

Regulatory Committee

19 January 2022

Report title	Hackney Carriage Fare Increase and Contactless Payments	
Wards affected	All	
Accountable director	Ross Cook, Director of City Housing and Environment	
Originating service	Licensing	
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Report to be/has been considered by	N/A	

Recommendations for decision:

The Regulatory Committee is recommended to:

1. Authorise the required publishing of a notice in a local newspaper detailing the proposed fare increase and stating a consultation period during which objections regarding the increase can be made.
2. Subject to no objection following consultation, approve the proposed increases in Hackney Carriage fares.
3. Require the facility for contactless card payments within all Hackney Carriage vehicles.

Recommendations for noting:

The Regulatory Committee is asked to note:

1. That if, at the end of the consultation period there are no objections to the proposed fare increase, implementation of the proposed increases will occur after meter recalibration at a metered mile on the 21 February 2022.
2. That if, at the end of the consultation period there are objections to the proposed fare increase, a further report will be presented to the Regulatory Committee on 16 March 2022.

1.0 Purpose

- 1.1 To advise the Regulatory Committee of a request by the Hackney Carriage trade for an increase in Hackney Carriage Fares and to seek Committee's approval for the setting of appropriate fares.

2.0 Background

- 2.1 Under the provisions of the Local Government (Miscellaneous Provisions) Act 1976, the maximum fares charged by Hackney Carriage services can be set by the Local Authority in which they are licensed to trade. The Local Authority has no legal power to control the fares charged by Private Hire Vehicles.
- 2.2 There have been no increases to the fares since March 2013, however double time over Christmas and New Year was approved following a report to the Non-Statutory Licensing Committee on 10 July 2019.
- 2.3 On 23 November 2021, a meeting of the Hackney Carriage Trade Working Group took place. Representatives of the trade requested an increase to fares and advised that they wanted double time provision removing, with Tariff 3 instead.
- 2.4 The Office for National Statistics' (ONS) Retail Price Index (RPI), as at November 2021, shows that the cost of goods and services has increased by 28.4% since the last fare increase was proposed.
- 2.5 Engagement and consultation with the trade has been ongoing, with consideration given to inflation, labour shortages in the taxi industry, future anticipated costs, fares set by other authorities and the ongoing effects of the COVID-19 pandemic.

3.0 Progress

- 3.1 A copy of the existing fare table is attached at Appendix 1 to the report. A copy of the proposed fares is attached at Appendix 2. The revised table will also, if approved, be printed for Hackney Carriage licence holders to be displayed in the vehicle for passengers.
- 3.2 In accordance with the Act, a notice must be published in a local newspaper, stating the proposed fare increase and provide details of the route for objections. The notice must specify a date, which must not be less than 14 days from the date on which the notice is first published, by which date any objection regarding the fare increase must be made to the Council.
- 3.3 A copy of the notice must be available at the Council offices for inspection, free of charge, at all reasonable hours. Once the consultation period (in this instance 14 days) has expired, if there have been no objections received, or any received have been subsequently withdrawn, then the new fares take effect, either at the end of the consultation period or when the last objection is withdrawn. However, if objections are

made and are not withdrawn, then Councillors must consider the objections and a further report will be presented to the Regulatory Committee.

- 3.4 All meters will need to be calibrated with the new fares at the proprietors' expense. In addition, the Spring bank holiday has been moved to 2 June and 3 June is an extra bank holiday to commemorate the Queen's Platinum Jubilee this year. These new dates need to be configured into all Hackney Carriage meters.
- 3.5 As such, it is proposed that a metered mile take place in the February half-term holidays, on Monday 21 February 2022. Should objections be received, the metered mile will not take place until Monday 8 April.

4.0 Example fares

- 4.1 To illustrate how the fare increases will affect typical journeys, the table below shows fares for a range of distances on each tariff. Whilst the increases may seem significant, if the cost of a 10-mile journey on Tariff 2 followed RPI, it would now cost £27.09, which is £0.14 more than the fares proposed.

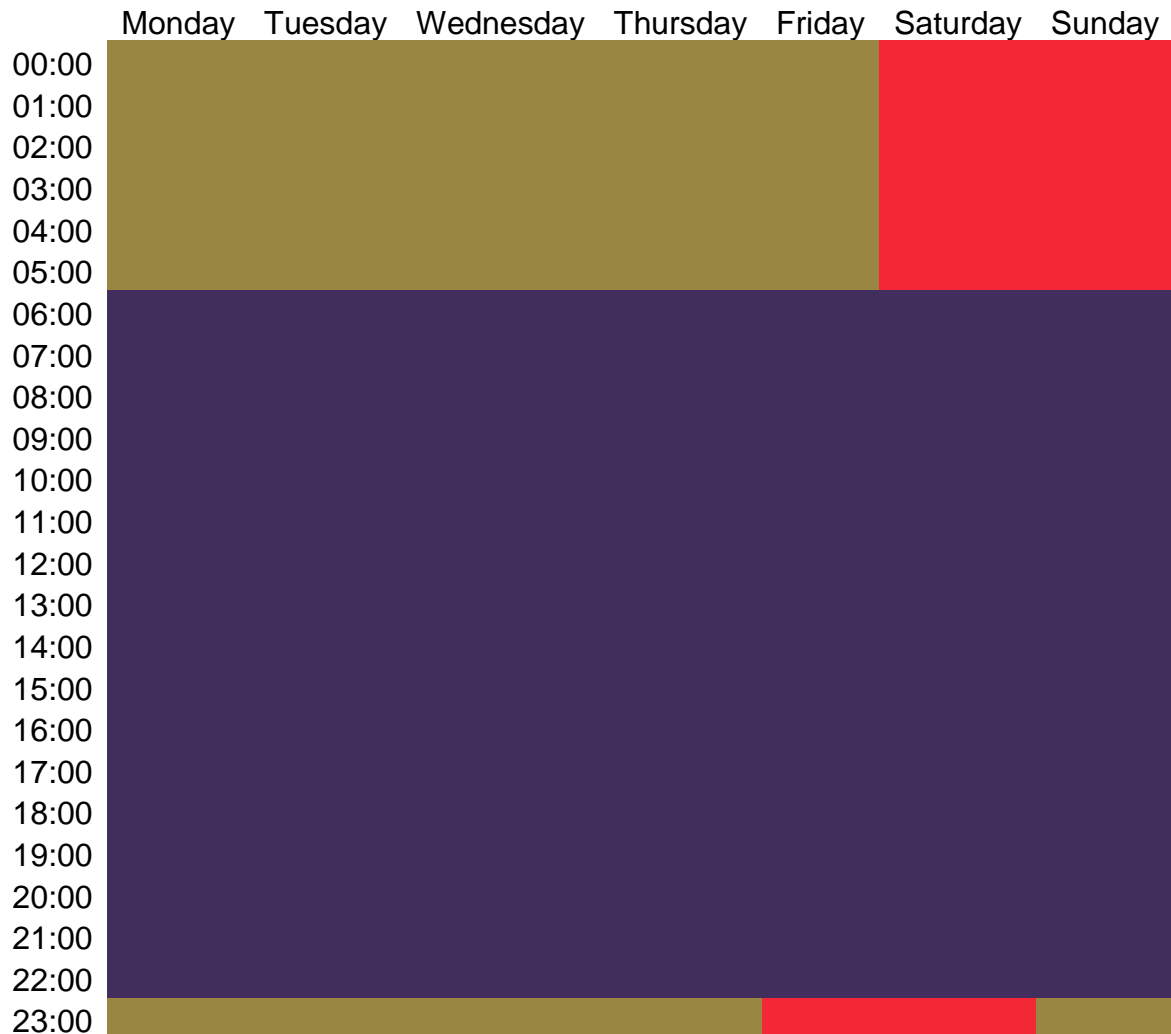
Sample Journeys at Current and Proposed Rates

(Assuming one minute per mile waiting time)

Tariff	Distance	Current fare	Proposed fares
Tariff 1	1 mile	£4.20	£5.00
	2 mile	£6.00	£7.20
	5 mile	£11.40	£13.80
	10 mile	£20.40	£24.80
Tariff 2	1 mile	£4.90	£5.35
	2 mile	£6.70	£7.75
	5 mile	£12.10	£14.95
	10 mile	£21.10	£26.95
Tariff 3	1 mile	£5.35	£5.65
	2 mile	£7.75	£8.45
	5 mile	£14.95	£16.85
	10 mile	£26.95	£30.85

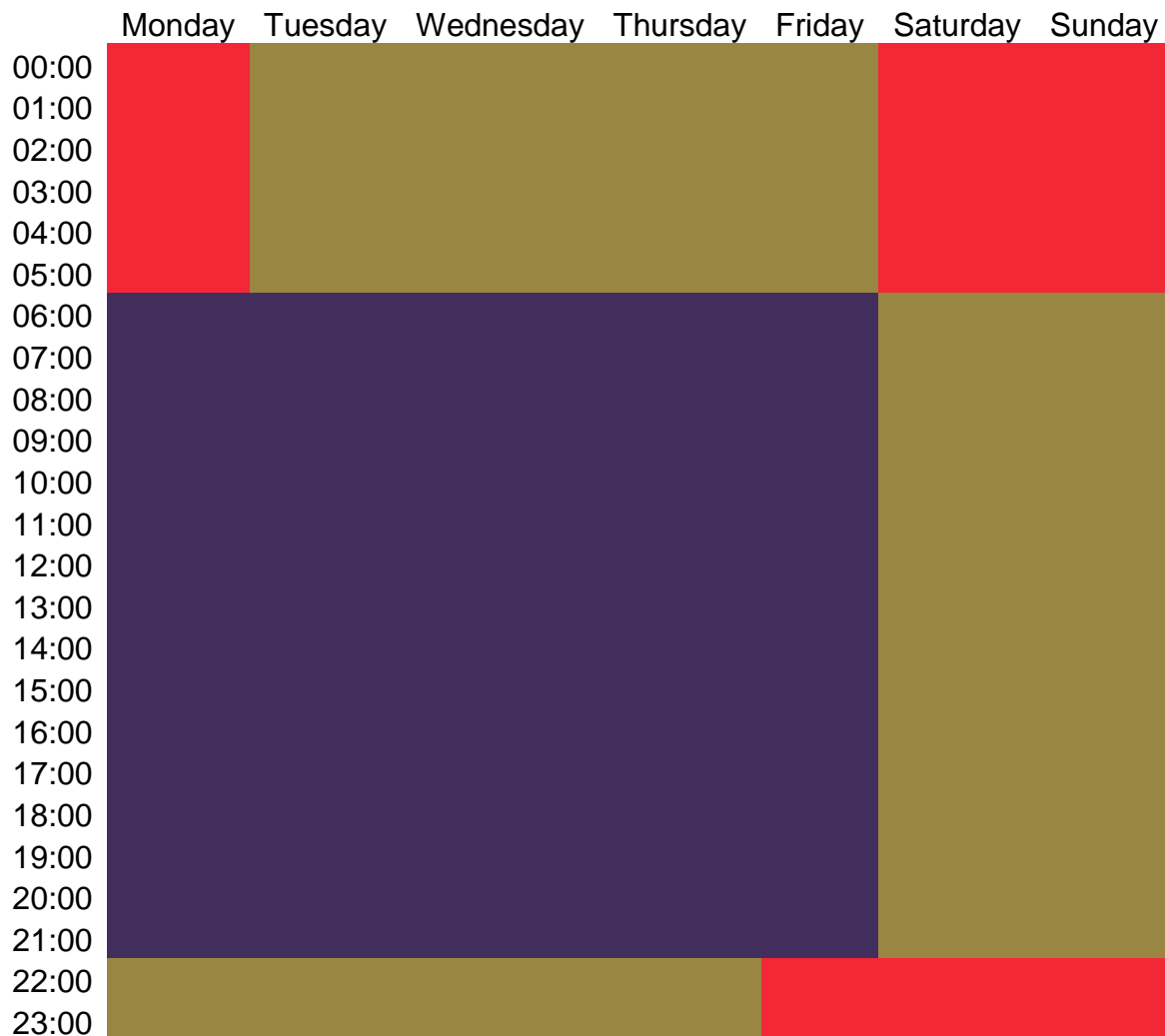
5.0 Tariff Times

5.1 A visual representation of the current normal week tariff times is shown below:



Key: = Tariff 1 = Tariff 2 = Tariff 3

- 5.2 Currently there is a labour shortage, resulting in long wait times for customers going home at night, which increases the risk of them becoming victims of crime. Given the essential role taxis provide in transporting people home safely, tariff 2 and 3 will be applicable at times where the provision of transport needs to be incentivised, fairly compensating those working anti-social hours away from their family life.
- 5.3 It is proposed that greater recognition be provided for drivers working at weekends, with Tariff 2 applicable during the day on Saturday and Sunday.
- 5.4 The definition of night-work has also been brought forward from 23:00, now starting at 22:00, with Tariff 2 charged on weekdays and Tariff 3 charged on weekends.
- 5.5 A visual representation of the proposed normal week tariff times is shown overleaf.



Key: = Tariff 1 = Tariff 2 = Tariff 3

6.0 Soiling Charge

- 6.1 It is proposed that the maximum that can be charged to passengers for soiling the vehicle, to cover cleaning fees, is increased from £40 to £50 to reflect the increase in cleaning costs.

7.0 Contactless Payments

- 7.1 Contactless payments have become increasingly popular, due to their convenience. There is also a risk of disease transmission from traditional payment types, particularly COVID-19.
- 7.2 Public Health have recommended the use of contactless card payments on the basis of infection control.
- 7.3 As such, it is proposed that all Hackney Carriages be required to have the facility for customers to be able to make contactless payments, should they wish to do so.

- 7.4 For clarity, it is not proposed that all transactions must be made via contactless payments, however all Hackney Carriages must have the facilities to accept contactless payments.
- 7.5 It is recognised that passengers might be less inclined to tip drivers through contactless payments, so the council will undertake a publicity campaign highlighting that passengers may wish to tip if they have received good customer service. Assistance configuring payment devices that have the facility to prompt passengers to tip will be offered to all drivers. Should Committee approve of this requirement, it shall take effect from the day of the next metered mile.

8.0 Financial implications

- 8.1 The cost of the advertisement in the local newspaper and the production of new fare cards is likely to be in the region of £1,200. These costs will be met from within existing revenue budgets.

[SB/04012022/L]

9.0 Legal implications

- 9.1 Section 65 of Local Government (Miscellaneous Provisions) Act 1976 provides:
- (1) A district council may fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as a “table of fares”) made or varied in accordance with the provisions of this section.
- (2) (a) When a district council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.
- (b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of fourteen days from the date of the first publication thereof be deposited at the offices of the council which published the notice, and shall at all reasonable hours be open to public inspection without payment.
- (3) If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in subsection (2) of this section, or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.
- 9.2 (4) If objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the

table of fares shall come into force with or without modifications as decided by them after consideration of the objections.

[SH/22122021/A]

10.0 Equalities implications

10.1 There are no equalities implications for this report.

11.0 All other implications

11.1 There are no other implications.

12.0 Schedule of background papers

12.1 19 September 2008 - Application for an Increase in Hackney Carriage Fares - Licensing Committee

12.2 21 January 2009 - Consideration of Objection to Proposed Increase of Hackney Carriage Fares - Licensing Committee

12.3 16 January 2013 - Application for an Increase in Hackney Carriage Fares – Licensing Committee

12.4 10 July 2019 - Application for an Increase in Hackney Carriage Fares – Non-Statutory Licensing Committee

13.0 Appendices

13.1 Appendix 1: Current Hackney Carriage Table of Fares

13.2 Appendix 2: Proposed Hackney Carriage Table of Fares