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| DECISION-MAKER: | LICENSING COMMITTEE |
| SUBJECT: | TRADE REQUEST FOR VARIATION OF HACKNEY CARRIAGE FARES |
| DATE OF DECISION: | 22 nd March 2012 |
| REPORT OF: | HEAD OF LEGAL, HR AND DEMOCRATIC SERVICES |
| STATEMENT OF CONFIDENTIALITY | |
| None | |

BRIEF SUMMARY

The Licensing Committee is asked to consider a request for the variation of the table of fares for the hire of hackney carriages and to determine whether to proceed to public consultation

RECOMMENDATIONS:

- (i) To consider and determine a request for the variation of the table of fares for the hire of hackney carriages in Southampton
- (ii) If the committee is minded to vary the table of fares to authorise the Head of Legal, HR and Democratic Services, to advertise any proposed variation in the table of fares.
- (iii) If the committee is minded to vary the table of fares, that, subject to consideration of any objections to the advertisement, the variation shall come into effect on 27th April 2012.

REASONS FOR REPORT RECOMMENDATIONS

1. The table of fares for the hire of hackney carriages in Southampton was last revised with effect from 29th December 2010.
2. Three bodies representing parts of the Southampton taxi trade, Southampton UNITE Cab Branch, Southampton Taxi Association and Southampton Hackney Association, have jointly submitted the request for variation of the table of fares as "Combined Taxi Trade".
3. The ability to submit a request for the variation of hackney carriage fares is not reserved to any particular element of the city's hackney carriage trade and proposals can be submitted at any time. It is for the committee to determine whether or not to proceed to consult on any such proposal.

DETAIL (Including consultation carried out)

4. The table of fares for hackney carriages, last varied by the city council with effect from 29th December 2010, is set out in appendix 1.
5. The Combined Taxi Trade's proposals and justification for the proposed variation of the table of fares is set out in appendix 2
6. A draft table of fares showing the effect of the proposals is set out in appendix 3.
7. It is important to note that the table of fares only relates to the hire of

hackney carriages licensed by the city council for the part of any journey within the city, and charges may only be made in accordance with the table of fares. The basis for the charge for any part of a journey outside the city boundaries must be agreed with the passenger before the commencement of the journey.

8. As a matter of law, the level of fares for the hire of private hire vehicles cannot be controlled by the city council; the basis for the fare for the hire of such vehicles must be agreed with passengers before the commencement of each journey. Many proprietors and drivers of private hire vehicles choose to follow the hackney carriage table of fares in charging their customers, but a significant proportion do not.
9. The existing and proposed tariffs represent the maximum fares that may be lawfully charged for the hire of hackney carriage within the Southampton.
10. If the committee is minded to vary the tariffs as shown in appendix 3, it should be noted that any proprietor or driver of a licensed hackney carriage might lawfully charge lower fares if they so wish, but may not exceed the tariffs set by the council or charge for items not appearing on the table of fares. A copy of the table of fares must be exhibited in every licensed hackney carriage, and drivers and proprietors are provided with a copy of table of fares for that purpose by the Licensing Team.
11. In summary, the effect of the Combined Taxi Trade's proposals is to vary the initial fares as follows:
 - for a day-time hiring from £2.40 to £2.50
 - for a night-time hiring from £3.20 to £3.40
 - for a day-time hiring on Sundays, Bank Holidays and 1st January from £3.40 to £3.50
 - for a hiring at Christmas from £3.60 to £5.00
 - for an evening/early morning hiring at New Year from £4.80 to £5.00
 - to impose an additional charge for the carriage of more than four passengers of £2.00 per hiring
 - to decrease the unit of charge for hiring by time ("waiting time") from 45 seconds to 36 seconds
 - to impose a charge equivalent to 10% of the metered fare for payment by debit or credit cards
12. It is proposed for all hirings that the basis of calculation for distance travelled will remain at 110 metres (120 yards) for the first 440 metres (481 yards) but that thereafter, the distance increment shall reduce from 212 metres (232 yards) to 205 metres (224.2 yards).
13. There are no proposals to change the £0.20 increment in the existing fare structure, which adds £0.20 to the initial fare of £2.50 for every 110 metres (120 yards) travelled, up to 440 metres (481 yards) (a total fare of £3.10); thereafter £0.20 is added to the fare for every 205 metres (224 yards) (currently 212 metres (232 yards)) travelled.
14. The Combined Taxi Trade proposes that the unit of "waiting time" (the basis of calculation of fares by time) should be reduced from 45 seconds to 36

seconds, and effective rate of increase of 25 %

15. The Combined Taxi Trade also proposes that an additional charge of £2.00 per hiring should be made where more than four passengers are carried.

16. These proposals would result in the following variations in fares for example distances travelled:

| Miles | 1 | 3 | 5 | 10 | Time |
|---------------------------------|---------------|---------------|---------------|----------------|-------------------|
| <i>(Kilometres)</i> | <i>(1.61)</i> | <i>(4.83)</i> | <i>(8.05)</i> | <i>(16.09)</i> | <i>(per hour)</i> |
| Current daytime rate | £4.30 | £7.20 | £10.20 | £17.80 | £16.00 |
| Proposed day (1-4 passengers) | £2.50 | £7.50 | £10.70 | £18.50 | £20.00 |
| <i>Percentage increase</i> | <i>2.33%</i> | <i>4.00%</i> | <i>4.67%</i> | <i>3.78%</i> | <i>25.00%</i> |
| Proposed day (5-8 passengers) | £6.30 | £9.50 | £12.70 | £20.50 | £20.00 |
| <i>Percentage increase</i> | <i>33.33%</i> | <i>24.21%</i> | <i>19.69%</i> | <i>13.17%</i> | <i>25.00%</i> |
| Current night-time rate | £5.45 | £9.20 | £12.95 | £22.45 | £20.00 |
| Proposed night (1-4 passengers) | £5.55 | £9.55 | £13.55 | £23.30 | £25.00 |
| <i>Percentage increase</i> | <i>1.80%</i> | <i>3.66%</i> | <i>4.43%</i> | <i>3.65%</i> | <i>25.00%</i> |
| Proposed night (5-8 passengers) | £7.55 | £11.55 | £15.55 | £25.30 | £25.00 |
| <i>Percentage increase</i> | <i>27.81%</i> | <i>20.35%</i> | <i>16.72%</i> | <i>11.26%</i> | <i>25.00%</i> |

17. There is no proposal to alter the basis of the fares charged for Sunday, Bank and Public Holiday journeys (commencing between 06:00 am and 11:00 pm), save that the underlying daytime rate (Tariff 1) is proposed to increase.

18. The Combined Taxi Trade proposes that the basis for the calculation Christmas tariff should be increased from the current 1 ½ times the daytime rate to twice the daytime rate. It is proposed that the basis for the calculation of the New year tariff should remain at twice the daytime rate.

19. It has come to the attention of the Licensing Team that facilities are being offered by some hackney carriage drivers and proprietors for payment of fares by debit and credit cards. It is understood that a charge is made by the providers of those facilities to the vehicle owner/driver for each transaction made.

20. Such a charge cannot lawfully be demanded of the hirer of the hackney carriage without there being provision for the charge in the table of fares. The Combined Taxi Trade proposes that an additional charge amounting to 10% or the metered fare should be made for all debit or credit card payments.

21. No proposals have been submitted to amend the soiling charge, currently £70.00.

22. Members will be aware that many taxi drivers and proprietors make a boundary charge for vehicles making journeys outside the city boundaries. Such charges cannot be controlled by the table of fares, as they relate to the

portion of the journey outside the city boundaries but must be the subject of a contract between the vehicle proprietor or their agent and the hirer, agreed before the commencement of the journey.

23. This report represents the first step in a process of determining the proposals. Members have discretion in varying the table of fares, and need not be bound by the request submitted on behalf of the trade. In addition, Members cannot fetter their discretion by agreeing future fare structures or formulae for them now.
24. The legislation prescribes a procedure which consists of a determination by the committee of the variation of the table of fares and the advertisement of the proposal in a newspaper circulating in the area.
25. A minimum period of 14 days must be allowed from the date of the advertisement for the receipt of written representations and objections. It is recommended that a period of 14 days be given for objections
26. The committee must then consider any objections made and determine whether to confirm the varied table of fares, with or without modifications.
27. If the committee is minded to vary the table of fares, any objections will be brought to a meeting of the committee on 31st May 2012, but, if no objections are received, the Head of Legal, HR and Democratic Services recommends any variation should come into force on the 27th April 2012.
28. Members will be aware that, following their decision, arrangements will need to be made by the Licensing Team and the suppliers of taximeters and their agents for the variation to be effected, fare charts printed and arrangements also need to be confirmed for checks on meters installed in licensed vehicles.
29. Representatives of the recognised trade representative organisations have been invited to attend the committee's meeting but whilst it considered appropriate for the proposer to address the committee at this stage it is recommended that all representations from the trade and public be considered after advertisement, should the committee be minded to proceed to that stage.
30. The committee has discretion in law to determine the fares for the hire of hackney carriages in Southampton, subject to a duty to act reasonably.
31. Subject to the committee's views today, the timetable for the implementation of the proposals could be as follows: -

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| 22 nd March 2012 | committee's consideration and decision |
| 30 th March 2012 | newspaper advertisement |
| 13 th April 2012 | close of objection period (14 days) |
| 27 th April 2012 | new table of fares in force if no objections made |
| 31 st May 2012 | committee – consideration of any objections |
| 14 th June 2012 | if agreed, new table of fares in force |

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

32. None are appropriate

RESOURCE IMPLICATIONS

Capital/Revenue

33. Not applicable

Property/Other

34. The work involved for the Licensing Team in bringing a variation of the table of fares into effect and in arranging for the testing of taxi meters must be contained within existing resources and budgets. There is no power to make and separate charge for this process.

LEGAL IMPLICATIONS

Statutory Power to undertake the proposals in the report:

35. Section 65 Local Government (Miscellaneous Provisions) Act 1976 gives the Licensing Committee power to determine hackney carriage fares. The power is not delegated to officers.
36. Section 17 Crime and Disorder Act 1998 places the council under a duty to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.
37. The Human Rights Act 1998 requires UK legislation to be interpreted in a manner consistent with the European Convention on Human Rights. It is unlawful for the council to act in a way that is incompatible (or fail to act in a way that is compatible) with the rights protected by the Act. Any action undertaken by the council that could have an effect upon another person's Human Rights must be taken having regard to the principle of Proportionality - the need to balance the rights of the individual with the rights of the community as a whole. Any action taken by the council which affect another's' rights must be no more onerous than is necessary in a democratic society. The matter set out in this report must be considered in light of the above obligations

Other Legal Implications:

38. The Council would be acting beyond its powers if it were to seek to fetter its discretion by fixing the period of review for fares or by fixing a particular formula for any future variations of fares
39. However, this does not preclude individuals or a trade association from making requests for variation, or from producing whatever evidence they think fit in support of any proposal.
40. If no objections are made to the proposals following the advertisement, the varied table of fares could come into force at the end of the period specified in the Notice mentioned above, or if objections were made, on such other date fixed by the committee. This must be no later than two months after the last date for making objections.

POLICY FRAMEWORK IMPLICATIONS

41. The decision to determine the application in the manner set out in this report is not contrary to the council's policy framework

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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

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| 1. | Current table of fares | |
| 2. | Combined Taxi Trade's proposals and justification | |
| | Draft table of fares showing the effect of the proposals | |

Documents In Members' Rooms

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| 1. | None. |
| 2. | |

Integrated Impact Assessment

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| Do the implications/subject/recommendations in the report require an Integrated Impact Assessment to be carried out. | No |
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Other Background Documents

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| Title of Background Paper(s) | Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable) |
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| 1. | Combined Taxi Trade's proposals and justification (published as appendix 2). | |
| 2. | | |

Integrated Impact Assessment and Other Background documents available for inspection at: Licensing office, Southbrook Rise, Southampton

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| WARDS/COMMUNITIES AFFECTED: | Not applicable |
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