

To: **Licensing and Safety Committee**
24 JUNE 2021

REVIEW OF HACKNEY CARRIAGE TARIFFS
Public Protection Partnership Manager

1 Purpose of Report

- 1.1 To review the current hackney carriage fare scale following the submission of a business case (Appendix A) by representatives of the trade and outline the statutory consultation process that will be undertaken if Members are minded to support the proposed changes.

2 Recommendations

That the Committee

- 2.1 **NOTES** the existing tariffs which have been in place since 2011.
- 2.2 **CONSIDERS** the options as set out in paragraph 5.12 and agrees which, if any, of the proposals should be consulted on.

If Members are minded to consult on any changes

- 2.3 **AGREES** that a copy of the notice should be placed in the Bracknell News and on the Public Protection Partnership's website.
- 2.4 **AGREES** that a copy of the notice should be emailed individually to all licensed Hackney Carriage Proprietors for their comments.
- 2.5 **AGREES** that the consultation should run from the 08 July 2021 to 22 July 2021.
- 2.6 **AGREES** that if no objections to the changes are received the revised maximum fares would come into effect from 01 August 2021
- 2.7 **AGREES** that if objections are received and not withdrawn a Special Licensing and Safety Committee meeting will be convened to consider the objections and agree a way forward.

3 Reasons for Recommendations

- 3.1 The issue of setting fares for hackney carriage drivers is an important one for two reasons. The fares set by licensing authorities largely determine the ability of drivers to earn a decent living but also function to ensure that passengers receive a fair deal when taking a journey in a licensed hackney carriage. The trade have presented the Taxi Trade Liaison Group with a business case asking that the tariffs be reviewed.

4 Alternative Options Considered

- 4.1 Not to increase the fares.
- 4.2 Any options put forward by Members at the meeting.

5 Supporting Information

- 5.1 The process of setting a fare increase is complex and a balance needs to be struck between the legitimate aims of the taxi trade to maintain profitability in the face of increasing costs, while protecting the public from excessive fares. To assist with this data from other authorities is attached at Appendix C.
- 5.2 Any decisions also need to take cognisance of the current situation the taxi trade finds itself in arising from the Covid pandemic. Anecdotal information received from the trade is that their income has been reduced by around 75% over the last financial year. The trade are also mindful that any proposal to increase fares significantly could also potentially drive customers away. The trade in Bracknell is also under pressure from competition from other drivers which needs to be factored into decision making.
- 5.3 Licensing authorities have a statutory power to set the maximum fares that licensed hackney carriages (taxis) can charge for a journey. Under section 65 of the Local Government (Miscellaneous Provisions) Act 1976, licensing authorities have the power to "...fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as a "table of fares") made or varied in accordance with the provisions of this section."
- 5.4 The trade are not obligated to charge the maximum fare. This means that hackney carriage drivers are well within their rights to negotiate the fare down provided that the final agreed fare is no more than the maximum set.
- 5.5 Any proposed changes would need to be subjected to a statutory consultation process.

Background

- 5.7 The current tariff scale as set out in Appendix B was agreed in 2011. Since then a number of discussions have taken place with the trade about potential adjustments to these fares.
- 5.8 There are currently three tariffs in place:

Tariff 1 (Minimum Charge £3.00)

For the first 700 yards (640 metres) or 2 minutes 36 seconds = £3.00
For each subsequent 200 yards (182 metres) or uncompleted part = 20p
Waiting time – for up to every 45 seconds = 20p

Tariff 2 – (Minimum Charge £4.50)

For hiring between 11.00pm and 7.00am
For hiring on Bank and Public Holidays 50% on Tariff 1
For hiring on Christmas Eve and New Year's Eve from 6.00pm until midnight (includes an additional 50% on tariff 1)

Tariff 3 - (minimum Charge £6.00)

For hiring on Christmas Day through to 7.00am on Boxing Day
(Includes an additional 100% on tariff 1)

Additional charges also for fouling of vehicle interior (£50) and vehicle exterior (£10).

- 5.9 At the Licensing & Safety Committee meeting on the 22nd October 2020 Members received an officer update on the hackney carriage and private hire trade liaison meetings. Members were keen to engage with all sectors of the trade to hopefully make some positive changes in the light of what has been a very hard year for the trade. One of the issues they wished to discuss were the fees.
- 5.10 When proposals to change policies are made there is a requirement to consult all sectors of the trade not just the sectors that are affected by the change. A consultation letter was circulated to the members of the trade. One of the questions asked was “Do you support, Taxi Fare Rise from £6.00 to £6.80 per 2 miles” which was proposed by some of the Drivers previously.
- 5.11 Initially only 11 responses were received out of the 287 letters that were sent out in December 2020. In February 2021 an additional letter was sent out. This letter explained the consultation process. As a result of this a further 81 responses were received all supporting the fare increase proposed. The Trade was asked to draft a business case setting out the reasons for a fee increase. These were presented to the Taxi Trade Liaison Workshop on the 09 June 2021 where it was agreed that the proposals should be presented to the Licensing and Safety Committee for consideration.
- 5.12 Based on this cost analysis the trade were proposing that maximum Hackney Carriage fare be increased from £6.00 for a 2 mile fare to £6.80.

The revised tariffs being proposed for consultation are set out below and detailed in Appendix B:

	Tariff 1	Tariff 2	Tariff 3
When applied	For hiring between 07:00 and 23:00 Monday to Sunday	For hiring between 23:00 and 07:00 Monday to Sunday For hiring on Bank and Public Holidays For hiring on Christmas Eve and New Year's Eve from 18:00 until 24:00	For hiring on Christmas Day through to 07:00 on Boxing Day
Flag Rate For the first 450 yards (640 metres) or 1 minute 42.8 seconds	£3.00	£4.50	£6.00
For each subsequent 175 yards (182 metres) or uncompleted part	20p	30p	40p
Waiting Time 40 seconds	20p	30p	40p

- 5.12 In order to set maximum fares, the 1976 Act prescribes a statutory consultation process and a means of dealing with objections in relation to a licensing authority's proposal to adopt or vary fares.
- 5.13 If Members are minded to make any adjustment to the fares the Council must publish a notice setting out the proposed changes in at least one local newspaper. The notice must specify that readers will have at least fourteen days from the date of the first publication of the notice to object to the change. The notice should also set out how the objections should be made.
- 5.14 A copy of the notice must be displayed at the Council's Office and in addition a copy will also be placed on the Public Protection Partnership's website. The Council could also email a copy of the notice to the trade.
- 5.15 If no objections to the variation are received within the fourteen day period or if all objections are withdrawn, the revised fares will come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the last objection whichever date is the later.
- 5.16 If objections are received and not withdrawn, the Licensing and Safety Committee will have to meet again (not later than two months after the first specified date,) to consider the objections and agree a way forward.

6 Consultation and Other Considerations

Legal Advice

- 6.1 The procedure for setting fares and public notice requirements are stipulated within section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

Financial Advice

- 6.2 The costs associated with the consultation will be met from within existing budgets

Other Consultation Responses

- 6.3 Consultation has been undertaken with the trade via a survey as well at two Taxi Trade Liaison meetings.

Climate Change Implications

- 6.6 The recommendations in Section 2 above are expected to:

Delete as applicable: Have no impact on emissions of CO₂.

Background Papers

Letters sent to the trade

Appendices

Appendix A – Taxi Trade Business Case

Appendix B – 2011 Tariff Scales

Appendix C – Comparator Data from other authorities

Contact for further information

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