

Monday, 17 March 2014
at 6.00 pm



General Licensing Committee

Present:-

Members: Councillor Ungar (Chairman), Councillors Ansell, Coles, Cooke, Harris, Hearn, Liddiard, Murdoch, Murray, Thompson and Warner

(Apologies for absence were reported from Councillors Shuttleworth and West)

4 Minutes of the meeting held on 13 January 2014.

The minutes of the meeting held on 13 January 2014 were submitted and approved and the Chairman was authorised to sign them as a correct record.

Councillor Warner advised the Committee that the issue raised at the last meeting about the historic fees levelled on hackney carriage drivers was scheduled to go to the Scrutiny Committee on the 2 June 2014.

5 Declarations of Disclosable Pecuniary Interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct.

None were received.

6 Hackney Carriage and Private Hire Licensing Fee Amendment.

The Committee considered the report of the Senior Specialist Advisor in relation to the schedule of proposed amendments to the hackney carriage and private hire licensing fees, that was considered by the General Licensing Committee on 13 January 2014 and the representations received during the consultation period.

The Council's hackney carriage and private hire licensing function were self-financing. The fees were levied and reviewed in consultation with Financial Management to ensure that there was neither a surplus nor deficit in the hackney carriage and private hire account.

The Committee at its meeting on the 13 January 2014 agreed to consult on proposals to amend the hackney carriage and private hire licensing fees. The proposed amendments were detailed in the report at Section 3.5 and Figure 1. In accordance with the Local Government (Miscellaneous Provisions) Act 1976, representations received from either the trade or members of the public must be considered by the Committee.

A public notice was placed in the Eastbourne Gazette on 28 January 2014 inviting representations up until the 3 March 2014, which exceeded the statutory minimum. Notices were also placed at the Town Hall, 1 Grove Road and a public consultation had been set up on the Council's website.

A total of 960 letters were sent to members of the trade, which included drivers, proprietors and operators. This ensured that all members of the trade were included in the consultation process. The Senior Specialist Advisor reported that 50 responses had been received from the trade and these were included at Appendix 3 to the report.

Trade members were invited to respond to the following questions:-

1. Do you agree with the proposed vehicle licence fee amendment that would charge hackney carriage and private hire proprietors the same fee? (Yes/No – Give reasons)
2. Do you agree with one dual driver's licence fee? (Yes/No – Give reasons)
3. Do you agree with the proposed private hire operator fee amendments and structure? (Yes/No – Give reasons)
4. Any further comments in relation to the proposed fee amendments.

The Senior Specialist Advisor reported that 80% of responses agreed with question one, while 20% disagreed, detailed in the report at Figure 2. 88% of responses agreed to question two while 12% disagreed, detailed in the report at Figure 3. 88% of responses agreed with question three while 10% disagreed and 2% abstained, detailed in the report at Figure 4.

Taking the representations into account, the options open to the Committee were to adopt the proposed fee changes or adopt an amended version of the proposals. It was not recommended to allow the fees to remain at their current level and form as the current level of fees charged would not cover the cost of the function on an ongoing basis. It was recommended that any new proposals come into force from 1 April 2014, so as to accord with the new financial year. The Committee was advised that the latest the fees could be implemented to avoid repeating the whole process would be 1 June 2014.

Councillor Coles asked for clarification about the projected budget, referenced in the committee report for the meeting on 13 January 2014. Expenditure had exceeded income during the last two financial years and had been offset by the surplus which had been carried forward. The Council's projected budget at the 2013/14 year end for the costs of administering and ensuring compliance with the scheme indicated a potential budget deficit of £12,000. The proposed licence fee amendment was intended to address the projected deficit in the short to medium term.

The Financial Services Manager responded that the projected budget deficit for 2014/15 year end for the costs of administering and ensuring compliance with the scheme was approximately £16,500.

Mr David Hopkins, representing 720 Taxis addressed the Committee and made reference to the pie charts, detailed in the report that indicated general support from the trade for an increase in fees. Mr Hopkins then made reference to the potential budget deficit of £12,000 for this year. He advised that if the Committee approved the recommended fees, this would result in a raise for the private hire trade of approximately 60% towards their licence, which he felt in the current economic climate was unacceptable. He continued that the taxi fares for the companies across the town had not gone up in 7 years due to the level of competition amongst the trade. He reiterated that it was unfair to increase the operating fees by 60%.

Mr Kenny Kemp, representing 720 Taxis addressed the Committee and raised concerns about the level of increases proposed. He had looked at the figures included in the budget that was approved at the Full Council meeting on the 19 February 2014. He stated that the Council were concerned about a deficit of over £12,000 yet with the increases proposed, the income to the Council would be £24,000.

Mr Kemp agreed that the hackney carriage and private hire vehicle licence fee should be the same but believed that the £150 per annum fee was too high even taking into account the projected budget deficit for 2014/15 being approximately £16,500. He recommended that a fee of £130 per annum was more appropriate and would allow the Council to still recoup the required costs to avoid an income deficit.

Councillor Ungar asked for reassurance that the figures set out in the report were an accurate representation. The Financial Services Manager responded that these figures were part of the budget that was approved at Full Council on the 19 February 2014. The Committee were also advised that the 2014/15 budget would be circulated to the Committee following the meeting. Following a question from the Committee, the Financial Services Manager confirmed that an income deficit could result in higher fee charges in future years. Legislation required the authority to recoup any costs over a 3 year period as part of a rolling programme.

Mr Peter Smith, representing UNITE Hackney Carriage Trade addressed the Committee and reiterated comments that he made at the last meeting on the 13 January 2014. He referenced that the hackney carriage trade had subsidised the private hire trade for a number of years and considered that it had been harshly treated.

Mr Smith believed that the pie chart, detailed in the report were a misrepresentation and distorted the true situation surrounding this issue. As only 50 responses were received out of 960 letters sent out, this represented less than 6% of the trade. He then referenced various duplicate comments that had been made in the responses and suggested some trade members had been pressured into responding. He advised the Committee not to place too much weight on these responses when making its decision.

Mr Smith remained concerned regarding the variable cost of the private hire operator licence. He proposed that private hire operator licences should be issued at £15 per vehicle in 10 vehicle sections. This would give flexibility to operators whilst creating a fairer charge across the trade, so as to not

penalise the smaller operators. He continued that there should not be any upper maximum charge and that instead the charge levied would be in accordance with the number of vehicles within the operating fleet of the operator concerned.

Councillor Coles addressed the Committee and made reference to the observation she made at the previous meeting regarding the relatively poor response from the trade during consultations. She was pleased with the responses that had been received during this consultation, with the majority being in favour of the suggested fees. She supported approval of the proposed fees.

Councillor Warner queried whether a suspended collection policy could be applied for those hackney carriage proprietors that may have overpaid until the Scrutiny Committee had investigated the issue. Councillor Ungar responded that it was not within the Committee's remit to take the past overpayment into account and that the Scrutiny Committee would scrutinise the issue and make any recommendations as a result. The Monitoring Officer clarified that it was important that a new fee structure be implemented by 1 June 2014 otherwise a further consultation would be required. The Monitoring Officer reiterated that the historic fees levied would be a matter for the Scrutiny Committee.

Councillor Ansell asked for clarification regarding the increase in the projected budget deficit between this year and next. The Financial Services Manager advised that the budgets need to take into account inflation, price increases, legislation change and an increase in expenditure beyond the authority's control that occurred every year. The projected 2014/15 budget deficit was not detailed in the report at the previous meeting because the budget had not been approved by the Council at that time.

Councillor Ansell asked for reassurances regarding the budget detailed in the report and in the future, given the issues that had occurred regarding the fee structure highlighted by the speakers tonight. Councillor Ungar indicated that the Council will ensure that the figures detailed on budgets would be consistent and advised that as chair of Audit and Governance Committee it is evident that officers were ensuring that the processes of the Council worked correctly.

Councillor Liddiard addressed the Committee and asked for reassurance that if there was a sizeable surplus after a year of implementing the new fee structure, the Committee could review the fees. Councillor Ungar confirmed this was correct and reiterated that the new fee structure was part of a 3 year rolling programme.

Councillor Liddiard then made reference to the correspondence sent to trade members with the 4 question consultation and expressed confusion about why no officer name was attributed to the document and instead referred to Customer First. The Officers agreed to take this feedback onboard.

RESOLVED: (By 6 votes to 0 with 5 absentions) (1) That the proposed fee structure detailed in the report at section 3.5 and Figure 1 be approved in accordance with statutory requirements.

(Unanimous) (2) That taking into account the representations received during the consultation phase, the new fee structure come into effect on 1 April 2014.

(3) That individual hackney carriage and private hire driver licences be removed, retaining the dual driver's licence.

The meeting closed at 6.34 pm

Councillor Ungar (Chairman)