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A Meeting of an INDIVIDUAL EXECUTIVE MEMBER DECISION will be held in David Hicks 1 - Civic Offices, Shute End, Wokingham RG40 1BN on MONDAY 5 DECEMBER 2022 AT 11.00 AM

Susan Parsonage

Chief Executive

Published on 24 November 2022

Note: Non-Committee Members and members of the public are welcome to attend the meeting or participate in the meeting virtually, in line with the Council's Constitution. If you wish to participate either in person or virtually via Microsoft Teams please contact Democratic Services. The meeting can also be watched live using the following link: https://youtu.be/Hk27gPKP744

Please note that other people may film, record, tweet or blog from this meeting. The use of these images or recordings is not under the Council's control.



Our Vision

A great place to live, learn, work and grow and a great place to do business

Enriching Lives

- Champion outstanding education and enable our children and young people to achieve their full potential, regardless of their background.
- Support our residents to lead happy, healthy lives and provide access to good leisure facilities to complement an active lifestyle.
- Engage and involve our communities through arts and culture and create a sense of identity which people feel part of.
- Support growth in our local economy and help to build business.

Safe, Strong, Communities

- Protect and safeguard our children, young and vulnerable people.
- Offer quality care and support, at the right time, to prevent the need for long term care.
- Nurture communities and help them to thrive.
- Ensure our borough and communities remain safe for all.

A Clean and Green Borough

- Do all we can to become carbon neutral and sustainable for the future.
- Protect our borough, keep it clean and enhance our green areas.
- Reduce our waste, improve biodiversity and increase recycling.
- Connect our parks and open spaces with green cycleways.

Right Homes, Right Places

- Offer quality, affordable, sustainable homes fit for the future.
- Build our fair share of housing with the right infrastructure to support and enable our borough to grow.
- Protect our unique places and preserve our natural environment.
- Help with your housing needs and support people to live independently in their own homes.

Keeping the Borough Moving

- Maintain and improve our roads, footpaths and cycleways.
- Tackle traffic congestion, minimise delays and disruptions.
- Enable safe and sustainable travel around the borough with good transport infrastructure.
- Promote healthy alternative travel options and support our partners to offer affordable, accessible public transport with good network links.

Changing the Way We Work for You

- Be relentlessly customer focussed.
- Work with our partners to provide efficient, effective, joined up services which are focussed around you.
- Communicate better with you, owning issues, updating on progress and responding appropriately as well as promoting what is happening in our Borough.
- Drive innovative digital ways of working that will connect our communities, businesses and customers to our services in a way that suits their needs.

For consideration by

Ian Shenton, Executive Member for Environment, Sport and Leisure

Officers Present Ed Shaylor, Head of Enforcement and Safety Callum Wernham, Democratic & Electoral Services Specialist

IMD NO.	WARD	SUBJECT	
IMD 2022/17	None Specific	REBATE OF FEES FOR TAXIS AND PRIVATE HIRE VEHICLE LICENCES 2021/22	5 - 8

CONTACT OFFICER

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Agenda Item IMD17

INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: 2022/17

TITLE Rebate of Fees for Taxis and Private Hire Vehicle

Licences 2021/22

DECISION TO BE MADE BY Executive Member for Environment, Sport and

Leisure - Ian Shenton

DATE, 5 December 2022

MEETING ROOM and TIME David Hicks 1 at 11:00 am

WARD None specific;

DIRECTOR / KEY OFFICERDirector, Place and Growth - Steve Moore

PURPOSE OF REPORT (Inc Strategic Outcomes)

To consider the decision of the Licensing and Appeals Committee on 23 June 2022 to recommend a reduction relating to certain licence fees charged in 2021/22

RECOMMENDATION

That the Executive Member for Environment, Sport, and Leisure agrees that no rebate for financial year 2021/22 will be paid, for the reasons as set out in this report.

SUMMARY OF REPORT

The report provides information on resolutions previously made at the Licensing and Appeals Committee and the governance and financial implications of those resolutions.

Background

Licensing and Appeals Committee resolved on 23 June 2021 that "The fees for private hire vehicles and hackney carriage vehicles will be held at 2021 levels and any fees already paid will be refunded." The reference to "2021 fees" is taken to mean the fees set for the financial year 2020/21, during which year a £40 reduction was applied to reflect the impact of the pandemic on the taxi trade. The £40 reduction had been removed for 2021/22 in the budget setting process and a £2 inflation uplift applied.

Subsequently, the Head of Legal Services advised members that the Licensing and Appeals Committee cannot pass a resolution to reduce fees after the budget for the year has been set unless there is a mechanism for that reduction to be funded - the resolution could not take effect as only a relevant budgetary body in the Council can make the decision to fund the change. Ordinarily this would be a decision for a budget holding officer (effectively to agree to vire to this budget from any existing underspend), but the Director with financial responsibility for this service did not have funds available within his budget area in the financial year 2021/22 and as such there was insufficient money to enact the resolution. This remains the case in this financial year.

In such a case, the Executive could fund from other sources or agree a Supplementary Estimate. Procedural rule 5.1.11 states the Executive will receive reports only from a member of the Executive. In an email to Members of the Licensing & Appeals Committee on 29 March 2022, the Head of Legal Services stated that he had been advised that the Assistant Director and Director had spoken to Lead Members for Finance and Neighbourhood and Communities who indicated that they did not wish to bring an item to the Executive. The decision of the Licensing and Appeals Committee on 23 June 2021 was therefore not implemented in financial year 2021/22.

Licensing and Appeals Committee considered the matter afresh on 23 June 2022, and resolved to recommend that the reduction relating to licence fees charged in 2021/22 should be applied and partial refunds be made to applicants who paid the higher fees, as this was a matter of principle as a proposal had been made by the Committee in July 2021 and the reasons for doing so are the same now as they were then.

Business Case (including Analysis of Issues)

Although the Council has the powers to subsidise these fees from Council taxation, caselaw and guidance has been clear in the principles of budget setting for fees. The fees should be broadly cost neutral in budgetary terms and those benefitting from the licensable activities should not be subsidised from general funding. Fees should be kept under review and steps taken to avoid a surplus or deficit in successive years. Where fees result in a surplus or deficit then this should be a factor in the fee setting for subsequent years. Similarly, one element of the licensing regime should not be used to subsidise another element.

The Council's financial situation has significantly changed, so that it is not financially prudent to subsidise (from the general fund) a refund to taxi drivers who paid licence fees in the previous financial year. Covid grants to businesses which experienced business interruption ended on 31 March 2022 so are no longer available, and paying the refund from future licensing income in 2022/23 would leave a shortfall in the licensing budget which is meant to be self-financing.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it	Is there sufficient	Revenue or
	Cost/ (Save)	funding – if not	Capital?
		quantify the Shortfall	
Current Financial	Nil	N/A	N/A
Year (Year 1)			
Next Financial Year	Nil	N/A	N/A
(Year 2)			
Following Financial	Nil	N/A	N/A
Year (Year 3)			

Other financial information relevant to the Recommendation/Decision

The fees and charges for 2021/22 were set by Executive in November 2020 2021/22 Fees and Charges.pdf and approved by council in February 2021 as part of the budget setting process for 2021/22. The relevant fees were £290 for each category of licence, and the effect of the resolution would have been to refund £40 to each applicant for a Licence. The number of these licences issued in 2021/22 at the higher fee were:

Hackney Carriage 65
Private Hire Vehicle 98
School Transport Vehicle 48

Total 211

Refunds due would total in the region of £8,500.

The refund figure of £8,500 in relation to 2021/22 if refunded would need to be funded from the current year 2022/23 budget where there is no budget for this cost.

Cross-Council Implications

Refunding part of fees already paid in the previous financial year is not budgeted for in the current financial year, so would have an impact on the Council's overall financial position.

Public Sector Equality Duty

Self-employed people of Black, Asian and Minority Ethnicity are strongly represented among drivers and operators in the taxi and private hire trade. Customers of the trade are strongly represented by young women, people with disabilities and older people, and generally by people who do not own a car. For these reasons, it is important to ensure that this remains a profitable sector which retains drivers and operators to provide the service to those who rely on it.

SUMMARY OF CONSULTATION RESPONSES		
Director – Resources and Assets	To be updated at the meeting	
Monitoring Officer	To be updated at the meeting	
Leader of the Council	To be updated at the meeting	

Reasons for considering the report in Part 2	
N/A	

List of Background Papers	
Minutes Licensing and Appeals Committee on 23 June 2021	
Minutes Licensing and Appeals Committee on 23 June 2022	

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