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|-------------------------|--|---|---------------------|
| <b>Meeting:</b>         | <b>Licensing and Enforcement Committee</b>   | <b>Date:</b>  | <b>15 June 2021</b> |
| <b>Subject:</b>         | <b>Local Government (Miscellaneous Provisions) Act 1976 Hackney Carriage Tariff increase</b> |   |                     |
| <b>Report Of:</b>       | <b>Head of Communities</b>   |   |                     |
| <b>Wards Affected:</b>  | <b>All</b>   |   |                     |
| <b>Key Decision:</b>    | <b>Yes</b>   | <b>Budget/Policy Framework:</b>   | <b>Yes</b>          |
| <b>Contact Officer:</b> | <b>Darren Mountford, Licensing Team Leader</b>   |   |                     |
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| <b>Appendices:</b>      | <b>Appendix 1 – Tariff Comparison<br/>Appendix 2 – Proposed Hackney Carriage Tariff</b>      |   |                     |

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 To outline to members a proposal submitted by Gloucester Hackney Carriage Association (GHCA) for an increase to the current Hackney Carriage tariff.

### 2.0 Recommendations

- 2.1 Licensing and Enforcement Committee is asked to **RESOLVE** that

The proposed increase to the Hackney Carriage tariff is advertised as a public notice in accordance with the requirements of Section 65, Local Government (Miscellaneous Provisions) Act 1976.

- 2.2 If no objections are received from the public within 14 days of publication of the notice that the proposed tariff will come into effect from 1<sup>st</sup> August 2021 (this is at the request of GHCA).
- 2.3 If objections are received within the 14 days, then the matter will need to be considered further at the September meeting of the Licensing and Enforcement Committee.

### 3.0 Background and Key Issues

- 3.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 permits the council to set the maximum fares for Hackney Carriage vehicles licensed by it. The last tariff increase was in December 2017.
- 3.2 Hackney Carriage fares are made up of an initial hiring charge and a mileage rate, both of which are expressed in terms of distance and or time. This is because when

a hired Hackney Carriage is stationary or moving slowly in traffic the meter continues charging by time instead of distance.

- 3.3 GHCA on behalf of its members have submitted a proposal requesting an increase of 6.5% to the current Hackney Carriage fare tariff.
- 3.4 The primary reason for the trade's request for the increase is that all other costs have increased for example replacement of parts for the vehicles and insurance premiums.
- 3.5 GHCA in consultation with its members has asked that the current fare Tariff be amended in line with the following proposals:-

Rate one

Decrease the 1<sup>st</sup> drop in yards from 913 to 446.

Each subsequent drop in yards from 178 to 167.

Waiting time in seconds from 36 to 34.

Rate two

Decrease the 1<sup>st</sup> drop in yards from 930 to 584.

Each subsequent drop in yards from 138 to 130.

Waiting time in seconds from 27 to 25.

Rate three

Decrease the 1<sup>st</sup> drop in yards from 1159 to 853.

Each subsequent drop in yards from 119 to 112.

Waiting time in seconds from 25 to 23.

Soiling charge from £65 to £75

Everything else remains the same including the initial flag and with the above changes in terms of a decrease in yards will equate to around a 6.5% increase to the current tariff.

- 3.6 For members ease the table below compares the current tariff (as from December 2017) against the new proposed tariff. The figures have been rounded up and it does not take into account waiting time or any extras that maybe charged.

|         | TARIFF 1 |          | TARIFF 2 |          | TARIFF 3 |          |
|---------|----------|----------|----------|----------|----------|----------|
| JOURNEY | Current  | PROPOSED | Current  | PROPOSED | Current  | PROPOSED |
| 1 mile  | £4.00    | £4.60    | £5.40    | £6.00    | £6.20    | £6.80    |
| 2 miles | £6.00    | £6.80    | £7.80    | £8.60    | £9.00    | £9.80    |
| 3 miles | £8.00    | £8.80    | £10.40   | £11.40   | £12.00   | £13.00   |

|          |        |        |        |        |        |        |
|----------|--------|--------|--------|--------|--------|--------|
| 5 miles  | £12.00 | £13.20 | £15.60 | £16.80 | £18.00 | £19.20 |
| 10 miles | £21.80 | £23.60 | £28.20 | £30.20 | £32.80 | £35.00 |

- 3.7 As most Local Authorities use differing distance measurements for the initial flag fare and on-going distance charges, the best way to compare taxi tariffs is on the running mile and mile figures. With a 6.5% increase we are the second lowest within the local area on the running mile, third highest on a one mile journey and two mile journeys. The comparison can be seen in the table below:-

| Area                       | Rate 1 Running Mile | 1 mile | 2 mile |
|----------------------------|---------------------|--------|--------|
| Forest of Dean             | £2.70               | £3.57  | £6.27  |
| Cotswold District Council  | £2.51               | £3.70  | £6.21  |
| Stroud                     | £2.20               | £4.70  | £6.90  |
| Tewkesbury                 | £2.00               | £3.85  | £5.85  |
| Cheltenham                 | £2.27               | £5.07  | £7.33  |
| Gloucester (current)       | £1.98               | £3.95  | £5.93  |
| Gloucester (Proposed 6.5%) | £2.10               | £4.55  | £6.62  |

- 3.8 A comparisons tariff with the other local areas plus Worcester, Bristol, Wyre Forest and Hereford for a 1 and 2 mile journey on rate 2 and 3 (this includes the proposed changes) can be seen in Appendix 1.

- 3.9 The proposed Hackney Carriage fares can be seen in Appendix 2.

- 3.10 For members information the local area authorities last agreed their fares on:-

| Area       | Fare agreed (year) |
|------------|--------------------|
| Stroud     | 2018               |
| Cotswold   | 2019               |
| Tewkesbury | 2014               |
| Forest     | 2012               |
| Cheltenham | 2021               |

#### 4.0 Social Value Considerations

There is a legal process that we must follow when changing/amending Hackney Carriage tariffs. This must be done through a consultation exercise. This gives

communities as much information about the changes/amendments that are being proposed.

## **5.0 Environmental Implications**

There are no 'Environmental' implications arising out of the recommendations in this report.

## **6.0 Alternative Options Considered**

6.1 Members having considered the request from GHCA may consider that the requested fare increase is either too high or too low and could decide to reduce or increase the amounts highlighted at 3.6 of this report.

6.2 Members may decide that a fare increase is not justifiable or appropriate at this present time.

## **7.0 Reasons for Recommendations**

7.1 With the proposed 6.5% increase it brings Gloucester City closer to the local area in terms of the running mile.

## **8.0 Future Work and Conclusions**

8.1 If members agree in principle to the 6.5% increase to the Hackney Carriage tariff then the legislation prescribes that the Council must consult if it proposes to set or vary Hackney Carriage fares.

8.2 It must do so by publishing a notice in a local newspaper setting out the variation and specifying a period and means of objecting. The specified period cannot be less than 14 days.

8.3 All licensed drivers will be sent a text message during the consultation period making them aware of this proposal.

8.4 If no objections are made or any made are withdrawn, the proposed fares will take effect on the specified date in this case 1<sup>st</sup> August 2021. However, if objections are made and not withdrawn, the council must set a further date to take into consideration the objections.

## **9.0 Financial Implications**

9.1 Should an increase be agreed by Committee members, there will be a cost to advertise the new table of fares.

(Financial Services have been consulted in the preparation this report.)

## **10.0 Legal Implications**

- 10.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 enables the Council to fix the rates or fares within and all other charges in connection with the hire of hackney carriage vehicles in their area.
- 10.2 Any variation of the fare must be advertised and a period specified (being not less than 14 days from the publication of the advertisement) within which objections could be made. If any objections are made and not withdrawn a further meeting of the Licensing and Enforcement Committee is required to consider the objections.
- 10.3 Section 65 of the Act of 1976 states that if any objections are unresolved after the initial 14 day consultation period, a date for a Licensing Committee hearing will be set, not more than two months after the first specified date on which the table of fares to consider the objections and make a final decision.
- 10.4 In reaching a decision Members are exercising discretion and must act in a judicial and reasoned way.

(One Legal have been consulted in the preparation this report.)

## **11.0 Risk & Opportunity Management Implications**

- 11.1 The key risks arising from this relate to decisions taken by the Licensing and Enforcement Committee. Any decisions made which are unreasonable or unlawful could be open to legal challenge resulting in loss of image, reputation and potential financial penalty.

## **12.0 People Impact Assessment (PIA):**

- 12.1 The screen stage considered risks to customers in the areas of gender, disability, age, ethnicity, religion, sexual orientation or community cohesion. A further assessment will conducted to consider any feedback from the consultation.

## **13.0 Other Corporate Implications**

### Community Safety

- 13.1 The basis of the condition is to provide a standard for licensed Private Hire and Hackney Carriage drivers to work to.

### Sustainability

- 13.2 Hackney Carriage and Private Hire licensed drivers provide an important addition to the public transport provision in the City and so contribute to environmental sustainability.

### Staffing & Trade Union

- 13.3 None

**Background Documents:**

Town Police and Clauses Act 1847

The Local Government (Miscellaneous Provisions) Act 1976