

# Chichester District Council

**CABINET**

**5 March 2024**

## **Proposed Fees & Charges for Hackney Carriage & Private Hire Licensing**

### **1. Contacts**

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### **2. Recommendation**

- 2.1 That Cabinet confirm the proposed fees and charges set by General Licensing Committee, at their meeting of 28 February 2024, attached in appendix one.**

### **3. Background**

- 3.1 The licensing regime provides that the General Licensing Committee of an Authority can establish certain fees and charges, including those for the delivery of its hackney carriage and private hire functions. This is confirmed in the Councils Constitution, though a requirement was added to those terms of reference requiring Cabinet to also consider those fees and provide observations to the General Licensing Committee.
- 3.2 At its meeting of 28 February 2024, the recommendation was for an increase to charges as the service costs need to be covered by income. Historically the inflationary increase review was paused to support the financially challenging position of the trade during and post Covid. However, this resulted in the service failing to break even in each of the last three years.
- 3.2 An inflationary year on year increase was proposed to return the service to the breakeven provision, however this was a significant increase of 37%. The General Licensing Committee considered the report including information from a consultation on the proposed fees and representation from persons at the meeting from the trade. An amendment was submitted and approved to spread the increase over two years (18.5% in 2024/2025 and again in 2025/2026) and to review the position again in or around March 2025 to ensure the longer-term requirement to run the service on a cost balanced basis is achieved going forwards.

#### **4. Outcomes to be achieved**

4.1 The phasing in of a balance position on service charges and income.

#### **5. Proposal**

5.1 If Cabinet makes decisions in line with the recommendation of the General Licensing Committee the relevant charges will apply from 1 April 2024, and a mechanism to review and ensure a balanced budget will be taken forwards in 2025.

#### **6. Alternatives that have been considered**

6.1 If Cabinet were to make comments and refer the recommendations back to Licensing then a further meeting of the General Licensing Committee to consider those recommendations and final decision would then sit with the General Licensing Committee under the Council terms of reference and in accordance with the relevant legislation.

#### **7. Resource and legal implications**

7.1 The Council is under a legal duty to establish a balanced budget and an assumption was applied by full Council that the charges would be made to achieve that in this financial year.

7.2 Any deviation from that position will have a financial and legal implication. Ultimately the charges will need to establish a balanced position and historic choices to allow costs to run in deficit will need to be reversed. Deficits in this budget will need to be covered by savings or additional income in other areas or paid from reserves. The financial implications of applying an increase of 18.5% would leave an estimated shortfall in income of £32,000. This shortfall estimate may fluctuate depending on demand for the service and will be kept under review.

7.3 The licensing team requested this review to take place as they feel current resources are pushed to full capacity due to the amount of applications received and the statutory turn around deadline, as well as the legal requirement to achieve full cost recovery of delivering the service.

#### **8. Consultation**

8.1 A consultation on the fees was carried out by the services and responses considered by the General Licensing Committee.

8.2 A bench marking exercise was undertaken to ensure that the proposed fees and charges are in line with other local districts and boroughs.

#### **9. Community impact and corporate risks**

9.1 There is a risk to the organisation of unfunded decisions and ultimately a community impact where other funding has to be transferred to balance decisions to run at deficit.

## 10. Other Implications

Are there any implications for the following?		
	Yes	No
<b>Crime &amp; Disorder:</b>		X
<b>Climate Change:</b>		X
<b>Human Rights and Equality Impact:</b>		X
<b>Safeguarding:</b>		X
<b>Other (Please specify):</b> eg Biodiversity		X

## 11. Appendices

Appendix 1 – Proposed Fee Structure

## 12. Background Papers

- 12.1 The papers for the General Licensing Committee including minutes for the meeting on 28 February 2024 is available on the Council website.