

COUNCIL

15 JULY 2020 (02 JULY 2020 – Item 15)

Report of the Director of Regulatory Services

EXTENSION OF EMERGENCY DECISIONS MADE UNDER EXTENDED DELEGATION ARRANGEMENTS

PURPOSE OF REPORT

This report informs the Council of 2 decisions made under delegated arrangements during the initial stages of lockdown that allowed temporary deviations from the Council's Taxi Licensing Policy. The report goes on to request that both deviations be extended for a further period.

RECOMMENDATION

1. That the decision to suspend routine 6 month testing for taxis be extended by a further 4 months, until 31 October 2020;
2. That the decision to waive the requirement to replace a taxi vehicle when it reaches 10 years of age be extended by a further 2 months, until 31 August 2020;
3. That the decision to offer a rent free period to Hall Leys Park tenants be extended by a further 1 month, until 22 July 2020;
4. That the decision to offer a rent free period to ABC kiosk tenants be extended by a further 1 month, until 22 July 2020;
5. That the ABC café be offered a rent reduction equivalent to a 4 month rent free period, in line with other Council tenants;
6. That the operator of the boating rights on the River Derwent be offered a rent reduction equivalent to a 4 month rent free period, in line with other Council tenants.

WARDS AFFECTED

All

STRATEGIC LINK

'Prosperity' is highlighted in the Corporate Plan 2020-24 as a District Council priority due to low local wages and high local house prices. With regard to the recommendations in this report, the District Council specifically aims to: *Support businesses to encourage productivity, growth, and higher wage jobs in rural and urban locations.* The recommendations in this report would support local businesses during the Coronavirus pandemic.

1 BACKGROUND

- 1.1 At its meeting on 19 March, the Council agreed to extend delegated authority to make urgent decisions, on a temporary basis, to ensure business continuity during the pandemic emergency situation. It was agreed that members of the Corporate Leadership Team would be delegated authority to deal with urgent policy matters in

consultation with the relevant Policy Committee Chairman, Vice Chairman and Ward Members (where the matter was Ward specific). These arrangements were subsequently replaced with the Emergency Committee from 12 May 2020.

- 1.2 Two decisions were made in relation to taxi licensing issues under the initial arrangements: to exempt taxi vehicles to be tested for an initial period of 3 months during the pandemic, and to exempt taxi operators from the requirement to replace their vehicles once they pass 10 years old for an initial period of 3 months during the pandemic. These exemptions were necessary as the Council was unable to safely operate its testing depot at that time and car showrooms were closed as non-essential businesses during the pandemic.
- 1.3 Decisions were also made in relation to some businesses that were tenants of the Council. Some of these businesses did not have their own rateable values and so were unable to access the initial Government support grants. The businesses that were identified as being affected at that time were the café and the boat and train operator in Hall Leys Park, Matlock, and the tenants of the kiosks at the Agricultural Business Centre (ABC), Bakewell. These businesses were offered a rent reduction equivalent to a rent free period of 3 months, which expires on 22 June 2020.

2 REPORT

- 2.1 These exemptions have now been reviewed. In respect of taxi testing, the depot is being reopened, but at the moment does not have the capacity to resume full 6 month testing. It is recommended that the current capacity should be used to concentrate on the 12 month tests that are now due, with 6 month testing being suspended for a further 4 months, until the end of October 2020. This will enable the depot to catch up with its routine work and ensure that the most important testing, undertaken as part of the licence renewal process, is undertaken.
- 2.2 In relation to the replacement of vehicles, car showrooms are now allowed to be open. However, it is considered to be appropriate to allow drivers a reasonable time to renew their vehicles as the country settles into a 'new normal'. Therefore it is recommended that this exemption is extended by a further 3 months, until the end of September. This will give operators sufficient flexibility as they are returning to full working, whilst ensuring that the quality of the District's taxi fleet is not diminished in the medium term.
- 2.3 In relation to the businesses that have been offered a rent reduction, it is evident that the difficult trading circumstances that gave rise to the offer have not gone away. Although some of the businesses have been able to commence trading in a limited way, they have not been able to return to full capacity. Some of these businesses may be able to access the discretionary grants now being offered by the District Council, but it is unlikely that these will cover the full extent of the losses they have suffered. Therefore it is considered appropriate to offer a further rent reduction equivalent to an additional 1 month rent free period to these businesses.
- 2.4 In addition to those businesses that were initially identified as requiring rent reductions, two further businesses have subsequently been found to have been adversely affected by lockdown requirements. These are the café at the ABC and the boat operator on the River Derwent at Matlock Bath. Whilst the café does have its own rateable value and is therefore eligible to apply for Government grants, it is

evident that the inability to trade as a café and the absence of visitors from the area during lockdown, has made its position very difficult. Equally, the boat operator has missed a number of important trading opportunities during lockdown. Therefore it is considered appropriate to offer both of these businesses a rent reduction equivalent to a 4 month rent free period, in line with the other Council tenants outlined above.

3 RISK ASSESSMENT

3.1 Legal

The report updates the Council on decisions delegated to Officers under Section 101 of the Local Government Act 1972. The legal risk is therefore low.

3.2 Financial

Extending the suspension of routine 6 month testing for taxis by a further 4 months, until 31 October 2020, will result in lost income for the Council of around £2,712 on top of the £2,034 for April to June, or an average of around £678 per month.

The extension until 31 August 2020 of the decision to waive the requirement to replace a taxi vehicle when it reaches 10 years of age does not have any impact on the Council's financial position, though it will benefit taxi owners' finances.

The offer of rent free periods to assist businesses with recovery will result in additional lost income for the Council of around £7,144.

There is no provision in the 2020/21 revenue budget for the estimated lost income. However, the Council has received a government grant of £744,150 to assist the Council in meeting the additional costs and lost income arising from the coronavirus pandemic. The lost income arising from this recommendation could be financed by using part of the government grant or, if the grant is insufficient to meet all additional expenses and lost income, it would be financed from the General Reserve. The financial risk to the Council is assessed as low.

4 CONTACT DETAILS

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5. BACKGROUND PAPERS

Urgent Decision Records – Taxi Vehicles Requiring Routine 6 Month Tests, Taxi Vehicles Requiring Replacement at 10 Years Old, Rent Free Periods