

Report to: Licensing and Enforcement Committee



Date of Meeting 20 July 2022

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Report on Hackney Carriage Fares

Report summary:

Report No. 2 Hackney Carriage Fares – To Consider a Request from Hackney Carriage Proprietors to increase the Taxi Fare Tariff and to adopt a New Fare Table

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Committee;

1. Considers a further request from Hackney Carriage (Vehicle) licence holders to increase the Hackney Carriage Table of Fares, and
2. As an interim measure, to consider temporary approval for using the higher evening taxi fare tariff for daytime fares, and
3. If agreed under 1, to set a timescale through the statutory procedure as required.

Reason for recommendation:

The Licensing and Enforcement Committee is asked to consider a further request from East Devon Hackney Carriage Licensees to increase the current Hackney Carriage Fare Table

Officer: Steve Saunders, Licensing Manager (Governance and Licensing)

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
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Report in full

1 Updated Information to Report 1

- 1.1 This report is in addition to that already submitted for the Committee to consider today. The procedures and reasons for this Council adopting the new 2022 taxi fares tariff are set out in the first [Taxi Fare Tariff Report](#) with further information now provided.
- 1.2 To recap, after this Council adopted the current taxi fares tariff in April, the East Devon Taxi Association has requested a further increase to the tariff in place **before April 2022**, now seeking 15% for all costs on Tariff 1 and Tariff 2, with Tariff 3 to remain unchanged.
- 1.3 As an interim measure one licensee has also asked whether the taxi trade could be granted approval to temporarily use the current higher Tariff 2 evening costs for their daytime work (instead of Tariff 1) and Tariff 3 for night time and Sunday plus bank holidays.
- 1.4 The more detailed current tariff at **Appendix B** followed statutory consultation processes for the 10% increase on the initial 'flag' charge from £3.50 to £3.85 (daytime) and increased from £4.00 to £4.40 (evening fares). The changes made are highlighted in red font in **Appendix D**. The figures remaining in black font were not increased and they represent fare costs on subsequent distances that are in addition to the first half mile.
- 1.5 East Devon Taxi Association has approved circulation of the redacted minutes of its meeting on 27 June under **Appendix E**. Attendance at the meeting was reported as being 16 licence holders and 2 invited guests. Reference to other taxi related matters discussed at the meeting will be considered later this year under the review of the Taxi and Private Hire policy.
- 1.6 This council currently has 80 hackney (taxi) vehicle licence holders across the District, being individuals or companies with 137 licensed taxis. Previous procedures to change the taxi fares involved contacting all licence holders to gain all views and feedback on prior occasions. The majority of licence holders did not attend the association meeting, with 64 companies or individuals not present.
- 1.7 Officers have communicated with other Devon licensing authorities that report the same situation and engagement with their taxi licensees about challenges of increasing fuel and transport costs. It is a situation for all authorities and taxi trades nationwide.
- 1.8 The previous detailed fares tariff that was in being from 2020 to 2022 (before the 10% increase was adopted) is at **Appendix F**. The full tariff is prepared for meter engineers to calibrate meter fares that the association have expressed the wish to increase by 15%.
- 1.9 The Committee meets today exactly three months to the day since the current 10% fares were adopted.

2 Local and National Fares Comparison

- 2.1. The Private Hire and Taxi Monthly (PHTM) publishes all council tariffs changing monthly as councils reset fares across the country. Officers have prepared a comparison table of national fares including the currently adopted tariff of this council. It gives the standing for this council as 51st position of 355 councils at **Appendix G**. The figures for comparison are based solely on the cost of the first two mile fare for each tariff nationally.
- 2.2. The table includes the current fares of authorities in Devon, Dorset and Somerset based on the cost of the first two mile fare of each.
- 2.3. Council procedures differ, not all provide three tariffs (daytime, evening/weekend, bank holidays) as this council does, which is regarded as good practice, some having fewer or more tariffs for various times or days. It is for this reason that the PHTM compares fares against the benchmark of the first 2 mile journey fare cost.
- 2.4. Officers have updated the table to show where the position of this council
 - (a) Currently sits following the 10% increase (red font),
 - (b) Where it is considered it could sit should a 15% increase be adopted
- 2.5. Officers have not had sufficient time to prepare a provisional update of the 2020 fare tariff showing the requested increase by 15% as the timescales have not allowed the calculations to be fully verified and confirmed as being fully accurate.
- 2.6. The comparison with local and national fares is not a sole factor for changing adopted taxi fares as it offers the comparison for this month. The currently adopted fares for this council (first half mile) sit third in Devon in the table behind North Devon and Torridge which have both changed this year and above others that have also changed in 2022. It is understood that other Devon authorities are in the process of fare changes currently.
- 2.7. East Devon Taxi Association reported the need to increase the present fares in line with other councils, along with continually increasing costs and to attract new drivers. Doing so because of higher fares in neighbouring, nearby Districts could cause frequent requests for an increase given all councils are updating their fares and positions in the table change monthly.

3 Options

- 3.1 Officers have not consulted or notified all East Devon hackney carriage licensees of the new request for an increase as 64 licensees did not attend the taxi association meeting last month. Since adopting the current fares three months ago, a number of licence holders have already completed the calibration of their taxi vehicle meters to the newly adopted tariff, being at their own cost. Should a further increase be considered, those who have acted to change their meters as requested by the council, will incur a further cost to change the taxi meter again.
- 3.2 The date of 1st September has been provided for all licence holders to arrange their meter change to the current fare tariff which requires consideration. The Committee may wish to consider extending that date and to still require those licensees that have not yet complied, to do so to provide a level approach before any new fares tariff. It may be appropriate to consider extending the date for all licensees to change to the present fare tariff with a date of 1st November before the next meeting of this Committee.
- 3.3 With regard to considering an interim measure for temporary approval to use evening fares for daytime work, the current Tariff 1 and Tariff 2 costs are shown at **Appendix A**. These costs have been advertised in accordance with the requirements although with specific fares

for respective times of each day or night. The fare paying public would pay an increase to the first half mile journey if changing the current T1 to T2 costs, rising from £3.85 to £4.40.

- 3.4 The timing of the new fare request shortly prior to this meeting did not provide sufficient time to confirm the full meter calculations to prepare the draft public notices which are necessary.
- 3.5 The national and local fares comparison table will be provided for the meeting of this Committee in November when it is anticipated other Devon Councils will have reset fares. This situation is reported as a critical period by the East Devon Taxi Association which is fully acknowledged. The current economic and cost of living crisis is a challenge to the county as a whole and any change in the fares will impact on the public paying taxi fares.

4 Recommendations

- 4.1 The option exists to approve an increase by 15% in principle to the former taxi fare tariff in being from 2020 to April 2022, to replace the currently adopted tariff. That will require calculation of the full meter tariff costs, the formal consultation notices being prepared and approved at a further meeting of this Committee to begin the statutory public consultation.
- 4.2 The option exists that before proceeding under 4.1, to seek feedback and views of all licence holders over the requirement for a further increase, allowing those who have already changed their taxi meters to the adopted fares, to respond in conjunction to those seeking an increase.
- 4.3 The option exists to leave the fare tariff adopted in April unchanged and to further review the situation at the next meeting of this Committee.
- 4.4 Officers will provide a full update at the next meeting of this Committee in November for all matters relating to inflation, fuel costs and national fares comparison.
- 4.5 It is recommended that the Committee acknowledge the latest request for an increase by the East Devon Taxi Associations in writing and outlining the decision taken today.
- 4.6 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 requires that before any alteration to the tariff table can take effect, a public notice explaining the changes must be placed in a local newspaper. The public then have 14 days to make comment on the proposals. If no adverse comment/objection is received the approved changes can take effect and it is planned that they should come into use in early December.
- 4.7 Alternatively if adverse comment/objection is received then the matter must be returned to allow this Committee to consider the representation(s).

Financial implications:

There are minimal costs mentioned in the report as a public notice in the local newspaper will be required before any alteration to charges. Also if there are any objections this will need to be referred to Committee which would incur minimal officer time.

Legal implications:

The legislative framework is set out within the report.