

REPORT OF LEAD LICENSING OFFICER

To: LICENSING COMMITTEE

Subject: REVIEW OF TAXI FARES

Date: 12 FEBRUARY 2020

Reference:

PURPOSE OF REPORT:

To inform Committee of the results of a recent fare consultation with hackney carriage proprietors and to consider whether to increase the existing fare tariff.

1. INTRODUCTION

Local authorities have the power to set fares for hackney carriages under section 65 of the Local Government (Miscellaneous Provisions) Act 1976. Hackney carriage fares were last increased on 1 August 2017. Since then, fares have remained at their present level. Taxi meters contain calendar control chips which count the bank holidays and these need to be updated for the bank holidays in 2020. As this is being done it has been suggested by the trade that a review of taxi fares could be carried out at the same time.

2. REPORT

A consultation on fares was carried out with taxi proprietors between 9th and 31st January 2020. This report sets out the results of the consultation and provides background information which will help Members to make an informed decision on any increase in fares.

The consultation was sent to all 27 licensed hackney carriage proprietors. 14 proprietors responded - a return rate of 52% - and the results are detailed below.

In favour of an increase: 11 (79%) Against an increase: 3 (21%)

This indicates strong support for an increase from those who responded to the consultation.

However there was a mixed reply in response to what the increase should be. The results are given in Table 1 below.

Table 1 – Consultation responses

Option	Increase	Number
A	No increase – maintain current fares	3
B	Flag fare 20p increase/miles thereafter 10p increase Flag fare (3/4 mile): £3.70 Mile thereafter: £2.60	6
C	Flag fare no increase/miles thereafter 20p increase Flag fare (3/4 mile): £3.50 Mile thereafter: £2.70	1
D	Reduce flag fare distance to half mile. No increase in amounts Flag fare (1/2 mile): £3.50 Mile thereafter: £2.50	4
	Total	14



Table 2 shows the effect of different rate increases on current Torridge fares.

Table 2 – Effect of different increases

Option	2 Mile	5 Mile	10 Mile	20 Mile
A	£6.63	£14.13	£29.13	£54.13
B	£6.95	£14.75	£30.35	£56.35
C	£6.88	£14.98	£31.18	£58.18
D	£7.25	£14.75	£29.75	£54.75

National Context

In terms of the national context, as at January 2020, Torridge was ranked 56 out of the 363 local authorities which regulate hackney carriage fares (*Source Private Hire and Taxi Monthly*). The national average two mile hackney fare on tariff one is £5.96.

A comparison with the other Devon authorities is shown below:

Table 3 – Devon authorities

Position (All England Councils)	Council	2 Mile Fare Cost	Date of last fare increase
47	Torbay	£6.75	2019
56	Torridge	£6.62	2017
62	Exeter	£6.60	2013
73	North Devon	£6.55	2016
109	East Devon	£6.30	2012
137	Teignbridge	£6.20	2013
175	Plymouth	£6.00	2017
178	South Hams	£6.00	2017
233	Mid Devon	£5.70	2010

In addition to the fare increase it has also been requested to increase the fare for waiting time from 20p to 25p per minute.

3. IMPLICATIONS

Legal Implications

The Council is legally obliged to advertise any variation of fares. If this is not done, the proposed fares would be invalid.

Financial Implications

None

Human Resources Implications

None

Sustainability/Biodiversity Implications

None



Equality/Diversity

None

Risk Management

There are legal, reputational and possible financial risks if the Council does not follow the correct procedures.

Compliance with Policies and Strategies

Complies with the current Taxi Policy.

Data Protection (GDPR) Implications

None

Climate Change

None

Ward Member and Lead Member Views

Cllr James has been consulted

4. CONCLUSIONS

It is important to find a balance between the income generated by Taxi Drivers, to cover their day-to-day costs and the costs associated with the licensing process, as well as setting fares which meets the needs of the residents and visitors to the area.

Members should note that the fares prescribed by the Council are maximum fares. Drivers may charge a lower fare or offer a discount if they wish.

5. RECOMMENDATIONS

It is recommended:

1. Members consider the information contained in this report and make a decision as to whether or not to increase the existing fares.

And, if a fare increase is approved:

2. That the level of increase be determined; and
3. the proposed fares be advertised for a period of not less than 14 days as required by s. 65(2) of the Local Government (Miscellaneous Provisions) Act 1976; and, provided there are no objections, the proposed fares be introduced on 1st April 2020.

SUPPORTING INFORMATION

Consultations: Taxi Trade – January 2020

Contact Officer: Chris Parkhouse
Background Papers: Licensing files

