

MINUTES of the meeting of Regulatory Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Tuesday 22 May 2012 at 2.00 pm

Present: Councillor JW Hope MBE (Chairman)
Councillor RC Hunt (Vice Chairman)

Councillors: CM Bartrum, BA Durkin, KS Guthrie, RB Hamilton, PJ McCaull, C Nicholls, FM Norman and GA Powell

38. APOLOGIES FOR ABSENCE

Apologies were received from Councillors PL Bettington and Brig. P Jones CBE.

39. NAMED SUBSTITUTES (IF ANY)

In accordance with paragraph 4.1.23 of the Council's Constitution, Councillors RB Hamilton and KS Guthrie attended the meeting as substitute members for Councillors PL Bettington and Brig. P Jones CBE.

40. DECLARATIONS OF INTEREST

There were no declarations of interest made.

41. MINUTES

RESOLVED: That the Minutes of the meetings held on 27 April 2012 and 8 May 2012 be approved as a correct record and signed by the Chairman.

42. TO RECONSIDER OBJECTIONS TO PROPOSED INCREASES TO THE TAXI LICENCE FEES AND CHARGES

A report was presented by the Acting Head of Environmental Protection and Licensing about objections which had been received from the trade to the proposed increase in hackney carriage/private hire licence fees and charges for 2012/2013. He explained that the increases were aimed at moving towards full cost recovery so that the service was no longer subsidised. This was in line with a resolution previously made by Cabinet regarding all services provided by the Council.

Prior to the report being considered the Acting Principal Lawyer advised Members that the matter had been discussed and agreed in principle at the meeting of the Regulatory Committee on Tuesday 27 April subject to further consultation with the trade and a review of the proposed figures. This had now been completed with two further meetings held with the trade and a detailed examination of the proposed figures being undertaken by the Council's senior accountant.

He went on to advise attendees at the meeting as to how the meeting would be conducted in accordance with paragraph 3.6.2.2 of the Council's Constitution. He added that the Constitution did not make provision for public speaking at the Regulatory Committee but that the Chairman had agreed to allow representations to be made by the trade. These representations would be limited to 10 minutes. A request for 20 minutes speaking time was

refused although the Chairman indicated he would be happy for the nominated speaker to speak for in excess of 10 minutes.

The Acting Head of Environmental Protection and Licensing outlined the report and highlighted the progress which had been made since the previous meeting. He advised the Committee that alternative options 1 and 2 as outlined in the report should be disregarded as this was incorrect, as the decision had already been made to adopt full cost recovery at the previous meeting in April. He added that the issue of the cost of a marshalling scheme was still a concern to the trade and reminded members that this decision had not yet been made although he recommended that these extra costs should not be adopted at the present time. He also added that agreement had now been gained in respect of taxi drivers who also held County Transport Badges, with a new taxi policy going to cabinet on 12 July proposing that they would no longer have to apply separately for the two licences. He gave details of the two meetings which had been held between the trade, council officers and elected members since the previous meeting of the regulatory committee on 27 April 2012. In summing up he advised that the proposed figures predicted a 97.5% cost recovery which should ensure that the council would not make a profit and that this would move to full cost recovery within a 12 month period. He added the caveat that that this was a prediction based on projected incomes and expenditure in arrears.

In response to a question regarding the reduction of income to the licensing department between 2010/11 and 2011/12, the Acting Head of Environmental Protection and Licensing advised that taxi licenses were granted on a 3 year basis and that 2010 was the year that the the majority of these licenses were renewed. He also added that the number of drivers had reduced from 650 to 526 recently.

The Committee discussed the proposal with a question being asked as to whether the proposal was in keeping with the Cabinet resolution to seek full cost recovery as the Acting Head of Environmental Protection and Licensing had advised that the proposal would result in 97.5% recovery for the forthcoming year. The Strategic Finance Advisor advised the Committee that there would be a £3000 - £4000 shortfall in the coming year but that could increase to 100% recovery in the following year, subject to the caveats already mentioned previously in respect of the predictions. This predicted shortfall was due to the fact that the proposal for full cost recovery had not been introduced at the start of the financial year.

In response to a further question, the Acting Head of Environmental Protection and Licensing advised that a report was due to go before Cabinet on 12 July 2012 which would enable taxi drivers to be able to hold a County Transport Badge without going through a separate application process, therefore not requiring them to undertake and additional CRB check. This had been recommended by Audit and Licensing Officers and would result in a reduction in the burden on the trade and any perceived 'red tape' for drivers.

In response to a question regarding the expected income of £130000, the Strategic Finance Advisor advised that the actual figure was £129954 but that it had been rounded up for clarity. She added that this figure was an estimate based on the evidence put before her.

The Chairman invited comments from the trade and allocated ten minutes per speaker. Mr Jones spoke on behalf of the trade and made a number of comments, including:

- That he felt that the time constraint of 10 minutes was unfair and would limit his opportunity to address all of the issues within the report.
- That the additional meetings between the Council and the trade had been beneficial and were welcomed.

- Despite his earlier request he had still not been supplied with a detailed breakdown of income to the licensing section.
- The figures had changed since the previous meeting and were still not deemed to be accurate.
- The taxi association were not happy with the answers received to the 10 questions posed at an earlier meeting.
- The figures were disputed as further income would be received that had not been accounted for in the figures put before the committee.
- 54 licences were still unaccounted for.
- The figures supplied by the taxi association were a more accurate reflection of income.

The Strategic Finance Advisor advised the Committee that she was in the process of analysing all taxi licence related transactions from 2011 – 2012 and that although the majority of these had now been completed there were a small number outstanding. She added that 106,000 had currently been identified and that there was likely to be 24-25k in other transactions.

Mr Jones, representing the trade, advised the Committee that he had requested the figures from the Council but had still not received them to date. He disagreed with the figures contained within the Officer's report and was of the opinion that the spreadsheet he had presented to the committee contained a more accurate account.

In response to the point raised by Mr Jones, the Acting Head of Environmental Protection and Licensing advised that the additional income he had listed had already been included in the 130k total detailed in the income details contained within the report. He added that at present the reason Mr Jones had not been presented with full details of each transaction, as he had requested, was due to the sensitive information contained within each record. This included names, addresses and financial details of people who had made a transaction.

In response to a further question the Strategic Finance Officer advised that the receipts were not split into different categories so they had to be analysed manually. She added that she had processed the majority of the approximately 1000 receipts and only had around 40 remaining. Once this task was completed there was no reason why the findings could not be released to Mr Jones.

The Strategic Finance Officer also advised the Committee that the Council were not expecting huge changes in respect of the overheads which had been calculated using the previous year's data. There were however a number of variables which could result in a change to the income, this obviously included the number of licensed drivers.

The Committee felt that if the figures were proved to be inaccurate for the forthcoming year a correction could be made in the following year to ensure that no profit or loss was made.

The Committee discussed the allegations from the trade that some drivers had found a way of getting a new badge whilst avoiding being charged a fee. The Acting Head of Environmental Protection and Licensing advised that an informal review had been undertaken to ensure that this was not possible.

The Committee continued to discuss the matter and were of the opinion that a full review of the full cost recovery scheme should be undertaken after 6 months to ensure that drivers were not being overcharged. The Acting Head of Environmental Protection and Licensing reminded members that 6 months would place the review in the period of November/December and that this might prove too soon to predict a full year trend combined with this period being the busiest in the taxi year. He therefore suggested a

review after 8 months. The Councillor who had moved the recommendation as well as the Councillor who had seconded it were both of the opinion that this was a sensible option and therefore amended their original motion accordingly.

A motion to propose a raise in fees based on the rate of inflation was moved. The Acting Principal Lawyer advised members that the Committee had agreed a move to full cost recovery in principle at its last meeting and that in accordance with standing order 4.1.16.32 the proposed motion would not be valid.

A vote was taken and the Chairman used his casting vote to agree the resolution as set out below.

RESOLVED

1. **THAT Committee agrees the proposed fees as scheduled in Appendix 2 excluding the additional cost of £52 per hackney carriage renewal application for implementing a Taxi Marshalling Scheme.**
2. **THAT a review of the proposed fees be undertaken within 8 months.**

The meeting ended at 3.40 pm

CHAIRMAN