

LICENSING COMMITTEE



Report subject	Taxi licensing fee setting 2026-27
Meeting date	12 March 2026
Status	Public Report
Executive summary	<p>To consider the level of fees charged by BCP Council for the administration of the Hackney Carriage and Private Hire licensing regime.</p> <p>The Local Government (Miscellaneous Provisions) Act 1976 allows local authorities to set the fees charged to recover the costs associated with the administration and compliance of licensing drivers of Hackney Carriage and Private Hire vehicles.</p> <p>Any change to the fees for vehicles and Private Hire Operators is subject to a 28-day minimum consultation period</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>Members consider the proposed fees and either</p> <ul style="list-style-type: none">a) Agree the proposed fees as statedb) Agree amended fees following considerationc) Maintain the current fee structure. <p>Any change in the fees for vehicles and Private Hire Operators is subject to a 28-day consultation period.</p>
Reason for recommendations	<p>The Local Government (Miscellaneous Provisions) Act 1976 allows the Council to recover the full costs of the administration of the licensing of drivers, vehicles, and operators.</p> <p>Due to increases in the council's operating costs as a result of inflationary increases, the current licence fees have been reviewed.</p> <p>It is anticipated that all changes to fees will take effect from the 1 April 2026 to allow time for consultation in relation to Vehicle licence and Operators licences as required by the legislation.</p>

Portfolio Holder(s):	Councillor Kieron Wilson – Portfolio Holder for Housing and Communities
Corporate Director	Laura Ambler – Corporate Director for Wellbeing
Report Authors	Nananka Randle – Licensing and Trading Standards Manager
Wards	Council-wide
Classification	For Decision

Background

1. The Local Government (Miscellaneous Provisions) Act 1976 allows the local authority to charge fees on a cost recovery basis only. The proposed changes to the fees include the cost of administration, compliance checks and the issuing of licences, and plates.
2. Driver licences are issued for 3 years and the fees proposed will be implemented as of 1 April 2026.
3. Private Hire Operator licences are issued for 5 years, and vehicle licences are issued for 1 year. These will be implemented following consultation.
4. Appendix 1 details the proposed fees including cost comparison with the current fees. Some fees have increased primarily due to the time taken to undertake the necessary checks associated with the application and required during the term of the licence.
5. The most significant increase is in the Private Hire Operator application fees this is due to increased complexity in checks regarding companies, locations, rental agreements, DBS status of anyone named in the applications and checks into the listed drivers and vehicles to ensure they are licenced by BCP Council. We have under recorded this time in previous years and this has been addressed by more accurate officer time keeping over the last 12 months to establish the accurate costs of administration.
6. Vehicle applications have also increased again due to the checks required by the policy to ensure compliance.
7. The fees associated with the issue and renewal of hackney vehicle licences has reduced due to efficiency savings in the costs of plates and livery as well as the removal of the quantity restrictions and therefore the need to have an unmet needs survey. The money previously put aside for this survey is being used to support the reduced fee this year.
8. The private hire vehicle renewal fees have increased by only 4% this has been kept as low as possible due to efficiency savings in the costs for plates and badges but reflects staff cost increases and time spent.
9. Driver renewal fees are going up by £1, this minor increase is this is due to efficiency savings being made in the administration of these applications which

have reduced the amount of officer time needed to administer the licence, however increases in complaints and drivers being referred to committee mean officer time is still spent on compliance hence the reason there is no significant reduction in this fee.

10. Appendix 2 provides benchmarking with fees from neighbouring authorities for information.

Fee Calculations

11. In previous years the fees have been subject to a general inflationary increase. However, this year we have undertaken a full review of service expenditure and income taking into account all officer costs which includes compliance checks, investigation of complaints, administration of applications and renewals, attending trade meetings and all corporate recharges and management time.
12. We have undertaken a procurement exercise for the provision of plates and drivers badges and this has been incorporated into the calculations as well.
13. Fees also include costs associated with regular DBS status checks which is a statutory requirement.
14. The new Hackney Carriage and Private Hire vehicle policy removed the quantity restrictions in Bournemouth and Poole this means we no longer need to undertake an unmet needs survey, and this cost has been removed from the fee calculation and fees collected in previous years for this have been applied to offset the cost of the hackney carriage vehicle renewal fee.
15. Although fees are set annually, we assess the fees over a rolling period of time which takes into account surplus and deficit to income by carefully calculating the income and considering any reserves collected (if any) this is calculated using the number of anticipated renewals due in that year.

Consultation on Taxi and Private Hire Licences

16. There is a statutory requirement to advertise a change in fees for Private Hire Operators and for vehicle licences.
17. A notice must be published in a local paper advising of the variation in fees and set out the consultation period which shall be no less than 28 days. In addition, the notice must be displayed in the Civic Offices for a minimum 28-day period. 54
18. If no objections are received the new fees will come into force on the date specified.
19. If there are objections which are not withdrawn, then a further Committee meeting will be required to consider the matter further. This meeting must take place within 2 months of the expiry of the consultation

Options Appraisal

20. Members are asked to consider the fees as proposed and
 - a) Agree the proposed fees; or
 - b) Agree amended fees following consideration; or
 - c) Maintain the current fees.

21. Once the fees are agreed if there is an increase or variation members are asked to approve publishing the necessary notices for the taxi and private hire vehicle and private hire operator fees.

Summary of financial implications

22. The approved Medium-Term Financial Plan strategy for the council supports a full cost recovery approach in fee setting. The fees must cover the cost of delivery of the service.
23. The finance officer has reviewed the proposed fees and confirmed that they reflect a cost recovery position.
24. The fee calculation for staff salaries includes the pay award for 2025/26 which was 3.2%.
25. If the fees are not sufficient to cover the costs associated with the delivery of the service, there is a risk that staff costs may need to be reduced to reflect any income shortfall.

Summary of legal implications

26. The fees are required to meet the costs of the services and must be set in accordance with the legislation on a cost recovery basis. If the fees are set incorrectly this can result in judicial review

Summary of human resources implications

27. The delivery of the service will remain within existing staffing levels.

Summary of sustainability impact

28. There are no sustainability impacts.

Summary of public health implications

29. There are no public health implications

Summary of equality implications

30. An Equalities Impact Assessment (EIA) screening document has been completed and accepted by the Equalities team.
31. The summary states that the fees have been carefully considered and have been signed off by the finance officers and must cover the full cost of the administration and compliance of the service including rising staff costs and overheads.
32. The legislation allows councils to set the fees to recover the costs incurred which is what we have done.
33. With regard to gender and ethnicity of the licence holders, there is no available mitigation to any negative impacts.
34. Age/poor health there is the option of a 1-year licence which saves on short term costs but as it works out more expensive over more than 1 year is it an option only for those who anticipate leaving the trade in the next 12 months.

35. Overall, there are no positive equality impacts from the change in fees.

Summary of risk assessment

36. If the fees are set incorrectly this can result in judicial review

37. If the fees are not correct, licence holders may choose not to renew with BCP and may seek licences elsewhere.

38. The fees as proposed have been carefully considered and calculated based on officer time for each licensable activity

Background papers

Local Government (Miscellaneous Provisions) Act 1976

[Local Government \(Miscellaneous Provisions\) Act 1976](#)

Appendices

Appendix 1 – proposed fees with current fees for comparison

Appendix 2 – fee benchmarking