

AGENDA

Regulatory Panel

**Wednesday, 09 February 2022 AT 14:00
In the Flensburg Room, Civic Centre, Carlisle, CA3 8QG**

APOLOGIES FOR ABSENCE

To receive apologies for absence and notification of substitutions

DECLARATIONS OF INTEREST

Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any items on the agenda at this stage.

PUBLIC AND PRESS

To agree that the items of business within Part A of the agenda should be dealt with in public and that the items of business within Part B of the agenda should be dealt with in private.

MINUTES OF PREVIOUS MEETINGS

To note that Council, at its meeting on 4 January 2022, received and adopted the minutes of the meetings held on 27 October and 1 December 2021.

The Chair will sign the minutes.

[Copy minutes in Minute Book Vol 48(4)].

PART A

To be considered when the Public and Press are present

A.1 HACKNEY CARRIAGE TABLE OF FARES REVIEW 2022 3 - 10

The Licensing Manager to submit the Hackney Carriage Table of Fares Review 2022.

(Copy Report GD.04/22 herewith)

A.2 TAX CONDITIONALITY 11 - 16

The Licensing Manager to submit a report on new rules for applicants for a taxi, private hire or scrap metal licence on or after 4 April 2022 (amendment to Policy Document).

(Copy Report GD.03/22 herewith)

PART B

To be considered when the Public and Press are excluded from the meeting

- NIL -

Members of the Regulatory Panel:

Conservative – Mrs Bowman (Chair), Collier, Mrs Mitchell, Meller, Morton, Nedved, Shepherd, Bainbridge (sub), Mrs Mallinson (sub), J Mallinson (sub)

Labour – Miss Sherriff, Sunter, Dr Tickner, Miss Whalen (Vie Chair), Alcroft (sub), Birks (sub) Patrick (sub)

Independent and Liberal Democrat - Bomford, Allison (sub)

Enquiries, requests for reports, background papers etc to:
committeeservices@carlisle.gov.uk

Carlisle City Council

Report to Regulatory Panel

Item
A.1

Report details

Meeting Date:	9 th February 2022
Portfolio:	Finance, Governance & Resources
Key Decision:	No
Policy and Budget Framework	No
Public / Private	Public
Title:	Hackney Carriage Table of Fares Review 2022
Report of:	Corporate Director of Governance & Regulatory Services
Report Number:	GD 04/22

Purpose / Summary:

The Licensing Authority sets the rate of fare for Hackney Carriages (Taxis) in the District. The current Table of Fares has been reviewed and proposals are within the report to change the Tariff from 1st April 2022.

Recommendations:

That, subject to consultation, members agree the proposed changes to the Table of Fares for Hackney Carriages.

Tracking

Executive:	N/A
Scrutiny:	N/A
Council:	N/A

1. Background

- 1.1. Hackney Carriage (taxis) are a vital form of local transport. Local Authorities have the power to set the maximum fares of taxis which they licence.
- 1.2. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (Appendix 1) states that

“A district council may fix the rates of fares within the district for time as well as distance, and all other charges in connection with the hire of the vehicle of with the arrangements for the hire of a vehicle, to be paid in respect of the hire of Hackney Carriages by means of a table (hereafter in this section referred to as a ‘table of fares’) made or varied in accordance with the provisions of this section.”

- 1.3. By fixing the fares, the Council is effectively setting the maximum fare that Hackney Carriage drivers can charge. Legally, taxi drivers may charge less than this but may not charge more.
- 1.4. The fares set by the Council include provisions for taxi drivers to earn a wage, cover the costs of running a taxi and providing a service to the public when it is needed whilst ensuring that fares are reasonable for the public to pay for such a service.
- 1.5. The last review of the table of fares was undertaken in 2018 when no change was agreed. The last change to the tariff was agreed in 2017 by Members when an increase on 15p on the flag fall was agreed and achieved an increase of 2.75% on the 2mile journey.
- 1.6. The Council’s Hackney Carriage and Private Hire Policy 2022-2027 states that it is good practice to review the fare scales at regular intervals, and will therefore, consider the fare scales on a bi-annual basis or sooner if a request is received by the trade.¹

2. Proposals

- 2.1 In order to review the fares, the Council’s Financial Services produce the changes to the RPI to the identified criteria for transport costs since the last review. These changes have been multiplied by the weighting agreed with the Taxi Association with the main costs being fuel, labour and insurance. The calculations show an average increase in costs of just over 12% and overall inflation is currently running at 6%.

¹ Carlisle City Council Hackney Carriage & Private Hire Policy 2022-27 Part 7 Section 7.1

Main Costs	June 2018	Oct 21	Variance	Weighting	Total
Fuel & Oil	377.20	401.60	6.47	18.95	122.55
Insurance & Tax	799.30	921.30	15.26	4.95	75.61
Maintenance	439.70	485.90	10.51	9.34	98.09
Labour & Wages	478.90	536.70	12.07	54.49	657.64
Vehicle Purchasing	95.20	114.90	20.69	11.05	228.66
Licensing (Badge, Plate, COC & Taxi Test x 2)	345.00	399.00	15.65	1.23	19.20
				100	1201.76

- 2.2 Due to the increase in costs and the current inflation position it is proposed that an increase is made to the tariff.
- 2.3 The current flag fall is £3.00 for the first 0.7 mile (1126 meters) and 20p for each subsequent 170 yards (approximately 155 meters) or uncompleted part thereof.
- 2.4 It is proposed that the flag fall remain at £3.00 but reduce the distance to the first “click” to 1,000 meters (1094 yards) and thereafter a 20p for each subsequent 160 yards or uncompleted part thereof.
- 2.5 This would result in the following increase

	Current Tariff	Proposed Tariff	Increase
1 mile	£3.80	£4.00	5%
2 mile	£5.80	£6.20	6%
5 mile	£12.00	£12.80	6%
10 mile	£22.40	£23.80	6%

- 2.6 The local Taxi Association and the larger taxi companies have been informally consulted.
- 2.7 Carlisle will be ranked 2nd of the 6 Cumbria Councils for the benchmark 2-mile journey and will be ranked 154 of the 359 authorities in the country for a 2-mile journey. The national average 2-mile journey for Tariff One is £6.06.

District	Charge for 2 Miles	2 Mile Ranking	Date Reviewed
South Lakeland	6.40	1	2014
Carlisle	6.20	2	2022
Eden	5.50	3	2013
Barrow BC	5.40	4	2012
Copeland	5.00	5	2013
Allerdale	5.54	6	2018

- 2.8 A draft table of fares incorporating this proposal is attached at Appendix 2.
- 2.9 In accordance with the Hackney Carriage and Private Hire Licensing Policy 2022-2027 all Taximeters are required to be sealed. It has been agreed with the main provider that they will seal the meters and issue a Certificate when they update the software on 1st April 2022. The meters will also be updated with a clock calendar which prohibits the driver changing the meter tariff as this will be done automatically.

3. Risks

- 3.1 Any tariff will need to be adopted in accordance with the relevant legislation.

4. Consultation

- 4.1 In accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, the Council must publish their proposed table of fares in at least one local newspaper and a notice placed at the Council Offices for a period of 14 days.
- 4.2 If no objections are received, or are subsequently withdrawn, by the closing date of the 28th February 2022, the new tariff will apply from the 1st April 2022.
- 4.3 Any objections will be heard by the Regulatory Panel on the 16th March 2022 and the tariff shall come into force, with or without modification, on the 1st April 2022.

5. Recommendations

- 5.1 That, subject to consultation, members agree the proposed changes to the Table of Fares for Hackney Carriages.

Contact details:

Contact Officer: Nicola Edwards

Ext: 7025

Appendices attached to report:

1. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976
2. Draft Table of Fares 2022

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Corporate Implications:

Legal Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to fix the maximum rates or fares.

Any proposals for amendment are to be published and if no objection is received then the amendments shall take effect. Where objection is received then the Council shall consider the objections received and may set a further date (no later than two months) on which the table of fares (with or without modification) shall take effect.

Finance None – the consultation and publication in respect of the proposed Table of Fares will be met from the running costs of the Licensing Department. The revised rates will be collected and form part of the Licensing income.

Equality - None

Information Governance- None



Local Government (Miscellaneous Provisions) Act 1976

1976 CHAPTER 57

PART II

HACKNEY CARRIAGES AND PRIVATE HIRE VEHICLES

65 Fixing of fares for hackney carriages.

- (1) A district council may fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as a “table of fares”) made or varied in accordance with the provisions of this section.

(2) (a)

When a district council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.

- (b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of fourteen days from the date of the first publication thereof be deposited at the offices of the council which published the notice, and shall at all reasonable hours be open to public inspection without payment.

- (3) If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in subsection (2) of this section, or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.
- (4) If objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the

Changes to legislation: There are currently no known outstanding effects for the Local Government (Miscellaneous Provisions) Act 1976, Section 65. (See end of Document for details)

table of fares shall come into force with or without modifications as decided by them after consideration of the objections.

- (5) A table of fares made or varied under this section shall have effect for the purposes of the Act of 1847 as if it were included in hackney carriage byelaws made thereunder.
- (6) On the coming into operation of a table of fares made by a council under this section for the district, any hackney carriage byelaws fixing the rates and fares or any table of fares previously made under this section for the district, as the case may be, shall cease to have effect.
- (7) Section 236(8) (except the words “when confirmed”) and section 238 of the ^{M1}Local Government Act 1972 (except paragraphs (c) and (d) of that section) shall extend and apply to a table of fares made or varied under this section [^{F1}by a district council in England] as they apply to byelaws made by a district council [^{F2}in England] .
- [^{F3}(7A) Section 8(5) and section 19 of the Local Government Byelaws (Wales) Act 2012 shall extend and apply to a table of fares made or varied under this section by a council for a county or county borough in Wales as they apply to byelaws made by a council for a county or county borough in Wales.]

Textual Amendments

- F1** Words in s. 65(7) inserted (31.3.2015) by Local Government Byelaws (Wales) Act 2012 (anaw 2), s. 22(2), **Sch. 2 para. 10(2)(a)**; S.I. 2015/1025, art. 2(r) (with art. 3)
- F2** Words in s. 65(7) inserted (31.3.2015) by Local Government Byelaws (Wales) Act 2012 (anaw 2), s. 22(2), **Sch. 2 para. 10(2)(b)**; S.I. 2015/1025, art. 2(r) (with art. 3)
- F3** S. 65(7A) inserted (31.3.2015) by Local Government Byelaws (Wales) Act 2012 (anaw 2), s. 22(2), **Sch. 2 para. 10(3)**; S.I. 2015/1025, art. 2(r) (with art. 3)

Marginal Citations

- M1** 1972 c. 70.



HACKNEY CARRIAGE (MAXIMUM) FARES

MILEAGE

Tariff One

If the distance does not exceed 0.62 mile

(1000 metres)£3

For each subsequent 160 yards or

uncompleted part thereof (Approx. 146 metres)20p

Waiting Time

For each period of one minute or

uncompleted part thereof20p

Tariff Two

For hirings commenced between 23:00 hours and
07:00 hours, and between 12:00 hours and
18:00 hours on Christmas and New Years Eve

**Plus one third
of tariff one
rate of fare**

Tariff Three

All day of Bank and Public Holidays and
between 18:00 hours and 24:00 hours on
Christmas and New Years Eve

**Plus one half
of tariff one
rate of fare**

EXTRA CHARGES

For each ADULT (17 years and over)

in excess of four50p

For each perambulator or dog

(other than an assistance dog) conveyed10p

For each article of luggage conveyed outside

the passenger compartment of the carriage10p

A charge may be requested if the user soils

the vehicle. This will not exceed£35

Carlisle City Council

Report to Regulatory Panel

Item
A.2

Report details

Meeting Date:	9 th February 2022
Portfolio:	Finance, Governance & Resources
Key Decision:	No
Policy and Budget Framework	No
Public / Private	Public
Title:	Tax Conditionality
Report of:	Corporate Director of Governance & Regulatory Services
Report Number:	GD.03/22

Purpose / Summary:

The Government is putting into place new tax requirements for applications for certain licences from 4th April 2022. The report is to inform Members of the changes to the application process for Taxi Drivers, Private Hire Operators and Drivers and Scrap Metal Dealer licences.

Recommendations:

- (a) Note the contents of the report
- (b) Request that the Licensing Manager update the Hackney Carriage and Private Hire Policy and the Scrap Metal Dealers Policy to incorporate Tax Conditionality measures into the application procedure.

Tracking

Executive:	N/A
Scrutiny:	N/A
Council:	N/A

1. Background

- 1.1. The government is putting in place new tax requirements for applications to Hackney Carriage Driver, Private Hire Driver, Private Hire Operator and Scrap Metal Dealers (Collector and Site Licences). The requirement will apply to all renewal applications received from 4th April 2022.
- 1.2. New applicants will not need to complete a tax check. However, licensing authorities are required to request new applicants read the HMRC guidance on what the applicant needs to do in order to be properly registered for tax in the future. The applicant must confirm that this has been done.
- 1.3. Applicants applying for a renewal licence will be required to complete a tax check through their Government Gateway account. They will need to answer several questions regarding how they pay any tax that may be due on income earned from their licensed trade.
- 1.4. Those who are unable to complete a check online, or who need additional support will be able to complete a check by contacting HMRC's helpline or utilising HMRC's extra support service.
- 1.5. After completing the check (online or by telephone) they will receive a code which must be provided to the licensing authority on application who will check the validity of the code on Gov.uk.
- 1.6. Without a tax check the Licensing Authority cannot accept the renewal application and the current licence will expire.

2. Proposals

- 2.1 Changes will be made to the Council's Hackney Carriage and Private Hire Policy 2022-2027 and the Scrap Metal Dealers Policy to incorporate the new Tax Conditionality requirements.
- 2.2 Application forms will be amended, and applicants will be provided with the HMRC Tax Check Factsheet (Appendix 1).
- 2.3 Information will also be provided on the Council's website and a social media campaign will also be initiated in order to inform licence holders of their responsibilities.

3. Risks

- 3.1 There is a risk that if the licensing authority fail to implement a process for Tax Conditionality that we fail in our legal duty to check that applicants have completed a tax check at renewal or for new applicants to declare that they are aware of the content of the HMRC guidance relating to their tax registration obligations.

3.2 Applications will be not be accepted if a tax check is not undertaken by the applicant. This could result in the expiry of their licence and the risk of unlicensed activity. The Licensing Authority will be required to use enforcement powers should this occur. Timely information and an awareness campaign should ensure that applicants are aware of the requirements to undertake a tax check and the consequences of not doing so.

4. Consultation

4.1 None

5. Conclusion and reasons for recommendations

5.1 The requirements for Licencing Authorities to ensure that applicants have undertaken a tax check is a legal requirement and process and procedures need to be put in place in order to fulfil this duty.

It is recommended that Members

- (a) Note the contents of the report
- (b) Request that the Licensing Manager update the Hackney Carriage and Private Hire Policy and the Scrap Metal Dealers Policy to incorporate Tax Conditionality measures into the application procedure.

Contact details:

Contact Officer: Nicola Edwards

Ext: 7025

Appendices attached to report:

1. HMRC Tax Check Factsheet

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Corporate Implications:

Legal - This is new legislation, there is no current tax law in this area. Legislation will be introduced in the Finance Bill 2021 with the intention of tackling the hidden economy.

Implications contained in the risks section above.

Finance - There are no financial implications from this report

Equality - None

Information Governance- Ensure any revision to policies comply with Data Protection Legislation, particularly in relation to advising individuals of how their

information will be processed by the Council and, ensuring the lawful basis for processing is appropriately stated.



HM Revenue
& Customs

Tax Check Factsheet

What's changing

From 4 April 2022, there will be a small addition to the checks licensing bodies already have in place. You'll need to complete a tax check with HM Revenue and Customs (HMRC) when you renew your licence to:

- drive taxis or private hire vehicles
- operate private hire vehicle businesses
- deal in scrap metal.

The changes will only apply in England and Wales.

How changes may affect you

What you need to do will depend on whether you're applying for a licence for the first time or whether you're making a subsequent application, such as renewing a licence.

Getting a new licence: If you are applying for a licence for the first time, you will not need to complete the tax check. However, licensing bodies will ask you to read HMRC guidance on what you need to do to be properly registered for tax in the future and you'll need to confirm you have done this.

Renewing a licence: From 4 April 2022, if you renew or apply for a subsequent licence under a different licensing body, you'll have to do a tax check. You'll be able to do this online through a digital service.

About the tax check

You will be able to complete this tax check on GOV.UK, through your Government Gateway account. You will only need to answer a few questions to tell HMRC how you pay any tax that may be due on income you earn from your licensed trade. If you do not already have a Government Gateway account, you can sign up on GOV.UK.

The tax check should only take a few minutes. There'll be guidance on GOV.UK and anyone who needs extra support will be able to complete the tax check by phone through HMRC's customer helpline.

When you've completed the tax check, you'll get a code. You must give this code to your licensing body. The licensing body cannot proceed with your licence application or renewal until the tax check is completed and they've received the code.

Your licensing body will only receive confirmation from HMRC that you've completed the tax check, they will not have access to information about your tax affairs.

What you need to do

If you've not registered to pay tax on earnings from your licensed trade, please go to GOV.UK to check if you need to register as soon as possible.

- If you're an employee, find information on PAYE at:
www.gov.uk/income-tax/how-you-pay-income-tax
- If you're self-employed, find information on registering for Self Assessment at:
www.gov.uk/register-for-self-assessment
- If you operate through a company, find information on Corporation Tax at:
www.gov.uk/corporation-tax

If you should have been registered to pay tax and have not been, HMRC will work with you promptly and professionally to get you back on the right track. It's your responsibility to get your tax right, but HMRC are here to help.

You can get help from HMRC if you need extra support, for example if you need information in a different format or need help filling in forms. Visit GOV.UK and search 'Get help from HMRC if you need extra support'.

For further guidance on the tax check, please visit:

www.gov.uk/guidance/changes-for-taxi-private-hire-or-scrap-metal-licence-applications-from-april-2022