

TONBRIDGE & MALLING BOROUGH COUNCIL

LICENSING & APPEALS COMMITTEE

13 January 2011

Report of the Central Services Director

Part 1- Public

Delegated

1 OBJECTION RECEIVED TO THE PROPOSED INCREASE OF MAXIMUM HACKNEY CARRIAGE FARES

1.1 Background

1.1.1 A report was made to the September meeting of the Licensing and Appeals Committee, to review the tariff of maximum fares for hackney carriages.

1.1.2 Members agreed to review the fares on an annual basis and proposed an increase as follows:

TABLE 1	Existing Fare	Trade Request	Agreed Increase
Journey of .75 miles	£2.80	£3.20	£2.90
Journey of 2 miles	£5.60	£5.90	£5.80
Journey of 5 miles	£12.20	£12.80	£12.60

1.1.3 Accordingly, the proposed fare increase was advertised in a local newspaper with an objection period.

1.2 Objection Received

1.2.1 An objection has been received to the proposed fare increase by Castle Cars, as shown in Annex 1.

1.2.2 Castle Cars had made an original request, in May, to increase the maximum tariff. This was considered by Members of the Licensing and Appeals Committee in September and is shown in Table 1.

Castle Cars Proposed Fare Increase		Compared to Existing and Proposed	
	Existing	TMBC Proposed Fare Increase	Castle Cars Proposal
Journey of .75 miles	£2.80	£2.90	£2.90
Journey of 2 miles	£5.60	£5.80	£5.90
Journey of 5 miles	£12.20	£12.60	£12.95

1.2.3 Members are asked to consider the objection made by Castle Cars, and the tariff rate proposed.

1.2.4 I have asked my colleagues in Financial Services to appraise the figures and calculations contained in the letter from Mr Hill.

1.2.5 They have found some discrepancies as follows:-

1. In the first paragraph of Mr Hill's letter he states that the increase in mile after mile 2 to be only 2.21% increase.

Financial Services have calculated that this is incorrect and is a 3% increase; workings as follows:

Current 1 mile rate £2.20 (not £2.21)

£12.20 (current 5 mile rate) - £5.60 (current 2 mile rate)

$$= £6.60 \div 3 = £2.20$$

Proposed 1 mile rate £2.27

£12.60 (proposed 5 mile rate) - £5.80 (proposed 2 mile rate)

$$= £6.80 \div 3 = £2.27$$

The percentage increase between £2.20 and £2.27 is 3%

Mr Hill states that this is only a 2.21% increase which is incorrect by Financial Services workings.

2. Mr Hill's letter states that the current flag down rate has been increased by 6%.

Financial Services have verified that the actual current flag down rate is £2.80 per .75 of a mile. The proposed flag down rate is £2.90 per .75 of a mile.

This equates to a 3% increase not a 6% increase

3. Mr Hill quotes that fuel prices have increased by 33% since January 2008 to today's date.

The AA website states an increase since January 2008 to September 2010 of 14% not 33%.

- 1.2.6 I have received some 17 signatures from predominately Tonbridge based drivers, who support Mr Hill's letter. I have shown these in Annex 2.
- 1.2.7 I have received a letter from Ray Morgan shown in Annex 3 regarding the proposed increase to the maximum hackney carriage fare.

1.3 Legal Implications

- 1.3.1 If Members are not minded to uphold the objection, then a new date must be set for the coming into effect of the fare table as previously advertised (Section 65, Local Government (Miscellaneous Provisions) Act 1976. This date must be no later than 2 months than the original date proposed in the public advertisement.
- 1.3.2 Whilst Members are empowered to vary the proposed table of fares, it is considered that an objection seeking to further increase the fares must, if accepted, be subject to further public consultation. Under Section 65 of the 1976 Act, any fares approved by the Council must be advertised via a public notice in a local newspaper. Any relevant objections received would need to be reported back to Members for consideration and decision.

1.4 Financial and Value for Money Considerations

- 1.4.1 It should be noted that the tariff is the maximum fare that can be charged and discounts can be given should the proprietor wish.

1.5 Risk Assessment

- 1.5.1 Setting a maximum fare, much above the rate of inflation, may result in complaints from members of the public.

1.6 Equality Impact Assessment

- 1.6.1 See 'Screening for equality impacts' table at end of report

1.7 Recommendations

- 1.7.1 Members are required to consider the objection letter from Castle Cars and decide whether to uphold the objection, or proceed with the fares agreed at the meeting of the Licensing and Appeals Committee in September.

Background papers:

contact: Katie Iggulden

Licensing and Appeals Committee – 7 June 2010

Licensing and Appeals Committee – 21 September 2010

Julie Beilby

Central Services Director

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	N/A	A disproportionate increase in taxi fares may affect older people, those with disabilities and on low income.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Members need to weigh up the effect on all potential users of taxis against the needs of the trade.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.