

**13 January 2015**

**Licensing Committee**

**Review of the Hackney Carriage Fare Setting Process**

**Report of:** *Ashley Culverwell – Head of Borough Health, Safety and Localism*

**Wards Affected:** *All*

**This report is :** *Public*

**1. Executive Summary**

- 1.1 This report asks Members to recommend to the Audit and Scrutiny committee that a cross party task and finish group be set up to review the process for setting of tariffs in respect of Hackney Carriage fares and to suggest a programme for future fare setting.
- 1.2 The report also seeks approval for Officers to work with the Taxi Trade Consultative Group as part of the review process.

**2. Recommendation**

**2.1 Members are requested to:**

- i) **Recommend to Audit and Scrutiny Committee that a cross party Task and Finish Group be established in order to review the process for setting of tariffs in respect of Hackney Carriage fares and advise on a future programme for tariff setting; and**
- ii) **Authorise officers to engage the Taxi Trade Consultative group in the review process reporting any findings and recommendations to a future meeting of the Licensing Committee.**

**3. Introduction and Background**

- 3.1 The setting of fare tariffs in respect of Hackney Carriage Vehicles is legislated under provision of section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (the Act). There is no provision for the Council to set tariffs for Private Hire vehicles.

- 3.2 From time to time fare tariffs may be amended in accordance with the legislation, which must be advertised and usually follows a request from the trade.
- 3.3 The current table of fares was agreed by Members of the Licensing Committee subject to advertising on 11 November and came automatically into force on 5 December 2014 as no objections were received following publication of the new tariffs.
- 3.4 The fares tables are fairly complex and contain four different tariffs which are programmed into the meters to operate at different time e.g. tariff one is a day rate.

#### **4. Issues Options and Analysis of Options**

- 4.1 The process, as stated in paragraph 3.1, is set out in law and this must be followed at all times. However, the frequency of amendments to the tariff and the rates of any new tariff have traditionally been matters controlled by the trade i.e. a new tariff proposal will not normally be put to Committee unless requested.
- 4.2 There is no set framework that identifies either the number of tariffs used, the times that each tariff is in operation or indeed what each tariff relates to. This means that each authority area has an entirely different structure of fares.
- 4.3 Brentwood currently operates under four tariff levels. Only the restrictions of each electronic taximeter will govern the number of individual tariffs that are available, although it is not best practice to operate under too many different levels of fare as this can lead to the structure being far more complicated than necessary.
- 4.4 Notwithstanding the above, there is currently one area that is not covered by a dedicated tariff, this being vehicles that can accommodate five passengers or more. Conversely, whilst authority comparison is not relevant in the setting of fares, Brentwood is in a minority with the use of the current tariff two, which is used as a twilight rate, primarily between 8pm and 11pm.

#### **5. Reason for Recommendations**

- 5.1 The recent process for increasing tariffs highlighted the complexity of the tariffs themselves, which are affected by both time and distance and Members expressed concern as to the complexity. It is therefore considered that it may be appropriate to establish a task and finish group.

- 5.2 There may be ways of modernising the tariffs and simplifying them simultaneously, this could only be of benefit to both the trade and the public, whilst ensuring that the tariffs remain as cost effective as possible.
- 5.3 It is Members of the Licensing Committee that ultimately agree any changes to the tariff and it therefore makes sense that a task and finish group made up of a cross section of party Members should look at the process as a whole.
- 5.4 The recommendation of this report therefore, is that Members review the process as part of a task and finish group in conjunction with Officers, whilst Officers, with some Member involvement as appropriate should assess through the TTCG, the overall structure of fares and make a recommendation to the task and finish group on a future frequency or programme for review of the tariffs.

## **6. References to Corporate Plan**

- 6.1 The proposals contained within this report link directly to the following priorities of the corporate plan:

***A prosperous Borough*** – “Safeguarding public safety through a risk based regulation and licensing service.”

***Street Scene and Environment*** – “Develop effective partnership arrangements so all issues affecting neighbourhoods are delivered in a timely and efficient way”

***Localism*** – Encourage local businesses to invest directly in Brentwood’s communities”

## **7. Consultation**

- 7.1 Consultation will initially be through the TTCG, although any future changes to tariffs will be consulted and advertised in accordance with the legislation.

## **8. Implications**

### **Implications**

#### **Financial Implications**

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The only costs involved in this process relate to officer time and this will be met from current budgets.

**Legal Implications – Monitoring Officer Comment**

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There are no direct legal implications associated with this process, although any future proposals for increasing tariffs must be advertised in accordance with the Act.

**9. Appendices to this report**

None

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