

ANGUS COUNCIL

CIVIC LICENSING COMMITTEE – 14 SEPTEMBER 2023

TAXI AND PRIVATE HIRE LICENCES

REPORT BY DIRECTOR OF LEGAL, GOVERNANCE AND CHANGE

ABSTRACT

The purpose of this report is to present to the Committee financial information for the period 2022/2023 and estimated budget for 2023/2024 in relation to the income and expenditure in respect of taxis and private hire driver and operator licences and to, thereafter, determine the fees to be applied to taxi and private hire driver and operator licences with effect from 1 September 2023.

1. RECOMMENDATIONS

It is recommended that the Committee: -

- (i) notes the legal obligations incumbent upon the Council in relation to fees in respect of taxi and private hire driver and operator licences;
- (ii) notes the actual 2022/2023 and estimated budget 2023/2024, income received and expenditure incurred in respect of taxi and private hire driver and operator licences as contained in **Appendix 1** to this report;
- (iii) agrees to make no change to the fees to be charged in respect of taxi and private hire operator and driver licences in respect of the period 1 September 2023 to 31 August 2024; and
- (iv) notes that the fees in respect of taxi and private hire licences will be reviewed following the end of financial year 2023/2024 with a view to setting fees to be applied with effect from 1 September 2024.

2. BACKGROUND

- 2.1 Angus Council is the licensing authority for the local government area of Angus in terms of the Civic Government (Scotland) Act 1982 ("the Act"). The Act provides that the licensing authority may resolve to require that certain activities shall require to be licensed. Committee will be aware that the Council has resolved that a number of activities be licensed and that amongst these activities are taxi and private hire operators and taxi and private hire drivers.
- 2.2 Section 12 of the Act provides that a licensing authority shall charge such fees in respect of taxi and private hire car licences and applications for such licences as may be resolved by them from time to time and shall seek to ensure that the total amount of such fees is sufficient to meet the expenses incurred by them in carrying out their functions in relation to taxi and private hire car licences (with the exception of appointing taxi stances).
- 2.3 This means that the licensing authority is required to seek to ensure that the total amount of fees meet the expenses incurred by them in respect of administering licences in relation to taxi and private hire operators and taxi and private hire drivers. Members of the Committee will appreciate the challenges of trying to exactly match projected costs and incomes from these licensing activities.

2.4 Reports in respect of the fees for taxi and private hire driver and operator licences were considered by this Committee at their meetings on 8 August 2019 and 31 October 2019 (Reports 257/19 and 356/19 refer respectively). The Committee, at its meeting on 31 October 2019, having considered the terms of Report 356/19 agreed (**relevant extract only**): -

- (i) to note the legal obligations incumbent upon the Council in relation to fees in respect of taxi and private hire driver and operator licences;
- (ii) that the fees charged by the Council in relation to taxi and private hire driver and operator licences be set annually in September each year starting from 1 September 2020 and be based on:-
 - (a) the income received in the previous financial year;
 - (b) the cost incurred by the Council in administering taxi and private hire driver and vehicle licences;
 - (c) a reasonable and justified contingency of the estimated costs of administering taxi and private hire driver and vehicle licences taking account of the actual income and expenditure in any given year against the budgeted figures; and
 - (d) the legal obligations incumbent upon the Council in relation to fees in terms of the Civic Government (Scotland) Act 1982.
- (iii) to note that in setting future fees the Committee would be provided with a budget estimate of income and expenditure to ensure full transparency.

3. REPORT

- 3.1 **Appendix 1** to this report contains the actual income and expenditure in respect of the financial year 2022/2023 and the estimated budget 2023/2024 in respect of taxi and private hire driver and operator licences.
- 3.2 The estimated budget deficit for 2023/2024 is £1,361 after allowing for an appropriate inflationary uplift, compared to 2022/23 and assuming fee income is the same as that actually received in 2022/23. Deficits also arose in financial years 2019/20 and 2020/21.
- 3.4 The results for 2022/2023 show a budget surplus of £6,461. Given the forecasted deficit position for 2023/2024, it is considered prudent to retain such 2022/2023 surplus as a potential offset contingency (as per above agreed policy paragraph 2.4), until a more settled income and expenditure Licensing trend can be established for the years following the Pandemic.
- 3.5 Members should note the following annual results for taxi and private hire driver and operator licences have occurred:

2019/20	deficit	£13,084
2020/21	deficit	£13,711
2021/22	surplus	(£6,605)
2022/23	surplus	(£6,461)

Net deficit 4-year period	£13,729
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- 3.6 Therefore, and having regard to all of the above, it is recommended that the Committee agrees to apply no change to the current fees charged in respect of taxi and private hire vehicle and operator licences from 1st September 2023. In addition, the level of fees will be reviewed following the end of financial year 2023/2024 with a view to setting fees to be applied with effect from 1 September 2024.

4. LEGAL IMPLICATIONS

- 4.1 The legal implications are contained in the body of this report.

5. FINANCIAL IMPLICATIONS

- 5.1 The financial implications are contained in the body of this report.

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