

# LICENSING COMMITTEE (NON LICENSING ACT 2003 FUNCTIONS)

## Agenda Item 15

Brighton & Hove City Council

**Subject:** Amendment to Hackney Carriage Fare Formula  
**Date of Meeting:** 27 November 2008  
**Report of:** *Director of Environment*  
**Contact Officer:** Name: *Martin Seymour* Tel: 29-6659  
E-mail: hco@brighton-hove.gov.uk  
**Wards Affected:** All

### FOR GENERAL RELEASE/ EXEMPTIONS

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 To seek committee advice regarding a change in the formula used to calculate the maximum normal daytime hackney carriage fare, the vehicle licence fee.

#### 2. RECOMMENDATIONS:

- 2.1 That the Director of Environment may include the vehicle licence fee in the standing charges used in the formula to calculate the maximum normal daytime fare for hackney carriages, the total divided by 18,000 to give the highest figure in pence per mile for normal daytime taxi fares which will be entertained by the council if required following negotiations with the trade on taxi marshalling.

#### 3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Powers to set fares for hackney carriages is delegated to the Director of Environment after advice from members.
- 3.2 There are two elements to the fares:
- (i) the normal daytime fare applicable between 6am and 10pm Monday to Saturday which is calculated by a formula last amended in 2004 and
  - (ii) extra charges, which include a vehicle-hiring fee, fouling charge and for journeys outside those times, on Sundays and at Bank and Public Holidays, these being set outside the formula.

- 3.3 The formula is a mixture of independent figures for average earnings, for vehicle standing charges and running costs and for vehicle insurance premiums. It calculates the maximum normal daytime fare, which will be entertained by the council in any application for a fare review.
- 3.4 This report proposes to allow a change in the formula relating only to vehicle standing charges by adding the hackney carriage licence fee if required. The rest of the formula remains the same.
- 3.5 The figures the remaining standing charges and running costs are produced annually by the AA. The formula uses figures for both petrol cars and diesel cars in the new vehicle cost range of £13K to £20K.
- 3.6 Officers and the trade are currently looking into the funding of taxi marshalls on the main city centre ranks during peak weekend hours commencing in 2009/10. One proposal is that the cost of funding marshalls shall be added to the hackney carriage vehicle licence fee. The use of the formula to include the vehicle licensing fee would ensure that proprietors of vehicles are not burdened with the substantial cost of providing marshalls but the trades customers ultimately pay for a safer more efficient rank clearance.
- 3.5 This proposed change to the formula will be effective at any future fare review if required.

#### **4. CONSULTATION**

- 4.1 This matter has been discussed at the council's hackney carriage and private hire consultation forum where all members of that forum are free to express their opinions. Forum members are supportive of marshalling of taxi ranks but are divided as to how funding should be provided.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

- 5.1 Revenue: There is no financial impact to the revenue budget at this stage, by agreeing to the revision of the calculation of the formula. However, if it is subsequently agreed at the forum to adopt this new hackney carriage vehicle licence fee, this will mean that the revenue to the Council is increased. The net effect on the budget should be the same, however, as this increased revenue will then cover the cost of providing the marshalls.

Finance Officer Consulted: Karen Brookshaw

Date: 04/11/08

#### Legal Implications:

- 5.2 The power to fix fares for hackney carriages is under Section 65 of the Local Government ( Miscellaneous Provisions) Act 1976

Equalities Implications:

- 5.3 In order to improve services to disabled groups all new drivers are required to attend equalities and disabilities awareness and customer care training. Drivers are also tested to ensure that they meet a basic standard of literacy.

Sustainability Implications:

- 5.4 The role of the taxi trade is included in the Local Transport Plan, which identifies it as a key element in providing sustainable transport choices. It creates important links in the transport network to other forms of sustainable transport providing a seamless connection. It will contribute to three of the government's four shared transport priorities – reducing congestion, improving air quality and accessibility. Use of taxis for school transport, licensed vehicles using bus lanes, locating ranks at railway stations and the city coach station, approved use of liquid petroleum gas all contribute to reducing congestion and moving passengers quickly.

Crime & Disorder Implications:

- 5.5 Sufficient late night transport to reduce public place violent crime is recognised in the community safety, crime reduction and drugs strategy. The presence of CCTV can be an important means of deterring and detecting crime.

Risk and Opportunity Management Implications:

- 5.6 The transport industry should be safe, profitable and be a positive experience for residents and visitors.

Corporate / Citywide Implications:

- 5.7 Tourism needs to provide a warm welcome to visitors and the tourism strategy depends upon effective partnership with transport operators particularly to achieve safe late night dispersal for the night time economy.

