



Regulatory Committee

19 September 2017

Subject: Request from Taxi Trade for an increase in Hackney Carriage Fares

Report by:

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Purpose / Summary:

Requests have been received from Hackney Carriage Proprietors for an increase in Hackney Carriage fares they can charge to their customers.

RECOMMENDATION(S):

- 1) That Members in the first instance decide if the current scale of fares should be increased, taking into account the request from the taxi Proprietors;**
- 2) If it is agreed by Members that an increase in fares is necessary, then Members choose on the amount of increase to apply from any of the suggestions made by the Hackney Carriage Proprietors, OR decide an increase of their own choosing. Any such increase to be advertised by publication of the required statutory notice and reconsidered if any objections are received.**

IMPLICATIONS

Legal:

The Council is obliged to advertise any increase by publication of the required statutory notice and reconsider if any objections are received.

Financial : FIN/72/18

The Cost of publishing the public notice (referred to above) can be met from existing budgets. *For the avoidance of doubt the subject matter within this paper has no direct link to the fees and charges West Lindsey District Council (WLDC) apply to any type of taxi application e.g. drivers, vehicles or operators.*

Staffing :

No additional resources required as a result of this report.

Equality and Diversity including Human Rights :

None as a result of this report

Risk Assessment :

Not applicable

Climate Related Risks and Opportunities :

None as a result of this report.

Title and Location of any Background Papers used in the preparation of this report:

Emailed responses from Hackney Carriage proprietors with suggested increases.

Call in and Urgency:

Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?

Yes

No

x

Key Decision:

Yes

No

x

1 Introduction

- 1.1 Under the provisions of the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976 the District Council is the Authority responsible for licensing hackney carriages and private hire vehicles. The council also sets a scale of fares which is the maximum amount that can be charged by hackney carriage proprietors. The Council cannot, however, control fares for private hire vehicles;
- 1.2 The Council currently licenses 61 hackney carriages, 34 private hire vehicles and 133 drivers in the District;
- 1.3 As a result of a hackney carriage proprietor contacting the licensing team recently, officers contacted all West Lindsey licensed hackney carriage drivers to seek their views as to whether they feel there is a need for an increase in fares. The responses received from the consultation exercise equates to 4.5%. Fares were last increased in 2011 and before that in 2008;

2 Fares

- 2.1 The Council's current scale of fares is attached hereto as Appendix 1;
- 2.2 As a result of the licensing team consulting with the taxi trade, 6 responses were received, suggesting various options to amend the fares that they may charge the public. As there is no hackney association in West Lindsey each operator is contacted individually for their views;
- 2.3 The operators have proposed that the following fare increases should be considered:

- a) *I would suggest a start-up of £3.00 and leave the rest alone;*
- b) *In regards to the request for a price increase we suggest 20p extra on start-up rate AND increasing 10p on every 2/10's of a mile on tariff 1. On tariff 2 increase start-up rate by 40p AND increasing 20p on every 2/10's of a mile;*
- c) *How about a £3.00 start before 11pm and £4.00 after 11.00?*
- d) *I believe that the fares should increase slightly with a different start cost of £2.90 and then 10p more per mile.....
..... Also I and a lot of other taxi drivers in the district would agree that the fare on a Sunday should be on tariff 2 which is common throughout a lot of towns and cities and would encourage more drivers to work on a Sunday, as taxis are hard to come by because of this.....*

- e) *A fare increase is pointless whilst there are drivers willing to take fares from Gainsborough Town Centre to Morrison's for £2.50 when the metered fare is around £5.00*.*
- f) *This response is basically a statement referring to the cost of the fare 15 years ago compared to what it is currently, then goes on to state there are too many taxis for the size of the town. Unfortunately there is no suggestion regarding what any increase in the fare should be! The response is from a taxi driver and NOT from a Taxi proprietor.*

*N.B. - Response from Operator e above, this is just 1 paragraph of a full page response, the remaining information is in relation to how customers use and choose the vehicles on the taxi rank, failure to earn the minimum wage, requesting WLDC to enforce a policy that does not exist and equal opportunities and the provision of hackney carriages for the disabled. Whilst some of these issues may need further consideration, these are not matters for Members to discuss at this particular meeting.

Below are examples of the cost to the customer for various journeys, based on the suggested increase in fares at the Normal Rate:

Comparative Fare Rates	Fare for 1 mile on normal rate	Fare for 2 miles on normal rate	Fare for 5 miles on normal rate	Fare for 10 miles on normal rate	Fare for 20 miles on normal rate
Present Rate	£3.50	£5.00	£9.50	£17.00	£32.00
Effect from response a)	£3.90	£5.40	£9.90	£17.40	£32.40
Effect from response b)	£4.00	£6.00	£12.00	£22.00	42.00
Effect from response c)	As response a)	As response a)	As response a)	As response a)	As response a)
Effect from response d)	£3.86	£5.46	£10.26	£18.26	£34.26
Effect from response e)	No increase suggested	No increase suggested	No increase suggested	No increase suggested	No increase suggested
Effect from response f)	No increase suggested	No increase suggested	No increase suggested	No increase suggested	No increase suggested

Below are examples of the cost to the customer for various journeys, based on the suggested increase in fares in relation to Premium Rate 1:

Comparative Fare Rates	Fare for 1 mile on Premium Rate 1	Fare for 2 miles on Premium Rate 1	Fare for 5 miles on Premium Rate 1	Fare for 10 miles on Premium Rate 1	Fare for 20 miles on Premium Rate 1
Present Rate	£4.80	£6.80	£12.80	£22.80	£42.80
Effect from response a)	No increase suggested	No increase suggested	No increase suggested	No increase suggested	No increase suggested
Effect from response b)	£5.80	£8.80	£17.80	£32.80	£62.80
Effect from response c)	£5.20	£7.20	£13.20	£23.20	£43.20
Effect from response d)	Sundays to be included at Premium Rate 1	Sundays to be included at Premium Rate 1	Sundays to be included at Premium Rate 1	Sundays to be included at Premium Rate 1	Sundays to be included at Premium Rate 1
Effect from response e)	No increase suggested	No increase suggested	No increase suggested	No increase suggested	No increase suggested
Effect from response f)	No increase suggested	No increase suggested	No increase suggested	No increase suggested	No increase suggested

N.B.

PREMIUM RATE 2 – Whilst there has been no suggestions regarding an increase to this tariff, Members should be aware that Premium Rate 2 is always double that of the tariff set for the Normal Rate;

3 Procedure

- 3.1 Any proposed change in hackney carriage fares must be advertised in the press. If any objections are received these must be considered by the Council. If no objections are received the new fare structure comes into effect from the date specified in the notice;

4 Conclusion

- 4.1 In the last 9 years there has been two increases in the table of fares that WLDC taxi proprietors charge their customers. The last change was approximately 6 years ago and during this time proprietors have seen increased costs relating to vehicular insurance, soaring fuel prices and the living wage. When taking these factors into account it would seem, therefore, that a further rise can be justified at the present time.