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27 May 2011

S U M M O N S

MEETING: Licensing Board
DATE: 7 June 2011
TIME: 6.00pm
PLACE: Committee Room 1, Town Hall, Gosport
Democratic Services contact: Lisa Young

LINDA EDWARDS
BOROUGH SOLICITOR

MEMBERS OF THE BOARD

The Mayor (Councillor Carter CR) (ex officio)
Chairman of P & O Board (Councillor Hook) (ex officio)

Councillor Beavis (Chairman)
Councillor Murphy (Vice Chairman)

Councillor Allen	Councillor Edwards
Councillor Ms Ballard	Councillor Foster-Reed
Councillor Bradley	Councillor Jacobs
Councillor Carter C K	Councillor Scard
Councillor Mrs Cully	Councillor Miss West

FIRE PRECAUTIONS

(To be read from the Chair if members of the public are present)

In the event of the fire alarm sounding, please leave the room immediately. Proceed downstairs by way of the main stairs or as directed by GBC staff, following any of the emergency exit signs. People with disability or mobility issues please identify yourself to GBC staff who will assist in your evacuation of the building.

IMPORTANT NOTICE:

- If you are in a wheelchair or have difficulty in walking and require access to the Committee Room on the First Floor of the Town Hall for this meeting, assistance can be provided by Town Hall staff on request

If you require any of the services detailed above please ring the Direct Line for the Democratic Services Officer listed on the Summons (first page).

NOTE:

- i. Councillors are requested to note that, if any Councillor who is not a Member of the Board wishes to speak at the Board meeting then the Borough Solicitor is required to receive not less than 24 hours prior notice in writing or electronically and such notice shall indicate the agenda item or items on which the member wishes to speak.
- ii. Please note that mobile phones should be switched off for the duration of the meeting.

AGENDA

RECOMMENDED
MINUTE
FORMAT

PART A ITEMS

1. APOLOGIES FOR NON-ATTENDANCE
2. DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter, any personal or personal and prejudicial interest in any item(s) being considered at this meeting.

3. MINUTES OF THE MEETINGS OF THE BOARD HELD ON 5 APRIL AND 19 MAY 2011 [copies herewith].
4. DEPUTATIONS – STANDING ORDER 3.5

(NOTE: The Board is required to receive a deputation(s) on a matter which is before the meeting of the Board provided that notice of the intended deputation and its object shall have been received by the Borough Solicitor by 12 noon on Friday 3 June 2011. The total time for deputations in favour and against a proposal shall not exceed 10 minutes).

5. PUBLIC QUESTIONS – STANDING ORDER 3.6

(NOTE: The Board is required to allow a total of 15 minutes for questions from Members of the public on matters within the terms of reference of the Board provided that notice of such Question(s) shall have been submitted to the Borough Solicitor by 12 noon on Friday 3 June 2011).

6. REVIEW OF HACKNEY CARRIAGE FARE TARIFF

The report advises the Licensing Board of the role of the licensing authority in controlling the Hackney Carriage tariff and advises the Board on a potential increase the Hackney Carriage tariff currently in operation and related fees.

PART II
Contact Officer
Russell Bray
Ext 5553

7. ANY OTHER ITEMS

Which by reason of special circumstances the Chairman determines should be considered as a matter of urgency

Licensing Board
7 June 2011

8. EXCLUSION OF PUBLIC

To consider the following motion:

That in relation to the following items the public be excluded from the meeting, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

PART B ITEM
FOLLOWING THE EXCLUSION OF PRESS AND PUBLIC

Item No.	Item	Paragraph no.1 of Part I of Schedule 12A of the Act	
9.	APPLICATION FOR THE GRANT OF A PRIVATE HIRE DRIVERS LICENCE	Paragraph 1 The report contains personal data which is identified as sensitive material.	PART II Contact Officer Gaynor Williams Ext 5503
10	APPLICATION FOR THE GRANT OF A HACKNEY CARRIAGE DRIVERS LICENCE	Paragraph 1 The report contains personal data which is identified as sensitive material.	PART II Contact Officer Clive Tizard Ext 5609

Board/Committee:	LICENSING BOARD
Date of meeting:	7 JUNE 2011
Title:	REVIEW OF HACKNEY CARRIAGE FARE TARIFF
Author:	HOUSING SERVICES MANAGER & FINANCIAL SERVICES MANAGER
Status:	FOR DECISION

Purpose

The report advises the Licensing Board of the role of the licensing authority in controlling the Hackney Carriage tariff and advises the Board on a potential increase the Hackney Carriage tariff currently in operation and related fees.

Recommendations

The Licensing Board is requested to:-

Consider an increase in the maximum level of Hackney Carriage fares chargeable and consider which formula and tariff model should be implemented, subject to public consultation, from 1 August 2011.

1.0 Background

- 1.1 It is an offence for a Hackney Carriage driver to charge more than the tariff set by the licensing authority for a journey. Any alteration to the tariff must be agreed by the licensing authority and is subject to public consultation prior to implementation.
- 1.2 Previously this Council has reviewed the Hackney Carriage tariff for vehicles operating in the Borough on an annual basis. The means adopted to carry out this review has been a formula which was agreed by the Licensing Sub Committee at its meeting held on the 4 October, 2001, following consultation with the trade. The formula calculates the operating costs of Hackney Carriages with certain elements incurring different weightings to reflect their contribution to the overall costs incurred by the trade.
- 1.3 The tariffs operated by hackney carriages in the borough comprise of tariff 1 (100% of the agreed tariff) between 06:00 and 00:00 (midnight) and tariff 2 (150%) between 00:01 and 06:00 each day. The tariff applied on bank holidays is tariff 2 all day; the tariff is also increased to tariff 2 on New Years Eve from 19:30 until midnight.

2.0 **Report**

- 2.1 The Hackney Carriage tariff was last presented to the Licensing Board for review on the 8 June 2010. At this meeting the Licensing Board approved the recommendation to increase the tariff by 3.98% along with other charges increased
- 2.2 A copy of the approved formula is shown in **Appendix A** and indicates that should the Board consider it being used to determine the increase for the period since the tariff was last amended an increase of 4.68% appropriate. Two models for achieving a tariff increase approximately in line with this increase are shown in **Appendix B**. Model 1, is based on the current pull off rate of £2.80. Model 2, has been prepared based on a modified pull off rate of £2.20. Model 3, has been prepared based on a modified pull off rate of £2.20 and with no percentage increase.
- 2.3 Guidance issued by the Department for Transport states 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.*" The guidance goes on to say "*The Department also suggests that in reviewing fares authorities should pay regard to the needs of the travelling public, with reference both to what is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service when it is needed*".
- 2.4 All vehicle licence holders have been consulted on the formula findings and invited to indicate their preferred option model. A full summary of the licence holder's responses will be circulated at the board hearing.
- 2.5 The vehicle licence holders have not indicated that the Board consider any other matters regarding implementation of the tariffs and related charges.

3.0 **Comparison with other Hampshire Local Authorities**

- 3.1 **Appendix C** shows the comparison of both Gosport's existing Hackney Carriage fare with fare levels of other Hampshire Authorities.
- 3.2 It can be seen that Gosport's current pull off tariff is higher than the neighbouring authorities of Portsmouth and Fareham. Individual vehicle licence holders have expressed their wish to see the Gosport pull off tariff rate reduced to the level of Portsmouth and Fareham. Model 2 has reflected the reduced pull

off rate and an increase in line with the revised tariff formula. Model 3 has reflected the reduced pull off rate with only a minimal increase and no increase from the revised formula. This minimal increase model has been prepared in response to requests from a number of individual vehicle licence holders who wish only to see the Gosport pull off rate reduced to the level of Portsmouth and Fareham with no percentage increase. This is due to the current economic climate.

4.0 Risk Assessment

- 4.1 Recent guidance received from the Department for Transport recommends regular review of the tariff using a formula approach. Failure to review the tariff may provide grounds for judicial review of the process adopted by the Council for setting the Hackney Carriage tariff.
- 4.2 The main risks relating to the setting of the maximum Hackney Carriage fares charging levels are that the fares are either set too high and will be seen as unfair to the customer and discourage the use of taxi's or set too low and will affect the trade adversely leading to insufficient provision. This risk has been reduced both by the comparison with other Hampshire Local Authorities tariff levels and the consultations with the Gosport Hackney Carriage operators.

5.0 Legal Implications

- 5.1 The Local Government (Miscellaneous Provisions) Act 1976 and the Town Police Clauses Act 1847 provide licensing authorities with the power to set Hackney carriage tariffs.
- 5.2 It is an offence for Hackney carriage drivers to charge in excess of the tariff set by the licensing authority.
- 5.3 Any variation in the tariff must be advertised in at least one local newspaper not less than 14 days prior to implementation to provide the public with an opportunity to object.

6.0 Conclusion

- 6.1 An increase of 4.68% has been identified by the Hackney carriage Tariff formula as the percentage increase in the hackney carriage tariff due for 2011/12 in the Borough.
- 6.2 All the vehicle licence holders have been written to and invited to comment and indicate a preference of the findings indicated by the formula. A full update of the vehicle licence holder's

consultation will be presented at the board hearing by the Senior Licensing Officer

- 6.3 Any alterations in the tariff structure can only be by agreement of the licensing authority and will be subject to public consultation prior to implementation.

Financial Services comments:	
Legal Services comments:	As contained in the report
Service Improvement Plan implications:	None
Corporate Plan:	None
Risk Assessment:	The Council is committed to an annual review of the Hackney Carriage tariff.
Background papers:	Report to Licensing Sub Committee October 2001
Appendices/Enclosures:	Appendix A – Tariff Formula. Appendix B – Hackney Carriage Fares 2011/2012 comparative Models Appendix C – Hampshire Authorities Hackney Carriage fare comparison table.

Appendix A – Tariff Formula 2011 / 2012

PRICE INDICES FOR HACKNEY CARRIAGE FARE INCREASES

Appendix A

	2009/10 - ZERO 2010/11				2011/12			
	% Change Feb-08 Feb-10	% Weighting	Expenses weighted using last years % inc. £		% Change Feb-10 Jan-11	% Weighting	Expenses weighted using last years % inc. £	
1. Average Weekly Earnings	1.80% X	45.0% =	0.81		-1.10% X	45.0% =	-0.50	23,860
2. Maintenance of Motor Vehicles	9.93% X	5.4% =	0.54		5.37% X	5.7% =	0.30	2,853
3. Purchase of Motor Vehicles	1.39% X	9.4% =	0.13		-1.17% X	9.0% =	-0.11	4,318
4. Vehicles Tax and Insurance	24.78% X	5.1% =	1.27		27.05% X	6.1% =	1.64	3,734
5. Fuel and Oil	2.80% X	14.8% =	0.41		15.58% X	14.4% =	2.24	8,062
6. Retail Price Increase	3.69% X	20.2% =	0.75		5.52% X	19.9% =	1.10	10,154
Annual Percentage Increase		100.0%	3.91%			100.0%	4.68%	53,021

Note - Fuel Increase Apr 08 to Feb 10

Source Documentation

1 Labour Market Trends

2 - 5 Consumer Price Index

6 RPI

All available from National Statistics Website

http://www.statistics.gov.uk/downloads/theme_labour/AWE_Historic.xls

http://www.statistics.gov.uk/downloads/theme_economy/a-to-i-feb-2011.pdf#page=10

Appendix B – Hackney Carriage Fares 2011/2012 comparative Models

HACKNEY CARRIAGE FARES 2011/12

Appendix B

Model 1

Meter distance reduced from 205 to 187 to achieve an average increase as close to 4.68% as possible

	2010/2011			2011/2012		
	Distance (metres)	First 706 metres	Subsequent 205 metres	First 706 metres	Subsequent 187 metres	Increase %
1 Mile	500	2.80		2.80		0.00
	750	2.80	1	3.00		0.00
	1000	2.80	2	3.20		0.00
	1609	2.80	5	3.80		0.00
	2000	2.80	7	4.20		0.00
	3000	2.80	12	5.20		3.85
	3100	2.80	12	5.20		3.85
	3218	2.80	13	5.40		3.70
	3300	2.80	13	5.40		3.70
	3400	2.80	14	5.60		3.57
2 Miles	3500	2.80	14	5.60		3.57
	3600	2.80	15	5.80		3.45
	3700	2.80	15	5.80		3.45
	3800	2.80	16	6.00		3.33
	3900	2.80	16	6.00		3.33
	4000	2.80	17	6.20		3.23
	4100	2.80	17	6.20		3.23
	4200	2.80	18	6.40		3.12
	4300	2.80	18	6.40		3.12
	4400	2.80	19	6.60		3.03
3 Miles	4500	2.80	19	6.60		3.03
	4600	2.80	19	6.60		3.03
	4700	2.80	20	6.80		2.88
	4827	2.80	21	7.00		2.71
	4900	2.80	21	7.00		2.71
	5000	2.80	21	7.00		2.71
	5100	2.80	22	7.20		2.58
	5200	2.80	22	7.20		2.58
	5300	2.80	23	7.40		2.45
	5400	2.80	23	7.40		2.45
5 Miles	5500	2.80	24	7.60		2.32
	5600	2.80	24	7.60		2.32
	5700	2.80	25	7.80		2.19
	5800	2.80	25	7.80		2.19
	5900	2.80	26	8.00		2.06
	6000	2.80	26	8.00		2.06
	6100	2.80	27	8.20		1.93
	6200	2.80	27	8.20		1.93
	6300	2.80	28	8.40		1.80
	6400	2.80	28	8.40		1.80
10 Miles	6500	2.80	29	8.60		1.67
	6600	2.80	29	8.60		1.67
	6700	2.80	30	8.80		1.54
	6800	2.80	30	8.80		1.54
	6900	2.80	31	9.00		1.41
	7000	2.80	31	9.00		1.41
	7100	2.80	32	9.20		1.28
	7200	2.80	32	9.20		1.28
	7300	2.80	33	9.40		1.15
	7400	2.80	33	9.40		1.15

Average % increase 4.61

CALCULATION OF PROPOSED INCREASE

First click at 706 metres £ 2.80
Subsequent metres 205 £ 0.20

First click at 706 metres £ 2.80
Subsequent metres 187 £ 0.20

Model 2

Reduce pull-off rate to £2.20 and reduce pull-off distance and meter distance to 185 to achieve an average increase as close to 4.68% as possible

2011/2012			
First 185 metres	Subsequent 185 metres	Fare £	Increase %
2.20	4	2.20	0.00
2.20	5	3.00	0.00
2.20	8	3.20	0.00
2.20	10	3.80	0.00
2.20	16	4.20	0.00
2.20	16	5.40	3.85
2.20	16	5.40	3.85
2.20	17	5.60	3.70
2.20	17	5.60	3.70
2.20	18	5.80	3.57
2.20	18	5.80	3.57
2.20	19	6.00	3.45
2.20	19	6.00	3.45
2.20	20	6.20	3.33
2.20	21	6.40	3.23
2.20	21	6.40	3.23
2.20	22	6.60	3.12
2.20	22	6.60	3.12
2.20	23	6.80	3.03
2.20	23	6.80	3.03
2.20	24	7.00	2.88
2.20	24	7.00	2.88
2.20	25	7.20	2.71
2.20	25	7.20	2.71
2.20	26	7.40	2.58
2.20	26	7.40	2.58
2.20	27	7.60	2.45
2.20	27	7.60	2.45
2.20	32	8.60	1.93
2.20	32	8.60	1.93
2.20	37	9.60	1.41
2.20	37	9.60	1.41
2.20	43	10.80	1.15
2.20	43	10.80	1.15
2.20	48	11.80	0.83
2.20	48	11.80	0.83
2.20	54	13.00	0.52
2.20	54	13.00	0.52
2.20	81	18.40	0.20
2.20	81	18.40	0.20
2.20	86	19.40	0.11
2.20	86	19.40	0.11

Average % increase 4.68

First click at 185 metres £ 2.20
Subsequent metres 185 £ 0.20

First click at 185 metres £ 2.20
Subsequent metres 189 £ 0.20

Model 3

Reduce pull-off rate to £2.20 and reduce pull-off distance and meter distance to 199 to achieve an average increase as close to NIL as possible

2011/2012			
First 199 metres	Subsequent 199 metres	Fare £	Increase %
2.20	3	2.20	-6.67
2.20	5	2.80	0.00
2.20	8	3.20	0.00
2.20	10	3.80	0.00
2.20	15	4.20	0.00
2.20	15	5.20	0.00
2.20	15	5.20	0.00
2.20	16	5.40	0.00
2.20	16	5.40	0.00
2.20	17	5.60	0.00
2.20	17	5.60	0.00
2.20	18	5.80	0.00
2.20	18	5.80	0.00
2.20	19	6.00	0.00
2.20	19	6.00	0.00
2.20	20	6.20	0.00
2.20	20	6.20	0.00
2.20	21	6.40	0.00
2.20	21	6.40	0.00
2.20	22	6.60	0.00
2.20	22	6.60	0.00
2.20	23	6.80	3.03
2.20	23	6.80	3.03
2.20	24	7.00	0.00
2.20	24	7.00	0.00
2.20	25	7.20	2.86
2.20	30	8.20	2.50
2.20	35	9.20	2.22
2.20	40	10.20	2.00
2.20	45	11.20	1.82
2.20	50	12.20	1.67
2.20	75	17.20	2.38
2.20	80	18.20	1.11

Average % increase 0.39

Appendix C – Hampshire Authorities Hackney Carriage fare comparison table.

Appendix C

HAMPSHIRE HACKNEY CARRIAGE FARE COMPARISON

AUTHORITY	1 ST DISTANCE	2ND DISTANCE	SUBS. DISTANCE	WAITING
GOSPORT	For the 1 st 706 metres or part thereof £2.80		For each subsequent 205 metres or part thereof 20p	For each period of 50 seconds or uncompleted part 20p
BASINGSTOKE & DEANE	£2.80 minimum charge, for the first 252 yards or 1 minute 15 seconds or a combination of parts of such distance & time	20p for each additional 252 yards or 50 seconds until the fare exceeds £9.60, or a combination of parts of such distance and time	20p Thereafter for each 196 yards or 50 seconds, or a combination of parts of such distance and time	For each period 50 seconds or uncompleted part thereof 20p
EAST HANTS	Not available	currently	Being	reviewed
EASTLEIGH	£2.70 flag and 1 st 94.66 metres (1/17 th of a mile) £0.10p.		10p Each following 94.66 metres or part.	20p Each period of one minute or part
FAREHAM	For the first 190 metres or part thereof £2.20		For each succeeding 190 metres or part 20p	For each period of 60 seconds or part 20p
HART	£2.60 If the distance does not exceed 5/11 of a mile for the whole distance		20p For each 1/11 of each subsequent mile	33p For each one minute waiting time (or pro rata), added in increments of 20p
HAVANT	For the 1 st 117 metres or part thereof £2.40		For each succeeding 210 metres or part thereof 20p	For each period of 60 seconds 20p

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Appendix C – Hampshire Authorities Hackney Carriage fare comparison table.
(Continued)

Appendix C

IOW	Up to ½ mile £3.00		40p each subsequent ¼	For each 1 minute 40p
NEW FOREST	£2.00 for 1 st 850 yards		20p for each subsequent 165 yards	20p for each 50 seconds
PORTSMOUTH	£2.20 for 1 st 300 yards or 51.43 seconds or part thereof	20p for each additional 200 yards (182.88 metres) or 51.43 seconds or part thereof until the fare reaches £12.60	20p thereafter for each 155 yards (141.73 metres) or 36 seconds or part thereof	Waiting time on Tariff 1 rate is £14.00 per hour, and £18.00 per hour on Tariff 2.
RUSHMOOR	First 1171.1 yards or uncompleted part £2.50	For each subsequent (or part) 167.3 yards up to 8 miles 20p	Thereafter, for each subsequent (or part) 133.9 yards 20p	20p per 40 second period
SOUTHAMPTON	For the first 110 metres (120.3 yards) or part thereof £2.40	For the each subsequent 110 metres (120.3 yards) or part thereof to a maximum total distance travelled of 440 metres (481.2 yards) 20p	For each subsequent 212 metres (231.85 yards) or part thereof thereafter 20p	For each period of forty-five seconds or part thereof 20p
TEST VALLEY	£3.40 for 1 st mile		Thereafter each 1/8 mile (220 yards)	10p for each 20 seconds or part thereof
WINCHESTER	For the first 660 yards (603 metres) of part thereof (minimum charge) £2.40		For each succeeding 180 yards (165 metres) or part thereof	For each period of one minute 20p