

# Gloucester City Council

<b>Meeting:</b>	<b>Licensing and Enforcement Committee</b>	<b>Date:</b> 13 <sup>th</sup> June 2017
<b>Subject:</b>	<b>Local Government (Miscellaneous Provisions) Act 1976 Hackney Carriage Tariff increase</b>	
<b>Report Of:</b>	<b>Corporate Director</b>	
<b>Wards Affected:</b>	<b>All</b>	
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework: Yes</b>
<b>Contact Officer:</b>	<b>Darren Mountford, Senior Licensing &amp; Markets Officer</b>	
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<b>Appendices:</b>	<b>Appendix 1 – Tariff Comparison</b> <b>Appendix 2 – Proposed Hackney Carriage Tariff</b>	

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 To outline to members a proposal submitted by Gloucester Hackney Carriage Association (GHCA) for an increase to the current Hackney Carriage tariff.

### 2.0 Recommendations

- 2.1 Licensing and Enforcement Committee is asked to **RESOLVE** that

The proposed increase to the Hackney Carriage tariff is advertised as a public notice in accordance with the requirements of Section 65, Local Government (Miscellaneous Provisions) Act 1976.

- 2.2 If no objections are received from the public within 14 days of publication of the notice that the proposed tariff will come into effect from 1<sup>st</sup> December 2017 (this is at the request of GHCA).
- 2.3 If objections are received within the 14 days, then the matter will need to be considered further at the September meeting of the Licensing and Enforcement Committee.

### 3.0 Background and Key Issues

- 3.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 permits the council to set the maximum fares for Hackney Carriage vehicles licensed by it. The last tariff increase was February 2013.
- 3.2 Hackney Carriage fares are made up of an initial hiring charge and a mileage rate, both of which are expressed in terms of distance and or time. This is because when

a hired Hackney Carriage is stationary or moving slowly in traffic the meter continues charging by time instead of distance.

- 3.3 Gloucester Hackney Carriage Association on behalf of its members has submitted a proposal requesting an increase of 4% to the current Hackney Carriage fare tariff.
- 3.4 The primary reason for the trade's request for the increase is that even with the current reduction in fuel cost all other costs have increased for example replacement of parts for the vehicles and insurance premiums.
- 3.5 The Association have asked that the current Fare Tariff be amended in line with the following proposals:-

Rate one

Decrease the 1<sup>st</sup> drop in yards from 949 to 913.

Each subsequent drop in yards from 185 to 178.

Waiting time in seconds from 37 to 36.

Rate two

Decrease the 1<sup>st</sup> drop in yards from 967 to 930.

Each subsequent drop in yards from 143 to 138.

Waiting time in seconds from 28 to 27.

Rate three

Decrease the 1<sup>st</sup> drop in yards from 1205 to 1159.

Each subsequent drop in yards from 124 to 119.

Waiting time in seconds from 26 to 25.

Everything else remains the same including the initial flag and with the above changes in terms of a decrease in yards will equate to around a 4% increase to the current tariff.

- 3.6 For members ease the table below compares the current tariff (as from December 2013) against the new proposed tariff. The figures have been rounded up and it does not take into account waiting time or any extras that maybe charged.

	TARIFF 1		TARIFF 2		TARIFF 3	
JOURNEY	Current	PROPOSED	Current	PROPOSED	Current	PROPOSED
1 mile	£4.00	£4.00	£5.20	£5.40	£6.00	£6.20
2 miles	£5.80	£6.00	£7.60	£7.80	£8.80	£9.00
3 miles	£7.80	£8.00	£10.20	£10.40	£11.60	£12.00
5 miles	£11.60	£12:00	£15.00	£15.60	£17.40	£18.00
10 miles	£21.20	£21.80	£27.40	£28.20	£31.60	£32.80

3.7 As most Local Authorities use differing distance measurements for the initial flag fare and on-going distance charges, the best way to compare taxi tariffs is on the running mile and mile figures. With a 4% increase we are the lowest within the local area on the running mile, third highest on a one mile journey and fourth highest on a 2 mile journey. The comparison can be seen in the table below:-

Area	Rate 1 Running Mile	1 mile	2 mile
Forest of Dean	£2.70	£3.57	£6.27
Cotswold District Council	£2.20	£3.08	£5.28
Stroud	£2.00	£4.20	£6.20
Tewkesbury	£2.00	£3.85	£5.85
Cheltenham	£2.10	£4.40	£6.51
Gloucester (current)	£1.90	£3.88	£5.78
Gloucester (Proposed 4%)	£1.98	£3.95	£5.93

3.8 A comparisons tariff with the other local areas plus Worcester, Bristol and Hereford for a 1 and 2 mile journey on rate 2 and 3 (this includes the proposed changes) can be seen in Appendix 1.

3.9 The proposed Hackney Carriage fares can be seen in Appendix 2.

3.10 For members information the local area authorities last agreed their fares on:-

Area	Fare agreed (year)
Stroud	2011
Cotswold	2008
Tewkesbury	2012
Forest	2012
Cheltenham	2017 (February)

#### 4.0 Asset Based Community Development (ABCD) Considerations

There is a legal process that we must follow when changing/amending Hackney Carriage tariffs. This must be done through a consultation exercise. This gives communities as much information about the changes/amendments that are being proposed. We will engage with the Partnership and Engagement Team to develop an effective communication process.

## **5.0 Alternative Options Considered**

- 5.1 Members having considered the request from Gloucester Hackney Carriage Association may consider that the requested fare increase is either too high or too low and could decide to reduce or increase the amounts highlighted at 3.6 of this report.
- 5.2 Members may decide that a fare increase is not justifiable or appropriate at this present time.

## **6.0 Reasons for Recommendations**

- 6.1 With the proposed 4% increase it brings Gloucester City closer to the local area in terms of the running mile.

## **7.0 Future Work and Conclusions**

- 7.1 If members agree in principle to the 4% increase to the Hackney Carriage tariff then the legislation prescribes that the Council must consult if it proposes to set or vary Hackney Carriage fares.
- 7.2 It must do so by publishing a notice in a local newspaper setting out the variation and specifying a period and means of objecting. The specified period cannot be less than 14 days.
- 7.3 Not all Hackney Carriage drivers are part of GHCA. Therefore all licensed drivers will be written to during the consultation period making them aware of this proposal.
- 7.4 If no objections are made or any made are withdrawn, the proposed fares will take effect on the specified date in this case 1<sup>st</sup> December 2017. However, if objections are made and not withdrawn, the council must set a further date to take into consideration the objections.

## **8.0 Financial Implications**

- 8.1 Should an increase be agreed by Committee members, there will be a cost to advertise the new table of fares.

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

## **9.0 Legal Implications**

- 9.1 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.
- 9.2 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 could 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.
- 9.3 Section 65 of the Act of 1976 states that if any objections are unresolved after the initial 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 to consider the objections and make a final decision.

- 9.4 In reaching a decision Members are exercising discretion and must act in a judicial and reasoned way.

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

## **10.0 Risk & Opportunity Management Implications**

- 10.1 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.

## **11.0 People Impact Assessment (PIA):**

- 11.1 The screen stage considered risks to customers in the areas of gender, disability, age, ethnicity, religion, sexual orientation or community cohesion. A further assessment will conducted to consider any feedback from the consultation.

## **12.0 Other Corporate Implications**

### Community Safety

- 12.1 The basis of the condition is to provide a standard for licensed Private Hire and Hackney Carriage drivers to work to.

### Sustainability

- 12.2 Hackney Carriage and Private Hire licensed drivers provide an important addition to the public transport provision in the City and so contribute to environmental sustainability.

### Staffing & Trade Union

- 12.3 None

## **Background Documents:**

Town Police and Clauses Act 1847

The Local Government (Miscellaneous Provisions) Act 1976