

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	PUBLIC PROTECTION COMMITTEE	11 DECEMBER 2017	5
<b>REQUEST FOR AN INCREASE IN THE LEVEL OF HACKNEY CARRIAGE FARES</b>			

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

A request has been received from Whitesides Taxis seeking an increase in the level of hackney carriage fares. The national average increase in the level of fares has been ascertained and the Committee will be requested to consider the request.

### RECOMMENDATION

That the Committee considers the report and determines the request to increase the level of fares.

### SUMMARY OF PREVIOUS DECISIONS

17/10/16 – Council resolved to “Delegate to the Public Protection Committee responsibility for determining increases in the level of Hackney Carriage Fares”.

20/7/16 - Public Protection Committee considered a request for a fare increase and resolved to “Refuse the request for an increase in level of hackney carriage fares as being inappropriate”

27/11/13 – Portfolio Holder Decision to approve the following:

- (i) Tariff 1 and 2 fares be increased by 1 per cent.
- (ii) 60 pence be added to every hiring between 0200 and 0600.
- (iii) Taxi operators be requested to display clearly in their vehicles any meter reduction due to discounts

16/7/12 – Portfolio Holder Decision, “In reviewing fares the Portfolio Holder felt that particular regard should be given to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay and to the need to give drivers sufficient incentive to provide a service when it is needed. Therefore the Portfolio Holder approved the requested increase in the hackney carriage fares of 2.5%, as recommended by the [Public Protection Committee](#).”

6/4/11 – Portfolio Holder Decision, “That the portfolio holder approved the following recommendations of the Public Protection Committee and determines the request: In view of very significant rises in fuel and other costs involved in running and maintaining hackney carriages, that hackney carriage fares be increased by 7.5%, and that further surcharges of 20p be allowed if the price of diesel reaches trigger levels of £1.50 and £1.75 per litre.”

16/4/2009 – Portfolio Holder Decision, “The Portfolio Holder considered the recommendations of the [Public Protection Committee](#) and approved the recommendations contained within the report.”

7/12/2007 – Portfolio Holder Decision, “The Portfolio Holder considered the report and the recommendations of the [Public Protection Committee](#) and determines the requests.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## REPORT

1. The provisions of Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allow Local Authorities to fix the level of fares that may be demanded in connection with the hire of a Hackney Carriage.
2. The Office of Fair Trading Best Practice Guidance for Taxi and Private Hire Vehicle Licensing considers fares and comments at paragraph 36 that,

*“Fare scales should be designed with a view to practicality. The Department sees it as good practice to review the fare scales at regular intervals, including any graduation of the fare scale by time of day or day of the week. Authorities may wish to consider adopting a simple formula for deciding on fare revisions as this will increase understanding and improve the transparency of the process. The Department also suggests that in reviewing fares authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give 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.”*

3. Fylde Borough Councils Hackney Carriage and Private Hire Licensing Policy acknowledges the comments of the OFT and states in Appendix J:

*“Hackney Carriage Fare scales will not generally be reviewed more than once per year between January and March with any change agreed being implemented once the required period for objection specified in the Public Notice has passed. In reviewing the scale of maximum fares to be charged locally, consideration will be given to the percentage by which the “National Average” of Tariff One, 2 mile journey fares (as published in Private Hire & Taxi Monthly magazine) increased since the fees were last increased by Fylde Council (i.e. January 2013 to January 2017). In general, this average percentage will constitute the maximum percentage increase in fares above which the authority would not generally consider any application for a tariff increase.”*

4. A request for an increase in the level of fares has been submitted by Giles Bridge of A2Z Licensing on behalf of Whitesides Taxis which is included at appendix 1. Officers have confirmed that the increase requested may be summarised as:

- a) increase of 4.6% on all tariffs
- b) Increase in the cost of extras from 20p to 40p
- c) for journeys where between 5 & 8 passengers are being conveyed, the driver may charge 1.5 times the metered fare.
- d) Increase the soiling charge from £40 to £60

5. It is difficult to achieve an actual constant increase of 4.6% on any journey but Officers believe the most efficient way to achieve this would be by:

### **Tariff 1**

An increase in the initial hiring charge from £2.60 to £2.70

Decrease in initial flag drop yardage from 404 yards to 380 yards and decrease from 202 to 190 yds for incremental drops

### **Tariff 2**

An increase in the initial hiring charge from £2.80 to £2.90

Decrease in initial flag drop yardage from 318 yards to 300 yards and decrease from 159 to 150 yds for incremental drops

6. A table is shown below which demonstrates the current fares and the proposed fares should the Committee recommend approval of the request together with the national average level of fares:

Flag	T1 current	T1 proposed	T2 current	T2 proposed
	2.60	2.70	2.80	2.90
1 mile	4.00	4.30	4.80	4.90
2	5.80	6.10	7.00	7.30
3	7.60	7.90	9.20	9.70
4	9.20	9.90	11.40	11.90
5	11.00	11.70	13.60	14.30
6	12.80	13.50	15.80	16.70
7	14.40	15.30	18.00	19.10
8	16.20	17.30	20.20	21.30
9	18.00	19.10	22.40	23.70
10	19.00	20.90	24.60	26.10

7. The previous increase in Hackney Carriage Fares came into force in January 2014 having been approved by the Portfolio Holder in November 2013. The Private Hire and Taxi Magazine which is used to calculate the national average increase has changed the amount of information it publishes but it can be seen that between January 2014 and September 2016 the national average tariff 1, 2 mile journey has increased from £5.57 to £5.74, an increase of 3%.
8. For the information of members, a table is shown below detailing the current fares in Fylde, Blackpool and Wyre. The latest fare increases came into force in April 2011 in Wyre and September 2012 (minor amendment is August in 2016) in Blackpool.

Authority	1 Mile	2 Miles	5 miles	10 miles
Fylde T1	£4.30	£6.10	£11.70	£19.00
Blackpool T1	£4.10	£5.80	£11.20	£20.00
Wyre T1	£3.80	£5.60	£10.60	£19.00
Fylde T2	£4.90	£7.30	£14.30	£26.10
Blackpool T2	£4.60	£7.00	£14.00	£25.80
Wyre T2	£4.50	£6.70	£13.30	£24.30

9. The submission also includes a request to increase the cost of extras from £0.20 to £0.40. Extras include luggage conveyed outside the passenger compartment of the carriage or prams, passengers in excess of one (two children between the ages of 3 years and 12 years to be counted as one, younger children not to be reckoned) and the carriage of dogs (except assistance dogs).
10. The current table of fares includes an amount the driver may charge should the vehicle needs to be withdrawn from service due to passenger abuse of £40.00. It is reported that the cost of valeting vehicles has increased and submission made that this is increased to £60.00.
11. The final element of the submission includes a request that for larger vehicles carrying between 5 and 8 passengers, the driver is entitled to demand 1.5 times the metered fare. Members will be aware that the age limit for encouraging wheelchair accessible vehicles (WAV's) onto the fleet was recently lowered to 6 years in an attempt to increase the numbers licensed. Whilst these WAV's are licensed primarily to carry wheelchairs, and the level of fares should not discriminate against disabled persons, it is inevitable the vehicles will also be used to convey larger numbers of passenger's. Due to the cost of purchasing purpose built vehicles, the

potential revenue in addition to lowering of the age limit may further encourage persons to seek to licence purpose built wheelchair accessible vehicles.

12. Members may wish to note that the level of fares set by the Authority is the maximum a driver is entitled to demand. It is our interpretation of the legislation that hackney carriage proprietors and drivers are entitled to discount fares and calibrate their meters to a tariff less than the Council tariff. However, should a proprietor choose to do this, they should make it clear within the vehicle that the meter is set to a lower tariff so as to avoid any confusion and allegations of overcharging.

13. To conclude, Members are requested to consider the report, supporting information and the requests to:

- a) Increase the level of fares by 4.6% as demonstrated in point 5 above
- b) Increase the cost of extras from 20p to 40p
- c) For journeys where between 5 & 8 passengers are being conveyed, the driver may charge 1.5 times the metered fare.
- d) Increase the soiling charge from £40 to £60

IMPLICATIONS	
Finance	There are no direct financial implications for the Council in setting the fares for hackney carriages.
Legal	None arising directly from the report.
Community Safety	The provision of taxis is an integral part of the transport infrastructure and is particularly influential in the transportation of individuals late at night when bus services have ceased. The provision of affordable taxis assist in community safety by ensuring people are removed from town centres safely and helps to reduce the incidence of drink driving.
Human Rights and Equalities	Hackney carriages are a vital form of transport for the disabled who may have difficulties accessing other forms of public transport. It is important therefore that fares are maintained at a level which will encourage investment in DDA compliant vehicles yet remain affordable to disabled people.
Sustainability and Environmental Impact	None arising directly from the report.
Health & Safety and Risk Management	None arising directly from the report.

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Hackney Carriage and Private Hire Licensing Policy	October 2017	<a href="http://www.fylde.gov.uk/assets/files/11/Hackney-Carriage-and-Private-Hire-Licensing-Policy.pdf">http://www.fylde.gov.uk/assets/files/11/Hackney-Carriage-and-Private-Hire-Licensing-Policy.pdf</a>

Attached documents

App A – Fare Increase Submission

App B – Servicing Costs