
GENERAL LICENSING COMMITTEE, 24.06.13

Present: Councillor W. Tudor Owen (Chairman)
Councillor Eryl Jones-Williams (Vice-chairman)

Councillors: Eddie Dogan, Huw Edwards, Annwen Hughes, John Brynmor Hughes, Llywarch Bowen Jones, Christopher O'Neal, Peter Read, Angela Russell, Ann Williams, Elfed W. Williams, Gethin G. Williams, Gruffydd Williams

Also Present: Aled Davies (Head of Regulatory Department), Dafydd Edwards (Head of Finance Department), John Reynolds (Senior Public Protection Manager), Siôn Huws (Language and Compliance Manager), Gwenan M. Williams (Licensing Manager) and Gwyn Parry Williams (Member Support and Scrutiny Officer)

Apologies: Councillor Chris Hughes

Welcome

Councillor W. Tudor Owen was welcomed back to the committee following his recent surgery.

1. CHAIRMAN

RESOLVED to re-elect Councillor W. Tudor Owen as Chairman of the Committee for 2013/14.

2. VICE-CHAIRMAN

RESOLVED to elect Councillor Eryl Jones-Williams as Vice-chairman of the Committee for 2013/14.

3. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

4. MINUTES

The Chairman signed the minutes of the previous meeting of this committee held on 17 September 2012 as a true record.

5. MINUTES OF THE GENERAL LICENSING SUB-COMMITTEE

Submitted – for information, minutes of the meetings of the General Licensing Sub-committee held on 18 October 2012, 10 December 2012, 4 March and 22 April 2013.

RESOLVED to accept the information.

6. PROPOSED HACKNEY CARRIAGE, PRIVATE HIRE AND OPERATORS LICENCE FEES

Submitted – the report of the Head of Regulatory Department on licence fees for hackney carriage and private hire vehicles and operators.

The Licensing Manager reported that the Council was required to review its fees in respect of hackney carriages and private hire vehicles on a regular basis. Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976 provided that fees may be charged at a level sufficient to recover reasonable costs –

- a) For granting a driver's licence for a hackney or private hire vehicle – costs associated with processing, administration and issuing licences.
- b) For granting a vehicle and operator's licence – inspection costs, hackney carriage stand, public notices, control and supervision of vehicles and any other costs associated with processing an application.

The fees charged had to be reasonable, and it was a matter for the Council whether or not the fees were set at a level to enable full or partial recovery of the costs. Historically, fees had been set at a low level in Gwynedd in comparison to other local authorities. Costs not recovered through licence fees placed a burden on the service's resources, and ultimately, on the Council's taxpayers. A detailed cost analysis of income against expenditure on this function had revealed a significant budgetary deficit which could not be sustained any longer in the current financial climate. The fees would have to be raised by at least 37% in order to fully recover the costs. It was recommended that all taxi fees should be increased by 25%, with a further increase to move towards full cost recovery in 2014/15. The proposed increase, if approved, would be subject to statutory consultation. In the future, the costs of providing the service would be assessed annually. The Manager gave details of the current fees and the proposed fees.

With respect to the current situation, the officer noted that fees for the issue of hackney and private hire carriages licences for vehicles, drivers and operators had been increased in line with inflation only during 2012/13. In 2010/11, the main fees associated with taxi licensing had been raised between 17% and 49% to reflect increases in costs due to inflation that had not been levied in previous years, and in the context of the increases in fees that had been implemented in other local authorities.

She gave details of taxi fees in Gwynedd between 2007 and 2013 as well as taxi fees in some other local authorities in Wales in 2013/14. She noted that even with the proposed increase of 25%, taxi licence fees in Gwynedd would continue to be amongst the lowest in Wales. Many local authorities had reported to their committees over the last year that financial pressure had made subsidised fees unsustainable.

A consultation on the proposal to increase fees to move towards recovering costs had been held with the Cabinet Member, and the proposed fees had also been consulted upon with the Head of Finance Department. Following this committee's decision on the proposed fees, a full public consultation would be held in accordance with the statutory requirements. Section 70 of

the Local Government (Miscellaneous Provisions) Act 1976 required that a public notice of the proposed fee changes appeared in the local press. It was intended to place the notice in the local press on or before 17 July 2013, and the taxi industry would be directly consulted with before this date; allowing for sufficient opportunity for any concerns to be addressed. This notice would be required to include a date on which the fees would become operational, 28 days after the date of the notice, subject to no objections being received to the fees. Any objections received to the fees would have to be considered by this committee on 16 September 2013, and the fee levels would have to be determined accordingly. The new fees would not become operational until a final decision had been made by this committee.

There were potential risks associated with increasing the taxi fees. However, there were also risks associated with maintaining the fees at a low level without moving towards cost recovery. In the current economic context, it was acknowledged that any increase in fees would be seen as an additional burden on the taxi trade. The increase equated to an additional cost of £20.50 for a driver's licence and £23 for a vehicle licence. For an owner/driver with one vehicle, the increase would be less than a pound a week. However, after considering all the relevant factors, it was clear that maintaining the current situation of subsidising the licensing process was not sustainable.

A member asked why was this matter being discussed now, and not earlier on in light of the substantial budgetary deficit that existed.

In response, the Head of Regulatory Department notified the member that the deficit was currently £30,000. The matter of fees had been considered during the previous two years, but thorough consideration had been given to it this year in consultation with the Finance Department. He noted that the total cost of the process was £110,000 and at present the income generated was only £80,000, therefore there was a deficit of £30,000.

The Head of Finance Department referred to a review that had been conducted across Wales of fees and prices for services in the 22 local authorities. It became clear from the review that the Council was charging fees which were fair and competitive for the majority of the services but there were a few rare exceptions where the taxpayer subsidised the relevant service and taxi fees was one of those services. As a consequence of the difficult financial situation facing the Council at present, it could not afford to be in a situation where the taxpayer would have to subsidise any sector unless there was a sufficient reason for doing so. He noted that there had been collaboration with the Licensing Unit when it was agreed on the full cost of this service in order to move towards cost recovery.

In response to a question from a member regarding consultation with the trade / public, the Licensing Manager informed the committee that the Council had a duty to undertake a statutory consultation in accordance with legislation. Following the decision of the committee today, there would be a thorough consultation with the public, namely the service users, along

with the trade. She noted that the statutory consultation period provided the trade or the public with an opportunity to submit observations on the fees and those observations would be submitted for the attention of the next meeting of the committee on 16 September 2013 and the fees would not become operational until after that committee. It was intended to consult unofficially with the taxi trade before 17 July 2013 and following that the statutory consultation would commence.

RESOLVED to approve increasing all taxi fees by 25% and to move towards full cost recovery in 2014/15, subject to the statutory consultation and to assess the annual costs of providing the service.

The Language and Compliance Manager noted that the report on Proposed Fees and Charges for 2013/14 – Public Protection Department, which was to be considered by the Central Licensing Committee following this meeting, had some matters which were relevant to this committee also and, therefore, he was of the opinion that both committees should consider it.

7. PROPOSED FEES AND CHARGES 2013/14 – PUBLIC PROTECTION DEPARTMENT

Submitted – the report of the Head of Regulatory Department on the Proposed Fees and Charges 2013/14 – Public Protection Department.

The Licensing Manager reported that many of the fees were to remain unchanged. They were statutory and there was no local control over levying them and they included fees relevant to the Gambling Act 2005 and the Licensing Act 2003. Some of the proposed fees would increase slightly in line with inflation. She noted that the only fees where significant changes were to be seen were -

- a) Fees for registering a person and premises for tattooing, body piercing, electrolysis and acupuncture
- b) Fees for sex establishments
- c) Fees for markets and fairs

In relation to tattooing, body piercing, electrolysis and acupuncture, those activities were controlled in accordance with the provisions of Part VIII, Local Government (Miscellaneous Provisions) Act 1982, sections 14 and 15. The act allowed authorities to charge "such reasonable fees as they may determine" to register persons and business premises for the purpose of those activities. The primary objective of registration was to protect the health of the public and avoid transmission of infectious diseases. The fees set for this purpose must not be prohibitive. Previously, the same fee had been charged for registration of premises and persons. Officers had taken the decision, based on previous experience that the charge per person was prohibitive and it discouraged new persons operating at a business premises from registering. She recommended that the fee for certificate of registration of premises be increased from £76 to £100 and to reduce the fee for registration of a person from £76 to £35.

She noted that sex establishments (sex shops) were licensed by virtue of Part 11, Schedule 3 and section 6 of the Local Government (Miscellaneous Provisions) Act 1982. Many Local Authorities in the past had set relatively high fees for the administration of the grant, renewal or transfer of these licences. In 2012/13, the fees for sex establishments in Gwynedd were as follows -

- New application – £2,972
- Renewal - £1,486
- Transfer - £1,486

An assessment of the costs of processing those licences indicated that the fees charged were higher than the costs to the service. Section 19, Local Government (Miscellaneous Provisions) Act 1982 stated that Local Authorities may determine a fee which was reasonable. A recent ruling in a high profile case brought against Westminster City Council by the proprietors of seven sex shops meant that Local Authorities could not continue to charge in excess of the actual cost of processing the licences for such establishments. She recommended that the fees payable for the application, renewal and transfer of a licence for 2013/14 be in accordance with the actual costs incurred by the Council as follows -

- New application – £268.07
- Renewal - £268.07
- Transfer - £268.07

In relation to markets and fairs, the officer noted that they had historically been located in some areas of Gwynedd, that it was important to maintain them and that high fees and payments did not prohibit them. However, the costs to the Council in respect of safe cash collection, refuse disposal arrangements and market supervision duties were increasing. Consequently, she recommended to levy an increase of 10% in the fees for all licensed and casual stalls as well as fair stalls. She noted that a reduced fee had been introduced for annual payments electronically or by direct bank payment, as costs incurred by the Council for processing such payments were considerably less.

In response to a question from a member regarding direct bank payments involving fees for markets and fairs, the Licensing Manager informed the committee that traders were persuaded to use this method of payment. Therefore, until they started paying using this method, the details of the savings would be unknown but there was a substantial cost involved with collecting money in terms of safety provisions, cash banking costs etc.

RESOLVED to approve the fees and payments for 2013/14.

The meeting commenced at 10.00am and concluded at 10.45am.