

COMMITTEE:	GENERAL LICENSING COMMITTEE
DATE:	24 JUNE 2013
TITLE:	PROPOSED HACKNEY CARRIAGE, PRIVATE HIRE AND OPERATORS LICENCE FEES
PURPOSE:	FOR DECISION
AUTHOR:	HEAD OF REGULATORY DEPARTMENT

BACKGROUND

1. The Council is required to review its fees in respect of the licensing of hackney carriages and private hire vehicles on a regular basis.
2. Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 provide that fees may be charged at a level sufficient to cover reasonable costs -
 - For the grant of a drivers licence for hackney carriage or private hire vehicle – costs associated with processing, administration and issue of licence.
 - For the grant of a vehicle and operators licence – inspection costs, hackney carriage stands, public notices, control and supervision of vehicles; and any other costs associated with processing an application.
3. The fees levied must be reasonable, and it is at the Council's discretion whether or not the fees are set at a level to enable full or partial cost recovery. Historically, fees have been set at a low level in Gwynedd in comparison to
4. Costs not met by the levy of fees become a burden on the Service and, ultimately, on the Council tax payer. A detailed cost analysis of income against expenditure on this function has revealed a significant budgetary deficit which cannot be sustained any longer in the current financial climate. The fees would have to be raised by at least 37% in order to achieve full cost recovery.

PROPOSAL

5. **An increase of 25% is proposed on all taxi fees; with a further increase to move towards full cost recovery in 2014/15. The proposed increase, if approved, will be subject to statutory consultation. In future, the costs of providing the service will be assessed annually.**
6. The full list of current and proposed fees is attached to this report.

PRESENT SITUATION

7. Fees for the issue of hackney and private hire (PH) carriages licences for vehicles, drivers and operators were subject to an increase in line with inflation during 2012/13. In 2010/11 principal fees associated with taxi licensing were raised between 17% and 49% to reflect increases in costs due to inflation which had not been levied in previous years and in the context of the increases in fees which had been applied in other local authorities.

Gwynedd Taxi fees – 2007 - 2013

Licence type	2007/2008	2011/2012	2012/2013	Proposed 2013/14
Hackney or PH Vehicle	77	90	92	115
PH Operator	72	107	109	136.25
Hackney or PH driver	57	80	82	102.50

Taxi fees – other Local Authorities 2013/14

LICENCE TYPE	HACKNEY OR PH VEHICLE	PH OPERATOR	HACKNEY OR PH DRIVER
GWYNEDD (proposed)	115	136.25	102.50
POWYS (12/13 fees)	129.50	172.40	140.70
VALE OF GLAMORGAN	230	225	80
NEWPORT	220	300*	300*
BLAENAU GWENT	154	82	41*
TORFAEN	185	278*	113*
CARMARTHENSHIRE	141.45*	133.25	33
YNYS MON	126	117.50	102*
CONWY	220*	130*	145*

* data not comparable - some fees include DBS checks; MOT and test charges; operator fees increase for more vehicles in fleet; vary for new and renewal applications etc.

COMPARISON WITH FEES LEVIED BY OTHER LOCAL AUTHORITIES

- It can be seen from the table that even with the proposed increase of 25%. Many Local Authorities have reported to their Committees over the last 12 months that financial pressures have made subsidised fees unsustainable.

CONSULTATION WITH THE TRADE

- The intention to raise fees to move towards cost recovery has been consulted upon with the Cabinet Member, Councillor John Wyn Williams. The proposed fees have also been consulted upon internally with the Head of Finance. Once this Committee makes a decision on the proposed fees a thorough public consultation will commence in accordance with the statutory requirements.
- S70 of the Local Government (Miscellaneous Provisions) Act 1976 requires that a public notice of the proposed fee variations appear in the local press. The notice will be placed in the local press on or before the 17th of July 2013, and the taxi trade will also be directly consulted before this date; allowing for sufficient opportunity for any concerns to be addressed. This notice must include a date which the fees become operational, 28 days after the date of the notice; if there are no objections to the fees. Any objections to the fees would have to be considered by this Committee during its next meeting on September the 16th 2013, and the fee levels determined accordingly. New fees will not become operational until a final decision is made by this Committee.

CONSIDERATION OF RISKS

11. There are potential risks in respect of raising taxi fees; but there are also risks associated with maintaining fees at a low level, without a move towards cost recovery.
12. In the current economic context it is appreciated that any increases in fees will be seen as an additional burden on the taxi trade. The increase equates to an additional £20.50 for a taxi driver's licence and £23 for a vehicle licence. For an owner /driver with one vehicle, the increase will be less than one pound a week.
13. After consideration of all the relevant factors it is clear maintaining the current situation, of subsidising the licensing process is not sustainable.

RECOMMENDATION

14. The Committee is requested to consider and approve the proposal of the Head of Regulatory department to increase all taxi fees by 25%, with a move towards full cost recovery in 2014/15.
15. The proposed increase if approved will be subject to statutory consultation and costs of providing the service will be assessed annually.