



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Environment Overview and Scrutiny Committee

Tuesday, 13 January 2026

Report of Councillor Phillip Knowles,
Cabinet Member for Corporate
Governance and Licensing

Review of the Hackney Carriage and Private Hire Licensing Policy

Report Author

Ayeisha Kirkham, Head of Public Protection

✉ ayeisha.kirkham@southkesteven.gov.uk

Purpose of Report

To consider the updated Hackney Carriage and Private Hire Licensing Policy.

Recommendations

The Committee is asked to:

- 1. To consider the updated Hackney Carriage and Private Hire Licensing Policy and suggest any further amendments.**
- 2. Recommend to Council that the updated Hackney and Private Hire Licensing Policy is adopted.**

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Effective council
Which wards are impacted?	All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 There are no specific financial implications associated with the recommendations in this report. Subject to the policy being approved an updated list of fees and charges has been prepared for the 2026/27 financial year. These are attached at Appendix 4 and are based on a time and motion study to ensure they are accurately set and that the costs associated with delivering the Licensing service are recovered through licensing fees.
- 1.2 The updated fees and charges for 2026/27 will be presented to Council at their meeting on 29 January 2026 with the proposal to implement them from the 1 February 2026. This will ensure that any applicants who apply or renew a licence prior to the commencement of the new financial year are not disadvantaged.

Completed by: David Scott – Assistant Director of Finance and Deputy S151 Officer

Legal and Governance

- 1.3 Whilst each individual licensing application or enforcement decision will be judged on its own merits, a Policy ensures a transparent and consistent approach to licensing that will reduce the opportunity for challenge through the Courts. Any departure from the Policy should be based on material evidence and documented giving clear and compelling reasons.

Completed by: James Welbourn, Democratic Services Manager

Equalities, Diversity and Inclusion

- 1.4 An equality impact assessment has been undertaken for the proposed updated Policy. No significant negative impacts have been identified. See Appendix 1.

Completed by: Heather Green, Licensing Manager

Community Safety

- 1.5 Whilst each individual licensing application or enforcement decision will be judged on its own merits, a Policy ensures a transparent and consistent approach to licensing that will reduce the opportunity for challenge through the Courts. The Hackney Carriage and Private Hire Licensing Policy is fundamental to public safety as the policy ensures that robust checks are made on our licensed drivers, to safeguard the safety and wellbeing of passengers.

Completed by: *Ayeisha Kirkham, Head of Service- Public Protection*

2. Background to the Report

- 2.1 The current Hackney Carriage and Private Hire Licensing Policy was adopted and became operational in June 2024 following updated Guidance issued by The Department for Transport (“DfT”) in November 2023. The adoption of a policy is fundamental to protecting public safety and keeping people from harm, providing the framework upon which the Council delivers its statutory functions relating to hackney carriage and private hire licensing.
- 2.2 The November 2023 DfT guidance is non-statutory and complements the statutory standards.
- 2.3 Over the past few years, the Council has received an increasing level of feedback from drivers, operators and Councillors indicating that the economic climate and out of area licensed drivers/vehicles were disproportionately affecting the South Kesteven taxi industry. The fees charged by the Council in relation to our near neighbours and Wolverhampton were cited as not assisting the recruitment of new drivers to the industry and discouraging existing drivers from continuing to licence through SKDC.
- 2.4 Feedback was also received that the requirements to obtain an SKDC taxi licence are disproportionately excessive when considered against neighbouring authorities and those wider afield. It was suggested that to attract new drivers, it would be helpful if they were able to undertake a trial period of trading before committing to the cost of a 3-year licence. In addition, the ability to spread the cost of the licence fee would be financially beneficial. Whilst reviewing the fees and charges, it has been agreed that an option to spread the cost of the licence and pay quarterly will be implemented from 2026/2027. This is in addition to the introduction of a one-year licence for new drivers.
- 2.5 A considerable amount of work has been undertaken during the last six months to support this review. This has included a benchmarking exercise being undertaken to compare the Council's fees and charges for hackney carriage and private hire vehicles with those of near and neighbouring authorities.

- 2.6 Two workshop sessions have been held for taxi and private hire drivers, one in Grantham and one in Stamford. In addition, a twelve-week intensive enforcement operation was carried out across the district. This has enabled taxi drivers, operators and private vehicle drivers to provide feedback to the Council around the challenges they face. In addition to the concerns raised around out of area drivers and the Council's fees and charges, significant feedback has also been received around the necessity to undertake a knowledge test and English test if a qualification cannot be produced to evidence competency.
- 2.7 The Licensing Team has undertaken increased proactive licensing enforcement patrols within 2025, and this included a 12-week period of evening/ weekend patrols. During this time Officers undertook an incremental approach to enforcement for SKDC licensed taxi drivers and also raised any concerns that were found relating to out of area taxis to the relevant licensing authority. Overall, the patrols were well received by the drivers, and any feedback received, particularly in relation to the current policy, was recorded and incorporated into this review.
- 2.8 The Council through the Leader's Officer has engaged in correspondence with the Department for Transport around the issues faced by taxi drivers and the challenges posed by drivers operating in South Kesteven who are licensed elsewhere. A further letter is being prepared to include the feedback from the workshops and the 12-week intensive enforcement operation.
- 2.9 Given the feedback received it is clear that there are significant challenges facing the taxi trade. The work undertaken to date has provided assurance to the taxi trade that the Council are listening and taking appropriate steps to support the recruitment and retention of licensed drivers and operators within the district. To make any changes, and to introduce a proposed fee structure, it will be necessary to propose amendments to the Hackney Carriage and Private Hire Licensing Policy.

Proposed Policy Changes

- 2.10 The changes proposed within the updated policy include the following:

- **Knowledge Test**– Removal of the knowledge test requirement, removing a cost for new applicants. (Part 3 – Drivers (3.4), Page 20/21).

This would remove a cost for new drivers. The feedback received from those operating in the trade is that the use of navigational aids has rendered the need to undertake a knowledge test unnecessary.

The need to undertake a knowledge test is a requirement of the Guidance rather than a statutory requirement. However, it should be noted that the current knowledge test also contains questions relating to the policy and Highway Code.

- **English Test** – This is to remain in the updated policy; however, the cost will be free of charge for all first tests. If a first test is failed, then further tests will be

chargeable. (changing Appendix C – Application Procedures, 3 – Driver Qualification (3.1 and 3.2), Pages 53 & 54).

The current policy provides that if a driver cannot produce a qualification which proves their competency in speaking and writing in English, then they must undertake an English test. This is applicable for new drivers and those who are due to renew their licence but have not taken the test or produced a qualification. In the current financial year, the current cost for this is £46.50.

The rationale for retaining the English test within the Policy, is based upon the DfT guidance outlining that language proficiency assists drivers in their work and passenger understanding.

- **New drivers entering the profession** - The provision of a 1-year licence for drivers entering the profession which supports feedback relating to difficulty in recruiting new drivers. The Statutory Taxi Standards (3.2 Duration of Licences) outlines what a shorter than 3-year duration can be considered:

“Any shorter duration licence should only be issued when the licensing authority thinks it is appropriate in the specific circumstances of the case. If a licensee has requested one, or where required (for example, when the licence holder’s leave to remain in the UK is time-limited) or when the licence is only required to meet a short-term demand.”

- **Delegated Authority**- It is proposed that delegated authority is given to the Chief Executive and Portfolio Holder to make minor changes to the updated policy as required.

3. Key Considerations

- 3.1. Licensing Authorities are responsible for deciding their own policies and making decisions on individual licensing matters, applying the relevant law and any other relevant considerations. Licensing authorities must give due regard to the Statutory Taxi and Private Hire Vehicle Standards 2020 (updated 25 November 2022) and Updated Guidance (November 2023), the latter being guidance as opposed to statutory.
- 3.2. Any amendments or recommendations made by the Environment Overview and Scrutiny Committee are to be included in the final draft of the policy for approval by Full Council.
- 3.3. There have been minor numbering and wording updates, where previous errors have been found as well as an update to the use of a third party to complete Disclosure and Barring Service (DBS) Enhanced checks, as the Council is no longer a Responsible Authority (the number of DBS applications per year were below the

DBS threshold following the introduction of the online DBS Update Service). A list of all updates is detailed in Appendix 2.

- 3.4. A copy of the draft updated policy is attached at Appendix 3 with proposed amendments highlighted in red.

4. Other Options Considered

- 4.1 To retain the Council's existing policy, unamended. However, this option has been discounted as it would fail to respond to the issues facing the taxi trade and the current barriers being faced by applicants, drivers and operators.
- 4.2 To recommend the updated policy to Full Council for approval in recognition of the review undertaken and to support the fees and charges proposed for financial year 2026/27.

5. Reasons for the Recommendations

- 5.1 The updated policy supports the Council in fulfilling its statutory duties associated with the licensing of hackney carriage and private hire trades. It also reflects feedback and supports our local taxi trade during this difficult economic time.
- 5.2 The changes to the updated policy complement the review of fees and charges which has been undertaken and will be considered by Full Council as part of the Council's annual budget setting process.

6. Consultation

- 6.1. The Licensing Committee were consulted on the proposed changes on their meeting on the 15 December 2025. The Committee did not raise any concerns regarding the proposed changes.

7. Background Papers

- 7.1. [Licensing Committee Report- Feedback Update June 2024](#)
- 7.2. [Licensing Committee- Update re. new Policy impacts- November 2024](#)
- 7.3. [Taxi Policy June 2024.pdf](#)

8. Appendices

- 8.1. Appendix 1 – Equality Impact Assessment
- 8.2. Appendix 2 - List of all areas updated in the revised policy

- 8.3. Appendix 3 - Draft Hackney Carriage and Private Hire Licensing Policy
- 8.4. Appendix 4 - Proposed Hackney Carriage and Private Hire Licensing Fees and Charges for 2026/27