

**REPORT TITLE: Hackney Carriage and Private Hire Licensing Fees**

<b>Meeting:</b>	Licensing and Safety Committee
<b>Date:</b>	15 <sup>th</sup> September 2025
<b>Cabinet Member</b>	Cllr Amanda Pinnock
<b>Key Decision Eligible for Call In</b>	No No
<b>Purpose of Report</b> For the members of the Licensing and Safety Committee to consider the objections received from the hackney carriage and private hire trade and/or their representatives, to determine and approve the fees for hackney carriage and private hire licensing, with or without modification and to set a date for the fees to come into force	
<b>Recommendations</b> <ul style="list-style-type: none"> <li>It is recommended that members approve the new fee structure as set out in <b>Appendix 1</b>, for implementation taking effect on 23<sup>rd</sup> September 2025</li> </ul> <b>Reasons for Recommendations</b> <ul style="list-style-type: none"> <li>A district Council is required to set a date, no later than two months following the expiration of the consultation, on which the variation of the fees come into force with or without modification as decided by the Council after consideration of the objections.</li> </ul>	
<b>Resource Implications:</b>  Proposed fees will enable the service to maintain its current resource allocation and the level of its enforcement role, including maintaining vehicle, operator and driver standards within the Kirklees hackney carriage and private hire fleet.	
<b>Date signed off by <u>Executive Director</u> &amp; name</b>  <b>Is it also signed off by the Service Director for Finance?</b>  <b>Is it also signed off by the Service Director for Legal Governance and Commissioning (Monitoring Officer)?</b>	David Shepherd – 21 <sup>st</sup> August 2025  Kevin Mulvaney – 21 <sup>st</sup> August 2025  Samantha Lawton – 04 <sup>th</sup> September 2025

**Electoral wards affected:** All

**Ward councillors consulted:** None

**Public or private:** Public

**Has GDPR been considered?** GDPR has been considered and there is no personal information contained in this report.

## 1. Executive Summary

1.1 Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 allow for the Council to set fees for the grant of licences in respect of hackney carriage and private hire drivers, vehicles and operators.

1.2 Authorities must ensure that fees are reasonable and do not exceed the cost of administering the licensing scheme.

## 2. Information required to take a decision

### Background

2.1 In 2017 The Local Government Association produced its guidance named "Open for Business" for Local Authorities on locally setting licence fees, a link to the guidance can be found in **section 9** of this report.

2.2 Licensing fees should be split into two parts, the first should be an application fee, which are the costs associated with reviewing an application and granting / refusing a licence. The second part of the fee relates to the costs of administering and enforcing the relevant licensing framework.

2.3 Fees must be based on full cost recovery only and cannot be used to generate profit.

Initial application costs may include:

- Administration
- Initial visit(s)
- Third party costs
- Liaison with interested parties
- Management costs
- Local democracy costs
- On costs
- Development, determination and production of licensing policies
- Web material
- Advice and guidance
- Setting and reviewing fees

Further compliance and enforcement costs could include:

- Additional monitoring and inspection visits
- Local democracy costs
- Registers and national reporting

2.4 The guidance for fee setting says that licensing authorities have regard to any surplus or deficit generated in previous years against the costs of running the service.

2.5 In 2023 the service completed a fee calculation and carried out a statutory consultation and consulted with the trade on the proposed fees. This was met by a challenge from the trade relating to historic surplus/deficit achieved by the service.

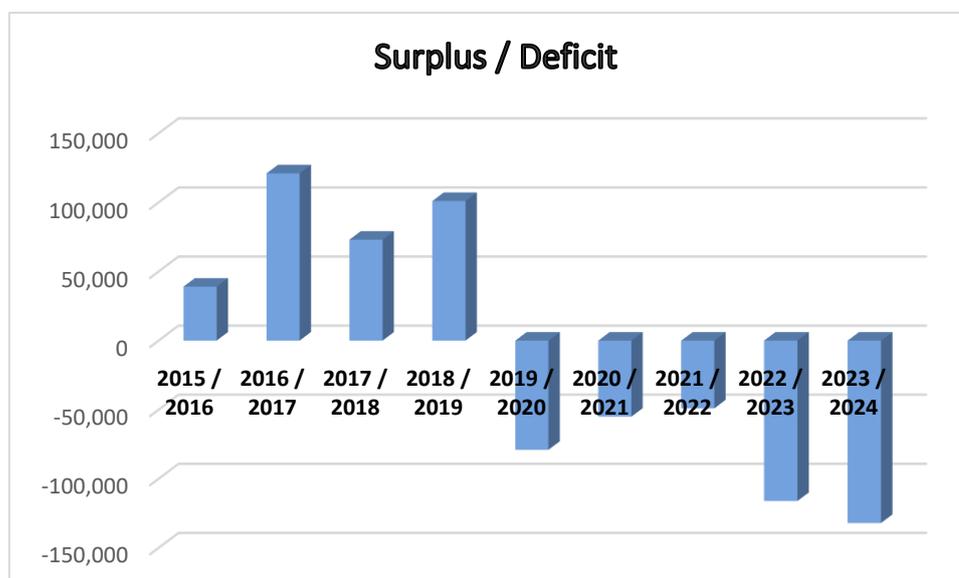
2.6 The Council's finance service has since carried out a full review of the hackney carriage / private hire budget dating back to 2015. The reason for going back to 2015 is due to it being the last time the licensing service carried out a full review of its hackney carriage / private hire licensing fees and any surplus / deficit should have been accounted for at the time of the previous fee review.

The findings from the review are as follows: -

	Year 15/16 £k	Year 16/17 £k	Year 17/18 £k	Year 18/19 £k	Year 19/20 £k	Year 20/21 £k	Year 21/22 £k	Year 22/23 £k	Year 23/24 £k
<b>Salaries</b>	211	221	244	228	254	268	268	308	326
<b>Business Support</b>	162	138	143	137	140	131	119	125	133
<b>Senior Management</b>	16	21	23	24	26	28	62	65	57
<b>Vehicle Testing</b>	92	109	109	64	0	0	0	0	0
<b>DBS</b>	60	65	55	58	54	29	37	33	38
<b>Equipment</b>	27	30	29	48	28	66	23	25	59
<b>Printing, Stationary etc</b>	12	116	16	19	14	10	14	17	31
<b>DVLA licence checks</b>	3	3	2	2	0	0	0	0	0
<b>Running Costs</b>	16	8	32	13	13	26	27	16	2
<b>Total Costs</b>	731	743	782	697	821	670	665	756	819
<b>Less Income</b>	-770	-864	-855	-797	-742	-615	-616	-640	-687
<b>NET COST</b>	-39	-121	-73	-101	79	55	49	116	132
<b>Cumulative Surplus/Deficit</b>	-39 Surplus	-161 Surplus	-233 Surplus	-334 Surplus	-254 Surplus	-199 Surplus	-150 Surplus	-34 Surplus	98 Deficit

In the years –

2015 / 2016 a surplus of £39,000  
 2016 / 2017 a surplus of £121,000  
 2017 / 2018 a surplus of £73,000  
 2018 / 2019 a surplus of £101,000  
 2019 / 2020 a deficit of £79,000  
 2020 / 2021 a deficit of £55,000  
 2021 / 2022 a deficit of £49,000  
 2022 / 2023 a deficit of £116,000  
 2023 / 2024 a deficit of £132,000



2.7 From the years 2015 to 2024 there has been cumulative deficit of £98,000 in relation to the income generated by the hackney carriage / private hire licensing fees against the cost of running the service and the cost has been borne by the Councils General Fund. Please note these figures do not relate to income or expenditure from the other areas within the service, such as Licensing Act, Gambling Act and General Licensing.

2.8 Members will note that the information provided goes to March 2024, there are two reasons for this:

1. The information relating to 2024/2025 was not available when the calculations and subsequent consultation was carried out.
2. Any surplus / deficit within the hackney carriage / private hire service between the periods, 2024/2025, 2025/2026 and 2026/2027 will be considered when we next set the fees and any surplus generated may also be used for service improvement. At the end of each financial year the council will calculate the surplus and deficit of each year, starting with 2024/2025.

2.9 Based on current licence number trajectory, by increasing the fees in line with inflation as consulted upon, at the end of the three years, i.e. March 2027, the hackney carriage / private hire licensing budget will be at a “break-even point”. Going forward the fee review process will be carried out every three years, and the next fee review will consider any surplus / deficit from April 2024 to March 2027.

### Proposed Fees

2.10 On Thursday 26<sup>th</sup> June 2025, a draft schedule of the proposed hackney carriage / private hire fees and charges for the financial years 2025/2026, 2026/2027 and 2027/2028 were sent out for consultation with the hackney carriage / private hire trade. A copy of the fees proposed can be found at **Appendix 1**. The consultation ended on Thursday 24<sup>th</sup> July 2025.

2.11 Members will note that the proposed fees are a 3% increase for this year until 31<sup>st</sup> March 2025 and they also include an increase of a further 2% increase (or an increase of CPI if CPI is lower than 2%) for the years 2026 / 2027 and a 2% increase (or an increase of CPI if CPI is lower than 2%) for the years 2027 / 2028.

2.12 The reasons for the Council proposing and consulting for the increases over three years are as follows: -

1. To reduce any additional costs being borne by the hackney carriage and private hire trade in relation to the administration and consultation costs associated with conducting the statutory consultation for each of the three years. The consultation notices, published in the Huddersfield Examiner, available for inspection at our office and sent via email to all licence holders clearly set out the variations to the proposed fees over the three-year period in accordance with the requirements set out in Section 70 of the Local Government (Miscellaneous Provisions) Act 1976.
2. It is anticipated that the services costs will increase with inflation over the next three years, i.e. staff costs, running costs, and so on.

2.13 In response to the consultation, the licensing authority received 160 representations from the trade. These representations can be found at **Appendix 2**; each representation has Council comments following it within Appendix 2.

2.14 There were 4 standard template representations received in bulk, therefore, only one copy of the representation has been included in appendix 2 but members will see the number of each template received, most were signed but did not include any identifiable details of the respondent.

2.15 In addition, there have been 6 nonstandard template responses received, which have also been included in appendix 2 individually.

2.16 Members of the Licensing and Safety Committee must consider the representations and approve the hackney carriage and private hire fees and charges for the years 2025/2026, 2026/2027 and 2027/2028 with or without modification and set a date for implementation which must be no later than 2 months following the last date of the consultation, which is 24<sup>th</sup> September 2025.

### **3. Implications for the Council**

#### **3.1 Council Plan**

Not applicable to this report.

#### **3.2 Financial Implications**

There may be financial implications for the licensing service should the fee increase not be agreed as any deficit would be borne by the Councils General Fund. The proposed fee increase will match the rising costs of providing the service. It will maintain the current staffing levels for the administration of applications and meeting the service standards. It will cover the increase in the administrative costs for the duration of the licence. In addition, maintaining the level of enforcement to ensure compliance with updating regulations.

#### **3.3 Legal Implications**

As with any decision made by the Council, there is always a risk of legal challenge when setting any fees within the service.

Being transparent about the fee setting process and providing a rationale for any decision making should act to minimise any risks.

In line with the guidance document published by the Department of Transport '*Taxi and Private Hire Vehicle Licensing Best Practice Guidance for Licensing Authorities in England*', a consultation exercise was undertaken to allow any comments or objections made to the initial proposals on fees to be taken into account when the proposals were finalised.

#### **3.4 Climate Change and Air Quality**

Not applicable to this report.

### 3.5 Other (eg Risk, Integrated Impact Assessment or Human Resources)

In preparing this report due consideration has been given to the Council's equality duties under the equality Act 2010 and an Integrated Impact Assessment has been completed which can be accessed on the Council's website here [Integrated Impact Assessments | Kirklees Council](#)

The Integrated Impact Assessment is titled Hackney Carriage and Private Hire Licensing Fees; there were no matters identified following the completion of the assessment.

## 4. Consultation

4.1 The Local Government (Miscellaneous Provisions) Act 1976 only requires that consultation is carried out in relation to vehicle and operator licence fees. However, it is good practice to consult for driver fees too despite it not being a legal requirement.

4.2 The legal requirement for the consultation is for a notice to be published in a local newspaper circulating in the district, for it to be placed at the offices of the Council which published the notice and be open for public inspection without payment and there shall be a period of no less than 28 days from the date of publication in which objections can be made.

4.3 The notice was published in the Huddersfield Examiner on Thursday 26<sup>th</sup> June 2025, and the notice was also placed at our office at Flint Street which is where the trade attend appointments in relation to their applications. In addition, we have sent written communications to all licence holders regarding the proposed fee revisions. The end date for the consultation was Thursday 24<sup>th</sup> July 2025.

## 5. Engagement

Prior to commencing the consultation, officers arranged an engagement meeting with the hackney carriage and private hire trade association representatives. This meeting occurred on Thursday 22<sup>nd</sup> May 2025.

## 6. Options

### 6.1 Options considered

It is recommended that members approve the new fee structure as set out in **Appendix 1**, with or without modification having considered all objections and resolve that they take effect no later than 23<sup>rd</sup> September 2025 and a decision must be made by 23<sup>rd</sup> September 2025.

Members options are (having considered all representations): -

- i. Approve the fee structure as set out in Appendix 1
- ii. Modify the fee having considered the representations
- iii. Keep the fee structure as existing

Members are also asked to set a date for the fees to take effect, and this can be no later than 23<sup>rd</sup> September 2025.

## 6.2 Reasons for recommended option

A district Council is required to set a date, not later than two months following the expiration of the consultation, on which the variation of the fees come into force with or without modification as decided by the Council after consideration of the objections.

## 7. Next steps and timelines

If members agree to the proposed fees, with or without modification they will take effect from the date members set, which can be no later than 23<sup>rd</sup> September 2025 and will remain in place until 31st March 2026.

On 1<sup>st</sup> April 2026 they will increase by 2% (or by CPI if CPI is lower than 2%), or as modified by members and they will then remain in place until 30<sup>th</sup> March 2027.

On 1<sup>st</sup> April 2027 they will then increase by a further 2% (or by CPI if CPI is lower than 2%), or as modified by members, and they will remain in place until 30<sup>th</sup> March 2028.

## 8. Contact officer

Fiona Goldsmith  
Group Leader – Licensing  
Tel: 01484 221000  
Email: [Fiona.goldsmith@kirklees.gov.uk](mailto:Fiona.goldsmith@kirklees.gov.uk)

## 9. Background Papers and History of Decisions

Open for business – LGA guidance on locally setting licence fees  
[5 13 OpenForBusiness\\_02\\_web.pdf](#)

[Agenda for Licensing and Safety Committee on Wednesday 4th November 2015, 10.00 am | Kirklees Council](#)

## 10. Appendices

**Appendix 1** – Schedule of existing and proposed fees

**Appendix 2** – Consultation Responses

## 11. Service Director responsible

Katherine Armitage  
Service Direct – Environmental Strategy and Climate Change  
Tel: 01484 221000  
Email: [Katherine.armitage@kirklees.gov.uk](mailto:Katherine.armitage@kirklees.gov.uk)

## Schedule of Existing and Proposed Fees

Licence Type	Current Fee	Year One +3%	Year Two +2%	Year Three +2%	Total Difference at Year Three
Driver Licence 1 year	£95.50	£98	£100	£102	£6.50
Driver Licence 3 years	£249.20	£257	£262	£267	£17.80
Renewal Driver Licence 1 year	£83.40	£86	£88	£89	£5.60
Renewal Driver Licence 3 years	£238	£245	£250	£255	£17
Hackney Carriage / Private Hire Vehicle 1 year	£121.80	£125	£128	£130	£8.20
Vehicle Renewal 1 year	£114	£117	£120	£122	£8
Vehicle Transfer	£40.80	£42	£43	£44	£3.20
Operator Licence– (2 vehicles or less) 1 year	£95	£98	£100	£102	£7
Operator Licence (2 vehicles or less) 5 years	£454	£468	£477	£486	£32
Operator Licence (3 vehicle or more) 1 year	£231.50	£238	£243	£248	£16.50
Operator Licence (3 vehicles or more) 5 years	£1,166	£1,201	£1,224	£1,248	£82

## **Appendix 2 - Representations from Consultation**

## Representation 1

### 31 Signed Copies Received

To:  
Licensing Department  
Kirklees Council  
[Insert Address if Known]

Subject: Formal Objection to Taxi Licensing Fee Increases and Demand for Financial Transparency

Dear Sir/Madam,

I am writing to register a formal and strong objection to the proposed increases in taxi licensing fees in Kirklees.

The current proposal to raise fees places an unfair and disproportionate burden on taxi drivers and operators, many of whom are already struggling with ongoing economic pressures, including rising fuel, insurance, and maintenance costs.

What is even more concerning is the complete lack of transparency regarding the financial rationale behind these increases. Prior to 2015, it is a known fact within the trade that the licensing service generated substantial surpluses. Despite repeated calls for disclosure, Kirklees Council has failed to release any financial documentation or justification relating to how those surpluses were generated, used, or carried forward.

This refusal to disclose critical financial data undermines trust in the process and raises serious questions about the legitimacy of the proposed increases.

Before any further consideration is given to raising fees, I am demanding the immediate release of:

- Full financial records for the taxi licensing service from 2010 to present;
- A detailed explanation of how past surpluses were used;
- A transparent breakdown of current service costs justifying any increase.

Licensing fees must be cost-neutral and set in accordance with the relevant statutory framework. Without these disclosures, any fee increase would appear arbitrary and potentially unlawful.

Until this information is provided in full and subjected to proper consultation with the trade, I formally oppose and reject the proposed fee increases.

I expect a response to this letter and full disclosure of the requested information without delay.

Yours sincerely,

### **Council Comments Relating to Representation 1**

The comments within this representation are noted and are for members to consider.

In response to comments regarding the hackney carriage and private hire licensing budget prior to 2015, this should have been addressed at the time of the 2015 fee review and therefore, consideration of the surplus/deficit has been given when calculating the fees between 2015 and 2024 and is contained within the report.

The information request for financial information was dealt with as a formal request and a response has been provided to those respondents who provided their contact information.

## Representation 2

### 11 Signed Copies Received

Subject: Formal Objection to Taxi Licensing Fee Increases and Demand for Financial Transparency

Dear Sir/Madam,

I am writing to register a formal and strong objection to the proposed increases in taxi licensing fees in Kirklees.

The current proposal to raise fees places an unfair and disproportionate burden on taxi drivers and operators, many of whom are already struggling with ongoing economic pressures, including rising fuel, insurance, and maintenance costs.

What is even more concerning is the complete lack of transparency regarding the financial rationale behind these increases. Prior to 2015, it is a known fact within the trade that the licensing service generated substantial surpluses. Despite repeated calls for disclosure, Kirklees Council has failed to release any financial documentation or justification relating to how those surpluses were generated, used, or carried forward.

This refusal to disclose critical financial data undermines trust in the process and raises serious questions about the legitimacy of the proposed increases.

Before any further consideration is given to raising fees, I am demanding the immediate release of:

- Full financial records for the taxi licensing service from 2008 to present;
- A detailed explanation of how past surpluses were used;
- A transparent breakdown of current service costs justifying any increase.

Licensing fees must be cost-neutral and set in accordance with the relevant statutory framework. Without these disclosures, any fee increase would appear arbitrary and potentially unlawful.

Until this information is provided in full and subjected to proper consultation with the trade, I formally oppose and reject the proposed fee increases.

I expect a response to this letter and full disclosure of the requested information without delay.

Yours sincerely,

## **Council Comments Relating to Representation 2**

The comments within this representation are noted and for members to consider.

In response to comments regarding the hackney carriage and private hire licensing budget prior to 2015, this should have been addressed at the time of the 2015 fee review and therefore, consideration of the surplus/deficit has been given when calculating the fees between 2015 and 2024 and is contained within the report.

The information request for financial information was dealt with as a formal request and a response has been provided to those respondents who provided their contact information.

### **Representation 3**

#### **32 Signed Copies Received**

Subject: Formal Objection to Proposed Taxi Licensing Fee Increases

Dear Sir/Madam,

I am writing to formally object to the proposed increases in taxi licensing fees by Kirklees Council.

At a time when the cost of living remains high, fuel prices are volatile, and many drivers are still recovering from the financial hardships caused by the pandemic, any increase in fees would place an unfair and unnecessary burden on hardworking taxi drivers. Many of us are already struggling to make ends meet, and further financial pressure may push some out of the trade altogether.

Moreover, there are serious and longstanding concerns about financial transparency within the Licensing Department, particularly regarding surpluses made between 2008 and 2015. Despite repeated requests, Kirklees Council has failed to provide a clear and full disclosure of the department's financial records during this period. Before any further increases can be justified, it is essential that a full breakdown of past income, expenditure, and surpluses is published and scrutinised.

Proceeding with fee increases while withholding critical financial information is both irresponsible and unacceptable. Until the council demonstrates financial accountability and transparency—particularly regarding the significant surpluses made prior to 2015—it would be illogical and unreasonable to impose any additional costs on license holders.

I urge you to suspend any plans to raise fees until a full, independent financial review has been completed and made public. I also request to be kept informed about any meetings, consultations, or decisions related to this matter.

Yours faithfully,

#### **Council Comments Relating to Representation 3**

The comments within this representation are noted and for members to consider.

In response to comments regarding the hackney carriage and private hire licensing budget prior to 2015, this should have been addressed at the time of the 2015 fee review and therefore, consideration of the surplus/deficit has been given when calculating the fees between 2015 and 2024 and is contained within the report.

## **Representation 4**

### **80 Signed Copies Received**

#### **Subject: Formal Objection to Taxi Licensing Fee Increases & Demand for Full Financial Transparency (2008-2015)**

Dear Sir/Madam,

I am writing as a licensed taxi driver under Kirklees Council to formally object to the proposed or implemented increases in taxi licensing fees. These increases are both unjustified and poorly timed, especially given the current financial pressures on the trade, including high fuel costs, rising insurance premiums, and a notable decline in earnings post-pandemic.

More importantly, I wish to raise serious concerns regarding the historical lack of financial transparency within the Licensing Department — specifically in relation to the period between 2008 and 2015, during which significant surpluses were allegedly generated. Despite repeated calls from drivers and trade representatives, full and detailed accounts from this period have never been made public.

It is unacceptable to consider fee increases when the full financial picture remains hidden. Before any further demands are placed on already struggling drivers, Kirklees Council must provide:

- A comprehensive and independently audited report detailing income and expenditure of the taxi licensing service from 2008 to 2015.
- A clear explanation as to how past surpluses were used or accounted for.
- A justification that any future fee increases are directly proportional to the actual costs of providing the licensing service, in accordance with relevant statutory guidance and principles of fairness.

In the absence of this transparency, any increase in fees is not only premature but may also be open to legal challenge.

I request that this objection be formally noted and addressed before any final decisions are made.

Yours faithfully,

### **Council Comments Relating to Representation 4**

The comments within this representation are noted and for members to consider.

In response to comments regarding the hackney carriage and private hire licensing budget prior to 2015, this should have been addressed at the time of the 2015 fee review and therefore, consideration of the surplus/deficit has been given when calculating the fees between 2015 and 2024 and is contained within the report.

The information request for financial information was dealt with as a formal request and a response has been provided to those respondents who provided their contact information.

## Representation 5

### 1 Copy Received

#### Objection to Proposed Fee Increases

Date: 23<sup>rd</sup> July 2025

We are writing to strongly object to the proposed increases for taxi and private hire licensing.

Whilst we object to all the proposals, we are particularly opposed to the outrageous hike in the proposed fee for private hire operators.

The relevant legal provisions are set out in the Local Government (Miscellaneous Provisions) Act 1976 ('the Act') specifically section 51 with respect to a grant of a driver licences, section 55 with respect to the grant of an operator licence and sections 53 (2) and 70 (1) in relation to fees for vehicle and operator licences, both of which permit the recovery of a **reasonable** fee for the grant of a licence

Section 53 of the Act specifies that the **reasonable** costs related to issue and administration of licences can be recovered in driver's licence fees. In respect of vehicle and operator licences, section 70 specifies that the **reasonable** cost of inspecting vehicles, the **reasonable** cost of providing hackney carriage stands and any **reasonable** administrative costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles can be included in the fees.

It is accepted that fees charged can include a **reasonable** and proportionate amount to cover the costs of enforcement.

The test to be followed in sections 51 and 55 are almost identical in that both sections require that the applicant is a "fit and proper person".

#### **51 Licensing of drivers of private hire vehicles.**

(1) Subject to the provisions of this Part of this Act, a district council shall, on the receipt of an application from any person for the grant to that person of a licence to drive private hire vehicles, grant to that person a driver's licence:

Provided that a district council shall not grant a licence—

(a) unless they are satisfied **[F1—**

(i)] that the applicant is a fit and proper person to hold a driver's licence; **[F2** and

(ii)] that the applicant is not disqualified by reason of the applicant's immigration status from driving a private hire vehicle; or]

## 55 Licensing of operators of private hire vehicles.

(1) Subject to the provisions of this Part of this Act, a district council shall, on receipt of an application from any person for the grant to that person of a licence to operate private hire vehicles grant to that person an operator's licence:

Provided that a district council shall not grant a licence unless they are satisfied

**[F1** —

(a)]that the applicant is a fit and proper person to hold an operator's licence**[F2;**  
and

(b)if the applicant is an individual, that the applicant is not disqualified by reason of the applicant's immigration status from operating a private hire vehicle.]

The disparity therefore between the cost of each licence is a source of confusion for licensed operators within Kirklees. The application process for either a driver or an operator licence is virtually identical, application, DBS check etc. Though drivers have an added burden of driver training and driving test etc – yet the fee element of those application costs is miniscule compared to current and proposed fees for operators. There is in fact less work and checks to be carried out for a grant of an operator licence.

We are dismayed that the council also deems it acceptable to charge varying fees under its operator fee table, depending on the number of vehicles that the operator may have in their business. There is no provision in the legislation which either supports this or implies that fees can be set in this manner. We repeat the legislation only allows a fee to be charged for the **reasonable** costs associated with any given licence.

The number of vehicles operated under the licence is irrelevant. You cannot claim it is for enforcement against the “vehicles” per se as you have already factored in vehicle enforcement costs under the grant of the licensed vehicle.

Further, following the decision in *R (on the application of Cummings) v Cardiff City Council* [2014] EWHC 2544 (Admin) it is well known that Councils must separate out the five streams of taxi licensing (comprising vehicles, drivers and operators), when collecting their licence fees. It is also settled law that there must be no cross subsidy within these streams and councils must not use the licensing fees as an income generating scheme.

Yet, the current and proposed operator fees appear to be just that – an income generating scheme for the council. We believe Kirklees council is acting unlawfully in this manner.

For the reasons set out we strongly object to and oppose the proposed increase in taxi and private hire licensing fees and in particular to the proposed fees and the manner of calculation of private hire operator fees.

Yours sincerely

### **Council Comments Relating to Representation 5**

The comments in this representation are noted and for members to consider.

The proposal is to increase the fees across the board by 3% for the first year and the two subsequent years it will be 2% or if CPI is less than 2% it will increase in line with CPI, therefore, there is no difference in the percentage increase between an operator's licence or a driver's licence. The cost of the licences is different due to several factors, not just the fit and proper test as suggested within this representation. The details of how the fees are calculated are addressed within the report.

The operator licences are also subject to additional ongoing compliance / enforcement costs, as well as ongoing administrative costs. Whereas driver licences are only subject to ongoing administrative costs.

To clarify costs for vehicle licences are attributed to the vehicle licences, costs for driver licences are attributed to driver licences and the same for operator licences, costs for enforcement in relation to vehicles or drivers cannot be added to the cost of an operator licence and for the purpose of this fee increase it can be confirmed that this has not occurred.

## Representation 6

### 1 Copy Received

Dear Licencing & Safety Committee Members & Licensing Service

#### **Re: Proposed increase in Hackney carriage & Private Hire Licensing Fees.**

We have been engaged on behalf of the Huddersfield Hackney Carriage Association to submit an objection to the proposed fee increases as outlined at the Hackney Carriage and Private Hire Trade Meeting on 22<sup>nd</sup> May 2025.

Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 makes it clear that a district council may only charge such fees as may be sufficient to cover its actual reasonable costs of administration of the licences.

The Council cannot make a profit from licence fees and any surplus must be carried forward and form part of any subsequent review of fees. It is accepted that this principle would also apply if there was a deficit. *R (Cummings) v. Cardiff [2014] EWHC 2544*

Having researched this matter in some detail we have ascertained that since 2008 to 31<sup>st</sup> March 2025 Kirklees council have in total made surplus profits from the licensing account amounting to £4,545,000. (see table below)

Year	Sales, Fees & Charges Income	Other Income	Total Income	Expenditure Employees & Running Costs	Net Current Expenses (inc Capital)	Account Balance
2008/9	No breakdown available					-84k
2009/10	996	11	1007	547+348=	60 +2	-60k
2010/11	1016	12	1028	548+220=768	262	-258k
2011/12	967	6	973	434+301=735	240	-236k
2012/13	884	18	902	421+272=693	211	-207k
2013/14	1006	11	1017	316+422=738	279+2	-277k
2014/15	1066	8	1074	298+533=831	294	-243k
2015/16	1202	8	1210	321+665=986		-224k
2016/17	1265	7	127	340+662=992		-280k
2017/18	1241	10	125	393+677=1070		-181k
2018/19	1173	8	118	351+588= 939		-242k
2019/20	Layout on <a href="http://gov.uk">gov.uk</a> website changed and only shows overall outcome					-436k
2020/21						-455
2021/22						-405
2022/23						-397
2023/24						-246

2024/25						-314
<b>Total</b>						<b>-£4,545.000</b>

## Notes

*Information obtained from Local Authority Returns on*

<https://www.gov.uk/government/collections/local-authority-revenue-expenditure-and-financing>

*- Denotes a surplus on the account*

We appreciate that this is a surplus made on the whole of the licensing fee account, and despite many FOI requests to have this amount broken down between the various streams of licensing income the trade have been fobbed off time and time again. However, at the trade meeting mentioned above some additional information was provided by Fiona Goldsmith (FG), the licensing group leader and Russell Williams (RW) the Public Protection Operator Manager. This was minimal additional information in that they allege that since 2015/16 the Hackney Carriage/Private Hire (HC/PH) Account has made a cumulative loss of £98,000. FG explained to the trade that the proposed fees were calculated taking into account the administrative cost of an application and also ongoing costs associated such as internal recharge costs, staffing etc. We accept that this is the case however, neither FG or RW has supplied the detail of the ongoing costs. We have not received or seen a breakdown of how the ongoing costs are calculated and offset across the different licensing functions of the department. For example, what percentage of staffing costs, accommodation costs, IT costs etc have been attributed to HC/PH licensing as opposed to Alcohol/Gambling/Street Trading etc

Additionally, RW informed the Trade meeting that any surplus pre 2015 would not be taken into account as a fee review at that time considered adjustments for surplus and deficits. That is incorrect, In 2015 a “time and motion” exercise was carried out (this can be seen at appendix 4 to the 2015 committee report) a review of outstanding surplus or deficit was not carried out. The author of this letter did request such a review but the then Head of Service refused to do so. Further that report does not actually state that one was done, it merely speaks in general terms regarding cost recovery.

Using the figures from the table above, licensing are saying that from a total surplus of £2.620,000 made between 2015/16 to 2024/5 the HC/PH licensing part of the service was in deficit to the amount of £98,000. This leaves a profit across the other functions of licensing to the amount of £3,180,000.

If RW assertions regarding a loss on the HC/PH account are correct, this huge surplus suggests that much more work is carried out by staff on the other licensing functions so surely those other functions attract a much higher percentage of the ongoing costs such as staff, accommodation, IT support etc than the HC/PH functions? It is difficult to know and impossible to work out as no figures or percentages of associated costs have been provided to the Trade by the licensing department.

This then leaves the figure of £1,365,000 surplus made between 2008 – 2014. It is ingenious of Mr Williams to conclude that because a fee review was carried out in 2015, there is no need for a breakdown to be made or given for previous profits. A local authority must act in an open and transparent manner, unfortunately on this occasion this is not happening.

Elected Members need to establish the finer detail of this figures before they can be certain that the proposed increases are indeed necessary.

Not a single penny is given to the licensing service from central budget to assist in its functions although we are aware that some functions attract no fee income. For example, house to house collections, Hypnotism permits, street trading (where application refused) etc. Therefore, the cost of carrying out these functions is swallowed up by the licensing regimes that do attract fees. This is grossly unfair and unlawful.

With regard to the surplus income, we mention above we have found no evidence & been given no evidence that year on year any surplus income from any of the preceding years has been returned back to the licensing budget. It has simply disappeared and no account has been given to the licensing service and more importantly to its fee payers for these surplus monies collected by the council.

This is blatantly unlawful. It is well established both in legislation and case law (*R (Cummings) v. Cardiff [2014] EWHC 2544*) that a council can only set its fees to cover the reasonable cost of the various heads of licensing and cannot make a profit. Any surplus (or deficit) must be carried forward and form part of any subsequent review of fees. This has clearly not happened ever that we can ascertain, in reviewing fees for hackney carriage and private hire licensing by Kirklees Council. That cannot be allowed to go unchallenged again.

We are also aware that the actual cost of processing, administration and enforcement, has reduced. Officer numbers have reduced over a number of years. Officers paid for by licensing income appear also to be carrying out enforcement for the noise nuisance team within environmental health. How is this fair to the fee payers?

Accommodation costs must also have reduced in that many officers now regularly work from home, the teams office accommodation is significantly reduced and those that do go into the office are now desk sharing. Counter provision has been delegated to what is effectively a “tin hut” at Fartown with no proper customer facilities. (We would invite elected members to go check that out for themselves).

We also take issue with the fact that the Licensing department is asking elected members to sanction not only a fee increase commencing this year but also for further increases in 2026 and 2027. We believe this method of fee increases is unlawful. Nowhere in the legislation does it provide that a licensing department can “band up” successive years fee increases without going through the statutory process for each proposed increase which again would include a full review of the accounts at the end of each financial period to determine whether a further increase or even reduction in fees is necessary.

It is not a lawful consideration to say “we haven’t raised Hackney Carriage and Private Hire Fees since 2015 so a fee increase is overdue”. Before determining whether a fee increase (or reduction) is necessary a full and transparent review of

the account is called for taking into account all profits and/or losses. Considering the excess income Licensing has made over the past years this clearly has not been fully done yet proposed increases are being put to the committee

The council now needs as a matter of urgency to review its position immediately by publishing financially accurate and detailed licensing fee income and expenditure under its separate income heads for all years shown in the above table. Then and only then will the hackney carriage and private hire fee payers be satisfied that the council is operating with transparency and fairness. Then and only then can the members of the Licensing & Safety Committee be confident that what they are currently being invited to sanction by the management team is not unlawful.

In conclusion, with the current lack of any such evidence and transparency by the Licensing department and the clear evidence of over £4.5 million overall licensing surplus we must strongly object to the proposals as they appear to be not only unjustified but also unlawful.

Yours sincerely

### **Council Comments Relating to Representation 6**

The comments in this representation are noted and for members to consider.

In response to the table containing financial information that the respondent has researched, the respondent has stated, that the figures relate to the whole of the licensing services, not just the hackney carriage and private hire income and expenditure. The published figures quoted are budget figures and are not the revenue outturn figures for the financial years detailed in the table.

The report contains the specific details regarding the hackney carriage and private hire financial position.

In relation to the comments about surplus / deficit to the hackney carriage and private hire service prior to the 2015 fee review, external legal advice was sought prior to carrying out the fee review and it was confirmed that there was no requirement to consider any surplus / deficit prior to the last fee review in 2015.

Where it is said other services offered by the licensing service functions attract more of the ongoing costs, is not relevant as a number of fees for other licence types are set by central government. The fees calculated for the hackney and private hire licensing are based on cost of the administration of each licence type, i.e. the cost to process each type of application, and the ongoing costs associated with each licence type.

It is stated by the respondent that the cost of processing applications, administration and enforcement have reduced, and officer numbers have reduced. The service has evolved over the years; however, associated costs have increased which includes staff costs and calculations are based on current staff levels.

It can be agreed that there are officers who do cover the noise team out of hours standby, when they are not on the rota for out of hours enforcement for the Licensing Service, however, the cost of this is borne by the Environmental Health Service and does not affect the licensing budget.

In relation to the consultation covering three years, it is accepted that there is nothing explicit within the legislation which states multiple years can be consulted upon.

The Council have followed the requirements as set out in the Local Government (Miscellaneous Provisions) Act 1976 which states that the proposed fees must be publicised in a local newspaper and a notice be displayed in Council offices for a minimum period of 28 days. In addition, the Council have consulted in relation to Driver fees (which is not a legal requirement) and has also written to all holders of hackney carriage / private hire driver licences, hackney carriage and private hire vehicle licences and private hire operator licences which is above and beyond the legal requirement.

In addition to carry out the consultation once rather than three times also reduces the cost considerably which is of benefit for the hackney carriage and private hire trade as this is a cost to the service which would be added to the fees.

At the end of each financial year starting from 24/25 the council will calculate the surplus and deficit and at the end of each 3-year period will use the figures to assist in the review the hackney carriage and private hire fees.

**Representation 7**

**1 Copy Received**

Afternoon

I'm writing to object the new proposal to increase of the hickey licence.

Ta

**Council Comments Relating to Representation 7**

Comments within this representation are noted and are for members to consider.

## **Representation 8**

### **1 Copy Received**

Hi

I got a letter from council license office showing some licence fee changes.

I am really sorry I can not understand this. If you don't mind kindly elaborate this letter to me.

I have collected my PH badge on 24/06/2025, literally 3 days ago from the council office and paid £249 fee for 3 years badge .

Now do I need to pay the fee difference now??

Kindly get back to me .

Many thanks

### **Council Comments Relating to Representation 8**

Response that was emailed to the responded was as follows:

Thank you for your email.

For clarification, this fee consultation will not require you to pay any additional money for the licence you already have.

The consultation relates to a fee increase which will take effect, subject to approval of the Licensing and Safety Committee following the consultation.

## **Representation 9**

### **1 Copy Received**

Dear Licensing Team,

I hope this message finds you well.

I am writing to formally raise my objection to the proposed increase in taxi and private hire licensing fees within the Kirklees district.

As a licensed driver in the borough, I am concerned about the financial pressure being placed on drivers, especially when considering the substantial increase in badge fees in 2015 — nearly doubling the cost at that time. That change significantly impacted licence holders, and the effects are still being felt today.

Furthermore, it is understood that Kirklees Licensing generated financial surpluses prior to 2015, which were not reinvested into the service or returned to the licence holders who funded them. Without a clear and transparent breakdown of current costs, this proposed increase raises serious questions about the fairness and sustainability of the licensing structure.

Drivers are already managing increased expenses — including vehicle maintenance, insurance, and fuel — while income remains unstable. This fee increase would only deepen those challenges.

I urge the Council to reconsider this proposal and to engage meaningfully with the trade through consultation and open discussion before proceeding.

Thank you for your time and consideration.

### **Council Comments Relating to Representation 9**

Comments within this representation are noted and are for members to consider.

In response to comments regarding the hackney carriage and private hire licensing budget prior to 2015, this should have been addressed at the time of the 2015 fee review and therefore, consideration of the surplus/deficit has been given when calculating the fees between 2015 and 2024 and is contained within the report.

**Representation 10**

**1 Copy Received**

Thank you for your email. But i paid for 3 years.

**Council Comments Relating to Representation 10**

Response that was emailed to the responded was as follows:

Thank you for your response, for clarification this increase relates to the fees in the future, therefore, if you have just paid for a 3-year licence this will only affect you when you come to renew your licence in 3 years' time.