

CHESHIRE EAST COUNCIL

LICENSING COMMITTEE

Date of meeting: 8 June 2011

Report of: Head of Safer & Stronger Communities

Title: Proposed Variation to Hackney Carriage 'Table of Fares'

1.0 Report Summary

- 1.1 The purpose of the report is to provide the Licensing Committee with information relating to the responses received in relation to proposals to vary the 'table of fares' applicable in each of the three hackney carriage zones.

2.0 Recommendations

- 2.1 The Licensing Committee is requested to consider the objections received in relation to the proposed variation of the 'tables of fares'; and
- 2.2 Having considered the objections, to determine:
- 1 whether the variations to the tables of fares should come into force either with or without modifications; and
 - 2 if variations are approved, to set a date from which these shall take effect (any such date may not be later than 14 June 2011).

3.0 Reasons for Recommendations

- 3.1 The fare tables which are currently in operation within the Borough came into force within the areas of the predecessor district councils during the course of 2008. On 7 March 2011 the Licensing Committee resolved to authorise the Borough Solicitor to publish a notice containing proposals to vary the fare tables in each of the three hackney carriage zones. Objections to the proposals have been received within the consultation period and therefore the matter has been referred to the Licensing Committee for consideration.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

**6.0 Policy Implications including - Climate change
- Health**

6.1 None

7.0 Financial Implications 2011/12 and beyond (Authorised by the Borough Treasurer)

7.1 There would be no direct financial implications associated with a decision either to make no changes to the existing table of fares or to approve the amendments either with or without modifications. However, if the Committee resolved to make changes to the tables of fares which went beyond 'modifications' there would be a need to re-advertise. Costs of further notices, if they related to each of the three zones, would be in the region of £2,500. Any such costs would be met from existing provision within the Licensing Section's budget.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 provides that the following is required when varying a table of fares:

- (i) publication of a notice setting out the variation to the table of fares (specifying the period within and manner in which objections can be made) in at least one local newspaper circulating in the district; and
- (ii) deposit of the notice for the period of fourteen days at the offices of the Council (for public inspection).

8.2 If no objection to the variation is made within the relevant fourteen day period (or if all such objections are withdrawn) the variation comes into operation on the date of the expiration of the period specified in the notice (or the date of withdrawal of the last objection (if any)). If objection is made and not withdrawn, a further date (not later than 2 months after the first specified date) shall be set on which the table of fares shall come into force with or without modifications as decided after consideration of the objections.

9.0 Risk Management

9.1 Full consideration of any objections received in response to the publication of the notice would mitigate the risk of challenge to any decision taken.

10.0 Background and Options

10.1 As Members will recall, at its meeting on 7 March 2011 the Licensing Committee resolved to authorise the Borough Solicitor to publish a notice of proposed variations to the fare tables in each of the three hackney carriage zones. The notices, copies of which are attached as Appendices A, B and C was published in local newspapers circulating within each of the three zones during the week commencing 28 March 2011.

10.2 The table below illustrates in a simplified form, the existing and proposed fares for tariff 1:

		ZONE 1 Congleton	ZONE 2 Crewe & Nantwich	ZONE 3 Macclesfield
Existing	Flag drop	£2.60 (up to first 1,760 yards)	£2.20 (first 200 yards)	£2.60 (first 1,466.69 yards)
	First mile	£2.60	£3.80	£3.00
	Two miles	£4.40	£5.60	£4.80
Proposed	Flag drop	£2.90 (up to first 1,760 yards)	£2.40 (first 176 yards)	£2.70 (first 1,320 yards)
	First mile	£2.90	£4.20	£3.30
	Two miles	£4.90	£6.20	£5.30

- 10.3 Objections to the proposals have been received within the consultation period and the matter has therefore been referred back to the Committee for determination. Copies of the objections are attached at Appendix D.
- 10.4 Members are reminded that of the contents of paragraph 52 of the Department of Transport Best Practice Guidance, namely that fare scales should be designed with a view to practicality and that it is seen 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.” The paragraph continues “The Department also suggests that in reviewing fares authorities should pay particular regards to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also so the need to give taxi 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.” Members will also note the content of paragraphs 53 and 54 of the Guidance in relation to downward negotiation of fares between passengers and drivers.
- 10.5 The Licensing Committee is requested to consider the objections and to determine whether the variations to the tables of fares should come into force either with or without modifications; and if variations are approved, to set a date from which these shall take effect. The Committee is reminded that, as the licensing of hackney carriages within the Borough remains on a zoned basis, the table of fares must be determined in relation to each of the individual zones.
- 10.6 Attached for the Committee’s reference are the AA Fuel Price Reports for April 2008, September 2008 and April 2011 (Appendix E) and AA figures for Motoring Costs (for both petrol and diesel vehicles) for 2008 and 2011 (Appendix F).
- 10.7 The options open to the Committee are:
- (a) not to vary the existing tables of fares;
 - (b) to approve variations to the tables of fares on the basis set out within the notices attached at Appendix A, B & C (i.e. without modification);

(c) to approve modifications to the proposed variation of the tables of fares.

10.8 Whilst the legislation does allow modifications to be made in response to objections, if the Committee resolves to make changes to the tariffs which are so substantial that they could no longer be said to be modifications but are rather new proposals in their own right, then it is suggested that there would be a need to re-advertise in accordance with the statutory requirements set out within paragraph 8.1.

10.9 It should also be noted that in any final tariff set by the Committee distances shall be expressed both in yards and meters.

11.0 Access to Information

Appendix A – Notice of proposed variation (zone 1 – Congleton zone)

Appendix B – Notice of proposed variation (zone 2 – Crewe & Nantwich zone)

Appendix C – Notice of proposed variation (zone 3 – Macclesfield zone)

Appendix D - Objections in relation to the proposed variations

Appendix E – AA Fuel Price Reports (April 2008, September 2008 and April 2011)

Appendix F – AA Motoring Costs (2008 and 2011)

The background papers relating to this report can be inspected by contacting the report writer:

Name: Kate Khan

Designation: Solicitor, Legal Services (Regulatory)

Tel No: (01270) 68847

Email: kate.khan@cheshireeast.gov.uk

APPENDIX A

CHESHIRE EAST BOROUGH COUNCIL

NOTICE is hereby given that, pursuant to section 65 of the Local Government (Miscellaneous Provisions) Act 1976, Cheshire East Borough Council ('the Council') proposes to vary the table of fares in respect of the hire of hackney carriages within hackney carriage zone 1 (Congleton zone). The proposed variations are as follows:

	<u>EXISTING FARE</u>	<u>VARIED FARE</u>
<u>1. Mileage</u>		
If the distance does not exceed 1,760 yards or part thereof	£2.60	£2.90
For the second mile and further miles	£1.80 (metered in units of 176 yards or part thereof)	£2.00 (metered in units of 176 yards or part thereof)
<u>2. Waiting time</u>	<u>£24.00 per hour</u>	<u>£26.40 per hour</u>
<u>3. Soilage Charge</u>	<u>£40</u>	<u>£44</u>

The extra charges are as follows:

(a)	(i)	For hiring begun between 11.30 pm and 7.00 am	Time and one half
	(ii)	Sundays and Bank Holidays	Time and one half
(b)	Christmas Eve	- 7.00 am to 6.00 pm	Ordinary time
		6.00 pm to 12 midnight	Time and one half
	Christmas Day	- 0.00 am to 7 a.m. on Boxing Day	Double time
	New Year's Eve	- 7.00 am to 6.00 pm	Ordinary time
		6.00 pm to 12 midnight	Time and one half
	New Year's Day	- 0.00 am (1 st January) to 7.00 am (2 nd January)	Double time

Any person wishing to object to the variation of the table of fares must do so in writing by no later than 14th April 2011. Objections must be sent to the Licensing Section, Westfields, Middlewich Road, Sandbach, Cheshire CW11 1HZ or by e-mail to licensing1@cheshireeast.gov.uk.

A copy of this notice will be deposited at Reception, Westfields, Middlewich Road, Sandbach, Cheshire CW11 1HZ during the objection period and will be open to public inspection (without payment) during normal office hours.

If no objections to the proposed variation are made by 14th April 2011, or if all such objections are withdrawn, the variation shall come into operation on the date of expiration of the consultation period (i.e. 15th April 2011) or the date of withdrawal of the objection, or if more than one, of the last objection, whichever date is the later. In the event that objections are made and not withdrawn, these will be referred to a meeting of the Council's Licensing Committee for consideration

Dated: 30th March 2011

Caroline Elwood, Interim Borough Solicitor

APPENDIX B

CHESHIRE EAST BOROUGH COUNCIL

NOTICE is hereby given that, pursuant to section 65 of the Local Government (Miscellaneous Provisions) Act 1976, Cheshire East Borough Council ('the Council') proposes to vary the table of fares in respect of the hire of hackney carriages within hackney carriage zone 2 (Crewe & Nantwich zone). The proposed variations are as follows:

	EXISTING FARE	VARIED FARE
TARIFF 1 DAY RATE (7am to 9 pm)		
	£2.20 (first 200 yards)	£2.40 (first 176 yards)
	£0.20 (subsequent 195 yards)	£0.20 (subsequent 176 yards)
Waiting time – each minute (or part of)	£0.30	£0.33
TARIFF 2 NIGHT RATE (9pm to 7 am); ALL SUNDAYS		
	£2.20 (first 176 yards)	£2.40 (first 160 yards)
	£0.20 (subsequent 176 yards)	£0.20 (subsequent 160 yards)
Waiting time – each minute (or part of)	£0.30	£0.33
TARIFF 3 ALL BANK HOLIDAYS (midnight to midnight) CHRISTMAS & NEW YEAR (from 6pm on 24th December to 8am 27th December and from 6pm 31st December to 8am 2nd January		
	£3.20 (first 146 yards)	£3.50 (first 135.38 yards)
	£0.20 (subsequent 146 yards)	£0.20 (subsequent 135.38 yards)
Waiting time – each minute (or part of)	£0.30	£0.33
EXTRA CHARGES		
Per person over one	£0.30	£0.33
Soilage charge	£40.00	£44.00

Any person wishing to object to the variation of the table of fares must do so in writing by no later than 14th April 2011. Objections must be sent to the Licensing Section, Westfields, Middlewich Road, Sandbach, Cheshire CW11 1HZ or by e-mail to licensing1@cheshireeast.gov.uk.

A copy of this notice will be deposited at Reception, Municipal Buildings, Earle Street, Crewe, Cheshire during the objection period and will be open to public inspection (without payment) during normal office hours.

If no objections to the proposed variation are made by 14th April 2011, or if all such objections are withdrawn, the variation shall come into operation on the date of expiration of the consultation period (i.e. 15th April 2011) or the date of withdrawal of the objection, or if more than one, of the last objection, whichever date is the later. In the event that objections are made and not withdrawn, these will be referred to a meeting of the Council's Licensing Committee for consideration.

Dated: 30th March 2011
Caroline Elwood, Interim Borough Solicitor

APPENDIX C

CHESHIRE EAST BOROUGH COUNCIL

NOTICE is hereby given that, pursuant to section 65 of the Local Government (Miscellaneous Provisions) Act 1976, Cheshire East Borough Council ('the Council') proposes to vary the table of fares in respect of the hire of hackney carriages within hackney carriage zone 3 (Macclesfield zone). The proposed variations are as follows:

	EXISTING FARE	VARIED FARE
TARIFF 1 Monday to Saturday (7.30am to 11.30pm)		
First mile (1760 yards)	£3.00	£3.30
Subsequent miles	£1.80	£2.00
Initial or minimum fare	£2.60 (first 1466.69 yards)	£2.70 (first 1,320 yards)
Subsequent yards	£0.10 (subsequent 97.77 yards)	£0.10 (subsequent 88 yards)
Waiting time	£0.10 (up to every 27.3 seconds of waiting time)	£0.10 (up to every 24.8 seconds of waiting time)

	EXISTING	VARIED
EXTRA CHARGES (at the discretion of the driver)		
For each person in excess of one	20p	22p
Luggage – for the use of luggage space	10p per item not to exceed 40p	11p per item not to exceed 44p
Extra charges will not exceed	£1.00	£1.10
Except vehicles licensed to carry up to 8 passengers and are carrying in excess of 5 then the extra charges will not exceed	£1.80	£1.98
Soilage charge	£45.00	£49.50

It is proposed that the percentage increases to the following tariffs would remain unchanged:

TARIFF 2

Monday to Sunday (11.30pm – 7.30am)

Tariff 1 + 50%

TARIFF 3

Sundays + Bank Holidays except Christmas, Boxing Day and New Year's Day (7.30am – 11.30pm)

Tariff 1+33.3%

Tariff 4

Christmas Day and Boxing Day (7.00pm 24 December to 7.00am 27 December)

New Year's Day (7.00pm 31 December to 7.00am 2 January)

Tariff 1+100%

Any person wishing to object to the variation of the table of fares must do so in writing by no later than 14th April 2011. Objections must be sent to the Licensing Section, Westfields, Middlewich Road, Sandbach, Cheshire CW11 1HZ or by e-mail to licensing1@cheshireeast.gov.uk.

A copy of this notice will be deposited at the Customer Centre, Town Hall, Market Place, Macclesfield during the objection period and will be open to public inspection (without payment) during normal office hours.

If no objections to the proposed variation are made by 14th April 2011, or if all such objections are withdrawn, the variation shall come into operation on the date of expiration of the consultation period (i.e. 15th April 2011) or the date of withdrawal of the objection, or if more than one, of the last objection, whichever date is the later. In the event that objections are made and not withdrawn, these will be referred to a meeting of the Council's Licensing Committee for consideration

Dated: 30th March 2011

Caroline Elwood, Interim Borough Solicitor

OBJECTION 1

In response to your advert in the Wilmslow Express dated 31 March 2011 regarding the above proposed increase.

I am objecting to the above on the grounds that this increase is unjustified in the current economic climate and will only bring the likes of Lynx and Metro Taxis from Stockport into the area more than they are at the moment killing the Local Trade.

OBJECTION 2

We are objecting to the proposed increase in fares for Cheshire east. 10% across the three zones does not help the trade and it does not help the council to reach the goal of harmonization across Cheshire east. Why should we, a multi plate holding company in Macclesfield, Pay the same license fees as a plate holder in Crewe and Nantwich, but not be able to charge the same as them. Giving all the zones a 10% increase, just makes the gap between the us grow larger . After spending a great deal of time representing the trade in Cheshire east, at meetings between the trade and the council. We are astonished that the council still find it so hard to agree a way forward to de-zoning. The first step would be to set a fare, which we believed we had done, and in the presence of the chairman (observing). We have no problem with the fees increase, but have a view that if the council had implemented the price structure for Cheshire East, that was set in 2009, there may not have been a need for a rise this time. **WE WOULD REMIND THE COMMITTEE THAT WE, THE TRADE, HAVE HAD NO FARE RISE SINCE 2008** even though fuel has gone up 35% or more, insurance has gone up 20% and VAT has risen to 20%. **The council increased its fees to the trade, after a fight, by over 30% in Macclesfield and Congleton,** but dropped them by 18% in Crewe, also never implemented the 6 month plate charge for cars over 7 years old in Crewe ? Which as we said before would have increased the council revenue.

OBJECTION 3

All taxi drivers who have signed below all agree 100% they do not want the 10% increase to fares

[Signed by 42 licensed drivers]

It is agreed by all that a standard tariff would be the prelude to de-zoning and pave the way for rationalising of all other conditions byelaws and regulations.

The following proposal agreed after lengthy discussion is presented via the Council's officers to the Licensing Committee for their consideration.

The proposal reflects current costs to running a taxi which are escalating. Customer expectation of a fare, the different ways the old Borough calculated the fare and the Council's duty to its electorate to agree a fair and equitable rate for all Hackney Drivers, Proprietors and their customers so ensuring the high standard of service.

Tariff 1: 07.00 – 23.30 (Monday to Saturday rate)

Flag fall for 200 yards	£2.30
Consecutive 195 yards	£0.21
Consecutive mile	£ 1.90

Tariff 2: 23.30 – 07.00 (Sunday to Saturday night rate)

Tariff 1 plus 33.3%

Tariff 3: 07.00 – 23.30 (Sunday and Bank Holiday Day rate)

Tariff 1 plus 33.3%

Tariff 4: 19.00 Christmas Eve – 07.00 on 27 December and 19.00 New Years Eve to 07.00 on 2 January

Tariff 1 plus 100%

Waiting time (per hour)	£18.00
Soilage charge	£50.00