

REPORT TO LICENSING COMMITTEE



DATE	17 th January 2013
PORTFOLIO	Environment
REPORT AUTHOR	Karen Davies
TEL NO	01282 425011 Ext 7247
EMAIL	kdavies@burnley.gov.uk

Taxi Licence Fees and Charges 2013/14

PURPOSE

1. To determine the level of taxi licence fees for 2013/14.

RECOMMENDATION

2. The Committee are recommended to freeze existing taxi fees and charges for the year commencing April 2013.

REASONS FOR RECOMMENDATION

3. To set fees at levels that recover the costs of issuing and administering licences, and the cost of inspection, ranks, control and supervision of vehicles .

SUMMARY OF KEY POINTS

4. Taxi licence fee setting is a function of the Licensing Committee. Legislation permits the Council to set **vehicle and operator** licence fees, but where this fee exceeds £25, as is the case at Burnley BC, a 28 day public notice of the proposed fee must be advertised within which time any person may object to the variations. If no objections are made or if all objections are withdrawn the fees come into effect at the end of the 28 day period. Where objections are not withdrawn, the Council must then consider the objections before determining the fee level and setting a further date, not later than two months after the first specified date, on which the new fees shall come into force.
5. In relation to **other taxi licence fees and charges**, (eg drivers licences, knowledge tests) fees should recover reasonable expenses. There are no consultation or advertising requirements.
6. The effect of the legislation is that the service must not generate a profit to the Council.
7. In relation to vehicle licences, the total fee is made up of two parts:

- the vehicle test element that is payable direct to the testing station. Since approving the additional testing station these fees are set by each facility and are subject to market forces.

- the issue, administration and supervision element of the fee, which is payable to the Council.

8. 2013/14 fees have been calculated in accordance with the three year pricing policy agreed by Executive in Minute 51, 19th August 2008. Last year's actual spend, together with this and next year's estimated expenditure are provided at Appendix 1, with notes to explain the year on year changes where necessary. The income projections provided for 2013/14 incorporate a fee freeze.
9. A reserve fund carries forward any surplus or deficit from previous years. At April 2012 the surplus carried forward amounted to £44698. Last year taxi fees were frozen, following a 5% increase in 2011/12. The reserve is expected to reduce to £31503 at the end of this financial year.
10. Three year driver licences were introduced in April 2011 at a fee of £240 compared with £82.50 for an annual licence. The move to 3 year licences is being phased in over a three year period with drivers moving onto the new system when their current medical expires. Assuming the numbers of licences in force remains fairly constant over the next few years, the income will dip over the next year, because those currently holding 3 year licences will not need to renew until April 2014 at the earliest. The reserve will be utilised for the next year to plug the income shortfall.
11. This year's budget is subject to a considerable amount of movement between spending codes due to the Council's restructure in April 2012. Recharges are calculated in accordance with the time spent on taxi licensing work.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

12. The proposed fees seek to recover reasonable expenses in accordance with the Council's taxi fee policy.

POLICY IMPLICATIONS

13. None

DETAILS OF CONSULTATION

14. A month long consultation with the taxi trade will end on January 4th and a Council/Trade meeting will take place on the 8th January.
16. Councillors Howard Baker, Ann Royle and John Fifield.

BACKGROUND PAPERS

17. None

FURTHER INFORMATION

PLEASE CONTACT:

Karen Davies

ALSO:

Peter Henderson

3 Year Taxi Budget 2011 to 2014

	Actual 2011/12 £	Estimate 2012/13 £	Estimate 2013/14 £	NOTE
Expenditure				
<u>Employees</u>				
Salaries	-	-	-	
Overtime	-	-	-	
National Insurances	-	-	-	
Superannuation	-	-	-	
Training Expenses	-	106	106	
Employee Advertising	-	-	-	
Employee Related Insurances	-	-	-	
Medical Fees	-	-	-	
	-	106	106	
<u>Transport</u>				
Car Allowances	-	-	-	
<u>Supplies & Services :</u>				
Operational Equipment	7,579	7,320	7,400	
Books and Publications	-	50	50	
Stationery - General	126	150	150	
Office Expenses	-	80	80	
Legal and Professional Services	16,856	12,000	12,000	
Postages	876	1,200	1,200	
Subsistence-Employees	-	20	20	
Advertising	-	600	600	
Refunds	-	2,000	2,000	
Credit Card Charges	-	-	-	
	25,437	23,420	23,500	
<u>Agency & Contracted Services</u>				
Other Council Committees	2,794	3,088	3,088	
<u>Support Costs</u>				
Personnel Unit	-	-	-	
Legal Services	6,487	15,500	15,500	1
Customer Services	3,083	28,536	33,000	2
Accountancy Services	1,099	225	225	
Information Services	-	-	-	
Document Copying	-	-	-	
Planning Support	40,215	-	-	3
PABX	-	-	-	
Licensing Support	61,684	35,000	35,000	4
Environmental Health Support	-	45,000	45,000	5
	112,568	124,261	128,725	
<u>Special Items</u>				
Safety / Seasonal Initiatives	161	5,920	5,920	6
	140,961	156,795	161,339	
Income				
<u>Fees and Charges</u>				
Licences	154,455	135,000	120,000	7
0% increase	-	-	-	
	154,455	135,000	120,000	
Fees for Search Information	9,531	8,000	8,000	
Court Costs	1,485	600	600	
	165,471	143,600	128,600	
Net Expenditure/ (Income)	(24,510)	13,195	32,739	
Less - Transfer (From) / To Taxi Licensing Reserve				
Taxi Reserve Fund Balance	44,698	31,503	(1,236)	

Notes

- 1: Legal Services recharges have increased predominantly due to the time allocated to taxi matters by Dave Wilcock who has taken up responsibility for the service and has chaired the Taxi Task Group.
- 2: Customer Service recharges were fixed for this year, as it was the first year of the new structure. However £28,500 has been found to be insufficient to recover actual costs in the Contact Centre. Next year they will be increased by £4500.
- 3: 'Planning Support' is now provided by a mix of Legal Services, Customer Services & Environmental Health support staff and is recharged accordingly.
- 4: Licensing support has decreased and EH support increased due to the internal movement of staff within the Council.
- 5: See 3 & 4 above.
- 6: This money is available to fund one off activities.
- 7: The variation in fee income is due to the phasing in of 3 year driver licences. Once all drivers have transferred onto a 3 year licence income will become stable again.