

Report for: ACTION



Contains Confidential or Exempt Information	NO - Part I
Title	Proposed Increase to Hackney Carriage Fares
Responsible Officer(s)	Simon Fletcher Strategic Director of Operations & Customer Services
Contact officer, job title and phone number	Craig Miller Head of Community Protection & Enforcement Services – 01628 683598 Steve Johnson Enforcement Principal – 01628 683555
Member reporting	Cllr Jesse Grey, Licensing Panel Chair
For Consideration By	Licensing Panel
Date to be Considered	11 October 2016
Implementation Date if Not Called In	N/A
Affected Wards	All

REPORT SUMMARY

1. RBWM's Hackney Carriage Trade has requested an increase in the current Hackney Carriage fares.
2. The last increase came in July 2014 when fares were increased by 3% with a 20p increase per additional passenger for fares of more than 2 passengers.
3. Members considered the requested increase at the July 2016 Licensing Panel and deferred the matter until this October Panel.
4. If fares are increased there are no financial implications for the Council but there will of course be financial implications for residents.

If recommendations are adopted, how will residents benefit?

Benefits to residents and reasons why they will benefit	Dates by which residents can expect to notice a difference
Residents can be assured of a continuing high standard of vehicles which will be used for the taxi service in the Royal Borough. If drivers' net incomes drop there may well be a drop in the standard of vehicle as drivers will not be able to change vehicles so frequently and to keep up maintenance standards.	30 November 2016

1. DETAILS OF RECOMMENDATIONS

RECOMMENDATION: That:

Members consider increasing the current Hackney Carriage fare tariffs in accordance with the request of the Hackney Carriage trade.

2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 gives a local authority the power to fix the rates or fares of Hackney Carriages within its area (as well as all other charges in connection with the hire of the vehicle) by means of a table of fares. RBWM's current table of fares for Hackney Carriages is contained in Appendix A.
- 2.2 Mr Yasin, the Chairman of the RBWM taxi association wrote to the Council in December 2015 requesting that the Licensing Panel consider an increase in these fares. His letter is at Appendix B. Most of the letter deals with matters falling outside of this report and which have already been considered by the Licensing Panel. Those matters have been struck through in Appendix B.
- 2.3 The request came too late for consideration at the January 2016 Licensing Panel – and the April 2016 Panel was cancelled – but the matter was debated at the July 2016 Panel (see Paragraph 2.13 below).
- 2.4 Mr Yasin's letter makes reference to rises in licensing fees. He states: "If the panel let the licensing fee rise by 50% then we request the panel to raise our taxi fare as well. If that fee is to go up by 50% then we request the panel to raise our taxi fare by 80p per journey. If the licensing fee does not go up by 50% then we want just 40p per journey, 40p per extra passenger and baggage. These charges have been worked out on the attached fare template". (Note: the template forms part of Appendix B).
- 2.5 This is a reference to the then proposed increase for temporary vehicle licence fees, which apply following accidents or mechanical problems with usual vehicles. Temporary vehicles can be licensed for up to 3 months. The January 2016 Licensing Panel subsequently approved a 50% increase in such fees from £80 to £120.
- 2.6 The annual fee currently applicable to the granting of a standard new Hackney Carriage licence is £500 (or £315 for the renewal of an existing licence). This has remained static since 2012.
- 2.7 The last increase in Hackney Carriage fares came in July 2014 when fares were increased by 3% with a 20p increase per additional passenger for fares of more than 2 passengers. As stated above, the current fares table is at Appendix A.
- 2.8 If members are minded to increase fares then a statutory process of advertising would need to take place. A notice must be published in at least one of the local papers specifying a period of 14 days from the date of the first publication for objections. Should there be no objections during this period then the revised table of fares would come into effect the day after the last date of objections.

- 2.9 Private Hire and Taxi Monthly publish monthly tables of Councils according to the tariff for a 2 mile Hackney Carriage fare. Full details of the September 2016 fares are contained in Appendix C.
- 2.10 RBWM ranks 253 out of 365 at a cost of £5.40. The highest is Luton (Airport) at £9.20 and the lowest is South Kesteven in Lincolnshire at £3.50. According to the list, all of the Councils close to RBWM rank higher: Wycombe Council at £5.70, Slough and Bracknell Forest at £6.00, Spelthorne at £6.20, Wokingham at £6.40 and Reading and West Berkshire at £6.80.
- 2.11 If Members are minded to consider an increase of fares, then it would be easier for the trade and for officers if any increase is made in rounded figures rather than by way of a set percentage. All Hackney Carriage vehicles are fitted with a meter which must be used on all journeys. These meters are set by two specific companies in the area and a rounded figure is easier to calculate than a percentage increase.
- 2.12 The Association of Taximeter Installers have helpfully produced information showing possible new tables of fares for RBWM based on a number of potential increases. This information is now contained in Appendix D for members to consider.
- 2.13 At the October Panel, Members requested that further information be made available to them in the form of a table setting out exactly what the fare would be for journeys from 1 to 6 miles for each of the potential increases in Appendix D, compared with the current fares. This information is now contained in Appendix E.
- 2.14 In addition, Mr Yasin has also produced a table – contained at Appendix F – showing the alleged effect of possible new fares on a range of specific journeys within RBWM. This table also includes a request for the current extra charge of 20p for each extra passenger above the number of 2 to be increased to 40p. (Members should note that these figures are based solely on the current figure of £2.80 for the first 1066 yards and are not adjusted to allow for rounded figures as are the fares in Appendices D and E).

Option	Comments
1. Leave the fares as they are	Cost to residents and visitors would not increase but drivers' net income would not increase either and their ability to maintain vehicles may diminish leading to a poorer service to residents.
2. To increase RBWM Hackney Carriage fares The current basic fares are: £2.80 for the first 1066 yards 20p for each subsequent 200 yards In Appendix D, there are some possible basic fare increases for Members to consider (note that the different distances used are so as to enable round figures on the monetary values, which assists both drivers and passengers).	This will ensure that drivers have sufficient funds to maintain their vehicles but would increase costs for residents and visitors to the area.

Option	Comments
<p>Appendix E shows the effect of these possible increases on journeys of 1 to 6 miles.</p> <p>Members are of course free to consider any other change as they see fit and reasonable.</p>	

3. KEY IMPLICATIONS

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date they should be delivered by
Level of Hackney Carriage fare tariffs agreed	No decision made on whether or not to increase fares	Level of fares (new or unchanged) effective as from 30 November 2016	Level of fares (new or unchanged) effective as from 30 November 2016	Level of fares (new or unchanged) effective as from 30 November 2016	30 November 2016

4. FINANCIAL DETAILS

Financial impact on the budget

None

5. LEGAL IMPLICATIONS

5.1 The power to fix the rates or fares is set out in Section 65 Local Government (Miscellaneous Provisions) Act 1976.

5.2 The process is as follows:

- A notice must be published in a local newspaper, stating the proposed fares or variation of the fares
- This must specify a date, not less than 14 days from the date on which the notice is first published. That date has two functions; it is the date by which any objections must be lodged; and it is the date on which the revised fares will come into effect if no objections are received.
- Objections can be sent to the Licensing Team by post or email.
- A copy of the notice must be available at the Council offices for inspection.
- Once the objection period of 14 days has expired, if there have been no objections then the new fares take effect at the end of the objection period.
- If objections are made and not withdrawn then they will be considered by the next Licensing Panel.
- In the light of those objections the Panel can then set a second date when the new fares come into force.

6. VALUE FOR MONEY

Not relevant.

7. SUSTAINABILITY IMPACT APPRAISAL

None

8. RISK MANAGEMENT

Risks	Uncontrolled Risk	Controls	Controlled Risk
Objections received to publication of notice to increase fares.	MEDIUM	Request will be referred back to the next panel meeting for members to decide.	LOW

9. LINKS TO STRATEGIC OBJECTIVES

9.1 This links to work for safer and stronger communities. Increasing fares means that the travelling public will be safe and secure due to the fact that the vehicles will be able to be maintained to current standards.

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

None

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

None

12. PROPERTY AND ASSETS

None

13. ANY OTHER IMPLICATIONS

None

14. CONSULTATION

14.1 Should an increase be proposed then any person will be able to make their views known during the notice period.

15. TIMETABLE FOR IMPLEMENTATION

Date	Details
30 November 2016	If members are minded to increase the fares then the increase could be implemented with effect from 30 November 2016 if no objections are received.

16. APPENDICES

Appendix A – RBWM’s current Hackney Carriage Fares
Appendix B – Letter from Mr Yasin

Appendix C – Table of National 2-Mile Hackney Carriage Fares
 Appendix D – Tables of Possible New Fares
 Appendix E – Table of Potential New Fares for Journeys of 1 to 6 miles
 Appendix F – Mr Yasin’s New Fare Chart

All appended to this report.

17. BACKGROUND INFORMATION

Section 65 Local Government (Miscellaneous Provisions) Act 1976

18. CONSULTATION (MANDATORY)

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
Internal				
Cllr Cox	Lead Member	27/09/2016	03/10/2016	
Cllr Grey	Licensing Panel Chairman	27/09/2016	03/10/2016	
Simon Fletcher	Strategic Director of Operations	27/09/2016		
Craig Miller	Head of Community Protection & Enforcement	27/09/2016		
Neil Allen	SLS Legal Solutions	28/09/2016		
Mark Lampard	Finance Partner	28/09/2016		

REPORT HISTORY

Decision type:	Urgency item?
Non-key decision	No

Full name of report author	Job title	Full contact no:
Steve Johnson	Enforcement Principal	01628 683555