

**Chiltern District Council
Licensing and Regulation Committee - Thursday**

SUBJECT:	Review of Hackney Carriage Fares
REPORT OF:	Head of Healthy Communities – Martin Holt
RESPONSIBLE OFFICER	Licensing Manager – Nathan March
REPORT AUTHOR	Nathan March, 01494 732249, nmarch@chiltern.gov.uk
WARD/S AFFECTED	All

1. Purpose of Report

- 1.1 For Members to consider requested amendments to the current table of passenger fares for Chiltern District Council hackney carriages.

1.2 RECOMMENDATION

Licensing & Regulation Committee is asked to consider:

- a) Whether an increase in the fares is appropriate at this time

If it is considered appropriate;

- a) Recommend to the Head of Healthy Communities to accept or refuse the proposed increase in the table of fares set out at Appendix 5 and to consult with the taxi meter companies and advertise the rate accordingly.
- b) if no objections are received, any agreed increase to the table of fares set out in Appendix 5 to become effective at the conclusion of the consultation period.
- c) that any objections received be considered by the Licensing and Regulation Committee at its meeting on 6 October 2016 and Licensing and Regulation Committee to consider the objections, making a recommendation to Head of Healthy Communities to approve the revised Table of Fares with or without modification, and the table of fares to come into effect on 27th October 2016

2. Reasons for Recommendations

- 2.1 The trade has requested a rise in the fares charged so it is appropriate to consider this request, together with the information within this report.

3. Content of Report

- 3.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (“the 1976 Act”) gives the Council power to set fares within the district for the time and distance travelled and all other charges in connection with the hire of hackney

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carriages. Such fares are specified in a “table of fares” which maybe varied from time to time.

- 3.2 Hackney Carriage Drivers are at liberty to charge fares lower than the specified table of fares, but are not permitted to charge higher fares for journeys taking place within the district. Journeys ending outside of the district or commencing outside of the district due to the driver undertaking a pre-booked journey do not need to be charged in accordance with the approved fare chart.
- 3.3 The law requires any change to the “table of fares” must be advertised publicly in at least one local newspaper for a period of not less than 14 days before the proposed change takes effect. The public notice must also be available at the Council offices for inspection free of charge at all reasonable hours during the consultation period.
- 3.4 If no objections are received during the consultation period then the changes outlined in the table of fares (Appendix 5) if approved by Members will come into effect on a date to be stated in the public notice. If objections are received and not withdrawn, they must be considered by the Council and a decision made to set a date for the proposed changes to the table of fares (with or without modification having taken into account any such objections) such change to take effect not later than 2 months from the original effective date stated in the public notice referred to in paragraph 3.3 above.
- 3.5 The Council last varied its table of fares in April 2012. A copy of the current approved fare chart is attached at Appendix 1.
- 3.6 In summary the Head of Health and Housing consults with the Licensing and Regulation Committee to determine the table of fares, and advertises the proposals in the local press, in accordance with legislative requirements. An information item is then circulated to Members of the decision. A copy of the proposed table of fares is sent to all Hackney Carriage licence holders and the trade organisation representing them. If no objections are received the fares automatically come in to effect on the advertised date.

4. Discussion

- 4.1 Representatives of the hackney carriage trade have written to the Council requesting that the table of fares be varied to increase the ‘flag’ rate i.e. the starting fee for all journeys to £3.50. This represents a 50p uplift from the current rates of £3.00. This request is attached in Appendix 2.
- 4.2 A comparison of current hackney carriage fares for a selection of local authorities situated relatively close to Chiltern District Council can be seen at Appendix 3. This table shows that the fare levels in Chiltern are currently set at a relatively similar level to other authorities in the area. The average ‘flag’ rate locally is shown to be £3.06.

Chiltern’s Tariff 1 fare is currently equal to £5.60 for 2 miles. Information obtained from the National Private Hire Association (Appendix 4) shows that, based on a two mile daytime journey Chiltern fares are joint 182nd out of 365 authorities across the

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country, with the highest being £9.20, the lowest being £3.50 and the average being £5.70, although Chiltern does not appear on the table due to an error by the publisher.

- 4.3 The table below shows the average price per litre of unleaded fuel in the UK since 2012 and that since the last fare increase, petrol prices have dropped by 38.9p since fares were last reviewed from £1.41.9p to 102.6p according to the most up to date figures:

Month	2012	2013	2014	2015	2016
January	133.3p	132.7p	130.2p	108.4p	102.6p
February	135.1p	137.1p	129.6p	108.1p	103.0p (Diesel 103.3p)
March	138.9p	138.8p	129.6p	111.7p	
April	141.9p (Diesel 147.9p)	136.7p	129.8p	113.8p	
May	137.9p	133.9p	130.2p	116.3p	
June	133.1p	134.6p	130.7p	117.1p	
July	132.1p	135.7p	131.5p	117.2p	
August	135.9p	137.5p	129.7p	115.1p	
September	139.6p	137.7p	129.1p	111.1p	
October	138.5p	132.4p	126.7p	109.2p	
November	135.3p	130.6p	123.2p	108.0p	
December	132.7p	131.0p	117.8p	105.6p	

Source: Petrolprices.com/AA.com

- 4.4 Information from the Office for National Statistics indicates:

The consumer prices index (CPI) is the main United Kingdom domestic measure of consumer price inflation for macroeconomic purposes. The headlines for the April 2016 consumer prices index (CPI) are:

The Consumer Prices Index (CPI) rose by 0.5% in the year to March 2016, compared with a 0.3% rise in the year to February.

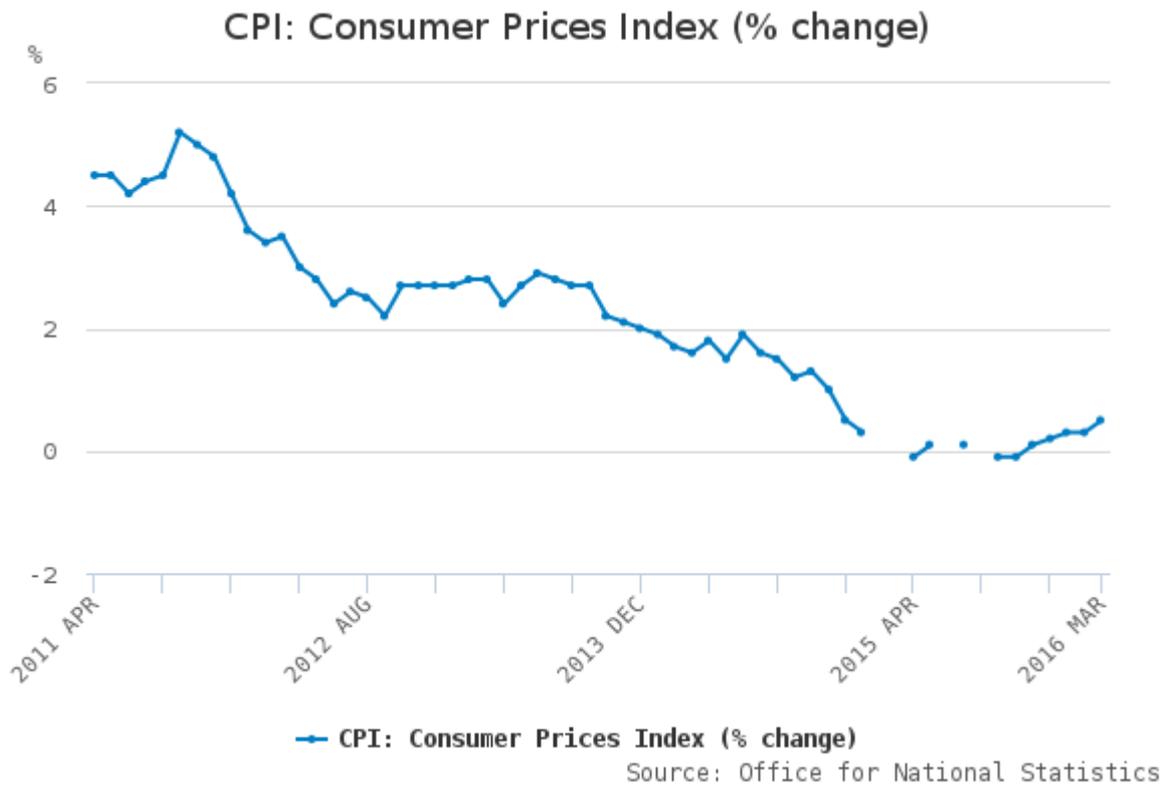
The rate has increased gradually since October 2015 although is still relatively low in the historical context.

Rises in air fares and clothing prices were the main contributors to the increase in the rate between February and March 2016.

These upward pressures were partially offset by a fall in food prices and a smaller rise in petrol prices than a year ago.

- 4.5 The chart below shows how Consumer prices have changed since 2011:

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4.6 Licence fees were reviewed in 2014, and fees relating to Hackney Carriages were changed shown below:

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Type of licence	previous Fee (£)	Current Fee (£)
One year Hackney Carriage Vehicle Licence Grant	300	399
One year Hackney Carriage Vehicle Licence Grant using LPG and CNG Fuels	135	199.50 (50% of full fee)
Renewal Hackney Carriage Vehicle Licence	300	300
Renewal Hackney Carriage Vehicle Licence using LPG and CNG Fuels	135	150 (50% of full fee)
Hackney Carriage Drivers Licence Grant 1 year	95	161
Hackney Carriage Drivers Licence Grant 3 year	N/A	332
Hackney Carriage Drivers Licence Renewal 1 year	95	95
Hackney Carriage Drivers Licence Renewal 3 year	N/A	256
Transfer of Licence	80	90
Change of Vehicle	67	67
Disclosure and Barring Scheme	51	£52.50

5. Risks, resources and other implications

- 5.1 The cost of carrying out the fare review and associated consultation including advertising costs will involve staff time and resources, but these costs will be met within the existing budget.
- 5.2 There is no right of appeal against fares once set but the decision of the Council regarding changes to its table of fares could be the subject of a Judicial review. If an application for Judicial Review were lodged this would result in legal fees to defend the review and further costs which we would seek to recover if the review was unsuccessful. In the event of a successful review the Council may also have to pay the applicants costs.

6. Options

Members have the following options:

- i. Recommend to the Head of Healthy Communities a change to the table of fares for consultation

- ii. Choose to maintain current table of fares.

7. Corporate Implications

- 7.1 The cost of carrying out the fare review and associated consultation including advertising costs will involve staff time and resources, but these costs will be met within the existing budget.
- 7.2 There is no right of appeal against fares once set but the decision of the Council regarding changes to its table of fares could be the subject of a Judicial review. If an application for Judicial Review were lodged this would result in legal fees to defend the review and further costs which we would seek to recover if the review was unsuccessful. In the event of a successful review the Council may also have to pay the applicants costs.

8. Links to Council Policy Objectives

Ensuring Fares set are at an appropriate level links to theme 1 of the Council's Sustainable Community Strategy and Corporate Plan. Thriving Economy – lifelong enterprise, the entrepreneurial heart of Britain.

9. Next Step

As described within the options and recommendations sections

Background Papers:	Local Government (Miscellaneous Provisions) Act 1976. Town Police Clauses Act 1847.
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