

To: **THE LICENSING AND SAFETY COMMITTEE**
12 May 2022

REQUEST FROM TAXI TRADE TO REVIEW HACKNEY CARRIAGE TARIFFS
Public Protection Partnership Manager

1 Purpose of Report

- 1.1 To comment on a business case (Appendix A) submitted by representatives of the taxi trade to review the current table of fares in light of the current increase in the cost of fuel prior to the Executive considering the request at their 24 May 2022 meeting.
- 1.2 To note the statutory consultation process that must be undertaken if the Executive agrees to consult on the proposals set out in the business case.

2 Recommendations

The Licensing and Safety Committee

- 2.1 **NOTES** the existing tariffs which have been in place since 01 August 2021 (Appendix B).
- 2.2 **COMMENTS** on the business case put forward by the trade (Appendix A).
- 2.3 **NOTES** any comments received on the consultation at the 23 June 2022 Licensing and Safety Committee meeting.

That the Executive

- 2.1 **NOTES** the existing tariffs which have been in place since 01 August 2021 (Appendix B).
- 2.2 **CONSIDERS** the business case put forward by the trade (Appendix A).
- 2.3 **CONSIDERS** if statutory consultation should be undertaken on revisions to the table of fares for hackney carriage tariffs based on the proposals set out in Appendix D to this report.

If the Executive is minded to consult on any changes they are asked to:

- 2.1 **AGREE** that the consultation will run from the 01 June 2022 to the 15 June 2022.
- 2.2 **AGREE** that a public notice (as set out in Appendix E) will be placed in the Bracknell News on the 01 June 2022.
- 2.3 **AGREE** that the consultation will be promoted on both the Bracknell Forest Council and the Public Protection Partnership's website and a note will be displayed at the Time Square Offices by the 01 June 2022.
- 2.4 **AGREE** that a copy of the notice should be emailed individually to all Bracknell licensed Hackney Carriage Proprietors for their comments.

2.5 **NOTE** that the Licensing and Safety Committee will, at the 23 June 2022 meeting, be asked to note any responses received during the period of consultation.

2.6 **NOTE** that if objections are received and not withdrawn the Executive at its meeting on the 19 July 2022 will consider the business case alongside any objections and determine whether the proposed varied table of fares, with or without modification, will come in to operation and the revised implementation date.

3 Reasons for Recommendations

3.1 Local 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, local 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."

3.2 The current tariff scale was agreed in 2021. The taxi trade have submitted a business case asking for the tariffs to be reviewed urgently in light of the current fuel prices. It should be noted that it has previously been agreed that the tariffs would be consulted on annually. This request is just expediting that process. The cost of fuel could be revisited during the 2023 consultation on tariffs.

4 Alternative Options Considered

4.1 Not to increase the fares.

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 decision process data from other authorities is attached at Appendix C. The cost of a two mile fare across 349 local authorities/ areas as at 27 April 2022 can be found at: <https://www.phtm.co.uk/newspaper/taxi-fares-league-tables>

5.2 The trade have requested an urgent review of the tariffs in light of the current cost of diesel and petrol. Their business case is attached at Appendix A. The AA's Fuel Price report states that in August 2021 the average cost of petrol and diesel in the South East of England was 136.2 pence per litre (Unleaded 95 Octane) and 137.8 pence per litre respectively. These prices have increased to around 167.3 pence per litre for petrol on the 22 March 2022 and 179.9 pence per litre for diesel on the 23 March 2022.

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

- 5.6 The current tariff scale as set out in Appendix B was agreed in 2021. The Council received a request for the urgent review of these tariffs on the 04 April 2022.

- 5.7 There are currently three tariffs in place:

Tariff 1 (Minimum Charge £3.00)

For the first 450 yards (411 metres) or 1 minutes 42.8 seconds = £3.00
For each subsequent 175 yards (160 metres) or uncompleted part = 20p
Waiting time – for up to every 40 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).

- 5.8 Based on business case the trade are proposing that the maximum Hackney Carriage fare be increased from £6.80 for a two mile fare to £7.80 during Tariff 1 operating hours. The revised tariffs being proposed for consultation are detailed in Appendix D.
- 5.9 In order to set maximum fares, the 1976 Act prescribes a statutory consultation process and a means of dealing with representations in relation to a licensing authority's proposal to adopt or vary fares.
- 5.10 If the Authority is 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 comment on the change. The notice should also set out how the representations should be made.
- 5.11 A copy of the notice must be displayed at the Council's Office and in addition Officers are proposing that a copy will also be placed on both the Bracknell Forest Council and the Public Protection Partnership's websites. Officers are also proposing that copy of the notice be emailed to the trade. The meter companies will also be contacted.
- 5.12 All comments on the business case request will be reported to the Licensing and Safety Committee for the Members to note. Any objections received and not withdrawn will be presented to the Executive at the 19 July meeting alongside the business case from the trade. The Executive will be asked to determine if, on consideration of the business

case from the trade and any consultation responses received, the existing table of fares is to be varied to be the revised table of fares, with or without modification.

- 5.13 If no objections are received the revised table of fares will come into effect on the 16 June 2022.
- 5.14 Any comments from the Licensing and Safety Committee about this proposal will be notified to the Executive at the 24 May meeting.

6 Consultation and Other Considerations

Legal Advice

- 6.1 Advice has been sought from the Monitoring Officer who has confirmed that the power of a Local Authority to set/vary tariffs is under s. 65 Local Government (Miscellaneous Provisions) Act 1976. This legislation does not specify any restrictions on any number of timings for subsequent changes/variations to the tariffs. It sets out that any proposed variations are subject to consultation / publication.

Schedule 1 of the Local Authorities (Functions and Responsibilities) Regulations 2000 sets out a list of Local Authority functions which are specified as not being Executive functions. Various Taxi Licensing functions are listed in the schedule such as the power to licence hackney carriages, drivers and vehicles. These functions therefore sit within the Licensing and Safety Committee in our constitution as they cannot be exercised by the Executive/an Executive Member or an Officer under Executive delegation. However S65 (the setting of tariffs) is notably absent both in Schedule 1 (or in any of the other schedules which specify a list of functions known as Local Choice functions that a local authority may vest in its Executive.).

Under Section 9D(2) of the Local Government Act 2000 any function of a Local Authority which is not specified in the above regulations automatically becomes an Executive function. This must therefore be the case with the setting of tariffs under s65 of the Local Government (Miscellaneous Provisions) Act 1976. As a consequence, although the Licensing and Safety Committee will be asked to note any and all comments received during the consultation the final determination will be made by the Executive.

Financial Advice

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

Other Consultation Responses

- 6.3 Consultation will be undertaken with the trade as well as residents and meter companies

Climate Change Implications

- 6.6 The recommendations in Section 2 above are expected to: Have no impact on emissions of CO₂.

Background Papers

None

Appendices

Appendix A – Taxi Trade Business Case

Appendix B – 2021 Tariff Scales

Appendix C – Comparator Data from other authorities

Appendix D – Proposed Revised Table of Fares

Appendix E – Draft Public Notice

Contact for further information

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