

# Review of the Hackney Carriage Tariff

## Licensing Committee

Date: 01 December 2016

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Author:	Licensing Manager
Wards:	All
Locality Affected:	All
Parishes Affected:	All

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### 1. Purpose and Reasons

- 1.1 To consider objections to the maximum scale of fares for licensed Hackney Carriage operators within the Borough. On 8<sup>th</sup> September the Licensing Committee determined the maximum scale of fares would take effect subject to the statutory consultation of 14 days.
- 1.2 The current scale of fares from 1st August 2016 is shown at Appendix 1. There have been 2 objections received both of which had signed petitions included with them.
- 1.3 The first objection was received from Mr Keith Radway which included a petition of thirteen licensed hackney drivers and one other, Mr Kevin Siegle-Morris described as the Office Manager at Mr Radway's company Swindon Black Cabs making a total of 14 including Mr Radway. The petition is shown at Appendix A.
- 1.4 The second objection is from Mr Ian Hunt a licensed hackney carriage driver together with a petition from 17 licensed hackney carriage drivers, making a total of 18 licence holders. The objection and petition is shown at Appendix B.
- 1.5 An analysis of both petitions is shown at Appendix C.
- 1.6 The proposed scale of fares which has a reduction from 30p to 20p on the night rate only and is shown at Appendix 2

### 2. Recommendations

#### That Committee:

- 2.1 Consider the objections shown at Appendix A and B; and
- 2.2 Having considered those objections determine the maximum scale of fares as advertised, which has been subject to consultation as required by the Local Government (Miscellaneous Provisions) Act 1976. This will take effect from 5 December 2016 and is attached at Appendix 2A.

### 3. Detail

- 3.1 It is at the Council's discretion to set a meter tariff for licensed Hackney Carriages operating within the Borough.

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- 3.2 Councils are not obliged to set a maximum fare for their area, and they could decide instead to rely on market forces to establish the going rate, and at the same time promote competition.
- 3.3 In the past and in accord with the approach taken by most other Councils, Swindon Borough Council has chosen to set a tariff. The Office of Fair Trading does not recommend that Councils remove pricing restrictions for taxis and recognises that whilst there may be some good reason for deregulating fares, on balance, arguments for applying controls are stronger. It does however, recommend that local authorities should only set fare tariffs which represent the maximum that can be charged, and not set fixed or minimum fares. This statement is shown on the tariff card that is currently issued to all vehicle proprietors.
- 3.4 The current scale of taxi fares set by Swindon Borough Council is attached as Appendix 1 to this report. The last increase became effective on 1st August 2016 following a committee decision to approve an increase in the previous tariff. Since the implementation of the current tariff the trade have realised, during implementation, that the unit price of 30p on the night rate has the effect of increasing the fare disproportionately to that of the same journey on the day rate. The difference has been put at around 50% and they felt this should be adjusted at the earliest opportunity. This was agreed by Licensing Committee at the meeting on 8th September, subject to the statutory consultation. This reduction will of course benefit the travelling public.
- 3.5 The taxi tariff may be reviewed at any time and is usually done so at the request of the trade.
- 3.6 Any taxi tariff set by the Council is the maximum any hackney carriage driver can charge for a journey although they are at liberty to charge less than the approved tariff if they choose to do so. They do, however have to activate their meter for any journey commencing within the Borough.
- 3.7 Committee may also resolve that the taxi tariff be reviewed at regular intervals no greater than 24 months or sooner if changing circumstances require, without the need for application from the trade. This would also be subject to the statutory consultation.
- 3.8 The tariff does not apply to private hire drivers who set their own fares, without council intervention.

## 4. Consultation with the trade

- 4.1 There was only one proposal for a revised Hackney Carriage tariff as attached at Appendix A. Whilst there has been no direct or formal consultation with individual drivers this proposal has been considered through the Taxi Forum.

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- 4.2 There are currently 164 hackney carriage drivers licensed by SBC.
- 4.4 It is normal practice that the trade reach agreement through a majority vote amongst licence holders, and a recommendation reflecting this is normally given by Officers.
- 4.5 Members may recall that at the 7<sup>th</sup> June 2016 Licensing Committee, the current tariff was approved and it was agreed that there would be a review in six months. The tariff was advertised as required by the Local Government (Miscellaneous Provisions) Act 1976, and no objections were submitted and the tariff was implemented. However it soon became apparent that the fares on the night rate once having reached the tick over rate of £11.10 were increasing at a rate far higher than anticipated.
- 4.6 On the 8 September 2016 Licensing Committee considered a report from the Council's Licensing Manager concerning a petition signed by 90 Hackney Carriage Drivers requesting that the Hackney Carriage fee structure approved by the Committee on the 7<sup>th</sup> June 2016 be amended. The views of Mr Mark Bates (Chair of Swindon Taxi Association), Mr Tony White (Secretary, Swindon Taxi Association) and Mr Paul Hatter (Hackney Carriage Driver) were taken into account who were in support of the revised proposed fare structure. The views of Mr Keith Radway of Swindon Black Cabs were also considered which opposed any amendment to the Hackney Carriage Fare structure that was approved at the Licensing Committee meeting held on 7<sup>th</sup> June 2016.

It was resolved- That the revised maximum scale of fares for Hackney Carriage Tariff as set out in Appendix 2 be agreed and the Council's Licensing Manager be authorised to undertake a 14 day public consultation on the revised scale of fares as required by Local Government (Miscellaneous Provisions) Act 1976. The tariff was subject to a 14 day consultation and was anticipated to be implemented on 1<sup>st</sup> October 2016. Two objections were received and it was noted that the advertisement placed in the local paper on 14 October 2016, did not fully comply with the consultation as required by the Local Government (Miscellaneous Provisions) Act 1976.

Therefore the proposed tariff was re-advertised with a view to implement the tariff on 15<sup>th</sup> November 2016. However, due to a challenge on the wording of the advertisement and after seeking legal clarification, the tariff was re-advertised on the 11<sup>th</sup> November with a proposal to implement on the 5<sup>th</sup> December subject to the consideration of any objections received as a result of this further public consultation

Where an objection is received within the 14 day period, the Council must set a date no later than 2 months after the first specified period, on which the table of fares will come into force with or without modification as decided by them after having considered all objections.

### **5. Conclusion**

- 5.1 There is still evidence of a majority vote in favour of the reduction in the night rate from 30p to 20p, and it is recommended that the Committee having fully considered the objections agrees the implementation of the proposed Tariff on the 5<sup>th</sup> December 2016 as agreed by them at the Licensing Committee meeting on the 8<sup>th</sup> September 2016.

The options for the Committee are as follows:

- To consider the objections and make further recommendations; or
  - To agree with the proposal as Appendix 2 and implement the agreed Tariff from the 5<sup>th</sup> December 2016; or
  - To leave the tariff in its current form
- 5.2 If Members choose to further consider the objections the tariff will remain at that set in August 2016.

### **6. Implications, Diversity Impact Assessment and Risk Management**

- 6.1 A DIA has not been completed

### **7 Financial and Procurement Implications**

- 7.1 There are no direct financial implications arising from the report.
- 7.2 An increase in the taxi tariff would not impose additional costs nor generate any income for the Council.
- 7.3 There will be cost to the Council in terms of officer time in the carrying out of the consultation and implementing any change and financially for the advertising of the proposed tariff in the newspaper. The exact quantity of this cost has not yet been established but is estimated to be in the region of £1000. This can be met from existing budgets.

### **8 Legal and Human Rights Implications**

- 8.1 Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention Rights as they fully in accord with the requirements of relevant legislation. The Council is required to comply with the statutory

provisions referred to in the report, which the adoption of this policy \ regime will ensure it does. All legal, human rights and other relevant implications have been considered in the preparation of this report.

### **9. Consultees**

The Director of Law and Democratic Services (Monitoring Officer) is consulted in respect of all reports.

### **10. Appendices**

- 10.1 Appendix A – Driver petition Mr Radway objection to tariff proposal
- 10.2 Appendix B – Driver petition Mr Hunt objection to Tariff proposal
- 10.3 Appendix C - Analysis of petitions
- 10.4 Appendix 1- Current scale of fares 1<sup>st</sup> August 2016
- 10.5 Appendix 2- Proposed scale of fares 15<sup>th</sup> November 2016
- 10.6 Appendix 2A –Proposed scale of fares from 5 December 2016
- 10.7 Appendix 3 – Scale of fares as advertised incorrectly in September and October
- 10.8 Appendix 4 – Additional objection received on 25 November 2016

