

Committee:	Licensing & Environmental Health	Date:
Title:	Proposed 2026/27 Licence Fees for Hackney Carriage and Private Hire Drivers, Vehicles and Operators	Thursday 02 October 2025
Report Author:	Jamie Livermore, Licensing & Compliance Manager, 01799 510326	Item for decision: Yes

Summary

1.1. This report informs Members on the proposed Licence fees relating to Hackney Carriage and Private Hire Drivers, Vehicles and Operators to take effect from 1 April 2026, and seeks its approval for the commencement of public consultation.

Recommendations

2.1. It is recommended that the Committee approve the proposed fees for the commencement of public consultation as set out in Appendix A.

Financial Implications

3.1. The Local Authority is required to review its fees and charges as part of its annual budget setting process. In accordance with both legislation and guidance, it is appropriate for fees and charges associated with the Licensing regime to be set as cost-recoverable.

Background Papers

4.1.

Appendix A – Proposed Licence fees for 2026/27, and costs/income from 2024/25, 2025/26 and 2026/27

Background Paper A – Local Government Association Guidance on locally set Licence fees (Dec 2023) [LGA guidance on locally set licensing fees | Local Government Association](#)

Background Paper B – S70 Local Government (Miscellaneous Provisions) Act 1976 [Local Government \(Miscellaneous Provisions\) Act 1976 \(legislation.gov.uk\)](https://legislation.gov.uk/ukpga/1976/66)

Impact

5.1.

Communication/Consultation	Statute requires notice of proposed changes to be published in at least one local newspaper for a period of at least 28 days.
Community Safety	None
Equalities	Any changes in fees must be communicated to all existing licence holders, and consultation on any proposed changes will be conducted with interested parties and the wider public to ensure there is an opportunity to contribute to any such decision.
Health and Safety	None
Human Rights/Legal Implications	The Local Authority is permitted to charge a reasonable fee for the grant of a licence with the view to recovering the costs of the issue, administration and supervision of such licences.
Sustainability	None
Ward-specific impacts	None

Workforce/Workplace	None
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Situation

6.1. In accordance with S70 of the Local Government (Miscellaneous Provisions) Act 1976, Taxi and Private Hire licensing is required to operate as a cost neutral service. To ensure that fees remain reasonable and proportionate it is necessary to undertake a regular and robust review process, and the Council conducts this on an annual basis.

6.2. A table comparing the proposed fees alongside the existing fees is shown in **Appendix A**, along with illustrations and explanations of the costs and income, and the reserve movements including forecasts of the current and next financial year. The licensing reserve holds the income that pays for the cost of work required in future years of Driver and Operator licences, which are generally issued for 3- and 5-year durations respectively.

6.3. It is common for the fees to fluctuate from year to year, with increases or reductions dependent on the results of the annual review. This year has indicated an increase across licences with a 3.52% increase on the primary driver licence fee and a 3.86% increase on the primary vehicle licence fee.

6.4. The increases, as with last year, are due to the annual staff pay award, salary increments, and inflationary changes (CPI), all of which are always legitimately factored into the overall costings.

6.5. Licensing Officers recognise that this proposal represents a further increase in driver fees, in addition to other recent costs faced by licence holders, such as the Council's approved driver training course. However, Members and the Taxi & Private Hire Trade are advised that if the Licensing Authority were to hold fees at an artificially low level, this would create a deficit in the service and undermine its ability to operate on a cost-recovery basis. This would potentially lead to the service being subsidised from the Council's general fund, i.e. local taxpayers. That would mean the wider

community effectively subsidising a specific trade, which is contrary to the “user pays” principle reflected in legislation and Government guidance.

Licensing Officers will continue to regularly review administration and enforcement processes in order to identify any further potential efficiencies in its delivery to keep costs to the Trade at a minimum.

6.6. The Council is required to consult with interested parties where there is any proposal by it to vary the existing fee structure. The requirement relates only to vehicle and operator licences, however the Council has previously done and continues to include driver fees within this consultation for full transparency.

6.7. In accordance with the statutory requirements, the Council must publish the proposals on its website, in a local newspaper, and sent directly to existing licence holders by way of email. Licensing Officers will additionally look to offer both an in-person and/or Teams meeting with members of the Taxi and Private Hire trade for their views.

6.8. Consultation must last for at least 28 days and so will run across the months of October and November. Where there are no objections received to the proposals, the fees will be taken directly to Full Council for approval before coming into effect from the 1 April 2026. If any objections are received, the fees will be returned to this Committee in January for further consideration.

6.9. Members are advised to refer to **Background Paper A and B** for further information and clarification on Licence fee setting from the Local Government Association and Local Government (Miscellaneous Provisions) Act 1976 respectively.