

Bath & North East Somerset Council

DECISION MAKER:	Cllr Charles Gerrish, Cabinet Member for Service Delivery		
DECISION DATE:	On or after 13th November 2010	EXECUTIVE FORWARD PLAN REFERENCE:	
		E	2200
TITLE:	REVIEW OF HACKNEY CARRIAGE TARIFF RATES		
WARD:	All		
AN OPEN PUBLIC ITEM			
List of attachments to this report:			
Appendix A; Table of Existing Hackney Carriage Tariff Rates			
Appendix B; Table of Proposed Hackney Carriage Tariff Rates			

1 THE ISSUE

1.1 To review the Hackney Carriage tariff rates charged within the Bath and North East Somerset area for time and distance.

2 RECOMMENDATION

The Cabinet member is asked to agree to an:

2.1 increase of 6.06% on the current Hackney Carriage fares for time and distance.

2.2 increase in the additional passenger rate, for over two passengers, from 30 pence to 50 pence.

2.3 amendment to the waiting time to one minute and increase the increment from 20 pence to 30 pence.

3 FINANCIAL IMPLICATIONS

3.1 The cost of consultation and advertising of the tariff changes, in the local papers, is met within existing budgets.

4 CORPORATE PRIORITIES

- Sustainable growth
- Improving transport and the public realm.

5 THE REPORT

5.1 The authority for the Council to set fares for Hackney Carriages is given under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (“the Act”).

5.2 Section 65 (1) of the Act states that a district council may fix the rates or fares within the district as well for time as distance and all other charges in connection with the hire of a vehicle or with arrangements for the hire of a vehicle, to be paid on respect of the hire of hackney carriages by means of a table.... made or varied in accordance with the provisions of this section.

5.3 The procedure to be followed in exercising this power is as follows:-

- (1) When a Council makes, or varies, a table of fares (which may be by time and/or distance), it must publish, in at least one local newspaper, a notice setting out the table of fares or variations to the table
- (2) The notice must specify a date , not less than 14 days from the date on which the notice is first published. That date has two functions;
 - a) it is the date by which any objections to the table, or variations, can be made.
 - b) it is the date on which the revised fares will come into effect, if either no objections have been received, or any objections received have been withdrawn before that specified date
- (3) The notice must contain details of where objections should be addressed and how they can be made.
- (4) A copy of the proposed tariff must be available at the Council’s Offices for the public to inspect, free of charge, at reasonable hours.
- (5) Once the objection period (usually 14 days) has expired, if no objections have been received or those that have been received are subsequently withdrawn, the table, or variation, will come into effect at the end of the objection period or when the last objection has been withdrawn.

5.4 If there are objections the Council must consider them and then set a further date, within two months after that date first specified in the notice, on which the table is to come into force with, or without, modification as decided

5.5 The legislation allows local authorities to set fares and there is no requirement to review fares annually. However, it is the policy of this Council to review Hackney Carriage fares annually to ensure a competitive and attractive service.

5.6 The Cabinet Member for Customer Services considered the Hackney Carriage fares in August 2008 and the revised tariff was introduced in October 2008.

5.7 A copy of the existing tariff is produced at Appendix A.

5.8 A copy of the proposed tariff, including all changes, is produced at Appendix B. The proposed structure is a maximum table of fares; the driver may exercise discretion and charge a lower fare than that shown on the taximeter.

6 RISK MANAGEMENT

6.1 The report author and Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

7.1 A proportionate equalities impact assessment has not been carried out as this is not relevant to this issue.

8 RATIONALE

8.1 In the 1980's Bath City Council adopted a formula to calculate a "fair" increase in the tariff rate. With only one or two exceptions this formula has been used every year to calculate the percentage increase. The adopted formula used for calculating the proposed tariff rate is one-half of the percentage increase in the Average Earnings Index plus one-half of the percentage increase in the cost of motoring. Using the formula the proposed increase calculates as 6.06%. The formula is based on the annual increase between the 1st April and the 31st March the following year. However, since the end of March this year, there has been a sharp rise in the price of fuel which has made a substantial increase in the running costs of Hackney Carriage vehicles.

8.2 Following consultation with the Hackney carriage trade, the proposal is to carry out the following changes to the existing tariff rates:-

- (1) To increase the additional passenger rate from 30 pence to 50 pence for over two passengers. This increase gives the driver a nominal increase from 60 pence to one pound for a car of four people.
- (2) To increase the tariff rate across all five tariffs by 6.06 percent (this includes the starting yardage, drop yardage and the waiting time). This increase is in line with the formula that the Council uses to calculate an increase and is based on information from the Office of National Statistics.
- (3) To amend the waiting time to one minute and increase the tariff from 20 pence to 30 pence. By making this one minute then it makes it clearer to the passenger what they are being charged i.e. a five minute wait would cost them £1.50 and it gives the driver a reasonable hourly rate at £18 per hour.

9 OTHER OPTIONS CONSIDERED

9.1 A meeting was held with representatives of the Bath Spa Taxis Owners Association where they listed a number of changes that they would like to see made to the existing table of tariffs. A comparison was also made with the surrounding authorities and what changes they had made or were in the process of making.

9.2 The proposals from the Bath Spa Taxi Owners Association were to provide:-

- (1) The Bath Spa Taxi Owners Association was in agreement with the proposed 6.06% increase.
- (2) To amend tariffs two and three so that tariff three started at noon on Saturdays.

After reviewing the tariffs provided by the surrounding authorities it has been decided not to include this proposal.

- (3) That the waiting time is increased to give them £18 per hour.

Agreed

- (4) That the additional passenger fee, for over two passengers, is increased from 30 pence to 50 pence.

Agreed

- (5) That the additional passenger fee is increased a second time for when there are over four passengers.

After consideration of this proposal it was decided that the current 50 pence per person was enough. A review of the surrounding authorities showed that none of them had this proposed additional rate.

10 CONSULTATION

10.1 Service Users; Section 151 Finance Officer; Monitoring Officer.

10.2 Meetings with representatives of the trade and the proposed decision will be published in the local paper specifying a date by which the public can object.

11 ISSUES TO CONSIDER IN REACHING THE DECISION

11.1 Social Inclusion; Customer Focus; Human Rights; Legal Considerations under the legislation specified in section five of this report.

12 ADVICE SOUGHT

12.1 The Council's Monitoring Officer (Council Solicitor) and Section 151 Officer (Strategic Director - Support Services) have had the opportunity to input to this report and have cleared it for publication.

Contact person	Andrew Jones, Environmental Monitoring and Licensing Manager Tel 01225 47 7557
Background papers	The Local Government (Miscellaneous Provisions) Act 1976
Please contact the report author if you need to access this report in an alternative format	