

REPORT:	Executive Board
DATE:	16 February 2023
REPORTING OFFICER:	Operational Director – Legal and Democratic Services
PORTFOLIO:	Leader
SUBJECT:	Taxi Licensing Matter – proposed increase in the Hackney Carriage Table of Fares
WARDS:	Borough-wide

1 PURPOSE OF REPORT

To receive a report from the Regulatory Committee recommending that the Executive Board approve a proposed increase to the Hackney Carriage Table of Fares.

2 RECOMMENDATION

It is recommended that the Executive Board

- 1) agree the proposed increase to the Hackney Carriage Table of Fares; and**
- 2) authorise officers to commence the public notification and consultation in line with the statutory procedure as detailed in the report.**

3 INTRODUCTION

3.1 A request has been received from members of the taxi trade to increase the current Hackney Carriage Table of Fares. The Council has the discretion to fix the fares for Hackney Carriages within the Borough and fares may be varied in accordance with the statutory procedure set out at paragraph 6 below. The table of fares sets out the maximum amount that can be charged by Hackney Carriage drivers, although a lower fare can be charged if drivers so wish. It is an offence to charge more than that set in the table of fares. The setting of the table of fares is an Executive function.

3.2 The last fare increase occurred in November 2021, following a request from the Hackney Carriage trade to increase the start rate of a journey by 60p across all tariffs due to the financial impact of the Covid pandemic. Prior to this, there had not been a fare increase since 2012. As there were no objections to the statutory consultation, the fare increase took effect on 2 November 2021 and the current Table of Fares

is set out at page 13 of the Regulatory Committee Report which is appended to this report at **Appendix 1**.

3.3 The increase has been requested due to the impact of the costs of living crisis on the trade over the last 12 months.

3.4 The trade have been consulted on whether 1) there should be an increase and 2) the method of that increase. Most of the trade (84%) were in favour of the increase and the proposal (54%) set out at paragraph 4.1 below. As there were objections from some members of the trade and several counterproposals, the matter was referred to the Regulatory Committee for full consideration. Details of the consultation and counterproposals are set out in the Regulatory Committee Report at pages 15 – 27.

3.5 Following publication of the Report, representatives for and against the proposal were invited to attend the Regulatory Committee meeting on 11 January 2023 to set out their respective cases. Neither attended but written submissions were received. These can be found at **Appendix 2**.

4 THE PROPOSAL

4.1 The proposal is for a 30p increase to the start rate as well as a 10% reduction on the yardage figures (except for the first 440 yards used to calculate the start rate) on all tariffs. The yardage figure is reduced on Tariff 1 from 220 to 200 yards, on Tariff 2 from 165 to 150 yards and on Tariff 3 from 132 to 120 yards. The yardage unit price of 0.20p is to be maintained. It is also proposed that the waiting time be increased by £3.00 per hour. The table below sets out the proposed new rates.

T1	£3.30 for the first 440 yards (402 metres) then £0.20 for each 200 yards (182.9 metres) or part thereof
T2	£4.10 for the first 440 yards (402 metres) then £0.20 for each 150 yards (137.2 metres) or part thereof
T3	£4.90 for the first 440 yards (402 metres) then £0.20 for each 120 yards (109.7) or part thereof
Waiting Time	
The hirer will be charged £0.20 for the following periods or uncompleted part thereof	
Tariff 1 – 48 seconds Tariff 2 – 34 seconds Tariff 3 – 27 seconds	

4.2 Please note that there was a typographical error on the table set out at page 7 of the Regulatory Committee Report in that the 30p increase had not been added to the start price in the proposed new rates. This was highlighted to the Regulatory Committee at the meeting and the table above reflects the correct position.

4.3 Officers have compared the cost of a 2 and 10 mile journey under the current Table of Fares and the proposed new table of fares and these figures for each tariff are set out in the Regulatory Committee Report at page 27. The new rates show there would be a 10% monetary increase. For example, under Tariff 1 of the current table of fares, the cost of a 2 mile journey would be £5.80 and the cost of a 10 mile journey would be £20.73. In contrast, under the same tariff of the proposed new table of fares, a 2 mile journey would cost £6.38 and a 10 mile journey would cost £22.81.

4.4 As for the waiting time, it would cost £15 per hour under the proposed new table of fares as opposed to £12 per hour currently charged. This is a 25% increase.

5. SUMMARY OF DISCUSSION & ANALYSIS

5.1 The Council has the discretion to vary the table of fares and the case law has confirmed that the Council must be satisfied that fares are reasonable for the public to pay for an available service bearing in mind the overriding objective of the Licensing regime is the protection the public.

5.2 The Department for Transport's "Taxi and Private Hire Vehicle Licensing: Best Practice Guidance" published in March 2010 also provides the following guidance:-

"in reviewing fares authorities should pay particular regard to the needs of the travelling public, with reference both to what is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service when it is needed. There may well be a case for higher fares at times of higher demand."

5.3 The Council must therefore ensure that any proposed increase strikes the right balance between the needs of the fare-paying public, the requirements for affordable transport and the needs of the taxi drivers to make a fair living.

5.4 Officers have assessed the proposed increase and consider that it is reasonable and proportionate. There is no doubt that the cost of living has increased significantly as shown by the Consumer Prices Index which rose by 11.1% in the 12 months up to October 2022. The cost of fuel remains high which adds to the increasing overheads for drivers and proprietors. The UK national minimum wage, DWP benefits and the basic and new state pensions are all set to rise from April 2023 by around 10% and so the proposed increase is in line with inflation.

5.5 Furthermore, the proposed table of fares is consistent with that charged by neighbouring authorities in the City Region. For further details on this analysis, Members are referred to pages 7-9 of the Regulatory Committee report.

5.6 Officers have also considered the proposed increase in light of the Council's Public Sector Equality Duty as statistics show that the elderly and people with disabilities are more reliant on public transport, particularly the bus and on taxis, than younger adults and non-disabled adults.

5.7 Age and disabilities groups will be consulted on the proposal. However, given that a 10% fare increase is proposed and the basic and state pension together with Disability Living Allowance is set to rise by 10% by April 2023, any negative impact will be short lived and there will negligible impact from April 2023.

6. LEGAL PROCEDURE

6.1 If it is resolved that there is to be a fare increase, the Council must publish a notice, detailing the proposed variations in a local newspaper the duration of which shall not be less than fourteen days from the date of the first publication of the notice. A copy of the notice is also to be made available on the Council's website and the Halton Direct Links.

6.2 If no objections to the variation are duly made within the period specified in the notice or if all objections are withdrawn, the variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objections or, if more than one, the last objection, whichever date is the later.

6.3 If objections are received, the Council must consider the objections and then bring into force the table of fares with or without modifications within two months of the expiry of the objection period.

7. OPTIONS

7.1 The options available to the Committee at the meeting on the 11 January 2023 were to **recommend** to the Executive Board:

1. the proposed amendments to the current table of fares;
2. modification to the proposed amendments;
3. refusal of a fare increase.

7.2 The Regulatory Committee recommends that the Executive Board agrees to the first option that is to approve the proposed fare increase.

8. POLICY IMPLICATIONS

8.1 There are no implications to the Council's current licensing policies.

9. FINANCIAL IMPLICATIONS

9.1 Other than the financial cost of advertising the fare increase which would be around £120, there are no other financial implications for the Council.

10. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

10.1 Children and Young People in Halton

N/A

10.2 Employment Learning and Skills in Halton

N/A

10.3 A Healthy Halton

N/A

10.4 A Safer Halton

N/A

10.5 Halton's Urban Renewal

N/A

11. RISK ANALYSIS

11.1 If the recommendation is to refuse the fare increase, there is a risk that drivers will leave the trade due to increasing costs and not being able to breakeven. This may have a negative impact on the supply of taxis in the area

Equally, setting a fare too high may have a negative impact on vulnerable users of this essential service.

12. EQUALITY AND DIVERSITY ISSUES

12.1 There is a potential short-lived impact on the elderly and those with disabilities. This is discussed in the report.

13. CLIMATE CHANGE IMPLICATIONS

13.1 As the fare increase is in line with inflation, it is unlikely to have an impact on the demand for taxis. As such, the recommendations are

likely to maintain the status quo in respect of emissions and have no effect on the environment.

14. LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

See list set out in the Regulatory Committee Report.