

# Report

## Cabinet Member for Housing and Planning

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### Part 1

Date: 8 January 2025

**Subject** **Revision of Licence Fees for Hackney Carriages and Private Hire Vehicles**

**Purpose** To ask the cabinet member to agree to consultation with relevant businesses in Newport regarding the revision of the licence fees for Hackney Carriages and Private Hire Vehicles, and should the council not receive unresolved objections, the introduction of the new fee structure after 28 days.

**Author** Licensing and Business Compliance Manager

**Ward** All

**Summary** To ask the cabinet member to agree to consultation with relevant businesses in Newport regarding the revision of the licence fees for Hackney Carriages and Private Hire Vehicles, and should the council not receive unresolved objections, the introduction of the new fee structure after 28 days.

**Proposal** **To carry out a consultation with relevant businesses in Newport regarding the revision of the licence fees for Hackney Carriages and Private Hire Vehicles, and should the council not receive unresolved objections, the introduction of the new fee structure after 28 days.**

**Action by** Head of Environment and Public Protection

**Timetable** Immediate

This report was prepared after consultation with:

- Public Protection Service Manager
- Head of Environment and Public Protection
- Head of Finance
- Head of Law and Standards
- Head of People Policy and Transformation

**Signed**

## Background

1. The Local Government (Miscellaneous Provisions) Act 1976 provides that the Council may fix reasonable fees for the licensing of hackney carriage and private hire vehicles, drivers and operators, and to vary those fees, in accordance with certain statutory procedures. Any fees levied must be reasonable and should be set at a level to enable full cost recovery for:
  - Issuing and administration of hackney carriage and private hire drivers licences.
  - Assessing the suitability of applicants including criminal history checks.
  - Issuing the badge and other associated administrative tasks.
  - Inspection of hackney carriages and private hire vehicles for the purpose of determining whether a licence should be granted or renewed.
  - Providing hackney carriage stands.
  - Control, supervision and enforcement of hackney carriages and private hire vehicles.
  - Reasonable administrative or other costs covering the above.
  - The 1976 Act states that for each hackney vehicle, private hire vehicle and private hire operator's licence the fees chargeable shall not exceed £25. However, where the council consider it appropriate to charge more than that figure, a 28-day public notice of the proposed fee must be advertised with which time any person may object to the variations. If no objections are made or if all objections are withdrawn the fees come into effect at the end of the 28-day period. Where objections are not withdrawn, the council should consider the objections before determining the fee level and setting a further date, not later than two months after the first specified date, on which the new fees shall come into force.
2. The present fees were implemented on 1 April 2016 and routinely have been reviewed without the necessity to increase or decrease the fees. The Licensing and Business Compliance Manager has considered this issue further and proposes it is now appropriate to revise the licensing fees.
3. Currently the licensing budget runs on a "cost neutral" basis, although the licensing budget has no inclusion of the wider corporate costs associated with running a council service. There has been an increase in the number of licences, that has naturally resulted in an increase in the workload and demand on the team and the officers. More resources are needed to deal with the work.
4. The fees have been formulated in accordance with the Local Government Association (LGA) guidance. The guidance follows High Court rulings stating that councils must not use fees to make a profit or act as an economic deterrent to deter certain business types from operating in an area. Charges must be reasonable and proportionate to the cost of the processes associated with the licensing regime; as such it is important that fees are reviewed frequently.
5. This review identifies a number of decreases on fees and a small increase for new driver applications and the replacement of licences. It is noted that these activities and the effect of these activities present the greatest workload pressure to officers. Forecasting of the budget sees the overall effect of the changes to be balanced and "cost neutral". This balanced effect is delivered by the counteraction of the reduced income from current drivers and the forecasted increased income from new drivers.
6. A copy of the 2016 fees alongside the proposed changes in licensing fees can be found in Appendix A of this report.

7. These fees are being reviewed outside of the annual Fees and Charges Review for the whole of the council just for this year. Any changes as a result of this consultation will need to be reported separately to Cabinet member. The consultation will set the fees for the remainder of the 2024/25 financial year, and for the 2025/26 financial year. Thereafter the review of these fees will then return to the annual Fees and Charges Review for the whole of the Council.

### Financial Summary (Capital and Revenue)

There are no direct costs or financial implications relating to consulting on the draft policy.

All Licensing fees and charges are recovered on a cost recovery basis and would feature in a separate report.

	<b>Year 1 (Current)</b> £	<b>Year 2</b> £	<b>Year 3</b> £	<b>Ongoing</b> £	<b>Notes including budgets heads affected</b>
<b>Costs (Income) Net Costs (Savings) Net Impact on Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

### Risks

<b>Risk Title / Description</b>	<b>Risk Impact score of Risk if it occurs* (H/M/L)</b>	<b>Risk Probability of risk occurring (H/M/L)</b>	<b>Risk Mitigation Action(s)</b> What is the Council doing or what has it done to avoid the risk or reduce its effect?	<b>Risk Owner Officer(s) responsible for dealing with the risk?</b>
Incorrectly set fees that do not allow cost recovery, leading to an inefficient service.	H	M	Careful forecasting and financial planning.	Licensing and Business - Compliance Manager
Drivers and operators unhappy at the fee structure.	H	H	Deliver the consultation and communicate clearly and explain the approach to fee setting that rewards existing drivers and sets the higher fees for the new entrants responsible for the greater levels of work.	Licensing and Business Compliance Manager

### Links to Council Policies and Priorities

Ensuring that appropriate control of the taxi licensing regime and the correct level of funding for the service will support the following Council Policies and Strategies:

Newport City Council's Corporate Plan 2022-2027 (An ambitious, fairer, greener Newport for everyone)

There are four well-being objectives that will prioritise our focus over the next five years and will support our longer-term vision for Newport over the next 20 years:

Economy, Education and Skills - Newport is a thriving and growing city that offers excellent education and aspires to provide opportunities for all.

Environment and Infrastructure – Newport is a city that seeks to protect and enhance our environment whilst reducing our carbon footprint and preparing for a sustainable and digital future.

Quality Social Care and Community Services - Newport is a supportive city where communities and care are at the heart of what we do.

An Inclusive, Fair and Sustainable Council - Newport City is an inclusive organisation that places social value, fairness and sustainability at its core.

A correctly resourced licensing service and an effective and affordable fee structure for businesses, supports these aims.

### **Options Available and considered.**

- To approve the proposed business consultation, and should the council not receive unresolved objections, the introduction of the new fee structure after 28 days.

*(Should the council receive unresolved objections, a further report will be prepared explaining in full the basis of the objections for the consideration of the cabinet member).*

- Not to approve the proposed business consultation and retain the existing fee structure.

### **Preferred Option and Why**

- To approve the proposed business consultation, and should the council not receive adverse comments, the introduction of the new fee structure after 28 days.

### **Comments of Chief Financial Officer**

Whilst it is reported that there won't be any direct cost or financial implication resulting from this consultation itself, a number of charges in Appendix A are advocated to reduce from traditional levels. Any net loss in income experienced consequential to the reduction in individual fee rates will need to be managed by the service.

### **Comments of Monitoring Officer**

As set out in the body of the report, under the Local Government (Miscellaneous Provisions) Act 1976. the Council may charge reasonable fees for the grant of vehicle and operators' licences as may be resolved by the Council from time to time. The Cabinet Member may determine the response to any consultation document specific to the portfolio or service area and determine and amend any policy in relation to licensing and taxis.

### **Comments of Head of People, Policy, and Transformation**

This report seeks Cabinet Member approval to consult with relevant businesses in Newport regarding the revision of the license fees for Hackney Carriages and Private Hire Vehicles.

The proposal is in line with the Council's Corporate Plan 2022-27 vision of 'an ambitious, fairer, greener Newport for everyone', and supports its four Well-being Objectives.

The principles of the Well-being of Future Generations (Wales) Act 2015 and its five ways of working are supported, with the report demonstrating that the revised fees look to prevent issues over the long-term due to an increase in the workload and lack of resources. While consulting with local businesses provides them with the opportunity to get involved in shaping these revised fees.

A Fairness and Equalities Impact Assessment was not required for this report. There are no staffing or HR related issues arising directly from this report.

### **Fairness and Equality Impact Assessment:**

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011.

The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities.

Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not.

The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the category identified in the Council's Strategic Equality Plan. There is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report.

The Council ensures that it treats all individuals who are renewing or making new applications for licenses, with equal respect in line with Equality policy and law.

### **Wellbeing of Future Generation (Wales) Act**

This report and associated proposals contribute to the Well-being Goals. A robust taxi licensing service and a content taxi fleet provide the city with an important travel and transport option. Relevant goals are "A more equal Wales" and "A prosperous Wales". They are consistent with the five ways of working as defined within the sustainable development principle in the Act. There is an emphasis on prevention as the licensing process ensures that a number of checks and safeguards are in place before a licence is granted. There is also involvement particularly through the consultation process for applications allowing other agencies and the community to input into the decision-making process.

## **Crime and Disorder Act 1998**

The care with which the service prepares licence applications and carries out its enforcement functions increases the compliance within the sector and reduces the risk of crime and disorder.

## **Consultation**

A statutory Notice will be placed in a local newspaper, as required by law, providing information about the proposed licence fees and the way in which consultation responses could be made. The statutory period of 28 days was given for any responses to be submitted.

Email correspondence will also be sent to all relevant licence holders regarding the proposed draft fees.

## **Background Papers**

Newport City Council Taxi [Policy](#).

**Dated: 20 December 2024**

## Appendix A

### Newport City Council Current and Proposed Fees

Fee Type	Current Fee	Proposed 24/25 Fee	Increase decrease
Knowledge Test	£75	£75	0%
New Driver Fee (3 years)	£249	£279	12%
DBS fee new driver (including admin fee)	£50	£50	0%
Renewal Drivers Fee (3 years)	£249	£228	-8.4%
DBS update service renewal.	£13 per year	£13 per year	0%
Vehicle less than 5 years old	£166	£166	0%
Vehicles 5 but less than 10	£228	£208	-8.8%
Vehicles over 10 years	£332	£208	-37.3%
Replace Plate	£19	£25	31.6%
Replace internal Plate	£12	£15	25%
Replace Badge	£19	£25	31.6%
Transfer Plate	£65	£28 (includes plate and Bracket Deposit £15)	-57%
Change of Vehicle	£115	£57	-50.4%
Operators (5-year licence)			
1-9 vehicle	£1000	£700 (instalments available)	-30%
10-19 vehicles	£1500	£1500	0%
20-35 vehicles	£2000	£2000	0%
36+ vehicles	£2500	£2500	0%
Deposits			
Plate	£10	£10	0%
Bracket	£5	£5	0%