

# Allerdale Borough Council

## Licensing Committee – 6 February 2023

### 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 review the decision made to increase the table of fares in 2022 in light of updated current economic circumstances.

#### **2.0 Recommendations**

- 2.1 To consider the information contained within paragraphs 5 and 6 and decide whether to vary the table of fares and set the levels accordingly; or
- 2.2 Retain the table of fares as existing.

#### **3.0 Background and Introduction**

- 3.1 The Local Authority 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, 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, provided no objections are received. If objections are received either from the trade or the public, the item is referred back for consideration. A new date will then be set which cannot be more than 2 months after the original date.

3.5 The last variation of the table of fares by this Authority was on 10 June 2022 and came into effect on 18 July 2022. The decision was considered in conjunction with written representations from members of the trade, those present at the meeting and financial information accompanying the report. A copy of the report is attached at appendix 1. A comparison of the fares before and after the variation is attached at appendix 2. The proposed figures recommended by Licensing Committee and confirmed by Executive are in red.

3.6 Other amendments to the fares included the following:

Tariff 2 – hiring time to start at 11.00pm instead of midnight; and  
Tariff 3 – hiring time extended to 6.00am from 4.00am on specified days.

## **4.0 Background Information**

4.1 The Licensing Committee considered a review of the fares taking into account the level of inflation, fuel prices and the minimum wage that businesses are subject to. In addition 13 responses from the trade following a consultation were considered. Four members of the trade attended the committee meeting and answered questions from the Members, expanded on their consultation responses and entered into a discussion with the committee about the running costs of their businesses.

4.2 It was decided a 10% increase would be appropriate due to the above and it was also acknowledged that the last increase was 1 April 2018. Together with the trade the figures were agreed with tariffs 2 and 3 being rounded and a rewording to amend the times due to the pattern of the night time economy changing. There was no appetite to increase the price for each article of luggage conveyed outside the passenger compartment by either the trade or the committee.

4.3 The fouling charge was increased significantly as it is recognised that as well as a valeting charge the vehicle would be unusable for the remainder of the day/evening with the business incurring lost fares.

4.4 In light of the fast moving economic changes the Licensing Committee requested that a further review take place in 6 months.

## **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 requesting an increase.

### 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 across the North West. Information has been updated since the last report to Committee to include fuel price reports from May 2022.

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
<b>May 2022</b>	<b>179.8</b>	<b>178.5</b>
<b>June 2022</b>	<b>196.1</b>	<b>199.6</b>
<b>July 2022</b>	<b>196.6</b>	<b>199.8</b>
<b>August 2022</b>	<b>183.2</b>	<b>185.9</b>
<b>September 2022</b>	<b>181.0</b>	<b>177.0</b>
<b>October 2022</b>	<b>186.5</b>	<b>177.8</b>
<b>November 2022</b>	<b>188.0</b>	<b>178.3</b>

5.5 A comparison of the prices per litre at 10 June 2022 and the writing of this report in the Allerdale area are below:

	10/06/22	10/06/22	20/01/23	20/01/23
Locality/Garage	Diesel (pence)	Unleaded (pence)	Diesel (pence)	Unleaded (pence)
Asda	181.7	174.7	167.7	142.7
Aspatria	Unknown	Unknown	169.9	144.9
Cockermouth	190.9	189.9	174.9	149.9
Keswick	Unknown	Unknown	169.9	144.9
Maryport	186.9	182.9	169.9	144.9
Morrisons	182.7	175.7	167.7	142.7
Seaton	187.9	183.9	169.9	144.9
Silloth	Unknown	Unknown	168.5	151.5
Stainburn	192.9	189.9	169.9	144.9
Wigton garage 1	Unknown	Unknown	169.9	152.9
Wigton garage 2	Unknown	Unknown	169.9	144.9

## 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. At January 2023 from the highest fare down Allerdale is currently at position 272 out of 350 of the fares.

## 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 Information has been updated since the last report to Committee to include RPI price reports from April 2022.

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%
<b>April 2022:</b>	<b>11.1%</b>
<b>May 2022:</b>	<b>11.7%</b>
<b>June 2022:</b>	<b>11.8%</b>
<b>July 2022:</b>	<b>12.3%</b>
<b>August 2022:</b>	<b>12.3%</b>
<b>September 2022</b>	<b>12.6%</b>
<b>October 2022:</b>	<b>14.2%</b>
<b>November 2022:</b>	<b>14.0%</b>
<b>December 2022:</b>	<b>13.4%</b>

## 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 2022. The LPC is an independent public body that advises the Government each year on the NMW and NLW.

5.12 The rates are as follows:

	<b>23 and over</b>	<b>21 to 22</b>	<b>18 to 20</b>	<b>Under 18</b>	<b>Apprentice</b>
<b>April 21 - March 22</b>	£8.91	£8.36	£6.56	£4.62	£4.30
<b>April 22 – March 23</b>	£9.50	£9.18	£6.83	£4.81	£4.81
<b>April 23 – March 24</b>	£10.42	£10.18	£7.49	£5.28	£5.28

## 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 of approximately £1200.00 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.
- 6.3.2 The committee should consider the timescales involved in any amendments. Executive which will hear any proposal for amendment will be on 15 March. The advertisement could not be placed until the week after for 14 days. If there are comments in response to the advertisement the matter must be referred back. Due to vesting day on 1 April it will not be possible to re-consider. The taxi policies of the sovereign councils are already being reviewed with a view to amalgamating at the earliest possible opportunity. This will include the table of fares.

### 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

Appendix number	Title of appendix
1	Licensing Committee report dated 10/06/22
2	Comparison of table of fares before and after last variation

## Background documents available

Name of background document	Where it is available
Responses to original consultation	Licensing Department

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