

LICENSING HEALTH AND SAFETY AND GENERAL PURPOSES COMMITTEE**13 NOVEMBER 2019**

REPORT TITLE	REVIEW OF HACKNEY CARRIAGE FARES
REPORT OF	DIRECTOR OF GOVERNANCE AND ASSURANCE

REPORT SUMMARY

The purpose of this report is for the Committee to consider a proposal to increase the Hackney Carriage Tariffs.

This matter affects all Wards within the Borough.

RECOMMENDATION/S

That:

1. The Committee considers the proposal to amend the Hackney Carriage Tariffs and determine whether to recommend to Cabinet an increase in Hackney Carriage Tariffs, subject to any objections being received as part of the consultation process.
2. Any future review of the Hackney Carriage Tariffs be undertaken on its merits taking into consideration any representations made in respect of the review.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 A proposal to increase the Hackney Carriage Tariffs has been submitted by Unite the Union.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Hackney Carriage Tariffs remain unchanged.

3.0 BACKGROUND INFORMATION

- 3.1 On 18 September 2019 the Committee considered a proposal submitted by a Unite the Union representative to increase the Hackney Carriage Tariffs.

- 3.2 At the meeting on 18 September 2019, representations were made by Unite the Union which resulted in the Committee requesting further clarity in respect of the proposal that they were being asked to consider.

- 3.3 During the meeting the Committee was advised by one of the Unite representatives that on 24 September 2007 this Committee had approved annual tariff reviews based upon the Public Carriage Office (PCO) (now Transport for London (TfL)) recommendation, and made reference to what they considered to be the current TfL recommendation which they described as an increase of fares of between 3.6% and 3.9%. The Committee subsequently requested officers advise further on the matter raised, the details as requested are provided in paragraphs 3.6 to 3.11 of this report.

- 3.4 The Committee is advised that on 24 September 2007 this Committee agreed to an annual review of fares based upon the Public Carriage Office recommendations.

- 3.5 In September 2008 and November 2009 this Committee approved tariff increases proposed by Hackney Carriage trade representatives based upon the PCO recommendation for London. In November 2010 and September 2012 Hackney Carriage trade representatives proposed that the PCO recommendations were not adopted. Subsequent tariff increase proposals made in 2015, 2016, 2017 and 2018 have not been based on the PCO/TfL recommendations.

- 3.6 TfL review Hackney Carriage Tariffs annually based upon a Total Cost Index figure. This figure is calculated based on vehicle costs, parts, servicing, insurance, increase in average earnings and other factors relating to the trade in London, for example licence fees.

- 3.7 The TfL Total Cost Index figure for 2019 is +3.4%, however TfL did not propose an increase based on this figure because of:

- Concerns about some tariff rates already being too high;
- Concerns about other tariff rates becoming too high;

- A potential adverse impact on people who rely on or use taxis often, including disabled and elderly taxi users and
- A potential adverse impact on taxi drivers if fares increase by 3.4 per cent if this leads to fewer people using taxis and drivers' incomes falling.

3.8 TfL put forward a proposal for consultation in July 2019 which was:

- Increasing the minimum fare by 20 pence (6.7 per cent) taking this from £3.00 to £3.20
- Increasing Tariff 1 by 1.9 per cent
- Increasing Tariff 2 by 1.9 per cent
- No increase to Tariff 3
- No increase to the distance and time rates for journeys over six miles (Tariff 4)

3.9 The TfL tariffs 1 and 2 equate approximately to Wirral tariffs 1 and 2, and TfL tariff 3 equates approximately to Wirral tariffs 3 and 4.

3.10 TfL tariff 4 relates to journeys beyond six miles.

3.11 The results of the TfL consultation have not yet been published.

3.12 The last increase of Hackney Carriage Fares in Wirral was in November 2018. The effect of this was to increase the initial hiring charge on tariff 1 and reduce the initial hiring distance on tariffs 2, 3 and 4, and to reduce the running mile yardage on all tariffs. This resulted in increases of between 7.1% and 37.5% on distances between 1 mile and 10 miles.

3.13 The current proposal submitted by Unite the Union is attached at Appendix 1 dated 20 September 2019 and signed by the Union Branch Secretary on 16 October 2019.

3.14 The proposal also includes an increase in the fouling charge from £35 to £50.

3.15 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.

- 3.16 A table showing the current Hackney Carriage Tariffs is set out in Appendix 2.
- 3.17 A table comparing the current tariffs in Wirral with neighbouring local authorities is attached at Appendix 3.
- 3.18 A petition signed by 51 Hackney Carriage Drivers has been submitted to the Licensing Authority requesting no increase in the Hackney Carriage Tariffs.
- 3.19 Should the Committee approve an amendment 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 tariffs will be reported to Cabinet for approval. 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 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.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 There may be an impact on resources in the Licensing Team as following any change in the Hackney Carriage Tariffs it is necessary to verify that the meters in the Hackney Carriages have been calibrated to take into account the changes and new fare tariff cards are issued to all Hackney Carriage Drivers.

7.0 RELEVANT RISKS

- 7.1 The decision of whether to increase the Hackney Carriage Fares could have an impact on what members of the public reasonably expect to pay and upon whether drivers are provided with a sufficient incentive to provide a service when it is needed.

8.0 ENGAGEMENT/CONSULTATION

8.1 The proposal must be advertised for a minimum period of fourteen days. If no objections to the proposal are received, the revised tariffs will be reported to Cabinet for approval. If objections are received, they will be reported back to this Committee for consideration.

9.0 EQUALITY IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

Yes and impact review is attached - <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2017/business>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 Hackney Carriage Vehicles contribute to CO2 emissions.

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APPENDICES

Appendix 1 – Proposal submitted by Unite the Union

Appendix 2 – A table showing the current Hackney Carriage Tariffs

Appendix 3 – A table comparing the current tariffs in Wirral with neighbouring local Authorities

BACKGROUND PAPERS

Previous changes to fares and tariffs, 2019 proposals and fares for other modes of transport - *Transport for London, July 2019*

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Licensing Health and Safety and General Purposes Committee	27 January 2016
	23 November 2016
	25 January 2017
	18 July 2018
	18 September 2019