Licensing Committee - 4th December 2007

# 7. Fare Increase for Hackney Carriage

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### Purpose of the Report

This report sets out the views of taxi operators following a consultation to assess their response to a proposal for a fare increase.

#### Recommendation

That there be no taxi fare increase for the financial year 2008 – 2009 and the fare increase be reviewed again in October 2008.

#### Background

The District Council is responsible for setting the fares that can be charged by hackney carriages (taxis) operating in the district. The taxi fares were last increased in May 2006. The Strategic Director (Finance) (now Head of Finance) has delegated authority to increase the fares annually at the rate of inflation.

The fares set by the Council are the maximum that can be charged by hackney carriages that are licensed to ply for hire within the district.

The hackney carriage fares are reviewed each year following consultation with the operators.

#### **Report Detail**

All the hackney carriage operators and drivers were sent a consultation questionnaire to complete and return to the council offices by the 13<sup>th</sup> November stipulating whether they were in favour of a rate increase or not. In total 229 questionnaires were sent out and 19 were returned to the council offices: a return rate of 8%: of the returned questionnaire 12 of the 19 (63%) said that a fare increase was needed.

However as there was only a 5% (19 out of 229) return from the entire consultation which requested a fare increase the recommendation is not to increase fare rates as the proportional return rate was so low that it could not be representative of the whole trade.

It is also proposed that the consultation will be conducted again in October 2008 for a possible fare increase in April 2009.

### **Financial Implications**

Members will be aware that the taxi service plays an important role in meeting transport needs particularly in rural areas. The Council has to consider the impact a large increase

would have on the public many of whom rely heavily on taxis in the absence of alternative public transport. However, this has to be balanced against the need for operators to generate sufficient income to pay their costs and to provide a reliable quality service to the public.

## **Implications for Corporate Priorities**

None

# **Other Implications**

None

Background Papers: Questionnaire and returns