

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	PUBLIC PROTECTION COMMITTEE	23 MARCH 2022	5

### REQUEST FOR AN INCREASE IN THE LEVEL OF HACKNEY CARRIAGE FARES

#### PUBLIC ITEM

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

#### SUMMARY

A request has been received from independent members of the Hackney Carriage Trade 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

[18/7/18](#) – Public Protection Committee resolved to amend the Table of Hackney Carriage Fares in relation to tariff 4 as follows: *Tariff 4: £3.50 for the first 300 yards or uncompleted part thereof. 20p for each subsequent 150 yards or uncompleted part thereof.*

[11/12/2017](#) – Public Protection Committee resolved to:

- 1) Increase the level of fares by 4.6% as detailed within the report.
- 2) Increase the cost of extras from 20p to 40p.
- 3) For journeys where between 5 & 8 passengers are being conveyed, the driver may charge 1.5 times the metered fare.
- 4) Increase the soiling charge from £40 to £60.

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

Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

## 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. Separate, differing requests have been received from members of the independent hackney carriage trade for an increase in the level of fares. As such, officers facilitated meetings between independent members in order to understand the ask and to seek to an agreement between them before referring the matter to the Public Protection Committee.

5. The request may now be summarised as follows:

- Tariff 1                      To increase the initial hiring charge by 40p from £2.70 to £3.10
- To amend the yardages to 370 yards followed by 185 for each incremental drop (currently 380 yards and 190 yards)
- Tariff 2                      To increase the initial hiring charge increase by 40p from £2.90 to £3.30
- No change to yardage
- Tariff 2 to commence at commence at 1900 Monday to Friday (currently commences at 2300)
- Waiting time                T1 - 20p for each period of 40 seconds.
- T2, T3 & T4 - 20p for each period of 30 seconds. The meter adds this automatically.
- (currently 20p each 54 seconds on all tariffs)

6. A table is shown below which demonstrates the current fares and the proposed fares should the Committee recommend approval of the request. The table does not reflect any increase cause by the change in waiting time or the earlier commencement of tariff 2.

Flag	T1 current	T1 proposed	T2 current	T2 proposed
	2.70	3.10	2.90	3.30
1 mile	4.30	4.70	4.90	5.30
2	6.10	6.70	7.30	7.70
3	7.90	8.50	9.70	10.10
4	9.90	10.30	11.90	12.30
5	11.70	12.30	14.30	14.70
6	13.50	14.10	16.70	17.10
7	15.30	15.90	19.10	19.50
8	17.30	17.90	21.30	21.70
9	19.10	19.70	23.70	24.10
10	20.90	21.70	26.10	26.50

7. The previous increase in Hackney Carriage Fares came into force in November 2018. The Private Hire and Taxi Magazine which officers used to calculate the national average increase indicates that the average cost of a tariff 1, 2 mile journey at that time was £5.68. In February 2022, the cost of that same journey is £6.08. It can therefore be seen that the national average tariff 1, 2 mile journey has increased by 3.75%. The request equates to 9.8%.
8. Contained within the current Table of Fares is provision for incremental increases should the price of diesel reach £1.50 and £1.75 a litre. Members will be aware the price of a litre of diesel is currently heading towards £1.60, so the first increment has taken place. It is anticipated that should a fare increase be approved, the £1.50 increment is removed as the increases in fuel prices will be factored into the increase. However, it is requested that Members consider updating the wording to address any further potential increases. The suggested wording is:

*NOTE 3 - The following sums may be added to the fare: 20p when the price of diesel reaches £1.75p per litre at Heyhouses Service Station, St Annes and a further 20p when the price of diesel reaches £2.00p per litre at Heyhouses Service Station*

9. A letter supporting the increase from Mr S Horvath, an independent hackney carriage proprietor may be seen at appendix 1 of the report together with correspondence from Whitesides Taxis and Fylde Executive Cars/Kirkham Macs.

10. Members may wish to note that the level of fares set by the Authority is the maximum a driver is entitled to demand. 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.
11. To conclude, Members are requested to consider the report, supporting information and determine the request.

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	2021	<a href="#">Fylde Website</a>

#### Attached documents

- Appendix 1      Comments from Trade  
Appendix 2      Current Fare Table