

 Executive 12 March 2014		Agenda Item No. 6
Title	Hackney Carriage Fare Increase – Request from drivers.	
For further information about this report please contact	Emma Dudgeon, Licensing Enforcement Officer, Health and Community Protection. Tel: 01926 456113. Emma.dudgeon@warwickdc.gov.uk Marianne Rolfe, Regulatory Manager, Health and Community Protection. Tel: 01926 456320 Marianne.Rolfe@warwickdc.gov.uk	
Wards of the District directly affected	None	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	26 February 2008 – Minute Number 24	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	24.2.14	Andrew Jones
Head of Service	24.2.14	Richard Hall
CMT	24.2.14	
Section 151 Officer	24.2.14	Mike Snow
Monitoring Officer	24.2.14	Andrew Jones
Finance	24.2.14	Mike Snow
Portfolio Holder(s)	24.2.14	Michael Coker
Consultation & Community Engagement		

If recommendations are agreed, proposed changes will be advertised for a 14 days consultation period.

Final Decision?

Yes

Suggested next steps N/A

1. **SUMMARY**

- 1.1 A request by 127 Hackney Carriage drivers has been received by Warwick District Council (WDC) Licensing Department to increase the current hackney carriage fares and for these fares to be reviewed on an annual basis.

2. **RECOMMENDATION**

- 2.1 That Executive approves the increase of hackney carriage fares as set out in the report and appendix 6.
- 2.2 That Executive agree an implementation date as set out in 3.13 below for the new fare subject to an advertisement of the proposed change and taking into consideration 2.3.
- 2.3 That Executive agree if representations are received following 2.2, a further report be submitted to Executive after the consultation period to review the representations received.
- 2.4 The Executive agree further reports are submitted to Executive every year reviewing hackney carriage fares, taking into consideration the rate of inflation and Consumer Price Index.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allows a Licensing Authority to fix the fares and all other charges in connection with the hire of a hackney carriage vehicle in their area. This Authority is therefore responsible for regulating fares in Warwick District.
- 3.2 Under the Local Authorities (Functions and Responsibilities)(England) Regulations 2000, as amended, this is an Executive function. However, the report has been submitted to Regulatory Committee to enable them to pass comments onto the Executive.
- 3.3 There is no prescribed timetable in the legislation for revisions of hackney carriage fares. The fares in WDC were last reviewed in February 2008, with an increase in these fares coming into effect in March 2008. The current fare card is shown as appendix 1.
- 3.4 Since 2008:
- the cost of fuel has increased by around 33%
 - the cost of insurance has increased by around 67%.
 - Licence fee's and maintenance costs have also risen since
 - Drivers pay on average £75 a year more for their Hackney Carriage Vehicle Licenses.
- 3.5 Appendix 2 is an extract from Private Hire and Taxi Monthly publication which shows the cost of a two mile journey throughout Councils within the UK. WDC comes in at 293rd in a band of 17 authorities out of 364 Councils with a fare being £5.00. This is below the national average of £5.56.
- 3.6 The table shows our neighbouring district of Stratford-On-Avon at 172rd in a band of 19 authorities on £5.60. Stratford On Avon reviewed their fares in 2012. The fare card is attached as appendix 3.

- 3.7 Coventry City Council sits at 210th in a band of 25 authorities on the same table charging £5.40. Coventry City reviewed their fares in 2008. The fare cards is attached as appendix 4.
- 3.8 In September 2013 WDC Licensing Department received a request from 127 drivers for the increase of the hackney carriage fares and the inclusion of a third tariff as set out below. WDC currently licence 204 hackney carriage vehicles.
- 3.9 Tariff 1 is an existing tariff for use by all saloon style vehicles, which carry four or less passengers, and larger vehicles when carrying less than five passengers at other times than in 3.10. The drivers would like this tariff to be increased and introduce the use of tariff 3 as described in 3.11.

Distance	Cost
For any Distance up to 1232 yards (7/10 of a mile)	£3.40
For each Subsequent 176 Yards (1/10 of a mile)	£0.20
Waiting time for up to every 30 seconds	£0.10

- 3.10 Tariff 2 is for use by all saloon style vehicles on evenings, Sunday and Bank Holidays. This tariff will also be used when a larger vehicle carries five or more passengers outside of the evening charge and not on Sundays or Bank Holidays. WDC currently have a second tariff which adds 50% on to the fare shown on evening, Sundays, Bank Holidays and when a suitable vehicle carries 5 or more passengers. However, the evening hours are currently between 23:00 and 05:00.

Distance	Cost
For any Distance up to 1232 yards (7/10 of a mile)	£5.10
For each Subsequent 176 Yards (1/10 of a mile)	£0.30
Waiting time up to every 30 seconds	£0.15

- 3.11 Tariff 3 is for use by all vehicles at Christmas and New Year and when a larger vehicle carries five or more passengers during the evening hours or on Bank Holidays and Sundays. This is a new tariff which WDC does not currently operate.

Distance	Cost
For any Distance up to 1232 yards (7/10 of a mile)	£6.80
For each Subsequent 176 Yards (1/10 of a mile)	£0.40
Waiting time for up to every 30 seconds	£0.20

* Between 18:00 on 24 December to 06:00 27 December and 18:00 31 December and 06:00 2nd January.

- 3.12 Both Stratford on Avon and Coventry already operate a three tariff system. However both authorities have a day, evening and holiday tariff. Stratford On Avon taxis also charge an additional 50% of the fare when a vehicle carries 5 or more passengers. Appendix 5 shows a comparison of the current and proposed fares with Stratford On Avon and Coventry City.
- 3.13 It is proposed that the tariffs are set out to allow all vehicles to have a day charge, evening and holiday charge and a charge for larger vehicles which can carry five or more passengers. The table below shows when each tariff would come into effect.

	Day	Evening & Bank Holiday	Christmas and New Year
4 or less passengers	Tariff 1	Tariff 2	Tariff 3
5 or more passengers	Tariff 2	Tariff 3	Tariff 3

- 3.14 The soiling charge has increased by 50%, from £50 to £75. This would be to cover the cost of cleaning and the time the vehicle is off the road, resulting in loss of earnings for the driver.
- 3.15 Should the reviewed fares be accepted, WDC will move to 111th in the table with a two mile fare of £6.00. This will place WDC within in a band of 24 authorities. A two mile fare in Stratford would be 7% lower and Coventry City would be 10% lower. This position and percentage is subject to change following any fare reviews within the 364 authorities.
- 3.16 Appendix 6 shows various example journeys and the cost increase for passengers using a hackney carriage licenced by WDC.
- 3.17 Appendix 7 shows the new fare card which would be displayed in every WDC hackney carriage vehicle would replace the existing fare card should the recommendations be accepted.
- 3.18 If the recommendations are agreed a public notice will appear on the 27th or 28th March 2014 for 14 days. During the 14 day consultation period any person may write in with a representation against the fare increase and, should this happen, if agreed, all representations will be presented to the Executive who shall decide whether or not to modify the proposed table of fares. If no objections are received the new fare tariff will commence on Monday 14 April 2014.
- 3.19 Appendix 8 shows all paper work submitted by the licensed WDC drivers. A petition signed by the drivers was also submitted and a copy of this will be available at the meeting. Each driver who has signed the petition has been notified of the meeting and invited to attend.
- 3.20 Although the fare increase is an Executive function, Regulatory Committee were given the opportunity to pass comments to Executive at their meeting held on Monday 16th December 2013. The Regulatory Committee noted the

recommendations in the report and having heard from the taxi drivers present supported the fare increase.

4. **POLICY FRAMEWORK**

4.1 None

5. **BUDGETARY FRAMEWORK**

5.1 If Executive agree the recommendations within the report the Council have a legal obligation to publish details of the proposed changes in a local newspaper for 14 days at a cost of around £260.

5.2 All hackney carriage drivers are required to display a current fare card in their vehicle. Therefore there would be a cost of producing the cards and sending them to each owner.

5.3 The cost of the calibration for all taxi meters would be the responsibility of the owner of the vehicle.

6. **ALTERNATIVE OPTION(S) CONSIDERED**

6.1 Executive can take the decision to refuse the recommendations in the report.

6.2 Executive can agree to a fare increase of their choosing subject to an advertisement of the proposed change and representations being presented at the next Executive.

7. **BACKGROUND**

7.1 None.