

REDDITCH BOROUGH COUNCIL

**LICENSING
COMMITTEE**

16th July 2018

HACKNEY CARRIAGE TABLE OF FARES

Relevant Portfolio Holder	Councillor G Prosser
Portfolio Holder Consulted	Yes
Relevant Head of Service	Simon Wilkes – Head of Worcestershire Regulatory Services
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSALS

The Council has responsibility under the Local Government (Miscellaneous Provisions) Act 1976, for setting the maximum fares that can be charged by hackney carriage vehicles licensed to operate within the district. Members are asked to consider a proposal to vary the current table of fares and approve the advertisement of the proposed variations so that they can be implemented.

2. RECOMMENDATIONS

That the Licensing Committee considers the request and if they agree to make the requested variations to the table of fares resolve that:

- a) The proposed table of taxi fares as set out in Appendix 3 be advertised by way of a public notice and objections from the public invited in accordance with the requirements of section 65, Local Government (Miscellaneous Provisions) Act, 1976.**
- b) If no objections are received from the public during the period provided in the public notice, that the proposed tariff will come into effect at the end of that period.**
- c) If objections are received in the stated time, that the matter will be considered further at the next meeting of the Licensing Committee, and a decision made as to whether the variations to the table of fares should be made.**

3. KEY ISSUES

Financial Implications

- 3.1 The costs of advertising the proposed variations to the table of fares for hackney carriages would be met from existing budgets held by Worcestershire Regulatory Services.

Legal Implications

- 3.2 Section 65 (1) of the Local Government (Miscellaneous Provisions) Act 1976 states that a district council may 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 vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as a "table of fares") made or varied in accordance with the provisions of this section.
- 3.3 Section 65(2) of the Local Government (Miscellaneous Provisions) Act 1976 goes on to state:
- a) When a district council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.
 - b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of fourteen days from the date of the first publication thereof be deposited at the offices of the council which published the notice, and shall at all reasonable hours be open to public inspection without payment.
- 3.4 If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in section 65 (2), or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.
- 3.5 If objections are made and are not withdrawn, the district council must set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by them after consideration of the objections.

Service / Operational Implications

- 3.7 The Council has responsibility under the Local Government (Miscellaneous Provisions) Act 1976, for setting the maximum fares that can be charged by hackney carriage vehicles licensed to operate within the district.
- 3.8 Hackney Carriage (“Taxi”) fares are made up of an initial hiring charge and a “mileage” rate, both of which are expressed in terms of distance and / or time per unit cost. This is because when a hired taxi is stationary or moving slowly in traffic the meter continues charging, but by time, instead of distance.
- 3.9 The table of fares applies only to hackney carriage vehicles. Private hire operators are free to agree their hiring charges in advance with their customers, normally at the time of booking the journey.
- 3.10 The current table of fares can be seen at **Appendix 1**. The current table of fares was set by the Council in 2011 and has not been updated since then. This represents a significant period of time during which the table of fares has not been reviewed and following recent discussions with Redditch Taxi Association, it was felt that a review was now appropriate.
- 3.11 When drawing comparisons between hackney carriage fares in different areas, the normal method is to compare the cost of a 2 mile journey. A table showing a comparison of the hackney carriage fares charged in other local districts for a 2 mile journey can be seen at **Appendix 2**.
- 3.12 At the time of the last variation to the table of fares (April 2011), average fuel prices in the West Midlands region were as follows:

Unleaded 95 Octane (pence per litre)	Diesel (pence per litre)	Super Unleaded (pence per litre)
135.8	141.9	143.2

(Source – AA Fuel Price Report, April 2011)

- 3.13 According to the latest fuel price report, in May 2018 the average fuel prices in the West Midlands region were as follows:

Unleaded 95 Octane (pence per litre)	Diesel (pence per litre)	Super Unleaded (pence per litre)
125.3	128.0	135.7
- 7.7 %	- 9.8 %	- 5.2 %

(Source – AA Fuel Price Report, May 2018)

- 3.14 Whilst fuel prices are somewhat lower than they were when the existing table of fares was approved, the cost of fuel is only one factor that Members should consider when determining whether it is appropriate to vary the table of fares. Also of relevance will be other general increases in the cost of living for hackney carriage proprietors since April 2011. The total rate of inflation between 2011 and 2018 is 21.97% according to annual Retail Prices Index (RPI) data.
- 3.15 A proposed varied table of fares can be seen at **Appendix 3**. The proposed table of fares has been discussed with representatives of Redditch Taxi Association and is supported by them.
- 3.16 The proposed table of fares has been simplified and made clearer for the travelling public. The proposed table of fares would see a 2 mile journey increase in cost to £5.60 on Tariff One (an increase of 14.8%). A 2 mile journey on Tariff Two would increase in cost to £6.85 (an increase of 11.7%). A 2 mile journey on Tariff Three would increase in cost to £11.20 (an increase of 15.5%).
- 3.17 Legislation requires that any changes to the table of fares are published as a public notice and objections invited. If no objections are received the fares come into force on the named date. If there are objections then the Council must consider them and re-set the fares with or without variations. No further statutory consultation is required at that time.

4. RISK MANAGEMENT

4.1 None

5. APPENDICES

Appendix 1 – Existing Table of Fares

Appendix 2 – Comparison with other local districts

Appendix 3 – Proposed Table of Fares

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