

Review of March 2022 Hackney Carriage Fare Tariff Increase

Timetable	
Meeting	Date
Licensing Committee	13 October 2022

Final Decision-Maker	Licensing Committee
Lead Head of Service	John Littlemore, Head of Housing and Regulatory Services
Lead Officer and Report Author	Lorraine Neale, Senior Licensing Officer
Classification	Public
Wards affected	N/A

Executive Summary

To review whether the increase to the Hackney fare tariff agreed at Licensing Committee on 31st March 2022 is still applicable.

Purpose of Report

To review whether the current tariff remains reasonable for the travelling public to pay as well as continue to give drivers an incentive to provide a cost-effective service at the times it is needed.

This report makes the following recommendations to the Committee:

1. That consideration be given to whether the Hackney fare tariff requires adjustment after a review of the current situation on fuel and energy costs.
2. That should amendments be agreed, the Head of Housing and Regulatory Services be authorised to give public notice of the Council's intention to fix the table of fares for Hackney Carriage vehicles in accordance with Section 65(2) of the Local Government (Miscellaneous Provisions) Act 1976 to take effect from October 2022.
3. That should objections be received, this matter be brought back to the Licensing Committee for consideration within two months of publication.

Review of March 2022 Hackney Carriage Fare Tariff Increase

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>We do not expect the recommendations will by themselves materially affect achievement of corporate priorities</p>	Head of Housing & Regulatory Services
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendations do not materially impact on the achievement of the cross-cutting objectives.</p>	Head of Housing & Regulatory Services
Risk Management	Already covered in the risk section.	Head of Housing & Regulatory Services
Financial	There are no financial implications.	Senior Licensing Officer
Staffing	We will deliver the recommendations with our current staffing.	Head of Housing & Regulatory Services
Legal	Under Section 65 of The Local Government (Miscellaneous Provisions) Act 1976, the Council may fix the rate for fares for Hackney Carriage vehicles within the Borough, for time, distance and all other charges in connection with hire of the vehicle. To meet the requirements, it is necessary to advertise the agreed variation and allow not less than 14 days for any objections to be made. If	Helen Ward, Lawyer (Contentious) Mid Kent Legal Services, 6 September 2022

	objections are made, and not withdrawn, the Council shall consider the objections at a further meeting to determine whether to continue with the variation to the tables of fares with or without modification.	
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes.	Information Governance Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities & Communities Officer 6 th September 2022
Public Health	No public health implications.	Senior Licensing Officer
Crime and Disorder	There is no immediate impact on crime & disorder in accepting the recommendations of the report.	Head of Housing & Regulatory Services
Procurement	Not applicable	Head of Housing & Regulatory Services
Biodiversity and Climate Change	No implications	Senior Licensing Officer

2. INTRODUCTION AND BACKGROUND

2.1 At the Licensing Committee meeting on 31st March 2022 Members agreed the following hackney tariff fare increases:-

increase in Tariff 1 and the minimum charge from £3 to £3.20 for the first 550 metres.

Then for each additional 115 metres an extra 20p.

Waiting time to go from 20p per 30 seconds to 20p per 28 seconds.

Also a 7.1% increase to Tariff 2 at 1.5 times Tariff 1 and Tariff 3 to be twice tariff 1.

The amended tariff (Appendix 1) came into effect on 22nd April 2022.

2.2 Members also felt that a review should take place after six months of the fares implementation due to the unusual circumstances surrounding the increased cost of living and fuel increases, alongside a consultation with the trade which is dealt with in a separate report but will also be discussed on 15th September 2022.

- 2.3 Fuel prices have continued to rise since the Hackney fare tariff prices were agreed in March 2022 and the forecast does not predict any significant falls in petrol prices just yet. According to the [RAC foundation website](#) at the time of the fare increase in March 2022 diesel was £177.32p and petrol £163.24p. Currently the prices are diesel £183.49p and petrol £169.33. In between these two periods there was a surge in prices which saw diesel at £198.84p and petrol at £191.27p.
- 2.4 The fuel prices along with a 50% rise to energy bills in April 2022 and a further 80% increase expected in October could have a significant impact on the Hackney trade resulting in a future request to increase the Hackney Carriage fare tariff. A request for a further increase since the last review has not yet been received.
- 2.5 The following table shows the Kent Authorities that have had fare increases in 2022. In the September edition of PHTM (see background papers) the local authority table at page 78 shows that 174 out of 355 authorities have had Hackney fare increases in 2022.

Council	Last review	Cost £ per 2 miles	Now
Ashford	2022	£6.50	£7.30
Canterbury	2022	£6.40	£7.40
Dartford	2022	£7.10	£7.30
Dover	2021	£7.10	No change
Folkestone & Hythe	2012	£6.20	No change
Gravesham	2020	£6.80	No change
Maidstone	2022	£7.40	£8.00
Medway	2020	£6.60	No change
Sevenoaks	2022	£7.06	£8.70
Swale	2018	£6.80	No change
Thanet	2022	£5.40	£6.21
Tonbridge and Malling	2022	£7.00	£7.40
Tunbridge Wells	2022	£7.20	£8.00

- 2.6 There have been no complaints received from the public in relation to the April 2022 increase. Also it should be noted that the tariff is the maximum fare that can be charged, drivers are able to agree lower fares should they wish.

3. AVAILABLE OPTIONS

- 3.1 To do nothing and allow the current Hackney tariff to remain unchanged.
- 3.2 Agree an increase or decrease to mileage or waiting time charges.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Members consider the contents of the report and determine whether the current hackney tariff continues to reflect reasonable fares for the travelling public and continues to give drivers a satisfactory income at the times it is needed.

- 4.2 The setting of fares is a statutory duty placed upon the Council and it is the Council's responsibility to strike a balance between setting a fare that is acceptable to the customer and to the taxi driver.
- 4.3 It is important that the Council through its licensing functions protects the public by ensuring that the fares charged by licensed Hackney Carriages are fair and justified and not excessive.
-

5. RISK

- 5.1 Any increase to Hackney Fares does not create risk to the Authority but may create a risk to the Hackney trade if the public consider the charges to be too expensive and result in less work for the hackney carriage trade.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 N/A
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Should Members be minded to approve any change to the current Hackney fare tariff, the Head of Housing and Regulatory Services, be authorised to publicise the proposed agreed increase/decrease, and if no objections are received, the proposed surcharge takes effect no less than fourteen days from the date of publication. The Hackney tariff fare table will be amended and the trade notified.
- 7.2 Should objections be received, this matter is brought back to this Committee for consideration within two months of publication.
-

8. REPORT APPENDICES

- Appendix 1: Current Hackney Carriage Tariff
-

9. BACKGROUND PAPERS

[Licensing Committee 31st March 2022](#)
[PHTM Sept 2022](#)
[RAC foundation](#)