
VARIATION TO HACKNEY CARRIAGE FARES

Responsible Cabinet Member - Councillor David Lyonette, Transport Portfolio

**Responsible Director - Paul Wildsmith
Director of Corporate Services**

SUMMARY REPORT

Purpose of the Report

1. The purpose of this report is for Members to consider an application to revise the tariffs levied in respect of hackney carriage fares.

Summary

2. This report provides information on the current hackney carriage tariffs, an application from a member of the trade to increase the tariffs, trade objections to the proposal and further options for Members in relation to the application.

Conclusion

3. Paragraphs 11 and 13 of this report reflect that a large proportion of the licensed trade are opposed to the application to increase the tariffs. If Members are minded to refuse the application, the trade can make further applications in due course.

Recommendation

4. In view of the fact that a large proportion of the licensed Trade who responded to the consultation are opposed to any change to the current tariffs it is recommended that Members refuse all applications to amend the tariffs. If Members are minded to refuse the application, the trade can make further applications in due course.

Reasons

5. The recommendations are supported as there has been substantial opposition by the trade to this recent application and the subsequent proposals to vary the application.

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Background Papers

Local Government (Miscellaneous Provisions) Act 1976

Appendices

- a Section 65 of the Local Government (Miscellaneous Provisions) Act 1976
- b Letter from a member of the taxi trade received 2 July 2008
- c Alternative proposals/ options from the Trade
- d Comparison Table of neighbouring authorities

S17 Crime and Disorder	This report has no implications for crime and disorder.
Health and Well Being	There are no issues which this report needs to address.
Sustainability	There are no issues which this report needs to address.
Diversity	There are no issues which this report needs to address.
Wards Affected	The proposals affect all Wards.
Groups Affected	The proposals affect all communities.
Budget and Policy Framework	This report does not represent a change to Council policy.
Key Decision	The proposals do not represent a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	There are no issues which this report needs to address.
Efficiency	This report does not reflect any efficiency savings

MAIN REPORT

Information and Analysis

6. The Local Government (Miscellaneous Provisions) Act 1976 (“the 1976 Act”) at Section 65 provides for a District Council to fix the rates of fares for hackney carriages. The relevant section is reproduced in full at **Appendix A**.
7. In November 2007 a request for an increase was made by the Trade. A preliminary consultation exercise revealed no opposition to the proposal and the application was made subject to statutory consultation. As no objections were received the revised fares were introduced on 29 January 2008 under delegated powers.
8. In July 2008 the Licensing Section received a further request for an increase in tariffs from 14 hackney carriage proprietors (who between them owned 19 vehicles) and one person who has a beneficial interest in a vehicle owned by another person. This application was made subject to a full consultation with all licensed hackney carriage proprietors who overwhelmingly opposed the application. As a result Cabinet supported the recommendation not to raise the tariffs and the tariff remained at that set in January 2008.
9. On 15 June 2010 a letter was received from a member of the taxi trade requesting an increase in the tariffs. The original proposal was however confusing, with more than one suggestion and officers accordingly sought clarification from the trade member. When this was received an initial consultation exercise was undertaken with all hackney carriage proprietors commencing on 22 July 2010 and concluding on 20 August 2010. The proposal is reproduced at **Appendix B**. A comparison between this proposal and the current tariff is detailed below:

TARIFF	Existing 1st Mile	Proposed 1st Mile	Existing Subsequent Mile	Proposed Subsequent Mile	Existing 3 Mile	Proposed 3 Mile
1 (06:00 to 23:00)	£3.70	£4.50	£1.44	£2.40	£6.58	£9.50
2 (23:00 to 06:00) and the 24 hours of all public holidays other than those included in tariff 3	£4.50	£5.00 Including all day Sunday	£1.80	£2.40 Including all day Sunday	£8.10	£9.50 Including all day Sunday
3 18:00 24/12 to 06:00 27/12 & 18:00 3/12 to 06:00 2/1	£5.50	£6.50	£2.40	£3.00	£10.30	£12.50

Outcome of Consultation

10. The consultation letter sent on 22 July 2010 went to all 157 hackney carriage proprietors (who between them own 189 vehicles), advising them of the request and inviting them to comment. As a result of this preparatory consultation 78 replies were received:

- (a) 36 hackney carriage proprietors (who between them own 44 vehicles) opposed any form of increase.
- (b) 17 hackney carriage proprietors (who between them own 20 vehicles) opposed the proposal and offered an alternative proposal (now Option 2)
- (c) One further hackney carriage proprietor opposed the proposal and put forward a further alternative proposal (now Option 3).
- (d) In addition 10 hackney carriage drivers opposed any increase and 14 hackney carriage drivers supported the alternative proposal at (b).

11. The alternative proposals listed at (b) & (c) above have been reproduced at **Appendix C**.

12. As a result of the alternative proposals a further consultation has been undertaken, limited to all 157 hackney carriage proprietors. The consultation set out the original proposal for increase and the two alternatives that had been raised at the initial consultation. In addition an option of “no change” was also provided. As a result 60 hackney carriage proprietors, who between them hold 76 vehicle licences responded as follows:

Option 1

(the original proposal) supported by 3 hackney carriage proprietors (with 3 vehicles)

Option 2 supported by 20 hackney carriage proprietors (with 27 vehicles)

Option 3 supported by 1 hackney carriage proprietor (with 1 vehicle)

Option 4 (no change) supported by 36 hackney carriage proprietors (with 45 vehicles)

13. In light of these responses Members must decide whether to approve any change in the current tariffs or not. When considering this issue the impact of an increase to the public has to be balanced with need for the taxi trade to be able to make a living and to continue to both purchase new vehicles and maintain the current fleet.

14. To enable Members to consider the alternative tariffs proposed in this report a comparison of hackney carriage tariffs in the Tees Valley Authorities has been produced at **Appendix D**.

15. Members will be aware that any tariff set is the maximum that can be charged for a fare. Hackney carriage proprietors are perfectly at liberty to charge less than the metered fare and it is common practise for some firms to do so in Darlington.

The Statutory Consultation Requirement

16. In the event that Members are minded to approve any of the proposals to increase the tariffs that decision will be subject to statutory consultation by way of an advertisement in a local newspaper (approximate cost is £700) when the 14 day consultation period will commence. In the event of objections as a result of the statutory consultation, Cabinet will need to then further consider such objections. If Members were minded to approve an increase in tariff

they must determine which option should be approved and this will then be subject to statutory advertising and further consultation. Given that the majority of the Trade who did respond have indicated that they do not wish for any increase at present Members are invited to support the recommendations and decline to increase the tariffs.

THE LEGISLATION**Section 65 of the Local Government (Miscellaneous Provisions) Act 1976**

- (1) 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 the vehicle or with hackney carriages by means of a table (hereafter in this section referred to as a "table of fares") made or varied in accordance with the provisions of this section.
- (2)(a) When a District Council make or vary a table of fares they shall publish in at least one local newspaper circulating in the District a notice setting out the table of fares or the variation thereof and specify the period, which shall not be less which and the manner in which objections to the table of fares or variation can be made.
- (2)(b) A copy of the notice referred to in paragraph (a) of this subsection shall for be deposited at the offices of the Council which published the notice, and shall at all reasonable hours be open to public inspection without payment.
- (3) If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in subsection (2) of this section, or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the objection, whichever is the later.
- (4) If objection is duly made as aforesaid and is not withdrawn, the District Council all set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by them after consideration of the objections.
- (5) A table of fares made or varied under this section shall have effect for the purposes of the Act of 1847 as if it were included in hackney carriage byelaws de there under.
- (6) On the coming into operation of the table of fares made by a Council under this section for the District, any hackney carriage byelaws fixing rates and fares or any table of fares previously made under this section for the District, as the case may be, shall cease to have effect.
- (7) Section 236(8) (except the words "when confirmed") and Section 238 of the Local Government Act 1972 (except paragraphs (c) and (d) of that section) shall extend and apply to a table of fares made or varied under this section as they apply to byelaws made by a District Council.

APPLICATION FOR INCREASE IN TARIFFS

“As costs have now gone up by over 25% on fuel and the cost of living I feel it is time for a meter rise to cover our costs of living (ie) fuel, maintenance, late, badges and lots more. So I have put together two new meter tariffs (attached) to meet the running costs to come in line with today’s ongoing price rises.

Also I would like tariff two on the new proposals to run 24 hours on a Sunday as in line with other local councils on both proposals.

Yours sincerely
G Jenkinson”

OPTIONS – ALTERNATIVE PROPOSED TARIFF INCREASES

CURRENT DARLINGTON BOROUGH COUNCIL TARIFFS		
	EXISTING 1ST MILE	EACH SUBSEQUENT MILE
TARIFF 1 (06:00 to 23:00)	£3.70	£1.44
TARIFF 2 (23:00 to 06:00) and the 24 hours of all public holidays other than those included in tariff 3	£4.50	£1.80
TARIFF 3 18:00 24/12 to 06:00 27/12 & 18:00 3/12 to 06:00 2/1	£5.50	£2.40

OPTION 1		
	PROPOSED 1ST MILE	EACH SUBSEQUENT MILE
TARIFF 1 (06:00 to 23:00)	£4.50	£2.40
TARIFF 2 (23:00 to 06:00) and the 24 hours of all public holidays other than those included in tariff 3	£5.00 Including all day Sunday	£2.40 Including all day Sunday
TARIFF 3 18:00 24/12 to 06:00 27/12 & 18:00 3/12 to 06:00 2/1	£6.50	£3.00

OPTION 2		
	PROPOSED 1ST MILE	EACH SUBSEQUENT MILE
TARIFF 1 (06:00 to 23:00)	£4.20	£1.44
TARIFF 2 (23:00 to 06:00) and the 24 hours of all public holidays other than those included in tariff 3	£5.00	£1.80
TARIFF 3 18:00 24/12 to 06:00 27/12 & 18:00 3/12 to 06:00 2/1	£6.00	£2.40

OPTION 3		
	PROPOSED 1ST MILE	EACH SUBSEQUENT MILE
TARIFF 1 (06:00 to 23:00)	£4.50	£1.80
TARIFF 2 (23:00 to 06:00)	£5.50	£2.40
TARIFF 3 18:00 24/12 to 06:00 27/12 & 18:00 3/12 to 06:00 2/1	N/A	N/A

NB Option 3 requests that proposal is not introduced until after VAT increases to 20%

NEIGHBOURING AUTHORITIES FARE COMPARISON

DARLINGTON BOROUGH COUNCIL

TARIFF	EXISTING FIRST MILE	SUBSEQUENT MILE THEREAFTER	3 MILE
TARIFF 1 06.00am – 12 midnight	£3.70	£1.44	£6.58
TARIFF 2 12 midnight – 06.00am	£4.50	£1.80	£8.10
TARIFF 3 Christmas & New Year	£5.50	£2.40	£10.30

HARTLEPOOL BOROUGH COUNCIL

TARIFF	EXISTING FIRST MILE	SUBSEQUENT MILE THEREAFTER	3 MILE
TARIFF 1 9.00am – 5.00pm	£2.73	£1.85	£4.41
TARIFF 2 6.30 am – 9.00 am & 5.00pm – 11.30pm	£3.00	£1.30	£5.50
TARIFF 3 11.30pm – 6.30 am	£3.30	£1.50	£6.30
TARIFF 4 Christmas & New Year	£5.30	£1.50	£8.30

MIDDLESBROUGH COUNCIL

TARIFF	EXISTING FIRST MILE	SUBSEQUENT MILE THEREAFTER	3 MILE
TARIFF 1 6.00pm – 12.00pm	£2.80	£1.50	£5.80
TARIFF 2 12.00pm – 06.00am	£3.80	£2.20	£8.20

REDCAR AND CLEVELAND BOROUGH COUNCIL

TARIFF	EXISTING FIRST MILE	SUBSEQUENT MILE THEREAFTER	3 MILE
TARIFF 1 9.00am – 05.00pm	£2.90	£1.50	£5.90
TARIFF 2 5.00pm – 11.30pm	£3.40	£1.50	£6.40

STOCKTON-ON-TEES BOROUGH COUNCIL

TARIFF	EXISTING FIRST MILE	SUBSEQUENT MILE THEREAFTER	3 MILE
TARIFF 1 06.00am – 12 midnight	£3.20	£1.30	£5.80
TARIFF 2 12 midnight – 06.00am	£3.78	£2.02	£7.75
TARIFF 3 Christmas & New Year	£4.22	£2.58	£9.20