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LICENSING COMMITTEE

MINUTES OF A MEETING of the Licensing Committee held on Monday, 27 November 2023 at 10.00 am at the Guildhall, Portsmouth

Present

Councillors Jason Fazackarley (Chair)
Emily Strudwick (Vice-Chair)
Yinka Adeniran
Dave Ashmore
Stuart Brown
Leo Madden
George Madgwick
Asghar Shah
Russell Simpson

Also Present:

Nickii Humphreys, Licensing Manager, PCC
Ben Attrill, Legal Advisor, PCC
Susan Page, Finance manager, PCC
Julie Bounds, Finance Technician, PCC
Allison Harper, Democratic Services, PCC

11. Apologies for Absence (AI 1)

Apologies for absence were received from Councillors Holder, Wemyss, Swann and Sanders.

12. Declarations of Members' Interests (AI 2)

There were no declarations of interest.

13. Minutes of the Previous Meeting (AI 3)

Councillor Madden asked for an update on the mandatory training. Nickii Humphreys advised that, subsequent to the meeting, training was provided on for committee members and there was a session for new members. Licensing was working with Learning and Development to provide the training every municipal year for members. Ben Attrill further advised that all training was recorded and can be viewed or reviewed at any time.

RESOLVED that the minutes of the previous meeting on 24 February 2023 be approved as a correct record.

14. Review of Licensing Fees and Charges (AI 4)

Deputations

The Chair advised that no formal requests to make deputations had been made. However, there were a number of people who wished to do so and although they

were technically past the timescale to do so legal advice was that this was at the Chair's discretion. The Chair and the committee members agreed to allow the deputations to go ahead.

Deputations opposing the recommendations were made by:
Peter Sutherland - on behalf of Portsmouth Uber Drivers.
George Bodescu - Licensed Private Hire Driver, Proprietor and Operator.
Mrinal Ghosh - Portsmouth Hackney Carriage Representative.
Gulab Ali - Portsmouth Hackney Carriage Representative.

Deputations are not minuted but can be viewed [here](#).

Nickii Humphreys, Licensing Manager, presented the report to the Committee. She advised that Sue Page, Finance Manager, was present to answer any questions from a financial standpoint.

The Licensing Manager told the Committee that without the increase in fees there would be a deficit position and the alternative to increasing the fees would be subsidies by the Council taxpayer. She advised that there had been a number of changes to the Licensing service with a number of proposed savings to try and offset the deficit. A full-time post had been deleted and there had been streamlining of some processes, recovery of prosecution costs where possible and best value sourcing. However, this was not enough to avert the deficit without an increase in some fees.

The Licensing Manager advised that the statutory process had been outlined in Appendix B hence the recommendation to publicly advertise the fees. Appendix C outlined the breakdown of the fees on a monthly or daily basis to demonstrate the impact. She advised that the report also noted the relevant case law which committee members should consider when making their decision. The final part of the report was seeking approval to consult on the current minimum age limit for vehicles.

The Finance Manager advised that the council needed to aim for full cost recovery and the service should not be subsidised through the general council tax payer. A robust model had been used to calculate the fees, by category, and had taken account of inflation. The increases had been set to recover the starting deficit and cover the cost of inflation.

The Chair noted the issue with Wolverhampton and that their income is in terms of millions of pounds. The Licensing Manager advised the service does have issues with vehicles that are licensed out of town, but this was a national problem. Wolverhampton have low fees, but they have £2million surplus in their budget so have had to drastically reduce their fees to reduce this surplus. Licensing completed an exercise to compare with them but were not in a position to do so due to the economies of scale. She noted that the council had not seen a major move to Wolverhampton within the fleet of 981. Only national change would affect the situation with Wolverhampton.

Panel Members' questions

In response to questions, officers clarified the following:

- The deficit was established when considering no fee increase. By setting the fees at the level's stated that deficit would be recovered. Any surplus or deficit that occurs will be carried forward and will be reflected in the setting of fees in the next financial year.
- The budget is always going to be one year behind on deficits or surpluses.
- The reduction in Sex establishment licence fees is because, having regard to the proportionate costs of administering those licences, the fees exceed the costs of administration and following the advice of the Local Government Association (LGA) and considering cost recovery they had to come down.
- There are differences in the proposed scale of fees for private hire and hackney carriage because there could be no cross subsidisation from private hire fees to hackney carriages. Hackney carriages had taken a bigger hit as there were less drivers registered for hackney carriages than private hire drivers.
- In relation to meter rates, there is a maximum rate set by the licensing authority that can be charged. However, there was nothing to stop drivers working to a lower rate if they wished.
- Consideration could be given to recovering the deficit over a longer period of time but that would not solve the issue of how to cover the deficit in the short term with the funds having to come from the general fund.
- The reason for the lateness of the report was because the budget had been looked at from many angles to try and get lower figures. The local government guidance is that there must be cost recovery and the department had spent a couple of months robustly analysing costs. Savings had been put forward by the service to assist. There was also the impact of inflation from contractors to take into account.

Members' Comments

Cllr Madgwick considered that section 6 of the report should be taken off the report and bought back as a report on its own to allow for a separate debate due to the importance of the item. He suggested the committee should meet and consider ways that benefits could be offered to Licence holders to incentivise them to continue to license with Portsmouth City Council and not with other authorities such as Wolverhampton. He did not consider it appropriate that the fees should increase whilst the sex establishment cost decreased by 20%. Cllr Madgwick drew attention to the 250% increase in the Private Hire vehicle signs and considered this a large increase.

Cllr Madgwick was not happy that the fee increases were above inflation and civil service pay packet increases. He considered the fees should be in line with inflation or in line with civil servants pay packets. He understood the issue of the deficit but struggled with the issue that there should not be some funding by council tax payers when some bus services are funded by the council.

Cllr Madden suggested that recommendations a, b & c were voted on as one section and recommendation d voted on separately rather than deferring the matter.

The Legal officer advised that recommendation D was simply to approve the preparation of a further report for consideration in relation to the current policy and to allow for consultation - there was no actual decision on the policy to be made that day.

Cllr Madgwick made a proposal to split the recommendations down to be voted on individually. Cllr Strudwick seconded the motion.

Cllr Madden noted that Cllr Madgwick put in a notice of motion previously about the concerns with drivers registered with Wolverhampton and observed that the concerns are also regarding drivers registered in neighbouring authorities as well. He was pleased that only 50 - 60 vehicles are registered elsewhere in comparison to the approximately 1000 drivers who are registered with Portsmouth City Council. Cllr Madden acknowledged the cost-of-living crisis that everyone had experienced but considered that the fee increases being proposed were appropriate and proportionate as they had not been reviewed in quite some time. He considered that managing the deficit in this way was the right thing to do. He noted the small size of the licensing department and that it was very tightly run.

The Chair advised that the licensing service has an obligation to balance its books and the committee had an obligation as a committee to consider the matter carefully as the local authority has a responsibility to meet its financial requirements.

Cllr Madgwick considered he had not had time to speak to finance about the figures and felt there should be more time before the decision was taken. The licensing manager advised that, even with a deferment, the service would not be able to come back with a better picture in terms of managing the budget. She noted that the renewal of a private hire vehicle was amounted to an increase of 7p a day, a private hire driver 5p a day and did not consider that it was an unreasonable budget that had been put forward for members to meet their requirements as a licensing committee.

The Licensing Manager further commented that private hire renewals are due at the end of January which results in revenue to the budget in the region of £200k. If the decision was not taken at the meeting, then there would be a deficit position.

The legal advisor reminded the committee that moral objections, so far as sexual entertainment venues were concerned, was clearly prohibited by case law and should not be a factor in their decision making, either in granting a licence or setting fees. He further stressed that a surplus in one area could not be used to cross subsidise another area, even within taxi licensing.

Cllr Darren Sanders joined the meeting at 11:11am.

Cllr Adeniran and Cllr Shah, both commented that the views of the deputies needed to be listened to and were concerned about those licensed outside of the city coming in and taking business from Portsmouth licensed drivers.

Councillor Simpson considered that the report could have been discussed earlier with the Chair or other committee members prior to the meeting which may have helped the process.

The Chair advised that Councillor Sanders would be able to participate in the discussions but as he arrived late could not take part in the vote.

Councillor Sanders understood about the ringfenced budget and the issues around full cost recovery. He agreed with Councillor Simpson's comment and noted he understood the effect on small businesses who often have to pay high fees to various taxi companies. He also noted some issues that residents in his ward have had with a particular taxi firm. He commented that if he had been able to he would have voted in favour of the policy paper.

Councillor Shah left the meeting at 11:22am.

Councillor Ashmore commented that it did not sit right with him that hard working taxi drivers should pay more whilst the sex entertainment fees had been reduced.

The Licensing Manager reiterated advice that the decision cannot be made on moral issues. Licensing is undertaking the legal requirement of the licensing authority on behalf of the council to consider the reasonable and proportionate fee calculations, irrespective of the licensing regime. The sex establishments are under a regulatory regime and is a licensed legal activity and would not be considered any differently to any other licensed function.

The Licensing Manager confirmed she had spoken to one of the Directors of Aqua Taxis and he had no comments he specifically wanted to make about the rise. The Licensing Manager had also consulted with Mr Viv Young and other trade representatives who did not raise any issues with the report and did not wish to make a deputation.

The Committee then moved to vote on the proposals from Councillor Madgwick that the recommendations be split into individual recommendations for voting purposes - this was agreed unanimously by the committee.

The Chair noted he had taken on board all comments from the taxi trade and gave a commitment to meet with the taxi representatives in a separate informal meeting to hear further from them.

The Committee made the following decisions:

- a) Noted the report and approved the level of fees and charges to be adopted;**
- b) Agreed that the approved fees be implemented with immediate effect, with the exception of those fees which are required to be publicly advertised for a statutory period of 28 days;**
- c) Agreed that the Director of Culture, Leisure and Regulatory Services be given authority to advertise (where appropriate) such fees and charges that are subject to the formal statutory consultation process;**

- d) Approved the preparation of a further report for consideration in relation to the current policy for minimum age limits for licensed vehicles**

The meeting concluded at 11.29 am.

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Signed by the chair, Councillor Fazackarley