

CABINET

THURSDAY, 11th August 2022

REPORT OF THE PORTFOLIO HOLDER FOR VOLUNTARY SECTOR, TOWN CENTRE, EVENING ECONOMY & COMMUNITY SAFETY

Application for an increase to prescribed hackney carriage fare rates

EXEMPT INFORMATION

No exempt information

PURPOSE

To consider an application from Tamworth Hackney Carriage and Private Hire Association for an increase in the prescribed Hackney Carriage fare rate.

RECOMMENDATIONS

1. That Cabinet consider the request received from the Tamworth Hackney Carriage and Private Hire Association in relation to the increase to the current Hackney Carriage fare rates, (attached at Appendix 3)
2. That Cabinet approve the issuing of Notice of the intention to increase hackney carriage fares by advertising in local press for a consultation period of 14 days.
3. That Cabinet approve that if no objections are received, the Assistant Director Growth & Regeneration be authorised to bring the new fare structure into force on a day deemed suitable to re-calibrate taximeters.
4. In the event of objections being received that Cabinet delegate authority to the Assistant Director Growth and Regeneration and the Chair of the Licensing Committee to consider any objections.

EXECUTIVE SUMMARY

A hackney carriage is a taxi with a meter which is licensed to collect passengers from a taxi rank and is available to be hailed in the street. A private hire vehicle, such as a minicab, is not licenced to collect passengers from ranks or to be hailed in the street, but is licensed only to be hired by prior arrangement only. Fares are only set by the council for hackney carriages to which this report relates. Private hire operators set their own fares.

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 empowers the Council to fix fare rates for taxi services provided by hackney carriage proprietors licensed by the Authority.

In Tamworth, there are 190 hackney carriage and private hire drivers licensed by Tamworth Borough Council of which 99 or 52% are members of the Tamworth Hackney Carriage and Private Hire Association (THCPA). The THCPA is a voluntary body that represents those drivers with membership and historically, it is the taxi body that Tamworth Borough council

recognises for the purpose of consultation. It should also be stated that the Borough Council equally recognises and consults the views of all drivers licensed by Tamworth Borough Council.

The THCPA submitted an application to the Borough Council for an increase in the prescribed fare rate as outlined in Appendix 3.

A tariff increase amounting to the following is applied for; (Appendix 3)

50 pence on the initial flag (370.526 yds)

30 pence on the running mile (1760 yds)

Between 10:30pm and 6am and Bank holidays:

50 pence on the initial flag (370.526 yds)

45 pence on the running mile (1760 yds)

Midnight on Christmas Eve and Midnight on Christmas day
Midnight on New Year's Eve to Midnight on New Year's Day:

50p for the flag drop (370.526 yds)

60 pence on running mile (1760 yds)

RESOURCE IMPLICATIONS

The proposed increase, if granted would be advertised in the local press at a cost of £200.00 excluding VAT which can be met from existing budgets.

LEGAL/RISK IMPLICATIONS

Councils must adopt taxi fares in a prescribed manner as contained with the Local Government (Miscellaneous Provisions) Act 1976 providing that the procedure detailed in recommendations 1 - 4 are followed. Keeping fares reasonable would encourage the use of taxis thereby reducing private vehicular use, reducing pollution and congestion and assisting in promoting the night time economy however, if fares are set too high there is a risk that those most reliant on public transport are priced out of the market, this could also have an adverse impact on the night time economy and public safety

EQUALITIES

The fare structure specifically excludes extra charges made for the carriage of wheelchairs. The law prevents charges for assistance dogs.

SUSTAINABILITY IMPLICATIONS

The taxi trade is an important part of the local economy and the level of fares directly impacts on those local businesses. There has been a significant loss of licensed drivers following the Covid 19 pandemic, due to illness, better pay in other sectors and the effect of inflation. However, public safety is an important consideration regarding the night time economy, which can be sensitive to price increases.

BACKGROUND INFORMATION

Tamworth Hackney Carriage and Private Hire Association have applied for an increase in the prescribed hackney carriage fare rates. (Appendix 1). The current rates have not increased since December 2017 at which time an application for a 10p increase per mile between 06:00hrs and 24:00hrs, 15p per mile between 00:00 midnight and 06:00hrs and 20p per mile for Christmas and New Year's Day tariff of was approved by Licensing Committee. (Appendix 2)

The Association contends that apart from the above increase there has been no other increase in fare rates for almost five years. There has been a significant increase in the price of fuel because of the Covid 19 pandemic, having a significant impact on the trade. Insurance and maintenance costs have risen and the Consumer Price Index (based on September figures used for pay rises) shows an increase over the last five years of 16.5%. The increase set out in Appendix 3 represents an increase of 20% for the flag drop and 15% for the running mile. Flag drop is 3.5% higher than the CPI for the same period. Running mile is 1.5% lower than CPI for the same period. See Appendix 4 and 5 for a comparison of Tariff Tables.

Although this increase has been requested by the Taxi Association, this is the maximum fare that can be charged by a hackney carriage within the Borough, however a lower fare can be charged at each driver's discretion. Any change to the fare tariff only affects hackney carriage licensed vehicles regardless of whether the driver is a member of the taxi association. Private hire vehicles are not affected by this proposal.

REPORT AUTHOR

Wendy Smith

- **Appendix 1; Letter from Tamworth Hackney Carriage and Private Hire Association requesting tariff increase**
- **Appendix 2; Current Hackney Carriage Tariff 2017**
- **Appendix 3; Proposed Hackney Carriage Tariff**
- **Appendix 4; Comparison Tariff Table**
- **Appendix 5; Comparison Chart of Tariffs with Local Authorities**

APPENDIX 1

TAMWORTH HACKNEY CARRIAGE AND PRIVATE HIRE ASSOCIATION

FAO Mr John Morgan

On behalf of the above association I would like to inform you that a meeting was held on the 29th March 2022 at the Globe Inn Tamworth. At this meeting members voted on an increase for the trade. We have spoken to members and we request that the increase is as follows:

50p on the "flag"

30p on the running mile

Time and a half Christmas and New Years Eve from 1800-24.00

Double time from 2400 Christmas Eve to 2400 Christmas Day

Double time from 2400 New Years Eve to 2400 New Years Day

Time and a half after 2230 until 0600 every day

Time and a half for all Bank holidays

We are applying for this increase at this time because we have had no increase in the last 5 years. As you are aware all costs have risen by between 10 and 50%. The cost of buying or renting vehicles suited to the job, insurance, servicing costs, tyres and obviously fuel etc.

We would appreciate it if our request be placed before the Licensing Committee at the earliest opportunity so that it can be implemented as a matter of urgency due to the current situation we find ourselves in. Hopefully this will help us to maintain and gain more drivers as we have a shortage at this time.


Kind regards

Jon O'Gara

Chairman of the Association

i) MILEAGE - RATE 1 - Between the hours of 06:00 and midnight	
For the first 370.526 yards (338.80897m), or part thereof	£2.50
For each subsequent 88 yards (80.4672m) or uncompleted part thereof	£0.10
ii) MILEAGE - RATE 2 - Between the hours of midnight & 05:59	
For the first 370.526 yards (338.80897m), or part thereof	£3.45
For each subsequent 88 yards (80.4672m) or uncompleted part thereof	£0.15
iii) MILEAGE - RATE 3 Between the hours of midnight on 24 December & midnight on 25 December & midnight on 31 December & midnight on 1 January	
For the first 370.526 yards (338.80897m), or part thereof	£4.30
For each subsequent 88 yards (80.4672m) or uncompleted part thereof	£0.20
iv) WAITING TIME	
Waiting time only applies to: i) any delay caused by the passenger when the taxi arrives ii) when the passenger specifically asks the driver to wait For each period of 1 minute or uncompleted part thereof	£0.20
v) EXTRA CHARGES	
The rate advertised at ii) above will also apply as follows: For hirings commencing between 18:00 hours and midnight on 24 December and 1800 hours and midnight on 31 December & midnight to midnight on all Bank Holidays Fouling of Car	£80 at drivers discretion

APPENDIX 3

	<p align="center">Borough of Tamworth Hackney Carriage Fare Rates HC Plate 01/09/2022 H</p>	
<p>i) MILEAGE - RATE 1 - Between the hours of 06:00 and midnight</p>		
<p>For the first 370.526 yards (m), or part thereof</p>		<p>£3.00</p>
<p>For each subsequent yards (m) or uncompleted part thereof</p>		<p>£0.10</p>
<p>ii) MILEAGE - RATE 2 - Between the hours of 22:30 & 05:59</p>		
<p>For the first 370.526 yards (338.80897m), or part thereof</p>		<p>£3.95</p>
<p>For each subsequent yards (m) or uncompleted part thereof</p>		<p>£0.15</p>
<p>iii) MILEAGE - RATE 3 Between the hours of midnight on 24 December & midnight on 25 December & midnight on 31 December & midnight on 1 January</p>		
<p>For the first 370.526 yards (338.80897m), or part thereof</p>		<p>£4.80</p>
<p>For each subsequent 88 yards (80.4672m) or uncompleted part thereof</p>		<p>£0.20</p>
<p>iv) WAITING TIME</p>		
<p>Waiting time only applies to:</p>		
<p>i) any delay caused by the passenger when the taxi arrives</p>		
<p>ii) when the passenger specifically asks the driver to wait</p>		
<p>For each period of 1 minute or uncompleted part thereof</p>		<p>£0.20</p>
<p>v) EXTRA CHARGES</p>		
<p>The rate advertised at ii) above will also apply as follows: For hirings commencing between 18:00 hours and midnight on 24 December and 1800 hours and midnight on 31 December & midnight to midnight on all Bank Holidays</p>		
<p>Fouling of Car</p>		<p>£80 at drivers discretion</p>

Appendix 4

1st Tariff Present		
Flag Drop	Flag Drop to 370.526 yards	£2.50
Running Mile		
1 Mile	1760	£2.00
Total Cost for journey of 1 mile and 370.526 yards		£4.50

1st Tariff Proposed		
Flag Drop	Flag Drop to 370.526 yards	£3.00
Running Mile		
1 Mile	1760	£2.30
Total Cost for journey of 1 mile and 370.526 yards		£5.30

2nd Tariff Present		
Flag Drop	Flag Drop to 370.526 yards	£3.45
1 Mile	1760	£3.10
Total Cost for journey of 1 mile and 370.526 yards		£6.55

2nd Tariff Proposed		
	Flag Drop to 370.526 yards	£3.95
1 Mile	1760	£3.10
Total Cost for journey of 1 mile and 370.526 yards		£7.05

3rd Tariff Present		
Flag Drop	Flag Drop to 370.526 yards	£4.30
1 Mile	1760	£4.00
Total Cost for journey of 1 mile and 370.526 yards		£8.30

3rd Tariff Proposed		
Flag Drop	Flag Drop to 370.526 yards	£4.80
1 Mile	1760	£4.60
Total Cost for journey of 1 mile and 370.526 yards		£9.40

Appendix 5

Authority	2 Mile Fare	Last Increase	National League position out of 366
North Warwickshire	£6.10	2017	180
Tamworth	£6.10	2017	182
Tamworth (proposed)	£7.12	2022	42
Lichfield	£5.80	2021	240
East Staffordshire	£6.00	2013	193

Private Hire Taxi Monthly publish an updated hackney taxi fare league table on Tariff 1 nationally every month. Above is information obtained in May 2022 which ranks 355 Councils from 1st being most expensive to 355 being the cheapest.

It must be noted that many number of authorities have recently increased their fares and many more are looking to increase fares but have yet to do so.