

<b>DECISION-MAKER:</b>	LICENSING COMMITTEE		
<b>SUBJECT:</b>	TRADE REQUEST FOR PROPOSED VARIATION OF HACKNEY CARRIAGE FARES		
<b>DATE OF DECISION:</b>	11 MARCH 2010		
<b>REPORT OF:</b>	SOLICITOR TO THE COUNCIL		
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#### **STATEMENT OF CONFIDENTIALITY**

NOT APPLICABLE

#### **SUMMARY**

A proposal for a varied table of fares has been received from the Southampton Hackney Association. The request is similar to that considered and rejected by the Licensing Committee in August 2009.

This report sets out the details of the request and its effect on the taxi fare structure. At this stage the committee only needs to consider whether the matter should go out to public consultation rather than consider any objections tabled.

#### **RECOMMENDATIONS:**

- (i) To consider and determine a request on behalf of the Southampton taxi trade for the variation of the table of fares for the hire of hackney carriages in Southampton.
- (ii) If the committee is minded to vary the table of fares to authorise the Solicitor to the Council to advertise any proposed variation in the table of fares.
- (iii) If the committee is minded to vary the table of fares, that, subject to consideration of any objections to the advertisement, the variation shall come into effect on 10<sup>th</sup> May 2010.

#### **REASONS FOR REPORT RECOMMENDATIONS**

1. The table of fares for the hire of hackney carriages in Southampton was last revised with effect from 14<sup>th</sup> July 2008.
2. The Southampton Hackney Association, representing 126 individuals holding Southampton hackney carriage proprietors' and drivers' licences as at January 2010, has now requested that consideration be given to revising the table of fares in the light of increases in their business costs, in particular:
  - insurance
  - docks permits
  - replacement vehicles
  - the effect of additional hackney carriage licences
  - vehicle servicing
and other increases in the cost of living since the last variation of the table of

fares. The trade can submit a proposal at any time and the committee is bound by law to consider it.

### **CONSULTATION**

3. The consultation process specified in the Local Government (Miscellaneous Provisions) Act 1976, requires that, before the table of fares can be varied, notice is given in a newspaper circulating in the area and any objections are considered by the committee. A minimum period of 14 days must be allowed from the date of the advertisement for the receipt of written representations and objections. It is recommended that a period of 14 days be given for objections.
4. If the committee is minded to vary the table of fares, any objections will be brought to its meeting on 7<sup>th</sup> April 2010

### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

5. The committee has discretion in law to determine the fares for the hire of hackney carriages in Southampton, subject to a duty to act reasonably.
6. The power under section 65 Local Government (Miscellaneous Provisions) Act 1976 to determine hackney carriage fares is not delegated to officers.

### **DETAIL**

7. The table of fares for hackney carriages, last varied by the City Council with effect from 14<sup>th</sup> July 2008, is set out in Appendix 1.
8. The Southampton Hackney Association, following consultation by them of all individual holders of hackney carriage licences and hackney carriage driver's licences, have requested that the table of fares be reviewed.
9. The Southampton Hackney Association's proposals and justification for the proposed variation of the table of fares is set out in Appendix 2.
10. A draft table of fares showing the effect of the proposals is set out in Appendix 3.
11. It is important to note that the table of fares only relates to the hire of hackney carriages licensed by the city council for the part of any journey within the city. As a matter of law, the level of fares for the hire of private hire vehicles cannot be controlled by the city council, although the basis for the fare for the hire of such vehicles must be agreed with the passenger before the commencement of the journey. The proprietors and drivers of many private hire vehicles choose to follow the hackney carriage table of fares in charging their customers.
12. The existing and proposed tariffs represent the maximum fares that may be charged for journeys within the city of Southampton.
13. If the committee is minded to vary the tariffs as shown above, it should be noted that any proprietor or driver of a licensed hackney carriage might lawfully charge lower fares if they so wish, but may not exceed the tariffs set by the council or charge for items not appearing on the table of fares. A copy of the table of fares must be exhibited in every licensed hackney carriage, and drivers and proprietors are provided with a copy of table of fares for that purpose by the Licensing Team.

14. The effect of the Southampton Hackney Association's proposals is to vary the initial fares as follows:
- for a day-time hiring from £2.20 to £2.60
  - for a night-time hiring from £2.95 to £3.50
  - for a day-time hiring on Sundays and Bank Holidays to from 3.20 to 3.60
  - for a hiring at Christmas and New Year from £4.40 to £3.90

15. It is proposed for all hirings that the basis of calculation for distance travelled will be in 202 metre (221 yard) increments.

The current increments are 110 metres (120 yards) for the first 440 metres (481 yards) and 225 metres (246 yards) thereafter.

16. It is proposed that the additional fare after the first 202 metres (221 yards) travelled will be £0.40 (a total fare of £3.00) and £0.20 thereafter for each 202 metres (221 yards) travelled.

The existing fare structure adds £0.20 to the initial fare of £2.20 for every 110 metres (120 yards) travelled, up to 440 metres (481 yards) (a total fare of £3.00), thereafter £0.20 is added to the fare for every 225 metres (246 yards) travelled.

17. In addition, the Southampton Hackney Association proposes that the Christmas and New Year tariff should commence at 8:00 p.m. on Christmas Eve and New Year's Eve, in substitution for the current 11:00 p.m. on those days, but that the basis for the calculation of the fare should be reduced from the current twice the daytime rate to 1 ½ times the daytime rate.

18. These proposals would result in the following variations in fares for example distances travelled:

19. Miles (Kilometres)	Daytime tariff	Night- time tariff	Current fares		Proposed fares	
			Day	Night	Day	Night
1 (1.61)	4.76%	5.45%	£4.00	£5.20	£4.20	£5.50
3 (4.83)	8.11%	8.42%	£6.80	£8.70	£7.40	£9.50
5 (8.05)	9.43%	9.63%	£9.60	£12.20	£10.60	£13.50
10 (16.09)	9.68%	9.79%	£16.80	£21.20	£18.60	£23.50

20. There is no proposal to alter the basis of the fares charged for Sunday and Public Holiday journeys (commencing between 06:00 am and 11:00 pm), save that the underlying daytime rate (Tariff 1) is proposed to increase.

21. Additionally, it is proposed that the basis for fare charges by time ("waiting time") in tariffs 1 and 3 will remain at £16.00 per hour and tariff 2 will remain at £20.00 per hour, but that the basis for charges by time in tariff 4 will reduce from £32.00 to £24.00 per hour, and that 45 second unit for calculation of charges will remain as at present.

22. Members will be aware that many taxi drivers and proprietors make a boundary charge for vehicles making journeys outside the city boundaries. Such charges cannot be controlled by the table of fares, as they relate to the portion of the journey outside the city boundaries but must be the subject of a

contract between the vehicle proprietor or their agent and the hirer, agreed before the commencement of the journey.

23. The legislation prescribes a procedure which consists of a determination by the committee of the variation of the table of fares and the advertisement of the proposal. The committee must then consider any objections made and determine whether to confirm the varied table of fares, with or without modifications.
24. This report represents the first step in a process of determining the proposals. Members have discretion in varying the table of fares, and need not be bound by the request submitted on behalf of the trade. In addition, Members cannot fetter their discretion by agreeing future fare structures now.
25. Representatives of the recognised trade representative organisations have been invited to attend the committee's meeting but whilst it considered appropriate for the proposer to address the committee at this stage it is recommended that all representations from the trade and public be considered after advertisement, should the committee be minded to proceed to that stage.
26. If the committee is minded to vary the table of fares, the Solicitor to the Council recommends that any variation should come into force on the 10 May 2010. Members will be aware that, following their decision, arrangements will need to be made by the Licensing Team and the suppliers of taximeters and their agents for the variation to be effected, and arrangements also need to be confirmed for checks on meters installed in licensed vehicles.
27. The officers do not consider the request to be unreasonable, and from the information available to them, the proposed tariff would appear to be compatible with the meters installed in Southampton licensed hackney carriages and private hire vehicles.[don't understand this bit ?]
28. Subject to the committee's views, the timetable for the implementation of the proposals could be as follows: -
29. 11 March 2010                      committee's consideration and decision
30. 18 March 2010                      newspaper advertisement
31. 31 March 2010                      close of objection period (14 days)
32. 7 April 2010                         committee – consideration of any objections
33. 10 May 2010                         If agreed, new table of fares in force

## **FINANCIAL/RESOURCE IMPLICATIONS**

### **Capital**

34. Not applicable.

### **Revenue**

35. Not applicable.

### **Property**

36. Not applicable.

## **Other**

37. The work involved for the Licensing Team in bringing a variation of the table of fares into effect and in testing taxi meters is contained within existing resources and budgets.

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

38. Section 65 Local Government (Miscellaneous Provisions) Act 1976
39. Section 17 Crime and Disorder Act 1998 places the council under a duty to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.
40. The Human Rights Act 1998 requires UK legislation to be interpreted in a manner consistent with the European Convention on Human Rights. It is unlawful for the council to act in a way that is incompatible (or fail to act in a way that is compatible) with the rights protected by the Act. Any action undertaken by the council that could have an effect upon another person's Human Rights must be taken having regard to the principle of Proportionality - the need to balance the rights of the individual with the rights of the community as a whole. Any action taken by the council which affect another's' rights must be no more onerous than is necessary in a democratic society. The matter set out in this report must be considered in light of the above obligations.

### **Other Legal Implications:**

41. The city council would be acting beyond its powers if it were to seek to fetter its discretion by fixing the period of review for fares or by fixing a particular formula for any future variations of fares.
42. However, this does not preclude individuals or a trade association from making requests for variation, or from producing whatever evidence they think fit in support of any proposal.
43. If no objections are made to the proposals following the advertisement, the varied table of fares could come into force at the end of the period specified in the Notice mentioned above, or if objections were made, on such other date fixed by the committee. This must be no later than two months after the last date for making objections.

## **POLICY FRAMEWORK IMPLICATIONS**

44. The decision to determine the application in the manner set out in this report is not contrary to the council's policy framework

## SUPPORTING DOCUMENTATION

### Appendices

1.	Current table of fares
2.	Southampton Hackney Association's proposals and justification
3.	Draft table of fares showing the effect of the proposals

### Documents In Members' Rooms

1.	None
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### Background Documents

Title of Background Paper(s)

Relevant Paragraph of the  
Access to Information  
Procedure Rules / Schedule  
12A allowing document to be  
Exempt/Confidential (if  
applicable)

1.	Southampton Hackney Association's proposals and justification (published as appendix 2).	
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**Background documents available for inspection at:**

Licensing office, Southbrook Rise

**FORWARD PLAN No:** N/A

**KEY DECISION?** n/a

<b>WARDS/COMMUNITIES AFFECTED:</b>	none
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