

To: General Purposes Licensing Committee

Date: 14 September 2015

Report of: Head of Community Services

Title of Report: Hackney Carriage & Private Hire Vehicles – Licensing Authority funding of Annual Taxi-meter Recalibration and Sealing following Variations of Tariffs

Summary and Recommendations

Purpose of report: To reconsider the Council practice of the Taxi Licensing function paying for the costs incurred for the Recalibration and Sealing of Taxi-meters fitted to Hackney Carriage and Private Hire Vehicles following Variations of Tariffs.

Report Approved by:

Finance: Paul Swaffield
Legal: Daniel Smith

Policy Framework: Vibrant Sustainable Economy

Recommendation(s): That the General Purposes Licensing Committee resolves to:

1. determine what action, if any, should be taken in relation to the Authority funding the recalibration and sealing of taximeters.

Additional Papers:

Appendix 1: Report to the General Purposes Licensing Committee of 28 October 2008

Appendix 2: Minutes from the General Purposes Licensing Committee of 28 October 2008

Introduction

1. It has long been Council practice that the cost of any recalibration and sealing of taxi-meters following a variation to the tariffs for both Hackney Carriage and Private Hire be funded by the Taxi Licensing function.
2. Legislation prevents a Hackney Carriage tariff from being varied more than once per calendar year and such variations of tariffs are set by the Council upon receipt of a request from the City of Oxford Licensed

- Taxicab Association. Such requests are subject to scrutiny by the General Purposes Licensing Committee.
3. The Private Hire Trade is not subject to tariffs being set by the Council, nor are those tariffs subject to scrutiny by the General Purposes Licensing Committee.
 4. Private Hire Operators are permitted by law to vary their tariffs at any time that they deem appropriate, and their business model is built on providing cheaper transport services than the Hackney Carriage trade and employing as many drivers and vehicles as possible in order to widen their market share.

Background

5. Following the Private Hire Trade varying its tariffs twice in one calendar year (2007), a report was heard at the General Purposes Licensing Committee meeting on the 28 October 2008. Members approved a request made by the Taxi Licensing Officer for the Licensing Authority to fund the cost of just one re-calibration and re-sealing of a taxi-meter for each licensed Private Hire vehicle in any 12-month period resulting from an increase in fares.
6. At the time that the 2008 report was written, the Committee did not know that the national recession would lead to a significant increase of both driver and vehicle applications.

Financial Implications

7. The current cost for each recalibration and resealing of a taxi-meter is £15.00 and the work is undertaken by Direct Services, who recharge the Licensing Authority via the Taxi Licensing function.
8. The licence fees for drivers, vehicle owners and operating companies in both the Hackney Carriage and Private Hire trades have not been increased since 2007; however, a range of charges were introduced in 2011 that are applicable to licence holders when requiring services from the Taxi Licensing function that are not covered by the licence fee.
9. It is not financially sustainable to continue to pay for the recalibration and resealing of taxi meters.

Relevant Considerations

10. The Committee is asked to review the current practice and determine whether the potential costs to the Licensing function could be better spent on other duties.
11. The cost of £15.00 for a meter-change has to be borne by the licence holder if the recalibration and sealing of the taxi-meter requires actioning more frequently than once per annum.

12. It is the taxi trade's decision whether to increase their tariffs and this funding is not built into the licence fee charged by the Authority. It is not the Council's responsibility to pay for one recalibration and reseal per year.

Options Available to the Committee

13. The Committee is provided with two options to consider in order to reach a decision as to what, if any level of funding should be provided by the Taxi Licensing function to the Trade in relation to the cost of the recalibration and meter-sealing when tariffs are varied:
 - a) Continue with the current practice in relation to the Private Hire Trade and the Hackney Carriage Trade and to incorporate this decision within the Hackney Carriage and Private Hire Vehicle Application Pack;
 - b) Remove funding in its entirety, and request that the Licensing Manager write to all Hackney Carriage Vehicle licence holders and Private Hire Operators informing them that the previously funded service has now ceased owing to it not being financially viable in light of the financial demands placed on the service.

Financial Considerations

14. Any financial implications have already been detailed within this report.

Legal Considerations

15. There are no legal considerations in regard to this report save for any decision by the Committee to change the current practices in relation to the recalibration and sealing of the taxi-meters.

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