

Gloucester City Council

Meeting:	Licensing And Enforcement	Date: 10 th December 2013
Subject:	Local Government (Miscellaneous Provisions) Act 1976 Hackney Carriage Tariff	
Report Of:	Lisa Jones, Food and Licensing Service Manager	
Wards Affected:	All	
Key Decision:	No	Budget/Policy Framework: No
Contact Officer:	Mr Richard Barnett, Licensing Enforcement Officer Email: Richard.Barnett@Gloucester.Gov.Uk Tel: 396311	
Appendices:	A: Formula used to calculate proposed increase B: Comparative Table of Fares C: Proposed Published Tariff Variation Proposal D: Representation from objector.	
Reference:	ES21167	

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 For Members to consider an objection to the proposed tariff changes and determine if the published proposals should be amended in light of the objection.

2.0 Recommendations

- 2.1 Committee is asked to **RESOLVE** that the published tariff proposals is implemented with effect from 14th December 2013.

3.0 Background and Key Issues

- 3.1 The Council sets the Hackney Carriage fares under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. The present fares have been unchanged since February 2012.
- 3.2 In September 2013, Gloucester Hackney Carriage Association (GHCA) submitted a request for a tariff increase.

- 3.3 GHCA requested an increase to all Tariff rates. The formula in Appendix A was used to compare our position within the South West and Midlands region, our local position within Gloucestershire and determine what increase would be appropriate to bring the fares in line with the average for that area. In February 2012, the Tariff was increased to bring our fares in line with the regional average.
- 3.4 The formula used to calculate local and regional averages demonstrates that to maintain a tariff level within the median range of the South West and Midlands Region, a 3.2% increase should be applied.
- 3.5 There are a variety of reasons why it may be appropriate to increase the tariff rates. In this instance since February 2012 the costs of living, fuel and vehicle maintenance have all increased. Details of the current motoring costs and fuel prices have been considered.
- 3.6 Members will recall that there are three taxi tariff rates applicable in Gloucester. Tariff one applies between the hours of 7:00am to 9:00pm. Tariff two comes into effect from 9:00pm and 7:00am and the taxi meter calculates prices at approximately 23% higher than tariff one. Tariff three applies on Christmas Day, Boxing Day and New Years Day and the taxi meter is set at prices approximately 33% higher than those of tariff one.
- 3.7 The table below compares the current tariff (as from February 2012) against the new published tariff. The table shows the actual fares net of any extras that may be charged.

	TARIFF 1		TARIFF 2		TARIFF 3	
JOURNEY	Current	PROPOSED	Current	PROPOSED	Current	PROPOSED
1 mile	£4.00	£4.00	£5.20	£5.20	£5.20	£6.00
2 miles	£5.80	£5.80	£7.60	£7.60	£8.60	£8.80
3 miles	£7.60	£7.80	£9.80	£10.20	£11.40	£11.60
5 miles	£11.20	£11.60	£14.60	£15.00	£17.00	£17.40
10 miles	£20.60	£21.20	£26.60	£27.40	£30.60	£31.60

- 3.8 The Tariffs were compared against our national, regional and local average rates, this comparative list can be found in Appendix B.
- 3.9 In comparison with our neighbouring authorities it is important to remember that Gloucester and Cheltenham are mainly urban areas, whereas the remaining districts are largely rural. It is common for urban areas to keep the initial flag fare high to maintain a minimum fare for shorter journeys. The current flag is already higher than neighbouring districts for tariff 1, however the first mile fare is lower because the subsequent yardage calculated by the meter is lower than that of our neighbours.

- 3.10 Since our assessment was conducted, Cheltenham Borough Council has increased their tariff by 3.5%. The new fares can be seen within Appendix B for comparison.
- 3.11 The tariff proposals were published in the Citizen on 14th October 2013 with a planned implementation date of 2nd December 2013, allowing a statutory period of 14 days for objections. A copy can be found in Appendix C.
- 3.12 During this consultation period, one objection was received. This can be found in Appendix D. The objection is made by a driver who states that their business has dropped over the last 12 months and argues that any increase in the tariff will only serve to further reduce business.
- 3.13 It should be noted that whatever tariff is set by this Committee that it is a maximum tariff and that although meters must be set to the current tariff, drivers can choose to charge less if they so wish.

4.0 Alternative options considered

- 4.1 Members have the option of making no changes to the proposed published Tariff. This is considered to be the most appropriate option as this increase was requested by the Hackney Carriage Association and the only objection received has come from a single driver.
- 4.2 Members could determine in the light of the objection that the Tariff should remain the same. Although an objection has been received suggesting that there should not be an increase, on the basis that fares have not now been increased for nearly 2 years, if fares remain the same again, there is a possibility that next year more catching up will be necessary involving a big increase all in one go. This would not be good for anyone.
- 4.3 Members could modify the proposed tariff proposal if they consider it appropriate. However it should be noted that the proposal published has the support of the HCA.

5.0 Reasons for Recommendations

- 5.1 The published proposals reflect those changes requested by the Gloucester Hackney Carriage Association based on the formula used to calculate the median range of the local and national averages. This has been the approach taken for setting the Taxi fares in Gloucester City for a number of years.
- 5.2 It should be noted that the new tariff must come into effect within 2 months of the original date that the change was proposed to come into force. In this case this would be 2nd February 2014.

6.0 Future Work and Conclusions

- 6.1 As a result of any tariff increase, all taxi meters would need to be calibrated by the trade and subject to checking by an approved testing station on the measured mile. Council Officers will subsequently check that meters have been tested upon application and routine checks. This is a normal part of the work undertaken by the Council's Licensing Enforcement Officers and does not present an unrecognised resource implication.
- 6.2 Members must consider the objection received, and determine whether or not it is appropriate to change the current tariff charges at this time. Any changes determined should be appropriate and reasonable for Gloucester City.

7.0 Financial Implications

- 7.1 The cost of implementing the new taxi fare tariff rates will be met within existing budgets.

8.0 Legal Implications

- 8.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 enables the Council to fix the rates or fares within and all other charges in connection with the hire of hackney carriage vehicles in their area. This Authority is responsible for regulating fares, taking into account representations made on behalf of the hackney carriage proprietors and the public interest.
- 8.2 Any variation of the fare must be advertised and a period specified (being not less than 14 days from the publication of the advertisement) within which objections should be made. If any objections are made and not withdrawn a further meeting of the Licensing and Enforcement Committee is required to consider the objections.
- 8.3 Section 65 of the Act of 1976 states that if any objections are unresolved after the initiate 14 day consultation period, a date for a Licensing Committee hearing will be set, not more than two months after the first specified date on which the table of fares would have come into force 2nd February 2014, to consider the objections and make a final decision.
- 8.4 In reaching a decision Members are exercising discretion and must act in a judicial and reasoned way.

(Legal Services have been consulted in the preparation this report.)

9.0 Risk & Opportunity Management Implications

- 9.1 The key risks arising from this relate to decisions taken by the Licensing and Enforcement Committee. Any decisions made which are unreasonable or unlawful could be open to legal challenge resulting in loss of image, reputation and potential financial penalty.

10.0 People Impact Assessment (PIA):

Is a PIA required?	Yes	No	Explanation: This is not a policy matter, therefore no screening assessments required.
		x	
Has an initial PIA screening been completed?	Yes	No	Explanation:
		x	
Has a full PIA been completed?	Yes	No	Explanation:
		x	
Is the PIA available?	Yes	No	Explanation:
		x	
Has the PIA identified any negative impacts on any protected characteristic or community cohesion?	Yes*	No	*Please ensure PIA is available

11.0 Other Corporate Implications

- 11.1 The Licensing system for vehicles and drivers plays an important role in offering safe and secure transportation for travellers, particularly lone ones and it offers an alternative for the driver who wishes to drink alcohol.
- 11.2 The Hackney Carriage and Private Hire fleet form an important part of public transportation provision not least because of its 24 hour availability and door to door service.

Background Documents: None

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APPENDIX A

City of Gloucester	
Gloucester Now per Rate 1 mile	£1.84
Gloucester Position in Table	125
Gloucester increased to local average	£2.16 17.28%
So, if Mid/SW limiter is applied	£1.90 3.26%
If National Limiter is applied	£1.83 -0.54%

Area	Rate 1 mile	Two Mile Journey
Midlands	£1.70	£5.30
South West	£2.10	£6.10
Average	£1.90	£5.70
National Average	£1.83	£5.55
<u>Local Areas</u>		Position in National Table
Forest of Dean	£2.70	50
CDC	£2.20	234
Stroud	£2.00	39
Tewkesbury	£2.00	121
Cheltenham	£1.89	92
Average	£2.16	107.2
Gloucester	£1.84	125

Website address of
Private Hire Taxi Magazine Table
<http://www.phtm.co.uk/league-table.asp>

		Current	Mid/SW 2012 3.26%
Rate 1			
1st drop yards for	3.00	980	949
subsequent drops yards for	0.20	191	185
Waiting time seconds for	0.20	38	37
Rate 2			
1st drop yards for	4.00	999	967
subsequent drops yards for	0.20	148	143
Waiting time seconds for	0.20	29	28
Rate 3			
1st drop yards for	5.00	1244	1205
subsequent drops yards for	0.20	128	124
Waiting time seconds for	0.20	27	26
Soiling Charge £		£65	£65
RATE 1			
1st Mile		£3.82	£3.88
subsequent mile		£1.84	£1.90
Waiting time /hour		£18.95	19.46
RATE 2			
1st Mile		£5.03	£5.11
subsequent mile		£2.38	£2.46
Waiting time /hour		£24.83	£25.71
RATE 3			
1st Mile		£5.81	£5.90
subsequent mile		£2.75	£2.84
Waiting time /hour		£26.67	£27.69

Comparative Table of Fares

August 2013 figures

Rating	Council	TARIFF 1						TARIFF 2						Start date
		Flag	1 mile	2 miles	5 miles	10 miles	Running Mile	Flag	1 mile	2 miles	5 miles	10 miles	Running Mile	
53	Forest of Dean	£2.22	£3.57	£6.27	£14.37	£27.87	£2.70	£2.80	£4.25	£7.15	£15.85	£30.35	£2.90	April 2011
42	Stroud	£2.50	£4.30	£6.40	£12.40	£22.30	£2.00	£3.00	£5.10	£7.50	£14.70	£26.40	£2.35	July 2011
125	Tewkesbury	£2.60	£3.85	£5.86	£11.85	£21.85	£2.00	£3.60	£5.10	£7.50	£14.70	£26.70	£2.40	July 2011
29	Bristol City	£2.60	£4.40	£6.40	£12.40	£22.40	£2.00	£3.40	£5.40	£7.60	£14.20	£25.20	£2.20	July 2013
96	Cheltenham	£2.40	£4.20	£6.00	£11.80	£21.20	£1.89	£3.00	£5.25	£7.50	£14.75	£26.50	£2.37	Nov 2012
128	Gloucester	£3.00	£4.00	£5.80	£11.20	£20.60	£1.84	£4.00	£5.20	£7.60	£14.60	£26.60	£2.39	Feb 2012
237	Cotswold	£2.80	£3.10	£5.30	£11.90	£22.90	£2.20	£3.20	£3.59	£6.19	£13.99	£26.99	£2.60	October 2008
	Proposed Tariff	£3.00	£4.00	£5.80	£11.60	£21.20	£1.90	£4.00	£5.20	£7.60	£15.00	£27.40	£2.46	
	County Average	£2.50	£3.80	£5.96	£12.46	£23.22	£2.15	£3.12	£4.65	£7.16	£14.79	£27.38	£2.52	
	South West Average	£2.70	£3.98	£6.10	£12.40	£22.97	£2.10	£3.73	£5.48	£8.23	£16.78	£31.03	£2.85	
	National	£2.70	£3.73		£11.02	£20.30	£1.83	£3.57	£4.91	£7.30	£14.45	£26.53	£2.40	

*The running mile shown with a * means the price distances set after the initial distance change again.

The Citizen

Monday 14th October 2013.

Public Notices

**LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976
FIXING OF HACKNEY CARRIAGE RATES**

The Council proposes that the rates of fares and certain other charges in connection with the hire of hackney carriages which were last changed in February 2012 should be varied as shown below with effect from Monday 2 December 2013. Changes are indicated in bold.

1. The rates of such fares and charges, as varied by the Council, shall be as follows:-

1.	Mileage		
	Rate 1 - daytime Between 7.00am and 9.00pm Monday to Saturday	a) b)	For the first 949 yards or part thereof £3.00 (currently £3.00 for 980 yards) For each subsequent 185 yards or part thereof 20p (currently 191 yards)
	Rate 2 - night-time Between 9.00pm and 7.00am Monday to Saturday, All day Sundays, and between 6.00pm and 11.00pm on Xmas and New Years Eve	a) b)	For the first 967 yards or part thereof £4.00 (currently £4.00 for 999 yards) For each additional 143 yards or part thereof 20p (currently 148 yards)
	Rate 3 - between 11.00pm on the day before and 7.00am on the morning following each and every PUBLIC HOLIDAY	a) b)	For the first 1205 yards or part thereof £5.00 (currently £5.00 for 1244 yards) For each additional 124 yards or part thereof 20p (currently 128 yards)
2.	Waiting Time		
	Rate 1		20p for 37 seconds or part thereof (currently 20p for 38 seconds)
	Rate 2		20p for 28 seconds or part thereof (currently 20p for 29 seconds)
	Rate 3		20p for 26 seconds or part thereof (no change)
3.	Extra Charges	a)	for each passenger over ONE per journey and for each bicycle or pram 20p.
		b)	for each package carried outside the taxi compartment supermarket size carrier charged at 10p for 2, all other substantial packages 20p each. For all wheelchairs and guide/assistance dogs: NO CHARGE.
		c)	Where the customer has soiled the taxi requiring off the road internal cleaning/ valeting: £65
		d)	NOTE The actual meter reading for all journeys will be expressed to the nearest 20p. For each passenger over FOUR per journey: 60p

2. As required by the Act for the next 14 days a copy of this Notice will be available during office hours for public inspection without payment at the address below.

3. Any objection to the proposed variation should be made in writing to me stating the ground(s) for objection within 14 days of today's date.

Dated: **14th October 2013**

Gillian Ragon • Public Protection (Group Manager)
Herbert Warehouse, The Docks, Gloucester
Fax: 01452 396340 • E-mail: heretohelp@gloucester.gov.uk

CLW

ES21167
APPENDIX D

From:
Sent: 22 October 2013 13:20
To:
Subject: Re: Hackney Carriage Rates of Fares

Hi

Thank you for this but I have to say that I find it pathetic that any driver wants to increase the tariff. I have been on the rank this morning and done £12 in 3 hours !!! I don't care what the midlands and south west are doing, I don't work anywhere but Gloucester and any increase in fares will only serve to worsen the situation.

Drivers that are requesting this rise are independent drivers who could maximise their income by joining a system so that they are not having to return to rank after every pick up.

The city council are actively trying to attract more people to use the centre and yet the cost of public transport keeps increasing and putting people off. My income this year has dropped by 38% on last year and this the exact reason why I am actively looking to get out of the trade.

Regards,