

**Committee: LICENSING & ENVIRONMENTAL HEALTH**

**Agenda Item**

**Date: 1 October 2014**

**5**

**Title: TABLE OF FARES FOR HACKNEY  
CARRIAGES**

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Item for decision

## **Summary**

1. This report is to inform members of a consultation undertaken with regard to hackney carriage fares and to seek members' views as to whether a recommendation should be made to the Cabinet for any amendments to be made to the current table.

## **Recommendations**

2. Members determine whether any variation should be recommended.

## **Financial Implications**

3. The cost of the adverts will be approximately £1,600 which would be met from existing budgets.

## **Background Papers**

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.
  - Responses to the consultation exercise.

## **Impact**

- 5.

Communication/Consultation	All hackney carriage proprietors and ULODA were invited to comment as to whether there should be any changes to the current table of fares.
Community Safety	None.
Equalities	In the event that members are minded to recommend an increase in the table of fares an equality impact assessment would need to be carried out before that recommendation is passed to Full Council.

Health and Safety	None.
Human Rights/Legal Implications	The council has power to set a table of fares which is the maximum fare which can be charged for hackney carriages. Proprietors/drivers may charge a lower fare if they wish. There is no power to fix fares for private hire vehicles although anecdotal evidence suggests that in settling fares the private hire trade has regard to the hackney carriage tariff.
Sustainability	None.
Ward-specific impacts	None.
Workforce/Workplace	None.

## Situation

6. Some time ago the council gave a commitment that it would review the table of fares on an annual basis. Such a commitment was not of course an indication that fares would be increased annually. In practice this has not been the case. The table of fares was last amended with effect from 1 October 2012 and prior to that with effect from the 12 July 2010. A copy of the current table of fares is attached.
7. In the past ULODA has taken the lead with regard to the annual reviews. It has consulted with its members and either put forward proposals for a variation to the table of fares (as it did in 2010 and 2012) or if there was no appetite within the trade for an increase has indicated to the council that the trade is happy for the status quo to remain as happened in 2011 and 2013.
8. ULODA's consultation of its members in 2013 was somewhat controversial. ULODA indicated that it would not be consulting with its members this year. Mindful of the fact that the table of fares was now 2 years old I therefore undertook a consultation exercise seeking views of proprietors of hackney carriage vehicles as to whether there should be any changes to the table of fares including the charges for waiting time and the soilage charge.
9. There are 37 licensed hackney carriage proprietors in the district. Only two have responded to the consultation at the time of preparation of this report. The first responder said "I am happy until spring 2015 for the tariff to remain as is, this is taking into account the recession has only just lifted and customers in many areas are still finding their finances tight with the increased cost of living across many areas. I would like to see a significant increase in waiting time. From research I have carried out on behalf of ULODA I have established the licensed trade in areas which neighbours ours all currently charge similar to Uttlesford and without exception have all gone many years without a review. From observation I note that professional services which are used on a routine

basis i.e. car servicing, electricians, plumbers, dentists, taxi medical (excluding legal services) charge around £50 plus per hour, therefore I would ask for an increase of waiting time to a minimum of £40 (gross) an hour. Of course operators may not wish to embrace this increase however like the current tariff it would be the max one could officially charge”.

10. The other response said simply “I feel the fares should not increase as we are one of the higher rates with our neighbouring licensing areas, and an increase will only force our local custom to elsewhere.
11. It is right to say that the charge for waiting time has not increased since 2006. Comparing the lowest rate of fare then with the rate now it would appear that the fares have increased by approximately 25% over that period. If the waiting time were to reflect that percentage it would increase to £25 per hour.
12. Unfortunately, there is no evidence from the trade as to the extent of waiting which occurs. It is not therefore possible to gauge what benefit the trade would experience from any increase in the charge for waiting time. Members will also have regard to the fact that out of the 37 proprietors licensed by this council, only one actively supports an increase in the waiting charge whilst the other proprietor who responded was against any change in the table of fares at all.
13. If the table of fares is to be changed, the proposal will need to be advertised in the local press. The expense of this ultimately is borne by the trade in the licensing fees. If any objections are received to the proposed variation, the Cabinet would need to consider those representations and the decision post-consideration would again need to be advertised at further expense. In the absence of the known benefit to the trade it is difficult to see whether the cost involved would be proportionate.
14. It is right to mention that the setting of hackney carriage fares is a Cabinet function but following the last revision in 2012 it was agreed the matter would be reported to the Licensing Committee in the first instance for a recommendation.

## Risk Analysis

15.

Risk	Likelihood	Impact	Mitigating actions
Hackney carriage fares are set at a level so low that it becomes uneconomic to operate hackney carriages in the district.	2, there is no evidence that the number of hackney carriages is declining at the current level of fares and there is	3, there would be insufficient numbers of hackney carriages to meet the needs of the travelling	If the committee consider a variation in the table of fares is justified it recommends that the Cabinet set fares at a level which the committee consider to

	no overwhelming support from the trade for an increase.	public.	be reasonable.
Hackney carriage fares are set too high.	2, some proprietors are charging less than the table of fares at the present time having decided that the market would not bear previous increases.	3, if fares are too high, market forces will divert passengers to those hackney carriages charging lower fares or to the private hire trade.	

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.