

Report of	Meeting	Date
Director of Planning and Development (Introduced by Cabinet Member (Planning, Business Support and Regeneration))	Council	Wednesday, 20 April 2022

Is this report confidential?	No
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Is this decision key?	Not applicable
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Statutory HMRC Checks for Taxi/Private Hire Driver Applications

Purpose of the Report

1. Considering the approval by the Licensing & Public Safety Committee, this report invites members of the council to formally adopt the changes to the Taxi Licensing policy to incorporate statutory HMRC checks to renewal applications for all licence hackney and Private Hire Drivers, operator licences and scrap metal licences

Recommendations to Council

2. Members are requested to note the contents of the report.
3. Members are requested to formally adopt the agreed proposal following the approval by the Licensing and Public Safety Committee on the 8th March 2022.

Reasons for recommendations

4. Minor policy amendments are required to the existing policy to meet the implied Statutory HMRC checks for Hackney and Private Hire Drivers, operator licences and scrap metal licences. The necessary changes were highlighted in a report taken to committee in 08th March 2022.

Other options considered and rejected

5. There are no other options it is a statutory requirement for councils to implement this into their renewal applications for;

- Hackney and Private Hire renewal applications
- Operator renewal Applications
- Scrap metal renewal applications.

Corporate priorities

6. The report relates to the following corporate priorities:

An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

Background to the report

- The government is putting in place new tax requirements for applications to certain licences from 4 April 2022. This is supported by a new digital service, being developed by HMRC.
- From 4 April 2022, there will be a small addition to the checks our licensing team perform when renewal applications are received for the following types of licences;
 - Hackney and Private Hire renewal applications
 - Operator renewal Applications
 - Scrap metal renewal applications.
- The check is simply to confirm that someone is appropriately registered for tax. The check will only be required for renewal applications.
- Applicants will be able to complete this tax check on GOV.UK, through their Government Gateway account.
- They will only need to answer a few questions to tell HMRC how they pay any tax that may be due on income they earn from the licensed trade.
- The tax check should only take a few minutes.
- When applicants have completed the tax check, they'll get a code.
- This code is then presented as part of the application documentation.
- Licensing officers will not proceed with applications for renewals until the tax check is completed and they've received the code.
- Officers will then enter the tax code into the gov.uk website for confirmation from HMRC that they have completed the tax check.
- The following fact sheet has been provided by central government, it provides information and links to for the process of obtaining a tax check code.
<https://www.gov.uk/government/publications/licence-application-tax-check-communications-resources/tax-check-factsheet>

18. Officers will update the application forms for renewal applications in line with the requirements of the HMRC for applications forms for the required licence types, regarding taxi licensing and Scrap metal Licensing.
19. No policy updates are required for Scrap metal licensing, but they are for taxi Licensing.

Licensing and Public Safety Committee meeting 08/03/2022

20. A report highlighting the required changes to policy was presented at committee on 08//03/2022, which sought approval to adopt the statutory HMRC checks to renewal applications for all licensed Hackney and Private Hire Drivers, operator licences and scrap metal licences.
21. The officer explained that the government had implemented new tax requirements for applications for certain license from April 2022. The check would be confirming that someone is appropriately registered for tax and would only be required for renewal applications.
22. The committee considered the report and recommend the approval of the Statutory HMRC checks, to be implemented within the Taxi Licensing Policy and refer this decision to the next meeting of Full Council for a decision.

Proposed wording to the Taxi Licensing Policy

23.
 - 5.10 All applicants upon renewal of a current hackney and private Hire Drivers Licence are required perform a tax check via the Gov.uk website and obtain a “tax check code”.

This code must then present as part of the renewal application documentation.

Applicants must authorise via declaration on the application form, the licensing authority to undertake checks with HMRC. Officers will then enter the tax code into the gov.uk website for confirmation from HMRC that they have completed the tax check. .

Applications for will not proceed with applications for renewals until the tax check is completed and they’ve received the code.

5.1 Fit and Proper Person Test

During the application process the Council will undertake a number of checks to gather the information necessary to assess the suitability of the applicant. Factors that will be taken into account when reaching a decision include:

- Criminality (whether the applicant has any criminal convictions or cautions), including non-conviction information disclosed in an Enhanced DBS Disclosure, or where the individual appears on the child or adult barred list

- Driving licence - entitlement to drive in the UK and number of endorsed penalty points
- Right to work in the UK
- Medical fitness
- Conduct of the applicant during the application process
- Previous licensing history
- Knowledge of the Borough
- **HMRC Check Code**

This is not an exhaustive list of the matters that will be considered and further information will be sought from other agencies such as the Police, Safeguarding Boards and other licensing authorities as appropriate.

9.2 Application procedure

The Council invites applications from private hire operators via the on-line forms that can be found on its website. Applicants who are unable to access the electronic forms may call into the Civic Centre during office hours, where a member of the Gateway Team will assist them. All Private Hire Operator Licenses clearly indicate the expiry date of the licence. It is the responsibility of the operator to ensure that a valid application is submitted to the Council before the licence expires. Applications will not be determined until the applicant is able to produce original evidence of:-

- Valid, appropriate insurance policy(s)
 - Valid driving licence
 - Basic Disclosure Certificate issued no more than 1 month prior to the application.
 - Payment of the appropriate fee
 - **HMRC check Code**
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9.10 All applicants upon renewal of a private Hire Operator Licence are required perform a tax check via the Gov.uk website and obtain a "tax check code".

This code must then present as part of the renewal application documentation.

Applicants must authorise via declaration on the application form, the licensing authority to undertake checks with HMRC. Officers will then enter the tax code into the gov.uk website for confirmation from HMRC that they have completed the tax check. .

Applications for will not proceed with applications for renewals until the tax check is completed and they've received the code.

Climate change and air quality

24. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

Equality and diversity

25. There are no equality implications within this report, this is a mandatory function the licensing authority must perform from 04/04/2022.

Risk

26. The HMRC check is mandatory, if the council does not commence the procedure of the checks within its renewal applications for the mentioned licence types, then it risks the consequence of action from central government.
27. If the Council fails to implement the mandatory checks, it may be challenged when exercising its licensing functions through several routes, e.g. service complaints to the Local Government and Social Care Ombudsman and judicial review. Conversely, by implementing the required checks, the Council is complying with its legal obligation.

Comments of the Statutory Finance Officer

28. There are no significant financial implications of this report.

Comments of the Monitoring Officer

29. The changes are required due to a change in legislation, which is due to become effective from 4 April 2022.

Background documents

30. Background Document 1 – Committee report 08/03/2022

Please see agenda item 7 within the following link

<https://southribble.moderngov.co.uk/ieListDocuments.aspx?CIId=483&MIId=2227&Ver=4>

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