

**LICENSING HEALTH AND SAFETY AND GENERAL PURPOSES COMMITTEE****18 JULY 2018**

<b>REPORT TITLE</b>	<b>REVIEW OF HACKNEY CARRIAGE FARES</b>
<b>REPORT OF</b>	<b>CORPORATE DIRECTOR FOR BUSINESS MANAGEMENT</b>

**REPORT SUMMARY**

The purpose of this report is for Members to consider whether to amend the current Hackney Carriage fare tariffs subject to any objections being received as part of the consultation process.

**RECOMMENDATION/S**

That Members consider the proposals to amend the Hackney Carriage Tariffs and determine whether it is appropriate to approve an increase in Hackney Carriage Tariffs, subject to any objections being received as part of the consultation process.

## SUPPORTING INFORMATION

### 1.0 REASON/S FOR RECOMMENDATION/S

1.1 It is a delegated function of this Committee to set Hackney Carriage Tariffs.

### 2.0 OTHER OPTIONS CONSIDERED

2.1 There is no provision for other options to be considered.

### 3.0 BACKGROUND INFORMATION

3.1 The Local Government (Miscellaneous Provisions) Act 1976 section 65(1) gives the power to set hackney carriage fares to the local authority as follows:

- 1 A District Council may 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 a hackney carriage 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.
- 2 When a District Council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.

3.2 The last increase of hackney carriage fares was in February 2017 when the initial hiring distance on tariff 1 (standard day rate) was reduced. All other tariffs and distances remained unchanged.

3.3 A proposal has been submitted by the Unite Hackney Carriage trade representatives to increase hackney carriage tariffs with effect from 1 October 2018 as follows:

Retain the initial hiring distance at 300 yards and increase the initial hiring distance charge from £2.80 to £3.20 on tariff 1 (standard day rate)

Reduce the initial hiring distance from 900 yards to 300 yards on tariff 2 (standard night rate and public and bank holiday day rate) and increase the initial hiring charge from £3.30 to £3.60

Reduce the initial hiring distance from 966 yards to 300 yards on tariff 3 (public and bank holiday night rate) and reduce the initial hiring distance charge from £3.90 to £3.80

Reduce the initial hiring distance on tariff 4 (Christmas and New Year day and night rate) from 966 yards to 300 yards and increase the initial hiring charge from £5.20 to £6.00

Increase the “running mile” charge by reducing the yardage charged at 20p from 245 yards to 230 yards on tariff 1.

Increase the “running mile” charge by reducing the yardage charged at 20p from 205 yards to 175 yards on tariff 2.

Increase the “running mile” charge by reducing the yardage charged at 20p from 182 yards to 165 yards on tariff 3.

Increase the “running mile” charge on tariff 4 by increasing the yardage from 137 yards to 230 yards and increasing the charge from 20p to 40p.

Increase the charge for waiting time from 20p to 30p per minute.

#### 3.4 The current four tariffs are as follows:

Tariff 1 Standard Day Rate (6am to 10pm)

Tariff 2 Standard Night Rate (10pm to 6am)  
Public and Bank Holiday Day Rate (inc Easter Sunday)

Tariff 3 Public and Bank Holiday Night Rate (inc Easter Sunday)

Tariff 4 Christmas and New Year Day and Night Rate

Christmas is defined as the period from 18.00 hours on Christmas Eve until 06.00 hours on the day after Boxing Day.

New Year is defined as the period from 18.00 hours on New Year’s Eve until 06.00 hours on the day after New Year’s Day.

#### 3.5 The initial hiring distance on tariff 1 was last changed in February 2017.

The initial hiring distance on tariff 2 was last changed in December 2012.

The initial hiring distance on tariffs 3 and 4 was last changed in December 2009.

The “running mile” charge on all four tariffs was last changed in December 2012.

#### 3.6 A table comparing the current and proposed rates is shown at Appendix 1. A table showing the effect of the proposed increases is attached at Appendix 2.

#### 3.7 Members will be aware that an independent survey of the supply and demand for hackney carriage vehicles was carried out in 2017 with one of the conclusions in the report stating that:

“...there are frustrated potential customers and businesses who need to find some way of interacting with some part of the licensed vehicle service in order to get them home and raise their confidence to increase their willingness to come out at night more.

On the supply side there does not appear to be enough sufficiently rewarding work available either for these pockets of demand to be met by either hackney carriage or even private hire means.

This suggests there could be scope for increasing night fares for hackney carriage services which might encourage drivers to work these periods. This

is particularly true if overall demand levels are lower than would make such operation economic.”

3.8 Should Members approve the amendments to the current tariffs, the proposal must be advertised for a period of fourteen days. If no objections to the proposal are received, the revised tariff will become effective on 1 October 2018. If objections are received, they will be reported back to this Committee for consideration.

#### **4.0 FINANCIAL IMPLICATIONS**

4.1 The cost of the public advertisement will be recovered from licence fees.

#### **5.0 LEGAL IMPLICATIONS**

5.1 There are no specific implications arising from this report.

#### **6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS**

6.1 There are no specific implications arising from this report.

#### **7.0 RISKS**

7.1 There are no specific implications arising from this report.

#### **8.0 ENGAGEMENT/CONSULTATION**

8.1 The proposal must be advertised for a period of fourteen days.

#### **9.0 EQUALITY IMPLICATIONS**

9.1 There are no specific implications arising from this report.

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#### **APPENDICES**

Appendix 1 – Table comparing the current and proposed rates

Appendix 2 - Table showing the effect of the proposal

#### **REFERENCE MATERIAL**

None

#### **SUBJECT HISTORY (last 3 years)**

Council Meeting	Date
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Licensing Health and Safety and General Purposes Committee	25 November 2015 27 January 2016 23 November 2016 25 January 2017
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### Comparison of current and proposed Hackney Carriage tariffs

	Current rate	Proposed rate
<b>TARIFF 1</b>		
First 300 yards	£2.80	£3.20
Each subsequent 245 yards	20p	
<b>Each subsequent 230 yards</b>		20p
<b>TARIFF 2</b>		
First 900 yards	£3.30	
<b>First 300 yards</b>		£3.60
Each subsequent 205 yards	20p	
<b>Each subsequent 175 yards</b>		20p
<b>TARIFF 3</b>		
First 966 yards	£3.90	
<b>First 300 yards</b>		£3.80
Each subsequent 182 yards	20p	
<b>Each subsequent 165 yards</b>		20p
<b>TARIFF 4</b>		
First 966 yards	£5.20	
<b>First 300 yards</b>		£6.00
Each subsequent 137 yards	20p	
<b>Each subsequent 230 yards</b>		40p

Table showing effect of the proposal

	Distance	Fare based on current tariff	Fare based on proposed tariff	Percentage increase
<b>Tariff 1</b>	300 yards	£2.80	£3.20	14.3%
	1 mile	£4.00	£4.60	10.0%
	2 miles	£5.60	£6.00	7.1%
	3 miles	£7.00	£7.60	8.5%
	4 miles	£8.40	£9.20	9.5%
	5 miles	£9.80	£10.60	8.2%
	10 miles	£17.00	£18.40	8.2%
<b>Tariff 2</b>	300 yards	£3.30	£3.60	9.1%
	1 mile	£4.30	£5.40	25.6%
	2 miles	£5.90	£7.40	25.4%
	3 miles	£7.70	£9.40	22.1%
	4 miles	£9.30	£11.40	22.6%
	5 miles	£11.10	£13.40	20.7%
	10 miles	£19.70	£23.40	18.8%
<b>Tariff 3</b>	300 yards	£3.90	£3.80	-2.6%
	1 mile	£4.90	£5.60	14.3%
	2 miles	£6.90	£7.80	13.0%
	3 miles	£8.70	£10.00	14.9%
	4 miles	£10.70	£12.00	12.1%
	5 miles	£12.70	£14.20	11.8%
	10 miles	£22.30	£24.60	10.3%
<b>Tariff 4</b>	300 yards	£5.20	£6.00	15.4%
	1 mile	£6.40	£8.80	37.5%
	2 miles	£9.00	£11.60	28.9%
	3 miles	£11.60	£14.80	27.6%
	4 miles	£14.20	£18.00	26.8%
	5 miles	£16.80	£20.80	23.8%
	10 miles	£29.60	£36.40	23.0%