



GUILDFORD  
BOROUGH

**James Whiteman**  
Managing Director

**[www.guildford.gov.uk](http://www.guildford.gov.uk)**

Contact Officer:

Sophie Butcher, Committee Officer.  
Tel no: 01483 444056

15 March 2019

Dear Councillor

Your attendance is requested at a meeting of the **LICENSING COMMITTEE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **MONDAY 25 MARCH 2019 at 7.00 pm.**

Yours faithfully

James Whiteman  
Managing Director

**MEMBERS OF THE COMMITTEE**

Chairman: Councillor David Elms  
Vice-Chairman: Councillor Dennis Paul

Councillor Graham Ellwood  
Councillor David Goodwin  
Councillor Gillian Harwood  
Councillor Christian Holliday  
Councillor Mike Hurdle  
Councillor Jennifer Jordan  
Councillor Nigel Kearse

Councillor Nigel Manning  
Councillor Marsha Moseley  
Councillor David Quelch  
Councillor Tony Rooth  
Councillor James Walsh  
Councillor David Wright

**QUORUM 5**



## THE COUNCIL'S STRATEGIC FRAMEWORK

### Vision – for the borough

For Guildford to be a town and rural borough that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting-edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment, which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs.

### Three fundamental themes and nine strategic priorities that support our vision:

- |                     |  |
|---------------------|--|
| <b>Place-making</b> | Delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes |
|                     | Making travel in Guildford and across the borough easier   |
|                     | Regenerating and improving Guildford town centre and other urban areas   |
| <b>Community</b>    | Supporting older, more vulnerable and less advantaged people in our community  |
|                     | Protecting our environment   |
|                     | Enhancing sporting, cultural, community, and recreational facilities   |
| <b>Innovation</b>   | Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need       |
|                     | Creating smart places infrastructure across Guildford  |
|                     | Using innovation, technology and new ways of working to improve value for money and efficiency in Council services             |

### Values for our residents

- We will strive to be the best Council.
- We will deliver quality and value for money services.
- We will help the vulnerable members of our community.
- We will be open and accountable.
- We will deliver improvements and enable change across the borough.

## **A G E N D A**

### **1 APOLOGIES FOR ABSENCE**

### **2 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTERESTS**

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

### **3 MINUTES (Pages 1 - 2)**

To confirm the minutes of the meeting of the Licensing Committee held on 7 January 2019.

### **4 ANNOUNCEMENTS**

To receive any announcements from the Chairman of the Committee.

### **5 OBJECTIONS TO THE TAXI AND PRIVATE HIRE FEES AND CHARGES 2019-20 (Pages 3 - 22)**

### **6 LICENSING COMMITTEE WORK PROGRAMME (Pages 23 - 28)**

**PLEASE CONTACT US TO REQUEST THIS DOCUMENT IN  
AN ALTERNATIVE FORMAT**

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## LICENSING COMMITTEE

\* Councillor David Elms (Chairman)  
Councillor Dennis Paul (Vice-Chairman)

- |                                 |                             |
|---------------------------------|-----------------------------|
| * Councillor Graham Ellwood     | * Councillor Nigel Manning  |
| * Councillor David Goodwin      | * Councillor Marsha Moseley |
| * Councillor Gillian Harwood    | * Councillor David Quelch   |
| * Councillor Christian Holliday | Councillor Tony Rooth       |
| * Councillor Mike Hurdle        | * Councillor James Walsh    |
| * Councillor Jennifer Jordan    | Councillor David Wright     |
| * Councillor Nigel Kearse       |                             |

\*Present

### **L54 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Tony Rooth and David Wright.

### **L55 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTERESTS**

No disclosure of interests were declared.

### **L56 MINUTES**

The minutes of the Licensing Committee held on 28 November 2018 were confirmed and signed by the Chairman.

### **L57 TAXI AND PRIVATE HIRE FEES AND AND CHARGES 2019-20**

The Committee received a report regarding the proposed Taxi and Private Hire Fees and Charges for 2019-20. The Committee approved the methodology for calculating taxi fees and charges in September 2016. The methodology specified that all fees and charges were reconciled in a three-year rolling programme to ensure full cost recovery for the Council. The Council were currently in the second year where reconciliation of accounts would recover any surplus or deficit.

An increase in the fees and charges for licensed drivers, vehicles and operators was proposed for 2019-20. The increase in fees and charges was fuelled by a reduction in the number of licensed drivers, vehicles and operators. The reduction in Operator's applications was due to the switch in 2016 from a 1 year to a 5-year licence. The reduction in drivers and vehicles was due to a number of factors including some drivers pursuing licences with less stringent authorities that did not include livery and BTEC policies. In addition, the proliferation of Uber had resulted in customers not using Guildford licenced drivers/vehicles. Uber required drivers to be licenced by Transport for London (TfL). As a result of the increased competition, some drivers had left the trade and not renewed reducing the number of applications.

Despite a reduced number of applications being received, officer time spent on processing had not reduced owing to using a different database and having a number of temporary staff in the Business Support Team. The fee for Driver and Vehicle licences had been produced by removing some temporary staff time so the time was more reflective of the time spent when calculating the current fee. This was due to officers concerns that the trade would be charged for the increased time spent on the Licensing function.

The Committee discussed the report and considered whether there had been a steady decline in the number of applications received from drivers. It was explained by the Licensing Team Leader that there was no cap in Guildford on the number of Hackney Carriages and that

legislation did not allow a cap for private hire vehicles. The Committee noted that there had been a reduction in the number of drivers applying and taking the Knowledge Test in Guildford. There had also been a marked increase in the use of Uber in Guildford, which the trade had confirmed they were in fierce competition with. Guildford licensed drivers would be able to start using card payment devices in their vehicles as of April 2019.

The Committee agreed that Guildford's taxi licensed trade were at a disadvantage given that Uber's decision to use drivers licensed by TFL had reduced the number of licensed drivers in Guildford. Licensing Officers were therefore trying to engage with Uber over whether or not changes could be made in this respect. Ultimately, primary legislation would need to be changed so that authorities across Britain had more control over who was licensed to drive taxis within their respective boroughs. Guildford Borough Council set high standards for its drivers and it was important for the safety of the public that it was able to exercise control over drivers in its area.

The Committee was advised that, once agreed, the Taxi and Private Hire Fees and Charges for 2019-20 would be consulted on. The Committee would then be asked to consider any objections received at its next meeting on 25 March 2019. The Committee would also be asked to approve the variation to the methodology for calculating the 5 year Private Hire Operator fee for 2019-20. The fees and charges would then take effect on 1 April 2019.

The Committee having considered the report

**RESOLVED**

To approve the variation to the methodology for calculating the 5 year Private Hire Operator licence fee as set out in Appendix 1 of the report for the production of the Operator fee for 2019-20; and

That the Taxi and Private Hire Fees and Charges for 2019-20 as set out in Appendix 5 of the report were approved for public consultation as per the legal requirements to take effect at the end of the consultation period should no objections be received.

**L58 LICENSING COMMITTEE WORK PROGRAMME**

The Committee noted its work programme and that it would receive an updated work programme for 2019-20 at its next meeting in March 2019.

The meeting finished at 7.25 pm

Signed .....

Date .....

Chairman

Licensing Committee Report

Wards affected: All

Report of Head of Health and Community Care Services

Author: Mike Smith

Tel: 01483 444387

Email: mike.smith@guildford.gov.uk

Lead Councillor responsible: Graham Ellwood

Tel: 07899 846626

Email: graham.ellwood@guildford.gov.uk

Date: 25 March 2019

## **Objections to the Taxi and Private Hire Fees and Charges 2019/20**

### **Executive Summary**

On 7 January 2019, the Licensing Committee approved the proposed taxi and private hire fees and charges for the financial year 2019/20. A notice was published in the *Surrey Advertiser* advertising the fees and charges and confirming they would take effect from the end of the consultation period. Two objections were received, although one has been withdrawn. Therefore, the advertised fees and charges cannot come into effect until the remaining objection has been considered.

This report details the fee setting process for the taxi and private hire fees and charges for 2019/20 and the objections to the advertised fees. The Licensing Committee must consider the objections; approve the taxi and private hire fees and charges for 2019/20 with or without modification and set a date for implementation, which must be no later than 15 April 2019, as is required by legislation.

### **Recommendation to Licensing Committee**

That the Taxi and Private Hire Fees and Charges for 2019/20, as set out in Appendix 1 to this report, be approved with effect from 1 April 2019.

### Reason for Recommendation:

The Council is entitled to set the fees and charges for taxi and private hire licences in order to recover its reasonable costs.

### **1. Purpose of Report**

- 1.1 To enable the Licensing Committee to consider the objections received to the taxi and private hire fees and charges for 2019/20 and to set a date for the fees and charges to come into force with or without modification by no later than 15 May 2019.

## **2. Strategic Priorities**

- 2.1 The process of setting taxi and private hire fees and charges will contribute to our fundamental themes and priorities as follows:

**Economy:** to grow a sustainable economy that will support all aspects of life in our borough.

**Your Council:** ensuring long-term financial stability and sound financial governance.

## **3. Background**

- 3.1 Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 (“the Act”) allow the Council to charge fees for the grant of licences in respect of hackney carriage and private hire drivers, vehicles and operators. The legislation specifies the elements that can be included in the cost of the licence fee.
- 3.2 The cost of issue and administration can be recovered in drivers’ licence fees. In respect of vehicle and operator licences, the reasonable cost of inspecting vehicles, providing hackney carriage stands and any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles can be included in the fees.
- 3.3 The costs of enforcement against unlicensed drivers, operators or unlicensed vehicles cannot be included in the calculation. The Council cannot make a profit from licence fees and there must be a carry forward of any surplus. There can also be recovery of any deficit. The reconciliation of any surplus and deficit is over a three-year cycle.
- 3.4 The taxi and private hire fees and charges methodology approved on 14 September 2016 has been applied in the production of the 2019/20 fees as detailed in the report to Licensing Committee on 7 January 2019.
- 3.5 Following approval by Licensing Committee on 7 January 2019 and as required by Section 70 of the Act, a notice was published in a local newspaper, the Surrey Advertiser, advertising the fees and charges and confirming the date on which they would take effect together with the objection process. Details of the proposed fees, together with information about consultation were also sent out to the licensed trade at the end of January in the taxi and private hire newsletter.

## **4. Objection to the 2019/20 Fees and Charges**

- 4.1 On the 12 February 2019 an objection was received from Mr Arshad, a Private Hire Operator stating:

*“Dear Sir/ Madam*

*I have an objection to the increase of operators licence fee*



*The cost can't go up by 100%*  
*Inflation hasn't gone up by that much.*  
*If we increased our prices like yourself we would be out of business*  
*You are passing 90% of your costs on to private hire operators*  
*As a whole this is unacceptable increase it is not justified in any way of form*

*Best Regards*  
*Ish Arshad*

- 4.2 Officers engaged in dialogue with Mr Arshad, providing information about the fee setting process on the 13 February. Officers invited Mr Arshad to withdraw the objection on the grounds that:
- the objection did not contain any detail for the Licensing Committee to consider;
  - the proposed fees and charges had been calculated using an approved, transparent methodology; and
  - the cost of a Private Hire Operator fee should be met by the businesses themselves, and not Council Tax Payers.
- 4.3 Officers also met with Mr Arshad on 27 February to explain the fee setting process. Following this meeting, this objection was subsequently withdrawn.
- 4.4 On the 15 February 2019 an objection was received from Mr and Mrs Simmonds, who are Hackney Carriage Drivers, Vehicle Proprietors and also hold an Operator's Licence, stating that:

*For all fees, the itemised Supplies and Services costs have not been made available for checking so there is no way an outside person can see that the costs are properly charged, but as they are based on a history where there were more licencees, they are now likely to be unreasonable.*

*For all fees, the Supplies and Services costs appear to be round figure estimates,*

*For all fees, the times charged for licences is excessive.*

*For all fees, the times for tasks are not checked by any time and motion study of the type that has been attempted by the Council in the past.*

*For all fees, the Council have claimed that these fees have been internally audited but there is no evidence that the time or the Supplies and Services costs allocated to different licence fees has been audited.*

*For all fees, a justification for the increased fees made by Officers is that the fixed costs are divided among fewer licencees. That is not a sustainable argument as there are few if any of these licence costs that do not vary in proportion to the number of licences issued.*

*For the operators fees, the level set is unreasonable. Previously licences were graded by how many cars an operator would be using. The decision to change this and then charge the smaller operators the same charge is unfair and not reasonable, because the costs must to some extent be proportional to the number of vehicles operated. In the current financial climate we are struggling along with many others to make a living, we are being told by licensing (at the T.A.G meetings) that we need to compete etc with the likes of Uber, and then this is another obstacle being put in our way.*

*The Operator fee is based on the cost of the operators license in the past when applications and issues were made every three years. Clearly those costs will be less if they are spread over a five year period, but the Councils calculation does not reflect that and is unreasonable.*

*For all driver and vehicle licences, to the extent that the numbers of vehicles licenced by the Council has decreased, much of the decrease is due to the Council introducing costly regulations that are not necessary and are therefor not reasonable.*

*Kind Regards  
Nikki and Mick  
Micks Taxis"*

- 4.5 Before the objection from Mr and Mrs Simmonds had been submitted, Officers had provided information, copies of calculations, and answered questions from Mr and Mrs Simmonds over the fee setting process.
- 4.6 Officers engaged in dialogue with Mr and Mrs Simmonds, providing further information on the 15 February. Officers also invited the objection be withdrawn on the grounds that:
- The proposed Operator cost is calculated by taking the costs associated with the operator function over 5 years, divided by the total number of operators currently. As such if each of the 61 currently licensed operators paid this fee for a 5 year licence, then the Council would cover its costs over the 5 year licence period.
  - The Supplies and Services were provided. For driver and vehicle licences, the budgeted figures are used and any surplus or deficit brought forward in the rolling programme. For operator licences, three years of known support

costs (2016/17 to 2018/19), together with budgeted costs for 2019/20 have been used to calculate the proposed fee.

- Officer time spent on each of the Council's licensing functions is recorded every minute of the day so that costs can be calculated transparently and fairly based upon the time spent.
- The fees and charges have been audited internally, as per the methodology.
- The Councils 'support costs', relate in part to Office, IT, Accountancy, Legal, HR recharges. These costs are divided over the number of licences issued the previous year for the calculation of the fee.
- The 'sliding' Operators fee has not been charged for a couple of years following advice on the methodology. The driver and vehicle licence fee is included as a cost in the taxi fare calculator allowing the trade to recover this cost. Operators can set their own fees for journeys to recover their costs.
- The Council is entitled to recover the cost of setting Policy under the licence fee. None of the Council's requirements are unnecessary. In fact, the Council has already introduced most of the measures, which the Department for Transport is currently consulting upon in its updated Guidance to promote Safeguarding.

4.7 In addition, in its calculations for the 2019/20 fees, a considerable amount of temporary staff time has been removed and not passed onto the licensed trade through the fees.

4.8 The above objection from Mr and Mrs Simmonds must be considered by the Licensing Committee, as the objection has not been withdrawn.

## **5. Equality and Diversity Implications**

5.1 There are no equality and diversity implications arising from the taxi and private hire fees and charges.

## **6. Financial Implications**

6.1 The Council's process for setting the taxi and private hire fees and charges has undergone a number of reviews and audits in previous years, which has led to improvements and modifications.

6.2 The 2008-09 and 2013-14 Accounts were challenged by the Guildford Hackney Association and the investigation into the 2013-14 objection concluded that there was no evidence that the Council had deliberately sought to overstate the costs of its taxi licensing service or charged fees that were unreasonable.

6.3 External auditors reviewed the audits for 2009-10, 2010-11 and 2012-13 and were satisfied that the recommendations from each report were met. In 2014, a further review by internal audit of the 2013-14 fee setting process made further recommendations, culminating in the development and approval of a transparent methodology to calculate fees and charges.

6.4 Appendix 2 sets out the methodology used to calculate the taxi and private hire fees and charges for 2019/20. This method was originally approved in

September 2016, and modified by Licensing Committee in January 2019 to account for a different way of calculating the Private Hire Operator Fee.

6.5 The Council cannot make a profit and must carry forward any surplus. Any deficit is carried forward and will be recovered in subsequent years. Surpluses or deficits will be considered when fee setting in future years with the objective of recovering or refunding any surplus or deficit over a three year cycle.

6.6 When considering the fee setting process, it may be useful to note the comments of the District Auditor in 2010 confirming that fee setting is not an exact science:

*“The legislation does not, in my view, require councils to make a precise calculation so as to arrive at an income which exactly meets the cost of the administration of the various licences. Councils are required, however, to take a reasonable approach and should aim to set a fee that is sufficient to cover the cost but not make a surplus.”*

## **7. Legal Implications**

7.1 The Local Government (Miscellaneous Provisions) Act 1976 allows the Council to charge for the grant of licences in respect of hackney carriage and private hire drivers, vehicles and operators. The fees must be set at a level which ensures that the Council does not make a profit.

7.2 Section 53(2) of the Act states, in relation to drivers' licences for hackney carriage and private hire vehicles:

“Notwithstanding the provisions of the Act of 1847, a district council may demand and recover for the grant to any person of a licence to drive a hackney carriage, or a private hire vehicle, as the case may be, such a fee as they consider reasonable with a view to recovering the costs of issue and administration and may remit the whole or part of the fee in respect of a private hire vehicle in any case in which they think it appropriate to do so.”

7.3 Section 70 of the Act states, in relation to vehicle and operators' licences:

“(1) Subject to the provisions of subsection (2) of this section, a district council may charge such fees for the grant of vehicle and operators' licences as may be resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part—

- (a) the reasonable cost of the carrying out by or on behalf of the district council of inspections of hackney carriages and private hire vehicles for the purpose of determining whether any such licence should be granted or renewed;
- (b) the reasonable cost of providing hackney carriage stands; and
- (c) any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles.”

7.4 Under Section 70 of the Act the Council has to publish a notice of the proposed new fees and charges for vehicle and operators' licences, if it determines that the maximum fees last advertised should be varied. If objections are received and not withdrawn, the Council must consider them and set a date, no more than two months after the date specified in the notice, on which the variation shall come into force with or without modifications.

7.5 There is no requirement under Section 53(2) of the Act for driver licence fees to be advertised. However, the same procedure as for vehicles and operators is adopted for good practice. A notice of proposed fees has been published, objections have been invited and the Licensing Committee is invited to consider the objection in the same way.

## **8. Human Resource Implications**

8.1 There are no additional human resource implications because of the taxi and private hire fees and charges.

## **9. Summary of Options**

9.1 The Licensing Committee has to approve a set of taxi and private hire fees and charges for 2019/20 and set a date for them to take effect, which must be no later than 15 April 2019.

9.2 The Licensing Committee is asked to consider the objection received and not withdrawn, approve the taxi and private hire fees and charges for 2019/20, with or without modification, and set the date for their implementation.

9.3 There are two options available after considering the objections and the information in this report:

1. Approve the fees and charges as set out in Appendix 1; or
2. Approve a modified set of fees.

9.4 Officers consider that the fees and charges set out in Option 1 are correct and justifiable and we recommend them for approval from 1 April 2019, as these charges recover the costs the Council incurs and can legally recover for administering and issuing licences.

## **10. Conclusion**

10.1 The Licensing Committee must consider the objection to the advertised taxi and private hire fees and charges for 2019/20. The Committee must then agree the taxi and private hire fees and charges for 2019/20 and set a commencement date.

10.2 The fees and charges set out in Appendix 1 are recommended for approval. These fees recover the majority of the Council's costs. It is recommended that these fees and charges take effect from 1 April 2019.

**11. Background Papers**

[Minutes of Licensing Committee 14 September 2016](#)

[Report and Minutes of Licensing Committee 7 January 2019](#)

[Local Government \(Miscellaneous Provisions\) Act 1976](#)

**12. Appendices**

Appendix 1: Taxi and Private Hire Fees and Charges 2019/20

Appendix 2: Taxi and Private Hire Fees and Charges Methodology

**13. Consultation**

<b>Service</b>	<b>Sign off date</b>
Regulatory Services Manager	<i>26 February 2019</i>
Finance / 151 Officer	
Legal / Governance	<i>26 February 2019</i>
HR	<i>20 February 2019</i>
Equalities	<i>20 February 2019</i>
Lead Councillor	<i>1 March 2019</i>
CMT	<i>26 February 2019</i>
Committee Services	

## Appendix 1 – Taxi and Private Hire Fees and Charges Consulted Upon for Approval

	Proposed 2019/20 Fee	2018/19	Variance
<b>H1108 HC/PH Vehicles - 1 year licence</b>			
Hackney Carriage Vehicle Application and Renewal	£249.74	£220.79	£28.95
Private Hire Vehicle Application and Renewal	£173.69	£173.69	£0.00
Hackney Licence Vehicle Change	£24.05	£15.55	£8.50
Private Hire Vehicle Change	£24.05	£15.55	£8.50
Hackney Carriage Temporary Vehicle (3 month licence)	£89.25	£78.76	£10.49
Private Hire Temporary Vehicle (3 month licence)	£70.19	£66.98	£3.21
Replacement Vehicle Licence Plates	£14.79	£9.25	£5.54
Private Hire Vehicle Signs (pair)	£20.80	£16.10	£4.70
Vehicle Test	£57.00	£57.00	£0.00
<b>H1104 HC/PH Drivers - 3 year licence</b>			
HC/PH Drivers Application and Renewal	£383.55	£380.04	£3.51
Hackney Carriage Driver - Knowledge Test	£100.50	£52.45	£48.05
Private Hire Driver - Knowledge Test	£25.47	£17.76	£7.71
Convert From Private Hire Driver to Hackney Carriage Driver	£18.60	£18.60	£0.00
Driver Replacement Badge	£13.66	£13.66	£0.00
<b>H1107 Operators - 5 year licence</b>			
PH Operators Application and Renewal	£970.97	£548.54	£422.43

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## Taxi and Private Hire Fees and Charges Methodology for 2019-20

### Scope

The scope of this methodology is the fees and charges setting process for the activities below to achieve full cost recovery:

- A. Taxi vehicle (including plate) – 1 year
- B. Private hire vehicle (including plate) – 1 year
- C. Taxi vehicle change
- D. Private hire vehicle change
- E. Taxi temporary vehicle change - 3 months
- F. Private hire vehicle change - 3 months
- G. Vehicle plate
- H. Private hire vehicle signs
- I. Private Hire Operator – 5 years
- J. Taxi driver – 3 years
- K. Private hire driver – 3 years
- L. Taxi knowledge test
- M. Private hire knowledge test
- N. Driver Replacement badge
- O. Convert from private hire driver to taxi driver

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

### Fees Setting Process - Timetable for fees and charges 2019-20

<b>No.</b>	<b>Action</b>	<b>Date</b>	<b>Officer/Department</b>
1	Annual Timesheet data prepared and analysed	October 2018	Business Support
2	Hourly rate prepared	October 2018	Finance
3	Vehicle, private hire and operator activity data collated Identify cost of plates and door signs	October 2018	Licensing
4	Draft budget sheets produced.	End October 2018	Finance
5	Draft fees prepared in accordance with approved methodology using information collated in 1-4	Beginning November 2018	Licensing and Finance
6	Budget reviewed against predicted income and salary allocations Internal recharges reviewed for 2018/19	Beginning November 2018	Licensing and Finance
7	Draft fees audited by Audit	Mid November 2018	Audit
8	Meeting Licensing, Audit and Finance to discuss audit findings and agree fees and charges	26 November 2018	Licensing, Finance and Audit
9	Make any adjustments to budgets, salary allocations and fees and charges finalised after meeting at No. 8	End November 2018	Licensing and Finance
10	<b>CMT</b>	<b>End November 2018</b>	Licensing
11	<b>Executive Liaison</b>	<b>December 2018</b>	Licensing
12	<b>Fees and Charges approved by Licensing Committee</b>	<b>7 January 2019</b>	Licensing
13	<b>Fees and Charges advertised in Newspaper</b>	<b>2/9 February 2019</b>	Licensing
14	<b>Objections and responses collated and prepared to be heard by Licensing Committee</b>	February/March 2019	Licensing
15	<b>CMT - objections</b>	March 2019	Licensing
16	<b>Objections heard by Licensing Committee and set of Fees and Charges Approved</b>	<b>25 March 2019</b>	Licensing
17	<b>Approved Fees and Charges implemented</b>	<b>1 April 2019</b>	Licensing

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

No.	Action
1	<p><b><u>Annual Timesheet data prepared and analysed</u></b></p> <p>Timesheet data for officers in business support, licensing, and the environmental health manager to be collated for previous 52 week period using date range 1 October 2017 to 30 September 2018. Total time spent by licence type to be calculated by the above officer groups.</p> <p>(During the year timesheet data will be reviewed on a monthly basis by the business support and licensing team leader to check for accuracy and completion)</p> <p>(Officers are provided with a guidance document on completion of timesheets which provides assistance on categorising activities)</p> <p><b>Officer: Business Support Team Leader</b></p>
2	<p><b><u>Hourly rate prepared</u></b></p> <p>The average officer hourly rate for business support and licensing officers is required plus the hourly rate for the environmental health manager and the head of health and community services.</p> <ol style="list-style-type: none"> <li>1. Identify the current licensing and business support posts to be included in each group.</li> <li>2. Calculate the average hourly rate as at 30 September 2018 including officer salaries plus on-costs.</li> </ol> <p><b>Officer: Finance</b></p>
3	<p><b><u>Vehicle, private hire and operator activity data collated</u></b></p> <p>The number of activities below is obtained from the computer system for the period 1 October 2017 to 30 September 2018.</p> <ol style="list-style-type: none"> <li>1. Taxi vehicle applications</li> <li>2. Private hire vehicle applications</li> <li>3. Taxi vehicle change</li> <li>4. Private hire vehicle change</li> <li>5. Taxi temporary vehicle change (3 months)</li> <li>6. Private hire vehicle change (3 months)</li> <li>7. Private hire operators applications</li> <li>8. Taxi driver applications</li> </ol>

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

	<p>9. Private hire applications 10. Taxi knowledge test 11. Private hire knowledge test 12. Convert from private hire driver to taxi driver 13. Driver replacement badge</p> <p><b>Officer: Licensing Team Leader</b></p> <p><b><u>Identify cost of plates and private hire door signs</u></b></p> <p>Identify cost of purchasing plates and private hire door signs for the forthcoming year.</p> <p><b>Officer: Licensing Team Leader</b></p>
<p>4.</p>	<p><b><u>Draft budget sheets produced</u></b></p> <p>Version 1 of draft budgets for cost centres H1104, H1107, H1108 and H1109 are produced in July - budgets will be reviewed by Finance and Licensing.</p> <p>Version 2 of draft budgets for cost centres H1104, H1107, H1108 and H1109 are produced in Mid-Sept – draft salary allocations will be entered in the budget for the previous 12 months (1 September to 31 August). Timesheet data analysed will be used to adjust salary allocations in budget for forthcoming year as appropriate.</p> <p>Version 3 of draft budgets for cost centres H1104, H1107, H1108 and H1109 are produced in late-October/early-November for financial year 2019/20 – final salary allocations for period 1 October 2017 to 30 September 2018 are included. Timesheet data analysed will be used to adjust salary allocations in budget for forthcoming year as appropriate.</p> <p>Private Hire Operator Licences need to be profiled over 5 years.</p> <p>Identify budget for private hire door signs and taxi rank maintenance separately.</p> <p><b>Officer: Finance</b></p>

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

<b>5.</b>	<p><b><u>Draft fees prepared by Licensing and Finance in accordance with approved methodology using information collated in No. 1-4 above</u></b></p> <p><b>Methodology for:</b></p> <ul style="list-style-type: none"> <li><b>A. Taxi vehicle applications</b></li> <li><b>B. Private hire vehicle applications</b></li> <li><b>I. Private hire operators applications</b></li> <li><b>J. Taxi driver applications</b></li> <li><b>K. Private hire applications</b></li> </ul> <p>The driver, vehicle and operator licence fees are calculated by adding together four categories:</p> <ul style="list-style-type: none"> <li>• Business support and licensing officer, licensing team leader, management time, customer service time for the specific activity</li> <li>• Other time related to administration of taxi and private hire by officer group</li> <li>• Senior management time</li> <li>• Support costs</li> </ul>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%; padding: 5px;"><b>Category</b></th> <th style="width: 40%; padding: 5px;"><b>Method of data collection</b></th> <th style="width: 30%; padding: 5px;"><b>Notes</b></th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Business support and licensing team, customer service officer and management time for processing applications and other activities related to the administration of licence by type</td> <td style="padding: 5px;">                     To calculate the cost of business support and licensing team plus management time for processing driver, vehicle and operator applications per process the following steps are followed:                     <ol style="list-style-type: none"> <li>1. Divide the time spent for each officer type by the number of processes completed in each category.</li> <li>2. Multiply the time spent per process by the hourly rate per officer type to identify the cost per process for the specific activity.</li> </ol> </td> <td style="padding: 5px;">                     To include time spent:                      Processing applications                       To include:                      Officer and Member training                      Compliance checks (not drivers and operators)                      Officer transport related expenditure                      Complaints about licensed vehicles                      Advice and guidance                 </td> </tr> <tr> <td style="padding: 5px;">Business support and licensing team and management time allocation for all other activities connected to the licensing</td> <td style="padding: 5px;">The time spent by business support, licensing officers, team leader and management conducting activities such as reviewing fees and charges and developing policy is recorded in the appropriate category. The time has been allocated by:</td> <td style="padding: 5px;">                     To include time spent:                      Setting and reviewing fees                      Development, determination and production of policy                      Liaison with interested parties                 </td> </tr> </tbody> </table>		<b>Category</b>	<b>Method of data collection</b>	<b>Notes</b>	Business support and licensing team, customer service officer and management time for processing applications and other activities related to the administration of licence by type	To calculate the cost of business support and licensing team plus management time for processing driver, vehicle and operator applications per process the following steps are followed: <ol style="list-style-type: none"> <li>1. Divide the time spent for each officer type by the number of processes completed in each category.</li> <li>2. Multiply the time spent per process by the hourly rate per officer type to identify the cost per process for the specific activity.</li> </ol>	To include time spent: Processing applications  To include: Officer and Member training Compliance checks (not drivers and operators) Officer transport related expenditure Complaints about licensed vehicles Advice and guidance	Business support and licensing team and management time allocation for all other activities connected to the licensing	The time spent by business support, licensing officers, team leader and management conducting activities such as reviewing fees and charges and developing policy is recorded in the appropriate category. The time has been allocated by:	To include time spent: Setting and reviewing fees Development, determination and production of policy Liaison with interested parties
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## Taxi and Private Hire Fees and Charges Methodology for 2019-20

function.	<ol style="list-style-type: none"> <li>1. Multiplying the hours spent in conducting this allocation category by officer type by the hourly rate per officer type to determine total costs.</li> <li>2. Dividing the total cost by the total number of applications in each category. This results in the cost per application.</li> </ol>	Collating registers and national reporting
Support costs	<p>The support costs are determined from the financial estimates for 2019/20. The methodology and background for determining support costs is provided in Appendix A.</p> <p>The support cost per process is calculated by dividing the total cost of support services by the number of processes in each category.</p> <p>A number of elements are removed or allocated separately:</p> <p>Taxi rank maintenance is to be highlighted and only charge to taxi vehicles.</p>	<p><b>Supplies and Services</b>  Accommodation, stationery, IT  Equipment  Advertising  External legal advice  Third party costs - Medical checks</p> <p><b>Support Costs</b>  Public offices  Debtors section  Office services  Accountancy  Legal Services  Paymaster – salaries, creditors, insurance  Human resources  Business Systems  Customer Technical Support  Information Systems Support  Office Cleaning  Performance Management  Transport Plan  Health and Safety</p>

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

### **Methodology for:**

#### **C. Taxi vehicle change**

To calculate the cost of a taxi vehicle change the following steps are followed:

Divide the time spent for each officer type by the number of taxi vehicle change processes completed.  
Multiply the time spent per process by the hourly rate per officer type to identify the cost.

### **Methodology for:**

#### **D. Private hire vehicle change**

To calculate the cost of a taxi vehicle change the following steps are followed:

Divide the time spent for each officer type by the number of private hire vehicle change processes completed.  
Multiply the time spent per process by the hourly rate per officer type to identify the cost.

### **Methodology for:**

#### **E. Taxi temporary vehicle change - 3 months**

To calculate the cost of a taxi vehicle change for 3 months the following steps are followed:

Add the cost to process a taxi vehicle application for a licensing officer and a business support officer and add a quarter of the annual cost of other costs (amend/change/general costs) for business support officers, licensing officers and management.

### **Methodology for:**

#### **F. Private hire vehicle change - 3 months**

To calculate the cost of a private hire vehicle change for 3 months the following steps are followed:

Add the cost to process a private hire vehicle application for a licensing officer and a business support officer and add a quarter of the annual cost of other costs (amend/change/general costs) for business support, licensing officers and management.

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

### **Methodology for:**

#### **G. Vehicle plate**

The vehicle plate cost is determined by adding 2 elements:

1. The cost of a vehicle plate on the 30 September 2018 and
2. The cost to produce a replacement vehicle plate (calculation is below)

(Divide the time spent for each officer type by the number of processes completed.

Multiply the time spent per process by the hourly rate per officer type to identify the cost per process for the specific activity.)

### **Methodology for:**

#### **H. Private hire vehicle signs**

The private hire door sign cost is determined by adding 2 elements:

1. The cost of a door sign (per pair) on the 30 September 2018 and
2. The cost to produce a replacement vehicle sign (calculation is below)

(Divide the time spent for each officer type by the number of processes completed.

Multiply the time spent per process by the hourly rate per officer type to identify the cost per process for the specific activity.)

### **Methodology for:**

#### **I. Private Hire Operator**

The 5 year private hire operator fee is determined by adding:

The support costs for the private hire operator cost centre for a 5 year period. For 2019/20, actual support costs are known for years 2016/17 and 2017/18. The budgeted costs can be used for 2018/19 and 2019/20. The fifth year is an average.

The officer time costs recorded for private hire operators for a 5 year period. For 2019/20, actual officer time is known for the years



## Taxi and Private Hire Fees and Charges Methodology for 2019-20

2017/18 to 2018/19. The remainder of the years is time produced for the 2019/20 fees, multiplied by 3. As only 9 applications were made in the time period for calculation of the 2019/20 fees, this lower figure is taken for the final 3 years.

The general time allocation per licence. For 2019/20, this allocation is known for the three years 2017/18 to 2019/20. An average is taken for a further two years.

These costs are totalled and divided by the total number of current operators.

### **Methodology for:**

#### **L. Taxi knowledge test**

#### **M. Private hire test**

Taxi and private hire knowledge tests fees are calculated by:

Divide the total number of knowledge tests in each group by the time spent by officer type in each category then multiply by the hourly rate for each officer type to determine the cost per test.

### **Methodology for:**

#### **N. Driver Replacement badge**

To calculate the cost of a driver badge replacement the following steps are followed:

Divide the time spent for each officer type by the number of processes completed.  
Multiply the time spent per process by the hourly rate per officer type to identify the cost.

### **Methodology for:**

#### **O. Convert from private hire driver to taxi driver**

To calculate the cost of converting from private hire driver to taxi drive the following steps are followed:

Divide the time spent for each officer type by the number of processes completed.  
Multiply the time spent per process by the hourly rate per officer type to identify the cost.

## Taxi and Private Hire Fees and Charges Methodology for 2019-20

### **Reconciliation**

All fees and charges are reconciled in three-year rolling programme to ensure full cost recovery for the Council.

The rolling programme of reconciliation would subsequently have the following timescale:

- Year 1 2016/17 final account – reconciled Year 3, 4, 5 (2018/19 – 2020/21)
  - Year 2 2017/18 final account – reconciled Year 4, 5, 6 (2019/20 – 2021/2022)
  - Year 3 2018/19 final account – reconciled Year 5, 6, 7 (2020/21 – 2022/2023)
- And continue into future years.

The end of year closing figure for each cost centre has been divided by 3 and will be recovered equally over a three year period.

The amount to be reconciled will be added or subtracted equally by the number of licences as appropriate in the categories below:

- A. Taxi vehicle applications
- B. Private hire vehicle applications
- I. Private hire operators applications
- J. Taxi driver applications
- K. Private hire applications

Once finalised the end of year accounts will be published on the Council's website. The 50% subsidy paid for wheelchair accessible vehicles will be added to the final year accounts.

### **Review Period**

- The methodology will be subject to an annual review with any amendments documented and approved by Regulatory Services Manager.

### **Reference documents**

- Local Government – Open for Business – LGA guidance on locally set fees

Licensing Committee Report  
Report of Director of Finance  
Author: Sophie Butcher  
Tel: 01483 444056  
Email: sophie.butcher@guildford.gov.uk  
Date: 25 March 2019

## **Licensing Committee work programme: 2019-20**

### **Recommendation to Licensing Committee**

The Committee is invited to review and approve its current work programme for the remainder of the 2019-20 municipal year.

Reason for Recommendation:

To ensure that the Licensing Committee has an opportunity to review its work programme.

### **1. Purpose of Report**

1.1 The work programme is presented to enable necessary changes to be made and to provide updated information on items for future meetings. Appendix 1 to this report sets out the Committee's work programme to date, including any items currently unscheduled.

### **2. Financial Implications**

2.1 There are no specific financial implications arising from this report.

### **3. Human Resource Implications**

3.1 There are no specific human resources implications arising from this report.

### **4. Legal Implications**

4.1 There are no specific legal implications arising from this report.

### **5. Background papers**

None

### **6. Appendices**

Appendix 1: Licensing Committee - Draft Work Programme: 2019-20

**Licensing Committee**  
**Draft Work Programme 2019-20**

<b>25 March 2019</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Taxi and Private Hire fees and charges 2019-20 – objections	To consider any objections received in relation to the Taxi and Private Hire fees and charges.	Mike Smith, Licensing Team Leader 01483 444387

<b>29 May 2019</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Animal Welfare Licensing Policy	To seek approval of the Animal Welfare Policy.	Mike Smith, Licensing Team Leader 01483 444387

<b>24 July 2019</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>

**25 September 2019**

<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Purple Flag Update	The Committee to receive a verbal update on Purple Flag.	Mike Smith, Licensing Team Leader 01483 444387
Best Bar None Update	The Committee to receive a verbal update on Best Bar None.	Mike Smith, Licensing Team Leader 01483 444387
CSE Training Update	The Committee to receive a verbal update on CSE training.	Mike Smith, Licensing Team Leader 01483 444387

**27 November 2019**

<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>

**6 January 2020**

<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Taxi and Private Hire fees and charges 2020-21 – for consultation	To consider for consultation the Taxi and Private Hire fees and charges 2020-21.	Mike Smith, Licensing Team Leader 01483 444387

<b>23 March 2020</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Taxi and Private Hire fees and charges 2020-21 – objections	To consider any objections received in relation to the Taxi and Private Hire fees and charges.	Mike Smith, Licensing Team Leader 01483 444387
Licensing Act Policy – Consultation	To seek approval to consult on the Licensing Act Policy.	Mike Smith, Licensing Team Leader 01483 444387

<b>May 2020</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Taxi Policy Consultation	To seek approval to consult on the Taxi Policy Consultation.	Mike Smith, Licensing Team Leader 01483 444387

<b>July 2020</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>

<b>September 2020</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Purple Flag Update	The Committee to receive a verbal update on Purple Flag.	Mike Smith, Licensing Team Leader

		01483 444387
Best Bar None Update	The Committee to receive a verbal update on Best Bar None.	Mike Smith, Licensing Team Leader 01483 444387

<b>November 2020</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>
Licensing Act Policy Approval	The Committee to consider the consultation responses and consider approval of the Licensing Act Policy.	Mike Smith, Licensing Team Leader 01483 444387
Taxi Policy Approval	The Committee to consider the consultation responses and consider approval of the Taxi Policy.	Mike Smith, Licensing Team Leader 01483 444387

<b>UNSCHEDULED ITEMS</b>		
<b>Item</b>	<b>Details of decision to be taken</b>	<b>Officer</b>

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