

LICENSING COMMITTEE – 9TH FEBRUARY 2010
Report of the Director of Partnerships and Customer Services

ITEM 5 HACKNEY CARRIAGE LICENSING – PROPOSED FARE INCREASE

1. Purpose of the Report

- (a) To consider the request for an change in the Hackney Carriage fares applicable in the Borough, submitted by the Charnwood Taxi Drivers Association.
- (b) To consider the request to change the times when “Double Tariff 2” is in operation, over the Christmas and New Year period, as submitted by the Charnwood Taxi Drivers Association.

2. Recommendations

- 1. Committee is recommended to: -
 - (a) Approve the proposed Hackney Carriage fare changes as shown in Table A below.
 - (b) Not approve the proposal to change the times when “Double Tariff 2” is in operation for Christmas and the New Year period.
- 2. That the Director of Partnerships and Customer Service be given delegated authority to advertise the proposed changes and consider and deal with any objections received as a result in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

3. Reasons

- 1(a) - The last fare increase was implemented on November 1st 2008. Whilst there has been a considerable amount of discord within the trade over the current fares since the last increase, the fluctuation in fuel prices since the last change in fares has led to this proposal, and there appears to be more of a consensus within the trade, particularly as it is noted that some tariffs show a slight decrease.
- (b) - The change in “Double Tariff 2” time has proved to be the most emotive issue. Officers feel that to begin the double tariff 2 rate at 11pm on Christmas and New Years Eve would be detrimental to the night-time economy, and ultimately, the taxi trade itself.
- 2. To enable the proposed changes to be implemented efficiently in accordance with the statutory process.

4. Background

- (a) - The fare increase implemented on November 1st 2008 only put an extra 30p on the Flagfall of Tariff 1, and 50p on Tariffs 2, 3, and 4. The yardage remained the same.

For clarity, Tariff 1 applies between the hours of 7am and 11pm Monday to Saturday, for vehicles licensed to carry up to 4 passengers, and Tariff 2 applies between 11pm and 7am every night, and between 7am and 11pm on Sundays.

Tariff 3 applies between the same hours as tariff 1, but for vehicles licensed to carry more than 4 passengers, and Tariff 4 applies between the same hours as Tariff 2, but for vehicles licensed to carry more than 4 passengers. Both Tariff 3 and 4 only apply, however, when there are 5 or more passengers being carried. Bank Holidays and public holidays attract the higher rates, and there are separate rates for Christmas Day and New Years Day

The new Tariff request is as follows:

Table A

TARIFF	Switch-on	Increment
Tariff 1	£2.70p	£0.15p
Tariff 2	£3.00p	£3.00p
Tariff 3	£3.50p	£0.25p
Tariff 4	£4.00p	£0.30p

Christmas Tariffs

Tariff 5	£4.00p	£0.30p
Tariff 6	£6.00p	£0.45p

A comparison of the current Tariff and the proposed Tariff listed, is as follows.

Table B

<u>Current Tariff</u>	<u>First Mile</u>	<u>Running Mile</u>
Tariff 1	£3.90p	£1.20p
Tariff 2	£5.00p	£2.00p
Tariff 3 As Tariff 2		
Tariff 4	£5.68p	£2.24p

The current Christmas/New Year Tariffs are “double” Tariff 2 and 4.

Tariff 2	£10.00p	£4.00p
Tariff 4	£11.36p	£4.48p

<u>Proposed Tariff</u>	<u>First Mile</u>	<u>Running Mile</u>
Tariff 1	£3.60p	£1.20p
Tariff 2	£4.50p	£2.00p
Tariff 3	£5.00p	£2.00p
Tariff 4	£5.80p	£2.40p
Christmas/New Year Tariff		
Tariff 5	£5.80p	£2.40p
Tariff 6	£8.70p	£3.60p

The tables show a slight decrease/no change between the two, until reaching Tariff 4 when there is a slight increase.

The main difference comes in the new Tariffs proposed for Christmas/New Year.

As opposed to charging double the existing Tariff 2 & 4, Tariffs 5 & 6 have been created which are considerably lower than the current fare tariffs.

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 give district councils the power to fix fares, or to vary them, as in this case, and the council shall publish a notice in a local newspaper setting out the Table of Fares, and specifying the period (which shall not be less than 14 days) within which objections to the Table of Fares may be made. The Table of Fares should also be the subject of a notice displayed at the Council Offices for a period of 14 days from the date of first publication. If there are no objections, the Table of Fares will come into force at the end of the specified period. If there are objections, the council shall set a further date, not later than 2 months after the first specified date, when the Table of Fares shall come into effect, with or without modifications as decided by the council after consideration of the objections.

The January 2010 issue of Private Hire & Taxi Monthly gives a Table of Councils across the Country, in respect of the tariff charged under Tariff 1, for a distance of 2 miles. The current situation is as follows.

Harborough	(28 th)	£5.86p
Leicester	(154 th)	£5.20p
Charnwood	(179 th)	£5.10p
NWLDC	(214 th)	£5.00p
Hinckley & Bosworth	(254 th)	£4.80p
Blaby	(293 rd)	£4.60p
Melton	(299 th)	£4.60p
Oadby & Wigston	(339 th)	£4.40p

These figures are out of a total of 380 Councils, nationally. Were the above proposed change to the Tariff be approved, Charnwood would appear either slightly above or slightly below Hinckley & Bosworth @ 254th (£4.80p) for the 2 mile distance on Tariff 1.

- (b) – The proposal for the times when “double Tariff 2” is charged is that they revert to the original timings, namely 11pm on Christmas Eve and New Years Eve, until midnight Christmas Day and New Years Day.

Enquiries have been made with a number of Licensed Premises in the Town centre area, as to the effect that the change in the times of the Christmas Tariff, brought into force on November 3rd 2008, had upon the Licensing Trade/Night time Economy. The opinion of all of those establishments visited was that it was a “change for the better”, it did have a positive effect upon the Public (comments received by them during the holiday period confirm that) and their use of taxis/plans to go out in the Town, and they would prefer that the current Christmas times remain in force, and support any decision to keep to the present timings.

Background Papers:

Officer(s) to Contact: Malcolm Burton (01509 632587)
Malcolm.burton@charnwood.gov.uk

Christopher Lambert (01509) 632587
Christopher.lambert@charnwood.gov.uk