

BROMSGROVE DISTRICT COUNCIL

LICENSING COMMITTEE

21ST JULY 2008

HACKNEY CARRIAGE FARES

Responsible Portfolio Holder	Cllr P. Whittaker
Responsible Head of Service	Dave Hammond

1. SUMMARY

1.1 To consider the Table of Fares charged by Hackney Carriage owners.

2. RECOMMENDATION

2.1 That the mileage rate be increased by 15% as set out in section (i) of the current Table of Fares attached at Appendix 1 be approved.

3. BACKGROUND

3.1 Members may recall that at their meeting on 21st January 2008 it was agreed not to introduce any changes to the Table of Fares following representations made by the Taxi Association and that the matter would be reconsidered at a later date should there be a need.

3.2 The Council has recently received a request from the Taxi Association to increase the mileage rates charged to passengers by 15% due to the significant increase in the cost of fuel over the last few months.

3.3 As a consequence, the Council has consulted with all Hackney Carriage owners on the proposal put forward by the Taxi Association. There are presently 49 individuals or firms in the district, which own Hackney Carriages. They have 75 vehicles between them. The results of the consultation are:

- 14 respondents (owning 29 vehicles) favour a 15% increase
- 1 respondent (owning 1 vehicle) favour an 10% increase
- 2 respondents (owning 2 vehicles) favour a 20% increase.
- 1 respondent (owning 1 vehicle) favour between 15-20% increase
- 3 respondents (owning 3 vehicles) favour an increase of 50p on the first mile rate.
- 1 respondent (owning 1 vehicle) favour an increase of 25%.

3.4 The remaining owners have not responded to the consultation letter. However, a number of them are members of the Taxi Association.

3.5 The proposed increase will result in the following charges:

For the first mile	£3.50
For each subsequent 99 yards	10p = £1.78 per mile approx

This will result in a charge of £5.28 for a journey of approx. 2 miles.

- 3.6 Comparisons with other nearby Councils, based on the cost of a 2-mile journey, are as follows:

Wyre Forest	£4.60
Redditch	£4.40
Worcester	£4.50
Bromsgrove	£4.60
Wychavon	£5.00
Dudley	£5.50
Malvern Hills	£5.40
Birmingham	£5.80
Solihull	£5.80

- 3.7 The national average is £4.76 for a 2-mile journey as at May 2008.
- 3.8 The Council has not increased the mileage rates since April 2005.
- 3.9 Based on these comparisons, and that the cost of a 2-mile journey in Bromsgrove is just over the national average, Members may wish to consider increasing the mileage rates by 15% with immediate effect, subject to no objections being received during the consultation period.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report.

5. LEGAL IMPLICATIONS

- 5.1 The Committee has the power to fix the rates or fares within the district as well for time as distance and all other charges in connection with the hire of a hackney carriage vehicle by means of a table under section 65 of the Local Government (Miscellaneous Provisions) Act 1976.
- 5.2 When the Council varies a table of fares, it must publish in a local newspaper, a notice setting out the table of fares or variations to the table. If there are no objections, the variation comes into operation upon the expiry of the period specified in the notice. If there are objections the matter will have to be considered further by the Committee.
- 5.3 In accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, there is no limit to the amount of increase or variation, nor need an increase be dependent upon external factors such as the increase in fuel prices.

6. COUNCIL OBJECTIVES

6.1 How the item links to the Council's objectives and priorities.

7. RISK MANAGEMENT

7.1 The main risks associated with the details included in this report are:

- Potential for those who are affected by the proposal to challenge the Council, by arguing that the proposed increases are unreasonable.

7.2 Currently the risk identified in paragraph 7.1 is not addressed by any risk register and will be added to the Planning and Environment Services risk register as follows:

- *To ensure that any increase to the Table of Hackney Carriage Fares is deemed reasonable, following consultation with all Hackney Carriage Owners.*

8. CUSTOMER IMPLICATIONS

8.1 All Hackney Carriage owners will be notified in writing of any increase, which will take effect as soon as possible after the consultation period. Where after their meters will have to be calibrated to the new tariffs and tested by the Depot.

8.2 In accordance with legislation, the Council must publish details of any proposed variances to the table of Fares, allowing for objections to the proposals.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 The increase in the fares charged by Hackney Carriage Owners could have a detrimental effect on those people who are reliant on public transport. There is already a lack of public transport in the district which is not fully accessible for disabled people with mobility difficulties, furthermore there is currently no community transport service.

10. VALUE FOR MONEY IMPLICATIONS

10.1 There are no value for money implications.

11. OTHER IMPLICATIONS

Procurement Issues - None
Personnel Implications - None
Governance/Performance Management - None

Community Safety including Section 17 of Crime and Disorder Act 1998 – People could be tempted to use unlicensed vehicles, as a cheaper option.
Policy - None
Environmental - None

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	No
Executive Director (Partnerships and Projects)	No
Executive Director (Services)	No
Assistant Chief Executive	No
Head of Service	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Financial Services	No
Head of Organisational Development & HR	No
Corporate Procurement Team	No

13. WARDS AFFECTED

All Wards are affected by the contents of the report.

14. APPENDICES

Appendix 1 Current Table of Fares for 2008/09

15. BACKGROUND PAPERS

Responses received from Hackney Carriage Owners

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