

REPORT TO EXECUTIVE

Date of Meeting: 4 October 2022

Report of: Director Net Zero and City Management

Title: Request for a variation of Hackney Carriage Fares

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 The purpose of this report is to inform the Executive Committee that a request has been made via the Chair of Exeter St Davids Hackney Carriage Association, for an increase to the Hackney Carriage Fare Tariff.

1.2 The Executive is asked to consider a request for the variation of the table of fares for the hire of hackney carriages and to determine whether to proceed to public consultation.

2. Recommendations:

2.1 That the Executive approves:

(1) That the proposals are put out to public consultation to run from 5 October 2022 until 2 November 2022 (4 weeks);

(2) That a public notice containing the proposed variation table is published in one local newspaper during the above period; and

(3) The matter is brought back to Executive on 29 November 2022 for determination.

3. Reasons for the recommendation:

3.1 When considering the proposal, members are reminded that the tariff that is set should be regarded as the maximum fares that can be charged. Taxi proprietors are not tied to charging the maximum fare, but are not permitted to charge more than the tariff price shown on the meter. Market forces are known to come into play, and for instance because of the level of competition in Exeter, the driver/ proprietor may decide to charge less than the maximum tariff.

3.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 sets out the public notice requirements, but it is for the Executive Committee to determine whether or not such a consultation should be undertaken based on the proposed tariff table.

4. What are the resource implications including non financial resources?

4.1 There will be a cost in the public consultation of the proposed tariff table as we would be required to place an advert in a local newspaper, and also propose to put signs on the taxi rank notice boards, and to email all dual Hackney Carriage Private Hire drivers and local disability support groups.

4.2 The associated newspaper advert costs (in the region of £500), as well as the staff costs from the additional work generated by the consultation are additional costs not budgeted for within the last fees and charges report, and as such these additional costs will need to be considered at the next fees and charges review to avoid Licensing costs impacting on the Council's general fund.

5. Section 151 Officer comments:

5.1 The costs of vehicle licensing are managed separately to the General Fund of the Council, with the intention that the General Fund does not benefit or suffer as a result of the scheme. To that end, any surplus or deficit is managed via an earmarked reserve, and therefore, as noted above, the fees and charges are expected to be set to ensure that all costs are covered.

6. What are the legal aspects?

6.1 Section 65 Local Government (Miscellaneous Provisions) Act 1976 gives the Executive Committee power to determine hackney carriage fares. The power is not delegated to officers.

6.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 also sets out the public notice requirements, but it is for the Executive Committee to determine whether or not such a consultation should be undertaken based on the proposed tariff table.

6.3 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 also sets out the formal statutory procedure for varying the fares requires. The Council is required to publish a notice containing the proposed variation table in at least one local newspaper and specify a period of not less than 14 days from the first publication of the notice during which time objections to the variation can be made.

6.4 It is for the Executive Committee to determine whether or not such a consultation should be undertaken based on the proposed tariff table. It is also for the Executive Committee to determine the length of any consultation.

6.5 Section 17 Crime and Disorder Act 1998 places the council under a duty to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

6.6 The Human Rights Act 1998 requires UK legislation to be interpreted in a manner consistent with the European Convention on Human Rights. It is unlawful for the council to act in a way that is incompatible (or fail to act in a way that is compatible) with the rights protected by the Act. Any action undertaken by the council that could have an effect upon another person's Human Rights must be taken having regard to the principle of Proportionality - the need to balance the rights of the individual with the rights of the

community as a whole. Any action taken by the council which affect another's' rights must be no more onerous than is necessary in a democratic society. The matter set out in this report must be considered in light of the above obligations.

7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer.

8. Report details:

8.1 Section 65 of the of the Local Government (Miscellaneous Provisions) Act 1976 permits Licensing Authorities to set the fares tariff for Hackney carriages (taxis) licensed in the district. The tariff sets the maximum fares that taxis can charge the public when using their vehicles.

8.2 Exeter City Council, in common with most other Councils, have used this power for many years and the last tariff increase was agreed in June 2013. A copy of the proposed tariff table calculated on a per mile basis is found at Table D of Appendix A to this report. To aid comparison the existing 2013 fare table is also calculated at Table B of Appendix A.

8.3 Since the 2013 tariff change the subject of fare increases has been regularly discussed at Taxi Forum meetings. Throughout this time, the taxi trade's opinion was generally divided in view of the economic situation that some did not wish to see a fare increase as the costs for fares are met by the public using taxis.

8.4 A request was submitted to the Licensing Authority on 8 January 2022 by the Chair of the St Davids Hackney Carriage Association and follow correspondence was clarified in a letter dated 23 February 2022. A copy of the clarification letter detailing the revised proposals can be found at Appendix B. Accompanying that request is a survey results prepared by the St Davids Hackney Carriage Association listing that 51 individuals participated in the survey. At the time of writing this report there were 82 Licensed Hackney Carriage vehicles, some of which have multiple drivers. A copy of the survey results provided by the Chair of the St David Hackney Carriage Association appears at Appendix C to this report.

8.5 The Exeter St Davids Hackney Carriage Association in their proposal are requesting:

- An increase the daytime tariff – Tariff 1 – from the current price.
- An increased flag price for Tariff 2.
- Similar mileage rates for Tariff 2 and 3.
- A reduction in the price of Tariff 4, at Christmas and New Year.
- Retention of the current charge for additional passengers above the first one.
- The introduction of charges for items of heavy luggage, based on the total number of passengers.
- A new surcharge for additional passengers above 4 in “multi – seater” vehicles – to be agreed in advance before the journey commences.
- A new surcharge for the use of taxis as a substitute for removal vans – to be agreed in advance before the journey commences.

8.6 The Taxi Forum, comprising of representatives from the Hackney Carriage Associations, Members and officers met on the 2 August 2022. At the meeting officers presented a proposed tariff table that was welcomed by the Hackney Carriage Associations as it went further than the proposal that they had originally submitted. The Associations were asked to consult their members on this proposal. The proposal documents sent to the trade are included as Appendix B to this report.

8.7 A response was received from the Hackney Carriage Associations on the 30th August 2022. The response indicated that 100% of the 59 respondents' were in favour of the new tariff proposed by officers. This response is included as Appendix C to this report.

8.8 Officers have researched and produced a comparison table of current fares set by this and other authorities in Devon (Table E of Appendix A) The comparison takes into account the position of highest to lowest fares set by all 358 licensing authorities in England and Wales based upon costs of the first two miles journey prepared by the national Private Hire and Taxi Monthly magazine. The present Exeter Tariff 1 cost for a two mile journey is £6.60.

8.9 The table confirms that Exeter currently has the joint fourth most expensive 2 mile fare level in Devon and is the 145th most expensive fare in England and Wales over that distance. If the proposed increases are implemented then Exeter would have the most expensive 2 mile fare level in Devon and would move to approx. 54th position in the national list.

8.10 This Council has not reset its fares since 2013, and is now the only authority in the comparison group that has not had a fare increase. The other authorities have increased fares in 2021 and 2022. Other factors that are evident from the comparison include;

- Plymouth reset their taxi fares in 2022 and now match the current Exeter tariff 1;
- South Hams Councils reset their taxi fares in 2022 and are currently 6p more than Exeter's current 2 mile fare;
- East Devon DC increased their tariff fare in 2020 and again in 2022 to £7.15, 55p more than Exeter's current two mile fare;
- Teignbridge DC also raised their fares in 2022, to £7.26, some 66p more than Exeter for a two mile fare.

8.11 Members may find it useful for an explanation of the tariff structure operated in this district and there are four Tariff levels

- Tariff 1: Applies to any hiring begun between 0700 and 1900 on any day other than Sunday, Public Holidays or Bank Holidays;
- Tariff 2: Applies to any hiring begun on any day (other than Easter Sunday and Public and Bank Holidays) between 1900 and 0700 the following day AND for any hiring on a Sunday from Midnight. This tariff also applies between 0700 and 1900 on Christmas Eve and New Year's Eve;
- Tariff Three: Applies to any hiring begun on Christmas Eve & New Year's Eve from 19.00 until 00.00 AND from Midnight until 07.00 New Year's Day; Good Friday; Easter Sunday; Easter Monday; Mayday; Spring & August Bank Holidays; Christmas Day, Boxing Day.

- **Tariff Four:** Applies on Christmas day (24 hours) and New Year's Day from midnight to 7am.

8.12 Given that only 59 drivers are included in the Hackney Carriage Association's submission, which means that a significant number of licensed Hackney Carriage drivers have not given comment at this stage, it is prudent to consider going beyond the minimum legal standard to ensure that all opinions from the trade are heard. In addition hackney carriage users and other stakeholders may have representations to the proposal which the Executive may wish to consider.

8.13 The consultation period to take place between 5 October 2022 and 2 November 2022. A public notice will be published on our website and a public notice will be published in a local newspaper as required by statute. Those wishing to engage in the consultation we be able to do so in writing either by email to the [Licensing Team](#) or by post to Licensing Team, Civic Centre, Paris Street, Exeter EX1 1RQ.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 The appropriate setting of a taxi tariff table will contribute to a healthy and safe city, and lend support to a robust, business friendly economy.

10. What risks are there and how can they be reduced?

10.1 The publication of a proposal to increase taxi fare levels may lead to criticism by members of the public who rely on such services and are adverse to such changes.

10.2 However, the proposed tariff table has been developed by the taxi trade rather than the Licensing Authority, and in the event of adverse consultation responses this matter would be referred back to the Executive Committee for further consideration.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal potential impact has been identified on people with protected characteristics as determined by the Act and an Equalities Impact Assessment has been included at Appendix E for Member's attention.

12. Carbon Footprint (Environmental) Implications:

12.1 It was estimated in March 2021 that the transport sector accounted for 29% of the UK's net greenhouse gas emissions (Source: 2020 UK Greenhouse Gas Emissions). The Council has previously set ambitious emissions targets for the Exeter Hackney carriage fleet, making it amongst the greenest Hackney carriage fleets in the country. The most recent emissions standards from our taxi policy fully came into effect on 1 January 2020.

12.2 With further reductions in greenhouse gas emissions from transport in mind, it is highly likely that the Council will wish to consider introducing further more ambitious emissions targets for Exeter Hackney carriages in the future, and having an appropriate fare table would contribute considerably to the financial viability of any such changes for the Hackney carriage trade.

13. Are there any other options?

13.1 The Executive Committee may reject the request for consultation on the proposed tariff and instead maintain the existing tariff table. However, this may lead to the taxi trade in Exeter becoming economically unattractive to new taxi drivers/ proprietors and hence effect the trade as a public transport service.

Director Net Zero and City Management, David Bartram

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

- Department for Business, Energy and Industrial Strategy: 2020 UK Greenhouse Gas Emissions, provisional figures.
- Private Hire and Taxi Monthly National hackney Fares table (February 2022).
- Local Government (Miscellaneous Provisions) Act 1976

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LIST OF APPENDICIES:

APPENDIX A: Taxi Working Group Existing and Proposed Tariff Tables
APPENDIX B: Proposal for Consultation sent to Hackney Carriage Associations 02.08.22.
APPENDIX C: Response received from Hackney Carriage Associations 30.08.2022
APPENDIX D: Equalities Impact Assessment.