



## Licensing and Health and Safety Committee

Notice of a Meeting, to be held in the Committee Room No. 2 (Bad Münstereifel Room), Civic Centre, Tannery Lane, Ashford, Kent TN23 1PL on Monday 9<sup>th</sup> January 2012 at 10.00 am

---

The Members of this Committee are:-

Cllr. Goddard (Chairman)

Cllr. Feacey (Vice-Chairman)

Cllrs. Adby, Mrs Bell, Buchanan, Chilton, Davey, French, Hodgkinson, Marriott, Mrs Martin, Rutter, Shorter.

### Agenda

	<b>Page Nos.</b>
1. <b>Apologies/Substitutes</b> – To receive Notification of Substitutes in accordance with Procedure Rule 1.2(iii)	
2. <b>Declarations of Interest</b> - Declarations of Interest under the Code of Conduct adopted by the Council on the 24 <sup>th</sup> May 2007 relating to items on this agenda should be made here. The nature as well as the existence of any such interest must also be declared	
3. <b>Minutes</b> – To approve the Minutes of the Meeting of this Committee held on the 17 <sup>th</sup> January 2011.	1 – 9

### Part I – For Decision

4. Review of the Hackney Carriage and Private Hire Driver, Vehicle and Operator Fees 2012/13	11 – 15
5. Review of the Hackney Carriage Fare Scale 2012/13	17 – 25
6. Proposed Fee Levels for 2012/13 for Gambling Act 2005 related applications	27 – 32

### Part II – Information Items

None for this Meeting

---

KL  
15<sup>th</sup> December 2011

---

Queries concerning this agenda? Please contact Kirsty Liddell:  
Telephone: 01233 330499 Email: [kirsty.liddell@ashford.gov.uk](mailto:kirsty.liddell@ashford.gov.uk)  
Agendas, Reports and Minutes are available on: [www.ashford.gov.uk/committees](http://www.ashford.gov.uk/committees)



## Licensing and Health and Safety Committee

Minutes of a Meeting of the Licensing and Health and Safety Committee held in Committee Room No.2 (Bad Münstereifel Room), Civic Centre, Tannery Lane, Ashford on the **17<sup>th</sup> January 2011**

### Present:

Cllr Goddard (Chairman);  
Cllr Feacey (Vice-Chairman);  
Cllrs. Mrs Blanford, Mrs Heaton, Hodgkinson, Holland, Mrs Martin, Norris, Woodford.

### Apology:

Cllr. Mrs Bell.

### Also Present:

Licensing Manager, Member Services & Scrutiny Support Officer.

Prior to the commencement of the Meeting the Chairman advised of a change to the order of business of the Meeting.

## 344 Declarations of Interest

Councillor	Interest	Minute No.
Feacey	Code of Conduct - Personal but not Prejudicial – as the Managing Director of Energyshift Ltd who worked with members of the taxi trade.	346 and 347

## 345 Minutes

### Resolved:

**That the Minutes of the Meeting of this Committee held on the 20<sup>th</sup> January 2010 be approved and confirmed as a correct record.**

## 346 Review of the Hackney Carriage and Private Hire Driver, Vehicle and Operator Fees 2011/12

The Licensing Manager introduced his report which recommended the proposed fees for the Hackney Carriage and Private Hire Service for the financial year 2011/12. The Chairman explained that representatives from the taxi industry had been invited to attend and introduced Mr Joy who was in attendance at the meeting.

The Licensing Manager explained that the report recommended that no fee increases were applied for 2011/12. This would be the third consecutive year that fees had been frozen and was in recognition that income was covering expenditure and that there had been a reduction in costs for the Council in the administration of

the vehicle and operator fees. There had also been an increase in the number of drivers that were licensed in the Borough.

In response to a question from a Member the Licensing Manager said that the Council had to ensure that the operational costs were recovered and that they were not passed onto the rate payer. They had been able to reduce costs in a number of areas, specifically the way in which the plates on licensed vehicles were manufactured. He advised that should the fees be reduced then this could ultimately cost the rate payer and would not be reasonable. The fees proposed were a reasonable balance. Mr Joy, a Taxi Trade Representative, advised the Committee that the Taxi Trade were supportive of the proposed fees contained within the report.

**Recommended:**

**That the Hackney Carriage and Private Hire Vehicle, Driver and Operator Licence Fees structure as given in the table below be approved.**

**DELIBERATELY LEFT BLANK**

**PROPOSED HACKNEY CARRIAGE AND PRIVATE HIRE LICENSING FEES  
2011/12**

	<b>CURRENT FEES</b>	<b>PROPOSED FEES</b>
	<b>2010/11</b>	<b>2011/12</b>
Private Hire & Hackney Carriage Drivers Licence (for 1 year)	£49.00	£49.00
Additional driver's licence (adding a licence)	£16.00	£16.00
Hackney Carriage Knowledge Test & Re-test	£30.00	£30.00
Replacement badge	£15.00	£15.00
Vehicle Licence - New or Renewal (including vehicle plate) for 1 year	£290.00	£290.00
Vehicle Plates or Brackets	£17.00	£17.00
Internal Vehicle Plate	£15.00	£15.00
Transfer of Vehicle Licence (including vehicle plate)	£25.00	£25.00
Vehicle Inspection - Test Fee	max £32.00	max £32.00
Vehicle Inspection - Missed Appointment	No charge	No charge
Private Hire Operators Licence - New or Renewal (for 3 years)	1-3 vehicles : £73 4-10 vehicles : £310 11-20 vehicles : £620	1-3 vehicles : £73 4-10 vehicles : £310 11-20 vehicles : £620
Replacement Licence	£16.00	£16.00
Transfer of any Licence (without plate or badge)	£16.00	£16.00
Fee for Returned (Bounced) Cheques	£16.00	£16.00

**347 Review of the Hackney Carriage Fare Scale 2011/12**

The Licensing Manager introduced his report which reviewed the Hackney Carriage fare scale and recommended a 20 pence increase to the starting fare (drop rate) and a 3 percent increase to the fare scale for 2011/12. It was not proposed to change the Tariff Two times. The recommendations had arisen following a questionnaire of

Hackney Carriage Drivers and selected operators and the responses to that questionnaire were set out in the report. The proposed increases were modest and had come about due to an increase in fuel prices which in turn meant that operational costs had risen.

In December 2008 the average price of petrol in the UK was 89.48p per litre and the average price for diesel was £101.93 per litre. According to the AA December 2010 fuel price report the UK average unleaded price was £122.10 and the average price of diesel was £126.20. This related to a 34% increase in the cost of unleaded fuel from December 2008 to December 2010 and a 24% increase in the cost of diesel. With the increase in fuel duty and the increase to a 20% rate of VAT at the start of January 2011, the average price of unleaded petrol had increased to £127.20 and the average price of diesel had increased to £131.44.

Mr Joy, a Taxi Trade Representative, advised the Committee that the proposed increase in the drop rate and the 3 percent increase in the fare scale would help to ease the pressure on the Trade. They were aware that if the prices were increased excessively then this would have an impact on the number of customers that would use their service. He felt that the proposals were a sensible balance.

**Recommended:**

**That the Hackney Carriage Fares set out below be approved for the purposes of issuing a public notice: -**

**DELIBERATELY LEFT BLANK**

**(a) Fares for distance or time**

	<u>£</u>
<b><u>Rate 1</u></b>	
If the distance does not exceed 730.4 yards, for the whole distance or for the first 231.5 seconds of waiting time	2.60
For each subsequent 185.8 yards or uncompleted part thereof	0.20
Or for each subsequent period of 58.9 seconds of waiting time or uncompleted part thereof	0.20

**(b) Surcharges for certain times and days:-**

**Rate 2**

- |   |             |
|---|-------------|
| a) For each hire commenced between 12 midnight and 7 am   | 1½ x Rate 1 |
| b) For each hire undertaken on <b>GOOD FRIDAY, EASTER MONDAY, MAY DAY, SPRING BANK HOLIDAY, SUMMER BANK HOLIDAY</b> or any other specifically declared Bank Holiday only. | 1½ x Rate 1 |

**Rate 3**

- |  |            |
|--|------------|
| c) For each hire undertaken on a <b>CHRISTMAS DAY, BOXING DAY</b> or <b>NEW YEARS DAY</b><br>Note: When the holiday charge (b) or (c) is payable the Night Charge (a) is <b>NOT</b> payable. | 2 x Rate 1 |
|--|------------|

**Extras** - up to a maximum of £1.20

- |  |      |
|--|------|
| d) for each person (excluding infants in arms) carried in excess of two persons (two children under 10 years of age count as one person) irrespective of distance. | 0.20 |
|--|------|

**Note: For the purposes of counting the number of persons that the vehicle is licensed to carry, children under 10 years of age should each be counted as a person. A babe in arms should not be counted as a person.**

- |   |      |
|---|------|
| e) for each article of luggage conveyed outside the passenger compartment of the carriage | 0.05 |
| f) for perambulators  | 0.05 |
| g) for dogs   | 0.10 |

### **348 Proposed Fee Levels for 2011/12 Gambling Act 2005 Related Applications**

The Licensing Manager introduced his report which proposed fees for premises licences and temporary use notices in connection with premises used for gambling for the financial year 2011/12. To gain permission for a Casino a bid to Government would need to be completed; this could only be done when Government invited bids for Casinos. At the present time bids were not being invited so it was unlikely that there would be a Casino in Ashford for the foreseeable future.

In response to a question from a Member, the Licensing Manager advised that there had been two new Betting Premises open in the last two years; these were located at Goat Lees and Stanhope. Internet gambling was outside of the remit of the Local Authority. Many internet gambling companies were based outside of England however could be accessed by residents throughout the Borough.

#### **Recommended:**

**That the fees used for gambling applications and notices as given below be approved.**

#### **RECOMMENDED PREMISES LICENCE FEES**

<b>Premises Type</b>	<b>New Application (£)</b>	<b>Annual Fee (£)</b>
New Small Casino	<b>6285</b>	<b>3575</b>
New Large Casino	<b>7540</b>	<b>7215</b>
Regional Casino	<b>11880</b>	<b>11140</b>
Bingo Club	<b>2160</b>	<b>670</b>
Betting Premises (excluding Tracks)	<b>2160</b>	<b>430</b>
Tracks	<b>1690</b>	<b>670</b>
Family Entertainment Centres	<b>1690</b>	<b>580</b>
Adult Gaming Centre	<b>1690</b>	<b>670</b>
Temporary Use Notices	<b>200</b>	<b>N/A</b>

**DELIBERATELY LEFT BLANK**

	<b>Application to Vary</b>	<b>Application to Transfer</b>	<b>Application for Re-Instatement</b>	<b>Application for Provisional Statement</b>	<b>Licence Application (provisional Statement holders)</b>	<b>Copy Licence</b>	<b>Notification of Change</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
New Small Casino	<b>2580</b>	<b>1500</b>	<b>1260</b>	<b>6285</b>	<b>2240</b>	<b>25</b>	<b>50</b>
New Large Casino	<b>3410</b>	<b>1760</b>	<b>1985</b>	<b>7540</b>	<b>3700</b>	<b>25</b>	<b>50</b>
Regional Casino	<b>5570</b>	<b>4055</b>	<b>4055</b>	<b>11880</b>	<b>5785</b>	<b>25</b>	<b>50</b>
Bingo Club	<b>1475</b>	<b>820</b>	<b>820</b>	<b>2160</b>	<b>890</b>	<b>25</b>	<b>50</b>
Betting Premises (excluding Tracks)	<b>1245</b>	<b>820</b>	<b>820</b>	<b>2160</b>	<b>890</b>	<b>25</b>	<b>50</b>
Tracks	<b>1130</b>	<b>820</b>	<b>820</b>	<b>1690</b>	<b>890</b>	<b>25</b>	<b>50</b>
Family Entertainment Centres	<b>760</b>	<b>820</b>	<b>820</b>	<b>1690</b>	<b>735</b>	<b>25</b>	<b>50</b>
Adult Gaming Centre	<b>760</b>	<b>820</b>	<b>820</b>	<b>1690</b>	<b>890</b>	<b>25</b>	<b>25</b>
Temporary Use Notices	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>25</b>	<b>N/A</b>

Ashford Borough Council's Licensing Authority proposes the following fees as shown in bold type in the table above.

### **349 Proposed Sex Establishment Fees 2011/12**

The Licensing Manager introduced his report which reviewed sex establishment licence fees for the financial year 2011/12. He explained that this issue did not normally come before Members as in 1995 the Council's Environmental Health & General Purposes Committee had, when setting the fees, agreed the principle of amending the application fee annually in line with general inflation and in accordance with corporate licence fee review policies. This approach was endorsed by this Committee in 2003.

The Council had recently carried out a consultation about whether to adopt the relevant provisions of the Local Government (Miscellaneous Provisions) Act 1982, for the licensing of Sexual Entertainment Venues, such as lap dancing clubs. The Executive had considered this and it would be considered by the Full Council on 17<sup>th</sup> February 2011. It was proposed that the same fees as those for sex establishments,

such as sex shops were used for sexual entertainment venue applications as the work involved for the Officers was very similar.

The Committee was advised at the start of 2008 Ashford had three sex establishments; Fantasy World in Willesborough and the Private Shop and Pillow Talk in Ashford Town Centre. Currently Ashford had one sex establishment; Pillow Talk, which recently changed location, with no objections to its new licence.

While there are no “grandfather” rights for premises currently operating as sexual entertainment venues, for the one premises currently providing lap dancing entertainment, there had been no complaints regarding the premises since it started operating in 2006. It was therefore proposed that applications made between the first and second appointed day (which were limited to those premises operating at present), the reduced fee of £517 would be required.

The issue of Sexual Entertainment Venues had been an emotive one and had resulted in Kent Feminista asking the Council to adopt a nil limit of venues in the Borough. As the majority of responses had agreed with the proposal to consider each application on its merits, the policy had been recommended that no limits were placed on any particular locality.

**Recommended:**

**That the sex establishment licence fees as given below be approved and that subsequent fees be amended in line with general inflation and in accordance with corporate licence fee review policies.**

<b>Grant</b>	<b>£2,832.80</b>
<b>Transfer</b>	<b>£1,867.10</b>
<b>Renewal</b>	<b>£517</b>
<b>Applications made between the 1<sup>st</sup> and 2<sup>nd</sup> appointed day</b>	<b>£517</b>

## **350 Licensing Act – Changes to the Act**

The Licensing Manager advised the Committee that the Coalition Government had proposed changes to the Licensing Act and these changes were going through readings at Parliament. There were a number of potential impacts that these changes would have although these could not be confirmed as it was possible that changes may continue to be made throughout the Reading process. Training on the changes would take place as soon as was possible and the Committee would be updated as to the progression of the changes.

The Chairman requested that the Committee’s thanks to the Licensing Manager and the Licensing Team for all their hard work behind the scenes and ensuring that that the Licensing Process was smoothly run be noted in the minutes.

The Licensing Manager advised the Committee that Brian Smith, Licensing Officer (Enforcement), who worked closely with the Taxi Trade, would be retiring in March 2011. The Committee agreed to send a letter to Mr Smith thanking him for all of his hard work and to wish him well in his retirement.

KL  
LHSX1103

---

Queries concerning these minutes? Please contact Kirsty Liddell:  
Telephone: 01233 330499 Email: [kirsty.liddell@ashford.gov.uk](mailto:kirsty.liddell@ashford.gov.uk)  
Agendas, Reports and Minutes are available on: [www.ashford.gov.uk/committees](http://www.ashford.gov.uk/committees)

**Agenda Item No:** 4

**Report To:** LICENSING & HEALTH AND SAFETY  
COMMITTEE



**Date:** 9<sup>th</sup> January 2012

**Report Title:** REVIEW OF THE HACKNEY CARRIAGE AND  
PRIVATE HIRE DRIVER, VEHICLE AND  
OPERATOR FEES

**Report Author:** Licensing Manager

<b>Summary:</b>	The report recommends the proposed fees for the hackney carriage and private hire service for the financial year 2012/13.
-----------------	---

**Key Decision:** NO

**Affected Wards:** Not applicable

**Recommendations:** That the Licensing & Health and Safety Committee recommends to the Cabinet the hackney carriage and private hire vehicle, driver and operator licence fees structure as given in Appendix A.

**Policy Overview:** The process of reviewing the hackney carriage and private hire budget is essential to ensure that operational costs are recovered and that Council budgetary objectives are met.

**Financial Implications:** The annual review is necessary to ensure that fees are set at a level that will enable the authority to recover the costs associated with the service provision.

**Risk Assessment** Yes

**Equality Impact Assessment** The setting of fees in relation to this statutory function is not considered to cause any discrimination. The fees are set in accordance with Government guidance. The Council's hackney carriage and private hire licensing policy is subject to a separate Equality Impact Assessment.

**Other Material Implications:** Members should note generally that hackney carriage and private hire licences are considered possessions and therefore Article 1 to Protocol 1 of the Human Rights Act 1998, the peaceful enjoyment of possessions is relevant.

**Exemption Clauses:** Not applicable

**Background Papers:** None

**Contacts:** james.hann@ashford.gov.uk – Tel: 01233 330721

**Report Title: REVIEW OF THE HACKNEY CARRIAGE AND PRIVATE HIRE DRIVER, VEHICLE AND OPERATOR FEES**

**Purpose of the Report**

1. The report recommends the proposed fees for the hackney carriage and private hire service for the financial year 2011/12.

**Issue to be Decided**

2. Whether to recommend to the Cabinet the proposed hackney carriage and private hire vehicle, driver and operator licence fees at Appendix A as a basis for public consultation. The report recommends changes to some fee levels for 2011/12.

**Background**

3. Under Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 the Council is permitted to be self-financing as regards hackney carriage and private hire licensing.
4. Case law relating to fee levels in various licensing areas has agreed a general principle that licensing fees should not be used as a method of creating revenue. For example,
  - *R v Manchester C.C. ex parte King 1991* – established that local authorities may only charge reasonable fees for licences and not use them to raise revenue
  - *R v The Greater London Council ex parte The Rank Organisation 1985* - advised the total fee income should not exceed the cost of the licensing system.
5. In 2006/7 the fee structure was revised, due to the removal of the limitation on hackney carriage plates and the drivers paying the vehicle test costs direct to the MOT garage. This resulted in a fall in the combined driver and vehicle licensing costs from £432 to £317, a reduction of £115 in licence fees.
6. In 2007/8 and in 2008/9 the fees were increased by 3%, which was below the relevant rate of inflation. The fees for 2009/10, 2010/11 and 2011/12 were unchanged, due to an increase in the number of drivers, ensuring that inflationary costs were covered by increased income.
7. Licensed drivers and proprietors have up to four additional costs to pay in relation to the annual licensing process; Criminal Record Bureau checks (every three years and currently £42), Compliance Checks (two per year and currently £28) and Medicals (upon application, every five years at 45 years of age and every year for drivers over 60).

**Fees and Income**

8. On the basis of estimated expenditure for 2012/13 the following licence fee recommendations are presented to Members in Appendix A.
9. The Council is currently consulting on changes to the Taxi Policy and the proposed changes have implications for driver fee levels. The Council is proposing to issue licensed driver licences for up to 3 years, instead of a maximum of one year. A three year licensed driver application fee of £75 is therefore proposed. If the revised Taxi Policy is approved there will be a transition period of one year and some drivers will be required to apply for one year licences during this transition period. It is proposed that the one year driver's licence fee will remain at £49.
10. The current application fee for a new vehicle licence is £290 and the same fee is payable for a vehicle proprietor renewing their vehicle licence. As there is less administrative work involved in the renewal process, it is proposed to create a new lower fee of £270 for vehicle proprietors renewing their vehicle.
11. The licensing section receives over 50 applications per year to transfer vehicle licences, due to proprietors changing the vehicle during the period of the licence. Requests are often received with short notice and an analysis of the time taken and the costs of the materials used have resulted in a proposed increase in the transfer fee from £25 to £40. Small increases have been made to the cost of replacement badges to reflect the actual costs.
12. The revised Taxi Policy also seeks to allow operators to increase the number of vehicles they are licensed to operate during the duration of their Operators Licence and a fee for this increase is proposed.
13. There was a significant increase in support costs attributed to the hackney carriage and private hire budget for 2011/12, as some costs associated with delivery of the taxi licensing service were previously held in general expenditure codes (Environmental Services Management and Environmental Health Central Costs). However income has remained above budget and a surplus has been generated in previous years, so reduced income from applications fees can be accommodated within the taxi budget.

### **Risk Assessment**

14. The process of reviewing the hackney carriage and private hire budget is essential to ensure that operational costs are recovered and if no decision is taken, the Council budgetary objectives are unlikely to be met.
15. As noted above case law relating to fee levels in various licensing areas has agreed a general principle that licensing fees should not be used as a method of creating revenue and so setting a fee level that would result in an excess of revenue would leave the authority open to a prosecution.

### **Consultation**

16. It was hoped that the fees could be reduced for 2011/12 and the hackney carriage and private hire trade were informed of the proposal to either reduce or to maintain the fees at the current level at the Taxi Forum in November 2010. Fee levels were not changed in 2011/12 and it is believed granting driver licences for a maximum of three years, reducing the overall cost of

driver applications over a three year period and reducing the vehicle renewal application fee will be welcomed by members of the taxi trade.

17. The fee proposals have not been discussed with the taxi trade, but the Taxi Representatives will be invited to the Licensing and Health & Safety Committee Meeting, so that Members can hear their views.

### **Implications Assessment**

18. As previously stated the recommendation does not represent a key decision. The consideration assessment indicates low impact in terms of human rights, legal and staffing implications. The recommendation does not suggest a change in policy or a new approach to an issue.

### **Handling**

19. The recommendations of the Licensing Committee will be brought before the Cabinet on 9<sup>th</sup> February for recommendation to the Council on 16<sup>th</sup> February 2012.
20. If any changes are made to the current fees a Public Notice must be placed in the local press in accordance with Section 70 of the Local Government (Miscellaneous Provisions) Act 1976.
21. If no objections are received in response to the Public Notice placed in the Kentish Express the fee structure would be adopted from 1<sup>st</sup> April 2012.
22. If relevant objections are received in response to the Public Notice placed in the Kentish Express, these would be reported back to the Licensing and Health & Safety Committee in April 2012.

### **Conclusion**

23. The impact on income to the Council of these changes must be carefully monitored and annual reviews of fees must be continued to ensure that the service remains self-financing but avoids raising excessive revenue.
24. The reduction in fees has been achieved through a combination of the selected delimitation of hackney carriages, which has increased income and removed the necessity for further unmet demand surveys, careful monitoring of costs and an increase in the number of driver applications.

### **Portfolio Holder's Views**

25. The views of the Portfolio Holder will be reported at the meeting.

Contact:	James Hann
Email:	james.hann@ashford.gov.uk

**APPENDIX A: PROPOSED HACKNEY CARRIAGE AND PRIVATE HIRE LICENSING FEES 2012/13**

	<b>CURRENT FEES</b>	<b>PROPOSED FEES</b>
	<b>2011/12</b>	<b>2012/13</b>
Private Hire & Hackney Carriage Drivers Licence (for 1 year)	£49.00	£49.00
Private Hire & Hackney Carriage Drivers Licence (for 3 years)	N/A	£75.00
Additional driver's licence (adding a licence)	£16.00	£20.00
Hackney Carriage Knowledge Test & Re-test	£30.00	£30.00
Replacement badge	£15.00	£15.00
Vehicle Licence - New or Renewal (including vehicle plate) for 1 year	£290.00	£290.00 – New £270.00 - Renewal
Vehicle Plates or Brackets	£17.00	£20.00
Internal Vehicle Plate	£15.00	£15.00
Transfer of Vehicle Licence (including vehicle plate)	£25.00	£40.00
<i>Vehicle Inspection - Test Fee (set by contract)</i>	<i>max £32.00</i>	<i>Max £28.00</i>
<i>Vehicle Inspection - Missed Appointment (set by contract)</i>	<i>No charge</i>	<i>No charge</i>
Private Hire Operators Licence - New or Renewal (for 3 years)	1-3 vehicles : £73 4-10 vehicles : £310 11-20 vehicles : £620	1-3 vehicles : £73 4-10 vehicles : £310 11-20 vehicles : £620
To increase number of vehicles licensed during duration of Operators Licence		Differences between the categories (£237 & £310)
Replacement Licence	£16.00	£20.00
Transfer of any Licence (without plate or badge)	£16.00	£20.00
Fee for Returned (Bounced) Cheques	£16.00	£16.00

**Agenda Item No:** 5  
**Report To:** LICENSING & HEALTH AND SAFETY COMMITTEE  
**Date:** 9<sup>th</sup> January 2012  
**Report Title:** REVIEW OF THE HACKNEY CARRIAGE FARE SCALE  
**Report Author:** Licensing Manager



**Summary:** The report reviews the hackney carriage fare scale and recommends that an increase of 10p be made to the starting fare (drop rate) and an increase of 3% be made for 2012/13. This recommendation has been made following consultation with the taxi trade.

**Key Decision:** NO

**Affected Wards:** Anyone who uses a taxi will be affected and therefore there are indirect implications for all wards. There is also an effect on those who visit the Borough.

**Recommendations:** That the Licensing and Health & Safety Committee recommends to the Executive approval for the purpose of issuing a public notice the Hackney Carriage Fare shown at Appendix A.

**Policy Overview:** In February 2008 it was agreed by the Council that the hackney carriage fare scale would be reviewed annually. In setting this fare scale a balance needs to be struck between the legitimate aims of the hackney carriage trade to maintain profitability in the face of increasing costs, while protecting the public from excessive fares.

**Financial Implications:** Fares relate to the charges levied by the hackney carriage trade and as such have no financial impact on the Council.

**Risk Assessment** YES

**Equality Impact Assessment** The setting of fares in relation to this statutory function are not considered to cause any discrimination. The fees are set in accordance with Government guidance. The Council's hackney carriage and private hire licensing policy is subject to a separate Equality Impact Assessment.

**Other Material Implications:** There are no direct legal implications. The procedure for setting fares and public notice requirements are stipulated within Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. Members should note generally that hackney carriage and private hire licences are considered

possessions and therefore Article 1 to Protocol 1 of the Human Rights Act 1998, the peaceful enjoyment of possessions is relevant.

**Exemption Clauses:** Not applicable.

**Background Papers:** None

**Contacts:** james.hann@ashford.gov.uk – Tel: 01233 330721

**Report Title: REVIEW OF THE HACKNEY CARRIAGE FARE SCALE**

**Purpose of the Report**

1. The report reviews the hackney carriage fare scale and outlines the consultation with the trade on this issue.

**Issue to be Decided**

2. Whether to recommend to the Cabinet that the hackney carriage fare scale be increased through a 10p addition to the starting fare (drop rate) and an additional 3% increase be made to fares for 2012/13.

**Background**

3. In February 2008 the Council agreed the Licensing Policy for Hackney Carriages and Private Hire Vehicles which stated the hackney carriage (taxi) fare scale would be reviewed annually.
4. Members are reminded that the fares relate to the charges levied by the taxi trade as opposed to the fees that are essentially the licence charges levied by the Borough Council. It should also be remembered that the legislation governing taxi and private hire vehicles does not allow Councils to set fares for private hire vehicles. Private hire proprietors may charge what they wish, although customers should normally agree the fare beforehand.
5. It should also be noted that the tariff is the maximum fare that can be charged and discounts can be given should the proprietor wish. It is known that such discounts are applied within the Borough especially in the case of pre-booked longer journeys and for regular bookings.
6. Last year the proposal put to Members, following a consultation of the hackney carriage drivers and selected operators, was for a 3% increase in the fares and 20p increase in the drop (initial) rate. Members agreed the proposals and following a Public Notice the increase came into effect on 1<sup>st</sup> April 2011.

**Comparison with other areas**

7. A recently compiled league table of taxi fares in Kent indicates the majority of the other Kent Local Authority fares are currently higher than those set by Ashford. The following table shows the fares in effect across Kent as of December 2011. The areas are ranked on the basis of the 2 mile costs. The start-up or drop rate fare is also given.

REGION	INITIAL RATE	1 MILE	2 MILES	10 MILES
Sevenoaks	£3.80	£4.22	£6.32	£23.12
Tunbridge Wells	£3.80	£3.80	£6.20	£25.40
Dartford	£2.20	£4.00	£6.20	£27.00
Gravesham	£2.40	£4.10	£6.20	£23.00
Canterbury	£2.60	£4.20	£6.00	£20.40
Swale	£2.60	£4.17	£5.96	£20.27
Maidstone	£2.80	£3.95	£5.95	£21.95
Medway	£3.00			
Ashford	£2.60	£3.70	£5.80	£20.80
Dover	£3.00	£4.20	£5.70	£17.70
Tonbridge & Malling	£2.80	£3.40	£5.60	£23.20
Shepway	£2.80	£3.80	£5.40	£18.20
Thanet	£3.00	£3.80	£5.00	£16.20

Source: Consultation with Licensing Officers from other authorities in Kent (October - December 2011).

## Proposed Fares

8. The process of setting a fare increase is complex and a balance needs to be struck between the legitimate aims of the taxi trade to maintain profitability in the face of increasing costs, while protecting the public from excessive fares.
9. Fare increases are implemented by changing the mileage at which the fare increases e.g. the present tariff charges 20p/185.8 yards.
10. The 3% increase plus 10p on the start fare (drop rate) will equate to an initial fee of £2.70 and a two mile journey would cost approximately £5.90. This would still keep the fare below the average level for Kent. Full details of the proposed fares are in Appendix A.
11. The table below indicates the cost of a journey for various distances on the basis of the current (and proposed) fare scale as listed in Appendix A.

Distance	Current rate	Proposed rate
1 mile	£3.80	£3.90
2 mile	£5.80	£5.90
5 mile	£11.40	£11.70
10 mile	£20.80	£21.50

12. Petrol has fallen slightly during the latter part of 2011, although it remains within 3 pence per litre of the record high set in May 2011. Diesel remains similarly close to the all time high.

13. As of October 2011 the average price per litre of unleaded fuel for the South East was 135.3 pence with the UK average at 134.5 pence. Diesel for the South East was an average of 140.1 pence per litre and 139.6 pence for the UK.
14. This compares with average of 128.9 pence per litre of unleaded petrol (in the South East) in January 2011. The price per litre of diesel at this time was 133.1 pence for the South East. This represents an increase in price, from January 2011 to December 2012 in the South East, of 5% for unleaded fuel and 5.25% for diesel.
15. The Council's Ta xi Licensing Policy suggests that consideration should be given to the percentage by which the "National Average" of Tariff One and Tariff Two, 2 mile journey fares (as published in Private Hire & Taxi Monthly magazine) increased over the previous calendar year. However information from this source is no longer available.
16. The consumer prices index of inflation Consumer Price Indices stood at 5% in October 2011.
17. The last two years have seen the largest car insurance premium increases in history, indicated by an increase by over 40% between March 2010 and March 2011. The annual rise has now dropped to 16% for the 12 months ending September 2011, giving hope that the worst of the price hikes are over.
18. Premiums are likely to continue rising next year, but at a much more modest rate (Source: Simon Douglas, Director of AA Insurance).

### **Risk Assessment**

19. The Council's Taxi Licensing Policy states the Council will review fares on an annual basis. This report is the mechanism by which this is achieved.
20. Approval of a fare below the expectations of the hackney carriage trade may result in dissatisfaction. The setting of a fare much above the rate of inflation may result in complaints from members of the public.

### **Other Options Considered**

21. Other fare increases have been considered and consulted on but it is believed that the option proposed most effectively balances the taxi trade need to maintain profitability whilst protecting the public from excessive fares.
22. The other options are discussed below.

### **Consultation**

23. At the Taxi Forum in May 2008 members of the taxi trade discussed the mechanisms for consulting with the trade on the process of setting fares. It was agreed that the Licensing Team would, as part of the annual review of fares, issue a questionnaire to trade members and seek views on how they would like to see fares changed.
24. At the September 2011 Taxi Forum the options to be consulted on were discussed and subsequently a questionnaire was sent to hackney carriage

drivers and selected operators in November 2011 asking for their comments on a range of fare options.

25. Although an operator's licence is not required to receive bookings for hackney carriages, four of the private hire operators also operate hackney carriage vehicles and were asked to contribute to the survey.
26. Three start (drop rate) proposals were presented to the taxi trade. The results of this feedback can be seen in Appendix B, but in summary 42% supported no change to the drop rate and 44% of the respondents supported a 20p increase. Disappointingly only 18% of the drivers responded to the questionnaire, as opposed to 30% last year.
27. The responses were presented to members of the trade at a meeting of the Taxi Forum in November 2011.
28. The results were discussed and various options were considered by the members of the trade present at the Taxi Forum. Minutes are available on the Council's website. There was no majority of those present in favour of a percentage fare increase or a drop rate change.
29. There was some discussion at the November 2011 Taxi Forum about increasing maximum fares further than the suggestions sent out for consultation. For example it was suggested that the drop rate could be raised much higher in order to make short journeys more profitable. The trade members present were advised that there was a need to balance requests against what was reasonable for the public.

### **Implications Assessment**

30. As previously stated the recommendation does not represent a key decision. The consideration assessment indicates low impact in terms of human rights, the environment, legal and staffing implications.

### **Handling**

31. The fares approved by the Council must be advertised via a Public Notice in the local press in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. If relevant objections are received in response to this Notice a further report would be required.
32. The agreed fare scale will take effect on 1st April 2012.

### **Conclusion**

33. The 3% increase remains below the rate of inflation and the drop rate has only been increased by 20p since 2007. Members may wish to take the following into account:
  - The price of fuel has increased significantly during the last two years, as have car insurance premiums.
  - Fares in Ashford remain competitive with other fares in Kent.

- In 2009 an increase of 3% increase in maximum fares and no change in drop rate was agreed. In 2010, the Council decided on no increase. Last year there was a 3% increase in maximum fares and a 20p increase in the drop rate.
- No consensus was reached amongst the taxi trade on increases to drop rates or to percentage increases and the responses to the questionnaire was low.
- Members are asked to set maximum levels for fares, although drivers may charge less if they wish to.

### **Portfolio Holder's Views**

34. The views of the Portfolio Holder will be reported at the meeting.

Contact: Email:	James Hann <a href="mailto:james.hann@ashford.gov.uk">james.hann@ashford.gov.uk</a>
--------------------	--

## APPENDIX A: PROPOSED FARES FOR 2012/13

### FARES FOR DISTANCE OR TIME

£

#### Rate 1

If the distance does not exceed 709.1 yards, for the whole distance or for the first 222 seconds of waiting time

2.70

For each subsequent 180.4 yards or uncompleted part thereof

0.20

Or for each subsequent period of 57.2 seconds of waiting time or uncompleted part thereof

0.20

### SURCHARGES FOR CERTAIN TIMES AND DAYS:-

#### Rate 2

a) For each hire commenced between 12 midnight and 7 am

1½ x Rate 1

b) For each hire undertaken on **GOOD FRIDAY, EASTER MONDAY, MAY DAY, SPRING BANK HOLIDAY, SUMMER BANK HOLIDAY** or any other specifically declared Bank Holiday only.

1½ x Rate 1

#### Rate 3

c) For each hire undertaken on a **CHRISTMAS DAY, BOXING DAY** or **NEW YEARS DAY**

2 x Rate 1

Note: When the holiday charge (b) or (c) is payable the Night Charge (a) is **NOT** payable.

**Extras** - up to a maximum of £1.20

d) for each person (excluding infants in arms) carried in excess of two persons (two children under 10 years of age count as one person) irrespective of distance.

0.20

**Note: For the purposes of counting the number of persons that the vehicle is licensed to carry, children under 10 years of age should each be counted as a person. A babe in arms should not be counted as a person.**

e) for each article of luggage conveyed outside the passenger compartment of the carriage

0.05

f) for perambulators

0.05

g) for dogs

0.10

**APPENDIX B:  
2012/13 Fare Option Responses from hackney carriages drivers and operators**

20012/13 Fare Option Responses

<b>Drop</b>	<b>Total</b>	<b>Drop</b>	<b>Total</b>
£2.60 (current)	<b>15</b>	£2.60 (current)	<b>42%</b>
£2.70	<b>5</b>	£2.70	<b>14%</b>
£2.80	<b>16</b>	£2.80	<b>44%</b>
	<b>36</b>		<b>100%</b>

<b>Percentage Increase</b>	<b>Total</b>	<b>Percentage Increase</b>	<b>Total</b>
No change	<b>6</b>	No change	<b>16%</b>
3% increase	<b>16</b>	3% increase	<b>43%</b>
5% increase	<b>15</b>	5% increase	<b>41%</b>
	<b>37</b>		<b>100%</b>

1 respondent did not indicate a preference for the drop rate

**Agenda Item No:** 6

**Report To:** LICENSING AND HEALTH & SAFETY  
COMMITTEE



**Date:** 9<sup>th</sup> January 2012

**Report Title:** PROPOSED FEE LEVELS FOR 2012/13 FOR  
GAMBLING ACT 2005 RELATED APPLICATIONS

**Report Author:** Licensing Manager

<b>Summary:</b>	<b>The report proposes fees for premises licences and temporary use notices in connection with premises used for gambling for the financial year 2012/13.</b>
-----------------	---

**Key Decision:** NO

**Affected Wards:** Not applicable

**Recommendations:** That the Licensing and Health & Safety Committee recommends the fees used for gambling applications and notices as given in Appendix A to the Cabinet.

**Policy Overview:** The process of setting the fees for premises licence applications and temporary use notices for premises used for gambling is essential to ensure that operational costs are recovered and that Council budgetary objectives are met.

**Financial Implications:** The process of setting the fees is necessary to ensure that fees are set at a level that will enable the authority to recover the costs associated with the service provision.

**Risk Assessment** Yes

**Equality Impact Assessment** The setting of fees in relation to this statutory function are not considered to cause any discrimination. The fees are set in accordance with Government guidance and each gambling application is processed on its individual merits.

**Other Material Implications:** Members should note generally that premises licences and temporary use notices issued under the authority of the Gambling Act 2005 may be considered possessions and therefore Article 1 to Protocol 1 of the Human Rights Act 1998, the peaceful enjoyment of possessions, is relevant.

**Exemption Clauses:** Not applicable

**Background Papers:** None

**Contacts:** james.hann@ashford.gov.uk – Tel: 01233 330721

**Report Title: PROPOSED FEE LEVELS FOR 2012/13 FOR  
GAMBLING ACT 2005 RELATED APPLICATIONS**

**Purpose of the Report**

1. The report recommends the proposed fees for premises licence fees and temporary use notices for premises used for gambling for the financial year 2012/13.

**Issue to be Decided**

2. Whether to approve the fees in Appendix A for recommendation to the Cabinet.

**Background**

3. The Gambling Act 2005 Section 212 gives the Secretary of State power to make regulations prescribing the fees payable to the licensing authority. It also gives her the power to devolve to licensing authorities, in England and Wales, the freedom to set fees for premises licence applications, subject to any constraints she may prescribe. The Government decided that for England and Wales, licensing authorities will determine their own fees for gambling premises licences and temporary use notices but that the Secretary of State will prescribe the maximum fee payable for each category of licence.
4. After consulting widely and obtaining and considering information from licensing authorities and the gambling industry, the Department for Culture Media and Sport (DCMS) prescribed maximum fees for each type of premises and each type of application for which a fee is payable. The maximum levels have been included in Appendix A in brackets for comparison purposes and were set in 2005 and have not been changed.
5. Local authorities are able to set fees for premises licences from within fee bands prescribed by DCMS.
6. There will be an initial fee to cover the cost of application and an annual "maintenance" fee.
7. The DCMS asked Licensing Authorities to set fees to ensure full cost recovery and that the fee levels represent fairness and value for money for the gambling industry. All licensing authorities must set their fees upon a cost recovery basis only (Gambling Act Section 212 (2)(d)) and are required to review their fee levels on an annual basis to ensure this.
8. The DCMS believes this approach ensures fairness and value for money, while also allowing licensing authorities to fully recover the costs associated with premises licensing.
9. The table below indicates the income, expenditure and profit or deficit since the implementation of the Gambling Act 2005.

Year	Expenditure	Income	Outturn	
2007/8	£20,196	-£22,590	-£2,394	
2008/9	£24,673	-£22,590	£2,083	
2009/10	£12,394	-£15,575	-£3,181	
2010/11	£12,224	-£23,715	-£11,491	
2011/12	£25,620	-£15,130	£10,490	Expected outturn
2012/13	£15,335	-£15,330	£5	Budget for 2012/13

10. The income fluctuates depending on whether new applications are made for betting shops and adult gaming centres. No new premises applications are expected in 2012/13.
11. The expenditure is figures fluctuation is largely attributable to the amount of staff time allocated to gambling related process. Complicated applications, requests for information, policy preparation and staff changes have impacted on the staff time allocated to gambling related matters. Forecasts for 2012/13 reflect the reduced time allocated to gambling related matters.
12. It is proposed that no changes are made to the fees associated with gambling related applications for 2012/13. The level of fees as currently set will ensure full cost recovery.
13. On the DCMS's website all licensing authorities' fees are displayed and Ashford's fees sit in a mid range between those authorities looking to keep fees to a minimum and those that have set them at the maximum level.
14. The power to set fees is held by the Council, so it is appropriate that the Licensing, Health and Safety Committee recommend the fees to the Cabinet.
15. Fees must be set for all types of premises licences:
  - Casinos
  - Bingo
  - Betting (off-course)
  - Tracks (on-course betting)
  - Adult Gaming Centres
  - Family Entertainment Centres
16. The fees must be determined for the different classes of premises as set-out in the fees regulations (See Gambling Act 2005 Section 212(2)(b) and SI 2007 / 479 paragraph 3) and cannot be based, for example, upon premises size, rateable value, etc.

Fees must be set by each licensing authority for the following:

- Application for (new) premises licence
- Application to vary a premises licence
- Application to transfer the licence (Sections 188 and 189)
- Application for re-instatement of the premises licence (Sections 195 & 196)
- Application for a provisional statement

- Application for a premises licence for a premises which already has a provisional statement
- Fee to accompany a request for a copy of the premises licence (Sections 190)
- Fee to accompany a notification of change of circumstances (only relevant change is that of address - Section 186)

## **Fees and Income**

17. The fees have been calculated by examining how long is spent processing an application and who in the authority is likely to carry out the various processes. The hourly rates of staff, including on costs for various members of staff were provided by our finance section. Then these hourly rates are fed in to a spreadsheet produced by the DCMS to calculate costs for each type of activity. For each application the processes involved are identified and the costs of each process are calculated and entered in to the spreadsheet provided by the (previously named) Local Authorities Coordinators of Regulatory Services (LACORS), which produces an average cost for each type of application and an annual fee.
18. The type of tasks involved in a premises application for example, include, assistance to applicant (pre-application stage, include telephone advice, sending forms, etc), the checking of an application for completeness when received, checking all required documents are attached, processing the application fee, check, process, bank and reconcile payments, entering the information into our computer system including scanning if appropriate, contacting the applicant to clarify application or chase missing information if required, assess representations for relevance, undertake informal mediation, undertaking site visits where necessary, checking operating licence once issued, determining the licence, arranging a hearing, holding a hearing, notification of the decision, prepare and issue the licence, update the records/register (including the notification of Gambling Commission), appeal preparation and holding an appeal hearing.
19. Since the Gambling Act came into force, no hearings have been held in the Borough of Ashford, although considerable amount of time has gone in to the preparation for a hearing that was withdrawn at the last minute.
20. Under the Gambling Act 2005, the Licensing Authority are responsible for dealing with the following permits and registrations:
  - Unlicensed Family Entertainment Centre Gaming Machine Permits
  - Registration of small lottery licences
  - Club Gaming Permits
  - Club Gaming Machine Permits
  - Licensed Premises Gaming machine Permits
  - Prize Gaming Permits

Unlike premises licence fees, permit fees are prescribed by the Government and therefore licensing authorities have no discretion in this matter

## **Risk Assessment**

21. The process of setting the proposed fees for premises licence fees for premises used for gambling is essential to ensure that operational costs are recovered and if no decision is taken, the Council budgetary objectives are unlikely to be met.
22. If the gambling industry believes the authority's fees are at a level which is greater than the costs of the statutory functions then it would be open to them to undertake judicial review proceedings. Should this arise, the authority would need to evidence how it arrived at the fee levels to demonstrate that they have been calculated on a cost recovery basis only.
23. Case law relating to fee levels in various licensing areas has agreed a general principle that licensing fees should not be used as a method of creating revenue and so setting a fee level that would result in an excess of revenue would leave the authority open to legal challenge.

## **Consultation**

24. The fee structure was the subject of consultation when they were first set and no further consultation has taken place in light of the recommendation to hold fees stable.

## **Implications Assessment**

25. As previously stated the recommendation does not represent a key decision. The consideration assessment indicates low impact in terms of human rights, legal and staffing implications.

## **Handling**

26. The fees as recommended by the Licensing and Health & Safety Committee will be presented to the Cabinet on 9<sup>th</sup> February 2012 and the Full Council on 16<sup>th</sup> February 2012. This will allow the authority to publish and apply the fees by the 1<sup>st</sup> April 2012.

## **Conclusion**

27. The impact on income to the Council of these changes must be carefully monitored and annual reviews of fees must be continued to ensure that the service remains self-financing but avoids raising excessive revenue.

## **Portfolio Holder's Views**

28. The views of the Portfolio Holder will be reported at the meeting.

Contact:	James Hann
Email:	james.hann@ashford.gov.uk

## APPENDIX A: RECOMMENDED PREMISES LICENCE FEES FOR 2012/13

Premises Type	New Application (£)	Annual Fee (£)
New Small Casino	<b>6285</b> (8000)	<b>3575</b> (5000)
New Large Casino	<b>7540</b> (10000)	<b>7215</b> (10000)
Regional Casino	<b>11880</b> (15000)	<b>11140</b> (15000)
Bingo Club	<b>2160</b> (3500)	<b>670</b> (1000)
Betting Premises (excluding Tracks)	<b>2160</b> (3000)	<b>430</b> (600)
Tracks	<b>1690</b> (2500)	<b>670</b> (1000)
Family Entertainment Centres	<b>1690</b> (2000)	<b>580</b> (750)
Adult Gaming Centre	<b>1690</b> (2000)	<b>670</b> (1000)
Temporary Use Notices	<b>200</b> (500)	<b>N/A</b>

	Application to Vary	Application to Transfer	Application for Re-Instatement	Application for Provisional Statement	Licence Application (provisional Statement holders)	Copy Licence	Notification of Change
	£	£	£	£	£	£	£
New Small Casino	<b>2580</b> (4000)	<b>1500</b> (1800)	<b>1260</b> (1800)	<b>6285</b> (8000)	<b>2240</b> (3000)	<b>25</b> (25)	<b>50</b> (50)
New large Casino	<b>3410</b> (5000)	<b>1760</b> (2150)	<b>1985</b> (2150)	<b>7540</b> (10000)	<b>3700</b> (5000)	<b>25</b> (25)	<b>50</b> (50)
Regional Casino	<b>5570</b> (7500)	<b>4055</b> (6500)	<b>4055</b> (6500)	<b>11880</b> (15000)	<b>5785</b> (8000)	<b>25</b> (25)	<b>50</b> (50)
Bingo Club	<b>1475</b> (1750)	<b>820</b> (1200)	<b>820</b> (1200)	<b>2160</b> (3500)	<b>890</b> (1200)	<b>25</b> (25)	<b>50</b> (50)
Betting Premises (excluding Tracks)	<b>1245</b> (1500)	<b>820</b> (1200)	<b>820</b> (1200)	<b>2160</b> (3000)	<b>890</b> (1200)	<b>25</b> (25)	<b>50</b> (50)
Tracks	<b>1130</b> (1250)	<b>820</b> (950)	<b>820</b> (950)	<b>1690</b> (2500)	<b>890</b> (950)	<b>25</b> (25)	<b>50</b> (50)
Family Entertainment Centres	<b>760</b> (1000)	<b>820</b> (950)	<b>820</b> (950)	<b>1690</b> (2000)	<b>735</b> (950)	<b>25</b> (25)	<b>50</b> (50)
Adult Gaming Centre	<b>760</b> (1000)	<b>820</b> (1200)	<b>820</b> (1200)	<b>1690</b> (2000)	<b>890</b> (1200)	<b>25</b> (25)	<b>25</b> (25)
Temporary Use Notices	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>25</b> (25)	<b>N/A</b>

Ashford Borough Council's Licensing Authority proposes the following fees as shown in bold type in the table above. For ease of reference the maximum fees identified by DCMS that could be charged are shown in brackets.