

Item

HACKNEY CARRIAGE TABLE OF FARES

To: Councillor Rosy Moore, Executive Councillor for Environmental Services and City Centre

Environment and Community Scrutiny Committee 17/1/19

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 The existing Table of Fares came into effect on the 13th January 2018 and is attached to this report as Appendix A.

1.3 Fares comprise of charges for:

- **Distance Travelled** – 3 tariffs, dependent on the time of day and the day of the week;
- **Waiting Time;**
- **Extra Charges**, which include:
 - Journeys with 5 or more passengers
 - Bicycles not able to put in the luggage compartment
 - A potential fuel surcharge
 - A vehicle unfit to continue working charge;

- 1.4 On 29th August 2018 Cambridge City Licensed Taxis Ltd (CCLT) requested a Fare Increase of 2.74%. A copy of email with this request is attached as Appendix B. Subsequent discussions with CCLT have confirmed they would be willing to use the current Consumer Price Index when determining the fare increase.
- 1.5 The correspondence received made a further request regarding fare increase; that Cambridge City Council undertakes an automatic annual review of Hackney Carriage Fares, on a set date, without a request to do so being submitted.

2. Recommendations

2.1 The Executive Councillor is recommended to:

2.1.1 Consider the fare charge increase request and determine if it is appropriate to consult on the proposed fares in Appendix C with the increase taking effect from 1 April 2019.

2.1.2 Agree to implement an automatic annual fare review in line with the Consumer Price Index at that time and delegate this annual review and implementation to the Head of Environmental Services on condition that:

- A) That the consultation takes place in early March each year with the adopted fares coming into effect from 1st April each year.
- B) That the rate of fare increase be based on the Consumer Price Index rate published by the Bank of England on 1 March each year, and then rounded to a practical figure.
- C) Any future request for an increase greater than CPI be decided by the Executive Councillor

3. Background

Request to Increase the Hackney Carriage Table of Fares

3.1 At its meeting on 30th January 2012, the Licensing Committee resolved to “*determine any future amendment to the Table of Fares by using the percentage increase as calculated by Transport for London*”.

- 3.2 Previous decisions regarding the Table of Fares have been undertaken by the Licensing Committee. However, a recent review of the legal opinion, has confirmed that decisions regarding the Table of Fares are for the Executive.
- 3.3 On 29th August 2018 Cambridge City Licensed Taxis Ltd (CCLT) requested a Fare Increase of 2.74% (Appendix B), to match the Consumer Price Inflation rate in 2017. Subsequent discussions have confirmed that CCLT would be content with an increase based on the current rate of inflation.
- 3.4 The table below indicates the current tariffs and the tariffs following an increase of 2.4%; the current Bank of England Consumer Price Index (CPI). The table shows the proposed rate as a rounded figure, which would enable passengers and drivers to manage cash handling more effectively.

	Current Rate	2.4% Increase	Proposed Rate
Tariff 1	£2.90	£2.97	£3.00
Tariff 2	£3.90	£3.99	£4.00
Tariff 3	£4.90	£5.02	£5.00

- 3.5 Private Hire & Taxi Monthly publish a monthly 'league table' of Taxi Fare Tables across all of the 366 Councils. As of December 2018, Cambridge City is ranked 64th in the table with a price of £6.50 for a 2 mile taxi journey.

Request to Undertake an Automatic Annual Review of the Hackney Carriage Table of Fares on a Set Date

- 3.6 Currently, there is no set timetable for the review of the Hackney Carriage Table of Fares. Reviews have taken place sporadically when members of the trade have requested, in writing, for one to be undertaken.
- 3.7 Listed below are the dates when revised Hackney Carriage Table of Fares have come into effect, following a review having taken place, since 2012:
- March 2012

- September 2014
- September 2016
- 13th November 2017
- 13th January 2018

3.8 As there is no pattern to when a review of Fares has taken or does take place, it can come at any time during the working cycle. Given the statutory requirement to undertake a formal consultation as set down in the Local Government (Miscellaneous Provisions) Act 1976 and for Executive Member to be subsequently presented with the recommendations for consideration, a considered timetable for review would be beneficial.

3.9 In permitting a scheduled review of the Hackney Carriage Table of Fares, it would allow members of the trade to plan ahead for their business accordingly; knowing that a fare review is programmed to take place at a certain point in time during the fiscal year.

3.10 Having a scheduled review would also allow Officers to plan and prepare the consultation programme around the Committee Cycle accordingly.

3.11 Officers have indicated that should an annual fare review be undertaken, then the Consumer Price Index as indicated by the Bank of England as the current inflation rate should be taken as the basis of the consultation. Furthermore, that the consultation period for a Fare Increase should be undertaken in February/ March of each year; with a view to the revised Fares coming in to effect from 1st April each year.

4. Implications

(a) Financial Implications

Nil.

(b) Staffing Implications

Nil.

(c) Equality and Poverty Implications

Nil.

(d) Environmental Implications

Nil.

(e) Procurement Implications

Nil.

(f) Community Safety Implications

Nil.

5. Consultation and Communication Considerations

- 5.1 In accordance with the statutory procedures 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 A notice must be published in at least one local newspaper circulating the district, setting out the variation and specifying the period, which cannot be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections can be made.
- 5.3 If no objection to the variation of the Table of Fares is made, or if all objections are withdrawn, the revised Table of Fares will come into operation on the date of the expiration of the consultation period. However, if any objections are made and not withdrawn, the Executive Member will consider the objections and set a further date, not later than two months after the first specified date, on which the Table of Fares shall come into effect, with or without modifications.

6. Background papers

Background papers used in the preparation of this report:

- (a) Reports and Minutes from Licensing Committee 16th October 2017
<https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=180&MIId=3335>

7. Appendices

Appendix A – Existing Hackney Carriage Table of Fares

Appendix B – Copy of Correspondence from CCLT

Appendix C – Proposed Table of Fares

8. Inspection of papers

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

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