

SUBJECT:	Review of Hackney Carriage Fares
REPORT OF:	Officer Management Team - Director of Services Prepared by - Head of Health and Housing

1. Purpose of Report

1.1 To seek approval for amendments to the current table of passenger fares for South Bucks District Council hackney carriages.

2. Links to Council Policy Objectives

2.1 The provision of an efficient and effective licensing service contributes to the Council's Corporate Plan Key Theme 3 of safe communities.

3. Background

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 carriages. Such fares are specified in a "table of fares" which may be varied from time to time.

3.2 The Council's Hackney Carriage & Private Hire Licensing Policy, adopted on 11 December 2007 and reviewed on 12 April 2011, states at paragraph 4.13 on page 21:

Table of Fares

A district council may fix the rates for fares within the district as well as for time as distance, and all other charges in connection with the hire of a vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a tariff card.

If a hackney carriage is used for a contract for private hire, it must not charge more than the fixed rate in the authorised fare table.

Fares set for Hackney Carriages will be subject to a yearly review. In order for fares to be set for Hackney Carriages a review will be taken of fares currently in place within neighbouring authorities. A public notice will be placed in a local newspaper, stating the proposed variation of the fares. The Notice shall allow 28 days for objections to the proposals to be received. If no objections are received the fares will take effect following adoption at Full Council and shall come into force on the following 1st April. Should objections be received the matter will be referred to a Full Licensing Committee for consideration with a further referral to Full Council for adoption.

The Licensing Team are committed to consulting with Hackney Carriage/Private Hire Drivers and Proprietors to ensure they are informed of any changes to the Licensing Fares and to enable any comments to be received.

3.3 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.

- 3.4 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.
- 3.5 If no objections are received during the consultation period then the changes outlined in the table of fares (Appendix 4) 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 3.4 above.
- 3.6 The Council last varied its table of fares in November 2009. A copy of the current approved fare chart is attached at Appendix 1. Prior to this the table of fares was set in May 2006.

4. Discussion

- 4.1 Representatives of the hackney carriage trade have written to the Council requesting that the table of fares be varied to come in line with Chiltern District Council’s approved table of fares. A copy of Chiltern District Council’s hackney carriage table of fares is attached at Appendix 2.
- 4.2 A comparison of current hackney carriage fares for a selection of local authorities situated relatively close to South Bucks can be seen at Appendix 3. This table shows that the fare levels in South Bucks are currently set at a relatively low level compared to other authorities in the area. Information obtained from the National Private Hire Association shows that, based on a two mile daytime journey South Bucks fares are 286th lowest out of 365 authorities across the country.
- 4.3 Adoption of a table of fares in line with the Chiltern District Council table of fares would result in increases to costs for passengers travelling in South Bucks District Council hackney carriages and increased income for drivers. The table below shows the percentage increases for different distance journeys at different times of day.

DAY TIME					
TARRIF ONE	FLAG	1 MILE	2 MILES	5 MILES	10 MILES
Current Fare	£3.00	£3.00	£5.00	£10.25	£19.00
Proposed Fare	£3.00	£3.60	£5.40	£10.80	£19.80
% increase	20%	20%	8%	5.4%	4.2%
NIGHT TIME					
TARRIF TWO	FLAG	1 MILE	2 MILES	5 MILES	10 MILES
Current Fare	£4.50	£4.50	£7.25	£15.25	£28.25
Proposed Fare	£4.50	£5.40	£8.10	£16.20	£29.70
% increase	0%	20%	11.7%	6.2%	5.1%

- 4.4 Although some of the proposed fare increases result in relatively high percentage increases, this needs to be contrasted with the fact that there have been no increases in hackney carriage fares in the district for approaching five years and current fares are comparatively low. In addition, costs to drivers have increased, largely due to fuel price increases, but also in relation to the cost of having vehicles maintained and repaired. Paragraph 4.5 below gives further details regarding fuel price increases. In summary, since November 2009, when hackney carriage fares were last reviewed, the average price for unleaded petrol has increased from £1.08 to £1.30, an increase of 20.4%.

4.5 Average price per litre of unleaded fuel in the UK since 2009:

Month	2009	2010	2011	2012	2013	2014
January	87.0p	111.4p	127.9p	133.3p	132.7p	130.2p
February	90.2p	112.1p	128.7p	135.1p	137.1p	129.6p
March	90.8p	115.6p	132.2p	138.9p	138.8p	129.6p
April	94.8p	120.5p	134.7p	141.9p	136.7p	129.8p
May	97.7p	121.0p	136.7p	137.9p	133.9p	130.2p
June	102.2p	118.2p	135.7p	133.1p	134.6p	
July	103.0p	117.3p	134.9p	132.1p	135.7p	
August	103.9p	116.2p	135.5p	135.9p	137.5p	
September	106.2p	115.3p	135.4p	139.6p	137.7p	
October	105.7p	117.4p	134.6p	138.5p	132.4p	
November	108.4p	118.9p	133.8p	135.3p	130.6p	
December	108.2p	122.0p	132.5p	132.7p	131.0p	

Source: Petrolprices.com

4.6 Despite the fact that the Council's Hackney Carriage and Private Hire policy states that fares will be reviewed each year with new fares coming into force on 1 April each year, it is proposed that in respect of this fare increase, if approved, the following timetable be followed:

- 7 August 2014 - proposed new fares advertised and objections invited
- 4 September 2014 - closing date for objections
- 5 September 2014 - revised fares come into force if no objections received

If objections received:

- 8 October 2014 - objections considered by Licensing Committee
- 27 November 2014 - fares implemented if approved with or without any amendments

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. Recommendations

- 6.1 Licensing Committee is asked to recommend to Council:

- a) to approve a table of fares in accordance with the hackney carriage table of fares as set out at Appendix 4 and to authorise the Head of Health and Housing to advertise the proposed fare increases for 28 days.
- b) if no objections are received, the increases as stated on the table of fares set out in Appendix 4 to become effective at the conclusion of the consultation period.
- c) that any objections received be considered by the Licensing Committee at its meeting on 8 October 2014 and Licensing Committee determine the table of fares to come into effect on 27th October 2014 with or without variation having had regard to objections received.

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Background Papers	Local Government (Miscellaneous Provisions) Act 1976. Town Police Clauses Act 1847. Hackney Carriage & Private Hire Licensing Policy adopted 11 December 2007 & updated 12 April 2011.