



DERBY CITY COUNCIL

**TAXI LICENSING AND APPEALS COMMITTEE**  
**11 FEBRUARY 2009**

Report of the Corporate Director of Environmental Services

## **CALCULATING PRIVATE HIRE OPERATORS LICENCE FEES**

### **RECOMMENDATION**

- 1.1 To consider the information set out in this report and approve the 'flat rate plus per vehicle charge' as the method for calculating private hire operator licence fees.
- 1.2 To agree the method chosen to calculate Operators Licence fees be used each subsequent year.

### **SUPPORTING INFORMATION**

- 2.1 Each year, Committee is asked to approve the fees and charges for taxi related licences. The taxi licensing fees and charges are based on a 'cost accounting' exercise and this has identified that £19,872 is recoverable from Operators licence fees in 2009/10.
- 2.2 In the past, Committee has considered a number of different ways of recovering this amount from Operators.
- 2.3 The Council currently licences around eighty operators. The number of vehicles they run varies considerably. Some of our licence holders operate a single vehicle whilst others have up to 200 vehicles on their books. It is therefore very important that the method used to calculate their operator licence fees is fair, equitable and reflects this variation.
- 2.4 Officers have examined the different ways available to calculate operator licence fees and consider the fairest method to choose is a 'flat rate plus per vehicle charge'. This includes a fee that every operator pays along with an additional element for each vehicle the operator runs. The 'flat rate' part of the calculation can be set to reflect the administration costs of issuing the Operators Licence and the 'per vehicle' charge can be set to raise the remaining amount of recoverable fees.
- 2.5 The proposed method for calculating operators licence fees along with the proposed fees is set out at Appendix 2.

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<b>Background papers:</b>	None
<b>List of Appendices:</b>	Appendix 1 - Implications Appendix 2 - Proposed Calculation Method and Fees

<b>IMPLICATIONS</b>
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**Financial**

1. The fee levels must be set to recover the full cost of providing the service.

**Legal**

- 2.1 Any person aggrieved by the fees set, may seek a Judicial Review of the process.
- 2.2 If the Council resolve to change the fee levels, it must advertise the proposed changes and consider any objections received.

**Personnel**

3. None directly arising.

**Equalities impact**

4. The method used to calculate fee levels must be fair and equitable to all licence holders.

**Corporate priorities**

5. The proposal supports the corporate priority of **giving excellent services and value for money.**

**PROPOSED CALCULATION METHOD AND FEES**

**Note:** Amount recoverable from fees = £19,872 (2009/10)

Calculation Method	Cost to Operator		
	1 car	40 cars	200 cars
	£	£	£
<b>Flat Rate + Per Vehicle</b>  If the flat rate was set at £50, the per vehicle charge would be £22	72	930	4,450