

## Review of Hackney Carriage (Taxi) Fares

### Purpose

To consider the proposed methodology for recalculating the Taxi fares for the hire of Taxis.

**Wards Affected:** All

### Recommendation

The Licensing Committee is advised to note the contents of this report and to approve the proposed uplift of fares based on the annual Consumer Prices Index CPI (2012-2021).

In addition the Committee is recommended to note the steps that will be taken once the uplift is approved.

### Background

- Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (the Act) provides that a district or borough council may set local Taxi fares for journeys within its area by means of a table or scheme of fares. Our current fares are attached as Annex: A
- There is no power to set Private Hire (PH) vehicle fares.
- The current fares were set in 2012 and it seems appropriate to review these fares at the same time as reviewing our Fees for licensing the Taxi and PH trade. (Report No: )
- This is supported by a number of verbal and written requests from the Taxi trade for us to consider increasing the fares they are allowed to charge.

### Taxi Fares

- The process for reviewing Taxi fares is set out below.
- While there is limited guidance available to local authorities in setting taxi fares we have had regard to the Department for Transport (DFT) best practice guidelines to licensing authorities (March 2010 updated July 2020). The following points are considered relevant :
  - It is good practice to review fare scales at regular intervals

- Fare scales should be designed with a view to practicality
- Authorities may wish to consider adopting a simple formula for deciding on fare revisions as this will increase understanding and improve the transparency of the process
- In reviewing fares authorities should pay particular regard to the needs of the travelling public, with reference to both what it is reasonable to expect people to pay but also the need to give taxi drivers sufficient incentive to provide a service when it is needed
- There may be a case for higher fares at times of higher demand
- Taxi fares are a maximum, and in principle are open to downward negotiation between passenger and driver.
- In reviewing the fares we may also have regard to, but not be bound by the following considerations-
  - The available supply and demand for Taxi services
  - Any graduation of the above by time of day, day of the week, seasonal variation and/or special occasions etc.
  - The practicality of the proposed fare scheme arrangements.

**NB:** these considerations should not be seen as a comprehensive checklist or, in any way, be regarded as standards to be automatically applied in all cases.

- As a starting point we have notionally increased our fares by the annual CPI for each year 2012- 2021. The resulting proposed updated fare chart for Surrey Heath is attached at (Annex B) and a comparison with other Local Authorities at Annex C.
- We are planning to invite the Taxi trade to comment on our proposed fares.
- Any comments from the trade will be considered and we will if necessary review the proposed fare chart and present the revised fares and/or methodology to the Licensing Committee in October.
- We will update Committee in October on how this work is progressing and take the following steps if the proposed fares are approved.
- Where we propose to amend the Taxi fares we are required to publish the new fare chart in a local newspaper, advising that any objections must be made within 14 days.

- If no objections are received or where objections are made but subsequently withdrawn the new table of fares comes into immediate effect.
- If however objections are received these must be considered within two months following the end of the 14 day notice period given above. The proposed fares may be amended to reflect the objections after which the new table of fares comes into effect.
- Where objections are received we propose to present the objections and amended fares to the Licensing Committee in February 2022. We will then make any changes to the fares chart recommended by Committee.
- The above process with regards to advertising new fares will be followed once we have updated the Licensing Committee in October.

### **Resource Implications**

- There are likely to be some resource implications arising from changes to the Fares as follows:
  - We will be required to publish changes to the scheme of fares in a local newspaper. (Estimated cost £800)
  - Once approved we will need to adjust the tariffs on the taximeter to ensure that the new fares are correct.
- These costs will be met from within existing budgets.

### **Covid-19 –**

- This has been a challenging time and it is likely that we will need to consider the implications of Covid-19 for the foreseeable future.
- This may be at an additional cost to the Taxi trade, as improved cleaning regimes will need to be followed to safeguard passengers.
- We will ensure that the Taxi trade is updated and made aware of any new guidance that is likely to affect them or their passengers.

### **Recommendation**

- The Licensing Committee is advised to note the contents of this report and to approve the proposed uplift of fares based on the annual Consumer Prices Index CPI (2012-2021).
- In addition the Committee is recommended to note the steps that will be taken once the uplift is approved.

<b>Annexes</b>	<p>Annex A: Table of current Taxi Fares</p> <p>Annex B: Comparison of Surrey Heath Fares with other Local Authorities.</p> <p>Annex C: Proposed updated fare chart for Surrey Heath.</p>
<b>Background Papers</b>	Surrey Heath –revised Draft Hackney Carriage (Taxi) and Private Hire Licensing Policy 2021-2026.
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