

Licensing and Regulatory Committee



St Edmundsbury
BOROUGH COUNCIL

| | | |
|------------------------------|--|-----------------|
| Title of Report: | Hackney Carriage Fare Increase 2017 | |
| Report No: | LIC/SE/17/001 | |
| Report to and date/s: | Licensing & Regulatory Committee | 24 January 2017 |
| | | |
| Portfolio holder: | Cllr Alaric Pugh Portfolio Holder for Planning and Growth Tel: 07930 460899 Email: alaric.pugh@stedsbc.gov.uk | |
| Lead officer: | Amanda Garnham Licensing Team Leader Tel: 01284 758050 Email: Amanda.garnham@westsuffolk.gov.uk | |
| Purpose of report: | This report requests the Committee to consider the proposed Hackney Carriage fare increase | |
| Recommendation: | <p>It is recommended that one of the following options is taken:</p> <p>(1) Approve the advertisement of the proposed new fare increase and to bring back the matter to the Committee for further consideration; or</p> <p>(2) Reject the proposed table of fares and request the trade to produce a new set of proposals for Member consideration at a future Committee meeting ; or</p> <p>(3) Reject the table of fares, making no changes at the present time;</p> | |

| | | | |
|---|---|--|---------------------------------------|
| Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i> | <i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/> | | |
| <i>The decisions made as a result of this report will usually be published within 48 hours and cannot be actioned until five clear working days of the publication of the decision have elapsed. This item is included on the Decisions Plan.</i> | | | |
| Consultation: | <ul style="list-style-type: none"> Letter to all holders of a Hackney Carriage Vehicle Licence | | |
| Alternative option(s): | <ul style="list-style-type: none"> Options as per recommendation contained within this report | | |
| Implications: | | | |
| <i>Are there any financial implications? If yes, please give details</i> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| <i>Are there any staffing implications? If yes, please give details</i> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| <i>Are there any ICT implications? If yes, please give details</i> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| <i>Are there any legal and/or policy implications? If yes, please give details</i> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| <i>Are there any equality implications? If yes, please give details</i> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| Risk/opportunity assessment: | | <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i> | |
| Risk area | Inherent level of risk (before controls) | Controls | Residual risk (after controls) |
| | Low/Medium/ High* | | Low/Medium/ High* |
| Not taking into consideration the objections received could lead to challenge | Medium | Further dialogue with the public and the taxi trade | Low |
| Ward(s) affected: | | All Wards | |
| Background papers: <i>(all background papers are to be published on the website and a link included)</i> | | Local Government (Miscellaneous Provisions) Act 1976 http://www.legislation.gov.uk/ukpga/1976/57 Link to National Taxi Fares Table for 2 mile Journey http://www.phtm.co.uk/taxi-fares-league-tables/2017-01 | |
| Documents attached: | | Appendix 1 - Current fares Appendix 2 - Consultation letter to Hackney Carriage Proprietors Appendix 3 - Proposed fares | |

1 **Key issues and reasons for recommendation**

- 1.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 enables St Edmundsbury Council (the Council), at its discretion, to fix and vary the tariff for Hackney Carriages that are licensed by the Council.
- 1.2 The Council's power extends to fixing, or varying, the rates of fares within the Borough for time and distance, and all other charges in connection with the hire of a Hackney Carriage vehicle, or with the arrangements for the hire of a vehicle, by means of a table of fares.
- 1.3 The Local Government (Miscellaneous Provisions) Act 1976 (the Act) lays down a statutory procedure for varying fares charged by Hackney Carriage drivers. When setting Hackney Carriage fares there is no requirement under the Act to take into account external factors, and there is no limit on the amount of increase or variation.
- 1.4 The current fares for Hackney Carriages were varied in November 2015, a copy can be found at Appendix 1. This was a fare increase of around 9%.
- 1.5 A new fare proposal was submitted in September 2016 by a St Edmundsbury Hackney Carriage driver. In order for the Council to informally gauge an idea of support from the trade, the driver was asked to speak to other Hackney Carriage drivers/proprietors about the proposal. In response 16 drivers/proprietors signed the proposer's fare increase. It should be noted that this was not formal consultation completed by the Council and should not be taken into consideration by the Committee.
- 1.6 The fare proposal is attached as Appendix 3. This sees another two tariffs added for 8 seater vehicles making an increase of six tariffs to eight. There are also confusing changes to the yardage and an increase to running mile payments.

2 **Consultation**

- 2.1 The Council is required to consult on the proposed fares and therefore all licenced Hackney Carriage proprietors within the Borough received notification of the proposals in December asking them to vote for or against the proposed fare, or to request a new proposal. A copy of the letter can be found at Appendix 2.
 - 2.1.1 63 Hackney Vehicle licensees were written to:
 - 9 votes against the proposed new fares
 - 1 vote in favour of the proposed new fares
 - 0 requesting more proposals
 - 2.1.2 Out of the nine votes against the proposed new fares, two are large companies who own and run a number of Hackney Carriage licensed

vehicles. One who licences 13 Hackney Carriage vehicles and the other licences 9 vehicles.

- 2.1.3 Out of the 16 drivers/proprietors who informally endorsed the fare increase proposal, only one responded to the Council consultation by still voting for the increase. No other responses officially voting for the increase were received during the consultation period.

3 Options

- 3.1 The Committee is requested to consider the options listed below:
 - 3.1.1 Option 1: Approve the advertising of the proposed new Hackney Carriage fare (Appendix 3) and return to Committee for consideration of any public objections (see paragraph 4 below); or
 - 3.1.2 Option 2: Reject the proposed table of fares and request the trade and Officers to produce a new set for Member consideration later in 2017; or
 - 3.1.3 Option 3: Reject the proposed table of fares and make no changes.
- 3.2 Because of the low response to the consultation, the Licensing Team Leader recommends that the Committee proceeds with Option 2 so that further consultation can be completed with the St Edmundsbury Hackney Carriage proprietors/ drivers. As part of this, all Hackney Carriage drivers and proprietors will be written to and invited to create a trade forum. Part of the trade forum agenda will be to agree a procedure for requesting future fee increases and to discuss a full enquiry into simplifying the current tariffs and to bring the current fares in line with the Consumer Price Index (CPI).

4 Public consultation

- 4.1 If the Committee proceeds with Option 1 then an advertisement setting out the increased fares must be placed in at least one local newspaper. Members of the public will have 14 days from the date of the advertisement in which to submit any representations for or against the fare increase / decrease. If objections are received then they must be considered by the Licensing and Regulatory Committee before the proposed fare changes can be implemented.
- 4.2 If no objections are received the revised table of fares will come into effect on the date specified (not less than 14 days after publication in the newspaper of the notice). If there are objections the Council must set a further date within two months of the above-mentioned date on which the new fares will come into force following further consideration by the Committee.