

## Appendix A

### **Calculation Method: - Drivers Fees**

The licence fees have been calculated using a toolkit produced by the Wales Licensing Expert Panel. The purpose of the toolkit is to provide a consistent and robust mechanism to setting licensing fees.

The toolkit has been approved for use by numerous accountants and licensing solicitors across the UK and is utilised by all other Welsh authorities and many English authorities

### **Part 1 –Cost Summary**

All general expenditure across the Licensing Section (based on 2014/15) is documented and applied to each post to give an hourly rate of each member of staff.

#### **Licensing Section General Expenditure:**

Support Services:	£86990
Accommodation Costs	£46000
Capital Financing	£2950
Employee Related (Excl salary)	£13721
Transport	£2733
Supplies & Services	£23199

The total general expenditure (£161872) is divided amongst each member of staff (15 in total) to give an hourly rate.

Licensing Support Assistant (x3)	£29.08
Licensing Assistant (x2)	£29.08
Licensing Enforcement Officer (x6)	£41.53
Senior Enforcement Officer	£44.75
Senior Technical Officer	£44.75
Group Leader	£50.47
Operational Manager	£71.87

### **Part 2-Other Charges**

Officer time spent on tasks relating to the licence type are calculated in minutes such as dealing with enquiries, general admin, meetings, project work and training.

The total costs for additional officer time are £58791. The additional staff time is multiplied by 3 in respect of 3 year licences apart from the cost of general administration completed by staff at the Public Carriage Office which relates to end of day admin such as banking, filing, payment reconciliations etc. and will generally only be completed once across the course of a licence.

Any other licence specific costs are also applied such as the cost of producing replacement badges throughout the course of the licence

General taxi expenditure is £30726 and comprises of:

Taxi office rent	£7,000
Equipment	£791
Materials/Stationery	£4602
Bank charges	£725
Phone	£1098
ICT	£13046
Internet	£191
Security	£3273

The general taxi expenditure is then apportioned across the licence costs and 40% (£12308) is apportioned to driver licences.

The total specific costs (for 1 year licences) are £2708 and are also multiplied by 5 in respect of 3 year licence to give a figure of £8124

In 2014/15 it has been calculated that there was a £8876 deficit in terms of driver's licences. This figure is added to the total specific costs to give a figure of £23769 for 1 year licence and £53552 for a 3 year licence

These costs (officer time and specific costs) are then divided by the total number of relevant applications to give a 'total other charges' of £38.22 for 1 year licences and £78.99 for a 3 year licences

### **Part 3 Process steps**

The process steps of the licence are inserted into the spreadsheet with the time (in minutes) of each officer being applied to each process step. The cost of an annual officer visit is included in the process steps.

This gives a cost of the administration of the licence (based on the hourly rates calculated in Part 1) and are added to the 'total other charges'.

#### **Cost of 1 year licence:**

Admin cost of grant & issue of licence:	£85.81
Total other charges	<u>£38.22</u>
<b><u>Total 1 Year Grant Fee</u></b>	<b><u>£124</u></b>

#### **Cost of 1 year licence renewal:**

Admin cost of grant & issue of licence:	£21.49
---	--------

Total other charges	<u>£38.22</u>
<b><u>Total 1 Year Renewal Fee</u></b>	<b><u>£60</u></b>

**Cost of 3 year licence:**

Admin cost of grant & issue of licence:	£85.81
Total other charges	<u>£78.99</u>
<b><u>Total 3 Year Grant Fee</u></b>	<b><u>£165</u></b>

**Cost of 3 year licence renewal:**

Admin cost of grant & issue of licence:	£21.49
Total other charges	<u>£78.99</u>
<b><u>Total 3 Year Renewal Fee</u></b>	<b><u>£100</u></b>