<u>DECISION TAKER: Councillor Jackie Porter, Cabinet Member for Place and Local</u> Plan

REPORT TITLE: REVIEW OF HACKNEY CARRIAGE FARES

7 NOVEMBER 2022

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WARD(S): ALL

PURPOSE

Following a request from the Taxi and Private Hire Forum to review the hackney carriage fares, a report was submitted to the Licensing and Regulation Committee on 6 September 2022 which sought to vary the hackney carriage fares, taking effect in late 2022 (report LR563 refers).

At that meeting, the Licensing and Regulation Committee agreed that the hackney carriage fares should be varied so resolved to put forward one of the five proposed fare tables for public consultation, carry out public consultation for 21 days, and approved the list of consultees. An extract of the minutes of the meeting are attached as Appendix 3.

A public consultation took place between 21 September and 12 October 2022, with representations received (attached at Appendix 4). One response was received to the consultation and was in favour of the proposals.

RECOMMENDATIONS:

1. That the Cabinet Member for Place and Local Plan, taking into consideration the representations received and making necessary amendments in response, approve the proposed table of hackney carriage fares (as set out in Appendix 1) to take effect from 14 November 2022.

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IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 Vibrant Local Economy
- 1.2 The revised fares are intended to support the local hackney carriage trade to continue providing an essential, safe and professional service for residents, visitors and tourists.
- 1.3 Living Well
- 1.4 The taxi and private hire trade provide an invaluable service to many different customers, especially those who are less mobile, without their own personal means of transport, and rely on licensed drivers to pick them up and drop them off door to door. Without this service, some members of our community would find it more challenging to move around the district and beyond.
- 1.5 Your Services, Your Voice
- 1.6 The decision to review the hackney carriage fares is in response to communications from the taxi trade and public consultation has been undertaken to ensure that the views of key stakeholders and the general public are obtained prior to making any final decision on fare changes.

2 FINANCIAL IMPLICATIONS

- 2.1 Amending hackney carriage fares requires approximately 4 days of officer time to facilitate drop-in sessions for licensed vehicles to have their taximeters updated and checked by an approved agent, and to re-print and distribute newly approved fare charts.
- 2.2 There is a legal requirement to advertise proposed hackney carriage fares in a local newspaper for two weeks, which cost £630.00 + VAT. This fee was covered within the existing budget for taxi and private hire licensing.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 A district council may fix the rates or fares for hackney carriages under section 65 of the Local Government (Miscellaneous Provisions) Act 1976. This may include fares for time, distance and all other charges associated with the hire of a vehicle (i.e. fouling charge, which is the maximum amount due by the customer when they soil the vehicle).
- 3.2 The relevant legislation requires the council to publish in at least one local newspaper circulating in the district a notice setting out the proposed fare chart and specifying the period within which objections to the proposal may be made. The specified period for receipt of objections shall not be less than fourteen days from the date of publication. A statutory notice was published in the Hampshire Chronicle on 29 September 2022 for a period of two weeks

online, and in print in the 29 September and 6 October 2022 editions. The final date for representations was 12 October 2022.

4 CONSULTATION AND COMMUNICATION

- 4.1 At the meeting of the Taxi and Private Hire Forum on 12 July 2022, all Members present agreed that the hackney carriage fares should be reviewed, since the last review was in 2016 and the last increase was in 2011.
- 4.2 Members of the Taxi and Private Hire Forum proposed four options for revised fare charts using the council's fare calculator, with consideration given to the rising cost of living, ongoing financial recovery post-pandemic, rising fuel costs and ensuring that taxis are still financially accessible to the public.
- 4.3 On 18 July 2022, the council sent a pre-consultation survey to all licensed hackney carriage and private hire drivers, vehicle proprietors and operators to seek their views on a review of hackney carriage fares. The survey was open until 29 July 2022 and received a total of 64 responses.
- 4.4 95.31% of survey respondents agreed that the hackney carriage fares should be varied. The top two proposed fare charts were Option 4 (attracting 45.31% of responses) and Option 2 (attracting 28.12% of responses).
- 4.5 A fifth proposed fare chart was put forward to the Licensing and Regulation Committee by Officers, based on the average table position on the Private Hire and Taxi Monthly (PHTM) table of fares in Hampshire.
- 4.6 At the meeting of the Licensing and Regulation Committee, held on 6 September 2022, Members discussed the five proposed fare charts and agreed to put forward Option 2 (a maximum of £7.60 for a 2-mile fare) for public consultation. This can be found at Appendix 1.
- 4.7 The Licensing and Regulation Committee also agreed that, whilst the statutory consultation period for any variance of hackney carriage fares is 14 days, it was in the public interest to increase this to 21 days. A list of key stakeholders was agreed by the Committee.
- 4.8 Notice of the consultation was sent out to key stakeholders on 21 September 2022. Notices were also displayed at the City Offices main reception, on the Council's website and at city centre taxi ranks. The statutory notice was published in the Hampshire Chronicle on 29 September 2022 for a period of two weeks online, and in print in the 29 September and 6 October 2022 editions). The final date for representations was 12 October 2022. A copy of the public notice can be found at Appendix 5.
- 4.9 1 representation in response to the consultation was received, which is in favour of the proposed fares. This representation can be found at Appendix 4.

- 5 ENVIRONMENTAL CONSIDERATIONS
- 5.1 None.
- 6 PUBLIC SECTOR EQUALITY DUTY
- 6.1 The Taxis and Private Hire Vehicles (Disabled Persons) Act 2022 prohibits a driver or operator from making, or proposing to make, any additional charge for carrying passengers in wheelchairs or giving said persons mobility assistance as reasonably required.
- 6.2 The Equality Act 2010 prohibits a driver from making, or proposing to make, any additional charge for carrying a disabled person's assistance dog in the vehicle.
- 6.3 It is acknowledged that any increase in fares may potentially have an impact on those with certain protected characteristics, particularly where they are more likely to rely on hackney carriages as a primary method of transport over those without those protected characteristics.
- Those who are unable to afford an increase in fares may consider alternative transport options, such a buses and private hire vehicles (bookable by telephone or app) which are not required to base their prices on the hackney carriage fare chart.
- 6.5 An Equality Impact Assessment, taking into consideration those with certain protected characteristics that may be impacted, can be found at Appendix 6.

7 RISK MANAGEMENT

Risk	Mitigation	Opportunities
Financial Exposure		
Exposure to challenge	The hackney carriage fare review process could be challenged by Judicial Review, but as an open and fair consultation will take place and the Council's decision-making process has been followed, a successful challenge is considered unlikely.	There is an opportunity through consultation to understand the public's views on affordability of an important means of public transport.
	A full consultation has been correctly undertaken, which engaged with all relevant	

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	stakeholders, with	
	guidance from the	
les exercises	Council's Legal Team.	Mana
Innovation	None	None
Reputation	By fixing hackney	
	carriage fares following	
	public consultation, the	
	Council sets the	
	maximum fare payable for	
	specific distances and	
	ensures that customers	
	have access to fairly	
	priced public transport	
	options.	
Achievement of outcome	Reviews of hackney	Opportunity to ensure that
	carriage fares are	fares are suitably
	undertaken following	reflective of the cost of
	receipt of a formal	living, average salary, fuel
	request from the Taxi and	prices and vehicle running
	Private Hire Forum.	costs.
Property	None	None
Community Support	The taxi and private hire	None
	trade have expressed	
	their views by way of a	
	survey. All elected	
	Members, Parish	
	Councils, community	
	groups, schools,	
	universities and care	
	homes/hospitals have	
	been consulted, in	
	addition to the taxi and	
	private hire trade and the	
	general public in relation	
	the proposed fares.	
Timescales	The current hackney	None
	carriage fare chart will	
	remain live until any	
	revised version is	
	approved and comes into	
	effect. It was anticipated	
	that the revised fare chart	
	would, if approved, come	
	into effect on 1 November	
	2022. However, as this	
	date is prior to the	

	Cabinet Member Decision Day, the proposed date for the revised fares to take effect is now 14 November 2022. This date has been chosen based on the availability of approved taximeter agents to complete the software update.	
Project capacity	None	None
Other	None	None

- 8 OTHER KEY ISSUES
- 8.1 None.
- 9 <u>SUPPORTING INFORMATION:</u>

Background

- 9.1 The Council's current hackney carriage fares were adopted in 2011. Through the Taxi and Private Hire Forum, the trade has requested a review of the current fares to reflect the current costs associated with operating in the trade which have increased significantly during this period, and particularly in recent times, with escalating fuel costs. The hackney carriage fares have not increased for eleven years. In 2016 a review of the hackney carriage fares was undertaken, but was strongly opposed by the trade primarily due to there having been no significant increase in the cost of fuel since the review in 2011. The Licensing and Regulation Committee resolved to not review the maximum fares for hackney carriages at that time.
- 9.2 A report to the Licensing and Regulation Committee was considered on 6 September 2022, which provided the financial context of operating taxis in the district including underlying inflation rates, changes to costs incurred by hackney carriage drivers and vehicle proprietors, as well as the consequences for fare paying passengers. The report proposed five fare charts, four of which were put forward by the Taxi and Private Hire Forum and the other by Officers.
- 9.3 The Licensing and Regulation Committee resolved to put forward Option 2 (a maximum of £7.60 for a 2-mile fare) for public consultation.
- 9.4 It is noted that fuel prices have decreased again slightly since the meeting of the Licensing and Regulation Committee on 6 September 2022. However, fuel prices are not the sole consideration in determining whether the hackney carriage fares should be reviewed; the Licensing and Regulation Committee

considered vehicle running costs, average salary, interest rates and data relating to customer usage of hackney carriages and private hire vehicles.

Current Fares

9.5 The current fares, as per the last increase in 2011, are as follows:

Distance

For the first 660 yards (603 metres) or part thereof	£2.80
For each subsequent 170 yards (155 metres) or part thereof	20p

Waiting

For each 1 minute waiting period, a maximum of 25p

Extra Charges

For each hiring that commences between 11pm and 6am, or at any time on Bank or Public Holidays or after 6.30pm on Christmas Eve and New Year's Eve, or at any time on 26 December or 1 January after 6am, an additional 50% is added to the above rate of fares. For each hiring on Christmas Day, or at any time until 6am on Boxing Day (26 December), an additional 100% is added to the above rate of fare.

Fouling Charge*

a maximum of £75.00

A copy of the current fare chart can be seen at Appendix 2.

Proposed Fares

9.6 At the meeting of the Licensing and Regulation Committee on 6 September 2022, the fares shown below were agreed to be put forward for public consultation and to take effect from 14 November 2022.

Distance

For the first 550 yards (503 metres) or part thereof	£3.20
For each succeeding 140 yards (128 metres) or part thereof	20p

Waiting

20p	For each period of 1	minute, a maximum of	25p
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^{*} The maximum amount due by the customer when they soil the vehicle.

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Extra Charges

For each hiring that commences between 11pm and 6am or at any time on Bank or Public Holidays or after 6.30pm on Christmas Eve and New Year's Eve, or at any time on 26 December or 1 January after 6am, an additional 50% is added to the above rate of fare. For each hiring on Christmas Day or at any time until 6am on Boxing Day (26 December an additional 100% is added to the above rate of fare.

Fouling Charge*

a maximum of £75.00

A copy of the proposed fare chart can be seen at Appendix 1.

Neighbouring Authorities

- 9.7 Private Hire and Taxi Monthly (PHTM) maintains an extensive resource of hackney carriage fares, updated daily and showing a two-mile fare based on the relevant authority's fare chart. It also ranks authorities from highest to lowest based on the cost of a two mile fare.
- 9.8 At the time of writing this report, Winchester City Council ranks 234th out of 355 licensing authorities, based on its current hackney carriage fare chart which has a maximum fare of £6.20 for a two-mile journey.
- 9.9 Should the proposed fare chart be agreed, Winchester City Council would rank 44th out of 355 licensing authorities, based on the proposed hackney carriage fare chart which has a maximum fare of £7.60 for a two-mile journey, and 5th in Hampshire/Isle of Wight out of 13 authorities. See below:

Local authority	2 mile fare (£)	Last fare increase	PHTM table position
Hart	8.20	2022	13
Basingstoke & Deane	7.60	2022	36
Rushmoor	7.60	2022	41
Southampton	7.60	2022	43
Winchester	7.60	2022	44
East Hampshire	7.40	2022	49
Eastleigh	7.40	2022	50
Portsmouth	7.20	2022	69
Isle of Wight	7.10	2022	80
Havant	6.60	2022	159
New Forest	6.10	2022	242
Test Valley	6.00	2019	270
Fareham	5.80	2019	281

^{*} The maximum amount due by the customer when they soil the vehicle.

- 9.10 Note that despite Winchester proposing the same 2-mile fare as Rushmoor and Southampton, it is 'ranked' lower due to authorities with the same fares being ranked alphabetically.
- 10 OTHER OPTIONS CONSIDERED AND REJECTED
- 10.1 As no representations objecting to the proposed fare chart have been received, it is not considered necessary to make any amendments to the proposals in light of representations received.
- 10.2 Taking into consideration the representation in favour of the proposals, the absence of any representations against the proposals and the increased costs to the taxi trade, the proposed fares are considered fair and reasonable.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

LR365	Review of Fares for Hackney Carriages Licensing and Regulation Committee, 9 June 2011
LR486	Review of Fares for Hackney Carriages Licensing and Regulation Committee, 4 October 2016
LR563	Review of Hackney Carriage Fares Licensing and Regulation Committee, 6 September 2022

Other Background Documents:-

PHTM: National Hackney Fare Tables for 2 Mile Tariff 1 – Updated Daily

APPENDICES:

- 1. Proposed Hackney Carriage (Taxi) Fares from 1 November 2022
- 2. Current Hackney Carriage (Taxi) Fares from 4 July 2011
- 3. Minute extract of the Licensing and Regulation Committee held 6 September 2022
- 4. Representations received to public consultation
- 5. Public Notice
- 6. Equality Impact Assessment