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# Hackney Carriage Tariff Review – Supporting Information

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## 1. Introduction/Background

- 1.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to fix the rates for fares and other related charges in connection with the hire of Hackney Carriages.
- 1.2 The last tariff change was in April 2013.
- 1.3 Fees have always been set as the maximum to be charged.
- 1.4 The views of drivers regarding a tariff review were sought in the annual newsletter to the trade issued in April 2017. The newsletter asked if the drivers wished for the Licensing Committee to consider a review of the tariff – extract below.

### “Taxi Tariff Review

The Licensing committee undertakes to review taxi tariffs when representations are received from drivers on the subject. If this is something you would like the committee to consider please put your request in writing together with a business plan. The business plan should be submitted to include evidence to support your request such as fuel costs/insurance/servicing/cost of living etc. please note we do not need to see your accounts. Please submit these before 30th April 2017”.

- 1.5 A letter was received from Mr. R Nemeth, on behalf of West Berkshire Hackney Carriage & Private Hire Operators (which was duly accompanied by a petition-signed by 58 licenced vehicle drivers received on 24 May 2017).
- 1.6 The proposals to change the tariff are outlined in the Proposed Table of Fares document which accompanied the letter.
- 1.7 The reasons for the request for an increase in fares are outlined in the letter and include the average cost of providing a vehicle, vehicle spares, garaging and servicing, fuel costs, insurance and miscellaneous costs and earnings. These documents are shown as Appendix A (1) and A (2).

## 2. Supporting Information

- 2.1 The current tariff table is attached as Appendix A (3) shows members where the increases that the new proposal seeks arise.
- 2.2 In order to provide some context of the requested changes a benchmarking exercise has been carried out and is attached for members’ information as Appendix A (4).
- 2.3 The trade publication, Private Hire and Taxi Monthly, publishes a league table of fares charged for a daytime two-mile journey in most areas of the Country. The

current charge applicable to West Berkshire and neighbouring authorities are shown in Appendix A (5). West Berkshire is currently placed 25<sup>th</sup> in the list with the fee for the two mile journey being the same as Reading at £6.80, who also had their last rise in 2013.

- 2.4 The proposed tariff increase would place West Berkshire in 5<sup>th</sup> place alongside Epsom & Ewell and London.
- 2.5 A check on CPI (Consumer Prices Index) for the year to January 2017 rose by 1.8%, compared with a 1.6% rise in the year to December 2016.
- 2.6 The rate in January 2017 was the highest since June 2014. One of the main contributors to the increase in the rate were rising prices for motor fuels, with prices rising by 3.4% between December 2016 and January 2017, having fallen by 2.6% a year earlier. This continues the trend of increasing fuel prices seen since early 2016, reflecting movements in oil prices.

### **3. Options for Consideration**

- 3.1 Members are asked to consider if they wish to allow the proposed taxi tariff changes as suggested, to alter the tariff in a different way, or not to allow a change of tariff in any way.

### **4. Proposals**

- 4.1 Officers have not given a recommendation on whether proposals from the trade on tariffs should be accepted or rejected. The key consideration is the balance between supporting small business and ensuring the general public has access to a good value hackney carriage service across all areas of the District.

### **5. Conclusion**

- 5.1 The key information for members is based around the comparison of cost increase to be trading as a Hackney Carriage driver or operator in 2017 versus the level of rise being requested from the trade. Paragraph 2 of the main report identifies these figures and members should satisfy themselves that the right balance has been struck.

### **6. Consultation and Engagement**

- 6.1 The following procedures are laid down by legislation and must be followed when making changes to a table of tariff and fares:
  - (1) A note of the proposed changes must be published in at least one local newspaper circulating in the district. The notice must specify a period of at least 14 days from the date of publication when objections can be made to the Council. (This costs in the region of £950).
  - (2) A copy of the published notice must be made available at the Council Offices for public inspection, free of charge at all reasonable times.
  - (3) If there are no objections, or those made are withdrawn, the variation in table of fares comes into effect of the expiration of the time allowed for public consultation in the notice.

- (4) If there are any objections, and they are not withdrawn, the Council must set a date within two months of the expiry date for public consultation, and then consider the objections made before agreeing a table of tariffs and fares.

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**Background Papers:**

Existing taxi tariffs

Private Hire and Taxi Monthly – table of comparative tariffs

Letter from West Berkshire Hackney Carriage & Private Hire Operators, proposed tariff and petition

Local Authority Benchmarking Data

UK CPI data 2017

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**Subject to Call-In:**

Yes:  No:

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**Wards affected:**

All

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**Strategic Aims and Priorities Supported:**

The proposals will help achieve the following Council Strategy aim:

**HQL – Maintain a high quality of life within our communities**

The proposals contained in this report will help to achieve the following Council Strategy priority:

**HQL1 – Support communities to do more to help themselves**

The proposals contained in this report will help to achieve the above Council Strategy aims and priorities by Statutory Duty

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