



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

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|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Title of Report: | Determination of a Request to Change the Hackney Carriage Table of Fares | To be marked with an 'X' by Democratic Services after report has been presented |
| Meeting of: | Corporate Management Team 19 January 2021 | |
| | Licensing Committee March 2021 | |
| | Leader and Deputy Leaders [DATE] | |
| | Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group [DATE] | |
| | Cabinet [DATE] / Council [DATE] | |
| | Scrutiny Audit and Value for Money Council Services Committee [DATE] / Scrutiny Community Regeneration, Environment and Health and Well Being Committee [DATE] | |



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|--------------------------------------------------------------------|----------|-----------------------------|----|
| Is this an Executive Decision: | YES | Is this a Key Decision: | NO |
| Is this in the Forward Plan: | [YES/NO] | Is the Report Confidential: | NO |
| If so, please state relevant paragraph from Schedule 12A LGA 1972: | [] | | |

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE

Monitoring Officer: **Angela Wakefield**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Licensing Committee

Date: March 2021

REPORT TITLE: Determination of a Request to Change the Hackney Carriage Table of Fares

PORTFOLIO: Regulatory Services

HEAD OF SERVICE: Mark Rizk

CONTACT OFFICER: Margaret Woolley

WARD(S) AFFECTED: All

1. Purpose of the Report

- 1.1. This report is to consider a request from a Hackney Carriage proprietor for an increase in the Hackney Carriage Table of Fares currently in place in the Borough Of East Staffordshire.

2. Executive Summary

- 2.1. A request has been received from a Hackney Carriage proprietor operating in the Borough of East Staffordshire for a change to the current Hackney Carriage Table of Fares.
- 2.2. This report sets out the nature of the request; how the proposed changes compare to other local authority areas.
- 2.3. Corporate Management Team approved the commencement of a consultation exercise prior to presentation to the Licensing Committee. The consultation concluded on 12th February 2021. Following consideration by the Licensing Committee a recommendation to Cabinet will be required to conclude the determination of the matter.

3. Background

- 3.1. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 provides for the Council to fix fares within the Borough for time and distance, and all other charges in connection with the hire of a vehicle, to be paid in respect of hire of Hackney Carriages by means of a Table of Fares.
- 3.2. When setting Hackney Carriage Fares there is no requirement under the Act to take into account external factors, and there is no limit on the amount of increase or variation. The process of setting a fare increase is complex and a balance needs to be struck between the legitimate aims of the taxi trade to maintain profitability in the face of increasing costs, while protecting the public from excessive fares.
- 3.3. The setting of Fares and other associated charges is an executive function and must be determined by Cabinet. Licensing Committee will be asked to consider the request and make a recommendation to Cabinet to assist in its determination of the matter.
- 3.4. Any agreed change to the Table of Fares must be advertised and displayed publicly for a period of 14 days before the changes take effect.
- 3.5. If there are no objections, within the period prescribed for making objections, the changes would come into effect.
- 3.6. If objections are received the matter would need to be referred back to Cabinet or the Deputy Leader for Community and Regulatory Services to consider and, where appropriate, resolve such objections and agree a commencement date.

4. Contribution to Corporate Priorities

- 4.1. Value for money council.

5. Main Body of Report

- 5.1. The current Table of Fares which has been in place since 2008 is shown at **Appendix 1**. No further increase in Hackney Carriage Fares have been applied since 2008.
- 5.2. It is a condition of a licence that every Hackney Carriage within East Staffordshire is fitted with a taxi meter and that the taxi meter should be used for all journeys within the Borough.
- 5.3. The Council does not set the tariff to be applied through the taxi meter, but does consider and approve, subject to public consultation and requests from the Hackney Carriage trade.

- 5.4. A request has been made by a Hackney Carriage proprietor operating in the Borough and a copy of the request including the proposed tariff is attached as **Appendix 2**. The Private Hire and Hackney Carriage Policy states that “the council shall review the prescribed tariff for Hackney Carriage vehicles when requested to do so by the trade”.
- 5.5. The main changes contained in the proposal are:
- 5.6. The waiting time is increased from 20 seconds to 30 seconds but charged at 20p (previous 10p).
- 5.7. For each article of luggage carried outside of the passenger compartment beyond the first, the charge be reduced from 10p to Free.
- 5.8. Carriage of dogs to be increased from £1 to £2 (with an exception for assistance dogs).
- 5.9. For hiring in respect of journeys after Midnight on each day throughout the year (irrespective of the number of passengers and to apply to pickups between midnight and 5.00am and all day on Bank Holidays) the charge to be increased from £1 to £2.
- 5.10. Cost of valeting after soiling by passengers to be increased from £45 to £50.
- 5.11. It is worth noting that the Table of Fares for England (**Appendix 3**) published by the Private Hire and Taxi Monthly magazine shows that based on a two mile fare, The Tariff 1 charge ranged from **£4.30 (Lowest)** to **£11.40 Highest** with the national average **£5.98**. Based on the current tariff in East Staffordshire the comparable fare would be **£5.50**. This places East Staffordshire **269** out of **364** on the table of fares.
- 5.12. The effect of the requested change would be an increase in fare to **£5.90** (based on a 2 mile journey – approximately **£3.84** per mile) and would move East Staffordshire into **203** place on the table.
- 5.13. The Councils licensing database currently has **141** Hackney Carriage Vehicles licensed, **20** Hackney Carriage Drivers and **465** Combined Drivers.
- 5.14. The following table compares “fares by distance” between the current and proposed tariffs:

| Journey by Distance | Cost of Current Tariff 2008 | Cost of Proposed Tariff 2020 | Percentage Increase |
|----------------------|-----------------------------|------------------------------|---------------------|
| 1 st Mile | £3.63 | £3.84 | 5.79% |
| 5 Miles | £11.05 | £12.08 | 9.32% |
| 10 Miles | £20.32 | £22.38 | 10.14% |
| 15 Miles | £29.59 | £32.68 | 10.44% |
| 20 Miles | £38.86 | £42.98 | 10.60% |

Based on a 2 mile journey neighbouring authorities compare as follows:

- East Staffordshire (proposed new tariff) £5.90
- Lichfield £5.30 (2012)
- Cannock Chase £5.70 (2018)
- Stoke on Trent £4.95 (2015)
- Stafford Borough £5.90 (2020)
- Staffordshire Moorlands £5.20 (2015)
- Newcastle under Lyme £5.55 (2019)
- Derby City Council £6.20 (2017)

5.15. Consultation:

5.16. To help inform decision making at an early stage a public consultation has been conducted by placing a notice in the Burton Mail and on the ESBC website inviting comments. This concluded on 12th February 2021.

5.17. The proposed tariff changes were circulated to all Hackney Carriage proprietors and the Trade and views sought.

5.18. The results of the consultation are as follows:

5.19. The Licensing Team received 7 responses to the consultation.

5.20. A resume of the responses are attached at **Appendix 4**.

5.21. Having looked at the responses one respondent suggests a further increase of the starting rate to £2.50 or £3.00. Based on these proposed starting rates and proposed new tariff it would put a 2 mile journey as follows:

5.22. £2.50 start for a 2 mile journey is approximately £6.30 – Position on table would be 106 next to Blackburn

5.23. £3.00 start for a 2 mile journey is approximately £6.80 – Position on table would be 34 next to Adur (West Sussex).

6. Financial Considerations

This section has been approved by the following member of the Financial Management Unit: Anya Murray

6.1. There are no financial issues arising from this Report.

| Revenue | 2020/21 | 2021/22 | 2022/23 |
|----------------|----------------|----------------|----------------|
| | 0 | 0 | 0 |

| Capital | 2020/21 | 2021/22 | 2022/23 |
|----------------|----------------|----------------|----------------|
|----------------|----------------|----------------|----------------|

| | | | |
|--|---|---|---|
| | 0 | 0 | 0 |
|--|---|---|---|

- 6.2. Any costs associated with administering and advertising a change to the Hackney Carriage Table of Fares is covered as an integral part of the licensing fee.
- 6.3. The cost of re-calibrating individual meters fitted to Hackneys Carriages is met by individual proprietors.

7. Risk Assessment and Management

- 7.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 7.2. **Positive** (Opportunities/Benefits):
 - 7.2.1. There has been no increase to the Table of Fares since 2008; it is therefore an opportune time to consider the benefits of a review.
- 7.3. **Negative** (Threats):
 - 7.3.1. Any increase in fares in the current economic climate may be viewed negatively by residents and travellers within the Borough.
- 7.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

8. Legal Considerations

*This section has been approved by the following member of the Legal Team:
Angela Wakefield*

- 8.1. There are no significant legal issues arising from this Report.
- 8.2. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 provides for local authorities to set fares for Hackney Carriages within their area.
- 8.3. Once Cabinet has determined the request for a change to the current Table of Fares the Council must advertise and publicly display the revised Table of Fares and allow for objections to be received and determined.

Equalities and Health

- 8.4. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.
- 8.5. **Health impacts:** An equality and health impact assessment is not required.

9. Human Rights

9.1. There are no Human Rights issues arising from this Report.

10. Sustainability (including climate change and change adaptation measures)

10.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

11. Recommendation(s)

11.1. For the Licensing Committee to consider the proposed tariff and responses to the consultation.

11.2. The Licensing Committee to make recommendations regarding the proposed new Table of fares to Cabinet who will then be asked to consider the request:

- 11.2.1. To agree the change proposed, or
- 11.2.2. To agree the change with variation(s) or
- 11.2.3. To reject the proposed change.

12. Background Papers

12.1. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976

13. Appendices

13.1. Appendix 1: Current Table of Fares

13.2. Appendix 2: Letter received from Hackney Carriage Proprietor including proposed tariff and Proposed new tariff

13.3. Appendix 3: Taxi Fares League Table December 2020

13.4. Appendix 4: Responses to the consultation exercise