

# Licensing Committee

## Hackney Carriage Licensing

8 November 2012

### Report of Head of Public Protection & Development Management

#### PURPOSE OF REPORT

To seek the Licensing Committees approval to vary the Hackney Carriage fare tariff and to give notice of the proposed variation in accordance with the relevant legislation.

This report is public
-----------------------

#### Recommendations

---

The meeting is recommended:

- (1) To vary the current fare tariff to either the NOHA proposed tariff or the amended version of this tariff detailed in Appendix 4 as alternative proposal one;
- (2) To instruct the Licensing Officer to give notice of the variation in accordance with Section 65 (2) (a) of the Local Government (Miscellaneous Provisions) Act 1976; and
- (3) In the event of any objections to the notice of variation, to instruct the Licensing Officer to bring such objections back to a meeting of the Committee for consideration prior to publication of the new fare tariff.

#### Executive Summary

---

##### Introduction

- 1.1 On 6 September 2012 the Licensing Team received a preliminary enquiry about the possibility of increasing the current taxi tariffs for Hackney Carriage Vehicles from the North Oxfordshire Hackney Association (NOHA).
- 1.2 This report sets out the request from NOHA and also responses from the Hackney Carriage Vehicle trade that have been collated by the Licensing Team through a preliminary consultation for the Committees consideration.

- 1.3 The Committee is requested to decide if a variation to the current fare tariff should be implemented and if so which fare tariff from the options set out in Appendix 4 should be implemented.

### **Proposals**

- 1.4 The proposal from NOHA is as follows:
- To increase the current base rate from £2.00 to £2.50 for the first quarter mile
  - For each subsequent sixteenth of a mile to be increased from 11 pence to 12 pence
  - For the new rate to apply at all times, regardless of day and night and for there to be no alternative fare to cover bank holiday periods, including Easter, Christmas and New Year
- 1.5 The effect of the proposal upon the current tariffs would be:
- an increase of 50 pence to the base rate for tariff 1
  - an increase of 20 pence to the base rate for tariffs 2 & 4
  - a reduction of £1.50 for to the base rate for tariff 3
  - an increase of 1 pence to the sixteenth of a mile rate for tariff 1
  - the sixteenth of a mile rate for tariffs 2 & 4 remains the same
  - a reduction of 13 pence per sixteenth of a mile to tariff 3
- 1.6 A preliminary consultation with the Hackney Carriage Vehicle proprietors resulted in a number of alternative proposals being suggested. These are detailed in the summary of responses at Appendix 4.

### **Background Information**

---

- 2.1 Under Section 65 of Part II of the Local Government (Miscellaneous Provisions) Act 1976, the Council has the power to fix the fares charged by Hackney Carriage Vehicles.
- 2.2 On 13 December 1978, at a meeting of its Environmental Services Committee, the Council adopted Part II of the Local Government (Miscellaneous Provisions) Act 1976 (the Act) to come into force on 1 April 1979.
- 2.3 The fares fixed by the Council are the maximum that a driver of a Hackney Carriage Vehicle may charge at any time. It is an offence under the Town Police Clauses Act 1857 to charge more than the fare shown on the meter. However, a driver may demand or agree a fare lower than that displayed on the meter.

- 2.4 The fixing of fares only applies to Hackney Carriages and can not be attributed to Private Hire Vehicles or their Operators.
- 2.5 On 6 September 2012 the Licensing Team received a preliminary enquiry about the possibility of increasing the current taxi tariffs for Hackney Carriage Vehicles from (NOHA).
- 2.6 A copy of this request can be found attached to this report as Appendix 1.
- 2.7 Details of the current tariffs in force are attached to this report as Appendix 2.
- 2.8 The current fare tariff is split into four separate tariffs.
- Tariff 1 relates to day time charges between 06:00 and 22:00 hours, Monday to Saturday inclusive
  - Tariff 2 relates to night time charges between 22:00 and 06:00 hours, Monday to Sunday inclusive
  - Tariff 3 relates to Christmas & New Year from 21:00 on 24 December to 06:00 hours on 27 December AND from 21:00 hours on 31 December to 06:00 hours on 2 January
  - Tariff 4 relates to Sunday & Public Bank Holidays from 06:00 to 22:00 hours
- 2.9 Currently, tariffs 2 and 4 are set at the same rate. The request from NOHA and any alternative proposals received during the preliminary consultation did not request any amendments to make these two tariffs differ from one another.
- 2.10 As a result of the request from NOHA, the Licensing Team carried out a preliminary consultation to assess the strength of feeling amongst Hackney Carriage Vehicle Proprietors
- 2.11 The Consultation ran from 20 September 2012 to 17 October 2012. The Hackney Carriage Vehicle Proprietors were asked to submit their views on the proposed changes, however, they were advised that if they did not respond, it would be assumed that they were in favour of a review of the current fares and the proposal put forward by NOHA.
- 2.12 A copy of the letter sent to all Hackney Carriage Vehicle Proprietors is attached to this report as Appendix 3.
- 2.13 During the consultation, out of 123 Hackney Carriage Vehicle Proprietors consulted, 62 responses were received in time and a further 4 were received out of time.
- 2.14 Of the 62 responses:
- 29 of these responses were in favour of the proposal put forward by NOHA
  - 33 were in disagreement of the proposal

- 2.15 of the 33 that disagreed:
- 7 requested no change to be made to the current tariff
  - 26 either proposed amendments to NOHA's proposal or alternative proposals. These proposed have resulted in a further 6 alternative tariff proposals.
- 2.16 One of the main changes proposed by NOHA is the implementation of a single tariff that is applicable at all times throughout the day and night on every day of the year including during the Christmas and New Year periods. This would in effect remove tariffs 2, 3 and 4.
- 2.17 A few of the responses made direct reference to concerns over the removal of the increased tariff over the Christmas and New Year period and implied that drivers may not wish to work during this time for a decreased rate, potentially resulting in a lack of licensed trade being available to the public at this busy period.
- 2.18 It is important that a Taxi provision is maintained during this period to ensure that people are able to exit the town centres safely and quickly to prevent issues arising and leading to anti-social behaviour and crime and disorder.
- 2.19 Several responses referred to concerns over the current economic climate and whether or not the increases would be acceptable to customers. It was also suggested that an increase to the tariffs may be better considered in a year's time.
- 2.20 A summary of all the responses, including the 6 alternative proposals, is attached to this report as Appendix 4.
- 2.21 As a result of the consultation, taking into account all the responses received and on the assumption that as per the consultation letter specified those that did not respond were in favour of the proposed changes; 69% of vehicle proprietors are in favour of a review of the current tariffs and the new tariffs proposed by NOHA.
- 2.22 In order for the Committee to make an informed decision regarding the proposed tariff, the Licensing Team has also compiled the tariffs currently in place in neighbouring districts. When considering these tariffs, it should be noted that each is set up using slightly different measurements, i.e. 1/16<sup>th</sup> of a mile or 1/9<sup>th</sup> of a mile and the overall charges may reflect this.
- 2.23 Please note, South Oxfordshire District Council does not currently set tariffs for their Hackney Carriage trade. Details of the tariffs set by West Oxfordshire District Council, Oxford City Council, Vale of White Horse District Council, Stratford upon Avon District Council and South Northamptonshire District Council can be found attached to this report at Appendix 5.

### **Key Issues for Consideration/Reasons for Decision and Options**

- 3.1 The current tariffs in place for Cherwell District Council were introduced in September 2008. Therefore, it is now over four years since any increases have been requested by the Hackney Carriage Trade.

- 3.2 When considering the proposed changes, it is requested that Committee give consideration to neighbouring authorities and the tariffs currently imposed. A copy of the current neighbouring districts tariffs is attached to this report as Appendix 5.
- 3.3 Any tariffs set by the Council are a maximum and do not prevent the Hackney Carriage Trade from charging less than the fare stated
- 3.4 The current economic climate has had an impact on the Hackney Carriage Trade through their ability to operate due to increased costs. In addition, the ability of the general public to afford the proposed increase should be considered.
- 3.5 The Private Hire Trade do not have the tariffs regulated by the Licensing Authority. It is only possible under legislation to set the tariffs for Hackney Carriage Vehicles.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- |                     |                                                                                                                                                                       |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Option One</b>   | To approve the request to go for variation to the fare tariff as proposed by NOHA and give notice to that effect in accordance with legislation.                      |
| <b>Option Two</b>   | To approve the request to go for variation to the fare tariff as detailed by alternative proposal one and give notice to that effect in accordance with legislation.  |
| <b>Option Three</b> | To approve the request to go for variation to the fare tariff substituting the committees own proposal and give notice to that effect in accordance with legislation. |
| <b>Option Four</b>  | To refuse the request for variation to the fare tariff                                                                                                                |

## **Consultations**

---

Notice of variation will be published in accordance with the requirements as set out in Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 inviting both members of the licensed trade, businesses associated with the trade and the general public to make comment upon the proposed changes.

The notice will be advertised through the local press and in Council Offices and libraries in Banbury, Bicester and Kidlington for a period of 14 days.

---

## Implications

---

<b>Financial:</b>	<p>The actions required to implement the tariff can be contained within existing budgets for the current year.</p> <p>Comments checked by Leanne Lock, Project &amp; Technical Accountant, 01295 227098</p>
<b>Legal:</b>	<p>There is no right of appeal once fares have been set. The only appeal mechanisms in place are that of judicial review. However, fares will only be set in accordance with the relevant legislation.</p> <p>Comments checked by Paul Manning, Solicitor, 01295 221691</p>
<b>Risk Management:</b>	<p>There is a risk that if policy and legislation has not been correctly followed, any resulting appeal could be successful.</p> <p>Comments checked by Gavin Halligan-Davis, Interim Corporate Performance Manager, 01295 221563</p>

## Wards Affected

---

All

## Document Information

---

Appendix No	Title
Appendix 1	Copy of email requesting the Licensing Team give consideration to an increase in the current Hackney carriage Vehicle Tariffs
Appendix 2	Current tariffs in force within Cherwell District
Appendix 3	Copy of letter sent to all Hackney Carriage Vehicle Proprietors as a preliminary consultation
Appendix 4	Summary of responses received by the Licensing Team during preliminary consultation including 6 alternative proposals
Appendix 5	Copy of current tariffs set by neighbouring District Councils
Appendix 6	Flow Chart showing process involved in setting up fare tariff
<b>Background Papers</b>	
<p>The notice of variation is to be carried out in accordance with Section 65 of the Local Government (Miscellaneous Provision) Act 1976. A copy of the process to be followed is attached as Appendix 6.</p> <p>Full copies of the Act can be obtained from the Licensing Team if required.</p>	
<b>Report Author</b>	Claire Bold, Licensing Team Leader
<b>Contact Information</b>	01295 753741 claire.bold@cherwell-dc.gov.uk