



# Buckinghamshire Council

## Licensing Committee

### Minutes

**MINUTES OF THE MEETING OF THE LICENSING COMMITTEE HELD ON TUESDAY 11 APRIL 2023 IN THE OCULUS, BUCKINGHAMSHIRE COUNCIL, GATEHOUSE ROAD, AYLESBURY HP19 8FF, COMMENCING AT 6.30 PM AND CONCLUDING AT 7.55 PM**

#### MEMBERS PRESENT

D Barnes, J Baum, N Southworth, B Stanier Bt, G Wadhwa, H Wallace and A Wood

#### Agenda Item

##### **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs Andrea Baughan, Tony Green, Caroline Jones, Nabeela Rana, Jonathan Rush, Derek Town and Jocelyn Towns.

The Chairman welcomed Cllr Andrea Baughan, in her absence, who had recently joined the Committee to replace Cllr David Watson.

##### **2 DECLARATIONS OF INTEREST**

There were no declarations of interest.

##### **3 MINUTES OF THE PREVIOUS MEETING**

The Minutes of the Meeting held on 1 February 2023 were agreed as a correct record.

##### **4 TAXI AND PRIVATE HIRE LICENSING FEES AND CHARGES**

The Committee received a report on Taxi and Private Hire Licensing Fees and Charges. The report sought the approval of proposed fee levels, attached at Appendix A of the report, following the full consultation process, including required statutory advertising. If approved, the proposed fees and charges would take effect on the 24 April 2023.

Taxi and private hire licensing fees could only be set at levels to recover such costs as were prescribed in law. The Council could not make a profit from licence fees and any shortfall in revenue, if not met by licence fee payers, must be borne by the Council as a whole. In practice, this meant that the costs of the Service should ideally be covered entirely by taxi licensing fee income into the Council. Any surplus or deficit must be carried forward and form part of any subsequent review of fees.

Taxi and private hire fees and charges were last approved in July 2021 as part of the implementation of a new Taxi and Private Hire Licensing Policy for Buckinghamshire, which came into effect in September 2021. The Licensing Service also went through the Better Buckinghamshire programme in 2021 and new structures for a harmonised Licensing Service,

organised by specialism rather than geographical location, came into effect from the 1 September 2021. This created a single taxi and private hire licensing service serving the whole of Buckinghamshire and operating under the new Policy.

Since September 2021, the Taxi Licensing service had delivered Policy changes, as well as improvements in systems and processes, which had required significant resource to deliver. The service had also moved to a single back-office system and redesigned the way that the service was provided. Having undertaken significant implementation and improvement work, the service was now stable and operating in a business as usual fashion.

The changes had included implementation of the Department for Transport (DfT) Statutory Taxi and Private Hire Vehicle Standards, which were introduced in July 2020 and aimed to protect children and vulnerable adults from exploitation. The Statutory Standards introduced significant additional requirements for local authorities carrying out taxi and private hire licensing functions. Government was clear at the time of introduction that it was anticipated that local authorities would seek to cover the costs of these additional requirements from driver licence fees.

Following a full budget review of the taxi and private hire licensing service between September and December 2022, the Committee received a report on the budget position for taxi and private hire licensing at the meeting of the 1 February 2023. This report advised that the 2022/23 end of year forecast budget position was an overspend position of £100k. Vacancies within the service had been proactively managed over several months relative to the ongoing budget forecast position and as a result there was a 13.5% forecast underspend on employee costs over the 2022/23 period of £131k. However, application income into the services was 19.8% lower than anticipated and therefore the underspend on employee costs did not fully mitigate this budget impact. Additionally, running costs had increased by 28.2% over this period, in part reflecting increased supplier costs.

The taxi licensing service had recently undertaken formal consultation with staff within the service on structural changes which would reduce salary overheads by £146K. The new structure would be implemented from the 1 May 2023. Whilst these savings would assist in returning the service to a cost neutral position, the need to increase fee income into the service remained.

The Council could not make a profit from licence fees and any surplus or deficit should be carried forward and recovered from the licensed trade over a rolling 3-year period. This meant that the £100k overspend at year end for 2022/23 should be recovered across the next 3-year period and the review of fees and charges had incorporated this requirement.

In order to ensure and sustain a cost neutral budget position, where cost recovery adequately funds the service, a combination of measures was required. This included reducing overheads within the taxi and private hire licensing service as far as was possible to reflect current demand levels (this had been primarily addressed through a reduction in headcount within the service) and increasing fees and charges to the licensed trade. Whilst the Service was very mindful of the impacts of an increase in fee levels to the licensed trade, it was being proposed that fees should increase to cover the costs of the service, or costs would be borne by the taxpayer.

At the meeting of the 1 February 2023, the Committee agreed to approve the proposed fees and charges for statutory advertisement and consultation. Since that meeting the fees and charges had been advertised in a newspaper within the Council area, as required by the legislation. All licence holders were contacted by email, as well as via the regular Taxi and Private Hire Licensing Newsletter which was sent to all licence holders. The Council also engaged with representatives of the taxi and private hire trades, including the Licensed Private Hire Car

Association (LPHCA), on the consultation via the Taxi Working Group as part of a scheduled meeting. The consultation was promoted to wider stakeholders, including the travelling public, via the Council's Facebook pages. The consultation ended on the 15 March 2023 and 210 responses were received. 199 of these were received via the online survey and 10 were received via email. A written response was also received from the LPHCA and was provided at Appendix D of the report. These had been incorporated into the consultation analysis, which was provided at Appendix E of the report.

The majority of respondents to the survey (67%) were members of the taxi and private hire trade or trade representatives. 33% of respondents were not members or representatives of the licensed trade. The majority of all respondents lived and/or worked in Buckinghamshire. When asked whether they agreed with or objected to the proposed fees, 88% of respondents objected. When considered by respondent type, 96% of taxi and private hire licence holder respondents objected to the proposed fees, with the cost-of-living crisis (54%) given within free text comments as the most common reason for objecting. 72% of non-licence holders objected to the proposed fees with consumer impact (13%) given within free text comments as the most common reason for objecting.

Respondents were asked whether they thought it was acceptable for the costs of the taxi and private hire licensing service to be paid for by the taxpayer if fee income did not cover the costs of providing the service. A small majority (53%) of respondents said it was not acceptable for the costs of the service to be borne by the taxpayer. When this was considered by respondent type, 76% of non-licence holder respondents felt it was unacceptable. 58% of taxi and private hire licence holder and trade representative respondents felt that it was acceptable that the taxpayer should pay for the costs of the taxi and private hire licensing service.

Overall, the results of the consultation were as expected and were not surprising given the current economic situation and inflationary climate. However, unless the costs of the taxi and private hire licensing service were to be borne by the wider taxpayer, the costs of the taxi and private hire licensing service should be covered entirely by taxi licensing fee income into the Council.

A benchmarking exercise was carried out of current fee levels charged by neighbouring local authority areas (12) and this was attached at Appendix B of the report. A comparison of the proposed fees against the current average fee charged across the neighbouring local authorities was attached at Appendix C of the report. The proposed fees compared reasonably with the average fees charged by neighbouring authorities and remained cheaper than some. When considering affordability in the case of driver and operator licences, the licence duration periods (3 and 5 year respectively) were also relevant in terms of the cost per annum for the licence and associated activity carried out by the Council.

The Council was awaiting the imminent publication of the updated version of the Department for Transport's "Taxi and private hire vehicle licensing: best practice guidance", which would inform the review of the Council's current taxi and private hire policy requirements and likely result in consultation on changes to policy, that could positively impact the licensed trade in the longer term.

A short form equalities impact assessment, attached at Appendix F of the report, was undertaken in January 2023 and accompanied this fees and charges review.

If approved as proposed (without modification), the fees would take effect across the whole Council area on 24 April 2023. Fees must be brought into effect on or before 15 May 2023. Taxi Licensing fees and charges would continue to be reviewed annually and further reports would

be provided to this committee following review.

Members were invited to ask questions of officers. In response to a question regarding what the budget was for 2023/24 and how this compared to 2022/23, officers advised that the forecast expenditure was around £900k for the next financial year. Officers agreed to report back to Committee on the exact figure. Following a query regarding the reduction of salary overheads, officers explained that the taxi and private hire licensing service had recently formally consulted with staff on structural changes, which had resulted in a permanent reduction in 3.7 full time equivalent posts (to be implemented from 1 May 2023) and savings of £146k. The Committee were advised that the fees, which were being proposed, had taken into account this saving. Whilst these savings would assist in returning the service to a cost neutral position, there remained an overspend of £100k, which would need to be recovered over a three-year cycle period of licence fees.

In response to a question regarding whether there were any other further savings which could be made, officers explained that that the majority of the costs of the service were staffing overheads and that any further reduction in headcount based on current demand levels would impact the ability of the service to process applications in a timely manner and would also impact the level of robust enforcement activity that could be carried out by the service which underpins the Taxi and Private Hire Licensing Policy and protects and promotes public safety. In response to a question, officers agreed to report back to the Committee as to how much was spent on enforcement in the last financial year and what percentage of costs this equated to.

A Member questioned whether further savings could be made by extending the amount of time which the Council had to process a valid application by. In response, officers explained that the taxi and private hire licensing service aimed to process all valid driver and vehicle licence applications within 10 days of a valid application received (with all supporting documents). Officers explained that, in their experience, an extension of the 10 working day deadline would cause an increase in service demand as applicants would be calling to find out what was happening with their application. A delay longer than 10 working days might also cause financial hardship for the applicant. As part of the consultation, licence holder respondents were asked how important it was that applications were processed within 10 days. 90% of respondents to this question said that this was extremely or very important to them, with only 2% of respondents stating that this was unimportant.

In response to a question regarding the reduction in application income due to the decline in the number of applications received by the Council, officers explained that there were two key factors that were likely to have impacted the level of application income into the service since September 2021. The Department for Transport (DfT) Taxi and private hire vehicle statistics: England 2022 showed that nationally the number of licensed drivers had fallen by 9.4%, most likely as a result of the 2020 Covid-19 pandemic and drivers ceasing to drive and moving to other forms of employment. It was likely that the licences of some drivers who stopped driving as a result of the pandemic might only be expiring now as they were issued for a 3-year period. Therefore, driver numbers might start to increase over the next 12 months. In comparison, wider economic recovery could be seen more quickly in vehicle licence than in driver licence levels, as whilst nationally licenced vehicle numbers also fell by 15.9% in 2021, they did increase slightly in 2022 which reflected the shorter 1-year duration period. The other key factor, that was likely to have impacted the level of income received, was that prior to the formation of Buckinghamshire Council on the 1 April 2020, drivers and operators who wanted to work across more than one of the legacy district council areas would have needed to have held a licence with each of the legacy councils to legally do so. As a consequence of resolutions passed by the Council in April 2021, which created a single administrative area for taxi and private hire

licensing purposes, since 6th September 2021 only one licence was required for the respective activities of operator, vehicle and driver. Driver licences were issued for a 3- year period and operator licences for a 5-year period and therefore, where multiple licences were held, the licenceholder was able to let older licences lapse and work under the newest licence issued, up to its expiry date. Prior to the harmonisation of the taxi licensing service in September 2021 data was held in 3 different and separate legacy back-office systems. As a result, it was not possible to match datasets in a meaningful way to assess the likely impact of multiple licence holders, but it was considered that this had been a relevant factor in the reduction in income into the service.

It was noted that the service had carried out a lot of work since becoming a single taxi and private hire licensing service serving the whole of Buckinghamshire to make the application process as simple and efficient as possible for applicants. The service's webpages had been updated and there were online applications for all the service's processes. Licence holders were sent regular automatic reminders in advance of their licence expiry date to help them prepare for their pending renewal application. Drivers received notifications at 90, 60 and 30 days prior to expiry and were reminded to attend safeguard training, obtain up to date medicals and DBS certificates and book their English language assessment, if required. Applicants could upload all their documentation online onto the portal, were able to check the status of their application and receive status updates. The service was also considering running workshops for larger operators which have staff in their operating offices/bases who were struggling to submit valid applications. The service had also worked hard to engage with the taxi trade through the taxi working groups and regular newsletters to the trade. In response to a question regarding how long an application could be submitted before a licence expired, officers advised that it was three months for a driver application and one month for a vehicle application.

With regards to the benchmarking exercise which was carried out of current fee levels charged by neighbouring local authority areas, a Member enquired as to why the proposed fees for 5 year licenses seemed to be quite a bit more than other neighbouring local authority areas were charging. In response, officers advised that it did depend on the size of the operator in terms of the difference between the proposed fee and what a neighbouring authority were charging, for example Milton Keynes were charging more than the proposed fees. Since the introduction of the new Council's new Taxi and Private Hire Licensing Policy, the activity undertaken around operator licences had increased significantly. As a result of the new Policy, operator applications were subject to more scrutiny and vetting with a far higher degree of consistency than was the case across the legacy areas. This included more thorough DBS checks on applicants, including all company directors, greater scrutiny of staff working within the private hire company including DBS checks and employment policies to ensure suitability, review of lease arrangements for vehicles and background checks with other local authorities and partners, such as the Police and fraud investigation teams. This also included greater frequency of engagement and enforcement with operators to ensure that Policy requirements were understood and applied. This included an initial inspection on first application followed by an annual review/visit. It was not known if this approach was comparable to how the other authorities conduct their operator licensing regime, but this could be why the proposed fees were higher when compared to some of the other neighbouring authorities.

Following a query, officers explained that it was about a 50/50 split between drivers who work for themselves and drivers who work for a secondary operator. When asked if this had changed recently, officers advised that it had been a 50/50 split for some time. There were in the region of 50 operators delivering home to school contracts for the Council. These tended to be bigger operators of 10-50 vehicles.

In response to a question on the impact of Uber on the business of local drivers and operators, officers advised that whilst there were no Uber operators licenced in Buckinghamshire, there was likely to be some impact from Uber where Buckinghamshire borders the London authorities where it was widely used.

In the discussion which followed, a Member expressed concern that an increase in fees could result in a loss of drivers if they were not able to make enough money to continue in the profession. This would then have a negative impact on residents who rely on taxis, especially those who live in more remote areas of Buckinghamshire in areas with not very good public transport links. The Member questioned whether it would be better to just increase the fees for larger operators, who would be able to shoulder more of the cost.

Another Member also expressed concern with increasing the fees and the impact this would have on the trade. The Member commented that taxis and private hire vehicles provide a service to the public and therefore the taxpayer should help pay for the service. The Member referred to the 2022/23 budget and how it had not accurately taken account of the reduction in income due to the impact of multiple licence holders.

In response to these concerns, another Member commented that due to the need for the service to be cost neutral, the only alternative to increasing the fees would be for the cost of the taxi and private hire licensing service to be paid for by the taxpayer, which was something the Member did not agree with. Two further Members agreed with this and stated that residents should not be expected to bear the cost of the service, especially given the cost-of-living crisis. A Member drew attention to the fact that there had been a national decline in the number of driver applications and vehicle applications due to Covid 19, which had impacted application income. Reference was made to the fact that the fees and charges would be reviewed after a year to ensure that the fees and charges were set at an appropriate level and that any adjustments required could be considered if necessary.

Following a suggestion, the Chairman requested that future reports should have more of a breakdown of the fees and charges so that licence holders could have a great understanding of what their fees were being spent on. A suggestion was also made that future communications around fees to licence holders should explain how fees were being spent.

On a vote being taken the recommendation was proposed by Cllr Wood and seconded by Cllr Baum and:-

**RESOLVED that the proposed fees and charges set out at Appendix A of the report be agreed. The new fees and charges to take effect on 24 April 2023.**

## **5 BUCKINGHAMSHIRE COUNCIL DRAFT ANIMAL LICENSING POLICY**

The licensing of animal related activities was complex and was governed by highly prescriptive statutory provisions and comprehensive statutory and non-statutory guidance. In accordance with the Animal Welfare Act 2006, Buckinghamshire Council, in its role as Licensing Authority, was responsible for licensing operators of businesses carrying out prescribed activities involving animals. In addition, the Council was also responsible for licensing keepers of animals, that were defined as dangerous wild animals and for the licensing of zoos.

There was currently no animal licensing policy, covering the Buckinghamshire Council area. Whilst there was no statutory requirement for a policy under any of the legislation relating to these types of licence, it was considered appropriate to produce a single policy which sets out a clear and consistent framework for the Council's approach to animal licensing. The adoption of a policy supported the Council's commitment to transparency, fairness and openness when

determining applications and ensuring compliance with the relevant legislation.

The draft Animal Licensing Policy, attached at Appendix 1 of the report, provided guidance on the various application processes, a brief overview of relevant legislation and links to statutory guidance. The legislation and regulations under which animal licences were issued required the Council to determine, among other factors, whether the applicant was suitable or in the case of The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 “fit and proper” to hold a licence. Whilst there was no legal definition of “fit and proper” in the regulations, the Policy provided an opportunity to outline matters which the Council would take into consideration when deciding if someone was suitable to hold a licence.

As well as the need to comply with the different statutory licensing requirements, it was of public interest to ensure the general safety and wellbeing of animals, those responsible for them and members of the public who might come into contact with them. The adoption of a Policy would also give the Council an opportunity to set out its expectations around safeguarding for operators of businesses whose activities take place around children and vulnerable persons.

If approved by the Committee and subject to any suggested amendments, the draft Animal Licensing Policy would undergo a six-week public consultation process with all relevant stakeholders being notified, including affected licence holders, Ward, Town and Parish Councillors, Community Boards, Thames Valley Police, Veterinary inspectors and Local Government Animal Welfare Group.

Following the consultation process, a further report would be presented to this Committee providing full details of any comments received and amendments proposed as a result.

Members were invited to ask questions of officers. In response to a question regarding how many officers were involved with the licensing of animal related activities and whether the license fees covered the staffing costs, officers advised that there were 2.5 full time equivalent animal officer posts and that the fees had been set to cover the costs of these posts. It was noted that the licensing of animal related activities was a very specific area of licensing, which required a professional qualification to deliver it.

It was noted that whilst fees were generally subject to a full review every 3 years, taking account of the recent harmonisation of the animal licensing work activities of Buckinghamshire Council and anticipated review of the LAIA Regulations at the end of 2023, the fees would initially be reviewed annually to comply with standards of fee setting. In response to a question, officers advised that following next year’s full review, it would be for the Committee to decide as to when the next full review should be.

The Committee welcomed the creation of a single policy which sets out a clear and consistent framework for the Council’s approach to animal licensing.

On a vote being taken the recommendation was proposed by Cllr Barnes and seconded by Cllr Wadhwa and: -

**RESOLVED that the draft Animal Licensing Policy set out at Appendix 1 of the report be approved for consultation with relevant stakeholders.**

## **6 DATE OF NEXT MEETING**

It was noted that the date of the next meeting was Wednesday 17 May 2023 for the Election of Chairman and Wednesday 14 June 2023 to transact business.