

GOVERNANCE COMMITTEE

Agenda Item 44

Brighton & Hove City Council

Subject: **Taxi Tariff setting under the new Constitution**

Date of Meeting: **18 November 2008**

Report of: **Director of Strategy & Governance**

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Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Under the Committee system decisions in relation to setting taxi fares were taken by the Licensing Committee. Under the new Constitution the power to set taxi fares is an executive function. This means new arrangements are required.
- 1.2 The report proposes a new procedure for setting taxi fares to comply with the law whilst retaining the expertise of the Licensing Committee.

2. RECOMMENDATIONS:

That the Governance Committee recommends to Cabinet that:-

- 2.1 That an advisory committee to the executive is established for the purpose of advising on licensing functions that are the responsibility of the Executive, including setting taxi fares;
- 2.2 That the membership of the advisory committee mirrors the Licensing Committee membership;
- 2.3 That power is delegated to the Director of Environment to set taxi fares after considering the recommendations of the advisory committee.
- 2.4 That the Head of Law be authorised to make the necessary amendments to the Constitution to reflect the above.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Under the Local Government (Miscellaneous Provisions) Act 1976 (the Act), the Council has power to fix fares for hackney carriages for journeys within its district and to fix all other charges in connection with the hire of the vehicles.

- 3.2 The Act prescribes the process for setting the fare tariff. This requires the Council to publish a notice in the local paper setting out the proposed variation to fares. Members of the public can make objections within a 14 day period. The proposals are also deposited at local council offices for 14 days. If there are no objections, fares take effect on a specified date. If there are objections that are not withdrawn, the Council (historically, through the Licensing Committee) considers the objections and may modify the table of fares in light of the objections or not.
- 3.3 The Council uses a formula based on local earnings and vehicle expenses to establish the highest rate of basic fares it would consider. It does this to ensure that the process is transparent and to protect consumer interests.
- 3.4 Historically this work has always been undertaken by the Licensing Committee, who have attained expertise. However, this function is now an executive function, meaning the Licensing Committee (a Council Committee) can no longer take the decision as it has in the past.
- 3.5 In order to continue to use the expertise of licensing Members and to retain as open and transparent a system as possible, it is proposed to continue to use the Licensing Committee to hear the proposals and representations and to make recommendations. To do this the Licensing Committee can sit as an advisory committee established by the Executive and with identical membership to the Licensing Committee.
- 3.6 The advisory committee would hear representations and objections in the usual way and then make recommendations. The final decision could then be made either by Cabinet or an Officer with delegated power. It is proposed that the power to set the tariff should be delegated to the Director of Environment after considering the advice of the advisory committee. If the Director was minded to reject the committee's recommendations, the matter would be expected to be referred to Environment CMM or Cabinet.
- 3.7 The advantage of delegating the decision to an officer would be that this would speed up the final decision making process. Representations and objections would be carefully recorded at the advisory committee and the officer making the decision would be present to ensure all representations were taken into account. This would ensure that a swift decision could be made, based on all of the representations received, following on from the advisory committee meeting.

4. CONSULTATION

- 4.1 The proposals have been drawn up in consultation with the Head of Environmental Health and Licensing and Director of Environment who support the proposals on the basis they retain the input of the Licensing

Committee, the current openness of the system and make the process as quick as possible

- 4.2 The Leader of the Council, the Cabinet Member for Environment and the Chair of the Licensing Committee have been consulted and have also indicated their support of the new arrangements.
- 4.3 Consultation with the taxi trade will take place at the taxi forum on 29 October and a verbal update on their response will be given at the meeting.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no direct financial implications arising from the recommendations contained within the report. The support required to operate an advisory committee will be absorbed within existing staffing resources.

Finance Officer Consulted: Patrick Rice Date: 17 October 2008

Legal Implications:

- 5.2 The legal implications are contained in the body of the report.

Lawyer Consulted: Elizabeth Culbert Date: 16th October 2008

Equalities Implications:

- 5.3 The proposals in this report retain the same access as before to all members of the public and anyone wishing to make representations in relation to setting taxi fares.

Sustainability Implications:

- 5.4 None

Crime & Disorder Implications:

- 5.5 The Council uses the power to fix hackney carriage fares to protect consumers.

Risk and Opportunity Management Implications:

- 5.6 The current system for setting fares is well known and understood with the public and taxi trade and therefore any change to these arrangements have the potential to cause concern. By keeping the key public debate with the Licensing Committee (sitting as an advisory committee to the Executive) this should alleviate as far as possible concerns about a new system. Timing can also be sensitive and by

delegating the decision to the Director, this will speed up the process, avoiding the need to fit into a further cycle of Cabinet meetings.

Corporate / Citywide Implications:

- 5.7 Ensuring the most transparent, swift and effective means of setting taxi fares in the city supports the Council's priorities of protecting the environment while growing the economy and an open and effective council.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Background Documents

1. None