

This paper will be considered in public

1 Summary

- 1.1. The purpose of this paper is to ask the Board to note the proposed changes to taxi licence fees with effect from 1 April 2014. There are no proposals to change private hire licence fees.
- 1.2. At its meeting on 23 January 2014, the Finance and Policy Committee considered a similar paper and noted the proposed changes.

2 Recommendations

- 2.1. **The Board is asked to note the proposed changes to taxi licence fees effective from 1 April 2014. These changes are:**
 - (a) a 17 per cent increase of £50 to the Knowledge of London appearance fee; and
 - (b) a 17 per cent increase of £25 to the Knowledge of London written examination fee.

3 Background

- 3.1. The Metropolitan Public Carriage Act 1869, as amended by the Greater London Authority Act 1999, enables the licensing authority (TfL) to charge for taxi driver licence and taxi licence applications, and for licensing application tests and re-tests as well as charging for driver and vehicle licences. Changes to taxi driver and taxi licence fees may be made by the Managing Director, Surface Transport. Since 2000, changes have been introduced to reflect the principle that licence holders and applicants alike should pay for the costs of the licensing resources they use.
- 3.2. Licence fees are reviewed every year. The principle behind fee setting is to reflect the cost of carrying out each licensing activity without cross subsidy from one activity to another.
- 3.3. In accordance with previous practice, the Board will be asked to note changes to taxi licence fees as detailed in this paper.

4 Licence Fees

- 4.1. A review of licensing fees for 2014/15 has been undertaken based on the Quarter 2 forecast for taxi and private hire licensing costs for the five year period to 2018/19.

5 Policing Costs

- 5.1. The annual operating costs for the Cab Enforcement Unit are £4.1m. £1m of this came from taxi and private hire licence fees in 2013/14 and will again in 2014/15.
- 5.2. While there may be scope in the future to increase the contribution made through licence fees towards the costs of operating the Cab Enforcement Unit, no further increases to the current £1m per annum contribution are being proposed at this time.
- 5.3. Licensing Fees can only be used to off-set the costs of policing where it can be clearly shown that the enforcement activity is enforcing taxi or private hire legislation.

6 Proposed Fees

- 6.1. The proposed fees, with effect from 1 April 2014, are:

Fee Type		Current Fee	Proposed Fee
Taxi Vehicle	Application Fee	£66	No change
	Licence Fee	£36	No change
Taxi Driver	Application Fee	£50	No change
	Licence Fee	£199	No change
Knowledge of London	Appearance Fee	£300	£350
	Written Test Fee	£150	£175
Private Hire Operators	Application Fee	£838	No change
	Licence Fee (small)	£650	No change
	Licence Fee (standard)	£1,988	No change
	Variation Fee (add operating centre)	£300	No change
	Variation Fee (remove operating centre)	£50	No change
Private Hire Drivers	Application Fee	£150	No change
	Licence Fee	£100	No change
Private Hire Vehicles	Application Fee	£65	No change
	Licence Fee	£27	No change

- 6.2. The increases in the Knowledge of London appearance and written examination fees respectively reflect the cost of administering the Knowledge of London process, which is currently subsidised by licensed taxi drivers in the sum of approximately £307,000 per annum. In order to maintain the taxi driver licence at the 2013-14 level, the annual review of fees deemed a 17 per cent increase in

Knowledge of London fees was necessary. TfL will continue to work with the taxi trade on possible alternative charging structures over the coming year.

7 Crime and Disorder

- 7.1. There would be Crime and Disorder impacts if the Cab Enforcement Unit is not adequately funded. The ongoing £1m contribution from monies collected as licence fees will help ensure that the Cab Enforcement Unit can continue to carry out its valuable work.

8 Equality and Inclusion

- 8.1. TfL must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not under section 149 of the Equality Act 2010. This may involve removing or minimising any disadvantage suffered by those who share a relevant protected characteristic, taking steps to meet the needs of such people; and encouraging them to participate in public life, or in any other activity where their participation is disproportionately low. The "protected" characteristics and groups are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation and marriage/ civil partnership status. Compliance with the Act may involve treating people with a protected characteristic more favourably than those without the characteristic.
- 8.2. TfL's review of licence fees identified that there are no issues in respect of the travelling public with regard to the changes in fees as detailed in this paper. These changes have also been applied consistently and as a result will not adversely impact the groups protected by the Equality Act to any greater extent than other groups.

9 Financial Implications

- 9.1. The proposed changes to licence fees, together with ongoing savings from efficiencies, should ensure that taxi and private hire licensing costs are met from fee income without incurring a net cost to TfL.

10 Views of the Finance and Policy Committee

- 10.1. At its meeting on 23 January 2014, the Finance and Policy Committee noted the proposals in this paper. The Committee asked that the policing costs be reviewed to ensure that TfL was recovering as much of the licensing enforcement costs as possible.

List of appendices to this report

None

List of background papers

None

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