

CAMBRIDGE CITY COUNCIL

REPORT OF:

Jas Lally, Head of Refuse & Environment

TO: Licensing Committee

13/10/2014

WARDS: All

SETTING FEES FOR TAXI PLATE TRANSFERS

1 INTRODUCTION

- 1.1 The City Council is responsible for processing and issuing licences for a wide range of activities, including taxi and private hire vehicle and driver licences. Fees are reviewed in January each year and set annually by Licensing Committee and adopted by full Council, as part of its budget setting process. Officers have been requested by the taxi trade to examine and report on the fees for taxi vehicle plate transfers, in advance of the annual review in January 2015.

2. RECOMMENDATIONS

- 2.1 Members are asked to consider whether the fees set by the Committee in January 2014 for taxi plate transfers should be reviewed in advance of other licence fees.
- 2.2 If members are minded to review the fee for taxi plate transfers early, they are asked to approve a revised fee of £50 following the statutory consultation period.

3. BACKGROUND

- 3.1 The Council is required to calculate fees on the basis of recovering the full costs of processing and compliance checks but neither to make a surplus nor subsidise those licensed. The fees charged should be capable of withstanding legal challenge, should the need arise.

In each case, the administrative work required for the various elements of the process has been taken into account and, where appropriate, allowance made for compliance checking.

- 3.2 At its meeting on 27th January 2014 Licensing Committee agreed the level of fees for all licensing matters which would apply for 12 months from 1st April 2014. This decision was subsequently adopted by full Council.
- 3.3 It was agreed that fees will be reviewed on an annual basis and that fees which relate to taxi licences would be advertised in accordance with law, before they would come into effect.
- 3.4 The level of all fees was set on the basis of assessments of the cost of officer time and other costs which were associated with the work required to undertake checks on documentation, updating records and, where necessary, the physical production of licences, badges or plates.
- 3.5 Whilst individual applications may take different amounts of time, the fees were set on the basis of an average time, in each case.
- 3.6 As the process of setting fees had been amended to be fully based on assessments of the costs involved, it was recognised that it would only be after a full year of implementing the new fee level, and recording the actual time taken to process applications, that an accurate measure of the costs involved would be available for use as part of the next annual review. After compilation of that information it would then be possible to change any fees which might require adjustment.
- 3.7 Following public questions at the Licensing Committee on 21st July 2014 when the level of fee charged for taxi plate transfers was raised by Mr Wratten on behalf of Cambridge Licensed Taxis Ltd, the Chair agreed that this issue would be discussed in more detail, with him. Mr Wratten was asking the Licensing Committee to deal with the matter as soon as possible because he said that many drivers would be required to undertake single transfers before the next review.
- 3.8 Officers have reviewed the charge for plate transfers which is set at £80 and concluded that it should be possible to recover the costs of undertaking the necessary processes by charging £50. The original charge was set using an estimate of the average amount of officer time entailed to complete the necessary work.
- 3.9 Having examined the records of time actually spent during the period April – August 2014 and having streamlined the process, it is concluded that the current average cost is now £50.
- 3.10 In view of the request from CCLT, Officers are inviting Members to decide whether to review the taxi plate transfer fee outside of the agreed annual review process.
- 3.11 Officers met with Mr Wratten, of CCLT on 8th August 2014, and indicated the outcome of their review of the work required to process

plate transfers and that a reduction in the fee might be proposed to Members to consider for determination and adoption.

- 3.12 Mr Wratten has made it clear that he wishes to see an early implementation of a reduced fee. He has indicated that he believes that the Council should refund money to proprietors who, in his view, have been overcharged.
- 3.13 It is the officers' view that there has been no element of overcharging involved, as the Council has clearly set out how it will set and review charges for licences. It may be, for example, that charges for some licences have been less than required to cover the Council's costs and, in that event, a recommendation to increase a fee would form part of the annual review.

4. CONSULTATIONS

- 4.1 A meeting has taken place between officers and CCLT representatives, but a formal consultation has not been undertaken with the taxi trade until it is known whether Members are minded to review the taxi plate transfer fee early.

5. OPTIONS

- 5.1 Members may agree to review the fee charged for taxi plate transfers in advance of the annual review and, if so,
- i) May agree to the principle of setting a revised level of fee and, if so,
 - ii) Instruct officers to undertake a 4 week statutory public consultation.
- 5.2 Members may decide not to review the fee in advance of the annual review.

6. CONCLUSIONS

- 6.1 The Council needs to demonstrate that the fees it charges for licences have been set in accordance with the law and best practice, so as to recover its allowable costs in administering the various licensing regimes for which it is responsible.
- 6.2 Members should determine which of the options, under Section 5 above, they wish to pursue or to determine such other course of action they consider appropriate.

7. IMPLICATIONS

(a) Financial Implications

The cost of processing licence applications should be broadly cost-neutral, however, the potential for costs being awarded against the Council in the event of a successful legal challenge to its fee setting process could be significant, and potentially substantial.

(b) Staffing Implications

None

(c) Equal Opportunities Implications

None

(d) Environmental Implications

None

(e) Procurement

None

(f) Consultation and communication

The taxi trade will be consulted on the levels of fee proposed to be charged before the proposed fee is implemented.

(g) Community Safety

None

BACKGROUND PAPERS: The following are the background papers that were used in the preparation of this report:

Report of Head of Refuse and Environment to Licensing Committee 27th January 2014

<http://democracy.cambridge.gov.uk/documents/s22683/Committee%20Report%20-%20Setting%20Fees%20for%20Licensing%20Functions%20-%2027.1.14.pdf>

Minutes of Licensing Committee 27th July 2014

<http://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=180&MId=1052&Ver=4>

Minutes of Licensing Committee 21st July 2014

<http://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=180&MId=2498&Ver=4>

To inspect these documents contact Robert Osbourn on extension 7894

The author and contact officer for queries on the report is Robert Osbourn on extension 7894.

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