

Crawley Borough Council

Minutes of Licensing Committee

Thursday, 19 October 2023 at 7.00 pm

Councillors Present:

I Ashraf (Chair)

T G Belben, B J Burgess, D Crow, J Hart, I T Irvine, K L Jaggard, M G Jones, Y Khan,
K McCarthy, A Nawaz, B Noyce and D M Peck

Officers Present:

Georgina Bouette	Head of Community Services
Michael Leonard	Finance Business Partner
Carolin Martlew	Head of Corporate Finance
Kareen Plympton	Team Leader - Health, Safety and Licensing
Jess Tamplin	Democratic Services Officer
Astrid Williams	Senior Lawyer (Solicitor)

Apologies for Absence:

Councillors Z Ali and M L Ayling

1. Disclosures of Interest

No disclosures of interests were made.

Councillor Irvine declared he had been lobbied on matters relating to agenda item 5 (minute 4) – Proposed Fees and Charges for 2023: Hackney Carriage and Private Hire Licensing Regime (Update Report).

2. Minutes

A Committee member raised a query regarding minute 5 (page 8) of the minutes of the previous meeting and asked for clarification on the percentage of fee increases made in 2022 and 2023. Officers confirmed that the figures set out in the minutes were correct.

The minutes of the meeting of the Licensing Committee held on 12 September 2023 were approved as a correct record and signed by the Chair.

3. Public Question Time

The Chair invited members of the public to speak as part of Public Question Time.

Nick Venes, a representative from the private hire industry, addressed the Committee and asked a question summarised as follows:

The taxi licensing system is draconian and the service penalises drivers too harshly – many licensed drivers have left Crawley to work in other areas for this reason. An increase to the fees was already made this year, which averaged out at a 2.5% annual increase for the past two years. The figures given in the report are not very clear and there seem to be errors in the calculation of the initial application fee in Table 2. It includes a £15 fee for a 'street listing pack' – what is this? Is the fee compulsory, and can the pack not be issued online so the fee doesn't have to be charged? Also, increasing the fees chargeable for electric vehicles will not incentivise licensed drivers to 'go green' by switching to an electric car.

The Chair requested that the Health, Safety and Licensing Team Leader provide a response. It was confirmed that the street listing pack was created following requests from applicants but would be optional, and no fee would be charged if an applicant did not want to receive it. The information within the pack was not owned by Crawley Borough Council so could not be distributed freely online. It was also clarified that the fees for electric vehicles were being increased to come into line with those of other vehicles as the administrative costs were no lower for electric vehicles.

Nick Venes asked a supplementary question summarised as follows:

The figures in Table 2 do not seem accurate. If subject to a 10% increase, the initial application figure of £147.90 should be increased by £14.79 to £162.29, but this is listed in the table as £173.89, which is actually a 17.5% increase. Please can those figures be broken down?

In response, the Health, Safety and Licensing Team Leader and the Head of Corporate Finance explained that the initial application fee was made up of a number of individual charges, some of which were proposed to be subject to the 10% increase and some of which were subject to no increase. The total figure was also altered by the addition of the £15 fee for the street listing pack, which was a new charge and so was not accounted for in the current 2023/24 figures. For these two reasons it would not give an accurate figure to apply a flat 10% increase to the total initial application fee. It was also clarified that not all of the individual charges would be relevant to all applicants and each would be considered on a case by case basis.

4. Proposed Fees and Charges for 2023: Hackney Carriage and Private Hire Licensing Regime (Update Report)

The Committee considered report [HCS/067](#). The Head of Community Services presented the report, which provided an update on the hackney carriage and private hire licensing fees item previously considered by the Licensing Committee on 12 September 2023, and sought to increase the fees charged by the service. The Committee had agreed that the item be deferred to a later date to enable officers to provide further information on some of the matters raised as part of its discussion.

Report HCS/067 provided clarification regarding previous increases to the fees, the statutory consultation period, the number of licensed drivers in Crawley, and the accuracy of the figures set out in the report, which were confirmed to be correct. It was heard that, since the previous meeting, the Council's Finance team had undertaken a budget setting review which had led to a change in the central service

recharges allocated to the hackney carriage and private hire licensing service. The recommendation in the report had been revised to propose a 10% increase in the fees.

The Committee then discussed the matter. Thanks were conveyed to officers for providing clarity on the matters raised at the previous meeting. In general, the Committee felt that the information was presented more clearly and was informative. Some Committee members queried the figures set out in revised table 1 and table 2 in the report and asked for clarification on why those figures did not match. The finance officers explained that the estimated figures for income from hackney carriage and private hire fees in 2023/24 and 2024/25 were based on the actual number of active licences (in order to provide the most accurate projections), whereas the estimated figures for 2025/25 and 2026/27 were based on the average number of active licences at any one time (as the actual number was difficult to predict so far in advance). It was also highlighted that not all drivers will pay all fees each year, for example due to differing licence durations which could be one, two or three years.

It was recognised that it was important to ensure the taxi licensing service ran at a cost-neutral position but that there had been a significant deficit for some time. Committee members heard that the service was being subsidised by other parts of the Council's budget and that the source of this funding was the Council tax payer, about which some Committee members expressed concerns. As per the Committee's previous request, the report set out the percentage by which fees would need to be increased to achieve cost-neutrality in the service, which was estimated at 18% for 2024/25 alone. The Committee agreed that this level of increase would be unpalatable. Several Committee members expressed regret that the fees were to be increased, but agreed that doing so was a necessity.

Committee members sought an explanation for the timing of the proposed fee increase, particularly as the data showed the service had been running on a deficit for a number of years. The Health, Safety and Licensing Team Leader explained that there had been concerns regarding the budget for some time, but these had been exacerbated by the effects of the Coronavirus pandemic. The Council had provided significant support to licensed drivers throughout, including an extension to the age limit of licensed vehicles and the provision of business grants, which had come at significant cost to the taxi service and the Council more widely. A recent review of the service's budget showed that the current position was unsustainable.

Some Committee members expressed support for the borough's licensed drivers and noted that the trade had faced challenges in recent years. A concern was raised that the proposed increase was higher than those instated by neighbouring local authorities and that this would place financial pressures on members of the trade, or cause them to rescind their Crawley licence and instead attain a licence from another local authority. It was suggested that Crawley's offer should be as attractive as those of other local authorities as there were concerns that licensees were already leaving the area. In response the Health, Safety and Licensing Team Leader confirmed that there was currently a significant number of new applicants coming through the system. There had been a dip in driver numbers during the Coronavirus pandemic, but drivers were now seen to be returning to Crawley, in part due to increased business at Gatwick airport. There was no evidence to prove reports that a significant number of licensed drivers had left Crawley in favour of other areas.

The following matters were also raised as part of the discussion:

- The Committee noted that inflation was currently high and that it was not logical to increase fees at a rate lower than this level. It was also noted that there was no fee increase in 2021/22 and a 5% fee increase in 2022/23.
- It was highlighted that the Committee had recently voted to increase the hackney carriage fares chargeable by licensed drivers. The Council did not set the fares charged by the private hire trade.
- The Committee discussed the proposed increases in fees for electric vehicles, which were at a rate higher than 10% in order to be brought into line with the fees for non-electric vehicles. Some concerns were raised that this would not promote the use of electric vehicles which were considered to be more climate-friendly. The Health, Safety and Licensing Team Leader explained that the rationale for this change was that the administrative costs were no lower for electric vehicles.
- Clarification was sought on the licence renewal process and a specific concern was raised about those drivers who did not meet the deadline for renewing their licence. The Health, Safety and Licensing Team Leader confirmed that, if the deadline had been missed by a few days, there were provisions to allow a renewal on a case-by-case basis. Further checks were sometimes required – for example in instances where a licensee had not completed a safeguarding test for a number of years.

The Committee also discussed the duration of drivers' licenses. It was noted that licenses were to be offered for a three-year period as standard, with one- and two-year licenses also available.

Some Committee members raised concerns about the lack of choice given to individuals, the significant up-front cost of a three-year licence, or the loss of costs if a driver was forced out of the trade (for example, due to a medical issue) prior to the end of their three-year licence term. The Health, Safety and Licensing Team Leader clarified that the provision of the three-year licence term is standard practice in the industry and is a guideline set out in legislation, including the Local Government Act 1976 and the Department for Transport's statutory taxi standards 2020, and also significantly reduces the administrative burden on both the licensing service and licensees themselves. Shorter-term licenses were available in certain circumstances and pro-rata refunds could be offered to those departing the trade prior to their licence term ending. Committee members expressed a range of views on the matter and sought to understand whether the duration of a licence term would have a material effect on the decision to be made regarding the fee increase. The Head of Corporate Finance confirmed that currently over half of licenses issued were for a three-year term. There would be minor effects on the service's finances but it would not significantly impact the decision to be made.

It was proposed by Councillor Nawaz and seconded by Councillor Jones that the licensing service retains the option for licensed drivers to apply for and renew their licence for a period of one, two, or three years. The Committee voted on the proposal, which was passed.

A Committee member suggested that the fees be increased by a lower percentage than the recommended 10%, on which Committee members expressed mixed views. It was suggested that the rate of inflation be used as a comparison. The differences between CPI and CPIH were discussed, as well as the use of the prospective rate of inflation at the beginning of the 2024/25 financial year. Officers highlighted that any proposed increase would need to be of a specific amount, rather than a prospective suggestion, as the decision was to be subject to public consultation and therefore needed to be set in advance.

It was then proposed by Councillor Jones and seconded by Councillor Irvine that a 7% fee increase in hackney carriage and private hire licensing fees be instated for 2023/24, and that this be implemented following the conclusion of the consultation period. The Committee voted on the alternative recommendation, which was passed.

RESOLVED

That the Committee:

- a) Agrees to retain the option for licensed drivers to apply for and renew their licence for a period of one, two, or three years.
- b) Approves a 7% increase in hackney carriage and private hire licensing fees, and that this be implemented following the conclusion of the consultation period.

Closure of Meeting

With the business of the Licensing Committee concluded, the Chair declared the meeting closed at 8.41 pm.

I Ashraf (Chair)