

ITEM NO. 9

SUBJECT:	PROPOSED VARIATION OF HACKNEY CARRIAGE FARES
DECISION-MAKER:	LICENSING (GENERAL) SUB-COMMITTEE
DATE OF DECISION:	21 st AUGUST 2007
REPORT VERSION No:	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 8th October 2007.
- (iv) If objections are received to the proposed variation, to consider and determine any objections at the Sub-Committee's meeting on 26th September 2007.

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 23rd August 2006.
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 23rd August 2006 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 26th September 2007.

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 £2.00 to £2.90 and for a night-time hiring from £2.75 to £3.90 and to increase the distance travelled from 110 metres (0.068 miles) to 550 metres (0.34 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
	2.56%	2.91%	1	1.61
	1.49%	1.73%	3	4.83

3.16%	3.29%	5	8.05
1.82%	1.91%	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 8th October 2007. 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. 21st August 2007 Sub-Committee's consideration and decision
28th August 2007 Newspaper advertisement
11th September 2007 Close of objection period (14 days)
26th September 2007 Sub-Committee – consideration of any objections
8th October 2007 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

AUTHOR: Name: Richard Black

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E-mail: licensing@southampton.gov.uk

File Name: Hackney Carriage Fares 2007.doc

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 1st 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 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

Licensing
 PO Box 1344,
 Southampton SO15 1WQ

MARK R. HEATH
 Solicitor to the Council
 16th October 2006

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 6

Southampton Taxi Trade Proposal for the 2007 Fare Increase

April 2007

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

Now that the Government have re-adjusted their scales for the calculation of the cost of living to one that is closer to what we all experience in daily life the figure they have put on inflation is now just above 4%. This is also reflected in the rises in the Bank Base rates to 5.25% which increases loan repayments when vehicles have to be replaced and both these increase servicing costs. Because Hackney Carriage and Private Hire vehicles have to be over 1500 cc and of a reasonable size they also do not benefit from lower excise duty and fuel prices continue to increase.

With several businesses closing in the area due to financial pressures, it is hoped by the trade that the Council is doing all it can to promote the City and help businesses develop rather than let them fold under the increasing legislative pressure. With this in mind the Trades proposal is slightly below inflation.

The increase proposed by the Southampton Taxi Trade for 2007 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 2006 Tariff, but the subsequent drop distances be shortened by 5 metres to 230 metres.

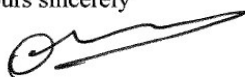
The waiting times, the Sunday and Bank Holiday and the Christmas and New Year Tariffs remain the same in variation as the 2006 Tariff,

The increase in the daily tariff rate would mean there would be a 3.03% increase on a three mile journey, a 2.88% increase on a five mile journey and a 2.68% increase on a ten mile journey.

The increase in the night tariff rate would mean there would be a 3.23% increase on a three mile journey, a 3.08% increase on a five mile journey and a 2.87% 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



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 550 metres or part thereof	£2.90
(b)	For each subsequent 230 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 550 metres or part thereof	£3.90
(b)	For each subsequent 230 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 1st January, Tariff 1 above plus a surcharge, per hiring, of £1.00

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