minutes

(Pages 5 - 6)

Minutes of the meeting held on 14 August 2019

4. Taxi Licensing Fees

(Pages 7 - 44)

Report of the Head of Highways and Public Protection

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THIS SET OF MINUTES IS NOT SUBJECT TO "CALL-IN"

LICENSING AND REGULATORY (URGENT REFERRALS) COMMITTEE

MEETING HELD AT THE TOWN HALL, BOOTLE ON 14 AUGUST 2019

PRESENT: Councillor Brenda O'Brien (Vice Chair, in the Chair)
Councillor Carragher

5. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Kelly, Keith and Dodd (Substitute).

6. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interests or personal interests were received.

7. MINUTES

RESOLVED:

That the Minutes of the meeting held on 26 July 2019 be confirmed as a correct record.

8. EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraphs 5 of Part 1 of Schedule 12A to the Act. The Public Interest Test has been applied and favoured exclusion of the information from the press and public.

9. PUBLIC SPACE PROTECTION (TICKET TOUTING GRAND NATIONAL AINTREE) ORDER 2019

The Committee considered the report of the Head of Highways and Public Protection that advised Members of a legal challenge to the Public Space Protection (Ticket Touting Grand National Aintree) Order 2019 and sought approval for the proposed response.

RESOLVED:

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LICENSING AND REGULATORY (URGENT REFERRALS) COMMITTEE-
WEDNESDAY 14TH AUGUST, 2019

That the recommendation set out in paragraph 1.11 of the report be approved.

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Report to:	Licensing and Regulatory Urgent Referrals Committee	Date of Meeting:	Wednesday 18 December 2019
Subject:	Taxi Licensing Fees		
Report of:	Head of Highways and Public Protection	Wards Affected:	
Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	N	Included in Forward Plan:	No
Exempt / Confidential Report:	N		

Summary:

To seek the approval of Members for an adjustment to the fees and charges for Taxi Licensing services in 2020.

Recommendation(s):

1. That members consider the objections received by the Council in relation to their statutory consultation on the proposed increase in taxi licensing related fees
2. Members approve the proposed uplift in fees to address the estimated shortfall in income and fund the increase in enforcement capacity.

Reasons for the Recommendation(s):

The Council has a legal power to recover the full costs of administering the issue and enforcement of Taxi Licences. The increase is required to address a shortfall in income and expand the enforcement team to deal with an increase in licensed vehicles.

Alternative Options Considered and Rejected: (including any Risk Implications)

None

What will it cost and how will it be financed?

(A) Revenue Costs

None

(B) Capital Costs - none

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Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The cost of the service is wholly recovered from the ring fenced Taxi Licensing Trade Account (Revenue Budget BD12).

Legal Implications:

Proposed changes to taxi licensing fees have been advertised in accordance with S.70 Local Government (Miscellaneous Provisions) Act 1976.

Equality Implications:

There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

Facilitate confident and resilient communities:

Commission, broker and provide core services: Continue to provide an efficient delivery of the taxi licensing services in the One Stop Shops and associated taxi licensing enforcement.

Place – leadership and influencer:

Drivers of change and reform:

Facilitate sustainable economic prosperity:

Greater income for social investment:

Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources has been consulted (FD5888/19) and notes the report indicates no direct financial implications for the Council. The cost of the service is wholly recovered from the ring fenced Taxi Licensing Trade Account . The Chief Legal & Democratic Officer (LD4072/19) has been consulted and any comments have been incorporated into the report.

(B) External Consultations

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The proposals have been discussed with taxi trade representatives with the revised fees agreed.

Implementation Date for the Decision

2 January 2020

Contact Officers:	Terry Wood
Telephone Number:	Tel: Ext 4301
Email Address:	terry.wood@sefton.gov.uk

Appendices:

10 appendices

Background Papers:

There are no background papers available for inspection.

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Introduction

1. Members will recall at the Licensing and Regulatory Committee on 9th September 2019 a report was presented proposing an increase in Taxi Licensing fees. Members approved the recommendations in the report and the proposed new fees were advertised in the local press and a 28 day statutory consultation period commenced which ended on 31st October 2019. A copy of the report is attached as appendix 1 to this report.
2. If no objections had been received the proposed new fees would have been applied from 4th November 2019 which was a further recommendation approved by Committee at the September meeting. However, two objections were received during the statutory consultation period from Trade Representatives and these are attached as appendix 2 to the report. In addition to the objections an email broadly in support of the proposals was also received and this is attached as appendix 3.
3. Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 outlines how Local Authorities should proceed if objections to a proposed fee structure are received. It requires the Local Authority to suspend any variation in fees and formally consider the objections and then set a further date when any variation will come into force with or without modification as decided by Members. This new date cannot be later than 2 months after the first specified date which in this case was 4th November 2019. Consequently, if a fee variation is to be introduced the deadline for doing so is now 4th January 2020.
4. Officers have had several meetings with the objectors to discuss their objections and believe an acceptable compromise position has been reached which is detailed in this report and has resulted in the development of a revised proposed fee structure for Members to consider.

Grounds of Objections

5. The objections received were about two main issues
 - A recent judicial review judgment in the case of Rehman v Wakefield District Council
 - Release of insufficient financial detail to justify the proposed increase
6. In Summary, the judicial review was a challenge to the introduction of a fee increase by Wakefield District Council. The challenge was made on behalf of the Wakefield District Hackney Carriage and Private Hire Association by Mr Abdul Rehman. Mr Rehman claimed that in setting the fees for a vehicle licence under Section 70 of the Local Government (Miscellaneous Provisions) Act 1972, the Council had included cost recovery for the enforcement of driver behaviour e.g. bad parking, smoking, uncivil conduct, refusal to take a guide dog etc. He argued that Section 70 allows for cost recovery for matters, in connection with the “control and supervision” of vehicles but not drivers. He argued that it is Section 53 of the Act that deals with driver licences and therefore if costs can be recovered for the control and supervision of drivers it should be done so by fees set under that section.

7. Wakefield District Council argued that the control and supervision of vehicles must include the manner in which they are driven. In support of this argument they suggested that because drivers too are regulated that driver activities should be classified as part of the control and supervision of vehicles.
8. The judge found in favour of Mr Rehman. The logical consequence therefore would be that any income derived from vehicle licence fees can only be spent on vehicle matters and any income derived from driver licence fees can only be spent on drivers. Wakefield District Council have appealed against this decision and the outcome of the appeal is expected soon.
9. Accordingly, officers acknowledged that the judgment did have an impact on the proposal put to members, in September and additional work has been undertaken to establish Sefton's position on the split between vehicles and drivers in terms of costs and income. A number of documents have been produced to illustrate this which are attached as appendices to the report. The objectors have also been provided with this additional information and meetings have taken place to try to find a compromise position.

Outcome and Discussion

10. The outcome of this work has the formulation of a new proposal for Taxi Licensing fees for Members to consider and a new table comparing existing fees, the previous proposal and the new proposal is attached as appendix 4. Members will note that the new proposal now suggests a much larger percentage increase in driver licence fees with the annual cost rising from £24 to £30. It is also proposed that an application fee of £15 is introduced for all new driver applications. This will not only reduce the current level of "no shows" for appointments but also recover some of the cost from applicants who for whatever the reason do not successfully complete the application process. For vehicle licences, it is now suggested that there is only a comparatively modest increase for an annual licence from £139 to £145. The proposed increase for ancillary fees such as transfers and variations has also changed and this fee would now rise from £19.50 to £25.
11. In reaching this conclusion the views of the objectors have been taken into consideration. However, it may be the case that other sectors of the trade may have a different view on the structure of licence fees in the light of the recent case involving Wakefield District Council. Therefore, it is also proposed that prior to any further alteration to fees, other than those proposed in this report, a wider consultation exercise is undertaken, in an attempt, to reach a consensus on how best to structure fees in the future.
12. Another consideration has been taken into account in reaching this proposal and that is the inclusion of an estimate for an increase in licence numbers and therefore an increase in income. Using transaction data collected since 2014/15 there has been a significant upward trend in the number of licences since 2016/17 and this shows no signs of slowing. Table 1 below details the transactions at the One Stop Shops

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Table 1 Number of transactions by year

	2014/15	2015/16	2016/17	2017/18	2018/19
Hackney Carriage Driver	226	262	195	206	180
Hackney Carriage Vehicle	479	498	512	516	507
Private Hire Driver	2,240	2,770	2,079	3,700	4,644
Private Hire Operator	66	83	68	87	93
Private Hire Vehicle	4,386	4,421	4,348	4,685	5,921
Total	7,397	8,034	7,202	9,194	11,345

13. For the purposes of this proposal we have assumed this increase in licence numbers will continue. However, a conservative estimate that the rate of increase will only be at the rate of 50% of this year's increase has been assumed to mitigate against any "slow down" in demand.
14. Appendix 5 is a revised budget forecast for the remainder of 2019/20 and 2020/21 based on the new fees and demand increase assumptions. It includes the split of income derived from driver and vehicle licence fees.
15. The split between driver and vehicle in terms of income and expenditure is illustrated in appendix 6. Broadly speaking it has been assumed that the balance of taxi licensing activity at the One Stop Shops is 70% driver related and 30% vehicle related. For the enforcement team the assumption has been roughly estimated as 20% driver related and 80% vehicle related. Currently overall combined expenditure is estimated at approximately 50:50 and this is why consultation with the wider trade is crucial for any future changes.
16. Appendix 7 illustrates several scenarios. Firstly, the level of income that will be derived from vehicle and driver licence fees if the proposed increases are applied from January 2nd and numbers remain static. Secondly the level of income if fees are increased on January 2nd and demand rises in line with our estimates. Thirdly the level of income if there is no increase in fees and licence numbers remain static and finally no increase in licence fees but an increase in demand in line with our estimates.
17. Appendix 8 give the detail of income derived from sources other than vehicle or driver fees and illustrates the impact of the proposed fee increases on income for those activities.
18. Appendix 9 gives a breakdown of activity at the One Stop Shops while appendix 10 is a management estimate of how enforcement staff are deployed over an eight-week shift period.

The Regional Picture

19. In terms of the regional position this proposed rise still leaves Sefton very competitively priced as illustrated in Table 2. This table gives a snapshot of headline fees for vehicle and driver licences across the Liverpool City Region and West Lancashire District Council.

Table 2 Comparison of fees across LCR and West Lancs DC

Council	12 Month Vehicle	New Driver	Renewal
Sefton Current	139	24	24
Sefton Proposed	145	30 + 15 app fee	30
Knowsley	220	30 + 20 app fee	45
St Helens	265	88	65
Wirral	192	50 + 64 app fee	50
Halton	239	68	61
Liverpool	170	60	60
West Lancs	179.95	57.64	57.64

20. It is interesting to note that not only does Sefton have the lowest fees in the region, the fee structure across this Local Authority sample is very similar. All are skewed to a vehicle fee being significantly higher than a driver.

Conclusion

21. It is clear unless there is some uplift in fees the budget will be in deficit. However, it must be acknowledged that some of the matters raised in the objection are valid and therefore the proposal to raise fees has been adjusted to address the relevant matters raised by objectors.

Recommendations

1. That Members consider the objections received by the Licensing Authority in relation to their statutory consultation on the proposed increase in fees related to hackney carriages and private hire vehicles
2. That Members approve the amended proposal to uplift fees to address the forecasted budget deficit

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Report to:	Licensing and Regulatory Committee	Date of Meeting:	Monday 9 September 2019
Subject:	Taxi Licensing Fees		
Report of:	Head of Highways and Public Protection	Wards Affected:	
Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To seek the approval of Members for an adjustment to the fees and charges for Taxi Licensing services in 2019/20.

Recommendation(s):

1. Members support the proposal to increase the enforcement capacity of the Taxi Licensing Enforcement Unit by one officer.
2. Members approve the proposed uplift in fees to address the estimated shortfall in income and fund the increase in enforcement capacity.
3. To authorise the Head of Highways & Public Protection to advertise the revised fees and charges and set an implementation date of Monday 4 November 2019.

Reasons for the Recommendation(s):

The Council has a legal power to recover the full costs of administering the issue and enforcement of Taxi Licences. The increase is required to address a shortfall in income and expand the enforcement team to deal with an increase in licensed vehicles.

Alternative Options Considered and Rejected: (including any Risk Implications)

None

What will it cost and how will it be financed?

(A) Revenue Costs

None

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(B) Capital Costs - none

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): The cost of the service is wholly recovered from the ring-fenced Taxi Licensing Trade Account (Revenue Budget BD12).
Legal Implications: Any changes to hackney carriage fees will need to be advertised in accordance with S.70 Local Government (Miscellaneous Provisions) Act 1976.
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:
Facilitate confident and resilient communities:
Commission, broker and provide core services: Continue to provide an efficient delivery of the taxi licensing services in the One Stop Shops and associated taxi licensing enforcement.
Place – leadership and influencer:
Drivers of change and reform:
Facilitate sustainable economic prosperity:
Greater income for social investment:
Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources has been consulted (FD5765/19/19) and notes no financial implications are indicated. The report states the cost of the service is wholly recovered from the ring-fenced Taxi Licensing Trade Account. The Chief Legal &

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Democratic Officer (LD4889/19) has been consulted and any comments have been incorporated into the report.

(B) External Consultations

The proposals will be discussed with representatives of the taxi licensing trade at the next quarterly meeting on 3 September 2019.

Implementation Date for the Decision

Immediately following the Committee meeting

Contact Officers:	Terry Wood
Telephone Number:	Tel: Ext 4301
Email Address:	terry.wood@sefton.gov.uk

Appendices:

Annex 1: Proposed new fees list and Annex 2: Financial summary attached.

Background Papers:

There are no background papers available for inspection.

1 Background

- 1.1 The Local Government (Miscellaneous Provisions) Act 1976 entitles the Council to recover the cost of administering the Hackney Carriage and Private Hire Licensing service through the application of fees. Over the years through various legal challenges it has been reaffirmed that the hackney carriage and private hire licensing regime is intended to be self-financing. However, it is also clearly set out that the statutory power to charge fees for the grant of licences is not to be used to raise revenue generally.
- 1.1 The Act is specific in indicating costs that should be covered by the fees and these include
- Processing applications and providing licences
 - Inspection of vehicles
 - Provision of Hackney Carriage Stands
 - Administrative costs relating to the inspection of Hackney Carriage Stands
 - Administrative costs relating to the control and supervision of Hackney Carriage and Private Hire Vehicles.
- 1.2 Usually, each year, fees are raised in line with inflation however periodically or when there is a significant shift in the service, a review of fees takes place to establish whether the level of fees being charged will cover the estimated costs that will be incurred as a result of operating the service. These reviews have in the past resulted in both the lifting and the reduction of fees dependant on the circumstances that prevailed at the time. Indeed, Members will recall, as recently as January 2018 the report to Committee that recommended no increase in fees for the year 2018/19 because of the level in the reserve
- 1.3 There are several factors that make now a time when a review is appropriate, perhaps the two most relevant are;
- The stress being placed on the Administrative Support and Taxi Licensing Enforcement Teams due to the unprecedented increase in the size of the Private Hire Vehicle fleet.
 - The ending of the Arvato Government Services contract with the service returning back to an “in-house” provision
- 1.4 The review has been undertaken with colleagues in the Finance Service and it is estimated that the cost of operating the service, as a whole, in 2019/20 will be approximately £1.3 million. Based on current levels of activity it is estimated that money received through fees will be in the region of £1.1 million. This includes the assumption of increasing the enforcement capacity of the service which is discussed later in this report.

2 Taxi Licensing Increase in Demand

2.1 The number of licence holders has increased quite dramatically over the last year as can be seen from Table 1 below.

Licence Type	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Hackney Driver	335	334	330	321	328	329	330	330	323	325	326	329
Hackney Vehicle	268	270	270	270	271	271	270	270	270	270	271	271
PH Driver	4548	4628	4716	4784	4987	5084	5178	5273	5374	5490	5611	5753
PH Vehicle	3982	4064	4129	4230	4353	4423	4508	4570	4689	4748	4802	4887
PH Operator	101	100	98	97	101	101	100	104	101	99	105	103

Table 1 Number of Live Licences

2.2 It is impossible to be definitive as to why this increase has occurred although are several factors that may have influenced it.

- Sefton currently has the least expensive licence fees in the Liverpool City Region (see Table 2 below)
- Sefton is arguably the most efficient at processing applications
- Deregulation and the development of a regional policy by UBER
- General economic conditions can make Private Hire driving an attractive proposition
- There is usually a seasonal spike to take account of the Christmas trade.

Table 2 LCR Licence Fees (£) Driver and Vehicle

Licence Type	Sefton	Knowsley	Liverpool	St Helens	Wirral	Halton
Driver (3 year Licence)	73	85	150	175	132	184
Vehicle 12 Months	139	210	175	265	187	239
Vehicle 6 Months	81	155		160	100	

2.3 Deregulation has meant that drivers can now be far more flexible in their working patterns. Ten years ago drivers used to habitually obtain a licence with their home or neighbouring authority but because of the changes

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deregulation has brought this is no longer as important for many drivers. As table 2 illustrates, Sefton is the most reasonably priced Licensing Authority locally, however this is only part of the story. It is clear that Sefton's One Stop Shop administers the process very efficiently and table 3 below would support this.

- 2.4 Table 3 contains official government figures as at October 2018 of the number of licence holders in the other LCR authorities. Sefton's figures have been inserted to allow comparison. Whilst there are occasional glitches and blockages in the system at peak times these are addressed quickly and, on the whole, the trade locally is very complimentary about the service they receive at the One Stop Shop.

Table 3 Number of Licences Issued by LCR Authorities

Licence Type	Sefton	Knowsley	Liverpool	St Helens	Wirral	Halton
Hackney Driver	330	225	2125	638*	325	433*
Hackney Vehicle	270	233	1426	63	246	267
PH Driver	4716	1950	2372	638*	1181	457*
PH Vehicle	4129	1662	2021	519	1015	115
PH Operator	98	40	92	41	86	24

* St Helens and Halton issue mostly dual licences to drivers allowing them to drive Hackney or Private Hire vehicles

- 2.5 Deregulation has had the effect of allowing the cross-border transfer of jobs making it now much easier for a driver to work quite close to his home whilst being licensed by a Licensing Authority some distance away. In the last 12 months UBER have introduced a voluntary regional policy to address some of the criticism levelled at them when drivers were licensed by authorities sometimes several hundred miles from their home address. Their policy now is that any driver wishing to work in a region must be licensed by one of the Licensing Authorities in that region. Consequently, many drivers who live outside the northwest region but wish to drive in the northwest e.g. Manchester have had to obtain a new licence with a northwest authority. For the reasons outlined above in paragraphs 2.2 and 2.3 many have chosen Sefton.
- 2.6 During any economic downturn there tends to be an upward trend in people turning to self-employment as an alternative. In some research undertaken by the Office of National Statistics a few years ago the four most common

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occupations for self-employment were private hire drivers, carpenters, plumbers and farmers.

- 2.7 Christmas is the busiest time of the year for a Private Hire or Hackney Carriage driver. The party season means more people attend social functions and want to leave their cars at home. For this reason, there is always a spike in applications during the late autumn as drivers try to make sure they secure a licence to work over the busy Christmas period.

3 Impact of Increased Demand

- 3.1 Historically new applications to become a Private Hire Driver was a “drop in” service at the One Stop Shop (OSS). When demand increased significantly (as demonstrated by the snapshot in Table 1 above) this approach became unsustainable. Huge queues were seen at the OSS, waiting times increased and other services began to suffer because of the volume of Taxi Licensing business.
- 3.2 To try to combat this situation and restore some balance at the OSS an appointment system was introduced for new applicants. The remainder of services e.g. driver renewals, vehicle licence and renewals, transfers etc. remained as “drop in” services. New applicants take a long time to process and it was this being a “drop in” that was creating the problem with wait times.
- 3.3 It can take up to 40 minutes to set up a new driver on the system, explain the process and commence all of the various checks that must take place before a licence can be issued. Once on the system all other processes e.g. renewals are a lot quicker. The Bootle OSS hosts the majority of appointments and to give an indication of scale, in July 575 appointments slots were available at the OSS of which 548 were booked.
- 3.4 One of the requirements that a prospective driver must satisfy is the passing of a Knowledge of Licence Conditions Test. It is obvious that as demand for licences increases so too will the demand for knowledge tests. These tests are held at the Bootle OSS and in July there were 490 test places available for candidates and 274 candidates took the test. The pass rate for the test at the moment is 47% so over half of the candidates will need to book a second test, at least, which compounds the issue further.
- 3.5 The service is currently experiencing a high level of non-attendance at appointments and members will recall, in March 2019, approving the introduction of a £25 fee for driver to be paid at the time they book their first appointment. This fee will be discounted from the final licence payment and therefore there is no penalty for a driver who transitions smoothly through the licensing process. However, this fee will not be refunded if a driver fails to show up for an appointment or is unsuccessful in their application.

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- 3.6 The introduction of this fee is pending, awaiting the installation of a scheduler for the Contact Centre to use when making appointments. This will allow the taking of payment over the telephone and the inclusion of the various safeguards required e.g. emailing applicant with receipt and terms and conditions, email/sms text reminders for applicants. Table 4 below illustrates the scale of this issue and why the scheduler is required. Partners at Agilysis are due to complete the design and installation of the scheduler by January 2020 and the split fee will then be introduced.

Table 4 Bootle OSS Appointment Stats July 2019

	Appt Slots	Appts Booked	No Show	Attended	Pass	Fail
New Driver Appt	575	548	255 (46%)	295 (54%)		
Knowledge Test	490	358	84 (23%)	274 (77%)	128 (47%)	146 (53%)

- 3.7 The increase in the size of the fleet has also had its impact on Taxi Licensing Enforcement. The increase in the number of vehicles and the number of drivers has seen a proportionate rise in the number mitigation cases when drivers are refused a licence or their licence is revoked, the number of complaints to be investigated and the number of vehicles to be inspected.
- 3.8 The geographical footprint over which our drivers now work has increased considerably and consequently the likelihood of seeing some of our vehicles by chance is slim. To address this issue our proactive risk based inspection programme has been scaled up. Extra resource is required to maintain a robust enforcement/monitoring presence to assure the safety of the fleet and the suitability of drivers.
- 3.9 An additional Enforcement Officer would allow the service to meet this increased demand and bring the number of officers more in line with the other LCR authorities. Table 5 gives an indication of the number of officers involved in Taxi Licensing in the other LCR authorities that responded to our enquiry.

Table 5 ratio of Officers to Licences in the LCR

	Sefton	Knowsley	Liverpool	Wirral	Halton
Total Licences	9534	4110	8039	2853	863
Enforcement Officers	5	4	9*	3	1
Ratio Licences to Officer	1909	1028	892	951	863

**Liverpool's officers work more generically covering street trading and premises licensing

4 Proposed Fee Structure

- 4.1 The proposed new fees are attached to this report. As previously mentioned it takes longer to process a new application than a renewal application so it is proposed that a higher fee is introduced for new applications. It is also proposed when the scheduler is operational that a £25 "deposit" is taken from drivers when they make their initial appointment to address the issue of applicants not turning up for their appointment.
- 4.2 The proposed fee for a new 3 years driver licence would therefore rise to £90 (£25 deposit and £65 balance when the scheduler is operational). The cost of renewing a 3 years driver licence would rise to £84.
- 4.3 This will make Sefton £5 more expensive for a new 3 year driver licence compared to the current lowest priced licence locally which is £85 in Knowsley. Sefton would remain the lowest price authority for a new vehicle licence at £160 with Liverpool the next lowest at £175, Knowsley charges £210 for the renewal of a 12 month vehicle licence.
- 4.4 The proposed fee uplift represents a rise of approximately 15% across all licences.
- 4.5 The attached financial summary shows a projected deficit for the taxi licensing service but this is based on application numbers remaining constant. As can be seen in table one, the number of new applicants for private hire drivers and vehicles continues to rise and this should address the projected deficit.

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Sefton Council Proposed Taxi & Private Hire Fees and Charges – November 2019

		2019/20	Revised 2019/20
All Driver Licences (max 3 years)		£	£
New Drivers	1 year	24	30
Renewal Drivers	1 year	24	28
Vehicle Licences (max 1 year)		£	£
Private Hire up to 8 years old	1 year	139	160
Private Hire over 8 years old	6 months	81	90
All Hackney Carriages up to 8 years old	1 year	139	160
Non-Metropolitan Hackney Cabs over 8 years old	6 months	81	90
Metropolitan Hackney cabs between 8-11 years old	1 year	139	160
Metropolitan Hackney cabs over 11 years old	6 months	81	90
Horse Omnibuses (any age)	1 year	126	130
Pedicab Omnibuses	1 year	62	70
All Private Hire Operator Licences (max 5 years)		£	£
Operate 1 to 2 vehicles	1 year	32	37
Operate 3 to 50 vehicles	1 year	158	180
Operate 51 to 100 vehicles	1 year	190	220
Operate 100+ vehicles	1 year	220	250
Miscellaneous Fees		£	£
Transfer of Hackney Driver licence to Private Hire		19.5	22
Transfer of Private Hire Driver licence to Hackney		19.5	22
Transfer of Licence Holder – any vehicle		19.5	22
Change of Vehicle Registration – any vehicle		19.5	22
Duplicate Licence (any type)		13.5	15
Duplicate driver's badge or internal Vehicle plate		6.5	8
Duplicate External Vehicle Plate		13.5	15
Enhanced DBS Check		50	50
DVLA Driver Licence Check		5	5
Minimum Solicitor & Road Traffic Accident Written Enquiry Response Fees		£	£
Simple release of data		38	50
Complex release of data (charge per hour)			80

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LICENSING - TAXI & PRIVATE HIRE

Period: 2019 / 20

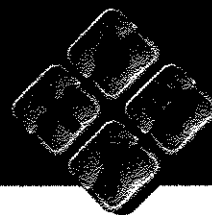
	<i>Forecast Outturn 2019 - 20</i>		<i>Forecast Outturn 2020 - 21</i>	
	£		£	
Employees - Sals, NI & Super (forecast)	793,097		847,719	2% pay award assumed,
Premises	28,008		28,288	Assumption of 1% experi
Supplies & Services	383,842		387,680	Assumption of 1% experi
Support Services	90,721		90,721	
Transport	11,500		23,000	Extra enforcement vehic
Expenditure	1,307,166		1,377,407	
Income	-1,147,290		-1,170,236	Assumed 2% uplift on in
2019 / 20	159,877	Forecast Deficit	207,171	Forecast Deficit
Surplus / Deficit b'fwd on Taxi Reserve Account	-59,030		7,646	
Additional income from proposed fee increase @ 1st Nov 2019	-93,200		-195,922	
Forecast Reserve Position 2019/20	7,646	Deficit	18,895	Deficit

BERRY STREET GARAGE

6 Berry Street, Bootle, Liverpool, L20 8AT.

www.berrystreetgarage.co.uk info@berrystreetgarage.co.uk

Tel: 0151 933 8812

8th October 2019

BY HAND

Ref: Taxi & Private Hire Increase in Fees

Dear Mr Moore

I am writing to enter my objections to the price increase proposed in The Champion paper on 2nd October 2019. As an active member representative of the trade group and the biggest user within the service I raised my concerns when I petitioned the Councillors. I have been in discussions with Mr Wood and Mr Toohey and these are ongoing with a meeting scheduled for later this month. I reserve the right to withdraw or amend our objections following this meeting.

I object to the fare increase for the following reasons:

Sefton Council have failed to justify the 15% increase across all licensing and errors have been noted in the basic accounting offered thus far. The increase in staff and costs to run the service are not reasonable and the fees collected are ring fenced by legislation and with a failure to evidence the increased running cost we cannot be sure that the cost are justified.

Sefton Council have failed to take into account the recent high court judgement Reham v Wakefield in relation to the separate licensing of drivers and vehicles. Sefton Council recently decided at the L&R meeting that the 15% increase across the whole fees would cover the shortfall in covering the running costs but have failed to consider the "actual" costs of running each licence under the LGMPA. The judgement further stated that the actual licensing regime should not necessarily be completely self-funding and therefore could be met by each council and not the trade. This proposed increase is a clear contradiction to that high court judgement.

Without the proper accounting methods and evidence showing the actual running costs and a clear breakdown of everything involved then we cannot accept the increase as is. We have put forward alternatives that may be acceptable to the trade and these will be discussed later this month.

Note that if Sefton Council reject our objections and proceed with this increase then we will look to challenge this decision by way of a Judicial Review within 3 months of the decision being made. (L&R decision being the first time we were aware so the 3 months started then)

Regards

Joseph Johnson



@berrystreetgaragemot



@berrystgarage



@BerryGarage

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P Moore Esq.,
Magdalen House,
Trinity Road,
Bootle.

Dear Mr Moore

Fee increase taxi & PH trades

I have read Mr Johnson's objections to the advertised fee increase for the confirm and adopt his objections.

I would add that I also ask for a breakdown showing the unit costs (hourly with the One Stop shops) in making the appropriate statutory decisions, showing any proper non statutory calculations. Please also show how elsewhere are forensically justified, in a similar manner.

Such calculations must demonstrate how an increase is proper, have cost basis that staff grades have been altered, if so, how & why?

If there are any other methods of calculation please set them out..

The new proposals must be forensically demonstrated & justified.

The report to the Licensing & Regulatory Committee stated that the pre charged the true cost; please also demonstrate this forensically, not anecdote that consideration can only be relevant to costings arising from the C profitability is not doubted or in question?

Please show how SMBC comply, or propose to comply, with Rehman v Wak

Please reply by email to: jarmanrichard@gmail.com.

I have copied this by email to Mr Woods.

Regards


Richard Jarman
(South Sefton Hackney Carriage Association)

Terry Wood

From: Paul McLaughlin <paul.mclaughlin@deltataxis.net>
Sent: 11 October 2019 13:17
To: Mark Toohey; Terry Wood
Cc: Gary Beesley
Subject: Licence Fee Consultation

Dear Mr Toohey & Mr Wood

Thank you for taking the time to visit Delta Merseyside Ltd as part of the consultation surrounding taxi and private hire licence fees.

We recognise the need to increase fees in order to redress the current budget deficit and prepare for future licensing improvements.

We accept that drivers and vehicles should be treated differently in accordance with the respective burdens each type of licence places on the Council.

We also accept that first time applications should be charged a premium in order to offset some of the costs they generate if they start the process but don't complete and therefore don't pay anything at all.

Please accept therefore our full support for all of the fee revision proposals set out in today's meeting.

Kindest regards

Paul McLaughlin
For and on behalf of Delta Merseyside Ltd.

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Appendix 4

Sefton Council Proposed Taxi & Private Hire Fees and Charges – December 2019

		Current 2019/20	Proposed 2019/20	Revised 2020
Driver Licences (max 3 years)		£	£	£
All Drivers	1 year	24	30 (new) 28 (renewal)	30
Application fee (new drivers only)		-	-	15
Vehicle Licences (max 1 year)		£	£	£
Private Hire up to 8 years old	1 year	139	160	145
Private Hire over 8 years old	6 months	81	90	84
All Hackney Carriages up to 8 years old	1 year	139	160	145
Non-Metropolitan Hackney Cabs over 8 years old	6 months	81	90	84
Metropolitan Hackney cabs between 8-11 years old	1 year	139	160	145
Metropolitan Hackney cabs over 11 years old	6 months	81	90	84
Horse Omnibuses (any age)	1 year	126	130	130
Pedicab Omnibuses	1 year	62	70	70
All Private Hire Operator Licences (max 5 years)		£	£	£
Operate 1 to 2 vehicles	1 year	32	37	37
Operate 3 to 50 vehicles	1 year	158	180	180
Operate 51 to 100 vehicles	1 year	190	220	220
Operate 100+ vehicles	1 year	220	250	250
Miscellaneous Fees		£	£	£
Transfer of Hackney Driver licence to Private Hire		19.5	22	25
Transfer of Private Hire Driver licence to Hackney		19.5	22	25
Transfer of Licence Holder – any vehicle		19.5	22	25
Change of Vehicle Registration – any vehicle		19.5	22	25
Duplicate Licence (any type)		13.5	15	15
Duplicate driver's badge or internal Vehicle plate		6.5	8	8
Duplicate External Vehicle Plate		13.5	15	15
Enhanced DBS Check		50	50	50
DVLA Driver Licence Check		5	5	5
Minimum Solicitor & Road Traffic Accident Written Enquiry Response Fees		£	£	£
Simple release of data		38	50	50
Complex release of data (charge per hour)			80	80

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Appendix 5

LICENSING - TAXI & PRIVATE HIRE

Period: 2019 / 20

	<i>L&R 9th September 2019</i>	<i>Trade Meeting 21st November 2019</i>	<i>Variance</i>	
	<i>Forecast Outturn 2019 - 20</i>	<i>Forecast Outturn 2019 - 20</i>		
	£	£	£	
Employees - Sals, NI & Super (forecast)	793,097	776,574	-16,523	Updated to reflect current staffing costs, & time spent on taxi licence related tasks
Premises	28,008	44,808	16,800	Admin Buildings recharge was previously included in Support Services. Now included in Premises. See Support Services / Overheads below.
Supplies & Services	383,842	144,198	-239,644	New forecasts exclude DBS (-£228,978) & DVLA (-£14,842) invoices.
Support Services / Overheads	90,721	73,921	-16,800	Admin Buildings recharge was previously included in Support Services. Now included in Premises (see Premises above)
Transport	11,500	11,500	0	No change
Expenditure	1,307,168	1,051,001		
Income	-1,147,290	-1,010,781	136,509	Now excludes DBS& DVLA income. Income now revised for increase in volume in 2019-20 to date. Fee increase from 01/01/2020 now assumed
2019 / 20	159,878	40,220		
	Forecast Deficit	Forecast Deficit		

Licensing - Taxi & Private Hire 2019-20				
	Drivers	Vehicles	Total	
	£	£	£	
Employees				
Taxi Licensing Team	82,052	201,855	283,907	7.33 fte, enforcement team, plus management
OSS Bootle	222,548	95,378	317,926	10.1 fte, taxi licensing officers, customer service advisors plus management
OSS Southport	29,697	12,727	42,424	1.4 fte customer service advisors plus management
Contact Centre	99,345	3,093	102,438	3.08 fte customer services advisor plus management
Legal Support	14,940	14,940	29,880	0.5 fte Lawyer
	448,582	327,993	776,574	
Transport costs				
Taxi Licensing Team	2,300	9,200	11,500	Based on 2 enforcement vehicles
Supplies & Services				
Taxi Licensing Team	37,923	94,412	132,335	
OSS Bootle	7,550	3,236	10,785	
OSS Southport	755	324	1,079	
	46,227	97,971	144,198	
Premises				
OSS Bootle	13,641	5,846	19,487	
OSS Southport	1,638	702	2,340	
Contact Centre	6,181	0	6,181	
Magdalen House	3,360	13,440	16,800	
	24,820	19,988	44,808	
Overheads				
	26,833	47,088	73,921	Includes central supports costs such as ICT, Finance, HR, AP, AR and admin support within Public Protection department
Forecast expenditure 2019-20	548,761	502,239	1,051,001	
Driver / vehicle % split of expenditure	52.21%	47.79%	100.00%	
Forecast income from licences 2019-20				
	-180,285	-830,496	-1,010,781	Forecast assumes fees increased from 01/01/2020
Driver / vehicle % split of income	17.84%	82.16%	100.00%	
Forecast deficit			40,220	
Forecast other income				
			-40,667	Includes income from lost licences, duplicate plates, operator fees, variations & transfers
Total forecast surplus position 2019-20			-446	

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Licensing - Taxi & Private Hire 2020-21				
	Drivers	Vehicles	Total	
	£	£	£	
Employees				
Taxi Licensing Team	91,829	238,439	330,268	Includes 2% pay award, 1 extra enforcement officer
OSS Bootle	226,999	97,285	324,285	Includes 2% pay award
OSS Southport	30,291	12,982	43,273	Includes 2% pay award
Contact Centre	101,332	3,155	104,486	Includes 2% pay award
Legal Support	15,239	15,239	30,477	Includes 2% pay award
	465,690	367,099	832,789	
Transport costs				
Taxi Licensing Team	3,450	13,800	17,250	Based on 3 enforcement vehicles
Supplies & Services				
Taxi Licensing Team	43,923	95,412	139,335	
OSS Bootle	7,550	3,236	10,785	
OSS Southport	755	324	1,079	
	52,227	98,971	151,198	
Premises				
OSS Bootle	13,641	5,846	19,487	
OSS Southport	1,638	702	2,340	
Contact Centre	6,181	0	6,181	
Magdalen House	3,360	13,440	16,800	
	24,820	19,988	44,808	
Overheads	26,833	47,088	73,921	Includes central supports costs such as ICT, Finance, HR, AP, AR and admin support for Public Protection department
Forecast expenditure 2020-21	573,020	546,946	1,119,966	
Driver / vehicle % split of expenditure	51.16%	48.84%	100.00%	
Forecast income from licences 2020-21	-232,650	-929,305	-1,161,955	
Driver / vehicle % split of income	20.02%	79.98%	100.00%	
Forecast surplus			-41,989	
Forecast other income			-57,808	Includes income from lost licences, duplicate plates, operator fees, variations & transfers
Total forecast surplus position 2020-21			-99,798	Surplus to replenish taxi licensing reserve

Taxi & Private Hire - Vehicle & Driver licence income						
2019-20, fee increase 01/01/2020						
	Estimated no. of licences 31/03/2020	Current 19-20 fees, April - Dec, 9 months	Revised 19-20 fees, Jan - Mar, 3 months	Estimated licence fee income (with increase 01/01/2020), pro rata excise		
		£	£	£		
	Hackney Carriage Driver	340	24	30	8,670.00	
	Hackney Carriage Vehicle	271	139	145	38,075.50	
	Private Hire Driver	6730	24	30	171,615.00	
	Private Hire Vehicle	5640	139	145	792,420.00	
		2019-20, fee increase 01/01/2020			1,010,780.50	
2020/21, fee increase 01/01/2020						
assume 50% of annual increase projection in driver/vehicle numbers						
	Estimated no. of licences 31/03/2020	50% of annual increase	Estimated no. of licences 31/03/2021	2020-21 licence fee	Estimated licence fee income (with increase 01/01/2020)	
				£	£	
	Hackney Carriage Driver	340	0	340	30	10,200
	Hackney Carriage Vehicle	271	0	271	145	39,295
	Private Hire Driver	6730	685	7,415	30	222,450
	Private Hire Vehicle	5640	498	6,138	145	890,010
		2020/21, fee increase 01/01/2020				
		assume 50% of annual increase in driver/vehicle numbers			1,161,955	

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2020/21, no fee increase						
assume no further increase in driver/vehicle numbers						
	Estimated no. of licences 01/04/2020	2020-21 licence fee £	Estimated licence fee income (current fee - no increase) £			
Hackney Carriage Driver	340	24	8,160			
Hackney Carriage Vehicle	271	139	37,669			
Private Hire Driver	6,730	24	161,520			
Private Hire Vehicle	5,640	139	783,960			
2020/21, no fee increase						
assume no further increase in driver/vehicle numbers			£991,309			
2020/21, no fee increase						
assume 50% of annual increase projection in driver/vehicle numbers						
	Estimated no. of licences 01/04/2020	50% of annual increase	Estimated no. of licences 31/03/2021	2020-21 licence fee £	Estimated licence fee income (current fee - no increase) £	
Hackney Carriage Driver	340	0	340	24	8,160	
Hackney Carriage Vehicle	271	0	271	139	37,669	
Private Hire Driver	6,730	685	7,415	24	177,960	
Private Hire Vehicle	5,640	498	6,138	139	853,182	
2020/21, no fee increase						
assume 50% of annual increase projection in driver/vehicle numbers					£1,076,971	

Other income - Variations, transfers, duplicate licences, lost plates & operator fees						
2018-19						
Variation						
	Volume	Fee	Total fees			
PH	454	£19.50	£8,853.00			
Hack	233	£19.50	£4,543.50			
Transfer						
	Volume	Fee	Total fees			
PH	74	£19.50	£1,443.00			
Hack	46	£19.50	£897.00			
Lost Plates-Duplicate licences			£10,471.00			
Operators fees			£8,585.65			
Other income			£34,793.15			
2019-20						
Assumed small increase in PH variations & transfers, fee increase from 01/01/2020						
		Current Fee		New Fee (01/01/2020)		
		9 months		3 months		
Variation		Volume	Fee	Volume	Fee	Total fees
PH	463	347.31	£19.50	115.77	£25.00	£9,666.80
Hack	233	174.75	£19.50	58.25	£25.00	£4,863.88
		Current Fee		New Fee (01/01/2020)		
		9 months		3 months		
Transfer	Volume	Volume	Fee	Volume	Fee	Total fees
PH	75	56.61	£19.50	18.87	£25.00	£1,575.65
Hack	46	34.5	£19.50	11.5	£25.00	£960.25
Lost Plates-Duplicate licences (similar to 2018-19)						£10,500.00
Operators fees (similar to 2018-19)						£8,600.00
New application fee implemented 01/01/2020						£4,500.00
Estimated 100 new applicant per month, £15 per head						
			Other income			£40,666.57

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2020-21, fee increase to £25			
Assumed small increase in PH variations & transfers, fee increase from 01/01/2020			
Variation	Volume	Fee	Total
PH	472	£25.00	£11,808.54
Hack	233	£25.00	£5,825.00
Transfer			
Variation	Volume	Fee	Total
PH	77	£25.00	£1,924.74
Hack	46	£25.00	£1,150.00
Lost Plates-Duplicate licences (similar to 2018-19)			£10,500.00
Operators fees (similar to 2018-19)			£8,600.00
New application fee implemented 01/01/2020			18,000
Estimated 100 new applicant per month, £15 per head			
			£57,808.28

Process	No. of visits / contacts to complete process (average)	Total Time spent for Process (minutes)	Total Time spent for Process (minutes) at the Booth	Cost of Consumables (£)	Volume of Transactions in Uniform (last 12 months, Sep 2018 - Aug 2019)	OSS Visits (last 12 months , Sep 2018 - Aug 2019)	CC Calls (last 12 months, Sep 2018 - Aug 2019)
New Vehicle	1	25	25	£6.92	2390	22502	31166
Renewal Vehicle	1	20	20	£6.92	3547		
Vehicle Transfer	1	25	25	Printing only	294		
Vehicle Change	1	25	25	£6.92	624		
Duplicate Vehicle	1	20	20	£6.92	N/A		
New Driver	5	128	98	£0.74	3322		
Renewal Driver	1	112	82	£0.74	1728		
Duplicate Driver	1	20	20	£0.74	N/A		
Knowledge Tests	3	90	90	Printing only	5134		
					17039		

The data indicates that Vehicle Applications at the booth account for 57.58% of the total with 42.42% of applications relating to Driver Processes.

Unfortunately not every driver application results in a licence being issued and therefore a fee paid. Those applications that don't result in a licence still bring associated costs at the OSS's.

Similarly, knowledge tests are a cost to the OSS's but don't generate any revenue. In the period above we offered and prepared for 5,134 Knowledge Tests. We are currently experiencing rate of 25% of applicants not attending their pre-booked test.

It is very difficult to ascertain the amount of time spent on vehicles versus drivers but using the average time spent on a vehicle application times by the number of OSS visits for vehicles it would indicate that 31.92% of OSS time at the booth is spent on vehicles and 68.08% spent on Driver applications.

The vast majority of calls to the Contact Centre are associated with booking and cancelling appointments for new drivers and knowledge tests.

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Appendix 10

Taxi Licensing Unit - Estimated Officer Resource Allocation

Shift officers work Friday & Saturday evenings every other weekend over an 8-week period (8 out of 40 working days) then all the shifts rest for one week as officer's swap over. Each officer will therefore work 8 full days out of 40 just on evening shift work which relates to the on-street inspection of vehicles. Officers will also spend on average 2 full days per week out on planned inspections days and associated follow up work. Officers also work a 'duty officer' system whereby all complaints and enquiries are initially handled by them on a 4-week rotating basis.

Vehicle Related

All vehicle related activities mainly refer to the inspection of vehicles (including joint operations with Police and other local authorities) but also include travel, document production/checks, database updating, testing station monitoring, exemption (from displaying vehicle plate) applications, vehicle accident reports, general advice and guidance as required.

Estimates based on each cycle of 8 weeks/40 working days:

Shift Officers (x 3):

Weekend Working – evening vehicle inspections	8 days
Daytime vehicle Inspections	16 days
Follow up work & database update relating to vehicles	8 days
Complaints & enquiries relating to vehicles	4 days
Total	36/40 days (90%)

Shift Supervisor (x 1):

Weekend Working – evening vehicle inspections	8 days
Daytime vehicle Inspections	6 days
Follow up work & database update relating to vehicles	4 days
Complaints & enquiries relating to vehicles	2 days
Total	20/40 days (50%)

One non-shift officer – 8 weeks/32 working days:

Non-shift Officer (x 1):

Daytime vehicle Inspections	16 days
Follow up work & database update relating to vehicles	6 days
Complaints & enquiries relating to vehicles	4 days
Total	26/32 days (81%)

A total of 154 days out of 192 (80%)

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Driver Related

Driver behaviour/appearance related complaints are mainly dealt with by telephone and/or letter. Requests for advice, overcharging and lost property are also included. If complaints are of a more serious nature then drivers will be requested to attend for interview.

Estimated time spent 34 days out of 192 (18%)

Other

New operator checks/complaints. Unlicensed activity related enquiries.

Estimated time spent 4 days out of 192 (2%)