

EAST HERTS COUNCIL

LICENSING COMMITTEE – 1 NOVEMBER 2012

REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

9. PROPOSED INCREASE TO TAXI FEES AND CHARGES

WARD(S) AFFECTED: ALL

Purpose/Summary of Report:

- This report details the corporate request to increase all discretionary fees and charges by 2.5%, and the impact this will have on taxi fees and charges.

<u>RECOMMENDATIONS FOR LICENSING COMMITTEE: That:</u>	
(A)	The proposed fees and charges increases be recommended to the Executive for approval.

1.0 Background

1.1 The Licensing Authority (East Herts Council) is empowered to set fees and charges for performing its taxi licensing functions, subject to not recovering more in fees and charges than it spends on providing the service (the 'cost recovery principle').

1.2 The East Herts Accountancy service have produced a Medium Term Financial Plan for the council, and have advised that this year, the budget strategy requires a minimum of a 2.5% increase (excluding VAT) for all discretionary fees and charges.

1.3 In September 2008 the Council adopted a set of principles to inform the process of setting of fees and charges;

- Any subsidy from council tax payers to service users would be a deliberate choice
- Discretionary fees and charges should generate income to help deliver improvements in priority services
- Discretionary fees and charges should support the MTFP
- There should be a measure of consistency in the setting of charges for similar services

- Fees and charges should be set at a level to avoid unnecessary subsidies from the council taxpayer to commercial operations
- If the impact of the fees and charges policy is going to be high, consideration should be given to changes being phased in.

1.4 After setting the fees and charges at Executive, the council must advertise the increase in the newspaper, and give at least 28 days for interested parties to make representations. The representations must be considered by Director of Neighbourhood Services, before the proposed increases are implemented.

2.0 Report

2.1 The cost recovery principle means that it would be unlawful for the council to apply the principle that 'Discretionary fees and charges should generate income to help deliver improvements in priority services' to setting taxi fees and charges, as this revenue may only be applied to providing the taxi licensing service.

2.2 The current fees and the fees and charges that would apply after applying a 2.5% increase are set out in **Essential Reference Paper B**.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None.

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