LICENSING AND SAFETY COMMITTEE 31 JANUARY 2008

HACKNEY CARRIAGE TARIFF CHARGES (Director of Environment and Leisure)

1 PURPOSE OF DECISION

- 1.1 The current tariff for Bracknell Forest hackney carriages came into effect in October 2006. The tariff was last reviewed in July 2007, when this Committee decided not to implement a change at that time.
- 1.2 Due to the recent sharp increases in the cost of fuel, it is believed that the tariff should be reconsidered to ensure there is an appropriate balance of the interests of the taxi trade and users of the service.
- 1.3 Any proposed changes would have to be advertised for a period of fourteen days, and if any objections are made, these would have to be considered by the Committee at its next meeting on 17 April.

2 RECOMMENDATION

2.1 That the Committee agrees to

- a) Advertise from Thursday 21 February 2008 a change to the tariff as follows: for each subsequent 250 yards 20 pence.
- b) Note that if no objections are made, the new tariff will come into effect on Monday 10 March 2008; or
- c) Consider any objections made at its next meeting on 17 April, in which case the new tariff would come into effect on 21 April.

3 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

3.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 permits the Council to fix the rate of hackney carriage fares. Any changes must be advertised and any objections considered.

Borough Treasurer

3.2 There are no significant implications arising from the recommendations in this report.

Impact Assessment

3.3 There are no implications identified.

4 SUPPORTING INFORMATION

4.1 The Council has devised a formula to gauge increases in taxi trade expenditure. The formula looks at changes in average earnings, motoring expenditure and the Retail

Price Index (RPI) for the previous year. The factors are then weighted to reflect the likely impact they might have on the business of running a taxi. Therefore motoring expenditure, i.e. fuel, servicing, insurance, taxes, vehicles costs and depreciation, is seen and weighted as the most influential factor. Employee earning is seen as second, with general inflation last.

- 4.2 In July 2007 the inflationary figure calculated using the formula was only 0.84%. This figure was considered too low to introduce a change, due to the costs that would be incurred for the reprogramming and testing of meters. The inflationary figure for the period January 2006 to October 2007 using the standard formula is 3.07%. The period since October 2007 has also seen further rises in the cost of fuel and predictions are that these rises will continue for the foreseeable future.
- 4.3 The tariff was increased every year from 2001 as follows:

2001 3.0% 2002 3.5% 2003 4.5% 2004 2.0% 2005 4.8% 2006 3.7%

and this has matched or bettered inflationary figures using the agreed formula.

- 4.4 The taxi tariffs set by local authorities are published in the Private Hire and Taxi Monthly newsletter. Attached as Annex A to this report is data taken from the table, providing an indication of other local tariffs in comparison with the proposed changes.
- 4.5 Attached at Annex B is a document showing the current hackney carriage fares (Tariff 1: daytime 7am-11pm) and a number of alterations that could be made to increase the fares.
- 4.6 In view of the period of time since the last tariff increase and the projected continued rise in the price of fuel, officers recommend a higher than calculated inflationary figure rise. The recommendation is therefore to reduce the distance travelled for 20 pence from 270 yards to 250 yards.

Background Papers National Inflation Statistics

<u>Contact for further information</u>
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