

# Allerdale Borough Council

## Licensing Committee – 10 June 2022

### Executive – 22 June 2022

## Hackney Carriage Vehicles – Review of Table of Fares

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<b>Portfolio holder</b>	Councillor Colin Sharpe Portfolio Holder for Legal and Finance
<b>Report from</b>	Gillian Collinson – Senior Specialist – Licensing and Compliance
<b>Wards affected</b>	All Wards
<b>Is this a key decision</b>	Yes

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### **1.0 The reason for the decision**

- 1.1 To consider the responses received from the hackney carriage trade to a consultation held regarding the review of the table of fares charged by a hackney carriage. To also determine in light of current economic circumstances whether the table of fares charged by a hackney carriage shall be changed and determine the level.

### **2.0 Recommendations**

- 2.1 To consider the information contained within paragraph 5.0 and decide whether to vary the table of fares and set the levels accordingly; or
- 2.2 Retain the table of fares as existing.

### **2.3 Update - Licensing Committee Recommendation**

- 2.4 The Licensing Committee considered the item on 10 June 2022 together with updated information regarding the latest inflation rate available which is 11.1% for April showing an increase from 9% in March. There was no official fuel update report available but a list of fuel prices from local garages and supermarkets as of 10 June 2022 were provided for illustration.
- 2.5 The committee considered the representations received following the consultation and a discussion with members of the trade who attended the committee meeting.

2.6 The committee recommended the table of fares be varied. For convenience a draft table of fares containing the proposals highlighted in red is attached. The amendments proposed are in the following terms:

- To amend the fares as per the proposed figures in the final column of the attached document; and
- To amend the wording of tariffs 2 and 3 highlighted in red in the attached document as follows:  
Tariff 2 – to bring forward the hire time to 11.00 p.m. from midnight; and  
Tariff 3 – to extend the hire time from 4.00 a.m. to 6.00 a.m.

2.7 Due to the volatility of the economy the Licensing Committee wish to review the fares in 6 months.

### **3.0 Background and Introduction**

3.1 The principal features of a hackney carriage are:

- it can carry passengers for hire and reward;
- it can be hailed by a prospective passenger; and
- it can park on a rank to await the approach of passengers.
- It must be driven by a driver who holds a hackney carriage driver's licence.

3.2 The Local Authority lays down conditions to regulate hackney carriage vehicles to ensure their safety, and for hackney carriage drivers, to assess the suitability and propriety of the individual.

3.3 The Local Authority can also fix the rates or fares within the borough that hackney carriage proprietors can charge for their services. This can cover time, distance and all other charges in connection with the hire of a vehicle and is known as the "table of fares". Once the fares are set, the hackney proprietor must have the meter in the vehicle calibrated to those fares and sealed to prevent tampering. This is the maximum that can be charged but a proprietor does have discretion to charge less than the meter price. The meter must always be used for each fare and display the current table of fares. There is also a separate tariff card which is displayed in the vehicle for the passengers' benefit.

3.4 The fares are fixed in accordance with Section 65(1) of the Local Government (Miscellaneous Provisions) Act 1976. If Members agree to vary the fares subject to confirmation from Executive (22 June 2022), this must be published in at least one newspaper circulating in the Borough, giving at least 14 days for objections. Following the publication of such Notice, the new table of fares will come into operation on 18 July 2022 (to be confirmed), provided no objections are received. If objections are received either from the trade or the public, the item is referred back for consideration.

3.5 The last variation of the table of fares by this Authority was on 1 April 2018. Tariff 1 was increased from £2.90 to £3.20, each subsequent 1/5 of a mile from £0.39 to £0.45 and each article of luggage to £0.20.

3.6 The current table of fares for Hackney Carriage vehicles is as follows:

<b>Distance</b>
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<b>(Tariff 1)</b>	
If the distance does not exceed 1.6 kilometre (1 mile) for the whole distance	320 pence
If the distance exceeds 1.6 kilometre (1 mile) for the first kilometre (1 mile)	320 pence
For each subsequent 0.32 (1/5 of a mile) or uncompleted part thereof	45pence
<b>Waiting Time</b>	
For each period of three minutes or uncompleted part thereof	45 pence
<b>Extra Charges</b>	
(Tariff 2) For hiring commenced between Midnight and 6am	PLUS 50% OF TARIFF 1
(Tariff 3) All day on Bank and Public Holidays including Easter Sunday, Boxing Day and any Bank Holidays given in lieu of Boxing Day and to 4am on the day following those listed above. Hirings commenced between 6pm and Midnight on Christmas Eve and New Years Eve	PLUS 75% OF TARIFF 1
(Tariff 4) Christmas Day and New Years Day	PLUS 100% OF TARIFF 1
For each article of luggage conveyed outside the passenger compartment or the carriage for the whole distance	20 pence
For each person in excess of two	50 pence
<b>Fouling Charge</b>	£50.00
The above rates of fare are applicable to:	
1. Journeys taken entirely within the Borough of Allerdale.	
2. Journeys ending outside the Borough of Allerdale where no fare or rate is agreed in advance of such journeys between the hirer and the driver.	

## 4.0 Background Information

4.1 The table of fares is reviewed on an annual basis. For Members' information, the previous years' amendments have been as follows:

- |     |           |  |
|-----|-----------|--|
| i   | 10/3/1999 | <ul style="list-style-type: none"> <li>• increase from £1.60 to £1.80 for first mile</li> <li>• increase from 26 pence to 30 pence for each 1/5 of a mile</li> <li>• increase in three minute waiting charge from 32 to 35 pence.</li> </ul>   |
| ii  | 23/2/2000 | <ul style="list-style-type: none"> <li>• increase from £1.80 to £2.00 for first mile</li> <li>• increase from 30 pence to 32 pence for each 1/5 of a mile (members originally recommended that Tariff 2 commence at 11pm. However this was amended to midnight at full Council on 12 January 2000).</li> </ul> |
| iii | 01/4/2002 | <ul style="list-style-type: none"> <li>• increase from £2.00 to £2.20 for first mile</li> <li>• increase from 32 pence to 36 pence for each 1/5 of a mile</li> </ul>   |

		<ul style="list-style-type: none"> <li>• increase in three minute waiting charge from 35 to 36 pence</li> <li>• fouling charge increased from £25 to £50.</li> </ul>
iv	01/4/2003	<ul style="list-style-type: none"> <li>• Licensing Committee recommended an increase but was not accepted by Full Council. The tariff remained unchanged.</li> </ul>
v	01/4/2004	<ul style="list-style-type: none"> <li>• Only Tariff 3 amended to include between 6.00pm and Midnight on Christmas Eve and New Years Eve.</li> </ul>
vi	01/4/2005	<ul style="list-style-type: none"> <li>• Increase of Tariff 1 from £2.20 to £2.40 for first mile.</li> </ul>
vii	01/4/2006	<ul style="list-style-type: none"> <li>• No change.</li> </ul>
viii	01/4/2007	<ul style="list-style-type: none"> <li>• Increase of Tariff 1 from £2.40 to £2.60 for first mile</li> <li>• For each person in excess of two from 25p to 50p.</li> </ul>
ix	01/4/2008	<ul style="list-style-type: none"> <li>• No change.</li> </ul>
x	01/4/2009	<ul style="list-style-type: none"> <li>• Tariff 3 extended to 4am on days following bank and public holidays.</li> </ul>
xi	01/6/2010	<ul style="list-style-type: none"> <li>• Tariff 1 and 3 amended.</li> </ul>
xii	01/04/2011	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xiii	01/04/2012	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xiv	01/04/2013	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xv	01/04/2014	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xvi	01/04/2015	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xvii	01/04/2016	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xviii	01/04/2017	<ul style="list-style-type: none"> <li>• No change</li> </ul>
xix	01/04/2018	<ul style="list-style-type: none"> <li>• As paragraph 3.5</li> </ul>

## 5.0 Content

### 5.1 Consultation and responses from the trade

5.2 The table of fares review usually takes place on an annual basis but there was no review in 2019, 2020 or 2021. A consultation with the hackney carriage trade took place between 19 April 2022 and 13 May 2022. Within that time, 13 responses were received. They are attached as appendices to this report at A-M.

### 5.3 Fuel Price Report (Source: AA)

5.4 For Members' information, extracts from the Fuel Price Report are in the table below. The reports are published on a monthly basis and shows the UK average price across garages and supermarkets for diesel and super unleaded per litre. The information extracted illustrates the changes in price since the last variation of the table of fares in April 2018 and in particular the increases in the last four months.

Garages and Supermarkets	Diesel (pence)	Super unleaded (pence)
April 2018	124.2	131.3
April 2019	132.0	137.3
April 2020	115.6	125.9
April 2021	129.1	138.5
December 2021	149.6	155
January 2022	149	157.5
February 2022	151.6	160.1
March 2022	173.8	174.4
April 2022	175.9	175.8

## 5.5 Comparison of Table of Fares (Source: Private Hire and Taxi Monthly)

5.6 The Private Hire and Taxi Monthly Trade publication (PHTM) updates the cost of a two mile hackney carriage taxi fare on Tariff 1 nationally every month for all councils. For comparison purposes, the list of fares as at May 2022 is attached as Appendix N. In the document the red upwards arrow indicates an increase and specifies the amount. The grey circle indicates no change. Tariff 1 at Allerdale is currently £3.20 for the first mile and multiplied by £0.45 for each 1/5<sup>th</sup> of a mile, which totals £5.45 for 2 miles. Allerdale is currently at position 292 out of 355 of the fares. The six entries at the bottom of the table show as zero as those councils don't impose a compulsory fare and hackneys can negotiate their own individual fare.

## 5.7 Inflation – Retail Price Index (RPI) (Source: Office for National Statistics)

5.8 The RPI is the most well known measure of inflation in the UK. It monitors the monthly change in prices of goods and services used by a typical UK household. The measure of inflation adopted tracks the changing cost of a fixed basket of goods and services over time. The basket is revised each year to reflect changes in consumer spending habits. It includes a range of expenses from council tax to washing powder, but broadly covers the following groups:

- Food
- Alcoholic drink (off sales) and tobacco
- Clothing and footwear
- Housing, fuel and light
- Household goods and domestic services
- Personal goods and services (health related)
- Motoring expenditure, fares and other travel costs
- Leisure goods and services
- Catering and alcoholic drink (on sales)
- Personal goods and services (non-health related)

5.9 From the published figures, the percentage rate of inflation since the last variation in the table of fares is reproduced as follows:

January 2018: 4.0% decreasing to 2.7% at December 2018

January 2019: 2.5% decreasing to 2.2% at December 2019  
 January 2020: 2.7% decreasing to 1.2% at December 2020  
 January 2021: 1.4% increasing to 7.5% at December 2021  
 January 2022: 7.8%  
 February 2022: 8.2%  
 March 2022: 9.0%

## 5.10 National Minimum Wage (NMW) and National Living Wage (NLW)

5.11 The minimum wage a worker should get depends upon their age and whether they are an apprentice. The NMW is the minimum pay per hour that almost all workers are entitled to. The NLW is higher than the NMW workers receive if they are over 23. The NMW still applies for workers aged 22 and under but must be of school leaving age. The rates change on 1 April every year. The rates are based on recommendations made by the Low Pay Commission (LPC) with the current rates based on recommendations made in October 2021. The LPC is an independent public body that advises the Government each year on the NMW and NLW.

5.12 The rates since the last variation in the table of fares are as follows:

### Rates before 1 April 2021

Before 1 April 2021 the National Living Wage was for those aged 25 and over.

	<b>25 and over</b>	<b>21 to 24</b>	<b>18 to 20</b>	<b>Under 18</b>	<b>Apprentice</b>
<b>April 2020 to March 2021</b>	£8.72	£8.20	£6.45	£4.55	£4.15
<b>April 2019 to March 2020</b>	£8.21	£7.70	£6.15	£4.35	£3.90
<b>April 2018 to March 2019</b>	£7.83	£7.38	£5.90	£4.20	£3.70

	<b>23 and over</b>	<b>21 to 22</b>	<b>18 to 20</b>	<b>Under 18</b>	<b>Apprentice</b>
<b>April 2021 to March 2022</b>	£8.91	£8.36	£6.56	£4.62	£4.30
<b>April 2022</b>	£9.50	£9.18	£6.83	£4.81	£4.81

## 6.0 Delivery arrangements

6.0 Any variation approved by Executive will be advertised in accordance with legislation. Providing there are no objections, a new table of fares tariff card will be issued to each licensed hackney carriage vehicle. The proprietor will arrange for the meter to be re tariffed by a registered agent for the meter company. The meter will be tested at the next scheduled inspection of the vehicle.

**6.1 Contribution to Council Strategy Priorities, Outputs and Outcomes**

6.1.1 Thriving towns and villages – Residents and visitors require access to leisure and cultural facilities, shops and services and to visit the towns to attend festivals, events, cultural and other attractions. For many this access is via the hackney carriage trade. By considering the economic climate when determining the maximum fares the hackney trade can charge this will help support those businesses financially and in turn support the business or facilities being visited.

6.1.2 Invest to grow – Existing businesses need to see Allerdale as an area where they can stay and grow. Growing the economy will in turn help support the range of services and facilities that people need and expect in their area. By making businesses financially viable will help create more work opportunities.

**6.2 Finance/Resource implications**

6.2.1 The council will incur advertising fees which are within budget and the hackney carriage trade will incur a fee of approximately £25 plus VAT to re-tariff their meters if there is a variation to the table of fares.

**6.3 Legal and governance implications**

6.3.1 The procedure to set the table of fares is governed by S.65(1) Local Government (Miscellaneous Provisions) Act 1976.

**6.4 Risk analysis**

A scored and mitigated risk log

Risk	Consequence	Controls required	Mitigated score

**6.5 Increasing satisfaction and service**

6.5.1 Consultation and the implementation of the appropriate fares will involve community and trade engagement with the outcome supporting better local services giving both the trade and the public the confidence in the safety and protection given when working or travelling in hackney and private hire vehicles.

**6.6 Equality impacts**

6.6.1 Standards will be applied equally across the hackney licensed trade and for this reason it is not necessary to complete an impact assessment.

## **6.7 Health and Safety impacts**

6.7.1 Affording to maintain standards will promote the health and safety of the trade and the travelling public.

## **6.8 Health, wellbeing and community safety impacts**

6.8.1 The focus of the standards is to protect children and vulnerable adults and the nature of them will by extension, protect all passengers and the people working in the trade.

## **6.9 Environmental/sustainability impacts**

6.9.1 Not applicable

## **6.10 Other significant implications**

6.10.1 No other significant implications.

### **Appendices attached to this report**

<b>Appendix number</b>	<b>Title of appendix</b>
<b>A-M</b>	<b>Responses to consultation</b>
<b>N</b>	<b>Comparison of table of fares (PHTM)</b>

### **Background documents available**

<b>Name of background document</b>	<b>Where it is available</b>

### **Report author(s) and contact officer(s):**

*Gillian Collinson*

*Senior Specialist – Licensing and Compliance*

*[gillian.collinson@allerdale.gov.uk](mailto:gillian.collinson@allerdale.gov.uk)*

*0303 123 1702*