

Item

## HACKNEY CARRIAGE TABLE OF FARES

**To:**

Licensing Committee

**Report by:**

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**Wards affected:**

All

### 1. Executive Summary

- 1.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 provides that in respect of the charges for Hackney Carriages, the Council: *“may fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle...by means of a table.”*
- 1.2 Following requests from the trade, Licensing Committee resolved on Monday 24 July 2017 to formally consult on changes to the Hackney Carriage Table of Fares. The proposals consisted of three suggested changes:
  - Adding 10p across all base tariffs
  - Adding an extra charge of £1.00 for the carriage of ‘Bicycles not able to be put in the luggage compartment of the vehicle’
  - Yards becoming the primary distance unit with metres in brackets
- 1.3 Formal consultation with the trade, and other interested parties, took place between 31 July 2017 and 3 September 2017, with a proposed implementation date for the revised Hackney Carriage Tables of Fares of 25 September 2017.

- 1.4 A total of ten responses were received to the consultation, with feedback relating to objections to:
- Allowance of a fuel surcharge
  - Allowance of an extra charge for passengers paying the fare using a debit or credit card
  - Changing fares by increasing the base rate of tariffs; rather, it has been suggested the distance and waiting time be reduced
  - The £1.00 surcharge for carriage of a bicycle not able to be put in the luggage compartment of the vehicle; two individuals commented that this was too low
- 1.5 As objections were received to the proposed changes to the Hackney Carriage Table of Fares, these are brought to this Committee for further consideration and determination.
- 1.6 The Hackney Carriage Table of Fares, with or without modifications, must come into effect not later than two months after the first specified implementation date of 25 September 2017.

## **2. Recommendations**

- 2.1 Members of the Licensing Committee are recommended to:
- 2.1.1 Consider the responses received to the consultation and determine what, if any, changes should be introduced regarding the fares within Hackney Carriage Table of Fares.
- 2.1.3 Set a date for adoption of the revised Hackney Carriage Table of Fares as Monday 13 November 2017, or a suitable alternative within the two month statutory deadline.
- 2.1.4 Remove under 'Extra Charges' the 5% surcharge for payment by credit or debit card when legislation prohibits this; anticipated to be 13 January 2018.

## **3. Background**

- 3.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 provides that in respect of the charges for Hackney Carriages, the Council: *"may fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle...by means of a table."*

- 3.2 The existing Table of Fares came into effect on the 26 September 2016 and is attached to this report as Appendix A.
- 3.3 Fares comprise charges for:
- Distance travelled (3 tariffs, depending on the time of day and the day of the week);
  - Waiting time;
  - Extra charges, which include:
    - Journeys with 5 or more passengers;
    - A potential fuel surcharge;
    - A vehicle unfit to continue working charge; and
    - A surcharge for payment by credit or debit card
- 3.4 At its meeting on the 30 January 2012, the Licensing Committee resolved to *“to determine any future amendment to the Table of Fares by using the percentage increase as calculated by Transport for London”*.
- 3.5 In May 2017 Cambridge City Licensed Taxis Ltd (CCLT) requested an increase of 1.7% in line with the recent Transport for London increase. There were also further requests from the trade for an additional surcharge to be applied to the carriage of ‘specialist vehicles’ e.g. adult bicycles, prams etc.
- 3.6 It was also subsequently noted by the Commercial & Licensing Team that the Table of Fares legally needs to state distances in imperial rather than just metric units, as required by the Units of Measurement Regulations 1995.
- 3.7 At Licensing Committee on Monday 24 July 2017 members agreed, subject to consultation, on a proposed Table of Fares (attached as Appendix B) to take effect from Monday 25 September 2017.
- 3.8 Formal consultation of the proposed Table of Fares took place between Monday 31 July 2017 and Sunday 3 September 2017. A letter (Appendix C) was sent to all current Hackney Carriage drivers and other known interested parties (listed in Appendix D). Details of the consultation were also provided on Cambridge City Council’s website.
- 3.9 As provided by section 65(2) of the Local Government (Miscellaneous Provisions) Act 1976 comments are allowed on the whole Table of Fares and not just the changes proposed.

- 3.10 A total of ten responses were received to the consultation, which included objections to:
- Allowance of a fuel surcharge
  - Allowance of an extra charge for passengers paying the fare using a debit or credit card
  - Changing fares by increasing the base rate of tariffs; rather, it has been suggested the distance and waiting time be reduced
  - The £1.00 surcharge for carriage of a bicycle not able to be put in the luggage compartment of the vehicle; two individuals commented that this was too low

The redacted responses received are attached as Appendix E.

- 3.11 Section 65(4) of the Local Government (Miscellaneous Provisions) Act 1976 provides that, *“If objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the Table of Fares shall come into force with or without modifications as decided by them after consideration of the objections”*.
- 3.12 Central government has stated that all charges for paying with a credit or debit card will be banned from the 13 January 2018. Up until this point drivers may legally charge passengers a maximum of 5% for paying using a debit or credit card. However, once the new regulations come into force the Table of Fares will need to be amended again. Members may therefore wish to consider removing the credit/debit card surcharge at this time to avoid the need for further changes.
- 3.13 By way of comparison of fares with other licensing authorities, Private Hire & Taxi Monthly publish a monthly ‘league table’ of Taxi Fare Tables across of all 366 councils. As of September 2017, Cambridge City is ranked 54th in the table with a price of £6.40 for a 2 mile taxi fare.
- 3.14 In order to allow officers adequate time to produce and distribute the updated fare cards to the trade, which keeping within the two month limit, an implementation date of Monday 13 November 2017 is suggested.

## **4. Implications**

### **(a) Financial Implications**

Production of the revised fare chart will be recouped through the taxi licensing budget.

### **(b) Staffing Implications**

Nil.

### **(c) Equality and Poverty Implications**

Nil.

### **(d) Environmental Implications**

Nil.

### **(e) Procurement Implications**

Nil.

### **(f) Community Safety Implications**

Cambridge City Council regulates Hackney Carriages to ensure the protection of the public. The setting of maximum fares chargeable within the City ensures that they are reasonable and proportionate, for both users and the licensed trade.

## **5. Consultation and communication considerations**

- 5.1 In accordance with the statutory procedure set out in Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, the Council is required to undertake public consultation prior to making any amendment to the Hackney Carriage Table of Fares.
- 5.2 The consultation on the proposed Table of Fares ran from Monday 31 July 2017 to Sunday 3 September 2017. Feedback was encouraged and a copy of the proposed Table of Fares and covering letter (attached as Appendix D) was sent to all currently licensed drivers and vehicle proprietors. The consultation was also advertised in Cambridge News, displayed on the council website, advertised through social media and discussed at the last meeting of the Taxi Trade Forum in August 2017.
- 5.3 Members should be advised that the Table of Fares that went out to consult included a typo. Under "*Each tariff includes initial distance of 90 metres or part hereof*", 176 metres was stated instead

## **6. Background papers**

Background papers used in the preparation of this report:

- (a) Local Government (Miscellaneous Provisions) Act 1976

## **7. Appendices**

Appendix A – Current Hackney Carriage Table of Fares (from 26 September 2016)

Appendix B – Proposed Hackney Carriage Table of Fares – September 2017

Appendix C – Letter accompanying proposed Table of Fares

Appendix D - List of stakeholders consulted

Appendix E – Redacted responses received in response to the consultation

## **8. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

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