



**TAXI LICENSING AND APPEALS
COMMITTEE
20 February 2014**

ITEM 5

Report of the Strategic Director of
Neighbourhoods

TAXI LICENSING FEES AND CHARGES 2014/15

SUMMARY

- 1.1 A report was considered by Taxi Licensing and Appeals Committee on 5 December 2013 that set out proposed fees and charges for 2014/15.
- 1.2 The committee resolved to approve the proposed licence fees and charges subject to the consideration of representations following advertisement.
- 1.3 The proposed fees and charges were advertised and two representations were received. Consideration of these representations is required and a final decision made on the proposed fees for 2014/15.

RECOMMENDATION

- 2.1 Approve the taxi licence fees and charges for driver, vehicle and operators licence and other charges for 2014/15 as set out in Appendix 4.

REASONS FOR RECOMMENDATION

- 3.1 The representations made do not require any changes to the licensing fees and charges originally proposed. Licensing fees and charges must be approved and in place prior to the commencement of the new financial year.

SUPPORTING INFORMATION

- 4.1 A report was presented to Taxi Licensing and Appeals Committee on 5 December 2013 that set out proposed fees and charges for 2014/15.

4.2 The committee resolved;

- To approve, subject to the consideration of representations, the proposed licence fees and charges for driver, vehicle and operator licences and other charges for 2014/15.
- To request the Service Director of Environment and Regulatory Services to advertise the proposed variation of fees.
- To consider any representations received within the required period and take appropriate action if required.
- To approve the new licence fees to become effective from 1 April 2014 subject to the consideration of any representations received during the required period.

4.3 The proposed fees and charges were advertised and two representations were received. The first is from the Derby Area Taxi Operators Association (DATOA) and is attached for information at Appendix 2. The second is from Mr Kevin Rowland who represents two private hire operators, Chads Cars and Albatross Cars, and is attached for information at Appendix 3.

4.4 The representation from DATOA relates to the charges proposed for the replacement of the quarter light stickers and the internal signs, claiming that they are too excessive. The Council uses one supplier for these stickers to ensure a consistent format and simply re-charges the vehicle proprietor the replacement cost the supplier charges. Because the replacement stickers contain a bespoke number, i.e. the existing licence number of the vehicle, the cost is more. Officers are currently assessing the market to identify whether the rate charge continues to represent VfM, or whether market testing could drive the price down. If the price can be reduced, the cost to the vehicle proprietor will also be reduced.

4.5 The representation from Mr Rowland relates to his view on the legality of the way in which the private hire operator licence fees have been calculated and is, as acknowledged by himself, a repeat of the objection to the Council's accounts he made on behalf of Mr Matkin of Chads Cars that was recently determined by the Auditor.

4.6 The proposed taxi licence fees and charges for driver, vehicle and operators licence and other charges for 2014/15 are set out in Appendix 4.

OTHER OPTIONS CONSIDERED

5.1 Non Applicable

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Olu Idowu - - John Tomlinson -
---	--

For more information contact: Background papers: List of appendices:	NameMichael Kay 01332 641940 e-mail michael.kay@derby.gov.uk None Appendix 1 – Implications
---	---

	Appendix 2 – Representation from DATOA Appendix 3 – Representation from Mr Kevin Rowland Appendix 4 – Taxi Licence Fees and Charges for Driver, Vehicle and Operators Licence and Other Charges for 2014/15
--	--

IMPLICATIONS

Financial

- 1.1 The proposed fees have been set at a level to recover the full cost of providing the taxi licensing service.

Legal

- 2.1 The council may charge such fees for the granting of licences to cover the whole or part of the recoverable cost of administering the licensing function.
- 2.2 The objection at Appendix 2 effectively challenges whether the price paid to the current supplier represents value for money (VfM) for the trade. Officers are currently assessing the market to identify whether the rate charge continues to represent VfM, or whether market testing could drive the price down. Any change in price can then be passed on to the vehicle proprietor.
- 2.3 The objection at Appendix 3 challenges the legality of the charging structure in place for private hire operator licences. The mere fact that the practice of other licensing authorities has been successfully challenged does not mean the Council's own charging structure is equally unlawfully. Each authority will stand or fall by the justifications they put forward for the fees they have set.
- 2.4 Your officers maintain that a detailed verification exercise is undertaken with each operator licence application and that the unit cost of that process is amplified by the number of vehicles in each operators fleet that have to be verified as legitimately falling within the scope of the operators authority. As the report identifies, the issues raised have been the subject of an external auditor investigation, the findings of which deemed the charge and the charging process to be lawful.

Personnel

- 3.1 None directly rising from this report

Equalities Impact

- 4.1 Fees are calculated using a 'cost accounting' exercise which reflects the actual licensing resources being used by each licensing type. The exercise is repeated periodically to ensure it remains relevant and fair. The exercise was last undertaken during 2012/13.

Health and Safety

5.1 Nonedirectly rising from this report.

Carbon commitment

6.1 Nonedirectly rising from this report.

Value for money

7.1 Nonedirectly rising from this report.

Corporate objectives and priorities for change

8.1 The proposal supports the corporate priority to ensure the people in Derby will enjoy **good quality services that meet local needs.**