

South Lakeland District Council
Licensing Regulatory Committee
Monday, 17 January 2022
Review of Hackney Carriage Fares

Portfolio:	Economy, Culture and Leisure Portfolio Holder
Report from:	Director of Customer and Commercial Services
Report Author:	Neil Gardiner – Specialist (Licensing)
Wards:	(All Wards);
Forward Plan:	N/A; This fare review is a function of the Hackney Carriage & Private Hire Policy dated 2018 and delegated to the Licensing Regulatory Committee.

1.0 Expected Outcome and Measures of Success

- 1.1 That the Licensing Regulatory Committee consider this report and determine whether to vary the maximum fares that may be charged by hackney carriage proprietors during the period 2022 to 2026.

2.0 Recommendation

- 2.1 It is recommended that the Committee

1) Consider whether to:

- I. Modify the current table of maximum fares, or;
- ii. Make no modification to the current table of maximum fares.

2) Approves that, in the event that the current table of fares is modified, the date upon which the modifications to the maximum fares take effect shall be one month after the end of the fourteen-day statutory consultation period if no representations are received.

3.0 Background and Proposals

- 3.1 The purpose of this report is to inform members that a request has been made for a review to the Hackney Carriage Fare Tariff. In addition to our own responsibility to review it every four years or at the request of the trade.

- 3.2 All changes to the Hackney carriage tariff table in use in South Lakeland must be approved by the Licensing Regulatory Committee. Members will be aware of point 5.4 in the Hackney Carriage policy, which describes the criteria to be utilised when considering any revision to be made:

- Reasonable and fair to all stakeholders
- Proportionate with the locality
- Benchmarking with other local authorities
- Justified

- Simple, and easily calculated
- Designed with a view to practicality
- In line with published best practice guidance
- Mathematically correct and capable of being entered onto a meter
- Structurally the same for vehicles of different seating capacity
- Designed where possible to avoid either deliberate or accidental over charging

3.3 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 enables the council to undertake this function and requires that before any alteration to the tariff table can take effect a public notice explaining the changes must be placed in a local newspaper. The public then must be provided with a period of at least 14 days to make comment on the proposals. If no adverse comment/objection is received, the approved changes must take effect. Alternatively, if adverse comment/objection is received then the matter must be returned to allow the Committee to consider the representation(s). Providing members agree to modify the fare tariff table at today's meeting it is proposed a public notice will be published in a local newspaper explaining the changes and inviting observations.

3.4 The Committee will be aware the Hackney fare table was last put before Committee on the 7th June 2016 and the decision was taken not to make an increase to the Hackney fare tariff. The proposed percentage increase was 2.3% at that time which, if implemented, would have increased the standard tariff 1 fare from £6.40 to £6.60.

3.5 Requests to review the table of fares were received in 2020, however this process was deferred at the time due to the Council's response to the ongoing Coronavirus pandemic.

3.6 On the 3rd November 2021 & 8th November 2021 officers from the Licensing Department surveyed the Hackney vehicle trade on five potential fare options. For drivers convenience three tables were drafted displaying the potential increases (Option 1, Option 2 and Option 3 below). The tables are displayed below with a tariff key for member's convenience.

The options presented were:

- I. No Change to the current table of fares. (**Option one**)
- II. An Increase of 2.9 % on the initial mile and each 1/10th mile thereafter: The 2.9 % increase is to match the current Consumer Prices Index (CPI) (**Option two**)
- III. Increase charge on the initial mile by 2.9% only. (**Option three**)
- IV. A percentage increase to the current table of fares greater than 2.9% (**Option four**)
- V. A percentage increase to the current table of fares less than the proposed percentage of 2.9% (**Option five**)

3.7 Key & tables.

Tariff 1 = Daily 07:00 hours to 23:00 hours

Tariff 2 = Daily 23:00 hours to 07:00 hours at Tariff 1 + 50%

Tariff 3 = Bank Holidays from 00:00 hours to 24:00 hours at Tariff 1 +100%. Christmas Eve and New Year's Eve from 19:00 hours to 24:00 hours at Tariff 1 +100%.

Extras = £0:70 per person in excess of 2 passengers. £100 maximum soiling charge

3.7.1 The current table of fares for a motorised hackney carriage is:

Description	Tariff 1 (£)	Tariff 2 (£)	Tariff 3 (£)
For the whole distance (1 st mile or part thereof)	3:70	5:55	7:40
For each subsequent 1/10 th mile	0:27	0:41	0:54
Waiting time – for each period of one minute	0:30	0:30	0:30
2 mile journey costs	6:40	9:65	12:80

3.7.2 Option 1:

No Change to the current table of fares:

Description	Tariff 1 (£)	Tariff 2 (£)	Tariff 3 (£)
For the whole distance (1 st mile or part thereof)	3:70	5:55	7:40
For each subsequent 1/10 th mile	0:27	0:41	0:54
Waiting time – for each period of one minute	0:30	0:30	0:30
2 mile journey costs	6:40	9:65	12:80

3.7.3 Option 2:

An Increase of 2.9 % on the initial mile and each 1/10th mile thereafter: The 2.9 % increase is to match the current Consumer Prices Index (CPI), Source: [Inflation and price indices - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/inflation-and-price-indices)

Description	Tariff 1 (£)	Tariff 2 (£) +50%	Tariff 3 (£) +100%
For the whole distance (1 st mile or part thereof)	3:81	5:71	7:62
For each subsequent 1/10 th mile	0:28	0:42	0:56
Waiting time – for each period of one minute	0:30	0:30	0:30
2 mile journey costs	6:61	9:91	13:22

3.7.4 Option 3:

Increase charge on the initial mile only.

Description	Tariff 1 (£)	Tariff 2 (£) +50%	Tariff 3 (£) +100%
For the whole distance (1 st mile or part thereof)	3:81	5:71	7:62
For each subsequent 1/10 th mile	0:27	0:41	0:54
Waiting time – for each period of one minute	0:30	0:30	0:30
2 mile journey costs	6:51	9:81	13:02

- 3.8 When considering the options members are reminded that the tariff that is set should be regarded as the maximum fares that can be charged. Taxi proprietors are not tied to charging the maximum fare, but are not permitted to charge more than the tariff price shown on the meter. Market forces are known to come into play, and for instance because of the level of competition in South Lakeland the driver/ proprietor may decide to charge less than the maximum tariff.
- 3.9 On this occasion, of the 274 Hackney carriage drivers surveyed, 51 replied representing 18.6% of the drivers contacted;

- Seven drivers voted for option 1 (no change).
 - Twelve drivers voted for option 2. (Increase whole distance (1st mile or part thereof) fee and 1/10th mile rate by 2.9%)
 - Two drivers opted for option 3 (increase the first mile only by 2.9%).
 - Twenty-nine drivers (56.8%) voted for Option 4. (Increase greater than 2.9%)
 - No drivers voted for option 5 (decrease the 2.9% increase).
 - One driver provided a non-sensical reply.
- 3.10 Of the twenty nine drivers who asked for an increase above the suggested 2.9 percentage (option 4), six drivers had a collective suggestion of a £4.00 1st mile (or part thereof) fee and then £3.00 for the second mile, this would represent a 9.75% increase. The largest increase suggestion was 20%. Members can view a full summary of the survey and collated driver emails at Appendix A.
- 3.11 If members are minded to increase the Hackney fare Tariff, the Licensing Department suggest three options based on the collated information. These options are;
- Increase of 2.9% to both the first mile and the second mile (option 2).
 - Increase of 2.9% to the first mile only (option 3).
 - Increase of 9.75% to tariff 1, the most common theme in driver's replies, but not a majority.
- Alternatively the Committee may wish to set a different percentage increase to the fare tables (option 4) or retain the existing tariff as referenced in option 5.
- 3.12 Officers have researched and produced a comparison table of current fares set by SLDC, and other neighbouring authorities in Cumbria. A separate table compares current fares set by SLDC with some other Local Authorities who have tourism as a key industry. This appears as Appendix B. The comparison table takes into account the position of highest to lowest fares set by all 364 licensing authorities in England and Wales based upon costs of the first two miles of the journey. The data is prepared by the national Private Hire and Taxi Monthly magazine. The present South Lakeland Tariff 1, cost for a two-mile journey is £6.40.
- 3.13 The data collected in Appendix B confirms that South Lakeland currently has the most expensive 2-mile fare level in Cumbria and is the 108th most expensive fare in the UK over that distance. If option 2 was implemented, South Lakeland would move into 53rd position in the national list. [The second most expensive in Cumbria is Carlisle at position 218 in the national league at £5.80 for a 2 mile journey.]

4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
A	Survey responses via email (51) with front summary sheet.
B	Private Hire and Taxi Monthly magazine comparison chart.

5.0 Consultation

- 5.1 Should members approve any change to the current table of fares, section 65 of the Local Government (Miscellaneous Provisions Act) 1976 requires that before any

alteration to the tariff table can take effect, a public notice explaining the changes must be placed in a local newspaper and a consultation conducted for a minimum of 14 days. If no adverse comment/objection is received, the approved changes can take effect. Alternatively, if adverse comment/objection is received then the matter must be returned to allow this Committee to consider the representation(s). Following consideration of the representations, the Committee, at that meeting, must set a date when the fares come into effect.

6.0 Alternative Options

- 6.1 As the Licensing authority is neutral in the matter of Hackney Fares tariffs, members are reminded that any movement in Hackney Carriage Fares is at their discretion. Fares can be increased, decreased or frozen.

7.0 Implications

Financial, Resources and Procurement

- 7.1 The costs of advertising any proposal or hearing any representations concerning any changes to increase the level the hackney carriage fares will be met by the Hackney Carriage and Private Hire licensing budget.

Human Resources

- 7.2 N/A

Legal

- 7.3 As explained earlier, section 65 (1) of the Local Government (Miscellaneous Provisions) Act 1976 allows the District Council to fix the table of fares for the hiring of Hackney Carriage vehicles throughout the District. Section 65 (2) requires that the Council shall publish its intention to vary the table of fares for the hiring of a hackney carriage vehicle in at least one local newspaper informing of a consultation period of at least 14 days. The notice of variation will also be made available on the Council's website and will be available for inspection at the offices of the Council. If no objections are received, the variation may be brought into force at the end of that period. However, if any objections are received, these must be considered by the Committee as set out in paragraph 5.1

Health and Sustainability Impact Assessment

- 7.4 The intention of this report is not to replicate or revise what is mandated in the South Lakeland Hackney Carriage and Private Hire Policy.

Equality and Diversity

- 7.5 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:
- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
 - advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
 - foster good relations between people by tackling prejudice and promoting understanding.
- 7.6 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the

authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

- 7.7 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.
- 7.8 In recommending this proposal, potential impacts have been identified on people with protected characteristics as determined by the Act and an Equalities Act.
- 7.9

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"					
Age	P		0	x	N
Disability	P		0	x	N
Gender reassignment (transgender)	P		0	x	N
Marriage & civil partnership	P		0	x	N
Pregnancy & maternity	P		0	x	N
Race/ethnicity	P		0	x	N
Religion or belief	P		0	x	N
Sex/gender	P		0	x	N
Sexual orientation	P		0	x	N
Armed forces families	P		0	x	N
Rurality	P		0	x	N
Socio-economic disadvantage	P		0		N x

- 7.10 All sub headings within the Equality and Diversity form have been assessed with regard to the impact that this decision may have members of the community. With the exception of socio-economic disadvantage, all other categories have been assessed as having a neutral affect. The decision has been assessed as potentially having a negative impact on Socio-economic disadvantage should members choose to increase fares.

Risk Management	Consequence	Controls required
N/A	N/A	N/A

Contact Officers

Neil Gardiner Specialist (Licensing) Tel: 01539 793489 | Email:

Neil.Gardiner@southlakeland.gov.uk

Sean Hall Principal Specialist (Health & Environmental). Tel 01539 793411. | Email:

s.hall@southlakeland.gov.uk

Background Documents Available

Name of Background document	Where it is available
Proposed Variation of Hackney Carriage Fare 2016	hyperlink to report LR/7
Frequency of review for Hackney Carriage Fares	Hyperlink to report LR/8
Hackney fare tables National Chart.	Hackney Taxi Fare Tables (phtm.co.uk)

Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	21/12/21	5 th January 2022
Monitoring Officer	21/12/21	5 th January 2022
Director (Customer & Commercial Services)	21/12/21	29/12/21

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	N/A
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	N/A
Council	N/A