

## **Item 8 Request for an Increase in Hackney Carriage Fares**

Report of the Head of Administration (Portfolio: Corporate)

### **Recommended:**

**That an increase in the Hackney Carriage fares in the Borough, as requested by the Test Valley Taxi Association and detailed in this report, be granted and that the Head of Administration make the necessary arrangements for the implementation of the new fare structure.**

#### **SUMMARY:**

- A request for an increase in Hackney Carriage fares charged by taxis in the Borough has been submitted by the Test Valley Taxi Association.
- It is over a year since the fares were last increased and it is suggested that the requested increase be approved.

### **1 Introduction**

- 1.1 A request for the increase of Hackney Carriage fares charged by licensed taxis in the Borough has been received from the Test Valley Taxi Association.

### **2 Background**

- 2.1 Hackney Carriages may legally charge no more than the maximum fare set by the Council. The Tariff of fares was last increased in March 2011 and obviously since that time the costs incurred by proprietors have increased but the fares have not. Members should note that fares apply solely to Hackney Carriages; Private Hire Vehicles (often referred to as minicabs) can charge any fare they wish.

### **3 Corporate Objectives and Priorities**

- 3.1 The setting of a tariff of fares is a statutory responsibility for the Council but members should be aware of the significant public transport role performed by licensed Hackney Carriages.

#### 4 Consultations/Communications

4.1 Heads of Service have been consulted on this increase with no comments received so far. There are currently 35 licensed proprietors in the Borough the majority of whom belong to the Taxi Association. The Association Chairman advises that all proprietors were invited to a meeting where the fare increase was discussed and voted upon and of the 12 proprietors present, only 2 disagreed with the proposal in this report. Thus it can be stated that a majority of proprietors are in support of the proposal.

4.2 In addition comparative rates with other local authorities are shown below:

| <b>Authority</b>                 | <b>Two miles on Tariff 1</b> |
|----------------------------------|------------------------------|
| West Berkshire                   | £6.20                        |
| Winchester                       | £6.20                        |
| Hart                             | £6.20                        |
| Basingstoke and Deane            | £6.20                        |
| Eastleigh                        | £6.10                        |
| Wiltshire (East formerly Kennet) | £6.00                        |
| East Hampshire                   | £6.00                        |
| Southern area average            | £5.85                        |
| Southampton                      | £5.80                        |
| New Forest                       | £5.80                        |
| Wiltshire (Salisbury)            | £5.70                        |
| Portsmouth                       | £5.60                        |
| Rushmoor                         | £5.60                        |
| Fareham                          | £5.40                        |
| Havant                           | £5.40                        |
| Gosport                          | £5.40                        |
| National average                 | £5.39                        |
| Test Valley                      | £5.00                        |

The requested increase would result in a fare of £5.40 for the first two miles on Tariff 1 i.e. 1p more than the national average and 45p less than the area average.

## 5 Options

5.1 The proposed increase is as follows (with changes underlined):

| <b>Tariff 1 Existing</b><br>(7.00am Midnight – except as shown in Tariffs 2 & 3)   |        | <b>Tariff 1 Proposed</b><br>(7.00am Midnight – except as shown in Tariffs 2 & 3)   |              |
|--|--------|--|--------------|
| <b>FARES FOR DISTANCE</b> First Mile (1760 yds) (1609.344 metres)  | £3.40  | <b>FARES FOR DISTANCE</b> First Mile (1760 yds) (1609.344 metres)  | <u>£3.60</u> |
| Thereafter each <u>1/8<sup>h</sup></u> mile (220 yards) (201.168 metres)   | 20p    | Thereafter each <u>1/9<sup>th</sup></u> mile (195.556 yards) (178.816 metres)  | 20p          |
| Waiting Time for each 20 seconds (or part)   | 10p    | Waiting Time for each 20 seconds (or part)   | 10p          |
| <b>HIRING BY TIME</b>  |        | <b>HIRING BY TIME</b>  |              |
| For the first hour (or part)   | £18.00 | For the first hour (or part)   | £18.00       |
| For each subsequent ¼ hour (or part)   | £4.50  | For each subsequent ¼ hour (or part)   | £4.50        |
| <b>Extra Charges</b>   |        | <b>Extra Charges</b>   |              |
| <b>Each person in excess of four</b>   | 50p    | <b>Each person in excess of four</b>   | 50p          |
| <b>Soiling Charge</b>  | £50.00 | <b>Soiling Charge</b>  | £50.00       |
| <b>Tariff 2 Existing</b><br>Midnight – 7.00am daily, Bank Holidays all day and Christmas Eve and New Year’s Eve 2.00pm to Midnight (Except as shown in Tariff 3) |        | <b>Tariff 2 Proposed</b><br>Midnight – 7.00am daily, Bank Holidays all day and Christmas Eve and New Year’s Eve 2.00pm to Midnight (Except as shown in Tariff 3) |              |
| <b>FARES FOR DISTANCE</b> First Mile (1760 yds) (1609.344 metres)  | £5.10  | <b>FARES FOR DISTANCE</b> First Mile (1760 yds) (1609.344 metres)  | <u>£5.40</u> |
| Thereafter each <u>1/8<sup>th</sup></u> mile (220 yards) (201.168 metres)  | 30p    | Thereafter each <u>1/9<sup>th</sup></u> mile (195.556 yards) (178.816 metres)  | 30p          |
| Waiting Time for each 20 seconds (or part)   | 15p    | Waiting Time for each 20 seconds (or part)   | 15p          |
| <b>HIRING BY TIME</b>  |        | <b>HIRING BY TIME</b>  |              |
| For the first hour (or part)   | £27.00 | For the first hour (or part)   | £27.00       |
| For each subsequent ¼ hour (or part)   | £6.75  | For each subsequent ¼ hour (or part)   | £6.75        |
| <b>Extra Charges</b>   |        | <b>Extra Charges</b>   |              |
| <b>Each person in excess of four</b>   | 75p    | <b>Each person in excess of four</b>   | 75p          |
| <b>Soiling Charge</b>  | £75.00 | <b>Soiling Charge</b>  | £75.00       |

| <b>Tariff 3 Existing</b><br>Christmas Day all day, New Year's Day all day and from Midnight 31 <sup>st</sup> December until 7.00 am 2 <sup>nd</sup> January |         | <b>Tariff 3 Proposed</b><br>Christmas Day all day, New Year's Day all day and from Midnight 31 <sup>st</sup> December until 7.00 am 2 <sup>nd</sup> January |              |
|---|---------|---|--------------|
| <b>FARES FOR DISTANCE</b> First Mile (1760 yds) (1609.344 metres)   | £6.80   | <b>FARES FOR DISTANCE</b> First Mile (1760 yds) (1609.344 metres)   | <u>£7.20</u> |
| Thereafter each <b>1/8<sup>th</sup></b> mile (220 yards) (201.168 metres)   | 40p     | Thereafter each <b>1/9<sup>th</sup></b> mile (195.556 yards) (178.816 metres)   | 40p          |
| Waiting Time for each 20 seconds (or part)  | 20p     | Waiting Time for each 20 seconds (or part)  | 20p          |
| <b>HIRING BY TIME</b>   |         | <b>HIRING BY TIME</b>   |              |
| For the first hour (or part)  | £36.00  | For the first hour (or part)  | £36.00       |
| For each subsequent ¼ hour (or part)  | £9.00   | For each subsequent ¼ hour (or part)  | £9.00        |
| <b>Extra Charges</b>  |         | <b>Extra Charges</b>  |              |
| <b>Each person in excess of four</b>  | £1.00   | <b>Each person in excess of four</b>  | £1.00        |
| <b>Soiling Charge</b>   | £100.00 | <b>Soiling Charge</b>   | £100.00      |

## 6 Option Appraisal

6.1 As stated above the setting of hackney carriage fares is a statutory responsibility for the Council albeit the Council will only initiate an increase following receipt of a request from the majority of the Hackney Carriage proprietors. It is now over a year since the last increase and clearly there is a danger that proprietors' income is falling behind when considering the increased costs they will have incurred in the last year. Refusal of their request would therefore seem inappropriate.

## 7 Resource Implications

7.1 There are no direct resource implications as a result of agreeing a fare increase. Any increase will have to be advertised in local newspapers and provided no objections are received the increase can be implemented. The cost of the newspapers notices can be met from existing budgets.

## 8 Legal Implications

8.1 As has been previously stated the setting of fares is a statutory responsibility for the Council and there are no apparent reasons why the request to increase fares should not be agreed.

## 9 Equality Issues

- 9.1 There are no specific equality issues although it should be noted that licensed taxis provide a valuable service for a significant number of persons many of whom tend to be from the more vulnerable sections of the community e.g. elderly persons and disabled persons. It is possible that any increase will impact upon those in receipt of travel vouchers under the Concessionary Travel Scheme administered by the County Council but it is impossible to quantify this.

## 10 Other Issues

- 10.1 Community Safety - none specific although it should be noted that licensed taxis perform a vital role in assisting with the dispersal of persons from the town centres late at night after they have pubs and clubs. This in turn reduces the potential for such persons to engage in crime or disorder.
- 10.2 Environmental Health/Sustainability Issues – none specific. Many still regard licensed taxis as just private motor vehicles. It is clear however that the Department for Transport recognises the important role of licensed taxis as part of the wider public transport infrastructure.
- 10.3 Property Issues – none.
- 10.4 Wards/Communities Affected – the whole Borough.

## 11 Conclusion

- 11.1 The Council has received a request, supported by a majority of the Hackney Carriage proprietors, for an increase to the fares charged by licensed Hackney Carriages within the Borough. It is now over a year since the last increase and as the increase requested is not excessive in comparison to other fares in the area, it is recommended that the request be granted.

|  |                     |       |              |
|--|---------------------|-------|--------------|
| <u>Background Papers (Local Government Act 1972 Section 100D)</u>  |                     |       |              |
| Correspondence from Test Valley Taxi Association held in the Licensing Section.  |                     |       |              |
| <u>Confidentiality</u>   |                     |       |              |
| It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public. |                     |       |              |
| No of Annexes:   | None                |       |              |
| Author:  | Michael White       | Ext:  | 8013         |
| File Ref:  | MW/D.8/1            |       |              |
| Report to:   | Licensing Committee | Date: | 26 July 2012 |