

Report to: **Licensing Committee**  
Date: **10<sup>th</sup> April 2017**  
Title: **Consideration of objections to the proposed Taxi Fares which were due for adoption on the 1<sup>st</sup> April 2017.**  
Portfolio Area: **Customer First**

Wards Affected: **All**

Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y / N**

Date next steps can be taken:  
(e.g. referral on of recommendation or implementation of substantive decision)

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**Recommendations:**

That the Licensing Committee consider the objections received by the Licensing Authority in relation to their statutory consultation on the proposed Hackney Carriage fares, and

- 1) Determine how/if the fares should be amended taking into account the objections received.
- 2) Determine a date by which the new fares shall come into force, which must be no later than the 1<sup>st</sup> June 2017.

## **1. Executive summary**

- 1.1 Under the Local Government (Miscellaneous Provisions) Act 1976 Section 65, the Council has the power to set the fares charged within its area by Hackney Carriage (taxi) drivers.
- 1.2 South Hams District Council adopted a maximum chargeable fare setting policy in December 2016. The proposed fare table was then produced using the adopted formula.
- 1.3 The taxi trade were consulted on the proposed fares at the taxi trade meeting on the 23<sup>rd</sup> January 2017. Comments were made by the trade and the proposed fare table was amended accordingly.
- 1.4 Due to the Purdah restrictions on public consultations, the statutory notice was not advertised until the 28<sup>th</sup> February 2017, with a 14 day period for objections.

## **2. Background**

- 2.1 Following the adoption of the Maximum Chargeable Fares Policy in December 2016, the Licensing team produced a draft taxi fare table for consultation. (See appendix A).
- 2.2 Consultation was initially held with the taxi trade on 23<sup>rd</sup> January 2017. They requested that the booking fee fare be amended to include an amount for distances less than 2 miles from the rank. We therefore reintroduced the £1 booking fee for distances less than 2 miles.
- 2.3 A request was also made to amend the flag drop rate from £2.75, to remove the burden of having to make change for 5p. This was increased to £2.80 to take into account this concern. No further issues were raised by the taxi trade at this time.
- 2.4 Due to the restrictions surrounding commencing public consultations during a purdah period, the statutory notice was not published until the 28<sup>th</sup> February 2017. The advert was published in the various South Hams Newspapers Ltd. newspapers.
- 2.5 During the consultation period the council received 3 objections to the proposed fares from taxi drivers, the objections are shown in Appendix B.

- 2.6 The first concern raised is the price for extras such as additional passengers, luggage etc. The proposed fare for this purpose is 25p, however this is less than the 2012 adopted fares. This was an error and I would agree that the proposed fare table should be amended to the following;

For each article of luggage or other article conveyed outside the passenger compartment of the carriage	40p
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For each person in excess of one. Two children between the ages of 3 years and 6 years shall be regarded as one person. A child under 3 years shall not be reckoned	40p
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For each animal carried (assistance dogs – free)	60p
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- 2.7 Concerns have been raised about the increase in yardage of the flag drop rate from 704 yards to 880 yards. The drivers state that this will lead to a loss in earnings on short runs, however having calculated the journeys mentioned we cannot determine how a loss would be made. The current fare table can be seen in Appendix C and in Appendix D we have detailed the calculations for a journey of 0.5 miles (the distance referred to in the example given in the objection) using both the current and proposed tariffs to demonstrate that the proposed tariff will not reduce the maximum chargeable fare for short distances such as these.

- 2.8 A third concern raised is in relation to the booking fee. Previously this was £1 for any booking, no matter the distance required to travel. It is now proposed to amend the booking fee dependent upon the distance needing to be travelled to commence the journey. Hackney carriage drivers would be able to charge an additional £5 for any booking where the journey commences more than 2 miles from an official South Hams taxi rank and £1 where the pre-booked journey commences less than 2 miles from a taxi rank. The objection states that the wording means that bookings starting close to a rank but finishing far from a rank are unfairly charged the £1 booking fee. This was not raised during the initial consultation with drivers, an option would be to charge £5 for all booked journeys and remove the distance trigger, we cannot see any satisfactory alternative option that would not leave the fare open to abuse.

- 2.9 The final concern raised was the removal of tariff 3, however tariff 3 is not being removed. Multiple requests to the trade were made for a suitable proposal for tariff 3, but none were forthcoming. The tariff 3 fares have increased from the current rate and are proposed to be the same as tariff 2, but applicable at any time of day or night. The proposed tariff 3 is based on tariffs from elsewhere in the country, and is therefore felt appropriate.

### 3. Outcomes/outputs

- 3.1 Following consultation with the public there is a need to determine what changes, if any, should be made to the proposed fare table.

### 4. Options available and consideration of risk

- 4.1 The Committee are able to amend the table of fares as they see fit, and the determined table of fares will come into force on a date as agreed by the committee, which must be no later than 2 months after the original date (1<sup>st</sup> April 2017).

### 5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The legal background is that Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 enables a district council to set the fares charged within its area by hackney carriage (taxi) drivers for various distances over which paying passengers are conveyed, as well associated charges, as explained below.</p> <p>In accordance with those legal provisions, proposed taxi fare increases must be advertised in the local press - and made available in the Council Offices - for a period of 14 days to allow for any objections to be made. If no objections are received, or any that are made are subsequently withdrawn, the proposed new fares become effective from the date specified in the notice.</p> <p>If any objections are received which are not withdrawn, the new fares will not automatically take effect. In that case, to allow time for consideration of the objections, a new operative date for the fares must be set, which shall be no later than two months after the date of the close of the statutory objection period stated in the public notice. During this period objections would be considered and, if appropriate, the proposed fare tariff modified accordingly.</p>

Financial		No implications to the South Hams District Council.
Risk		If the fare is too low this may adversely affect the supply of taxis in the area. Whilst setting the fare too high may have a negative impact on the vulnerable users of this essential service.
Comprehensive Impact Assessment Implications		
Equality and Diversity		There is a potential negative impact on protected groups including the disabled who rely on taxis as a principle form of transport. This impact is mitigated by ensuring that the proposed formula used as a basis for the fares are based on local conditions.
Safeguarding		There is a potential negative impact on vulnerable adults and children who rely on taxis as a principle form of transport. This impact is mitigated by ensuring that the proposed formula used as a basis for the fares are based on local conditions.
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		None
Other implications		None

### **Supporting Information**

#### **Appendices:**

Appendix A: Advertised tariff card.

Appendix B: Copies of objections received.

Appendix C: Current fare table

Appendix D: Worked example of a 0.5 mile journey.

#### **Background Papers:**

Adopted South Hams Maximum Chargeable Fare Policy 2016

### **Approval and clearance of report**

<b>Process checklist</b>	<b>Completed</b>
Portfolio Holder briefed	<b>Yes/No</b>
SLT Rep briefed	<b>Yes/No</b>
Relevant Exec Director sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
If exempt information, public (part 1) report also drafted. (Cabinet/Scrutiny)	<b>Yes/No</b>