

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	PUBLIC PROTECTION COMMITTEE	20 JULY 2016	6
REQUEST FOR INCREASE IN LEVEL OF HACKNEY CARRIAGE FARES			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

A request has recently been received from Whitesides Taxis seeking an increase in the level of hackney carriage fares. The national average increase in the level of fares has been ascertained and the Committee will be requested to consider the request and make a recommendation to Full Council.

RECOMMENDATION

That the Committee considers the report and makes a recommendation to Full Council to determine the request to increase the level of fares.

SUMMARY OF PREVIOUS DECISIONS

The latest fare increase came into force January 2014. Previous increases have been in September 2012, May 2011, May 2009, January 2008 and June 2005.

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

REPORT

1. The provisions of Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allow Local Authorities to fix the level of fares that may be demanded in connection with the hire of a Hackney Carriage.
2. The Office of Fair Trading Best Practice Guidance for Taxi and Private Hire Vehicle Licensing considers fares and comments at paragraph 36 that,

“Fare scales should be designed with a view to practicality. The Department sees it as good practice to review the fare scales at regular intervals, including any graduation of the fare scale by time of day or day of the week. Authorities may wish to consider adopting a simple formula for deciding on fare revisions as this will increase understanding and improve the transparency of the process. The Department also suggests that in reviewing fares authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give drivers sufficient incentive to provide a service when it is needed. There may well be a case for higher fares at times of higher demand.”

3. Fylde Borough Councils Hackney Carriage and Private Hire Licensing Policy acknowledges the comments of the OFT and states at paragraph 10.4.2,

“Fare scales will, accordingly, be reviewed no more than once per year between January and March with any change agreed being implemented on 1st April following. In reviewing the scale of maximum fares to be charged locally, consideration will be given to the percentage by which the “National Average” of Tariff One and Tariff Two, 2 mile journey fares (as published in Private Hire & Taxi Monthly magazine) increased over the previous calendar year (i.e. January to January). In general, this average percentage will constitute the maximum Tariff One and Tariff Two percentage increase in fares above which the authority would not generally consider any application for a tariff increase.”

4. A request for an increase in the level of fares has been received from Whitesides Taxis which is included at appendix 1 and may be summarised below:
 - a) An increase in the initial hiring charge on tariff 1 from £2.60 to £2.70
 - b) To reduce the initial hiring distance on tariff 1 from 404 yards to 384 yards and to reduce the subsequent flag drops from 202 yards to 192 yards.
 - c) An increase in the initial hiring charge on tariff 2 from £2.80 to £3.00
 - d) To reduce the initial hiring distance on tariff 2 from 318 yards to 303 yards and to reduce the subsequent flag drops from 159 yards to 152 yards.
 - e) To increase the initial hiring on Tariff 4 to
 - f) To reduce the initial hiring distance on tariff 4 from 318 yards to 303 yards and to reduce the subsequent flag drops from 159 yards to 152 yards.
5. A table is shown below which demonstrates the current fares and the proposed fares should the Committee recommend approval of the request together with the national average level of fares:

Flag	T1 current	T1 proposed	T1 National Ave	T2 current	T2 proposed	T2 Nat Ave
	2.60	2.70	2.76	2.80	3.00	3.63
1 mile	4.00	4.30	3.82	4.80	5.00	5.04
2	5.80	6.10	5.70	7.00	7.40	7.45
3	7.60	7.90		9.20	9.60	
4	9.20	9.70		11.40	12.00	
5	11.00	11.70	11.27	13.60	14.20	14.73
6	12.80	13.50		15.80	16.60	
7	14.40	15.30		18.00	19.00	
8	16.20	17.10		20.20	21.20	
9	18.00	18.90		22.40	23.60	
10	19.00	20.90	20.71	24.60	25.80	27.06

6. The previous increase in Hackney Carriage Fares came into force in January 2014 having been approved by the Portfolio Holder in November 2013. It can be seen from the January 2014 and May 2016 editions of the Private Hire and Taxi Magazine that the national average fares for 2 mile journeys on tariff 1 have increased by 2.3% and 1.82% on tariff 2. The request represents increases of 5.2% on Tariff 1 and 5.7% on tariff 2.
7. Officers from the Licensing Team have consulted with the trade to seek their thoughts as the views amongst the trade can differ. Any responses from the trade will be provided to Members at the meeting. It should be noted that should any increase be subsequently approved, the matter will require advertising in the local press and representations from the public may be made.
8. For the information of members, a table is shown below detailing the current fares in Fylde, Blackpool and Wyre. The latest fare increases came into force in April 2011 in Wyre and August 2015 in Blackpool. The 2015 increase in Blackpool effectively amended the times at which tariff came into effect rather than increasing the cost per mile of journeys.

Authority	1 Mile	2 Miles	5 miles	10 miles
Fylde T1	£4.00	£5.80	£11.00	£19.00
Blackpool T1	£4.10	£5.80	£11.20	£20.00
Wyre T1	£3.80	£5.60	£10.60	£19.00
Fylde T2	£4.80	£7.00	£13.60	£24.60
Blackpool T2	£4.60	£7.00	£14.00	£25.80
Wyre T2	£4.50	£6.70	£13.30	£24.30

9. Members will recall that a fuel surcharge is in place at Fylde so that 20pence may be added to the fare when the price of diesel reaches £1.50p per litre at Kilnhouse Service Station, St Annes and a further 20p when the price of diesel reaches £1.75p. The Shell Kilnhouse Garage is no longer trading and it is therefore suggested that the Shell Heyhouses garage is now used for purposes of this fuel surcharge. As at the 1st July, the price of a litre of diesel was 112.9p.

10. Members may wish to note that the level of fares set by the Authority is the maximum a driver is entitled to demand. It is our interpretation of the legislation that hackney carriage proprietors and drivers are entitled to discount fares and calibrate their meters to a tariff less than the Council tariff. However, should a proprietor choose to do this, they should make it clear within the vehicle that the meter is set to a lower tariff so as to avoid any confusion and allegations of overcharging.
11. Following transition from the Cabinet to the Committee system, the existing terms of reference of Public Protection Committee were not altered to include responsibility for setting fares. As such, the Committee does not have the power to set fares, and the final decision is one for Full Council. It is therefore suggested that the Committee consider the matter and make a recommendation to Full Council.
12. The Committee may also wish to make a recommendation to the effect that responsibility for determining any further requests for increases in the level of hackney carriage fares is delegated to the Public Protection Committee.

IMPLICATIONS	
Finance	There are no direct financial implications for the Council in setting the fares for hackney carriages.
Legal	None arising directly from the report.
Community Safety	The provision of taxis is an integral part of the transport infrastructure and is particularly influential in the transportation of individuals late at night when bus services have ceased. The provision of affordable taxis assist in community safety by ensuring people are removed from town centres safely and helps to reduce the incidence of drink driving.
Human Rights and Equalities	Hackney carriages are a vital form of transport for the disabled who may have difficulties accessing other forms of public transport. It is important therefore that fares are maintained at a level which will encourage investment in DDA compliant vehicles yet remain affordable to disabled people.
Sustainability and Environmental Impact	None arising directly from the report.
Health & Safety and Risk Management	None arising directly from the report.

LEAD AUTHOR	TEL	DATE	DOC ID
Chris Hambly	01253 658422	1 st July 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Hackney Carriage and Private Hire Licensing Policy		Town Hall

Attached documents

1. Request for Increase in Level of Fares