

EAST HERTS COUNCIL

LICENSING COMMITTEE – 14 MARCH 2018

REPORT BY HEAD OF HOUSING AND HEALTH

PROPOSED CHANGES TO EAST HERTS COUNCIL HACKNEY CARRIAGE
FARES TARIFF

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To consider the proposal to change the fares tariff that can be charged by East Herts Licensed Hackney Carriages.

RECOMMENDATIONS FOR LICENSING COMMITTEE:

<u>RECOMMENDATIONS FOR LICENSING COMMITTEE:</u>	
(A)	The proposed variation to the table of fares listed in paragraph 2.8 and the requirement for consultation be noted; and
(B)	If a variation is thought appropriate, the proposed variation to the table of fares be recommended to the Executive for approval before the consultation commences.

1.0 Background

1.1 The table of fares (tariff) for East Herts Licensed Hackney Carriages has not been varied since 2011.

1.2 The Local Government (Miscellaneous Provisions) Act 1976 s.65 gives a Local Authority the power to determine the table of fares for the hire of Hackney Carriages.

- 1.3 The Drivers fees must be set 'with a view to recovering the costs of issue and administration'.
- 1.4 Any variation in the table of fares has the requirement that:
- (a) A notice containing the table of fares is published in at least one local newspaper circulating in the area specifying a period of not less than 14 days from the publication of that notice, within which objections to the variation can be made. The notice must also specify the manner in which objection can be made; and
 - (b) That a copy of the notice referred to in the newspaper advert shall be displayed in the council offices for 14 days from the date of publication of the notice in the newspaper.
- 1.5 If no objection is made to the variation or if all objections are withdrawn the new fares will come into effect on the expiration date specified on the notice or when the last objection is withdrawn, whichever is later.
- 1.6 If objections remain then a further date, not later than two months after the first specified date shall be set when the new fares come into force, following consideration of the objections. The final fares can be as consulted upon or as modified by the authority in light of any objections.
- 1.7 The current table of fares which has been in place since 2011 is attached to this report at **Essential Reference Paper 'B'**.

2.0 Report

- 2.1 As detailed above the statutory framework for taxi licensing allows the Local Authority to set the table of fares at the level it sees appropriate following a statutory consultation.
- 2.2 Before bringing the proposed variation before Licensing Committee the taxi trade within East Herts was asked for their

opinions regarding if there should be any variation and if so what that variation should be.

- 2.3 9 responses were received with 8 suggesting an increase in the table of fares and 1 against. These are contained within **Essential Reference Paper 'C'**.
- 2.4 As can be seen from the existing table of fares there are many elements to be considered when reviewing an entire table of fares.
- 2.5 The table of fares has not be varied for 6 years so if this work were completed and all the elements of the fares increased in one go, then the increase in the table of fares would be dramatic and may affect the level of custom for hackney carriages adversely. As a result the proposal is to only raise the flag fare (the initial charge for hiring a taxi) at this time rather varying the yardage and waiting amounts as well. This gradual increasing in the fares is an approach advocated by parts of the trade.
- 2.6 The proposal would be to review the fares again 6 months after any variation comes into force and then to instigate an annual review. This does not guarantee an increase on every occasion but is ensuring that the fares are reviewed regularly.
- 2.7 Having viewed the responses from the trade the officer suggestion would be that a 10% increase in the flag fare (for up to the 1st 1000 yards or the entire journey if less than 1000 yards) should be consulted upon. By changing the initial fare this increase will go onto every journey regardless of length.
- 2.8 This would change the table of fares in the following way:

Rate	Current starting rate	Proposed starting rate	Increase
Rate 1	£3.00	£3.30	30p
Rate 2	£4.00	£4.40	40p

Rate 3	£5.00	£5.50	50p
Rate 4	£6.80	£7.50	70p

- 2.9 When each rate applies can be seen on the current table of fares attached at **Essential Reference Paper 'B'**.
- 2.10 The proposal of a 10% increase was suggested in response 2 and closely matches the figures given in response 8 contained within **Essential Reference Paper 'C'**.
- 2.11 Although a 10% increase may seem a large increase in monetary terms it should be remembered that the table of fares has not been varied for 7 years so the largest increase, to rate 4, equates to 10p per year. This increase would only be applied on 5 days a year and to vehicles carrying 5 or more passengers.
- 2.12 The smaller monetary increases to rates 1 and 2 are the ones which will apply to the majority of journey's and with no change in the charges beyond the initial 1000 yards of a journey the overall fare will only increase by the amounts in the table above regardless of the length of the journey.
- 2.13 There is a monetary cost to each meter being recalibrated when the table of fares is varied and this cost is met by the licence holder.
- 2.14 The options open to Members are:
- Recommend the suggested variation to Executive; or
 - Propose a different variation to Executive which they believe is more appropriate; or
 - Decide that an increase in the table of fares is not appropriate.
- 2.15 The proposal would be for the recommended variation, if made, to go before Executive for decision on 24th April 2018. The consultation on the variation to the table of fares would

last for 14 days between the 26th April 2018 and 10th May 2018. Thereafter if no objections are received the new table of fares would come into effect on the 11th May 2018.

2.16 If during the consultation objections were received then these would be considered by Executive on the 12th June 2018. At this meeting the final table of fares would be set to come into effect on 13th June 2018.

2.17 Should an increase in the table of fares come into effect then this would be the maximum amount that could be charged by an East Herts licensed hackney carriage for a journey starting and ending within the District. This would not limit a driver's ability to agree a fixed price for other journeys or to discount that rate if they felt it would negatively impact on trade.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None.

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