

EAST HERTS COUNCIL

EXECUTIVE – 24 APRIL 2018

REPORT BY EXECUTIVE MEMBER FOR ENVIRONMENT AND PUBLIC
SPACE

PROPOSED CHANGES TO EAST HERTS COUNCILS HACKNEY CARRIAGE
TABLE OF FARES

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.

<u>RECOMMENDATION FOR EXECUTIVE: That:</u>	
(A)	the variation to the table of fares set out at paragraph 2.8 of this report be approved.

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 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.

- 1.4 If no objection is made to the variation or if all objections are withdrawn the new fares will come into effect on the expiration date specified on the notice or when the last objection is withdrawn, whichever is later.
- 1.5 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.
- 1.6 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 Executive the taxi trade within East Herts was asked for their opinions regarding if there should be any variation to the table of fares and if so what they thought the variation should be.
- 2.3 The informal consultation resulted in 9 responses being received with 8 suggesting an increase in the table of fares and 1 against. All of the responses were put before the Licensing

Committee on 14th March 2018 before recommending a variation to the table of fares to Executive.

- 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 recommendation from Licensing Committee 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 Licensing Committee agreed that there would be a further review of the fares 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 and the officer observations the Licensing Committee recommends that Executive approve a 10% increase in the flag fare (for up to the 1st 1000 yards or the entire journey if less than 1000 yards). 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 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, which is to rate 4, equates to a 10p increase per year. This increase would only be applied on 5 days of the year and to vehicles carrying 5 or more passengers.
- 2.11 The smaller monetary increases to rates 1 and 2 are the ones which will apply to the majority of journey's and with no current proposed 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.
- 2.12 There is a monetary cost to each hackney carriage proprietor when having the meter recalibrated when the table of fares is varied and this cost is met by the licence holder.
- 2.13 The options open to Executive are:
- Approve the suggested variation; or
 - Propose a different variation which is believed to be more appropriate; or
 - Decide that an increase in the table of fares is not appropriate.
- 2.14 If a variation to the table of fares is approved then the statutory consultation 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.
- 2.15 However, 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.

2.16 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 that the increase 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

Licensing Committee Agenda and Minutes from 14th March 2018 - <http://democracy.eastherts.gov.uk/ieListDocuments.aspx?CId=120&MId=3163&Ver=4&J=4>

The Local Government (Miscellaneous Provisions) Act 1976 s.65 - <http://www.legislation.gov.uk/ukpga/1976/57/section/65>

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