

	<b>ITEM NO: 7</b>
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<b>SUBJECT:</b>	PROPOSED VARIATION OF HACKNEY CARRIAGE FARES
<b>DECISION-MAKER:</b>	LICENSING (GENERAL) SUB-COMMITTEE
<b>DATE OF DECISION:</b>	23 <sup>RD</sup> AUGUST 2006
<b>REPORT VERSION No:</b>	1

**FORWARD PLAN No:** N/A

**KEY DECISION?** N/A

**STATEMENT OF CONFIDENTIALITY**

NOT APPLICABLE

**WARDS/COMMUNITIES AFFECTED:**

NOT APPLICABLE

**SUMMARY**

A proposal for a varied table of fares has been received from the Chairman of Southampton Taxi Consultative Council on behalf of the Southampton taxi trade consultative groups. This report sets out the details of the request and its effect on the taxi fare structure.

**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 Sub-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 Sub-Committee is minded to vary the table of fares, that, subject to any objections to the advertisement, the variation shall come into effect on 16<sup>th</sup> October 2006.
- (iv) If objections are received to the proposed variation, to consider and determine any objections at the Sub-Committee's meeting on 21<sup>st</sup> September 2006.

**REASONS FOR REPORT RECOMMENDATIONS**

1. The Sub-Committee last revised the table of fares for the hire of hackney carriages in Southampton with effect from 15<sup>th</sup> August 2005.
2. Representatives of the Southampton taxi trade have now requested that consideration be given to revising the table of fares in the light of increases in their business costs, especially fuel and replacement vehicle costs.

**BACKGROUND**

1. The table of fares for hackney carriages was last varied by the City Council with

effect from 15<sup>th</sup> August 2005 and is set out in Appendix 1.

2. Representatives of the Southampton taxi trade have now requested that the table of fares be reviewed

### **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 considered by the Sub-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 Sub-Committee is minded to vary the table of fares, any objections will be brought to its meeting on 21<sup>st</sup> September 2006.

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

5. The Sub-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 to determine hackney carriage fares is not delegated to officers.

### **DETAIL**

7. Southampton taxi trade representatives' proposals and justification for the variation of the table of fares is set out in Appendix 2
8. A draft table of fares showing the effect of the trade's proposals is set out in Appendix 3.
9. 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 many of the proprietors and drivers of such vehicles choose to follow the hackney carriage table of fares in charging their customers.
10. The existing and proposed tariffs represent the maximum fares that may be charged for journeys within the City of Southampton. If the Sub-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. A copy of the table of fares must be exhibited in every licensed hackney carriage
11. The effect of the trade representatives' proposals is to increase the initial price for a daytime hiring from £1.90 to £2.00 and for a night-time hiring from £2.60 to £2.75 and to decrease the distance travelled over 500 metres (0.34 miles) from 240 metres (0.149 miles) to 235 metres (0.146 miles) for an equivalent fare.
12. These proposals would result in the following percentage increases in fares for sample distances travelled:

13.	Daytime tariff	Night-time tariff	Miles	Kilometres
	2.63%	3.00%	1	1.61
	4.55%	4.71%	3	4.83

1.09%	1.28%	5	8.05
3.09%	3.17%	10	16.09

14. 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.
15. The legislation prescribes a procedure which consists of a determination by the Sub-Committee of the variation of the table of fares and the advertisement of the proposal. The Sub-Committee must then consider any objections made and determine whether to confirm the varied table of fares, with or without modifications.
16. This report represents the first step in a process of regarding 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
17. Representatives of the recognised trade representative organisations have been invited to attend the Sub-Committee's meeting.
18. If the Sub-Committee is minded to vary the table of fares, the Solicitor to the Council recommends that any variation should come into force on the 16<sup>th</sup> October 2006. 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 facilities to check meters installed in licensed vehicles.
19. Subject to the Sub-Committee's views, the timetable for the implementation of the proposals could be as follows: -
20. 23<sup>rd</sup> August 2006            Sub-Committee's consideration and decision  
30<sup>th</sup> August 2006            Newspaper advertisement  
13<sup>th</sup> September 2006        Close of objection period (14 days)  
21<sup>st</sup> September 2006        Sub-Committee – consideration of any objections  
16<sup>th</sup> October 2006            Varied fares in force (if no objections)

## **FINANCIAL/RESOURCE IMPLICATIONS**

### **Capital**

21. Not applicable.

### **Revenue**

22. Not applicable.

### **Property**

23. Not applicable.

### **Other**

24. 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 budgets.

## **LEGAL IMPLICATIONS**

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

25. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 gives the Sub-Committee discretion in law to determine the fares for the hire of hackney carriages in Southampton, subject to a requirement to publish notice of any such proposal in a newspaper circulating in the area and give a minimum period of 14 days for the making of objections.
26. Section 17 of the 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.
27. 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:**

28. 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.
29. However, this does not preclude a trade association or individuals from making requests for variation, or from producing whatever evidence they think fit in support of any proposal.
30. 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 Sub-Committee. This must be no later than two months after the last date for making objections.

## **POLICY FRAMEWORK IMPLICATIONS**

31. 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 Taxi Trade representatives' proposals and justification
3.	Draft table of fares giving effect to 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 Taxi Trade representatives' proposals and justification	
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### Background documents available for inspection at:

**REPORT OF:** SOLICITOR TO THE COUNCIL

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**File Name:** Hackney Carriage Fares 2006.doc

**CURRENT MAXIMUM TABLE OF FARES**

inclusive of VAT (where applicable)

**Passengers are only obliged to pay the fare shown on the meter**

1. **TARIFF 1 – Daytime** – Except as in Tariffs 3 and 4 below, for any hiring begun after 6.00 a.m. and before 11.00 p.m. on any day  
**Fare for Distance**

(a)	For the first 110 metres or part thereof	£1.90
(b)	For the next 110 metres or part thereof	£0.20
(c)	For the next 110 metres or part thereof	£0.20
(d)	For the next 110 metres or part thereof	£0.20
(e)	For the next 110 metres or part thereof	£0.20
(f)	For each subsequent 240 metres or part thereof	£0.20

**Waiting Time** – For each period of forty-five seconds or part thereof £0.20
  
2. **TARIFF 2 – Night-Time** – Except as in Tariff 4 below, for any hiring begun after 11.00 p.m. and before 6.00 a.m. on any day  
**Fare for Distance**

(a)	For the first 110 metres or part thereof	£2.60
(b)	For the next 110 metres or part thereof	£0.25
(c)	For the next 110 metres or part thereof	£0.25
(d)	For the next 110 metres or part thereof	£0.25
(e)	For the next 110 metres or part thereof	£0.25
(f)	For each subsequent 240 metres or part thereof	£0.25

**Waiting Time** – For each period of forty-five seconds or part thereof £0.25
  
3. **TARIFF 3 – Sundays, Bank Holidays and New Year** - Except as in Tariff 4 below, for any hiring begun after 6.00 a.m. and before 11.00 p.m. on a Sunday, Good Friday, a Bank or Public Holiday, or 1<sup>st</sup> January, Tariff 1 above plus a surcharge, per hiring, of £1.00
  
4. **TARIFF 4 – Christmas and New Year** – For any hiring begun after 8.00 p.m. on the 24th December and before 6.00 a.m. on the 27th December or after 8.00 p.m. on the 31<sup>st</sup> December and before 6.00 a.m. on the 1<sup>st</sup> January Double the rate of Tariff 1
  
5. **ITCHEN BRIDGE TOLLS**  
If any hiring involves crossing the Itchen Bridge, and a toll is payable, there shall be added to the fare a sum equivalent to the toll paid

**6. SOILING CHARGE**

If the hackney carriage is soiled by a passenger or an animal

£50.00

Licensing  
PO Box 1344,  
Southampton SO15 1WQ

**MARK R. HEATH**  
Solicitor to the Council

**Any complaints about the hiring of this vehicle or the conduct of the driver should be sent in writing to the Licensing Team at the above address.**

Southampton Taxi Trade Proposal for the 2006 Fare Increase

June 2006

The Southampton Taxi Trade is requesting the following increase to the Southampton City Council fare structure.

The current RPI is reportedly running at 2.4% but rising prices of replacement vehicles and servicing on the increasingly complex equipment of these new vehicles is putting significant increases on the owners.

The Taxi Trade has now also been subjected to a dramatic rise in fuel costs and these new extra costs have yet to be reflected in the RPI. The proposed increase is hoped to address this rise but if further increases are made in the fuel prices the fare structure may need to be looked at again to cope with the set back.

The fuel increases coupled with the fact that there are several well established businesses closing leaving many unemployed, will have a detrimental effect to all businesses in the area and therefore the public's pockets. The Taxi Trade is one of the first to feel the effects of this slow down.

The increase proposed by the Southampton Taxi Trade for 2006 is that the initial fare displayed on the taximeters be increased on the Day Time Tariff by £0.10p and on the Night Time Tariff by £0.15p and that the first five drop distances remain the same as the 2005 Tariff, but the subsequent drop distances be shortened by 5 metres to 235 metres.

The waiting times, the Sunday and Bank Holiday and the Christmas and New Year Tariffs remain the same in variation as the 2005 Tariff,

The increase in the daily tariff rate would mean there would be a 3.4% increase on a three mile journey, a 2.7% increase on a five mile journey and a 2.5% increase on a ten mile journey.

The increase in the night tariff rate would mean there would be a 4% increase on a three mile journey, a 2.6% increase on a five mile journey and a 2.3% increase on a ten mile journey.

The overall effect sees the short journey rise by a higher percentage but as most significant journeys across the city go further than three miles the real increase is lower the further you travel.

Yours sincerely

Mr C Johnson  
Chairman  
On behalf of the Southampton Taxi Trade



## Southampton Taxi Trade Proposal for the 2006 Fare increase

Maximum Table of Fares for Licensed Hackney Carriages effective from ?? ?? 2006

All fare charges are inclusive of VAT (where applicable)

1. Tariff 1 – DAYTIME -- Except as detailed in Tariff 3 &4 below, for any hiring begun after 6.00 a.m. and before 11.00 p.m. on any day.

Fare for Distance

- |  |       |
|--|-------|
| a) For the first 110 metres or part thereof      | £2.00 |
| b) For the next 110 metres or part thereof       | £0.20 |
| c) For the next 110 metres or part thereof       | £0.20 |
| d) For the next 110 metres or part thereof       | £0.20 |
| e) For the next 110 metres or part thereof       | £0.20 |
| f) For the subsequent 235 metres or part thereof | £0.20 |

Waiting time for each period of three quarters of one minute (45 secs) or part thereof £0.20

2. TARIFF 2 – NIGHT TIME – Except as detailed in Tariff 4 below, for any hiring begun after 11.00 p.m. and before 6.00 a.m. on any day.

Fare for Distance

- |  |       |
|--|-------|
| a) For the first 110 metres or part thereof      | £2.75 |
| b) For the next 110 metres or part thereof       | £0.25 |
| c) For the next 110 metres or part thereof       | £0.25 |
| d) For the next 110 metres or part thereof       | £0.25 |
| e) For the next 110 metres or part thereof       | £0.25 |
| f) For the subsequent 235 metres or part thereof | £0.25 |

Waiting time for each period of three quarters of one minute (45 secs) or part thereof £0.25

3. TARIFF 3 – SUNDAY, BANK HOLIDAYS AND NEW YEAR – Except as in Tariff 4 below, for any hiring begun after 6.00 a.m. and before 11.00 p.m. on a Sunday, Good Friday, Bank or Public Holiday and New Years day, will be as Tariff 1 plus a surcharge, per hiring, of £1.00

4. TARIFF 4 – CHRISTMAS AND NEW YEAR'S EVE – For any hiring begun after 8.00 p.m. on the 24th December and before 6.00 a.m. on the 27th December or after 8.00 p.m on the 31st December and before 6.00 a.m. on the 1st January.

Double the rate of Tariff 1

5. ITCHEN BRIDGE TOLLS

If any hiring involves crossing the Itchen Bridge, and a toll is payable, there shall be added to the fare a sum equivalent to the toll paid.

6. SOILING CHARGE

If the hackney carriage is soiled by a passenger or an animal £50.00

**PROPOSED MAXIMUM TABLE OF FARES**

inclusive of VAT (where applicable)

**Passengers are only obliged to pay the fare shown on the meter**

1. **TARIFF 1 – Daytime** – Except as in Tariffs 3 and 4 below, for any hiring begun after 6.00 a.m. and before 11.00 p.m. on any day  
**Fare for Distance**

(a)	For the first 110 metres or part thereof	£2.00
(b)	For the next 110 metres or part thereof	£0.20
(c)	For the next 110 metres or part thereof	£0.20
(d)	For the next 110 metres or part thereof	£0.20
(e)	For the next 110 metres or part thereof	£0.20
(f)	For each subsequent 235 metres or part thereof	£0.20

**Waiting Time** – For each period of forty-five seconds or part thereof £0.20
  
2. **TARIFF 2 – Night-Time** – Except as in Tariff 4 below, for any hiring begun after 11.00 p.m. and before 6.00 a.m. on any day  
**Fare for Distance**

(a)	For the first 110 metres or part thereof	£2.75
(b)	For the next 110 metres or part thereof	£0.25
(c)	For the next 110 metres or part thereof	£0.25
(d)	For the next 110 metres or part thereof	£0.25
(e)	For the next 110 metres or part thereof	£0.25
(f)	For each subsequent 235 metres or part thereof	£0.25

**Waiting Time** – For each period of forty-five seconds or part thereof £0.25
  
3. **TARIFF 3 – Sundays, Bank Holidays and New Year** - Except as in Tariff 4 below, for any hiring begun after 6.00 a.m. and before 11.00 p.m. on a Sunday, Good Friday, a Bank or Public Holiday, or 1<sup>st</sup> January, Tariff 1 above plus a surcharge, per hiring, of £1.00
  
4. **TARIFF 4 – Christmas and New Year** – For any hiring begun after 8.00 p.m. on the 24th December and before 6.00 a.m. on the 27th December or after 8.00 p.m. on the 31<sup>st</sup> December and before 6.00 a.m. on the 1<sup>st</sup> January Double the rate of Tariff 1
  
5. **ITCHEN BRIDGE TOLLS**  
 If any hiring involves crossing the Itchen Bridge, and a toll is payable, there shall be added to the fare a sum equivalent to the toll paid

**6. SOILING CHARGE**

If the hackney carriage is soiled by a passenger or an animal

£50.00

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PO Box 1344,  
Southampton SO15 1WQ

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