

Review of Hackney Carriage (Taxi) Fares

Purpose

To consider the proposed updated Taxi Fare Chart for the hire of Taxis and the steps required to allow an increase to fares as outlined in this report.

Wards Affected: All

Recommendation

The Licensing Committee is advised to note the contents of this report and to approve the new proposed taxi fares, as provided in the attached Taxi Fare Chart, (Annex E) for advertising in a local newspaper.

In addition the Committee is recommended to note the steps that will be taken once the fares are advertised.

It is also recommended that, in the future, taxi fares are reviewed by the Licensing Committee regularly depending on the prevailing economic climate.

1. Background

- 1.1 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 chart is attached as Annex A.
- 1.2 There is no power to set Private Hire (PH) vehicle fares.
- 1.3 The current fares were set in 2012 and it seems appropriate to review these fares.
- 1.4 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.

2. Taxi Fares

- 2.1 In July we provided details of the process for reviewing taxi fares, this is set out below for reference.
- 2.2 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.

2.3 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.

2.4 The Licensing Committee was advised in July that 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.

2.5 It is important to note the date when each local authority introduced their fares, as this will be relevant to the comparison.

2.6 Following the July Licensing Committee when these revised fares were first considered, members of the Taxi trade were invited to comment on our proposed fares (Annex B).

2.7 We received 4 written and 2 verbal responses. Five responses were in support of an increase in fares, whilst 1 written response suggested that increasing fares would put the trade at a financial disadvantage. Copies of the written responses are attached as Annex D.

- 2.8 Both verbal responses were in support of increasing the fares and were made during a zoom meeting with licensing officers attended by both Councillors Bates and Adams. This meeting was arranged to give the trade an opportunity to comment on the proposals.
- 2.9 Three of the written responses offered alternative options for increasing the fares. Following a discussion with both Councillor Bates and Councillor Adams it is proposed that we use our original revised figures (Annex B) as the basis for the fare increase.
- 2.10 These are the maximum fares that are allowed to be charged. There will be a further opportunity to amend these once they have been advertised in the local press.
- 2.11 The proposed fare chart (Annex B) has been revised with figures being rounded (downwards), this is considered necessary to facilitate updating the meters in due course once the fares have been confirmed by the Licensing Committee. The rounded revised fare chart can be seen at Annex E.
- 2.12 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.
- 2.13 Depending on the outcome of this evening's meeting we are proposing to place the revised fare chart (Annex E) in the local newspaper, as required, at the beginning of January 2022. In addition the fare chart will be placed on the council's website.
- 2.14 The timing of the advert is to allow us to tie in with the Licensing Committee meeting in February.
- 2.15 If no objections are received or where objections are made but subsequently withdrawn the new table of fares comes into immediate effect.
- 2.16 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.
- 2.17 Where objections are received we propose to present the objections and any amendments to the fares to the Licensing Committee in February 2022. We will then make any changes to the fares chart recommended by Committee.
- 2.18 The updated fares will then come into effect and arrangements will be made to update the taxi meters at a cost of £20/ meter. These costs will be met by the trade.
- 2.19 The revised fare chart will be made available on the council's website.

3. Resource and Financial Implications

3.1 There are likely to be some resource implications arising from changes to the Fares as follows:

- We are required to publish changes to the scheme of fares in a local newspaper. (Estimated cost £300);
- Once approved we will need to adjust the tariffs on the taximeter to ensure that the new fares are correct. The cost of this will be covered by the trade.

3.2 Other costs will be met from within existing budgets.

4. Recommendations

4.1 The Licensing Committee is advised to note the contents of this report and to approve the proposed taxi fares, as provided in the attached Taxi Fare Chart (Annex E) for advertising in a local newspaper.

4.2 In addition the Committee is recommended to note the steps that will be taken once the fares are advertised addition the Committee is recommended to note the steps that will be taken once the fares are advertised.

4.3 It is also recommended that in future taxi fares are reviewed by the Licensing Committee regularly depending on the prevailing economic climate.

Annexes	<p>Annex A: Table of current Taxi Fares</p> <p>Annex B: Proposed updated fare chart for Surrey Heath.(No rounding of Figures)</p> <p>Annex C: Comparison of Surrey Heath Fares with other Local Authorities.</p> <p>Annex D: Written responses from the taxi trade.</p> <p>Annex E: Proposed updated fare chart for Surrey Heath. (Figures rounded downwards).</p>
Background Papers	Surrey Heath –Hackney Carriage (Taxi) and Private Hire Licensing Policy 2021-2026.
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