

RURAL, ECONOMIC AND ENVIRONMENTAL AFFAIRS COMMITTEE

30th May 2012

REPORT OF HEAD OF REGULATORY SERVICES

HACKNEY CARRIAGE TARIFF INCREASE

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to present to the Committee for consideration an objection that has been made against the proposed increase in the hackney carriage tariff charges.

2.0 RECOMMENDATIONS

2.1 **It is recommended that the tariff agreed by the Committee on 16 November 2011 and advertised is confirmed.**

3.0 KEY ISSUES

3.1 A Local Authority has the power to set fares for Hackney Carriages under the provisions of s65 of the Local Government (Miscellaneous Provisions) Act 1976.

3.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 requires that objections must be considered. It was agreed at the meeting of the Committee on 16 November 2011 that unless an objection was considered as contentious, the consideration of the objection could be reasonably dealt with by the Head of Regulatory Services.

3.3 A single objection to the proposed increase has been received from a driver which is attached as appendix 1. It is considered that this objection is contentious as it is related to the income a driver can expect to gain from the operation of a taxi and therefore their livelihood.

3.4 Officers advised at the meeting on 16 November 2011 that the proposal that had been agreed by the drivers may not adequately reflect the increase in cost of providing a taxi service since the last increase in 2008, taking into consideration running cost increases, e.g. fuel, insurance, minimum wage increases etc and objections were anticipated. This was discussed at the last drivers meeting on 25 April 2012, where the driver that had proposed the increase that had been carried advised that this was proposed as it would not heavily impact on their customers and that an annual consideration of an incremental increase would serve customers better.

3.5 The objection that has been received is concerned that the proposed increase in the tariff does not echo the increased operating costs and a higher tariff should be considered which includes an increase on the running mile as well as the drop.

3.6 There are a number of options now available to the Committee:

- i) That the original proposed and agreed increase in tariff is taken forward. Being already agreed and being the subject of a significant degree of consensus amongst drivers, this could be immediately implemented. This would provide an immediate increase in the tariff. A further incremental increase, in line with the Retail Price Index can be proposed in October 2012 in line with the delegation given at the meeting on 16 November 2011.
- ii) To start the process again. This would mean that there would be no immediate increase in the tariff, with the delay in any increase being until a further tariff has been agreed by the Committee and re-advertised. This could mean a delay of between 6 to 9 months in a possible increase in the tariff.

- iii) To resolve to agree to an increase at the Committee meeting that could satisfy the objection, i.e. to include an increase in the running mile, possibly using one of the proposals that had already been received during the consultation process last year. Again, this would result in a delay in any increase in tariff, could result in a lack of consensus from drivers and further objection.

4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 If the tariff increase is agreed as per the recommendation there would be no changes to the existing taxi policy, nor any corporate implications.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 An increase in the taxi tariff would not impose no additional costs nor generate any income for the Council.
- 5.2 Depending on the resolution of the Committee, there could be a cost to the Council in terms of officer time in the carrying out any re-consultation, development and implementing any change and financially for the advertising of proposed tariff in the newspaper. The exact quantity of this cost has not yet been established but is estimated to be in the region of £1500. There is no provision for this within from existing budgets.

6.0 LEGAL IMPLICATIONS/POWERS

- 6.1 Upon the adoption of a new taxi tariff the existing tariff within the Borough shall cease to have any effect and all drivers will be bound to the new approach.
- 6.2 Should the resolution of the Committee be that the matter should be wholly reconsidered, the legal basis and the process that must be followed is set out in s65 of the Local Government (Miscellaneous Provisions) Act 1976.

7.0 COMMUNITY SAFETY

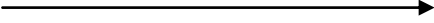
- 7.1 There are no community safety issues to be considered with a taxi tariff increase.

8.0 EQUALITIES

- 8.1 There are no equalities issues to be considered.

9.1 RISKS

Very High A						
High B	2.				Risk No.	Description
Significant C					1.	Negative public reaction to the increase in fares
Low D	1.				2.	Opposition from some drivers resulting in a protracted process and disputes played out in public
Very Low E		3.			3.	Reduced competitiveness for Melton taxis

Almost Impossible				
F	IV Negligible	III Marginal	II Critical	I Catastrophic
				
	Impact			

10.0 CLIMATE CHANGE

10.1 There are no implications for Climate Change.

11.0 CONSULTATION

11.1 Consultation would be carried out as part of the process of adopting any tariff increase..

12.0 WARDS AFFECTED

12.1 All.

Contact Officer: Andrew Dudley, Lead Enforcement Officer

Date: 3rd May 2012

Appendices : 1- Copy of Objection from Mr P Faulkner
2- Report to Committee 19th November 2011

Reference : Q : Committee