

WILTSHIRE COUNCIL

LICENSING COMMITTEE

17 JANUARY 2011

INCREASE OF TAXI TARIFF NORTH ZONE

Executive Summary

This report considers the responses to the proposed increase of the taxi tariff in the North area of Wiltshire Council following public consultation.

It informs Members of the changes in the current tariff and the main reasons for objection to those proposed changes.

Recommendations

It is recommended: The Licensing Committee consider the objections and implement a new taxi tariff to take effect within two months from 4 January 2011, with a recommended implementation date of 14 February 2011.

Reason for Proposal

Statutory requirement for the Council.

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Purpose of Report

1. To consider taxi tariff (fare) rises for implementation following public consultation.

Background

2. The Local Government (Miscellaneous Provisions) Act 1976 allows Councils to set the fares for hackney carriages (taxis). These are the fares for journeys that are not booked in advance. This enables the customer to know the maximum fare that they can be charged for any journey in a licensed taxi irrespective of whether they flag a taxi down in the street or use a taxi rank.
3. The arrangements for journeys booked in advance are different as the customer can negotiate a maximum fare.
4. A rise in taxi tariffs was requested by the taxi trade due to the increase in fuel costs, general rates of inflation, increase of 2.5 % in the VAT rate on 4 January 2011 and there has been no increase in the tariff since March 2008. The proposed tariff was drawn up in collaboration with the trade and advertised on 16 December 2010 in the Gazette and Herald editions circulating in the North area. The tariff was also placed on the Council's web site.
5. Existing and proposed tariffs are attached as Appendix A to this report.
6. The last increase in tariff in the North of Wiltshire was in March 2008. One reason for this was the hope that a unified tariff would be adopted by Wiltshire Council. For various reasons this was not possible, however, the proposed tariff works towards the rate charged by the West and South zones which is illustrated in the table below.

The information below is taken from the December 2010 edition of Private Hire News, and is ranked on the approximate cost of a typical 2 mile journey:-

Council	Flag drop	Additional mile	2 mile journey	Last rise	National League position
Wiltshire(South)	£2.50	£1.80	£5.70	2008	49
Wiltshire(West)	£2.20	£1.80	£6.00	2010	40
Wiltshire(North) current	£2.30	£1.80	£4.90	2008	250
Wiltshire(North) proposed	£2.60	£2.00	£6.00	-	41
Wiltshire(East)	£3.00	£1.90	£4.90	2008	208
Swindon	£2.90	£1.80	£6.10	2008	16
Mendip	£2.60	£1.90	£5.80	2008	50
BANES	£2.60	£1.90	£6.00	2008	21
National Average	£2.74	£2.53	£5.59	2010	99

Key differences between the existing and proposed tariff

7. Currently tariff one is a day time tariff which runs between 7:00am and 9:00pm. Tariff two is a night time tariff which accommodates unsocial hours and generally services the night time economy.

Current tariff one is £2.30 flag drop and running mile £1.80

Current tariff two is £3.45 flag drop and running mile £2.70

The proposal increases tariffs as follows:

- The flag drop on tariff one and two increases by 30p
 - The running mile on tariff one increases by 20p
 - The additional £1:00 charges on the old tariff 5 and 6 have been included in the new tariff 3 and 5.
 - The time that tariff one changes to tariff two has been extended from 9:00 pm to 10:00 pm.
 - All tariffs are calculated using 10ths of a mile to simplify the process.
8. Five letters of objection have been received from taxi drivers, one of the objections has subsequently been withdrawn, and the four remaining letters are attached as Appendix B to this report.

There are currently 310 licensed drivers and operators of hackney carriages in the North area.

No objections have been received from members of the public.

Three of the objections relate to the time change to tariff one and the same objectors want the waiting time charge to be increased by an additional 10p. One of the objectors wants the flag drop to be increased by 50p not 30p and argues that the running mile charge should not be increased as customers would be reluctant to pay it.

Options

9. The Licensing Committee now needs to determine the new tariff to come into effect on or before the 4th March 2011.

This must be one of the following:

- a. The tariffs as advertised for consultation, or;
 - b. As existing, or;
 - c. Any modified tariff between the two.
10. Any tariff change will need to come into operation on or before the 4th March 2011.

Environmental Impact

11. There is minimal environmental impact of these proposals.

Equality and Diversity

12. The impact of these proposals is assessed as 'low' against the Council statutory responsibilities.

Risk Assessment

13. If an increase in the maximum tariff rate cannot be agreed, the Council could be open to legal challenge from the taxi trade.

Financial Implications

14. Additional costs would be incurred if the tariff needs to be re-advertised; however the council is not legally bound to re-advertise any changes.

Legal Implications

15. The Council has consulted on the proposed tariff increase and has considered any objections before adoption as required by law.

Conclusion

16. After the public consultation process five letters of objection were received from members of the trade. There is a demonstrated need for an increase in the current tariff which has been requested by the trade.

The proposed increase as advertised was drawn up in collaboration with the trade and was felt to be reasonable as no increase has been given since March 2008.

Background Papers

Private Hire News December 2010

Appendices

Appendix A: Existing North tariff of fares and proposed tariff of fares

Appendix B: Letters of objection to the proposed tariff of fares.