

Subject:	Hackney carriage and private hire driver licence update.	Status:	For Publication
Report to:	Licensing Committee	Date:	Tuesday 4 th September 2012
Report of:	Director of Business	Portfolio Holder:	Customers, Legal and Licensing
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Community Impact Assessment:	Required:	Yes	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
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1.	RECOMMENDATION(S)
1.1	Members of the Licensing Committee agree to commence consultation and fully explore the implications of an annual, bi-annual and 3 year driver licence.
1.2	Members of the Licensing Committee agree to a review of the administrative processes associated with any changes to the driver licence arrangements.
1.3	That the contents of this report are noted.

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to update Members in relation to the financial implications of the decision to increase the length of the driver badges in July 2012.
- 2.2 To seek approval to commence consultation in order to support the Council in delivering its decision by fully exploring the implications of an annual, bi-annual and 3 year driver licence and a review of the administrative processes associated with any changes to the driver licence arrangements. .

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **A clean and green Rossendale** – creating a better environment for all.
 - **A healthy and successful Rossendale** – supporting vibrant communities and a strong economy.
 - **Responsive and value for money local services** – responding to and meeting the different needs of customers and improving the cost effectiveness of services.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- **Litigation:** Undertaking transparent and thorough consultation will deliver effective decision making and ensure the Council meets its obligations under the Equality Act 2010 and it's legal duty to consult.
 - **Reputational:** Any review needs to balance the need for effective regulation of the taxi trade and cost of administration of the licence.

5. BACKGROUND AND OPTIONS

5.1 The Council is required to make a cut of £1.3m from its revenue budget as part of its medium term financial strategy. Further, in July 2012, the Licensing Committee's decision to amend the duration of hackney carriage and private hire drivers licences to 2 years had a negative financial implication in excess of £20K.

5.2 In addition, the timelines associated with the administrative processes related to the issuing of the licence are now all different, this includes:

- The duration of the hackney carriage and private hire driver's licence (2 years)
- The Statutory Declaration check of licence (Annual)
- The CRB Check (Every 3 years)

The administrative processes are not therefore as streamlined or as efficient as they could be. It seems prudent therefore to review the Council's procedures and fees, whilst at the same time balancing the need for effective regulation of the taxi trade. It is proposed to commence consultation in relation to the following:

5.3 An increase in the duration of hackney carriage and private hire driver licence to 3 years.

5.4 A removal of the Annual Statutory Declaration and replace this with an annual direct check of the DVLC licence, which would be a more administratively efficient and robust.

5.5 The CRB check would remain every 3 years, which would be consistent and in line with the increase in the duration of the hackney carriage and private hire driver licence to 3 years.

5.6 A review of the fees of a driver badge, at an extraordinary meeting of the Council in January 2008, it was resolved that fees for driver badges be reviewed annually by the Executive Director of Regulatory Services in conjunction with the Portfolio Holder for a Well Managed Council. At that time assurances were given to the taxi trade that the fees would not be reviewed for at least 3 years. The consideration of the cost of a driver badge, has not been reviewed since 2007, It would seem timely to review the fee for driver badges in light of any extension to the duration of the hackney carriage and private hire licence.

5.7 .A review of the decision not to charge an administrative fee for obtaining the required enhanced criminal records bureau disclosure. Section 53(2) of the Local Government (Miscellaneous Provisions) Act, 1976 provides that a Council may recover from the grant of a driver's licence, such fees as they consider reasonable to recover the cost of issue and administration.

5.8 Benchmarking with regards to costs has taken place between 24 Councils in Lancashire and Manchester and appended as follows:

- Hackney carriage driver comparison data – [Appendix A](#)
- Private hire driver comparison data – [Appendix B](#)
- Key facts from driver comparison data – [Appendix C](#)

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 There are a number of options and financial implications arising from the report:
- Option 1 – an annual charge of £120 would **generate** an additional income of £17k per annum(pa) compared with the current charging and administration arrangements
 - Option 2 – a bi-annual charge of £160 would **reduce** Council income of circa £3k pa, compared with the current charging and administration arrangements
 - Option 3 – a tri-annual charge of £200 would **reduce** the council income of circa £9k pa, compared with the current charging and administration arrangements
- 6.2 Members should note that given the historically high applications of c.500 pa licensed drivers all the above income scenarios would cover the direct cost of the service. However, none of the scenarios would cover the additional cost of support services and accommodation costs (c. £40k in total). The current charging arrangements and number of divers above (c 200) the historical norm, is currently worth income of c. £17k pa.
- 6.3 Members should be aware of the Council's Medium Term Financial Strategy target of savings in excess of £1m pa. Subject to any ability to reduce support services and administration costs, Option 1 of a £120 annual charge would be the optimum financial scenario.

7. MONITORING OFFICER

- 7.1 The Council must make a decision based on all relevant information and following consideration of all relevant Council policies.

8. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)

- 8.1 A change in administrative processes, could lead to a review in the numbers of staff who would be required to undertake this function. The Council's workforce policies and agreements would apply. Full consultation will take place with employees and Trade Unions in relation to any proposals.
- 8.2 The impact of any proposals needs to be fully considered and a community impact assessment would be undertaken.

9. CONSULTATION CARRIED OUT

- 9.1
- 24 Councils throughout Lancashire and Manchester
 - Financial Services

10. CONCLUSION

- 10.1 The rationale behind a licensing regime is to provide a service to the public that is accessible and safe and seen to be so. In doing so the Council must recover from the grant of a driver's licence all the associated administration fees.

Appendices

Document	Appendix Number
Hackney carriage driver comparison data	<i>Appendix A</i>
Private hire driver comparison data	<i>Appendix B</i>
Key facts from driver comparison data	<i>Appendix C</i>