

OXFORD CITY COUNCIL

Licensing Committee

17th June 2005

Report of: Transport & Parking Business Manager
Title: Applications for an Increase in Staff Numbers and an Increase in The Fees Charged for Private Hire Operators Hackney Carriage and Private Hire Vehicle and Driving Licences.
Ward: All
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Key Decision: No
Lead Member:
Scrutiny responsibility: Not applicable

RECOMMENDATIONS

The Committee is RECOMMENDED to:-
to approve the increase in the licence fees and changes in staff hours.

SUMMARY

1. The purpose of the report is to seek approval for an increase in the fees charged for Private Hire operators, Hackney Carriage and Private Hire vehicles and driving licences.

BACKGROUND

2. The Taxi Licensing Office is self-funding through the fees paid by the licence holders. This includes the cost of all staff and accommodation, enforcement, prosecution, and internal support charges.
3. Committee agreed the last increase in licence fees in 1996 and it has not increased since. There are a number of reasons. The number of licence holders has increased, thus the revenue has also increased and whilst staff levels have increased it has not been in proportion to an increase in licence holders.
4. Practices that were open to abuse and costly, such as unlimited vehicle tests have been stopped and the licensing office has taken on such things as the production of the licence plates, resulting in a cheaper, more efficient and clearer plate.

Staffing implications

5. Since 1997 the number of licences issued by the Taxi Licensing Office has increased, the number of vehicles from 209 to 420 and drivers from 400 to nearly 700, an overall increase of vehicles/drivers of 86%. In addition, in the last year alone, 204 new driver applications have been received.
6. The Government has introduced new arrangements for the checking of criminal records, this has generated a large amount of additional administration, as has the fact that a large proportion of the new applicants are from overseas with English as a second language.

7. Although the staffing levels have increased since 1997, this has not kept pace with the increase in the number of licence holders and large number of new applicants. In addition, since the reorganisation of the Council, two levels of management above the Licensing Officer have gone and the tasks that were carried out by these and other council officers have now fallen upon the licensing officers who are now working above capacity.
8. It has not been possible carry out the amount of enforcement work that both the Licensing Office and the Trade would have liked to have seen done or was needed, this is down to pressure of work in other areas.
9. Currently, the Taxi Licensing Office has a staff of three, The Licensing Officer and Assistant Licensing Officer work 37 hours a week and the Deputy Licensing Officer is contracted to work 32 hours, though for the past year she has been working 37 hours a week.
10. The Licensing Officer would like to decrease his contracted hours to 88 hours per month (3 days per week, as required). The Deputy Licensing Officer will increase her contracted to 37 hours per week, 15 hours (2 days) of which would be as the Licensing Officer.
11. It is also proposed that a new full time employee is required to help with the increase in new applicants, licensees and enforcement. The new staff member would work in administration for 15 hours per week (to cover the loss of the hours from the Deputy Licensing Officer) and 22 hours per week (3 days) on enforcement and its attendant administration. The new post would be full time but because of the change in the current staffs hours only 22 hours a week will need to be funded by the new fee increase.
12. The **Transport and Parking** Business Manager has consulted with Human Resources and if a new full time member of staff is agreed by committee new contracts can be drawn up for the change in staff hours. The Trade have been

consulted regarding a new member of the Licensing Office and have no objections, especially as the majority of hours will be taken up on enforcement.

Financial implications

13. The table below sets out the budget for 2005-06 and 2006-07.

	2005-06 £	2006-07 £
Employees	96,980	113,000
Transport	34,670	12,000
Supplies & services	16,100	16,600
Internal support services	46,200	46,200
TOTAL EXPENDITURE	193,950	187,800

14. Expenditure is fully funded from fees paid to the licensing office. The 2006-07 budget shows the full-year effect of the employee changes and the changes to vehicle testing arrangements. Included in the expenditure are internal central support costs. These are reviewed annually and any changes may impact on the Taxi Licensing service.

Proposed Licence Fees

15. Detailed below are the proposed operator fees and driver and vehicle licence fees. It is intended that the new fees be effective from October 2005 and then reviewed (but not necessarily increased) on an annual basis in line with the Council's budget setting process.

16. In order to make the fees as fair as possible it is proposed that the cost of the six monthly vehicle testing for a Certificate of Compliance will be removed from within the cost of the licence fee and be paid on an individual basis to the testing station when the vehicle is tested. This change will assist those proprietors who, perhaps because of mechanical failure run a vehicle for less than six of the full 12 month period of the licence, as only one test fee will be paid. As with the

charges set by the Government for MOT's, the charge will be reviewed annually with the testing station. (Until April 2006 - £60 for hackney & £55 for private hire)

Operator fee

17. The current fee for an Operator is **£500**. The matter of charging a sliding scale of fees based on the number of vehicles Operated was discussed with trade representatives. They expressed the view that they would prefer the present system of a single fee to be retained..

18. The proposed new annual licence fee from October 2005 is £700.

Driver and Vehicle Licences

19. Record has been made of the percentage of time spent in dealing with each category of licence holder and these percentages have been used to apportion the running costs of the service between these licences. There are additional costs associated with hackney licences, legislation, the provision of ranks, setting of tariffs.

20. The current Licence fees are

Hackney Carriage	£390
Private Hire Vehicle	£330
Hackney Carriage Driver	£84
Private Hire Driver	£64

21. The proposed fees are

Hackney Carriage	£309 + the cost of 2 tests
Private Hire Vehicle	£227 + the cost of 2 tests
Hackney Carriage Driver	£99
Private Hire Driver	£84

22. The proposed fees represent an average increase of 15% on existing fees. This represents a smaller increase than that of fare increases since 1996. The approved Hackney fares in 1996 and 2005 provide a comparison of the increase and although the Licensing Authority cannot set their fares, Private Hire fares are normally increased in proportion to Hackney fares.

23. The fare for an average journey that was £3.60 in 1996 is now £5.10 for the same distance, an increase of 42%.

Procedure

24. If the committee are minded to increase the fees then the procedure to be followed is set out in **Appendix...1.....**

THIS REPORT HAS BEEN SEEN AND APPROVED BY
Legal & Democratic Services (Jeremy Franklin)
The Transport & Parking Business Manager
Financial Management (Claire Reid)

Appendix 1

Procedure for Variation of License Fees

1)

a) If a district council determine that a variation in fees is required they shall publish in at least one local newspaper circulating in the district a notice setting out the variations proposed. Drawing attention to the provisions of paragraph (b) of this subsection and specifying the period, which shall not be less than twenty-eight days from the date of the first publication of the notice, within which and the manner of objections to the increase can be made.

b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of twenty-eight days from the date of the first publication thereof be deposited at the offices of the council which published the notice and shall at all reasonable hours be open to public inspection without payment.

2) If no objection to a variation is duly made within the period specified in the notice referred to in section (1), or if all objections so made are withdrawn, the variation shall come into operation on the date agreed by the district council.

3) If objection is duly made as aforesaid and is not withdrawn, the district council can set a further date on which the variation shall come into force with or without modification as decided by the district council after consideration of the objection.

4) A district council may remit the whole or part of any fee chargeable in pursuance of this section for the grant of a licence under Section 48 or 55 of this Act in any case, in which they think it appropriate to do so.