

Regulatory and Appeals Committee

CHAIRMAN: John Petherick

DATE: 4 March 2020

REPORT OF: Licensing Manager

SUBJECT: Request for Tariff Increase for Hackney Carriages
PART I

RECOMMENDATION

That the Regulatory and Appeals Committee considers the outcome of an initial consultation in relation to a request from the trade for a 7.5% increase to the tariff and also gives consideration to the 2nd proposal put forward during the consultation.

1. PURPOSE

The Council sets the fares that can be charged to customers by Hackney Carriage drivers and in 2019 received a request from the trade for an increase in the current tariff which has not been increased since 2013. Following this request the Licensing Team put three proposals to the rank representatives of 5%, 7.5% and 10%. It was agreed with the trade to look at 7.5% and the Licensing Team undertook a full consultation with all the licensed drivers in Teignbridge. The results are set out in the body of the report.

It is an offence under Section 67 of Local Government (Miscellaneous Provisions) Act 1976 (the Act) to charge more than the metered fare in a hackney carriage. Please note: Drivers do not have to charge the full amount on the meter and do not have to add any extras should they not wish too. The purpose of the tariff is that it is the maximum amount that can be charged.

The Council is required to publish a notice in a local newspaper setting out the proposed fares or the variation of fares. The notice must specify the date that the new fares are to come into force and this date must not be less than 14 days from the date of the notice. This notice must also be displayed at the Council Offices. The notice should also give the address for receipt of objections to the proposed fares. The Council is required to consider any objections to the proposals.

The tariff was previously increased by 5% and commenced 15th July 2013.

2. BACKGROUND

Section 65 of the Act allows for the Council to set the fares for Hackney Carriage vehicles, however, the Council is not responsible for setting the fares for Private Hire Vehicles.

A full consultation with all **346** drivers took place in August 2019 via email.

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The summarised results of the consultation are as follows;

7.5 % increase	Drivers	Percentage of respondents
Agree	40	11.6
Disagree	7	2.02
Proposed alternative (see proposal B)	41	11.85
No Response	258	74.6

Below are the comments made by some of the drivers who responded:

- Request £3.00 and £4.50 pull off
- People complain about the prices no but if the majority want it then fine
- Tariff 1 + 10%, Tariff 2 and 3 no change
- With a review every three years
- I disagree with the tariff increases, if the taxis stuck with the tariff times increase at 11pm and Sundays especially in Teignmouth there would be no need for an increase, it makes it hard for the taxis who want to move to tariff 2 and it leads to give us a bad name who use tariff appropriately
- It should be 50% due to no increase since 2013
- May I suggest more frequent reviews/proposals as the cost of living has increased by more than 7.5% since the £2.60 tariff was first introduced.
- I agree with an increase, but 10% would be more feasible or minimum fare & or pull away fare of £5.00 & calibrate the meters accordingly to kick in at the appropriate mileage, thus being a more effective fare to compensate the large amount of Taxi's within the Teignbridge area
- As I mainly do fixed price airport trips I don't use the meter as much it does not matter to me what increase but it would probably cost me £25 for the meter increase I know I could go private hire but I do like the fall back as been a Hackney Taxi
- It's been 6 years since the last increase, this increase works out at about 1% per year.
- Inflation is about 2% so therefore I believe the increase should be more like 15% to be fair and keep up with inflation.
- Increases or in fact decreases should be mandatory annually to accurately reflect increases or decreases in running costs, i.e fuel, tax, maintenance and wages.
- 10% with a minimum fare of £5
- Fouling charge should be £70 – £80 for the valet and a further £70 - £80 for the loss of income the following day
- Waiting time should be increased to £25 per hour. Do not want to lose the 10p extras.
- 10% plus a £1 charge for the carriage of non-assistance dogs
- 15% plus a £1 charge for the carriage of non-assistance dogs

3. THE PROPOSALS

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Tariff 1 – Monday to Saturday 7am to 11pm

Tariff 2 – Monday to Saturday 11pm to 7am, all day Sunday and Bank Holidays

Tariff 3 – 11pm on 24 December to 7am 27th December and 11pm on 31 January to 7am on 2 January.

Proposal A

The tables below show the proposed increase to the tariff of 7.5% with the addition of increasing the fouling charge from £50 to £80 and the removal of the 10p extras.

Tariff 1- if increase set with initial pull off at £2.80 for the first 447 yards and 20p per 164 yards thereafter

Distance	Current Fare	Proposed Fare	% Increase	Increase in £'s / p's
1 Mile	4.20	4.50	7.14	.50
2 Miles	6.20	6.60	6.45	.40
3 Miles	8.20	8.80	7.32	.60
5 Miles	12.20	13.10	7.38	.90
10 Miles	22.20	23.80	7.21	1.60

Tariff 2 – if increase set with initial pull off at £4.20 for the first 447 yards and 30p per 164 yards thereafter

Distance	Current Fare	Proposed Fare	% Increase	Increase in £'s / p's
1 Mile	6.30	6.80	7.94	.50
2 Miles	9.30	10.00	7.53	.70
3 Miles	12.30	13.20	7.32	.90
5 Miles	18.30	19.60	7.10	1.30
10 Miles	33.30	35.80	7.50	2.50

Tariff 3 – if increase set with initial pull off at £5.60 for the first 447 yards and 40p per 164 yards thereafter

Distance	Current Fare	Proposed Fare	% Increase	Increase in £'s / p's
1 Mile	8.40	9.00	7.14	.60
2 Miles	12.40	13.30	7.25	.90
3 Miles	16.40	17.60	7.31	1.20
5 Miles	24.40	26.20	7.37	1.80
10 Miles	44.40	47.70	7.43	3.30

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Proposal B

Proposed by 41 Newton Abbot Drivers - Increase the initial pull off to £3, £4.50 and £6. This would show a 15% increase on 1 mile but an average of 9% thereafter.

Tariff 1- if increase set with initial pull off at £3.00 for the first 447 yards and 20p per 164 yards thereafter

Distance	Current Fare	Proposed Fare	% Increase	Increase in £'s / p's
1 Mile	4.20	4.80	14.29	.60
2 Miles	6.20	6.80	9.68	.60
3 Miles	8.20	8.90	8.53	.70
5 Miles	12.20	13.30	9.01	1.10
10 Miles	22.20	24.20	9.00	2.00

Tariff 2 – if increase set with initial pull off at £4.50 for the first 447 yds and 30p per 164 yds thereafter

Distance	Current Fare	Proposed Fare	% Increase	Increase in £'s / p's
1 Mile	6.30	7.20	14.29	.90
2 Miles	9.30	10.10	8.60	.80
3 Miles	12.30	13.40	8.94	1.10
5 Miles	18.30	19.90	8.74	1.60
10 Miles	33.30	36.30	9.00	3.00

Tariff 3 – if increase set with initial pull off at £6.00 for the first 447 yards and 40p per 164 yards thereafter

Distance	Current Fare	Proposed Fare	% Increase	Increase in £'s / p's
1 Mile	8.40	9.60	14.29	1.20
2 Miles	12.40	13.50	8.87	1.10
3 Miles	16.40	17.90	9.14	1.50
5 Miles	24.40	26.60	9.00	2.30
10 Miles	44.40	48.40	9.00	4.00

National Average for a two mile hackney fare on tariff one as of December 2019 is £5.95 out of 363 Local Authorities

Devon Authorities:

Authority	Two Mile – Tariff One Fare	Position Nationally	Last Increased
West Devon	-	-	-
Mid Devon	£5.70	230	2010
Plymouth	£6.00	174	2017
South Hams	£6.00	177	2017
Teignbridge – currently	£6.20	136	2013
East Devon	£6.30	108	2012
North Devon	£6.55	73	2016
Exeter	£6.60	62	2013

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Torridge	£6.62	55	2017
Torbay	£6.75	47	2019

Position nationally based on the two proposed increase options:

Proposed Increases	Two Mile – Tariff One Fare	Position Nationally
7.5%	£6.60	56 - 72
15%	£6.80	32 - 45

4. CONCLUSIONS

Only two drivers made comment with regard to the increase in the fouling charge and both were in agreement.

Only one driver made comment regarding the removal of the 10p extras. They did not want this removed.

Two drivers suggested that a £1 charge could be made for the carriage of non-assistance dogs. This can be considered.

Please note - Drivers do not have to charge the full amount on the meter and do not have to add any extras should they not wish too. The purpose of the tariff is that it is the maximum amount that can be charged.

Less than 25.4% percent of the trade responded, with 23.4% of those responding wanting an increase. It is extremely difficult to get the opinion of the overall trade when 74.6% did not respond to the survey.

Section 65(6) of the Local Government (Miscellaneous Provisions) Act 1976 states ‘....any table of fares previously made under this section for the district, as the case may be, shall cease to have effect.’

There remains a financial implication for the trade of £25 to have the meter calibrated to a new tariff.

4. FINANCIAL IMPLICATIONS

If the request is granted the Committee are asked to authorise the proposal to be advertised. Should any additional comments be received, the matter may need to be reconsidered by the Committee. The cost of postage and printing in contacting in writing all drivers. The cost of advertising the proposed tariff increase is approximately £590.

5. OPTIONS

The Committee may:

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1. Grant the proposal A or B;
2. Refuse the proposals; or
3. Authorise an increase in fares different to the proposals with full written reasons.

In addition the committee are asked to consider the suggestion of a £1 charge for the carriage of non-assistance dogs.

1. Grant the proposal
2. Refuse the proposal

Andrea Furness
Licensing Manager

Wards affected	All
Contact for any more information	Andrea Furness
Background Papers (For Part I reports only)	Local Government (Miscellaneous Provision) Act 1976, Section 65
Key Decision	N
In Forward Plan	Y
In O&S Work Programme	N
Community Impact Assessment attached:	N
Appendices attached:	A: Advert (Proposal A and B) C: National Average data